

Charter Contract Between the
New Mexico Public Education Commission
And
Horizon Academy West

This Charter Contract, (the "Contract"), is hereby entered into by and between the New Mexico Public Education Commission, (the "Commission"), and Horizon Academy West, (the "School", and, together with the Commission, the "Parties"), a New Mexico Charter School, effective this 1st day of July 2018.

WHEREAS, the Commission is created pursuant to Article 12, Section 6 of the New Mexico Constitution, with such powers and duties as are provided by law; and,

WHEREAS, the Commission is authorized pursuant to the Charter Schools Act, § 22-8B-1, *et seq.*, New Mexico Statutes Annotated, 1978, as amended and supplemented, (the "Act"), to, *inter alia*, authorize charter applications that meet the requirements of the Act, and to negotiate and execute, in good faith, charter contracts that meet the requirements of the Act with approved charter schools; and,

WHEREAS, the Commission is further authorized pursuant to the Act, to monitor charter schools' compliance with the requirements of the Act, and with the requirements of the charter and Contract for each approved charter school; and,

WHEREAS, the Commission is further authorized pursuant to the Act to determine whether an approved charter school merits suspension, revocation, or nonrenewal; and,

WHEREAS, the Commission approved the charter application for the School on March 26, 2018, (the "Charter"); and,

WHEREAS, pursuant to the Act and the Charter, the Commission and the School wish to enter into this Contract in compliance with the Act, and in order to set out the performance frameworks, as that term is defined in the Act, that define the financial, academic, and operations performance indicators, measures and metrics that will guide the evaluation of the School.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises and covenants herein contained, the Commission and the School agree:

SECTION 1: DEFINITIONS

Capitalized terms defined in this Section 1 shall have the meaning specified in this Section 1 wherever used in this Contract, including the foregoing recitals, unless the context clearly requires otherwise. Capitalized terms defined in the foregoing recitals, if not defined in this Section 1, shall have the same meaning as stated when used in this Contract, unless the context clearly requires otherwise.

"Audit Act" means § 12-6-1 through 12-6-14, NMSA 1978, as amended and supplemented.

"Chair" means the chairperson of the Commission, as elected by the members of the Commission, pursuant to the Act, from time to time.

"Charter Representative(s)" means Storm Gonzalez, Cynthia Carter, Carrie Rodriguez as the person(s) authorized to sign the Contract, and other documents, on behalf of the School, and to legally bind the School to the Contract and other documents as required under the Act.

"Comprehensive Educational Program" means an educational program that meets Department academic standards as identified in this contract.

"Compulsory School Attendance Law" means the compulsory school attendance law set out at § 22-12-1 through 22-12-9, NMSA 1978, as amended and supplemented.

"Corrective Action Plan" means a plan developed by the School and submitted to the Commission to remedy operational, or financial violations or problems.

"Criminal Offender Employment Act" means the criminal offender employment act set out at § 28-2-1, *et seq.*, NMSA 1978, as amended and supplemented.

"Days" means calendar days.

"Department" means the Public Education Department of the State of New Mexico, and its successors.

"Division" means the Charter School Division of the Department, and its successors.

"Effective Date" means the effective date of this Contract, which is July 1, 2018, found on the last page of this Contract with signatures.

"Facility" or "Facilities" means the facilities, including without limitation, all buildings classrooms, and other spaces owned or leased by the School, and used by the School, its staff, teachers, and students, for educational and recreational purposes, and other purposes connected with the Mission of the School.

"Governing Body" means the governing body of the School, and any successor thereto.

"Head Administrator" means a Charter Representative, as defined herein, who is also a licensed school administrator.

"Instructional Hours" means mandatory instructional time during which students are engaged in a School-directed program, and for which the School enforces the Compulsory School Attendance Law.

"Mission" means the educational and pedagogical mission of the School, as set out in Section 4.1 herein.

"NMAC" means the New Mexico Administrative Code, as amended and supplemented from time to time.

"NMSA, 1978" means the New Mexico Statutes Annotated, 1978 compilation, as amended and supplemented from time to time.

"Procurement Code" means §13-1-101, *et seq.*, NMSA 1978, as amended and supplemented from time to time.

"Public School Finance Code" means § 22-8-1, *et seq.*, NMSA 1978, as amended and supplemented from time to time.

"School Improvement Plan" means a plan developed by the School and submitted to the Commission to remedy academic performance.

"Secretary" means the Secretary of the Department, and his or her duly appointed successors.

"State" means the State of New Mexico.

"Term" means the term of this Contract, as set forth in Section 3, herein.

SECTION 2: SCOPE

1. This Charter Contract is entered into between the School and the Commission for the purpose of establishing a charter school to operate at the site(s) listed in Section 4.10. of this Contract.
2. The person authorized to sign and act on behalf of the Commission is the Chair, or such person as the Chair may lawfully designate from time to time.

The person(s) authorized to sign on behalf of the Charter School is/are the Charter Representative(s). The Charter Representative(s) affirm(s) as a condition of this Charter, that he/she is (one of) the above-described representative(s) of the Charter School and has the authority to enter into this Charter on behalf of the Charter School.

- i. The Charter School must maintain one or more Charter Representative(s), including one Charter Representative who is a Head Administrator, and provide contact information to the Commission within 30 days of the change of a Charter Representative(s).
 - ii. The Commission shall direct all communication with regard to the Charter and the Contract to the Charter Representative(s).
 - iii. The Charter Representative(s) shall respond to written communication from the Commission within the timeframe specified in the communication, which shall be no less than three business days absent exigent circumstance.
3. The Charter School is a public entity of the State of New Mexico, subject to all laws and regulations applicable to public entities.

SECTION 3: TERM

1. The term of this Contract shall be in full force and effect until June 30, 2023. The Contract will not automatically be renewed or extended; the Contract may be renewed by the Commission upon timely application by the School pursuant to the Act, and upon such terms and conditions as the Commission deems appropriate under the Act.

SECTION 4: REPRESENTATIONS, COVENANTS, AND WARRANTIES

1. **Purpose:** The School shall operate a public school consistent with the terms of the Charter and the Contract, and all applicable laws; shall achieve student outcomes according to the educational standards established by law, this Charter and Contract; and shall be governed and managed in a financially prudent manner.
2. **Mission:** The Charter School shall implement the mission identified below and shall report on the implementation of that mission in the manner described below.
 - i. Horizon Academy West has a commitment to educational excellence, and our staff is dedicated to providing a rigorous, creative, well-rounded education for all students. Our school is committed to helping each student master his or her subjects, and learn to think – critically and creatively.
 - ii. The Charter School shall report on the implementation of its mission in the following manner:
 - a. Annually during the performance review visit required by the Act, as evaluated through the site visit team's observations and the school's response to any such observations;

- b. Annually through any mission specific goals identified in the School's Performance Framework, Attachment A, incorporated herein by reference; and
 - c. At renewal, in the event that the School applies to the Commission for renewal, through a narrative in the renewal application.
- 3. **Enrollment Cap and Authorized Grade Levels:** The School is authorized to serve no more than 500 students in grades K-5.
 - i. The School may make modifications as to the number of students in any particular grade, and number of students within a class to accommodate staffing decisions that are consistent with the School's programmatic needs; except that, nothing in this Contract shall give the School the authority to combine students from different grade levels into the same classroom unless the school's educational program explicitly provides for mixed grade or age education.
 - ii. The School must annually, prior to beginning the annual enrollment process, establish the number of vacancies by grade level available for student enrollment in that year. That number will govern the enrollment throughout the school year.
 - iii. The School may not exceed the building capacity of the Facility, which is 685.
- 4. **Relationship with a Non-Profit Foundation:**
 - i. The school has a relationship with Horizon Academy Foundation, a non-profit foundation the primary purpose of which is to provide financial support to the school or leases the facility for the charter school
 - ii. The identity of the Board of Directors and Executive Director of foundation with a conflict of interest disclosure from each are provided in Attachment B.
- 5. **Comprehensive Educational Program of the School:** The School's educational program shall be as described below:
 - i. Every student participates in a daily 90 minute reading block at their reading level with both whole group and small group instruction. Students are evaluated several times a year for placement at their level using the schools short cycle assessment. Between evaluations, teachers identify students who are outpacing their group or struggling and have students moved at the teachers' discretion to a group with a commensurate skill set.
 - ii. In addition to whole group instruction, every student participates in small group instruction for math; students move to a higher level as they become proficient at their initial placement.
 - iii. The use of technology and equipment is integrated into classroom strategies to improve levels of achievement of the state standards and benchmarks, which includes technology literacy.
 - iv. Students attend school four days a week.
 - v. Every grade level participates in a Community Service project each year.
 - vi. Horizon Academy West holds various family engagement events such as Art Expo, Math and Science nights, and Literacy nights.

6. Governance:

- i. The School shall be governed by a governing body in the manner set forth in the governing body's bylaws, Attachment C, incorporated herein by reference.
- ii. The School's Governing Body shall have at least five members at all times; the exact number of Governing Body Members shall be specified in the bylaws.
- iii. The School shall notify the Commission of all changes in membership within 30 days of the change.
- iv. The Charter School shall replace any member who is removed or who resigns within 45 days of such removal or resignation.
- v. No member of the Governing Body shall serve on the governing body of another charter school, unless the School has been granted a discretionary waiver from the Secretary.
- vi. All governing body members shall comply with training requirements established in Section 6.80.5 NMAC, as amended.
- vii. The School shall notify the Commission within 15 days of any and all allegations of, or convictions for, inappropriate contact with a student or other minor by a member of the Governing Body, and shall notify the Commission within 15 days of allegations of, or convictions for, any crime related to the misappropriation of school funds or theft of school property by a member of the Governing Body.
- viii. The members of the Governing Body have a duty to comply with the provisions of this Contract, all applicable laws, including, without limitation, the Act, all regulations, and reporting requirements.
- ix. The Governing Body is responsible for the policy decisions of the School; is responsible for hiring, overseeing, and terminating the Head Administrator of the School; and is entrusted with oversight of expenditure of public funds in accordance with all applicable laws, regulations and rules, including but without limitation any laws or rules pertaining to conflicts of interest, public school finance, and procurement.
- x. The Governing Body shall, at all times, be qualified to act as a qualified board of finance as demonstrated in Attachment D, which is incorporated by reference.
- xi. In order to initially become qualified as a board of finance, the school shall provide:
 - a. The names, home addresses, personal email addresses, and personal phone numbers of each member of the board;
 - b. A statement signed by every member of the Governing Body stating that the Governing Body agrees to consult with the Department on any matter not covered by the manual of accounting and budgeting before taking any action relating to funds held as a board of finance;
 - c. A signed affidavit from each member of the Governing Body member declaring that the member is not a member of the governing body of any other charter school, unless it has been granted a waiver by the Secretary for that purpose, and that the member was not a governing body member of another charter school that was suspended and was not reinstated, or failed to receive or maintain its board of finance designation; and

- d. An affidavit or affidavits, signed by the School's licensed business official who will be given the responsibility of keeping the financial records of the School, describing the training completed, professional licensure held and degrees earned by him or her;
- e. A copy of a certificate of insurance that indicates that the person who will be entrusted with handling the funds of the School is adequately bonded.
- xi. Within 30 days of the change to any member of the Governing Body or the School's licensed business official who will be given the responsibility of keeping the financial records of the charter school, the school shall resubmit all information required in Section 4. Subsection 6.xi(a)-(e) above, revised to reflect the changes in staffing or board membership.
- xii. If at any time, the School's qualification as a board of finance is revoked by the Department, the Commission shall, at its next regularly scheduled meeting, consider whether to commence revocation proceedings to revoke the School's Charter. If the Commission decides not to revoke the charter, the School shall be required to develop and successfully implement a Corrective Action Plan to address the conditions and causes of the revocation of the School's qualification as a board of finance.

7. Operation:

- i. The School shall be nonsectarian in its charter school programs, admission policies and employment practices and all other operations. Attachment E, incorporated herein by reference, states the School's admission policies and procedures.
- ii. The School shall comply with all federal and state laws relating to the education of children with disabilities.
- iii. The School shall comply with applicable federal, state and local rules, regulations and statutes relating to health, safety, civil rights and insurance.
- iv. The School shall, in accordance with the Compulsory School Attendance Act, maintain records to document daily student attendance and shall make such records available for inspection upon request of the Commission and the Department. The School shall comply with the number of overall instructional hours required by statute, based on the grade levels served, which may be verified through budget reporting.
- v. The School shall maintain student records in accordance with all other New Mexico public records retention requirements.
- vi. The School shall allow the Commission and the Department to visit each school site at any reasonable time.
- vii. The School shall allow the Commission and the Department to conduct financial, program or compliance audits and shall hold open for inspection all records, documents and files relating to any activity or program provided by the School relating to the School. All books, accounts, reports, files and other records relating to this Charter and Contract shall be subject, during normal business hours, to inspection and audit by the State for five years after termination of the Charter and the Contract.
- viii. The School shall notify the Commission and the Department within 15 days of the allegations of, or convictions for, inappropriate contact with a student or other minor by any staff member, employee, or contractor and shall notify the Commission within 15

days of allegations of, or convictions for, any crime related to the misappropriation of school funds or theft of school property by any staff member.

- ix. If the School receives federal grant funds that flow through the Department, the School shall timely submit financial and other reports required by the Department for the School's receipt of such funds.
 - x. The School shall comply with applicable federal, state and local rules, regulations and statutes relating to public education unless the School is specifically exempted from the provision of law. All members of the Governing Body shall sign a certificate, in the form attached hereto as Attachment F, certifying their compliance with all federal and state laws governing the organizational, programmatic, and financial requirements applicable to charter schools. Within 30 days of any change to the membership of the Governing Body, the School shall provide a signed certification from any new members in the form of Attachment F, which will be incorporated into this Contract.
 - xi. The School shall identify the non-discretionary waivers the School is utilizing and the discretionary waivers the School has requested from the Secretary in Attachment G, incorporated herein by reference.
 - a. If the school requests from, and is granted a discretionary waiver by the Secretary at any point during the Term, the School shall file a notification within 30 days of approval from the Secretary with the Commission to amend the Contract to reflect such waiver.
 - b. If the School begins making use of any additional non-discretionary waivers at any point during the charter term, the School shall file a notification within 30 days of first use of the waiver with the Commission to amend the contract to reflect the use of such non-discretionary waiver.
8. **Use of Volunteers:** The School covenants and represents that all volunteers it allows access to its students or the Facility will comply with state regulations regarding the use of volunteers set out in Section 6.50.18 NMAC.
9. **Background Checks:** The School shall comply with the requirements of Section 22-10A-5 NMAC 1978, relating to background checks for all staff, instructors, and volunteers, in whatever capacity, working with its students or at the Facility.
- i. The School shall develop and implement policies and procedures to require background checks on an applicant who has been offered employment, and for all volunteers, contractors and contractor's employees with unsupervised access to students at the public school. The School shall comply with the Criminal Offender Employment Act.
 - ii. The Head Administrator of the School shall report to the Department any known conviction of a felony or misdemeanor involving moral turpitude of a licensed or certified school employee.
 - iii. The Head Administrator of the School or their respective designees shall investigate all allegations of ethical misconduct about any licensed or certified school employee who resigns, is being discharged or terminated or otherwise leaves employment after an allegation has been made, or incident occurs. If the investigation results in a finding of wrongdoing, the Head Administrator of the School shall report the identity of the licensed or certified school employee and attendant circumstances of the ethical misconduct on a standardized form to the Department and the licensed or certified school employee within thirty days following the separation from employment. No agreement between a departing licensed or certified school employee and the School

shall diminish or eliminate the responsibility of investigating and reporting the alleged ethical misconduct, and any such provision or agreement to the contrary is void and unenforceable

10. **Sites:** The School shall provide educational services, including the delivery of instruction, at the following location(s):

Horizon Academy West (K-5)
3021 Todos Santos, NW
Albuquerque, NM 87120

The School shall ensure the Facilities meet the charter school facilities standards in Section 22-8B-4.2(A, C, D) NMSA 1978, and shall ensure that the facilities comply with all applicable federal, state and local health and safety standards and other applicable laws, regulations and rules. The School shall provide the Lease(s) or Lease Purchase Agreement(s) for all facilities, which is attached to this contract as Attachment H incorporated herein by reference.

SECTION 5: PERFORMANCE FRAMEWORKS

1. **Performance Framework: Attachment A**, incorporated herein by reference, includes the Accountability Plan, Academic Performance Framework, Organizational Performance Framework, and Financial Performance Framework adopted by the Commission. These documents together set forth the academic and operational performance indicators and performance targets that will guide the Commission's evaluation of the School and the criteria, processes and procedures that the Commission will use for ongoing oversight of operational, financial and academic performance of the School.
2. **Academic Performance Indicators and Evaluation:** The School shall:
 - i. Provide a comprehensive educational program that aligns with the state academic standards prescribed by the Department for the grades approved to operate.
 - ii. Participate in the State-required assessments as designated by the Department or the U.S. Department of Education.
 - iii. Timely report student level data for State-required assessments to the Department and report student level data from school administered assessments, as requested by the Commission or on a bi-annual basis if that data is incorporated into the Academic Performance Framework adopted by the Commission.
 - iv. Meet or make substantial progress toward achievement of the Department's standards of excellence (C or better in the A-F Grading).
 - v. Meet or make substantial progress toward achievement of the Department's standards of excellence or the performance standards identified in the Academic Performance Framework as adopted and modified periodically by the Commission.
 - a. The Academic Performance Framework adopted by the Commission allows for the inclusion of additional rigorous, valid and reliable mission specific indicators proposed by a charter school to augment external evaluations of its performance, provided that the Commission approves of the quality and rigor of such proposed indicators and the indicators are consistent with the purposes of the Act. Any such indicators will be incorporated into Attachment A.
 - b. If the School fails to meet its academic performance indicators in any year it

must develop, submit, and begin implementing a School Improvement Plan within 60 days of the release of the academic performance information. The School Improvement Plan will be submitted to the Commission, but the Commission will not evaluate the quality of, or approve, the plan. The Commission may evaluate implementation of the plan through its annual site visits and provide feedback to the School regarding fidelity of implementation and effectiveness of the plan in improving School performance.

- c. If the School does not meet the performance standards in the Performance Framework, it shall "make substantial progress" toward achievement of those standards as it is defined in the Commission's Accountability Plan included in Attachment A.
 - d. Failure to meet or make substantial progress toward meeting the performance standards shall be sufficient justification to revoke or non-renew the School's Charter.
- vi. The Commission is not required to allow the school the opportunity to remedy the problem if unsatisfactory review warrants revocation.

3. Organizational Performance Indicators and Evaluation: The School shall:

- i. Comply with applicable federal, state and local rules, regulations and statutes relating to public education unless the School is specifically exempted from the provision of law.
- ii. Timely submit all documentation, financial and other reports required by the Department or the Commission in order to evaluate the School's compliance with applicable federal, state and local rules, regulations and statutes relating to public education.
- iii. Provide a written copy to the Commission, within 15 days of receiving a written notice of complaint filed against the School alleging violations of federal, state, or local law, regulation or rule, or a final determination from another state government division or agency, or state or federal court regarding any such complaint against the School.
- iv. Cooperate with the Commission or authorized representative to enable them to conduct annual site visits and all other auditing visits requested or required by the Commission or the Department.
- v. Meet the organizational performance standards identified in the Organizational Performance Framework as adopted and modified periodically by the Commission.
 - a. If the school fails to meet its organizational performance indicators, the School will be provided notice through the procedures in the Commission's Accountability Plan included in Attachment A.
 - b. The school may be required to develop, submit and implement a Corrective Action Plan to address deficiencies in its organizational performance. All Corrective Action Plans must be submitted to the Commission, but the Commission will not evaluate the quality of, or approve, the plan. The Commission may evaluate implementation of the plan through its site visits and provide feedback to the School regarding fidelity of implementation and effectiveness of the plan in improving school performance.
 - c. Failure to meet the organizational performance standards shall be sufficient justification to revoke or non-renew the School's Charter.

- vi. The Commission is not required to allow the school the opportunity to remedy the problem if unsatisfactory review warrants revocation.

4. Financial Performance Indicators and Evaluation: The School shall:

- i. Meet generally accepted standards of fiscal management which shall include complying with all applicable provisions of the Public School Finance Code, the Procurement Code, and the Audit Act; paying debts as they fall due or in the usual course of business; complying with all federal requirements related to federally funded programs and awards; refraining from gross incompetence or systematic and egregious mismanagement of the School's finances or financial records; and preparing and fairly presenting its financial statements in accordance with accounting principles generally accepted in the United States of America, which include the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- ii. Timely submit all documentation, financial and other reports required by the Department or the Commission. The School shall further timely submit any Corrective Action Plans or additional financial reporting or documentation that may be required by the Department or the Commission.
- iii. Cooperate with the Commission to enable them, or its authorized representative to conduct all auditing visits requested or required by the Commission or the Department.
- iv. Meet the financial performance standards identified in the Financial Performance Framework as adopted and modified periodically by the Commission, or provide an adequate response to explain why the School does not meet the performance standards and demonstrate the school is a financially viable and stable organization.
- v. Failure to meet generally accepted standards of fiscal management shall be sufficient justification to revoke or non-renew the School's Charter.
- vi. The School shall have a designated licensed business official and certified procurement officer. The School shall identify the current individual designated as the certified procurement officer and contains their CPO certification in Attachment I incorporated herein by reference. The school shall notify the Commission of all changes to the designated licensed business official or certified procurement officer within 30 days.
- vii. The Commission is not required to allow the school the opportunity to remedy the problem if unsatisfactory review warrants revocation.

5. Chartering Authority's Duties and Liabilities: The Commission, shall:

- i. Evaluate all applications submitted by this charter school, including properly submitted amendment requests, and act timely on any such applications or requests;
- ii. Monitor the performance and legal compliance of the School, in accordance with the requirements of the Act and the terms of the Charter and Contract;
- iii. Review all relevant information to determine whether the School merits suspension, revocation or nonrenewal. All evaluation and monitoring will be carried out using the processes and criteria established in the Accountability Plan in Attachment A;
- iv. Conduct all its activities in accordance with its chartering policies and practices, which shall be modified from time to time to be consistent with nationally recognized principles

and standards for quality charter authorizing in all major areas of authorizing; and

- v. Promptly notify the Governing Body of the School of unsatisfactory fiscal, overall governance or student performance or legal compliance and provide reasonable opportunity for the governing body to remedy the problem; Any such notice shall be provided in accordance with the Accountability Plan as provided in Attachment A.
- vi. The Commission is not required to allow the school the opportunity to remedy the problem if the unsatisfactory review warrants revocation.

SECTION 6: ADDITIONAL TERMS

1. **Withheld Two-Percent of Program Cost:** The Charter Schools Division of the Department may withhold and use two percent (2%) of the school-generated program cost for administrative support of the School as provided in Section 22-8B-13 NMSA 1978. These funds are to be utilized in the following manner:
 - i. New Mexico Public Education Department: The Department shall utilize the funds for the following purposes:
 - a. Funding the staff to conduct work for the Division, which shall include:
 1. Conducting annual site visits and annual evaluations under the Performance Frameworks; receiving, processing, evaluating and making recommendations on new applications, amendment requests, and renewal applications; receiving, processing, and evaluating complaints; making recommendations to revoke charters, as necessary; making recommendations regarding School Improvement and Corrective Action Plans, as necessary; overseeing the closure of charter schools; and making recommendations regarding the development and implementation of authorizing policies and practices to ensure they are consistent with nationally recognized principles and standards for quality charter authorizing in all major areas of authorizing; and
 2. Technical assistance and support work such as providing training for new Governing Board members; providing Governing Body training; maintaining communication with the charter school field to keep them apprised of best practices, opportunities for support from Department, policy changes from the Commission; hosting other training and professional development; and developing other support materials.
 - b. Funding a proportional share of the Department staff to conduct work, as determined by the Department, necessary to support the administrative oversight, approval of budget matters, capital outlay, transportation, special education, federal programs, school evaluation and accountability, annual financial audits, and T&E audits.
 - c. Funding any other staff work necessary to provide professional support or data analysis to the Commission.
 - d. The Commission's reasonable request for funding of any project or service to support the work of the Commission shall not be denied by the Department. The Commission's request for funding of project or service shall take budget priority over the Department's budget priorities or allocations.

- e. The Commission shall request an annual accounting from the Department on how the two percent (2%) was utilized and shall provide the information received to the school.
- ii. New Mexico Public Education Commission: The New Mexico Public Education Commission shall utilize the funds for the following purposes:
 - a. Funding the travel and per diem expenses of Commissioners when conducting the business of the Commission.
 - b. Funding the administrative expenses of the business of the Commission
- iii. In addition to the above listed items, the Department and the Commission shall have authority to utilize the funds for similar or related costs for administrative support of charter schools and charter school programs.

2. Amendments to the Charter and Changes to the School:

- i. This Contract may be amended by mutual agreement, in writing, of the parties. Processes for submitting requests to amend, or notifications of amendments, as amended from time to time, shall be posted on the Commission's website as an Amendment Request or Notification. The School shall not take action or implement the amendment until approved by the Commission unless the Commission's processes indicate otherwise.
 - a. All amendment requests and notifications shall be submitted pursuant to the procedures developed by the Commission.
 - b. The Commission shall consider and vote on all properly submitted amendment requests and notifications within 60 days of receipt of a complete submission.
- ii. If the Parties cannot agree on an amendment to the terms of the contract, either party may appeal to the Department Secretary pursuant to Section 22-8B-9(A) and (C) NMSA 1978.

3. Insurance:

- i. The School shall obtain and maintain insurance in accordance with the laws of the State.
- ii. The School will participate in the Public School Insurance Authority.
- iii. Waiver of Rights: The School and its insurers providing the required coverage shall waive all rights of recovery against the State and the Commission, or the Department, their agents, officials, assignees and employees.
- iv. The School shall maintain the following types and amounts of insurance liability coverage:
 - Crime/Employee Dishonesty - \$2,000,000 per occurrence limit subject to statutory tort limits
 - General Liability including School Board Legal Liability (Errors and Omissions) - \$1,050,000 per occurrence limit subject to statutory tort limits
 - Employment Practice Liability and Directors and Officers (D&O) Coverage - \$2,000,000 per occurrence limit subject to statutory tort limits

4. Charter Revocation: The Commission may at any time take action to revoke the Charter and Contract of the School.

- i. **Criteria:** Pursuant to the Act, the Commission may revoke the Charter if the Commission determines that the School:
 - a. Committed a material violation of any of the conditions, standards or procedures set forth in the Contract,
 - b. Failed to meet or make substantial progress toward achievement of the department's standards of excellence or student performance standards identified in the Contract,
 - c. Failed to meet generally accepted standards of fiscal management, or
 - d. Violated any provision of law from which the School was not specifically exempted.
- ii. **Procedures and Timeline:** The Commission shall utilize the following revocation process:
 - a. Notify the school at least 7 days prior to a regularly scheduled meeting that it will be on the agenda for consideration of whether to issue a Notice of Intent to Revoke the Charter.
 - b. Issue a written Notice of Intent to Revoke the Charter within 15 days of voting to issue such a notice. The Notice shall:
 1. State the legal basis for the potential revocation, and reasonably identify the evidence that the Commission has to support the existence of the legal basis;
 2. Identify the date, location, and time at which a revocation hearing will be held;
 3. Establish deadlines for the School and the Commission to present written materials and all evidence that will be used during the hearing; and
 4. Identify if the hearing will be conducted by the Commission or by an impartial hearing officer. If a hearing officer is to be used, the Notice shall establish the date on which the Commission will consider whether to accept, reject, or modify the hearing officer's findings of facts, conclusions of law, and recommendations.
 - c. After a hearing, upon making a final revocation decision, the Commission shall issue a written decision, through the Chair, within 15 days of voting to revoke the charter stating the findings of fact and conclusions of law that support the revocation.

5. Charter Renewal Processes: Within the time period established by the Act, the School's Governing Body may submit a renewal application to the Commission using the Commission's renewal application form as it may be amended from time to time. The application shall include all information required by law and necessary for the Commission to determine whether renewal, non-renewal, or a conditional or short-term renewal is most appropriate.

- i. Criteria: Pursuant to the Act, the Commission may refuse to renew the Charter if the Commission determines that the school:
 - a. Committed a material violation of any of the conditions, standards or procedures set forth in the Contract,
 - b. Failed to meet or make substantial progress toward achievement of the Department's standards of excellence or student performance standards identified in the Contract,
 - c. Failed to meet generally accepted standards of fiscal management, or
 - d. Violated any provision of law from which the School was not specifically exempted.
 - ii. Procedures and Timeline: The Commission shall utilize the following renewal process:
 - a. At least one year prior to the date on which the school will apply for renewal, the Commission's authorized representatives will notify the school of its preliminary renewal profile, as established in the Commission's Accountability Plan which is incorporated herein as Attachment A.
 - b. At least 20 days prior to Commission's meeting at which it will consider the school's renewal application, the Commission's authorized representatives will provide the School with a preliminary application analysis and recommendation. The recommendation shall:
 - 1. State the legal basis for potential non-renewal, and reasonably identify the evidence to support the existence of the legal basis; and
 - 2. Establish deadlines for the School to present its written materials and all evidence that will be used to respond to the recommendation, which shall be not less than 10 days from the date of the delivery of the recommendation.
 - c. No later than seven (7) days prior to the Commission's meeting at which it will consider the school's renewal application, the Commission's authorized representatives will provide the school with a final application analysis and recommendation.
 - d. Upon making a final non-renewal decision, the Commission, through the Chair, shall issue a written decision within 30 days of voting to non-renew the charter stating the findings of fact and conclusions of that support the revocation.
6. **Applicable Law:** The material and services provided by this School under this Charter shall comply with all applicable federal, state, and local laws and shall conform, in all respects, to the educational standards contained in its application and Charter. This Charter shall be governed and interpreted in accordance with the laws of the State.
- i. In the event of any conflict among the documents and practices defining this relationship, it is agreed that:
 - a. The Contract shall take precedence over policies of either Party and the Charter; and

- b. If a provision in the Performance Framework conflicts with a provision in the Contract, the Contract shall take precedence over the Performance Framework.
- ii. This Contract shall not take precedence over any applicable provisions of law, rule or regulation.
- iii. In the event of a change in law, regulation, rule, procedure or form affecting the School during the term of this Contract, the Parties shall comply with the change in law, rule, regulation or procedure or utilize the new form, provided.
 - a. If an amendment to this Contract is required to comply with a change in the law or rule, then the Parties shall execute such an amendment.

7. Charter Interpretation:

- i. **Merger:** This Charter and Contract, including all of the attachments, constitute the entire agreement of the Parties. NMSA, Commission policies, and Department policies, and administrative rules and regulations which may be amended from time to time during the course of the Charter, are incorporated into this Charter, along with any amendments which may occur during the term of the Charter, by this reference.
- ii. **Waiver:** Either party's failure to insist on strict performance of any term or condition of the Charter shall not constitute a waiver of that term or condition, even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.
- iii. **Severability:** The provisions of this Charter are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Charter or Contract.
- iv. **Assignment:** Neither party may assign or transfer any right or interest in this Charter and Contract unless authorized by law. No assignment, transfer or delegation of any duty of the School shall be made without prior written permission of the Commission.

8. Indemnification and Acknowledgements: To the extent permitted by law, the Charter School shall indemnify, defend, save and hold harmless the Commission, the State, its departments, agencies, boards, commissions, universities and its officers, officials, agents and employees ("Indemnitee") from and against any and all claims, actions, liabilities, damages, losses or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) ("Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the School or any of its directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such School to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree that is applicable to the School. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by the School from and against any and all claims. It is agreed that the School will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. This provision shall be subject to annual budget and appropriation by the New Mexico Legislature.

9. Employees and Contractors: This Charter is not an employment contract. No officer, employee, agent, or subcontractor of the School is an officer, employee, or agent of the



Commission or the Department.

10. **Non-Discrimination:** The School shall comply with all applicable federal and state employment laws, rules and regulations, including the Americans with Disabilities Act. The School shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, sexual orientation, gender identity, spousal affiliation, national origin or disability.
11. **Notices:** Any notice required, or permitted, under the Contract shall be in writing and shall be effective immediately upon personal delivery, upon receipt of electronic mail, or three (3) days after mailing to the following:

Charter School:

Storm Gonzalez
3701 Summit Park Road NW
Albuquerque, NM 87020
gonzalezstorm@yahoo.com
(505) 228-8240

Carrie Rodriguez
2519 Maiden Grass Road NW
Albuquerque, NM 87120
crodriguez_slp@hotmail.com
(505) 362-1469

Cynthia Carter, Director
3021 Todos Santos, NW
Albuquerque, NM 87120
(505) 998-0459
ccarter@hawest.net

New Mexico Public Education Commission:

Patricia Gipson
New Mexico Public Education Commission
300 Don Gaspar Santa Fe, NM 87505

The Commission may make changes in the address of its contact person by posting the change(s) on its website.

12. **Dispute Resolution:** Disputes arising out of the interpretation of this Contract shall be subject to the dispute resolution process set forth in this section. Disputes arising out of interpretations of state or federal statute, regulation, or policies of a federal entity or a different state entity, Charter revocation, or Charter renewal shall not be subject to this dispute resolution process.
- i. **Notice of Dispute:** Either party shall notify the other party in writing that a dispute exists between them within 30 days from the date the dispute arises. The notice of dispute shall identify the Paragraph of this Contract in dispute, reasons alleged for the dispute and copies of any documentation that supports the complaining party's position. If the dispute is not timely presented to the other party, the party receiving late notice may elect not to enter into mediation.
 - ii. **Continuation of Contract Performance:** The School and the Commission agree that the existence and details of a dispute notwithstanding, the Parties shall continue without delay their performance of this Contract, except for any performance that may be directly affected by such dispute.
 - iii. **Time limit for response to the notice and cure of the matter in dispute:** Upon receipt of a Notice of Dispute, the Chair of the Commission or the Charter Representative of the Charter School shall have 15 days to respond in writing.

- a. The written response may:
 - 1. Propose a course of action to cure the dispute;
 - 2. Propose the parties enter into informal discussions to resolve the matter; or
 - 3. Require the parties select a neutral third party to assist in resolving the dispute.
- b. If no response is received within 15 days, the Party sending the Notice may invoke the process for selecting a neutral third party to assist in resolving the dispute.
- c. If the written response proposed a course action or negotiations to resolve the dispute, the party sending the Notice shall respond within 15 days or receiving the response.
- d. At any point in this informal process, either Party may, in writing, invoke the process for selecting a neutral third party to assist in resolving the dispute.

iv. **Selection of a neutral third party to assist in resolving the dispute:**

- a. If either Party invokes the process for selecting a neutral third party to assist in resolving the dispute, it shall include in the notice the name of a proposed mediator along with his/her qualifications.
 - b. If the other Party does not agree to the proposed mediator, it shall identify an alternate mediator along with his/her qualifications within 5 business days.
 - c. If the other Party does not agree with the alternate designation, it shall give notice within 5 business days.
 - d. In the event that the Parties cannot agree on a mediator the Parties shall request that the Secretary appoint a mediator. The appointed mediator shall mediate the dispute.
- v. **Apportionment of all costs related to the dispute resolution process:** Each Party shall pay one-half of the reasonable fees and expenses of the mediator. All other fees and expenses of each party, including without limitation, the fees and expenses of its counsel, shall be paid by the Party incurring such costs.
- vi. **Process for Final Resolution of Dispute:** If settlement of the dispute is not reached through mediation or by agreement of the Parties, the Parties shall submit the matter to the Secretary for resolution.

13. **Non-Availability of Funds:** Every payment obligation of the State under this Charter is conditioned upon the availability of funds continuing to be appropriated or allocated for the payment of such obligations. If funds are not allocated and available for the continuance of this Charter, the Commission may terminate this Charter at the end of the period for which funds are available. No liability shall accrue to the Commission, nor the State, or any of its subdivisions, departments or divisions, in the event this provision is exercised, and neither the Commission nor the State shall be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

- 14. Release of Funding:** A School may not receive state equalization funding until a current NMCI determination, certificate of occupancy, and occupancy permit for educational use are provided for each site listed in Section 4.10. (and each site subsequently approved by the New Mexico Public Education Commission). A School may not receive state equalization funding until the Commission has determined that the school has satisfied all conditions imposed by the Commission at initial approval and has demonstrated readiness to operate through completion of the Commission's Implementation Year Checklist. Upon request for renewal, the School may not receive state equalization funding until the Commission has determined that the school has satisfied all conditions imposed by the Commission.

HORIZON ACADEMY WEST

Executed this 5 day of June 2018.

By

Storm Gonzalez

Storm Gonzalez, Charter Representative for Horizon Academy West

NEW MEXICO PUBLIC EDUCATION COMMISSION

Executed this 6 day of June 2018.

By

Patricia Gipson

Patricia Gipson, Chair of the New Mexico Public Education Commission.

CERTIFICATE OF GOVERNING BODY VOTE

This document certifies that on June 5, 2018 at 4:30 PM,
a meeting of the Governing Body of Horizon Academy West, a New Mexico
public charter school, was held at Horizon Academy West. The meeting and all
votes were conducted in compliance with the New Mexico Open Meetings Act.

A quorum of the Governing Body's members being present and voting, it was voted
4 in favor and 0 opposed to approve the contract between
NM Public Education Commission and Horizon Academy
West.

The members voting in favor were: Carrie Rodriguez, Storm Gonzalez, Cecilia Webb
Alice Chavez
The members voting in opposition were: None

I, the undersigned, certify that this is a true copy.

Alice Chavez

Secretary



New Mexico Public Education Commission Charter Performance Review and Accountability System

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Introduction

Through charter schools, the Public Education Commission (“PEC”) as Chartering Authority seeks to provide families with effective, quality educational options.

The PEC is responsible for setting and implementing chartering policies that are consistent with New Mexico charter school law, charter agreements established with schools, and nationally recognized principles and standards for quality charter authorizing. The PEC, through its authorized representative(s), will carry out the data collection and monitoring activities described in the Performance Review and Accountability System.

The New Mexico Charter Schools Act purpose:

The Charter Schools Act ... is enacted to enable individual schools to structure their educational curriculum to encourage the use of different and innovative teaching methods that are based on reliable research and effective practices or have been replicated successfully in schools with diverse characteristics; to allow the development of different and innovative forms of measuring student learning and achievement; to address the needs of all students, including those determined to be at risk; to create new professional opportunities for teachers, including the opportunity to be responsible for the learning program at the school site; to improve student achievement; to provide parents and students with an educational alternative to create new, innovative and more flexible ways of educating children within the public school system; to encourage parental and community involvement in the public school system; to develop and use site-based budgeting; and to hold charter schools accountable for meeting the department's educational standards and fiscal requirements. (22-8B-3 NMSA 1978 *et seq*).

Performance Review and Accountability System Objectives

PEC seeks to establish a Performance Review and Accountability System that strikes the appropriate balance between charter school autonomy and chartering authority intervention. The Performance Review and Accountability System is an adaptive tool subject to continuous review and improvement so that the students in New Mexico public charter schools are effectively served.

The PEC invites New Mexico’s charter schools to be partners in the development and continuous improvement of this Performance Review and Accountability System.

The PEC is committed to providing clear expectations about charter school performance and chartering authority oversight activities. PEC objectives for charter school performance review and accountability include:

- Provide clarity about the process and timeline for collecting performance framework data
- Streamline data collection and decrease the burden on NM charter schools
- Consider overall school academic performance across a range of different indicators, including optional, unique, school-identified measures for evaluating mission-specific goals
- Ensure all data and evidence can be reliably and accurately collected and measures can be reliably and accurately evaluated
- Establish financial metrics that provide clarity about the financial health of charter schools
- Establish clear policies and procedures for how performance frameworks inform PEC actions and decisions, including a range of interventions that PEC will take in response to charter school under performance
- Provide annual performance reports that are publicly available to families and schools

Annual Performance Review Activities

PEC, through its authorized representative(s), evaluates schools on their ability to achieve academic goals with all students while maintaining financial and organizational health. Annual accountability activities are guided by state and federal compliance requirements as well as clear measures of academic progress that allow for a rigorous, state-aligned, fact-based evaluation of school performance.

Charter School Data Submissions

- Throughout the year, charter schools are required to submit academic, financial, and organizational data to PEC, various PED departments, and other governmental entities.
- Submissions are required for PEC accountability oversight and for compliance with state and federal funding and reporting requirements.
- See Appendix B for a schedule of reports consistently required by the PEC and PED; other reporting may be required if the school is notified by PED, PEC, or other government entities.

Annual School Visits

- PEC's authorized representative(s) conduct annual site visits to all schools to collect data for the performance framework evaluation and provide feedback as technical assistance. Site visits may be differentiated based on school performance, including academic, financial, and organizational performance.
- New school visits are conducted within the first 40 days after new school opening to collect data for the performance framework evaluation and to provide early feedback and intervention as technical assistance, if necessary.
- Renewal visits are conducted during the fall of the charter school's renewal year and provide additional insights to inform PEC charter school renewal decisions, especially for schools not meeting performance expectations.
- Visits can include a combination of any of the following: file audits, classroom observations, a facility review, and staff, board, and student and family interviews.
- See Appendix C for a summary of the School Visit Protocols.

Annual Performance Review

- PEC's authorized representative(s) evaluate all schools against the PEC Performance Framework annually, which is comprised of academic, financial, and organizational performance metrics.
- PEC's authorized representative(s) share initial performance framework feedback and evaluations with charter school boards and administrative leaders for review and feedback.
- PEC, through its authorized representative(s), issues any Notices of Concern or Breach related to annual performance reviews.
- PEC approves and publishes Annual Performance Reports for schools.
- See Appendix A for the current PEC Charter School Performance Framework.

Performance Framework

The PEC Charter School Performance Framework sets the academic, fiscal, and organizational standards by which PEC-authorized public charter schools will be evaluated, informing the PEC and charter school about the school's performance and sustainability. See Appendix A for the current PEC Charter School Performance Framework.

The Performance Framework consists of three separate, free standing frameworks. Performance under these three separate frameworks does not get rolled up into one overall evaluation. No one document necessarily carries more weight than any other.

Academic Framework: The academic framework includes measures that allow the PEC to evaluate the school's academic performance and assess whether the academic program is a success and whether the charter school is implementing its academic program effectively. The framework includes measures to evaluate student proficiency, student academic growth, achievement gaps in both proficiency and growth between student subgroups, and for high schools, post-secondary readiness and graduation rate. The PEC considers increases in student academic achievement for all groups of students as one of the most important factors when determining whether to renew or revoke a school's charter. The framework may also include optional, unique, school-identified measures for evaluating mission-specific goals if the PEC approves of the quality and rigor of such proposed indicators and the indicators are consistent with the purposes of the Charter Schools Act.

Based on performance across the academic indicators and measures, schools receive an overall academic tier rating that is used by the PEC in annual monitoring and renewal decisions. The academic framework has four rating tiers. Schools in Tier 1 are exceeding PEC performance expectations and are on par with or exceed the highest-performing schools in the state. Schools in Tier 4 are consistently failing to meet academic performance expectations.

Organizational Framework: The Organizational Framework primarily lists the responsibilities and duties that charter schools are required to meet through state and federal laws. The organizational framework is the primary focus of the annual school visit process. It was developed pursuant to the New Mexico Charter Schools Act and includes indicators, criteria statements, and metrics related to schools' educational program, financial management, governing body performance, school environment, and employee and student policies, including compliance with all applicable laws, rules, policies, and terms of the charter contract. For each indicator a school receives one of three ratings: "Meets Standard," "Working to Meet Standard" and "Does Not Meet Standard". Indicator ratings are assigned based on evidence that the school is meeting the criteria statement(s).

Based on performance across the organizational indicators and measures, schools receive an overall organizational rating that is used by the PEC in annual monitoring and renewal decisions. The overall rating will be either "Meets Standard" or "Does Not Meet Standard" based on cumulative performance on the organizational indicators. A school will only receive an overall rating of "Does Not Meet Standard" if the school receives "Does Not Meet Standard" ratings for three more indicators.

Financial Framework: The financial framework is currently being revised to include more effective measures of financial health. When a new financial framework is developed, school reported financial data will be evaluated on a quarterly basis and the Performance Framework will be populated with the most recent data. This internal school data is not final, but will be

used by the PEC as a preliminary evaluation for progress monitoring improvements in financial health and/or act as a flag for potential financial problems or concerns.

A final performance framework will be populated after final audited end-of-year cash amounts are available from the annual external audit. The final framework will be used to evaluate whether the school is meeting financial performance expectations for purposes of annual evaluations and renewal decisions.

The current financial framework requires schools to annually, in August, submit a completed and signed self-reported questionnaire. The questionnaire includes a series of questions about organizational performance as it relates to financial management practices. Several of the questions in the current financial framework are included in the revised organizational framework as indicators.

Intervention Ladder

PEC is responsible for holding charter schools accountable for the performance and legal compliance of charter schools under their authority. To meet this obligation, PEC has adopted an intervention ladder to communicate concerns about academic performance, fiscal soundness or legal, contractual, or policy requirements.

In the absence of evidence to the contrary, all schools are considered to be in **Good Standing**. Schools in good standing are expected to participate in routine annual accountability activities and maintain open communication with PEC and its authorized representative(s).

Notice of Concern

Schools may receive a **Notice of Concern** if the PEC and/or its authorized representative receives a verified complaint of significant concern, or if the annual performance review or site visit identifies significant questions or concerns about academic, financial, or organizational performance; such as a Tier 4 rating on the academic framework or a finding of “not meeting expectations” on an organizational indicator. PEC’s authorized representative(s) will communicate with school leaders, parents, and any other necessary stakeholders to verify complaints.



PEC will issue a Notice of Concern at a properly noticed public meeting. PEC's authorized representative(s) shall provide schools notice that they will be appearing on the PEC's agenda for the purposes of issuing a Notice of Concern at least 10 days prior to the meeting. As part of issuing a Notice of Concern, the PEC will establish expected outcomes and deadlines¹ that must be met by the school. The deadline established for correction shall be no less than 10 days including holidays and weekends, unless the matter is an emergency matter² in which case the deadline shall be no less than 72 hours.

Upon remedying the concern and complying with the expectations established by the PEC, the school returns to **Good Standing**. If the PEC's expectations and deadlines are not met, the school progresses to the next level of the intervention ladder.

Notice of Breach

A school can receive a **Notice of Breach** if it fails to correct a Notice of Concern or for certain violations of law that are serious enough to justify a heightened initial response.



PEC will issue a Notice of Breach at a properly noticed public meeting. PEC's authorized representative(s) shall provide schools notice that they will be appearing on the PEC's agenda for the purposes of issuing a Notice of Breach at least 10 days prior to the meeting. As part of issuing a Notice of Breach, the PEC will establish expected outcomes and deadlines¹ that must be met by the school. The deadline established for correction shall be no less than 10 days including holidays and weekends, unless the matter is an emergency matter² in which case the deadline shall be no less than 72 hours.

¹ Deadlines will vary depending on the urgency of the matter and the amount of time it takes to reasonably cure the concern.

² An “emergency” refers to unforeseen circumstances that, if not addressed immediately by the public body, will likely result in injury or damage to persons or property or substantial financial loss to the public body

Once a Notice of Breach is issued, schools are required to submit a Corrective Action Plan (financial or organizational performance) or an Improvement Plan (academic performance) that details the actions and timeline that the schools will implement to correct the breach. PEC’s authorized representatives will monitor the school’s implementation of Corrective Action and Improvement Plans, and regularly update PEC on progress. Once the school has met the Notice of Breach requirements, they return to **Good Standing**. Repeated Notices of Concern or Breach may lead to increased oversight, including additional annual site visits or regular phone calls to discuss key performance indicators.

Revocation Review

Failure to meet the requirements specified in the Notice of Breach, or certain violations of law that are serious enough to justify an initial heightened response, will result in a charter school **Revocation Review**. Schools may also be subject to the Revocation Review if they receive more than one Notice of Breach in the same school year.

PEC will issue a Notice of Revocation Review at a properly noticed public meeting. Unless impractical, PEC's authorized representative(s) shall provide schools notice that they will be appearing on the PEC’s agenda for the purposes of issuing a Notice of Revocation Review at least 10 days prior to the meeting. As part of issuing a Notice of Revocation Review, the PEC will establish the actions to be taken by its authorized representative(s) and a deadline for the school to respond to the prospect of revocation. The actions of the PEC’s authorized representative may include additional visits to the school, an in-depth audit to assess the school’s educational program, and/or financial and organizational health, or other actions appropriate to determine if a revocation hearing is appropriate.

Findings from the revocation review will be presented to the PEC at a properly noticed public meeting, at which will determine whether to issue a Notice of Intent to Revoke, which sends the school into revocation proceedings. In lieu of a Notice of Intent to Revoke, the PEC may decide to grant a Notice of Breach, or a revised Notice of Breach. A revised Notice of Breach will allow a school more time to achieve expected outcomes established in an initial Notice of Breach or adjust the expected outcomes initially established by the PEC.

In extraordinary circumstances, the PEC may forgo the process outlined above and may, with proper statutory notice, consider whether to hold a revocation hearing or hold a revocation hearing.

The table on the following page provides examples regarding triggers and evidence, and actions and consequences; however, the table shall not be considered exclusive.

Revocation Review

Intervention Status	Triggers/Evidence	Actions/Consequences
Notice of Concern	<ul style="list-style-type: none"> • Failure to meet performance standards represented in the performance framework. • Receipt of verified complaint of significant concern. • Evidence of not meeting performance expectations through routine monitoring or school visit. • Failure to comply with terms of the charter. 	<ul style="list-style-type: none"> • Appearance before the Public Education Commission at public meeting. • Letter to school leader and governing board detailing areas of concern and specific outcomes and timeline for correcting the performance gap.
Notice of Breach	<ul style="list-style-type: none"> • Failure to meet objectives identified in a Notice of Concern. • Evidence of material or significant failure to comply with applicable laws. • Actions or operational deficiencies that may endanger the well-being of students and/or staff, or negatively impact the viability of the school. 	<ul style="list-style-type: none"> • Appearance before the Public Education Commission at public meeting. • Letter to school leader and governing board giving notification of breach and outlining additional terms of oversight and monitoring. • School develops, submits, and implements a Corrective Action or Improvement Plan with specific improvements, objectives, timelines, measures that results in correction of the breach. • PEC, through authorized representative(s), monitors implementation of Corrective Action or Improvement Plan.
Revocation Review	<ul style="list-style-type: none"> • Failure to successfully meet the terms of the Corrective Action or Improvement Plan. • Repeated failure to meet the material terms of the charter agreement. • Illegal behavior, fraud, misappropriation of funds. • Extended pattern of failure to meet performance expectations set forth in the charter agreement. • Repeated failure to comply with applicable law. 	<ul style="list-style-type: none"> • Appearance before the Public Education Commission at public meeting. • The PEC's authorized representative(s) may conduct additional site visits to the school and/or conduct an in-depth audit to assess the school's educational program, and/or financial and organizational health. • The PEC's authorized representative(s) review and preparation of recommendation to revoke, or not to revoke, the charter. • PEC reviews recommendations and makes decision to commence or not commence revocation proceedings.

Charter Renewal

As part of renewal consideration, PEC will consider a schools' annual school performance, school visit reports, information contained in the school's renewal application, and other relevant information in their decisions. Renewal decisions are based on the statutory standards in Section 22-8B-12(K) New Mexico Statutes Annotated.

After the final performance evaluation is completed for each year of its contract, a school will receive notice of whether it is on track for a renewal recommendation for 1) expedited renewal, 2) full renewal, 3) renewal with conditions, or 4) non-renewal. When the school has two years remaining on its contract term, the PEC's authorized representative(s) will provide the school with a Preliminary Notification of Renewal Profile. These notices are based on the school's performance profile over the contract term and the renewal performance profiles on page 11 of this Charter Performance Review and Accountability System. The PEC expects that schools will use these notices to both take action to respond to the potential renewal action by improving performance, as necessary, and to prepare and submit a response to the potential renewal action.

After final school performance data is released for the year prior to the school's renewal year, the school will receive a final notice of its renewal profile. Schools that have an Expedited Renewal Profile will have limited submission requirements and a limited site visit.

Renewal Decision Criteria

PEC decisions on charter school renewal will be based on an analysis of the following questions:

1. Is the school an academic success or making progress toward academic success? (Academic Framework)
2. Is the school an effective, viable organization? (Organizational Framework)
3. Is the school fiscally sound? (Financial Framework)

Staff providing support to the PEC will develop renewal recommendations based on the cumulative performance of the charter school over the contract term. The PEC will consider the following sources of evidence for renewal decisions, including any additional factors highlighted in the charter school renewal application.

Renewal Evidence Sources

- Annual performance reports, which constitute a report on the status in relation to meeting the academic performance, financial compliance and governance responsibilities of the charter school, including achieving the goals, objectives, student performance outcomes, state standards of excellence and other terms of the charter contract, including the accountability requirements set forth in the Assessment and Accountability Act;
- School developed reports, for schools not meeting the above standards, on the progress toward meeting the established standards;
- Evidence gathered that confirms or does not confirm the school developed reports identified above;
- A financial statement that discloses the costs of administration, instruction and other spending categories for the charter school that is understandable to the general public, that allows comparison of costs to other schools or comparable organizations and that is in a format required by the department;
- Petitions of support; and
- Facility assurances.

Renewal Outcomes

Staff providing support to the PEC will recommend one of four renewal outcomes (profiles) for PEC to consider. Although renewal recommendations will be guided by the performance profiles described below, the PEC has ultimate authority to make any renewal decision that is consistent with New Mexico charter school law.

Renewal Decision	Renewal Performance Profile ³	Renewal Terms
Expedited Renewal⁴	Academic <ul style="list-style-type: none"> • Maintain Tier 1 or 2 rating for previous four years of the charter contract 	Five-year term with no additional conditions outside normal charter contract; streamlined renewal application and review process
	Organizational / Financial <ul style="list-style-type: none"> • Meet Expectations for previous four years of the charter contract 	
Full Renewal⁵	Academic <ul style="list-style-type: none"> • Earn no Tier 4 ratings or overall “F” grade from NM PED within the past three years, and • Either: <ul style="list-style-type: none"> ○ Maintain Tier 1 or 2 rating for at least three of past four years, or ○ Demonstrate consistently improving Tier rating over the last 3 years 	Five-year term with no additional conditions outside normal charter contract
	Organizational / Financial <ul style="list-style-type: none"> • Meet Expectations for the last two years, or • Meet Expectations for at least three of past four years 	
Renewal with conditions⁶	Academic <ul style="list-style-type: none"> • Earn Tier 4 performance rating for two or more years during the last four years but not in both of the last two years, or • Earn Tier 3 or 4 rating for three of the past four years, or • Earn two or more Tier 3 or 4 ratings and demonstrate declines in Tier rating in any of the last two years 	Three- or five-year renewal term with defined goals for school improvement on academic, organizational, and/or financial frameworks
	Organizational / Financial <ul style="list-style-type: none"> • Earn “did not meet” expectations for two or more years including one of the last two years 	
Non-Renewal⁷	Academic <ul style="list-style-type: none"> • Earn Tier 4 performance rating for past two years, or • Earn Tier 4 performance rating for three or more years during the last four years including the most recent 	Recommendation for non-renewal
	Organizational / Financial <ul style="list-style-type: none"> • Earn “did not meet” expectations for three or more years during the last four years including the most recent year 	

³ PEC renewal decisions will be guided by performance profiles, but PEC has ultimate authority to make any renewal decision that is consistent with New Mexico charter school law.

⁴ When considering schools currently in a contract with a term of less than 5 years, the expedited renewal profile criteria are 1) Maintain Tier 1 academic rating for the contract term, and 2) maintain Meets Expectations for organizational and financial performance for the contract term.

⁵ When considering schools currently in a contract with a term of less than 5 years, the full renewal profile criteria are 1) in the academic framework either a) demonstrate a consistently improving Tier rating over the term of the contract or b) maintain at least Tier 2 rating for the contract term, and 2) earn Meets Expectations for organizational and financial performance for the year prior to the renewal year.

⁶ When considering schools currently in a contract with a term of less than 5 years, the conditional renewal profile is for schools that do not fall into any other renewal profile.

⁷ When considering schools currently in a contract with a term of less than 5 years, the non-renewal profile 1) earned a Tier 4 academic performance rating for the year prior to the renewal year or 2) earn Does Not Meet Expectations for organizational or financial performance for the year prior to the renewal year.

Renewal Process Steps

Renewal Process Steps	Timing (Final Year of Charter Contract)
Final Notice of Renewal Profile	Summer – After School Performance Data Released
Renewal Application by the School	Options: August 1, September 1, or October 1
Renewal Site Visit	Dependent on submission date: August, September, or October
Additional Requests for Information	As needed
Final Renewal Report	At least 5 days before PEC Vote
PEC Renewal Vote	Dependent on submission date: October, November, or December
New Contract Negotiation	Spring

Annual Performance Evaluations

After the final performance evaluation is completed for each year of its contract, a school will receive notice of whether it is on track for a renewal recommendation for 1) expedited renewal, 2) full renewal, 3) renewal with conditions, or 4) non-renewal. At least one year prior to the date the school will apply for renewal, the PEC's authorized representative(s) will provide the school with a Preliminary Notification of Renewal Profile. These notices are based on the school's performance profile over the contract term and the renewal performance profiles on page 11 of this Charter Performance Review and Accountability System. The PEC expects that schools will use these notices to both take action to respond to the potential renewal action by improving performance, as necessary, and to prepare and submit a response to the potential renewal action.

After final school performance data is released for the year prior to the school's renewal year, the school will receive a final notice of its renewal profile. Schools that have an Expedited Renewal Profile will have limited submission requirements and a limited site visit.

Renewal Profile

The first stage of the formal renewal process is the preparation by the PEC's authorized representative(s) of school-specific renewal profiles. The Renewal Profiles are based on the record of the charter school's academic, financial and organizational performance as reported in their **Annual Performance Reports** and in alignment with any prior renewal or approval conditions. Renewal Profiles will be provided to the school in the late summer of the final year of the school's charter term. The profiles are based on evidence collected over the contract term and publicly available information. Schools eligible for expedited renewal will be identified during this phase. At this time in the process, all schools will be aware of the performance profile and thus the renewal recommendations from the staff supporting the PEC. The renewal application will provide the school an opportunity to submit and prepare a response to the potential renewal action.

Renewal Application by the School

The Renewal Application provides schools the opportunity to provide an overview of school progress and a response to the potential renewal action, if performance expectations have not been met during the contract term. It is the goal of the Commission, to the extent possible, to decrease the burden from the preparation of the Renewal Application.

Schools eligible for expedited renewal will not be required to submit some sections of the renewal application. Annually, the Public Education Commission reviews and, as necessary, revises the renewal application. The current renewal application is available [on the Applications and Requests Section of](#) the PEC website.

Renewal Site Visit

The PEC's authorized representatives will conduct at least one Renewal Site Visit during the renewal process. The purpose of the Renewal Site Visit is to test, verify and/or supplement the information provided in the school's Renewal Application. The information obtained through the Renewal Visit will be considered with all other evidence at the time of the renewal decision by the PEC. Appendix C provides more detailed information regarding site visits.

Schools eligible for expedited renewal may be eligible to receive a site visit that utilizes a modified protocol focused on gathering community feedback and verifying any outstanding performance corrections. Site visits will also be used to investigate any significant concerns that may arise during the renewal period.

Additional Requests for Information

At any time during the renewal process, the PEC and/or its authorized representatives may request additional information from the school in an effort to fully inform the renewal decision.

Final Renewal Report

Staff supporting the PEC will prepare a renewal report once all renewal review activities are completed. The report will be provided to the school at least 5 days before the matter is put to a vote by the PEC so that the school has a final opportunity to prepare and submit a response to the information in the report.

PEC Renewal Vote

The PEC reviews and votes on each Renewal at a properly noticed public meeting. The public may offer comments to the PEC during the public participation section of PEC meeting regarding each renewal. After each decision, the PEC issues a written notice to the school detailing the renewal decision.

New Contract Negotiation

When renewal is granted by the PEC, the PEC, directly or through its authorized representatives, and the school negotiate a contract for the new term. The contract negotiation will address the school mission, any material terms that limit charter activities (e.g., enrollment cap, grade levels) or material terms that establish explicit program requirements (e.g., STEAM, PBL, vocational education). The contract negotiation may also include additional rigorous, valid and reliable mission specific indicators, which may not to be duplicative of required state assessments but must measure achievement of the school's specific mission.

Expedited Renewal

Schools that have maintained a Tier 1 or 2 rating for previous four years of the charter contract and earned a "met expectations" rating on the organizational and financial frameworks for the previous four years are eligible for an ***expedited renewal process***. The expedited process will include all of the renewal activities described above, but will include a modified renewal application and a condensed renewal site visit as appropriate.

Appendix A: Performance Frameworks

ACADEMIC PERFORMANCE FRAMEWORK

The Academic Performance Framework answers the evaluative question: Is the academic program a success? The framework includes indicators and measures that allow the PEC to evaluate the school's academic performance and was developed pursuant to the New Mexico Charter Schools Act. This section includes indicators, measures and metrics for student academic performance; student academic growth; achievement gaps in both proficiency and growth between student subgroups; and graduation rate and post-secondary readiness measures for high schools. (Section 22-8B-9.1.A. (1-3, 6, 7) NMSA 1978).

The Academic Performance Framework includes three indicators, ten required measures, and allows for the inclusion of additional rigorous, valid and reliable indicators proposed by the school to augment external evaluations of school performance.

Description of Academic Framework Indicators and Measures

Indicator 1: Components from NM A-F School Grading System The PEC considers charter school performance on each of the components of the NM PED A-F grading system.		Weight⁸	
Measure	Description	Elem	High
1.1 Current Standing	Current Standing is a two-part measure of the status of a school in the current year. The two parts are composed of: 1) the percentage of students who are proficient on state assessments in math and reading, and 2) a score based on a growth model that accounts for prior scores. The measure of student growth (Value-Added Modeling) looks at school size, student mobility, and prior student performance to predict expected performance based on actual peer performance in the current year. The growth is expressed as the variance from the expected performance. For schools that qualify as SAM schools, an offset (based on the mean deviation of scaled scores for SAM schools) is applied during the calculation of the value added modeling portion of current standing.	30%	25%
1.2 School Growth (Value-Added)	This value-added modeling measure reports overall school growth (overall weighted mean score variance from predicted overall weighted mean score) based on school size, and prior schoolwide mean performance. This measure is calculated in the same way as the growth measure in current standing, but it calculated at the school level instead of the student level.	15%	5%
1.3 Growth of Higher-Performing Students (Q3)	These value added modeling measure are calculated in the same way as the growth measure in current standing, but are calculated separately for two student subgroups. The two student subgroups are the lowest-performing 25% of students and the higher-performing students (top 75%).	5%	5%
1.4 Growth of Lowest-Performing Students (Q1)		5%	5%
1.5 Graduation (4,5,	The graduation measure includes 4-year, 5-year, and 6-year	N/A	10%

⁸ For any school that is eligible to have additional weighting allocated to Indicator 3: School-Specific Goals, the weight of all other indicators will be decreased by an equal amount.

and 6-year rates; value added)	<p>cohort graduation rates and improvement in the 4-year graduation rate.</p> <p>Graduation rates are one-year lagged. That is, the rates that are published in the school grade report are for the cohort that graduated by August 1 of the prior year. Students are expected to graduate in four years, however rates are calculated for 5- and 6- year graduates. Calculation of 4-year, 5-year, and 6-year cohort graduation rates uses the <i>Shared Accountability</i> method, which gives each school in which the student was enrolled in high school proportional credit for their timely or lack of timely graduation.</p> <p>Improvement in the 4-year graduation rate is based on the slope of the 4-year graduation rates for the past three years. For schools that have a 4-year graduation rate that is over 90%, all points are awarded for graduation growth.</p> <p>For schools that qualify as SAM schools, an auxiliary graduation rate is computed using a senior completer method which includes only 12th grade students who are not members of the 4-year cohort. The denominator is comprised of the count of 12th graders in the first enrollment snapshot (40D). The numerator is derived from the count of all non-cohort students who graduated by the end of the year (EOY snapshot). Using this method, schools receive feedback on their success in graduating returning dropouts and adults whose cohort has long since aged from the system.</p>		
1.6 Career and College Readiness	<p>College and Career Readiness (CCR) scores are determined by the percentage of the prior year 4-year graduation cohort members (this indicator is also one-year lagged) who show evidence of participating in college or career preparation, along with the proportion of those students meeting a benchmark. This indicator is also calculated using the shared accountability model.</p> <p>High school students are expected to participate in at least one college or career readiness program: 1) College entrance exams (Accuplacer, ACT, ACT Aspire, Compass, PLAN, PSAT, SAT, or SAT Subject Test) 2) Evidence that the student can pass a college-level course (Advanced Placement, Dual Credit, or IB) 3) Eligibility for an industry-recognized certification (Career Technical Education) Points are given separately for students' participation and for their success in achieving targets.</p> <p>SAM schools are allowed use of additional indicators including ASVAB, WorkKeys, and TABE.</p>	N/A	10%
1.7 Opportunity to Learn (Attendance, Survey)	<p>Opportunity to Learn (OTL) represents the learning environment schools provide. It is determined from student attendance and scores on a student or parent survey administered annually.</p> <p>The expected attendance rate is 95%. Schools that have higher</p>	5%	5%

	<p>than a 95% attendance rate can earn more than the total number of points available.</p> <p>The survey measures the extent to which classroom teachers demonstrate instructional practices known to facilitate student learning. Students answer survey questions on topics such as classroom teaching and expectations of students. The survey contains 10 questions with answers from 0 (Never) to 5 (Always) for a maximum score of 50. For students in grades KN-2, a parent or family member completes the survey. The expected average score is 45 points, schools that earn more than 45 points can earn more than the total number of available points.</p>		
Source: New Mexico PED A-F School Grading Technical Guide			

Indicator 2: Subgroup Performance Subgroup measures are based on the school's relative performance (statewide percentile rank) compared to all NM public schools serving the same grades. Points assigned for each subgroup are averaged to calculate overall points for measures 2.1, 2.2, and 2.3.		Weight ¹	
Measure	Description	Elem	High
2.1 Subgroup Growth of Higher-Performing Students (Q3)	Schools are compared to all schools statewide serving the same grade levels, based on the A-F Student Growth results calculated by NM PED for Q3 students.	10%	7.5%
2.2 Subgroup Growth of Lowest-Performing Students (Q1)	Schools are compared to all schools statewide serving the same grade levels, based on the A-F Student Growth results calculated by NM PED for Q1 students.	10%	7.5%
2.3 Subgroup Proficiency	Schools are compared to all schools statewide serving the same grade levels, based on subgroup proficiency rates for all eligible subgroups.	10%	10%

Indicator 3: School-Specific Goals The performance framework allows for the inclusion of additional rigorous, valid and reliable indicators (as determined by the chartering authority) proposed by a charter school to augment external evaluations of its performance. (<i>Section C of 22-8B-9.1(C) NMSA 1978</i>)		Weight ⁹	
Measure	Description	Elem	High
TBD = School identified	<p>Charter schools may propose mission-specific goals that are specific, measurable and rigorous, School-proposed goals are subject to approval by the PEC and are incorporated into charter contracts.</p> <p><i>PEC guidance for setting school goals:</i></p> <ol style="list-style-type: none"> 1. Use a SMART goal format (specific, measureable, attainable, rigorous, and time-bound) 	10%	10%

⁹ A school shall be eligible to have additional weighting allocated to Indicator 3: School-Specific Goals, if the proposed indicator is Reliable (additional 5 points of weight) and Rigorous (additional 5 points of weight).

	<ol style="list-style-type: none"> 2. Include metrics and measures using the following criteria: “Exceeds standards,” “Meets standards,” “Does not meet standards,” and “Falls far below standards.” 3. Set goals that <i>augment external evaluations of school performance</i> and do not duplicate existing framework measures. 4. Goals must be able to be documented and supported using objective, verifiable evidence of results. 5. If using additional assessments: <ol style="list-style-type: none"> a. Proficiency and growth targets may not be combined. b. Only utilize assessments that have been evaluated for rigor and have a reporting format that can be verified for accuracy; the appropriate PED bureaus and divisions should be consulted for information on rigor and accuracy. c. Additional assessments must be aligned to school mission. d. Do not propose duplicative reading and math goals, which are already assessed using state assessments and incorporated into Indicators 1 and 2. <p><i>Additional Weight for Indicator 3: School-Specific Goals</i></p> <p><i>If a school proposes to use an assessment or other measure that is an externally, national- or state-normed metric (e.g. ACT, SAT, ACCESS for ELLs, Spanish IPT), it shall be eligible to have 5 points of weight equally removed from all other indicators and applied to the school specific indicators.</i></p> <p><i>If a school proposes ambitious but realistic targets that have been established using a valid benchmark (e.g. comparison to national/state average, improvement from school historic performance), it shall be eligible to have 5 points of weight equally removed from all other indicators and applied to the school specific indicators.</i></p>		
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Summary of Indicator Rating System and Assigned Points

Schools receive up to 100 points for each academic measure. The average weighted points across the framework are used to assign the overall rating (tier).

Indicators	Description	Rating Scale	Assigned Points	Total Weight?	
				Elem	High
Indicator 1: Components from NM A-F School Grading System	The PEC considers charter school performance on each of the components of the NM PED A-F grading system	A - F grade for each component of the NM grading system	A = 100 pts B = 75 pts C = 50 pts D = 25 pts F = 0 pts	60%	65%
Indicator 2: Subgroup Performance	Subgroup measures are based on the school's relative performance (statewide percentile rank) compared to all NM public schools serving the same grades. Points assigned for each subgroup are averaged to calculate overall points for measures 2.1, 2.2, and 2.3	State Percentile Rank (1-100%)	Equal to State Percentile Rank (1-100 pts)	30%	25%
Indicator 3 ¹⁰ : School-Specific Goals	Charter schools may propose mission-specific goals and/or supplemental academic goals that are specific, measurable and rigorous.	Four rating categories: 1) Exceeds standard 2) Meets standard 3) Does not meet standard 4) Falls far below standard	Exceeds = 100 pts Meets = 75 pts Does not meet = 25 pts Falls far below = 0 pts <i>Or by alternative point assignment agreed to by charter school and PEC</i>	10%	10%

¹⁰ A school shall be eligible to have additional weighting allocated to Indicator 3: School-Specific Goals, if the proposed indicator is Reliable (additional 5 points of weight) and Rigorous (additional 5 points of weight).

Based on performance across the academic indicators and measures, schools receive an overall academic tier rating that is used by the PEC in annual monitoring and renewal decisions.

Tier 1	<ul style="list-style-type: none">• School is exceeding PEC academic performance expectations and is on par with the highest-performing schools in the state.• (85 to 100 percent of possible total weighted points)
Tier 2	<ul style="list-style-type: none">• School is consistently meeting PEC academic performance expectations.• (50 to 84 percent of possible total weighted points)
Tier 3	<ul style="list-style-type: none">• School is not meeting expectations for one or more of the academic indicators. Possible intervention.• (16 to 49 percent of possible total weighted points)
Tier 4	<ul style="list-style-type: none">• School is falling far below academic performance expectations. Intervention; possible revocation.• (0 to 15 percent of possible total weighted points)

ORGANIZATIONAL PERFORMANCE FRAMEWORK

The Organizational Framework primarily lists the responsibilities and duties that charter schools are required to meet through state and federal laws. It was developed pursuant to the New Mexico Charter Schools Act and includes indicators, criteria statements, and metrics related to schools' educational program, financial management, governing body performance, school environment, and employee and student policies, including compliance with all applicable laws, rules and terms of the charter contract (Section 22-8B-9.1A (4, 5, 9) NMSA 1978).

NACSA Principles & Standards (2012) states that,

"A Quality Authorizer implements an accountability system that effectively streamlines federal, state, and local...compliance requirements while protecting schools' legally entitled autonomy and minimizing schools' administrative and reporting burdens" (p. 16).

The organizational framework is the primary focus of the annual school visit process. The framework is structured into five categories of information. Each category has multiple **indicators** and each indicator includes one or more **criteria statements** that serve as the metric for evaluating organizational performance.

For each indicator a school receives one of three ratings: "Meets Standard," "Working to Meet Standard" and "Does Not Meet Standard" which are defined below. Indicator ratings are assigned based on evidence that the school is meeting the criteria statement(s).

Meets Standard:

The school meets the standard if it satisfies each of the criteria statements described for the indicator OR if the authorizer currently has no evidence or information to indicate the school does not meet the criteria statements.

Working to Meet Standard:

There is evidence to indicate the school does not, or at some point in the school year did not, satisfy the criteria statements described for the indicator AND within 30 days after receiving a notification of non-compliance, the school submitted evidence to demonstrate immediate correction of any outstanding matters AND submitted a corrective action plan to prevent future occurrences of the same concern.

Does Not Meet Standard:

There is evidence to indicate the school does not, or at some point in the school year did not, meet the criteria statements described for the indicator and the school failed to submit evidence of correction and/or a corrective action plan within 30 days of notification OR the school failed to implement the corrective action plan OR the non-compliance is repeated from the prior evaluation.

Schools receive an overall organizational performance rating of either "Meets Standard" or "Does Not Meet Standard". If a school receives "Does Not Meet Standard" ratings for three more indicators, the school will receive an overall organizational framework rating of "Does Not Meet Standard". Fewer than three such ratings will result in an overall rating of "Meets Standard." In addition, if a school receives a "Does Not Meet Standard", on any indicator, CSD and PEC may conduct a closer review the following year on that indicator, and/or the PEC may require the school to submit a corrective action plan in order to specify actions and a timeline to correct the performance deficiency.

Topics and Indicators	Criteria Statements ¹¹	Component of Site Visit Evaluation?
1. EDUCATIONAL PROGRAM REQUIREMENTS		
1.a. Is the school implementing the material terms of the approved charter application as defined in the Charter Contract?	<ul style="list-style-type: none"> School's mission is being implemented. <i>Article VIII. Section 8.01.(a)(ii)</i> The school has documentation/evidence that it is implementing its educational programs. <i>Article VIII. Section 8.01.(a)(iii)</i> The school has documentation that demonstrates that it is implementing its parent, teacher and student-focused terms. <i>Article VIII. Section 8.01.(a)(iv), (v), (vi)</i> The school stays within its enrollment cap at all times and serves only the approved grade levels. <i>Article VIII. Section 8.01.(a)(i) and (vii)</i> 	YES
1.b. Does the school comply with state and contractual assessment requirements?	<ul style="list-style-type: none"> The school administers all required state assessments, including but not limited to: <i>NMSA 22-2C-4(E)</i> <ul style="list-style-type: none"> Grade level math and reading assessments Subject based end of course exams Early childhood assessments English Learner screening and progress monitoring assessments National performance assessments, when selected, and Language assessments for bi-lingual programs. The school administers all required contractual assessments (specified in contract/performance framework that are still applicable). The school ensures assessment accommodations are properly administered to all eligible students. The school complies with assessment training requirements: <i>NMAC 6.10.7.8 and 9</i> <ul style="list-style-type: none"> Has an identified District Test Coordinator (DTC) DTC attends all required trainings, and DTC annually provides training for all district personnel involved in test administration, preparation, and security. 	NO

¹¹ Criteria statements noted in blue will be evaluated during the site visit. Criteria statements in green will be evaluated using information from PED bureaus, or otherwise available. Criteria statements in red will be evaluated using complaints. Criteria statements in black require the school to report data.

Topics and Indicators	Criteria Statements ¹¹	Component of Site Visit Evaluation?
1.c. Is the school protecting the rights of students with special needs? <i>(Note: These provisions include only students with disabilities.)</i>	<ul style="list-style-type: none"> The school is in 100% compliance with the Special Education Bureau identified indicators. (<i>34 CFR § 300.600 (a)(2) and Subsection F of 6.31.2.9 NMAC.</i>) The school has not been the subject of a due process hearing that resulted in a finding of noncompliance during the current school year. The school has not been cited for noncompliance with applicable federal and state special education rules and regulations as the result of a state-level parental complaint during the current school year. The school is in compliance with all terms of any corrective action plan that resulted from a state-level complaint. The school has received no OCR complaints determined to be valid and demonstrate a students' rights were violated. (<i>NMSA 22-8B-4</i>) 	NO
1.d. Is the school protecting the rights of English Learner students?	<ul style="list-style-type: none"> The school has no complaints that have been evaluated and found to be valid complaints that indicate an EL student's or families' rights have been violated. (<i>NMSA 22-8B-4 (A)</i>) The school does not have a major discrepancy (>5%) between ELs identified and assessed as monitored by the Language and Culture Bureau, or is able to provide appropriate documentation and explanation for such a discrepancy. All EL students must be provided services as evidenced by STARS data reporting for services coded as 1062 (ESL) or 1063 (ELA/ELD), or must be coded as a parent refusal and have documentation to support the refusal as monitored by the Language and Culture Bureau. The school has received no OCR complaints determined to be valid that demonstrate a students' rights were violated. (<i>NMSA 22-8B-4</i>) 	NO
1.e. Does the school comply with federal and state grant program requirements?	<ul style="list-style-type: none"> Annually the school meets program requirements for all PED and federal grant programs it implements. (e.g., Perkins, K-3 plus, truancy coaches, 4RFuture, Title funding, etc.) The school is responsive to findings of non-compliance in accordance with deadlines. 	NO

Topics and Indicators	Criteria Statements ¹¹	Component of Site Visit Evaluation?
1.f. Does the school implement an Educational Plan for Student Success (NMDASH)?	<ul style="list-style-type: none"> The school has an active core team engaged in the DASH process. The school is implementing their annual and 90-day plans, as evaluated through reviewing evidence and school/adult actions during the site visit. <p><i>Only applicable for schools rated as Tier 3 or Tier 4 on the Academic Performance Framework evaluation, earning an "F" letter grade, or meeting criteria to be identified as TSI, CSI, or MRI or schools that are required to implement an NMDASH plan by a PEC Corrective Action Plan.</i></p>	YES
2. FINANCIAL MANAGEMENT AND OVERSIGHT		
2.a. Is the school meeting financial reporting and compliance requirements?	<ul style="list-style-type: none"> The school submits all budget request documents and budget approval documents to the PED according to PED's established deadlines. (NMSA 22-8-6.1 and 10.) The school submits quarterly (or monthly) reports according to PEDs established deadlines. All required reports are posted to the school's website. (NMSA 22-8-6.1 and 10) The school submits an Audit CAP to the PED Audit Bureau within 30 days of the release of the audit. The school responds to all requests by the PED Audit Bureau regarding the CAP in accordance with deadlines. The school, if subject to a T&E audit, has no more than a .06 difference in reported and audited T&E. 	NO
2.b. Is the school following Generally Accepted Accounting Principles?	<ul style="list-style-type: none"> The school received an unmodified audit opinion for the last audit. The school's last audit opinion is devoid of significant findings, material weaknesses, significant internal control weaknesses, or findings related to waste, fraud, or abuse. 	NO
2.c. Is the school responsive to audit findings?	<ul style="list-style-type: none"> The school's last audit is devoid of any multi-year repeat findings. School implements Audit CAP as submitted, as evaluated through reviewing evidence and school/adult actions during the site visit. 	YES
2.d. Is the school managing grant funds responsibly?	<ul style="list-style-type: none"> The school submits at least 10% of RFRs to the PED in each quarter. The school expends at least 99% of grant funds for all accounts without reversion. 	NO

Topics and Indicators	Criteria Statements ¹¹	Component of Site Visit Evaluation?
2.e. Is the school adequately staffed to ensure proper fiscal management?	<ul style="list-style-type: none"> The school has a licensed business manager at all times during the school year; and demonstrates stability in this position (no more than 1 change within a year). The school has a certified State Procurement Officer and all changes are reported to the State Purchasing Agent in accordance with deadlines. (NMSA 13-1-95.2) The governing council's audit committee and finance subcommittee are properly constituted and meet as required. (NMSA 22-8-12.3) 	NO
3. GOVERNANCE AND REPORTING		
3.a. Is the school complying with governance requirements?	<ul style="list-style-type: none"> The governing body meets membership requirements: NMSA 22-8B-4; PEC policy <ul style="list-style-type: none"> Maintains at least 5 members Complies with governance change policy Notifies PEC of board membership changes within 30 days, with complete documentation, and Fills all vacancies within 45 days, or 75 days, if extension is requested by school. All members of the governing body complete all training requirements in accordance with established deadlines. (NMAC 6.80.5.8 and 9) The governing body has not received any OMA complaints (by the AG's office) that were evaluated and found to be verified complaints of OMA violations. (NMSA 10-15-1 and 3) 	NO
3.b. Is the school complying with nepotism and conflict of interest requirements?	<ul style="list-style-type: none"> The school is free of nepotism concerns regarding the governing board and demonstrates compliance with nepotism statute and the school's own nepotism policy, as verified through file reviews on the site visit or when otherwise necessary. The school is free of conflict of interest concerns and demonstrates compliance with conflict of interest statute and the school's own conflict of interest policy, as verified through site visit file reviews or when otherwise necessary. 	YES
3.c. Is the school meeting reporting requirements?	<ul style="list-style-type: none"> The school complies with reporting deadlines from the PED, PEC, and other state agencies. 	NO

Topics and Indicators	Criteria Statements ¹¹	Component of Site Visit Evaluation?
4. STUDENTS AND EMPLOYEES		
4.a. Is the school protecting the rights of all students?	<ul style="list-style-type: none"> The school has received no complaints determined to be valid that demonstrate the school's lottery, admission, and enrollment practices are unfair, discriminatory, or legally non-compliant and a review of lottery, admission, and enrollment policies demonstrates compliance with legal requirements. (<i>Contract Section 8.03 (a)-(e)</i>) The school has received no complaints determined to be valid that demonstrate the school's discipline hearings and practices are not conducted in accordance with law and due process. (<i>NMAC 6.11.2. 1, et seq.</i>) The school has received no complaints determined to be valid that demonstrate the school fails to respect students' privacy, civil rights, and constitutional rights, including the First Amendment protections and the Establishment Clause restrictions prohibiting schools from engaging in religious instruction. The school has received no complaints determined to be valid that demonstrate the school fails to comply with the requirements of the McKinney Vento Act and protects the rights of students in the foster care system. The PED has no information to indicate that the school does not have a board-approved complaint policy and dispute resolution process per 6.10.3D NMAC 	NO
4.b. Does the school meet attendance, retention, and recurrent enrollment goals for students?	<ul style="list-style-type: none"> The school meets the 95% average daily attendance goal, or is able to demonstrate successful efforts to improve attendance among student body. The school maintains at least 80% retention of enrolled students from date of enrollment until the end of the school year, or students who leave prior to the end of the year are classified as graduates, completers, or have earned their GEDs. The school retains at least 70% of students eligible to reenroll between school years. 	YES

Topics and Indicators	Criteria Statements ¹¹	Component of Site Visit Evaluation?
4.c. Is the school meeting teacher and other staff credentialing requirements?	<ul style="list-style-type: none"> • All employees of the school are appropriately licensed as required by law. (<i>NMSA 22-10A-3</i>) <ul style="list-style-type: none"> - All employees hold licensure or have submitted a licensure application within 30 days of beginning employment with the school - The school employs a licensed administrator at all times - The school does not have any licensure discrepancies that are repeated from the one reporting period to any subsequent reporting period. - Discrepancies from the first reporting period are cleared by submitting all required licensure waivers within first 40 days of school year, or from the beginning of employment. • School meets the requirements of all licensure waiver plans and alternative licensure plan requirements. (<i>NMSA 22-10A-14</i>) • The school has not employed, with pay, any teacher without licensure beyond 90 days. (<i>NMSA 22-10A-3</i>) • The school accurately reports all staff to the PED, as verified through site visit reviews. 	YES
4.d. Is the school respecting employee rights?	<ul style="list-style-type: none"> • The school completes and submits all NMTEACH evaluations and observations annually in accordance with deadlines. <ul style="list-style-type: none"> - Teacher attendance data is submitted in accordance with deadlines. - Teacher observations are completed by a NMTEACH certified administrator in accordance with deadlines. - Accuroster data is verified in accordance with deadlines to ensure appropriate student data is reported. • Teachers are provided comprehensive NMTEACH report and reports are maintained in personnel files. Signed NMTEACH reports (all pages) are available in staff files from the prior year. • The school maintains teacher contracts in all staff files. (<i>NMSA 22-10A-21</i>) • The school complies with the minimum teacher salaries. (<i>NMSA 22-10A-7, 10, 11</i>) • The school does not have any verified complaints regarding violations of teacher rights under the school personnel act, FMLA, ADA, etc. (<i>NMSA 22-10A-1 et seq.</i>) • The school does not have any verified complaints regarding lack of adequate mentorship for novice teachers. 	YES

Topics and Indicators	Criteria Statements ¹¹	Component of Site Visit Evaluation?
4.e. Is the school completing required background checks and reporting ethical violations?	<ul style="list-style-type: none"> The school maintains legally compliant background checks in all staff files including evidence of background checks for substitutes, all contracted service providers, and anyone with unsupervised access to students. (<i>NMSA 22-10A-5</i>) The school reports incidents of violations of teacher/licensed staff ethical rules or criminal convictions to the PED pursuant to the School Personnel Act. (<i>NMAC 6.60.8.8 and NMSA 22-10A-5</i>) 	YES
5. SCHOOL ENVIRONMENT		
5.a. Is the school complying with facilities requirements?	<ul style="list-style-type: none"> The school meets PSFA occupancy, NMCI and ownership requirements. (<i>NMSA 22-8B-4.</i>) The school has an e-occupancy certificate. The school has PSFA letter verifying condition index. The school is in a building that is: <ul style="list-style-type: none"> A publicly owned building Is leased to the school by a foundation formed for the purpose of providing a facility to the school, the foundation maintains the building at no cost to the school Is leased by a private owner and there is no acceptable public facility available, the owner maintains the building at no cost to the school. The school notifies the PEC prior to any change in facilities. There are no verified complaints that demonstrate buildings, grounds or facilities do not provide a safe and orderly environment for public use. (<i>Subsection P of 6.29.1.9 NMAC</i>) <ul style="list-style-type: none"> safe, healthy, orderly, clean and in good repair in compliance with the Americans with Disabilities Act-Part III and state fire marshal regulations, Sections 59A-52-1 through 59A-52-25 NMSA 1978 Written records of pesticide applications will be kept for three years at each school site and be available upon request to parents, guardians, students, teachers and staff. 	YES
5.b. Is the school complying with transportation requirements?	<ul style="list-style-type: none"> If the school owns a school bus or otherwise provides student transportation, the school complies with applicable statutes, regulations, or policies related to providing transportation. 	NO

Topics and Indicators	Criteria Statements ¹¹	Component of Site Visit Evaluation?
5.c. Is the school complying with health and safety requirements?	<ul style="list-style-type: none"> • The school conducts all required emergency drills and practiced evacuations. (<i>NMSA 22-13-14 and NMAC6.29.1.9(O)</i>) <ul style="list-style-type: none"> - at least once per week during the first four weeks of the school year, and at least once per month during the remainder of the school year; - two of these drills shall be shelter-in-place drills; - one of these drills shall be an evacuation drill; - nine of these drills shall be fire drills, with one emergency drill required each week during the first four weeks of school; - in locations where a fire department is maintained, a member of the fire department shall be requested to be in attendance during the emergency drills for the purpose of giving instruction and constructive criticism. • The school submits school wellness and safety plans, and all required revisions, in accordance with deadlines to the PED. (NMAC 6.12.6.8) • The school has evidence that it complies with 24-5-2 NMSA 1978 and provides satisfactory evidence of immunization, is actively in the immunization process, or properly exempted from immunization. • The school demonstrates compliance with all facility corrective requirements from the most recent inspection from any other state entity (e.g., NMPSIA, DOH, PSFA, Fire Marshall, POSHA).. 	YES
5.d. Is the school handling information appropriately?	<ul style="list-style-type: none"> • There are no verified complaints that demonstrate the school has failed to comply with FERPA requirements. • There are no verified complaints that demonstrate the school does not obtains, maintains, and transfers cumulative files as required by law. 	NO

FINANCIAL PERFORMANCE FRAMEWORK

Under Development

Appendix B: Annual School Reporting Calendar

Under Development

Appendix C: Summary of Site Visit Protocol

Protocols under development.

The purpose of the school visit is to evaluate whether schools are in compliance with their legal and contractual requirements and to provide technical assistance including evaluative feedback, legal references and citations, and guidance manuals and resources. The goal of this visit is to evaluate compliance in key areas and observe the program of instruction in action, as described in the charter contract and Performance Framework. There are three types of school visits conducted by the PEC's authorized representatives:

- 1.** New school visits – Within the first four months of opening, the PEC's authorized representatives visit all new schools.
- 2.** Annual visits – All schools are visited annual, generally between November and May. Annual site visits may be differentiated based on school performance, including academic, financial, and organizational performance.
- 3.** Renewal visits – In the fall of the renewal year, the PEC's authorized representatives visit schools as part of renewal activities.

Two to four staff members who are the PEC's authorized representatives will participate in site visits. Site visits generally do not last longer than a day, but the time required depends on school performance and availability of necessary data, records, and staff time. Schools will be notified in advance as to the timing of site visits.

Appendix D: Glossary of Terms

Annual Notice of Renewal Profile – is an annual notice that will be sent to the school leader and all members of the school governing body. The notice will identify the renewal profile(s) the school is on track to fall within based on its performance under the current charter term. The PEC expects that schools will use these notices to both take action to respond to the potential renewal action by improving performance, as necessary, and to prepare and submit a response to the potential renewal action.

Chartering Authority Intervention – is action taken by the Commission or its authorized representatives to notify a school that it is failing to meet its legal and contractual requirements, to prompt the school to take action to correct its own failure to meet its legal and contractual requirements, and/or to revoke or non-renew a school that has demonstrated the inability or unwillingness to meet its legal and contractual requirements. Intervention may include providing findings of non-compliance during or after a site visit, issuing a Notice of Concern, a Notice of Breach, or a Notice of Revocation Review or Intent to Revoke, monitoring the implementation of an improvement plan or corrective action plan, or not-renewing a charter school.

Chartering Authority Oversight – is action taken by the Commission or its authorized representatives to evaluate whether a charter school is meeting its legal and contractual requirements. This may include evaluating submissions from the school, investigating complaints or allegations, conducting site visits or audits, evaluating data about the school's performance, or completing performance evaluations.

Charter School Autonomy – is the right of all charter schools to determine the methods by which they achieve their legal and contractual requirements, including all performance standards. Charter School Autonomy reflects the additional flexibilities granted through any non-discretionary or discretionary waivers as defined in statute, regulation, and policy.

Intervention Ladder – is the process by which the Public Education Commission will communicate to charter schools its concerns about academic performance, fiscal soundness or legal, contractual, or policy requirements.

Final Notice of Renewal Profile – is the notice provided to the school after the final performance profile prior to renewal is released. This notice will identify the renewal recommendation the school will receive and will notify any schools of their eligibility for expedited renewals.

Legal and Contractual Requirements – are the obligations a charter school must meet based on state and federal statutes, regulations and policies, and the terms of the charter contract. These requirements include the performance expectations established in the Performance Review and Accountability System, which consists of the PEC's Academic, Organizational and Financial Performance Frameworks, Intervention Ladder, Renewal Process, and Site Visit Protocols.

Mission-Specific Goals – are optional indicators that may be incorporated into the Academic Performance Framework. These goals should be outcome based measures of the school's effectiveness in implementing its mission. Goals are weighted as 10% of the Academic Performance Framework unless they are granted additional weight based on reliability and rigor.

Notice of Breach – a formal, written notice issued pursuant to a vote of a majority of Commission members at a properly noticed public meeting that a school is not meeting performance expectations or has failed to comply with legal or contractual requirements and, as a result, is in breach of the contract. This notice will often, but not always, be issued after a school has been issued a Notice of Concern and has failed to meet the requirements of the prior notice. In the notice, the Commission will establish expected outcomes and deadlines that must be met by the school. Deadlines will vary depending on the urgency of the matter and the amount of time it takes to reasonably cure the concern. Once a Notice of Breach is issued, schools are required to submit a Corrective Action Plan (financial or organizational performance) or an Improvement Plan (academic performance) that details the actions and timeline that the schools will implement to correct the breach. PEC’s authorized representatives will monitor the school’s implementation of Corrective Action and Improvement Plans, and regularly update PEC on progress.

Notice of Concern – a formal, written notice issued pursuant to a vote of a majority of Commission members at a properly noticed public meeting that a school is not meeting performance expectations or has failed to comply with legal or contractual requirements. In the notice, the Commission will establish expected outcomes and deadlines that must be met by the school. Deadlines will vary depending on the urgency of the matter and the amount of time it takes to reasonably cure the concern.

Performance Review and Accountability System – consists of the PEC’s Academic, Organizational and Financial Performance Frameworks, Intervention Ladder, Renewal Process, and Site Visit Protocols. It is an adaptive tool subject to continuous review and improvement so that the students in New Mexico public charter schools are effectively served. New Mexico’s charter schools are invited to be partners in the development and continuous improvement of this Performance Review and Accountability System.

Preliminary Notification of Renewal Profile – is the annual notice provided to the school at least one year prior to the date on which it must apply for renewal. The notice will identify the renewal profile(s) the school is on track to fall within based on its performance under the current charter term and will act as notice to schools that are likely to be eligible for expedited renewal. The PEC expects that schools will use these notices to both take action to respond to the potential renewal action by improving performance, as necessary, and to prepare and submit a response to the potential renewal action.

Reliability - is a demonstration that an assessment or other measure is an externally, national- or state-normed metric (e.g. ACT, SAT, ACCESS for ELLs, Spanish IPT). Mission-specific goals that are reliable shall be granted an additional five points of weight in the Academic Performance Framework. The additional weight will be taken from all other measures equally.

Revocation Review – is the process by which a charter school is considered for revocation of their charter. The revocation review can arise as a result of the school’s failure to meet requirements specified in a Notice of Breach, receipt of multiple Notices of Breach in the same school year, or as a result of a violation of law that is significant enough to justify immediate revocation. A Notice of Revocation Review is issued at a properly noticed public meeting and established the actions to be taken by its authorized representative(s) and a deadline for the school to respond to the prospect of revocation.

Rigor – is the demonstration that a performance goal is an ambitious but realistic target that has been established using a valid benchmark (e.g. comparison to national/state average, improvement from school historic performance). Mission-specific goals that are rigorous shall be granted an additional five points of weight in the Academic Performance Framework. The additional weight will be taken from all other measures equally.

Student Academic Growth – is the measurement of student level improvement within a school years as compared to their performance peers’ improvement in the same year on the state’s annual academic assessments in math and reading.

Student Proficiency – is performance at grade level on the state’s annual academic assessments in math and reading. This may also include performance at grade level on other state assessments including Science, and end-of-course assessments.

Substantial Progress – is related only to academic performance, is reflected in a school’s “Renewal Performance Profile,” and makes a school eligible for full renewal. This is defined as “consistently improving performance over the last 3 years.” Inconsistent performance over the last three years shall demonstrate that a school is not making “substantial progress.”

Support – is making charter schools aware of PED resources and programs available to support their improvement or excellent performance. This may also include sharing information between charter schools about effective or best practices being implemented at effective and successful schools. This shall not include providing recommendations on the method by which the school must/can/should achieve its legal or contractual requirements, as charter schools are granted the autonomy to determine the methods they will utilize to meet their legal or contractual requirements.

Technical Assistance – is information provided to make a school aware of, or to help a school understand, its legal or contractual requirements. This can include information about why the school is not currently meeting its legal or contractual requirements. Technical assistance shall not include providing recommendations on the method by which the school must achieve its legal or contractual requirements, as charter schools are granted the autonomy to determine the methods they will utilize to meet their legal or contractual requirements.

ARTICLE VI *Conflicts of Interest*

Section 6.1. Purpose. The purpose of this Article VI is to protect this Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 6.2 Definitions.

(a) *Interested Person.* Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an Interested Person.

(b) *Financial Interest.* A person has a Financial Interest if the person has, directly or indirectly, through business, investment, or family:

(i) An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,

(ii) A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or

(iii) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A Financial Interest is not necessarily a conflict of interest. Under Section 6.3(b), a person who has a Financial Interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 6.3 Procedures.

(a) *Duty to Disclose.* In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the Financial Interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

(b) *Determining Whether a Conflict of Interest Exists.* After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board

or committee members shall decide if a conflict of interest exists.

(c) *Procedures for Addressing the Conflict of Interest.*

(i) An Interested Person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

(ii) The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(iii) After exercising due diligence, the governing board or committee shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

(iv) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of Interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

(d) *Violations of the Conflicts of Interest Policy.*

(i) If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

(ii) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 6.4 Records of Proceedings. The minutes of the governing board and all committees with board delegated powers shall contain:

(a) The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the governing boards or committee's decision as to whether a conflict of interest in fact existed.

(b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 6.5 Compensation.

(a) A Director who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that Director's compensation.

(b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

(c) No Director or voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 6.6 Annual Statements. Each director, principal officer, and member of a committee with Board-delegated powers shall annually sign a statement which affirms such person:

(a) Has received a copy of the conflicts of interest policy,

(b) Has read and understands the policy,

(c) Has agreed to comply with the policy, and

(d) Understands the Corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 6.7 Periodic Reviews. To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

(a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.

(b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and

services, further charitable purposes and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 6.8 Use of Outside Experts. When conducting the periodic reviews as provided for in Section 6.7, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

Board Member Agrees to Adhere to the Conflict of Interest Policy.

William Carter
Board Member Name Printed

William Carter 5.30.18
Signed and Dated

ARTICLE VI *Conflicts of Interest*

Section 6.1. Purpose. The purpose of this Article VI is to protect this Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

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(i) An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,

(ii) A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or

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Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A Financial Interest is not necessarily a conflict of interest. Under Section 6.3(b), a person who has a Financial Interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 6.3 Procedures.

(a) *Duty to Disclose.* In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the Financial Interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

(b) *Determining Whether a Conflict of Interest Exists.* After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board

or committee members shall decide if a conflict of interest exists.

(c) *Procedures for Addressing the Conflict of Interest.*

(i) An Interested Person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

(ii) The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(iii) After exercising due diligence, the governing board or committee shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

(iv) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of Interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

(d) *Violations of the Conflicts of Interest Policy.*

(i) If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

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(b) Has read and understands the policy,

(c) Has agreed to comply with the policy, and

(d) Understands the Corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 6.7 Periodic Reviews. To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

(a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.


(b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and

services, further charitable purposes and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 6.8 Use of Outside Experts. When conducting the periodic reviews as provided for in Section 6.7, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

Board Member Agrees to Adhere to the Conflict of Interest Policy.

Jessica Medina
Board Member Name Printed

 5/31/18
Signed and Dated



Horizon Academy West Governing Council Policies and Procedures

...as published on 9/15/05, 12/15/05, 1/19/05, 05/16/2012, **06/21/16**

Note: Each section has various specific dates for last modification. For the most current policy in effect, you may need to refer to subsequent intervening motions approved in council sessions. If you have questions, please contact the HAW Governing Council.

Horizon Academy West Governing Council Policies and Procedures

SECTION A: FOUNDATIONS AND GOVERNING COUNCIL GOVERNANCE ADOPTED 09/28/2012

- A.1 Vision & Mission Statement
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- A.5 Council Member Authority
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- A.22 General Conflict of Interest
- A.23 Evaluation of Principal AND/OR Director

SECTION A: FOUNDATIONS AND GOVERNING COUNCIL GOVERNANCE

A.1 VISION & MISSION STATEMENT

School Vision: Horizon Academy West is a public charter school with approximately 500 students in Prekindergarten (full-day) through 6th grade. As a charter school, we provide a quality education with smaller class sizes, develop stronger parental and community involvement, and attract a dedicated and enthusiastic staff. Horizon Academy West is dedicated to improving student achievement through a variety of means. Class sizes are restricted to a student: teacher ratio of 23:1 (Kindergarten is 20:2). Teachers, students, parents, and community members are active participants through volunteering and committee membership. **School Mission Statement:** Horizon Academy West has a commitment to educational excellence, and our staff is dedicated to providing a rigorous, creative, well-rounded education for all students. Our school is committed to helping each student master his or her subjects, and learn to think – critically and creatively.

Our school is committed to help each student master a challenging curriculum, learn to think critically and creatively along with understanding the values and traditions that underlie our society. We believe that students have different needs at different developmental stages, each bringing with them different lifestyles and cultural backgrounds. Students learn through active participation as Horizon Academy West sees itself as a community of students and teachers, responsible to each other. Our institution provides an environment that fosters the professional growth of a dedicated and diverse faculty as they generate for every student a foundation in learning and achievement. We will encourage teacher creativity and initiative, understand and support the whole child, attract and support a diverse student body along with achieving a school community that is socially responsible.

A.2 NONDISCRIMINATION ON THE BASIS OF HANDICAP/DISABILITY

HAW affirms its commitment to the rights of students, parents and employees with disabilities as set forth in Section 504 of the Rehabilitation Act of 1973, the New Mexico Human Rights Act (NMHRA) and the Americans with Disabilities Act (ADA).

A.3 GOVERNING LAWS

HAW must comply with all applicable federal, state, and local laws and regulations. As a public charter school, HAW is governed by, without limitation:

- the Charter Schools Act (NMSA 1978, Sections 22-8B-1, et seq.),
- the New Mexico School Personnel Act (NMSA 1978, Sections 22-10A-1, et seq.),
- the New Mexico Procurement Code (NMSA 1978, Sections 13-1-1 et. seq.),
- the Open Meetings Act (NMSA 1978, Sections 10-15-1 et seq.)
- the applicable rules and regulations issued by the New Mexico Public Education Department (contained in Title 6 of the New Mexico Administrative Code) and such other regulations applicable to public schools,
- HAW's charter with the New Mexico Public Education Commission PEC policies not waived in HAW's charter.

The Governing Council of HAW has a responsibility to ensure that HAW operates in accordance with these laws and regulations, and meets its commitments to the Commission and the New Mexico Public Education Department as reflected in its charter.

A.4 GOVERNING COUNCIL POWERS AND RESPONSIBILITIES

The primary powers and duties of the Governing Council are to:

- employ and negotiate the contract for the school's head administrator and chief operating officer as defined in 6.80.4.7 NMAC (6.30.2009);
- review and approve the budget for HAW;
- review and approve all policies and procedures for HAW;
- accept or reject any charitable gift, grant, devise or bequest valued over \$1,000 (if accepted, the gift shall be considered an asset of HAW);
- review and approve facilities plans for HAW; and

-serve as HAW's appellate authority with respect to discipline of students and employees and all Concerns, Complaints, and Inquiries (CCI Parent/Community Member complaint process) Governing. The Council shall not be involved in the day-to-day operations of the school; however, the Council will ensure that the administration carries out the policies and procedures of the Council by requiring regular reports and by conducting annual reviews of the school's Head Administrator. The Head Administrator will ensure that the Council's shall policies and procedures, facilities plans, and school budget are implemented.

A.5 COUNCIL MEMBER AUTHORITY

Except as stated herein, Council members have no independent authority and may act only in a properly convened public meeting. The Council will not be bound in any way by any statement or action on the part of any individual Council member, unless the Council, by majority vote, delegates authority to speak for or represent the entire Council to a Council member. Unless acting pursuant to express delegated authority from the Council, no Council member shall undertake any individual action to implement any plan or action approved by the Council and which is the responsibility of the Head Administrator or his/her designee unless such action is taken under the direction and supervision of the Head Administrator. When acting under such direction and supervision of the Head Administrator or his/her designee, a Council member shall be considered a volunteer and have no special authority beyond that of a volunteer.

A.6 SUSPENDING OR REVOKING POLICIES AND PROCEDURES

Any policy of the Council, not specifically prescribed by applicable law or the charter, may be suspended or revoked by a majority vote of the Council. The Principal may, in case of emergency, suspend any policy or procedure, or any subsection thereof, as they pertain to the administration of the school, provided that the Principal first attempts to obtain Executive Committee approval for such suspension, unless the emergency is such that the Principal must act immediately. The Principal will report the facts and reasons for such suspension at the next meeting of the Council, and the suspension will expire at the time of said report unless continued in effect by the Council.

A.7 COUNCIL MEMBERSHIP

The Governing Council is intended to be a collaborative body and members are not intended to represent particular constituencies, but should recognize and pursue the best interests of the school as a whole. It is, however, recognized that diverse groups exist and it is advisable to draw membership from all areas. Therefore, the council membership will consist of five voting members (Community Members and/or Parent Members). A maximum of four, but no less than three non-voting members (one Faculty and at least two Administration Members) will sit on the board to provide assistance to the council. A Council member is defined as a voting member for the purposes of these policies.

Selection/Election:

- a) Faculty Members (non-voting membership) will be selected by the Administration. All teachers may submit nominations for the position to the Administration for consideration.
- b) The Faculty and Administration positions are non-voting membership positions.
- c) Parent Members and Community Members:
 - i) On or before May 1 of each calendar year, if a vacancy will exist the Council shall appoint a five-member Nominating Committee, which shall consist of: (a) one member of the Governing Council; (b) one member of the faculty who will not serve on the Council the following year; (c) one parent who is not currently on the Governing Council, is not employed by HAW in any capacity, and will not serve on the Council the following year; and (d) two designees selected by the Administration.
 - ii) The Nominating Committee shall meet thereafter and solicit applications, recruit potential candidates, and screen applicants and recruits for each of the Parent Member and Community Member positions on the Council to be filled.
 - iii) The Nominating Committee shall generally recommend candidates based upon their professional skills, demonstrated collaborative and problem-solving skills and attitudes, their ability and willingness to devote substantial time and energy to serve on the Council (including chairing and regularly participating in the activities of at least one Council committee), and their willingness and ability to devote their time and energy to acting for the best interests of HAW as a whole, rather than the interests of any particular interest group.
 - iv) The Nominating Committee's slate of recommended candidates shall be

submitted to the Council and publicly announced no later than May 10. v) If there is more than one candidate for any Parent Member or Community Member Position, either by virtue of the Nominating Committee recommending more than one candidate for a particular position or because a nominating petition has been submitted in accordance with vi) below, the Council shall arrange for an election to be held with respect to the contested position(s) on the third Thursday of May. vi) Any person who desires to be considered for one of the Parent Member or Community Member Positions on the Council, and who has not been included on the Nominating Committee's slate, shall be placed on the ballot if a petition, signed by at least 50 (fifty) HAW families is presented to the governing council by no later than May 15. vii) With respect to each of the Parent Member and Community Member Positions, families shall be entitled to cast one (1) vote for each child currently enrolled at HAW. If families attempt to cast more than one vote per child all that family's ballots shall be disqualified. viii) Voters shall cast their votes by secret written ballot on or before the election date, and the candidates for each Parent Member and Community Member Position receiving the most votes shall be elected to that position. ix) At the last Council meeting in May, the Council shall vote to approve or disapprove, as a whole, the uncontested candidates recommended by the Nominating Committee and the candidates elected (if any). If approved, all such candidates shall be seated as members of the Council for the relevant terms. If such candidates are disapproved by the Council as a whole, the Council shall reconvene the Nominating Committee to develop a new slate of candidates for the uncontested positions.

Restrictions on Council Members: In no event shall Council members in office be employees of HAW (which shall for this purpose include persons receiving compensation from HAW as independent contractors); or shall spouses serve on the Governing Council at the same time.

Terms: Council member terms are for a minimum of one year and a maximum of five years. Faculty Members will generally serve for one year unless the administration decides to appoint any faculty member for more than one year. Parent and Community Members will be requested to serve for five years, provided that any such member may elect to serve for a shorter term. Prior to May 1, the governing council will identify the current length of the terms for each council members and who will be remaining on the council for the following year. The Council will also determine whether the make-up of the Council shall be increased or otherwise changed in subsequent years. This will determine the positions that are to be filled for the following year.

Automatic Removal of Certain Council Members:

(1) **Termination of HAW Relationship.** A Council member who occupies a Council position by virtue of his or her relationship to HAW (e.g., administrator, faculty or adjunct faculty member, parent of HAW student, etc.) will be deemed to have automatically resigned from his or her position on the Council upon the termination, for any reason whatsoever, of the circumstances which initially made such person eligible for the Council position. (2) **Termination of Independent Contractor Status** In such circumstances, the Council shall appoint a qualified person to fill the vacant seat of that member for the remainder of the term for which that member was initially elected or appointed, by majority vote of the Council.

Recall of Elective Council Members: If at any time the Council shall receive a recall petition with respect to any member serving in a Faculty Member, Parent Member or Community Member Position, signed by the following constituents: at least fifty percent (50%) of the faculty (in the case of a Faculty member) or 200 HAW Families (in the case of a Parent Member or Community Member), the Council shall arrange for a recall election to be held within thirty (30) days thereafter. Constituents eligible to vote for such position shall vote by secret ballot in such recall election, and such member shall be recalled and removed from office if more than fifty percent (50%) of the votes cast in such election are cast for removal.

Vacancies: A vacancy on the Council caused by the resignation, deemed resignation pursuant to Section A.7.5, removal by vote of the Council pursuant to Section A.19, recall pursuant to Section A.7.6, death, refusal to serve, or incapacity of a member, or by the failure to fill all available positions, will be filled by majority vote of the remaining Council members, unless the Council elects to convene a Nominating Committee to fill the vacancy in accordance with the procedure above.

Annual Mandatory Training Obligation:

Pursuant to NMSA 1978 §22-8B-5.1 (2009), every member of the Council must comply with the New Mexico Public Education Department's mandatory training. All members must attend five hours of training at least annually on topics that include department rules, policies and procedures, statutory powers and duties of governing boards, legal concepts pertaining to public schools, finance and budget and other relevant matters. Council members who shall attend five hours of annual training approved by NMPED and which is sponsored by the New Mexico School Boards Associations or the New Mexico Coalition of Charter Schools. The Council member must provide written attendance forms to the school's Head Administrator or his/her designee and which shall be maintained in the School's records. The school will be required to report annually the list of training hours to the Assessment and Accountability Division of the Public Education Department; which report shall include the number of hours of training earned each year by each Council member.

A.8 COUNCIL MEMBER CONFLICT OF INTEREST

Council members are prohibited from using confidential information acquired by virtue of their associations with HAW for their individual or another's private gain. Council members are prohibited from requesting or receiving and accepting a gift or loan for themselves or another that tends to influence them or appear to influence them in the discharge of their duties as Council members. Business with suppliers to HAW will not be influenced or appear to be influenced by a Council member's financial interest. Council members must, in all instances, maintain their conduct at the highest standards. Council members must not engage in activities which violate federal, state, or local laws or which, in any way, diminish the integrity, efficiency, or discipline of the Council or HAW. The Council will not initially employ or approve the initial employment in any capacity of a person who is a Council member (unless the offer of employment is contingent upon such member's resignation from the Council), the spouse, father, father-in-law, mother, mother-in-law, son, son-in-law, daughter, or daughter-in-law, sister or sister-in-law, brother or brother-in-law, or sibling of any Council member, in accordance with New Mexico State Statutes. The Council shall carefully consider the potential impact on the integrity, efficiency, discipline and public perception of HAW in the employment of any person who is the parent of a HAW student.

A.8.1 TRANSACTIONS WITH INTERESTED COUNCIL MEMBERS

HAW shall not enter into any financial transaction with any Council member, any relative of a Council member, or any other person or entity in which the Council member or a relative of the Council member has a direct or indirect financial interest unless: (a) the nature of the direct or indirect financial interest is fully disclosed to the Council; and (b) the transaction is expressly approved by a majority of the Council members present at such meeting who have no direct or indirect personal financial interest in the transaction, provided a quorum of the full Council is present at such meeting. A written contract or other written memorandum shall evidence all such interested transactions approved by the Council. Each Council member shall be responsible for disclosing to the Council the existence of any such direct or indirect interest. Failure to make such disclosure shall be grounds for voiding the transaction, at the discretion of the Council. Nothing in this procedure shall prevent HAW from paying reasonable compensation to a Council member's relative or affiliated entity for services or property provided to HAW, provided (i) the foregoing procedure is followed and (ii) the transaction is otherwise in compliance with other applicable laws, regulations and HAW policies and procedures. [See also Policy B.6 and Procedure B.6-1]

A.9 COUNCIL ORGANIZATIONAL MEETING

The Council will hold its annual organizational meeting during the first regular Council meeting in May, unless no incumbent officers remain on the Council at the time a new Council takes office. In this instance, the Council will hold its annual organizational meeting during the first regular Council meeting after the new Council assumes office. The offices of the Council will include President, Vice President and Secretary, and will be determined at the July regular meeting.

A.10 COUNCIL COMMITTEES

The Council may establish committees during an open meeting, which may consist of Council members and non-Council members. Committee assignments and chairmanships will be determined by action of the entire Council, provided that at least one Council member shall serve on each committee. The time and place of all Committee meetings shall be announced to the Council. All Council members may attend any committee meeting unless to do so would constitute a quorum, in which case such meetings shall be held in compliance with the Open Meetings Act. The function of the committees will be fact-finding, deliberative, and advisory, rather than legislative or administrative. Committee recommendations will be made directly to the Council, which alone may take action. The responsibility of each committee shall be reflected in a memorandum approved by the Council and filed with these policies. The Council may appoint ad hoc advisory committees when and as determined to be necessary or advisable by the Council. Ultimate authority to make decisions will continue to reside in the Council. All committees shall keep written minutes of their meetings, and shall periodically present written reports to the Council containing committee recommendations.

A.10.1 PARENT ADVISORY COMMITTEE

In accordance with House Bill 212, Horizon Academy West will establish and maintain a Parent Advisory Committee (PAC). The PAC will consist of at least one, but no more than two, Council members, equal staff and parental membership, with a minimum of three (3) representatives from staff and parental membership groups. The principal will, by default, be selected for membership of the PAC. Additionally, if available, at least one member of the community will be selected for committee membership.

The purpose of the PAC will be to assist the school principal with school-based decision-making and to involve parents in their children's education. The committee shall:

- (1) work with the school principal and give advice, consistent with state and school district rules and policies, on policies relating to instructional issues and curricula and on the public school's proposed and actual budgets;
- (2) develop creative ways to involve parents in the schools;
- (3) where appropriate, coordinate with any existing work force development boards or vocational education advisory councils to connect students and school academic programs to business resources and opportunities; and
- (4) serve as the champion for students in building community support for schools and encouraging greater community participation in the public schools."

The PAC will provide the Council with written copies of the agenda and minutes for each meeting. Any recommendations concerning governance, financial matters, or charter amendments created by the PAC must be presented to the Council, which alone may take action.

A.10.2 FINANCE COMMITTEE

In accordance with NMSA 1978 §22-5-4.11(2010) HAW will appoint at least two members of the Council to a Finance Committee to assist the Council in carrying out its budget and finance duties. The Finance Committee shall:

- (1) make recommendations to the Council in the following areas:
 - (a) financial planning, including reviews of the school's revenue and expenditure projections;
 - (b) review of financial statements and periodic monitoring of the revenues and expenses;
 - (c) annual budget preparation and oversight; and
 - (d) procurement; and
- (2) serve as an external monitoring committee on budget and other financial matters.

A.10.3 AUDIT COMMITTEE

In accordance with NMSA 1978 §22-5-4.11 (2010) the Council will appoint an Audit Committee that consists of two Council members, one volunteer member who is a parent of a student attending the school and one volunteer member who has experience in accounting of financial matters. The Head Administrator and the school's business manager shall serve as ex-officio members of the committee. The Audit Committee shall:

- (1) evaluate the request for proposal for annual financial audit services;

- (2) recommend the selection of the financial auditor;
- (3) attend the entrance and exit conferences for annual and special audits;
- (4) meet with external financial auditors at least monthly after audit field work begins until the conclusion of the audit;
- (5) be accessible to the external financial auditors as requested to facilitate communication with the Council and the Head Administrator;
- (6) track and report progress on the status of the most recent audit findings and advise the Council on policy changes needed to address audit findings;
- (7) provide other advice and assistance as requested by the Council; and
- (8) be subject to the same requirements regarding the confidentiality of audit information as those imposed upon the Council by the Audit Act, NMSA 1978 §§12-6-1, et seq.

A.11 COUNCIL MEETINGS

Regular meetings of the Council will be held regularly, except that regular meetings shall not be held during school holidays occurring during the school year. The Council will establish the calendar of regular meetings for each Council year (May through April) at the first Council meeting in August. The date or time of the regular monthly meeting may be changed by action of the Council, provided that every member of the Council and the HAW community have been notified and notice of the change has been properly published as required by the Open Meetings Act. Council meetings will be held at school premises, or such other location as may be determined by the Council.

A special Council meeting may be called by the Council President, or by a quorum of Council members. Advance notice of a special meeting will be given to all Council members in accordance with the Open Meetings Act (NMSA 1978, Section 10-15-1) and the annually adopted resolution of the Governing Council.

A.12 COUNCIL AGENDA

Council agendas are set by the Principal or Administrative designee in collaboration with the Governing Council. A request from any other Council member that an item be included on the agenda must be submitted to the Principal or Director at least 48 hours prior to the meeting. A written request by non-Council members that an item be included on the agenda must be filed with the Principal at least seven (7) calendar days before the meeting. Such requests must include, in writing, all statements and materials the person anticipates presenting. The Principal shall provide a copy of the agenda to each Council member and the public at least 24 hours prior to the meeting.

A.13 COUNCIL AND COMMITTEE DELIBERATIONS

All Council members shall work collaboratively with each other, with the sole goal of achieving HAW's educational mission. The Council has been constituted so as to include a broad spectrum of experience and perspectives, and every Council member shall be afforded the opportunity to express his or her opinion, in a professional manner, about matters before the Council. Council members shall refrain from non-constructive or personality-based comments that do not advance HAW's mission. Because the Council makes decisions as a deliberative body, it is expected that, except in extraordinary circumstances, Council members will voice their opinions to other Council members about Council matters in the context of Council and/or committee meetings, Council members shall be expected to keep confidential any deliberations or discussions that take place in the closed session meetings. It is expected that Council members will raise concerns or share information about discussed in closed session meetings within the context of Council. Until such decisions are ready for public comment, such information will not be shared with the HAW community at large.

A.14 ALTERNATIVE DISPUTE RESOLUTION PROGRAMS

The Council recognizes the existence and effectiveness of alternative dispute resolution programs. Use of alternative dispute resolution programs can result in the early, fair, efficient, cost effective, and informal resolution of disputes. Appropriate use of alternative dispute resolution methods by HAW is hereby determined to be in the best interest of HAW. For parents and community members, an alternative dispute

resolution process is in place (CCI process). An alternative dispute resolution process for staff is also in place and has been approved by the Council.

A.15 POLICY ADOPTION

Adoption of new policies or the revision or repeal of existing policies is solely the responsibility of the Council. Proposals regarding policies may only originate with a Council member or the Administration. Staff members, students, civic groups, parents or other interested citizens may request that a Council member or the Principal sponsor a proposed policy. The Council will adhere to the following procedure in considering and adopting policy proposals to ensure that such proposals are thoroughly examined before final action: A Committee will draft and review new policies or revisions to existing policies. After such review, the Committee will make such proposed policies available for public comment by staff members, students, civic groups, parents or other interested citizens, and notice of such proposed policies shall be available for inspection in the front office. Upon request, the Principal shall make copies of the proposed policies available to interested parties. Comments on the proposed policies must be submitted in writing to the Principal by the deadline specified by the Committee. Following such public comment period, the Committee shall consider any comments received and determine whether changes to the initial draft policies should be recommended. After such consideration by the Committee, and adoption of any recommended changes, the Committee shall present to the Council for consideration its final recommended policies or revisions. The Committee shall also submit to the Governing Council a summary of all comments submitted. The public comment process shall apply to all policies proposed by the Committee after the date this amended policy is adopted by the Governing Council. All Council members working on committees should be aware that committee work is not effectively the work of the Council in small groups and should follow the Open Meetings Act at all times.

A.16 COUNCIL POLICY AND PROCEDURE INTERNAL AUDITS

The Council will review all school policies and procedures on an on-going basis, in an effort to assure that all implemented procedures conform to the school charter, state, and federal regulations. Internal audits may include, but are not limited to the following:

- (1) Review and discussion of specific policies and procedures;
- (2) Observations of procedure implementation by a board member;
- (3) Modification of policies and/or procedures as needed.

It should be noted that in the event that an observation of procedure implementation is conducted, the Council member shall coordinate and such visit with the Head Administrator or his/her designee. The visit shall not interfere with the daily operations at the school. Observations must be scheduled in advance to avoid disruption in the educational and professional process at the school. Observations must be discussed by the board prior to being conducted.

Modification of policies and/or procedures will be initiated when necessary, only after detailed attention to the policy and/or procedure in question has been given by the Council as a whole. Modification of policies and/or procedures may require input by the entire school community, including administration, staff, parents, students, and other community members.

A.16.1 ADDRESSING THE COUNCIL

An individual may speak at a Council regular meeting by signing up for public forum. All presentations should be brief and each individual speaking on an agenda item should limit his or her remarks to three (3) minutes or as modified and ruled on by the Council at the public meeting. . Complaints about individual employees or which involve confidential student information will not be heard at Council meetings, but should be raised pursuant to the general complaint policy adopted by the Council.

A.17 COUNCIL MINUTES

A record of all actions of the Council will be set forth in the official minutes of the Council. The minutes will be kept on file as the permanent official records of HAW. The Council will maintain a separate

handbook of resolutions passed by the Council. The Council will also maintain an indexed record of action.

A.17.1: COUNCIL MINUTES AND RECORDS

The Principal, or administrative staff to whom the Principal shall delegate such responsibility, shall take the minutes of all Council meetings, and provide a written copy thereof for approval at the next Council meeting. The Principal or Director shall also supervise the handbook of resolutions passed by the Council and the indexed record of action.

A.18 REMOVAL OF COUNCIL MEMBERS FOR BREACH OF RESPONSIBILITIES

a) Governing Council members are expected to regularly attend Council meetings. If a Council member anticipates that he or she will not be able to attend a meeting, the Council member shall notify the President of the Council and the Principal of his or her impending absence in advance of the meeting. If a Council member, as a result of an emergency or illness, is unable to notify the President of the Council and the Principal in advance that he or she will be unable to attend a meeting, the Council member shall notify the Council President and the Principal within 24 hours following the meeting of the reason for his or her absence.

b) If a member of the Governing Council misses two or four consecutive regular meetings without prior and approved reasons, the office of such member may be declared vacant by a vote of three-fourths of the remaining members of the Council.

c) If a member of the Governing Council knowingly violates any policy or procedure adopted by the Governing Council, the office of such member may be declared vacant by a vote of three-fourths of the remaining members of the Council.

d) Any vacancy of an office on the Governing Council created pursuant to this section shall be filled in the same manner as other vacancies on the Governing Council are filled. Any member of the Governing Council who has his or her office declared vacant or vacated pursuant to this section A.18 shall not be eligible for appointment or election to the Governing Council until the term for which he or she was originally elected or appointed has expired.

e) As used in this section A.18, "regular meeting" means a the monthly meeting of the members of the Governing Council, which has been formally scheduled and adopted through the resolution process.

f) No office of a member of the Governing Council shall be declared vacant under this section A.18 for any absence or other event that occurred prior to the date of adoption of this section A.19.

A.19 PARLIAMENTARY AUTHORITY

Roberts' Rules of Order, newly revised, will govern the Council, except when state regulations prevail. Although most items are handled by appropriate motion procedures, consensus action is also used. Actual procedures will be left to the discretion of the Council President or the person chairing the meeting in the President's absence. Unless otherwise specified by Council policy, procedure or resolution, a quorum shall consist of a simple majority of Council members in office, and any action may be taken upon the approval of a majority of those members present, provided a quorum is present.

A.20 AVOIDING CONFLICTS OF INTEREST.

In order to avoid conflicts of interest and the appearance of impropriety, the following restrictions on participation in Council deliberations and voting shall apply to certain members of the Council:

(a) Non-voting members of the Council shall not participate in Closed Session (as defined in subparagraph (c) below) deliberations relating to the compensation, evaluation, or discipline of any staff member, including independent contractor staff members, unless the particular staff member is supervised (directly or indirectly) by that Council member or that nonvoting staff member is invited to participate in the Closed Session at the express invitation of the Council;

(b) Council members shall not participate in open meeting or Closed Session deliberations or votes relating any transaction between HAW and any Related Entity (as such term is defined in Section A.21);

(c) As used in this Section A.20, "Closed Session" shall mean any portion of a Governing Council meeting which is properly closed to the public in accordance with the provisions of the state Open Meetings Act.

(d) The Governing Council may invite guests to Closed Sessions, or portions thereof, to provide information and contribute to the discussion at hand.

A.21 NO MISUSE OF POSITION

No Council member or HAW employee shall use his or her position at HAW to attempt to influence the decision of any employee of HAW to grant special treatment to (a) the child or ward of such Council member or employee (including independent contractors), (b) any relative of such Governing Council member or employee, or (c) any “Related Entity”. For purposes of this Section A.21, a “Related Entity” is a business enterprise, nonprofit organization or other entity with respect to which such Governing Council member, employee, or a relative of such Governing Council member or employee (i) has a direct or indirect financial interest; (ii) is an officer or director; or (iii) is otherwise in a position to control the management or decision-making of such entity. Every Council member and every HAW employee who is a parent or ward of a HAW student shall inform his or her child that he or she is required to follow all rules, policies and procedures applicable to HAW students, that he or she is not entitled to special treatment by virtue of the relationship with a Council member or employee, and that any attempt to seek such special treatment may result in disciplinary action.

A.22 GENERAL CONFLICT OF INTEREST POLICY

A. General Principles. It is the responsibility of all employees (including for this purpose independent contractors providing services to HAW) of HAW, all volunteers at HAW, and all Governing Council members to conduct themselves in accordance with the highest standards of integrity, honesty, and fair dealing to preclude conflict between the interest of HAW and the personal interests of the employee, volunteer or Governing Council member. Likewise, it is the responsibility of HAW to conduct all its business and operations impartially in accordance with all laws and in conformity with the highest ethical standards. All hiring and other transactions imposing financial and/or legal obligations on HAW shall be made with the best interests of HAW as the foremost consideration. HAW also recognizes that the ultimate success of HAW depends upon the active participation, cooperation and collaboration of parents, volunteers, employees, Governing Council members and students. Sometimes, the best interests of HAW may involve the creation of relationships that might create an appearance of impropriety or potential for abuse of position, if not carefully evaluated by disinterested parties. HAW therefore has established this policy to guide all HAW employees, volunteers and Governing Council members in their actions or relationships, so that they will avoid the appearance of having their judgment or the performance of their duties compromised.

B. Conflict of Interest Definition. A conflict of interest occurs whenever an employee, volunteer, or Governing Council member permits the prospect of direct or indirect personal gain (or gain to a relative or Related Entity) to influence improperly his judgment or actions in the conduct of HAW business. While it is not practical to specify every action by an employee, Governing Council member or volunteer that might create a conflict of interest, the following situations are considered to have that potential and MUST be avoided unless the situation has first been approved by the HAW Administration in writing.

1. Acquisition, leasing or sale of any property, facilities, materials, or contract services (e.g., financial, legal, public relations, computer) by HAW under circumstances in which there is direct or indirect compensation (other than the regular salary received from HAW by full or part-time employees) to an employee, volunteer, or Governing Council member, or a relative of an employee, volunteer, or Governing Council member or to a Related Entity (as such term is defined in Section A.21);
2. Acceptance by an employee, volunteer, or Governing Council member or a relative of the employee, volunteer or Governing Council member from any individual or company seeking to do business with HAW, any loan, service, excessive entertainment, travel, or gift of more than nominal value. This does not preclude exchange of token gifts or entertainment that conforms to customary industry practices, provided such exchange does not obligate or appear to obligate the employee, HAW, or any associated third party and such gift or transaction is disclosed to the HAW Governing Council if it exceeds \$20.

A.23 EVALUATION OF PRINCIPAL AND/OR DIRECTOR

The Horizon Academy West Governing Council will use the New Mexico Highly Objective Uniform Statewide Standard of Evaluation for Principals and Assistant Principals (HOUSSE-P), as determined by

22-10A-11(G) NMSA, as the method of evaluating the Head Administrator. Each evaluation will consist of the following:

- (1) Self-Assessment (Due prior to Professional Development Plan)
- (2) Professional Development Plan (Due 40 days after annual signing of contract)
- (3) Self-Reflection on the Professional Development Plan (April or May)
- (4) Summative Evaluation (April or May)

All board members will be given the opportunity to complete a review form for the Head Administrator. The discussions involved in the evaluation process will be conducted either a closed session of the board or in a separate meeting between the employee and the President of the Governing Council or his/her designated representative.

STATEMENT OF GOVERNING BODY TO CONSULT WITH PED

We, the undersigned, make up the governing body of Horizon Academy West, located in Albuquerque, New Mexico.

In accordance with 6.80.4.16 NMAC, we agree to consult with the New Mexico Public Education Department on any matter not covered by the manual of accounting and budgeting before taking any action related to funds held as a board of finance.

We make this statement as part of Horizon Academy West's application to the Public Education Commission for status as a board of finance under 6.80.4.16 NMAC.

We understand that we must retain or hire a Licensed School Business Manager as soon as financial feasible and, thereafter, notify the New Mexico Public Education Commission within 30 days of hiring and/or changing in a Licensed School Business Manager for the school, and a new, signed "Affidavit of Financial Custodian" must be submitted.

We understand that we must submit an Affidavit of Governing Body Member to the Public Education Commission within 30 days of a change in membership of our governing body.

THE FOLLOWING MEMBERS OF THE Horizon Academy West GC GIVE THE FOREGOING STATEMENT THIS 30 DAY OF May, 2018.

1. Carrie Rodriguez
[signature]
Carrie Rodriguez
[print]
2. Alice Chavez
[signature]
Alice Chavez
[print]
3. Cecilia L. Webb
[signature]
Cecilia L. Webb
[print]
4. Christy Hageman
[signature]
Christy Hageman
[print]
5. Storm Gonzalez
[signature]
Storm Gonzalez
[print]

Attach additional pages if membership exceeds five.

AFFIDAVIT OF GOVERNING BODY MEMBER

STATE OF NEW MEXICO)
)
COUNTY OF)

I, Christen Hagemann, after being duly sworn, state:

1. My name is Christen Hagemann and I reside in Albuquerque, New Mexico.

2. I am a member of the governing body of the Horizon Academy West Charter School in Albuquerque, New Mexico.

3. I attest that I am currently not a current governing body member of any other charter school authorized in the state of New Mexico.

4. I have never been a governing body member of a charter school that was suspended or failed to receive or maintain their board of finance designation.

5. I understand that as a member of the Horizon Academy West's governing body, I am entrusted with oversight of expenditure of public funds in accordance with all applicable laws, regulations and rules, including but without limitation any laws or rules pertaining to conflicts of interest, public school finance, and procurement.

Christen Hagemann
[Signature]

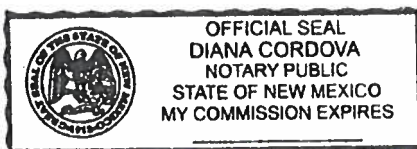
9/19/17
Date

Christen Hagemann
[Print]

VERIFICATION

The forgoing Affidavit of Governing Body Member was subscribed and sworn to before me, this 19 day of September, 2017.

[Notary Seal:]



[Signature]
NOTARY PUBLIC

My commission expires: March 28, 2020.

AFFIDAVIT OF GOVERNING BODY MEMBER

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO)

I, Carrie Rodriguez, after being duly sworn, state:

1. My name is Carrie and I reside in Albuquerque, New Mexico.

2. I am a member of the governing body of the Horizon Academy West in Albuquerque, New Mexico.

3. I attest that I am currently not a current governing body member of any other charter school authorized in the state of New Mexico.

4. I have never been a governing body member of a charter school that was suspended or failed to receive or maintain their board of finance designation.

5. I understand that as a member of the Horizon Academy West's governing body, I am entrusted with oversight of expenditure of public funds in accordance with all applicable laws, regulations and rules, including but without limitation any laws or rules pertaining to conflicts of interest, public school finance, and procurement.

Carrie Rodriguez
[Signature]

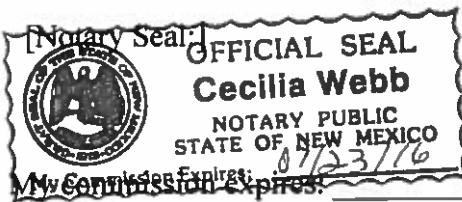
11.18.2014
Date

Carrie Rodriguez
[Print]

VERIFICATION

The forgoing Affidavit of Governing Body Member was subscribed and sworn to before me, this 18th day of Nov, 2014.

Cecilia Webb
NOTARY PUBLIC



07/23, 2016.

AFFIDAVIT OF GOVERNING BODY MEMBER

STATE OF NEW MEXICO)
)
COUNTY OF)

I, Alice Chavez, after being duly sworn, state:

1. My name is Alice Chavez and I reside in Albuquerque, New Mexico.
2. I am a member of the governing body of the Horizon Academy West Charter School in Albuquerque, New Mexico.
3. I attest that I am currently not a current governing body member of any other charter school authorized in the state of New Mexico.
4. I have never been a governing body member of a charter school that was suspended or failed to receive or maintain their board of finance designation.
5. I understand that as a member of the Horizon Academy West's governing body, I am entrusted with oversight of expenditure of public funds in accordance with all applicable laws, regulations and rules, including but without limitation any laws or rules pertaining to conflicts of interest, public school finance, and procurement.

Alice Chavez
[Signature]

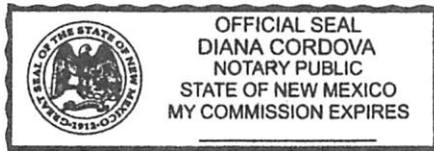
10-24-2016
Date

Alice Chavez
[Print]

VERIFICATION

The forgoing Affidavit of Governing Body Member was subscribed and sworn to before me, this 24th day of October, 2016.

[Notary Seal:]



[Signature]
NOTARY PUBLIC

My commission expires: 3-28-, 2020.

AFFIDAVIT OF GOVERNING BODY MEMBER

STATE OF NEW MEXICO)
)
COUNTY OF)

I, Cecilia L. Webb, after being duly sworn, state:

1. My name is Cecilia L. Webb and I reside at 8016 Dumas Dr NE, Albuquerque, New Mexico 87109. My personal email address is cwebb703@gmail.com and my personal phone number is 505-249-7082.

2. I am a member of the governing body of the Horizon Academy West in Albuquerque, New Mexico.

3. I attest that I am currently not a current governing body member of any other charter school authorized in the state of New Mexico.

4. I have never been a governing body member of a charter school that was suspended or failed to receive or maintain their board of finance designation.

5. I understand that as a member of the Horizon Academy West's governing body, I am entrusted with oversight of expenditure of public funds in accordance with all applicable laws, regulations and rules, including but without limitation any laws or rules pertaining to conflicts of interest, public school finance, and procurement.

Cecilia L. Webb
[Signature]

May 29, 2018
Date

Cecilia L. Webb
[Print]

VERIFICATION

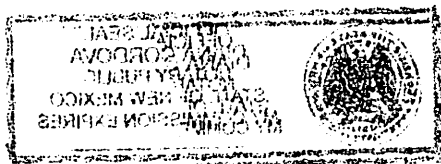
The forgoing Affidavit of Governing Body Member was subscribed and sworn to before me, this 29 day of May, 2018.

[Notary Seal:]



[Signature]
NOTARY PUBLIC

My commission expires: March 28, 2020.



AFFIDAVIT OF GOVERNING BODY MEMBER

STATE OF NEW MEXICO)
)
COUNTY OF)

I, Storm C. Gonzalez, after being duly sworn, state:

1. My name is Storm C. Gonzalez and I reside in Albuquerque, New Mexico.
2. I am a member of the governing body of the Horizon Academy West Charter School in Albuquerque, New Mexico.
3. I attest that I am currently not a current governing body member of any other charter school authorized in the state of New Mexico.
4. I have never been a governing body member of a charter school that was suspended or failed to receive or maintain their board of finance designation.
5. I understand that as a member of the [insert name of school]'s governing body, I am entrusted with oversight of expenditure of public funds in accordance with all applicable laws, regulations and rules, including but without limitation any laws or rules pertaining to conflicts of interest, public school finance, and procurement.

Storm C. Gonzalez
[Signature]

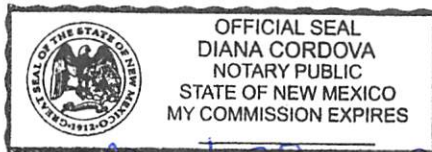
July 19, 2016
Date

Storm C. Gonzalez
[Print]

VERIFICATION

The forgoing Affidavit of Governing Body Member was subscribed and sworn to before me, this 19 day of July, 2016.

[Notary Seal:]



[Signature]
NOTARY PUBLIC

My commission expires: March 28, 2020.

STATE OF NEW MEXICO



*In Recognition of
The Fulfillment of the Requirements for
School Personnel Licensure
this*

LEVEL TWO PROFESSIONAL SCHOOL BUSINESS OFFICIAL LICENSE

is issued to

DIANA CORDOVA

Effective from July 1, 2014 to June 30, 2023

Licensure Number: 335379

Vanna Hernandez

Secretary of Education

AFFIDAVIT OF BUSINESS MANAGER

STATE OF NEW MEXICO)

COUNTY OF SANTA FE)

I, Diana Cordova, after being duly sworn, states as follows:

1. My name is Diana Cordova and I live in the City of Albuquerque, County of Bernalillo, New Mexico.

2. I have been hired as the business manager for the Horizon Academy West Charter School.

3. In my duties as business manager for Horizon Academy West Charter School, I will be given the responsibility of keeping the financial records of the charter school.

4. I have completed the following training in the maintenance of financial records:

- a) AICPA Gov. & Nonprofit Training 2015
- b) Accounting & Auditing Update
- c) Previous NMASBO Trainings

5. I currently hold a license as a certified school business official for the State of New Mexico, and have attached a copy of this license to this document.

6. I have earned the following degrees:

Degree earned	Educational Institution
BBA	UNM
Associates	CNM

[Signature]
[signature of business manager]

11-17-15
Date

Business Manager for Horizon Academy West Charter School

Subscribed and sworn to before me, this 17 day of Nov, 2015.

[Notary Seal:]

[Signature]
[signature of Notary]

RONALD BESANTE
[typed name of Notary]

NOTARY PUBLIC

My commission expires: Sept '15, 2017.

STATE OF NEW MEXICO



*In Recognition of
The Fulfillment of the Requirements for
School Personnel Licensure
this*

LEVEL TWO PROFESSIONAL SCHOOL BUSINESS OFFICIAL LICENSE

is issued to

DIANA CORDOVA

Effective from July 1, 2014 to June 30, 2023

Licensure Number: 335379

Hanna Pineda
Secretary of Education


DECLARATION OR CERTIFICATE OF INSURANCE

Please attach or insert a copy of a declaration or certificate of insurance that indicates that the financial records custodian of Horizon Academy West is adequately bonded and that Horizon Academy West is insured through Public School Insurance Authority.

Attached:

X Bonding Declaration from: _____ Poms & Associates _____
[Name of institution or agency]

X Certificate of Insurance from: _____ Poms & Associates _____
[Name of institution or agency]



May 17, 2018

Diana Cordova, CPA
Horizon Academy West
3021 Todos Santos NW
Albuquerque, NM 87120

RE: Evidence of Coverage

Dear Ms. Cordova,

Please allow this letter to serve as confirmation that Horizon Academy West Charter School is a member participant of the New Mexico Public School Insurance Authority (NMPSIA). Both comprehensive risk management services and insurance coverage are provided to Members. Currently, in force (but not limited to) are the following coverages:

- Crime/Employee Dishonesty - \$2,000,000 Per Occurrence limit
- General Liability including School Board Legal Liability (Errors and Omissions)
- Employment Practice Liability and Directors and Officers (D&O) coverage
- Automobile Liability

This insurance is provided by (NMPSIA) with coverage commencing from July 1, 2017 to July 1, 2018.

We truly appreciate the opportunity to be of service to your insurance and risk management needs. If you have any questions or concerns, please do not hesitate to contact me directly.

Sincerely,

Jessie Monterrosa, CISR
Senior Account Manager, Risk Services
818-449-9369



CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)

6/29/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

If this certificate is being prepared for a party who has an insurable interest in the property, do not use this form. Use ACORD 27 or ACORD 28.

PRODUCER Poms & Associates Insurance Brokers CA License #0814733 5700 Canoga Ave. #400 Woodland Hills CA 91367	CONTACT NAME: Risk Services PHONE (A/C No. Ext): (800)578-8802 E-MAIL ADDRESS: rservices@pomsassoc.com PRODUCER CUSTOMER ID: 00000173	FAX (A/C No.): (818)449-9449
INSURED New Mexico Public Sch Ins Authority Member: Horizon Academy West 410 Old Taos Highway Santa Fe NM 87501	INSURER(S) AFFORDING COVERAGE INSURER A: New Mexico Public Sch Ins Authority INSURER B: Lexington Insurance Company INSURER C: INSURER D: INSURER E: INSURER F:	
	NAIC # N/A 19437	

COVERAGES**CERTIFICATE NUMBER:** Horizon Academy West**REVISION NUMBER:****LOCATION OF PREMISES / DESCRIPTION OF PROPERTY** (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE		POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	COVERED PROPERTY	LIMITS
A	<input type="checkbox"/> PROPERTY CAUSES OF LOSS	DEDUCTIBLES	MOC NO. P0020	7/1/2017	7/1/2018	<input checked="" type="checkbox"/> BUILDING	\$ PER SCHEDULE
		BUILDING				<input type="checkbox"/> PERSONAL PROPERTY	\$ ON FILE
		BASIC				<input type="checkbox"/> BUSINESS INCOME	\$
		BROAD				<input type="checkbox"/> EXTRA EXPENSE	\$
	<input checked="" type="checkbox"/> SPECIAL	CONTENTS	017471590/04	7/1/2017	7/1/2018	<input type="checkbox"/> RENTAL VALUE	\$
		EARTHQUAKE				<input type="checkbox"/> BLANKET BUILDING	\$
		WIND				<input type="checkbox"/> BLANKET PERS PROP	\$
		FLOOD				<input type="checkbox"/> BLANKET BLDG & PP	\$
	<input type="checkbox"/>					<input checked="" type="checkbox"/> Contents	\$ PER SCHEDULE
							\$ ON FILE
	<input type="checkbox"/> INLAND MARINE CAUSES OF LOSS	TYPE OF POLICY					\$
		POLICY NUMBER					\$
	<input type="checkbox"/> NAMED PERILS						\$
							\$
	<input type="checkbox"/> CRIME TYPE OF POLICY						\$
							\$
	<input type="checkbox"/> BOILER & MACHINERY / EQUIPMENT BREAKDOWN						\$
							\$
							\$
							\$

SPECIAL CONDITIONS / OTHER COVERAGES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)**Self-Insured Retention for Property: \$750,000.****Evidence of Insurance.****CERTIFICATE HOLDER****CANCELLATION**

State of New Mexico
Public Education Commission
Charter School Division
300 Don Gaspar
Santa Fe, NM 87501

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

J Monterrosa/JWALTE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/29/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Poms & Associates Insurance Brokers CA License #0814733 5700 Canoga Ave. #400 Woodland Hills CA 91367	CONTACT NAME: Risk Services PHONE (A/C, No. Ext): (800)578-8802 E-MAIL ADDRESS: rservices@pomsassoc.com FAX (A/C, No): (818)449-9449																					
INSURED New Mexico Public Schools Ins Authority Member: Horizon Academy West 410 Old Taos Highway Santa Fe NM 87501	<table border="1"><thead><tr><th colspan="2">INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr></thead><tbody><tr><td>INSURER A:</td><td>New Mexico Public Schools Ins</td><td>N/A</td></tr><tr><td>INSURER B:</td><td>Safety National</td><td>15105</td></tr><tr><td>INSURER C:</td><td></td><td></td></tr><tr><td>INSURER D:</td><td></td><td></td></tr><tr><td>INSURER E:</td><td></td><td></td></tr><tr><td>INSURER F:</td><td></td><td></td></tr></tbody></table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A:	New Mexico Public Schools Ins	N/A	INSURER B:	Safety National	15105	INSURER C:			INSURER D:			INSURER E:			INSURER F:		
INSURER(S) AFFORDING COVERAGE		NAIC #																				
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INSURER C:																						
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INSURER E:																						
INSURER F:																						

COVERAGES**CERTIFICATE NUMBER:** Horizon Academy West**REVISION NUMBER:**

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INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/>	N/A	SP 4055030	7/1/2017	7/1/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 2,000,000 E.L. DISEASE - EA EMPLOYEE \$ 2,000,000 E.L. DISEASE - POLICY LIMIT \$ 2,000,000
B							

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Self-Insured Retention for Liability is \$750,000 and \$600,000 for Workers' Compensation. See attached New Mexico Tort Claims Act Section 41-4-19: Maximum Liability Summary.

Evidence of Insurance.

CERTIFICATE HOLDER**CANCELLATION**

State of New Mexico
Public Education Commission
Charter School Division
300 Don Gaspar
Santa Fe, NM 87501

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

J Monterrosa/JWALTE

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/17/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Poms & Associates Insurance Brokers CA License #0814733 5700 Canoga Ave. #400 Woodland Hills CA 91367	CONTACT NAME: Risk Services PHONE (A/C, No. Ext): (800) 578-8802 E-MAIL ADDRESS: rservices@pomsassoc.com FAX (A/C, No): (818) 449-9449														
INSURED New Mexico Public Schools Ins Authority Member: Horizon Academy West 410 Old Taos Highway Santa Fe NM 87501	<table border="1"><thead><tr><th>INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr></thead><tbody><tr><td>INSURER A: New Mexico Public Schools Ins</td><td></td></tr><tr><td>INSURER B: Great American</td><td></td></tr><tr><td>INSURER C:</td><td></td></tr><tr><td>INSURER D:</td><td></td></tr><tr><td>INSURER E:</td><td></td></tr><tr><td>INSURER F:</td><td></td></tr></tbody></table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: New Mexico Public Schools Ins		INSURER B: Great American		INSURER C:		INSURER D:		INSURER E:		INSURER F:	
INSURER(S) AFFORDING COVERAGE	NAIC #														
INSURER A: New Mexico Public Schools Ins															
INSURER B: Great American															
INSURER C:															
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COVERAGES**CERTIFICATE NUMBER:** Horizon Academy West**REVISION NUMBER:**

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INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	COMMERCIAL GENERAL LIABILITY			MOC NO. L0020	7/1/2017	7/1/2018	EACH OCCURRENCE	\$ Tort Limit
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ Tort Limit
	<input checked="" type="checkbox"/> Owners Contractors						MED EXP (Any one person)	\$ Tort Limit
	<input type="checkbox"/> Protective Liability						PERSONAL & ADV INJURY	\$ Tort Limit
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	\$ Tort Limit
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG	\$ Tort Limit
	OTHER:						MAXIMUM LIABILITY	\$ 1,050,000
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	\$
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS					BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS					PROPERTY DAMAGE (Per accident)	\$
								\$
	UMBRELLA LIAB	<input type="checkbox"/> OCCUR					EACH OCCURRENCE	\$
	EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE					AGGREGATE	\$
	DED	RETENTION \$						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	<input type="checkbox"/> Y / N					PER STATUTE	OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> N / A					E.L. EACH ACCIDENT	\$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Self-Insured Retention for Liability: \$750,000. See attached New Mexico Tort Claims Act Section 41-4-19: Maximum Liability Summary.

CERTIFICATE HOLDER**CANCELLATION**

State of New Mexico Public Education Commission Charter School Division 300 Don Gaspar Santa Fe, NM 87501	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE J Monterrosa/JWALTE

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COMMENTS/REMARKS

Summary of New Mexico Tort Claims Act Section 41-4-19: Maximum Liability
Governmental entities and agencies, including public schools, public charter schools and community colleges and universities are granted immunity from liability.
Commercial General Liability
Products and Completed Operations
Professional Liability
Contractual Liability
Imposed by New Mexico Tort Claims Act [NMSA 1975 §41-4-1 through 41-4-29]
\$400,000 Bodily Injury Per Person
\$200,000 Property Damage Per Property Address
\$300,000 Medical
\$750,000 Per Occurrence
\$1,050,000 Combined Limit/Maximum Liability

J18. ADMISSIONS POLICY

(updated 05/15/12)

HAW will comply with all applicable laws in admitting students. As a Public School, HAW's admissions policy is governed by Federal and State laws which require that admission of students be on a lottery basis.

In respect of any school year, the following preferences apply:

A Description of the Enrollment Procedures used by Horizon Academy West

Horizon Academy West assures that it will enroll students through a lottery selection process.

Students who are continuing are automatically admitted upon their completion of an intent to return admissions form. Siblings of current students are admitted if appropriate space is available. Applications are available at our front office to pick up and drop off. Tours of the school will be available upon request. Spaces available will be by subtracting the number of continuing students from the number of available spaces in each grade. A random lottery for any classes/grades that exceed capacity will be held. For those in the lottery, student's names will be drawn randomly from all the students who have submitted a complete application until capacity is reached.

All remaining students not selected for enrollment through the lottery will be placed on a waiting list of students according to their lottery position on the waiting list. Students will be selected for enrollment from this list throughout the year as openings may occur. Regularly throughout the year, additional names may be selected randomly through the lottery process.

Horizon Academy West WILL NOT charge tuition or have admission requirements, except as otherwise provided in the Public School Code.

To assure that there is an equal opportunity for all parents and students to learn about the school and apply for admission, Notices will be sent out by newsletters, fliers, and posted on our website. .

The Lottery Process

Lotteries shall be held at the front office/conference room. Students will be identified by the application number. The application number is drawn and announced and recorded in order to draw until all spaces are filled. The remaining application numbers will go back into the grade level wait list, if an opening becomes available after the initial lottery, an applicant number may be drawn to fill the opening. Any student expelled from any other school within the last year, including another Charter School, will not be eligible for admission to Horizon Academy West. Any omission or falsification of pertinent information on the Horizon Academy West application can be considered cause for rescinding their application.

Adopted: June 5th, 2018 Storm Ganzalitz

CERTIFICATE OF ASSURANCES

My name is Carrie Rodriguez and I reside in Albuquerque, NM. I am a member of the governing body for Horizon Academy West a charter school which is located at 3021 Todos Santos. I certify that the CHARTER SCHOOL complies with all applicable federal and state laws governing the organizational programmatic, and financial requirements applicable to charter schools, including:

1. The CHARTER SCHOOL'S admission processes are in compliance with Sections 22-2-4(A)-(D) and 22-8B-4.1 NMSA 1978.
2. The CHARTER SCHOOL'S admission process do not discriminate against anyone regarding race, color, age, religion, national origin, ancestry, sex, sexual orientation, gender identity, spousal affiliation, physical or mental disability, or serious medical condition.
3. The CHARTER SCHOOL is a nonsectarian and non-religious public school.
4. Except as otherwise provided in Section 22-12-5(C) NMSA 1978 the Public School Code, the CHARTER SCHOOL does not charge tuition or have admission requirements.
5. The CHARTER SCHOOL complies with all state and federal health and safety requirements applicable to public schools, complies with Sections 22-8B-4.2(A), (C), and (D) NMSA 1978, and must produce an E-Occupancy certificate for all school facilities.
6. The governing body does not and will not contract with a for-profit entity for the management of the CHARTER SCHOOL.
7. The CHARTER SCHOOL complies with all applicable state and federal laws and rules related to identifying and providing special education services.
8. The CHARTER SCHOOL complies with provisions regarding public property identified in the Public School Code, the New Mexico Procurement Code, and the New Mexico Prohibited Sales Act, the Internal Revenue Code, and other applicable federal and state regulations.
9. The CHARTER SCHOOL ensures that criminal background checks are conducted on all employees and applicable reporting is completed in accordance with Section 22-10A-5 NMSA 1978.
10. The CHARTER SCHOOL ensures that it complies with state regulations regarding the use of volunteers set out in Section 6. 50.18 NMAC.
11. The CHARTER SCHOOL complies with the Age Discrimination Act of 1975, Title VI and Title VII of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and the Individuals with Disability Education Act.
12. The CHARTER SCHOOL provides equitable access to and participation in its federally assisted program for students, teachers, and other program beneficiaries with special needs.
13. Meetings of the CHARTER SCHOOL Governing Body comply with the New Mexico Open Meetings Act, Sections 10-15-1 et seq., NMSA 1978 and the Inspection of Public Records Act, Section 14-2-1 et seq., NMSA 1978.

14. The CHARTER SCHOOL complies with all requirements of The Family Educational Rights and Privacy Act (FERPA) 20 U.S.C. § 1232g; 34 CFR Part 99.
15. The CHARTER SCHOOL has and will adopt all policies and procedures required by the Public School Code, the New Mexico Administrative Code, and the Public Education Commission.
16. The Governing Body or head administrator of the CHARTER SCHOOL recognizes and works with employee labor representatives, if any.
17. The CHARTER SCHOOL has and will develop personnel policies that comply with all applicable federal and state labor laws, regulations and rules implementing them.
18. The CHARTER SCHOOL had and will develop a curriculum that is aligned to the New Mexico State Standards found in Title 6 Chapter 29 of the New Mexico Administrative Code, as amended.

Carrie Rodriguez
Printed Name

Carrie Rodriguez
Signature

5.29.2018
Date

CERTIFICATE OF ASSURANCES

My name is Cecilia L. Webb and I reside in Albuquerque NM. I am a member of the governing body for Horizon Academy West a charter school which is located at 3021 Todos Santos NW certify that the CHARTER SCHOOL complies with all applicable federal and state laws governing the organizational programmatic, and financial requirements applicable to charter schools, including:

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3. The CHARTER SCHOOL is a nonsectarian and non-religious public school.
4. Except as otherwise provided in Section 22-12-5(C) NMSA 1978 the Public School Code, the CHARTER SCHOOL does not charge tuition or have admission requirements.
5. The CHARTER SCHOOL complies with all state and federal health and safety requirements applicable to public schools, complies with Sections 22-8B-4.2(A), (C), and (D) NMSA 1978, and must produce an E-Occupancy certificate for all school facilities.
6. The governing body does not and will not contract with a for-profit entity for the management of the CHARTER SCHOOL.
7. The CHARTER SCHOOL complies with all applicable state and federal laws and rules related to identifying and providing special education services.
8. The CHARTER SCHOOL complies with provisions regarding public property identified in the Public School Code, the New Mexico Procurement Code, and the New Mexico Prohibited Sales Act, the Internal Revenue Code, and other applicable federal and state regulations.
9. The CHARTER SCHOOL ensures that criminal background checks are conducted on all employees and applicable reporting is completed in accordance with Section 22-10A-5 NMSA 1978.
10. The CHARTER SCHOOL ensures that it complies with state regulations regarding the use of volunteers set out in Section 6. 50.18 NMAC.
11. The CHARTER SCHOOL complies with the Age Discrimination Act of 1975, Title VI and Title VII of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and the Individuals with Disability Education Act.
12. The CHARTER SCHOOL provides equitable access to and participation in its federally assisted program for students, teachers, and other program beneficiaries with special needs.
13. Meetings of the CHARTER SCHOOL Governing Body comply with the New Mexico Open Meetings Act, Sections 10-15-1 et seq., NMSA 1978 and the Inspection of Public Records Act, Section 14-2-1 et seq., NMSA 1978.

14. The CHARTER SCHOOL complies with all requirements of The Family Educational Rights and Privacy Act (FERPA) 20 U.S.C. § 1232g; 34 CFR Part 99.
15. The CHARTER SCHOOL has and will adopt all policies and procedures required by the Public School Code, the New Mexico Administrative Code, and the Public Education Commission.
16. The Governing Body or head administrator of the CHARTER SCHOOL recognizes and works with employee labor representatives, if any.
17. The CHARTER SCHOOL has and will develop personnel policies that comply with all applicable federal and state labor laws, regulations and rules implementing them.
18. The CHARTER SCHOOL had and will develop a curriculum that is aligned to the New Mexico State Standards found in Title 6 Chapter 29 of the New Mexico Administrative Code, as amended.

Cecilia L. Webb
Printed Name

Cecilia L. Webb
Signature

5-29-2018
Date

CERTIFICATE OF ASSURANCES

My name is Alice Chavez and I reside in Albuquerque NM. I am a member of the governing body for Horizon Academy West a charter school which is located at 3021 Tordes Janes NW. I certify that the CHARTER SCHOOL complies with all applicable federal and state laws governing the organizational programmatic, and financial requirements applicable to charter schools, including:

1. The CHARTER SCHOOL'S admission processes are in compliance with Sections 22-2-4(A)-(D) and 22-8B-4.1 NMSA 1978.
2. The CHARTER SCHOOL'S admission process do not discriminate against anyone regarding race, color, age, religion, national origin, ancestry, sex, sexual orientation, gender identity, spousal affiliation, physical or mental disability, or serious medical condition.
3. The CHARTER SCHOOL is a nonsectarian and non-religious public school.
4. Except as otherwise provided in Section 22-12-5(C) NMSA 1978 the Public School Code, the CHARTER SCHOOL does not charge tuition or have admission requirements.
5. The CHARTER SCHOOL complies with all state and federal health and safety requirements applicable to public schools, complies with Sections 22-8B-4.2(A), (C), and (D) NMSA 1978, and must produce an E-Occupancy certificate for all school facilities.
6. The governing body does not and will not contract with a for-profit entity for the management of the CHARTER SCHOOL.
7. The CHARTER SCHOOL complies with all applicable state and federal laws and rules related to identifying and providing special education services.
8. The CHARTER SCHOOL complies with provisions regarding public property identified in the Public School Code, the New Mexico Procurement Code, and the New Mexico Prohibited Sales Act, the Internal Revenue Code, and other applicable federal and state regulations.
9. The CHARTER SCHOOL ensures that criminal background checks are conducted on all employees and applicable reporting is completed in accordance with Section 22-10A-5 NMSA 1978.
10. The CHARTER SCHOOL ensures that it complies with state regulations regarding the use of volunteers set out in Section 6. 50.18 NMAC.
11. The CHARTER SCHOOL complies with the Age Discrimination Act of 1975, Title VI and Title VII of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and the Individuals with Disability Education Act.
12. The CHARTER SCHOOL provides equitable access to and participation in its federally assisted program for students, teachers, and other program beneficiaries with special needs.
13. Meetings of the CHARTER SCHOOL Governing Body comply with the New Mexico Open Meetings Act, Sections 10-15-1 et seq., NMSA 1978 and the Inspection of Public Records Act, Section 14-2-1 et seq., NMSA 1978.

14. The CHARTER SCHOOL complies with all requirements of The Family Educational Rights and Privacy Act (FERPA) 20 U.S.C. § 1232g; 34 CFR Part 99.
15. The CHARTER SCHOOL has and will adopt all policies and procedures required by the Public School Code, the New Mexico Administrative Code, and the Public Education Commission.
16. The Governing Body or head administrator of the CHARTER SCHOOL recognizes and works with employee labor representatives, if any.
17. The CHARTER SCHOOL has and will develop personnel policies that comply with all applicable federal and state labor laws, regulations and rules implementing them.
18. The CHARTER SCHOOL had and will develop a curriculum that is aligned to the New Mexico State Standards found in Title 6 Chapter 29 of the New Mexico Administrative Code, as amended.

Alice Chavez
Printed Name

Alice Chavez
Signature

5/29/18
Date

CERTIFICATE OF ASSURANCES

My name is Christen Hagemann and I reside in Albuquerque NM. I am a member of the governing body for Horizon Academy West a charter school which is located at 3021 Tulas Santos Dr. I certify that the CHARTER SCHOOL complies with all applicable federal and state laws governing the organizational programmatic, and financial requirements applicable to charter schools, including:

1. The CHARTER SCHOOL'S admission processes are in compliance with Sections 22-2-4(A)-(D) and 22-8B-4.1 NMSA 1978.
2. The CHARTER SCHOOL'S admission process do not discriminate against anyone regarding race, color, age, religion, national origin, ancestry, sex, sexual orientation, gender identity, spousal affiliation, physical or mental disability, or serious medical condition.
3. The CHARTER SCHOOL is a nonsectarian and non-religious public school.
4. Except as otherwise provided in Section 22-12-5(C) NMSA 1978 the Public School Code, the CHARTER SCHOOL does not charge tuition or have admission requirements.
5. The CHARTER SCHOOL complies with all state and federal health and safety requirements applicable to public schools, complies with Sections 22-8B-4.2(A), (C), and (D) NMSA 1978, and must produce an E-Occupancy certificate for all school facilities.
6. The governing body does not and will not contract with a for-profit entity for the management of the CHARTER SCHOOL.
7. The CHARTER SCHOOL complies with all applicable state and federal laws and rules related to identifying and providing special education services.
8. The CHARTER SCHOOL complies with provisions regarding public property identified in the Public School Code, the New Mexico Procurement Code, and the New Mexico Prohibited Sales Act, the Internal Revenue Code, and other applicable federal and state regulations.
9. The CHARTER SCHOOL ensures that criminal background checks are conducted on all employees and applicable reporting is completed in accordance with Section 22-10A-5 NMSA 1978.
10. The CHARTER SCHOOL ensures that it complies with state regulations regarding the use of volunteers set out in Section 6. 50.18 NMAC.
11. The CHARTER SCHOOL complies with the Age Discrimination Act of 1975, Title VI and Title VII of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and the Individuals with Disability Education Act.
12. The CHARTER SCHOOL provides equitable access to and participation in its federally assisted program for students, teachers, and other program beneficiaries with special needs.
13. Meetings of the CHARTER SCHOOL Governing Body comply with the New Mexico Open Meetings Act, Sections 10-15-1 et seq., NMSA 1978 and the Inspection of Public Records Act, Section 14-2-1 et seq., NMSA 1978.

14. The CHARTER SCHOOL complies with all requirements of The Family Educational Rights and Privacy Act (FERPA) 20 U.S.C. § 1232g; 34 CFR Part 99.
15. The CHARTER SCHOOL has and will adopt all policies and procedures required by the Public School Code, the New Mexico Administrative Code, and the Public Education Commission.
16. The Governing Body or head administrator of the CHARTER SCHOOL recognizes and works with employee labor representatives, if any.
17. The CHARTER SCHOOL has and will develop personnel policies that comply with all applicable federal and state labor laws, regulations and rules implementing them.
18. The CHARTER SCHOOL had and will develop a curriculum that is aligned to the New Mexico State Standards found in Title 6 Chapter 29 of the New Mexico Administrative Code, as amended.

Christen Hagemann
Printed Name

Christen Hagemann
Signature

5/30/18
Date

CERTIFICATE OF ASSURANCES

My name is Storm Gonzalez and I reside in Albuquerque, NM. I am a member of the governing body for Horizon Academy West a charter school which is located at 3021 Tordesillas NW. I certify that the CHARTER SCHOOL complies with all applicable federal and state laws governing the organizational programmatic, and financial requirements applicable to charter schools, including:

1. The CHARTER SCHOOL'S admission processes are in compliance with Sections 22-2-4(A)-(D) and 22-8B-4.1 NMSA 1978.
2. The CHARTER SCHOOL'S admission process do not discriminate against anyone regarding race, color, age, religion, national origin, ancestry, sex, sexual orientation, gender identity, spousal affiliation, physical or mental disability, or serious medical condition.
3. The CHARTER SCHOOL is a nonsectarian and non-religious public school.
4. Except as otherwise provided in Section 22-12-5(C) NMSA 1978 the Public School Code, the CHARTER SCHOOL does not charge tuition or have admission requirements.
5. The CHARTER SCHOOL complies with all state and federal health and safety requirements applicable to public schools, complies with Sections 22-8B-4.2(A), (C), and (D) NMSA 1978, and must produce an E-Occupancy certificate for all school facilities.
6. The governing body does not and will not contract with a for-profit entity for the management of the CHARTER SCHOOL.
7. The CHARTER SCHOOL complies with all applicable state and federal laws and rules related to identifying and providing special education services.
8. The CHARTER SCHOOL complies with provisions regarding public property identified in the Public School Code, the New Mexico Procurement Code, and the New Mexico Prohibited Sales Act, the Internal Revenue Code, and other applicable federal and state regulations.
9. The CHARTER SCHOOL ensures that criminal background checks are conducted on all employees and applicable reporting is completed in accordance with Section 22-10A-5 NMSA 1978.
10. The CHARTER SCHOOL ensures that it complies with state regulations regarding the use of volunteers set out in Section 6. 50.18 NMAC.
11. The CHARTER SCHOOL complies with the Age Discrimination Act of 1975, Title VI and Title VII of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and the Individuals with Disability Education Act.
12. The CHARTER SCHOOL provides equitable access to and participation in its federally assisted program for students, teachers, and other program beneficiaries with special needs.
13. Meetings of the CHARTER SCHOOL Governing Body comply with the New Mexico Open Meetings Act, Sections 10-15-1 et seq., NMSA 1978 and the Inspection of Public Records Act, Section 14-2-1 et seq., NMSA 1978.

14. The CHARTER SCHOOL complies with all requirements of The Family Educational Rights and Privacy Act (FERPA) 20 U.S.C. § 1232g; 34 CFR Part 99.
15. The CHARTER SCHOOL has and will adopt all policies and procedures required by the Public School Code, the New Mexico Administrative Code, and the Public Education Commission.
16. The Governing Body or head administrator of the CHARTER SCHOOL recognizes and works with employee labor representatives, if any.
17. The CHARTER SCHOOL has and will develop personnel policies that comply with all applicable federal and state labor laws, regulations and rules implementing them.
18. The CHARTER SCHOOL had and will develop a curriculum that is aligned to the New Mexico State Standards found in Title 6 Chapter 29 of the New Mexico Administrative Code, as amended.

Storm C. Gonzalez Storm C. Gonzalez
Printed Name Signature

5.30.18
Date

Waiver Notification Form

Instructions:

- (1) Identify all non-discretionary waivers that will be utilized and discretionary waivers that will be requested.
- (2) Specifically identify statutes or state rules for which a waiver is requested.
- (3) Describe how the school's practice and how it varies from statutory requirements.

Non-Discretionary Waivers			
NMSA 1978 § 22-8B-5(C) Waiver	Utilized	Specific provision of relevant statute to which waiver is applied.	Description the school's practice and how it varies from statutory requirements.
Individual class load	<input type="checkbox"/>	Click here to enter text.	Click here to enter text.
Teaching load	<input type="checkbox"/>	Click here to enter text.	Click here to enter text.
Length of school day	<input type="checkbox"/>	Click here to enter text.	Click here to enter text.
Staffing pattern	<input type="checkbox"/>	Click here to enter text.	Click here to enter text.
Subject areas	<input type="checkbox"/>	Click here to enter text.	Click here to enter text.
Purchase of instructional materials	<input checked="" type="checkbox"/>	Click here to enter text.	The school may use this waiver to purchase IM that is not on the state approved list.
Evaluation standards for school personnel	<input type="checkbox"/>	Click here to enter text.	Click here to enter text.
School principal duties	<input type="checkbox"/>	Click here to enter text.	Click here to enter text.
Drivers education	<input type="checkbox"/>	Click here to enter text.	Click here to enter text.
Discretionary Waivers			
Statute for which Waiver Requested under NMSA 1978 § 22-2-2.1	Specific provision of relevant statute for which waiver is sought.	Description of how the school's practice will vary from statutory requirements.	
Click here to enter text.		Click here to enter text.	
Click here to enter text.		Click here to enter text.	

LEASE PURCHASE ARRANGEMENT

Between

HORIZON ACADEMY FOUNDATION

A non-profit corporation,
as Lessor

and

HORIZON ACADEMY WEST

A New Mexico public charter school

as Lessee

Dated as of June 1, 2017

THIS LEASE PURCHASE ARRANGEMENT (this "Agreement"), is made this 1st day of June, 2017, between Horizon Academy Foundation, a New Mexico nonprofit corporation ("Lessor"), and Horizon Academy West, a New Mexico public charter school ("Lessee").

Recitals

A. Lessee is a New Mexico state-chartered charter school, authorized to enter into "lease purchase arrangements" under the New Mexico Public School Lease Purchase Act, Sections 22-26A-1 to 22-26A-20 NMSA 1978 (the "Lease Purchase Act").

B. On March 21, 2016, at a special meeting called for the purpose of considering the acquisition of the School Site located at 3021 Todos Santos N.W., Albuquerque, New Mexico 87120 (Exhibit "A"), through the lease purchase arrangement described in this Agreement, the Governing Council of Horizon Academy West, determined pursuant to Sections 22-26A-6(B)(1) and (6) NMSA 1978 that a lease-purchase arrangement is necessary and in the best interest of Lessee.

C. This Agreement, once fully executed, replaces and supersedes the Amended and Restated Lease Agreement between the Lessor and the Lessee dated October 4, 2012.

Agreement

ARTICLE I DEFINITIONS AND EXHIBITS

Section 1.1. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Agreement, have the meanings herein specified.

"Agreement" For purposes of this lease purchase arrangement, whether denominated "Lease Agreement with Option to Purchase or otherwise, and for purposes of all appertaining exhibits and documents, the term "Agreement" shall have the same legal meaning and effect as either the term "Lease Purchase Arrangement" or "Financing Agreement," as these latter two terms are defined in NMSA 1978, Section 22-26A-3(A) (2015).

"Agreement Payment" means any payment due from Lessee to Lessor under this Agreement.

"Base Rent" means a sum equal to the amounts provided in Exhibit D ("Base Rent"), payable monthly on the twentieth (20th) day of the first month following the Commencement Date and each succeeding month throughout the term of the Agreement.

"Capital Outlay Act" means the Public School Capital Outlay Act, Chapter 22, Article 24 NMSA 1978.

"Charter Schools Act" means the Charter Schools Act, Chapter 22, Article 8B NMSA 1978.

“Commencement Date” has the meaning assigned in Section 4.1.

“Department” is the New Mexico Public Education Department.

“Escrow Agreement” means the agreement titled “Horizon Academy West Agreement for Deposit and Disbursement of Rents Pursuant to Lease-Purchase Agreement” executed simultaneously with this Agreement a copy of which is attached hereto as Exhibit B.

“Improvements” means any building(s), capital improvements and other facilities on the School Site.

“Lease Purchase Act” means the Public School Lease Purchase Act, Chapter 22, Article 26A NMSA 1978.

“Lessee Representative” means the President of the Governance Council or other designated person delegated the authority to act on behalf of Lessee under or with respect to this Agreement as evidenced by a document conferring such authority executed by the Lessee’s governing body and delivered to Lessor or Lessor’s Representative.

“Lessor Representative” means the person acting with proper authority to administer and transfer property with respect to this Agreement as evidenced by a document conferring such authority executed by an officer of Lessor, given to Lessee or a Lessee Representative.

“Net Proceeds” means any insurance proceeds or condemnation award paid with respect to the School Site, remaining after payment therefrom of all expenses incurred in the collection thereof.

“Outlay Council” means the New Mexico Public School Capital Outlay Council.

“Option to Purchase” means the right of Lessee to purchase the School Site in accordance with the terms of Article VI.

“PSFA” means the New Mexico Public School Facilities Authority.

“School Site” means the certain parcel of land as described on Exhibit “A” and any Improvements as described in the Site Plans and Floor Plan attached as Exhibit “C”.

“Term” means the term of this Agreement, including any renewal term.

“State Adequacy Standards” means the standards set forth by the Public School Capital Outlay Council in 6.27.30.1 NMAC, *et seq.* or any successor provisions and includes applicable waivers given to charter schools in general or variances granted to the Lessee specifically.

Section 1.2 Exhibits.

The following Exhibits are attached to and by reference made a part of this Agreement:

Exhibit A – Legal Description of Land

Exhibit B – Escrow Agreement

Exhibit C – Site Plans and Floor Plan

Exhibit D – Base Rent payment schedule

Exhibit E – Planned funding sources and Budget to make Base Rent

Exhibit F– Copy of the New Mexico Public Education Department's and Public School Facilities Authority's approval of this Agreement.

ARTICLE II REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of Lessee. Lessee represents, covenants and warrants as follows:

(a) Lessee is a duly formed and validly existing public school, formed and existing under the Charter Schools Act.

(b) State law authorizes Lessee to lease, operate, maintain and purchase the School Site, to enter into this Agreement and the transactions contemplated herein, and to carry out its obligations under this Agreement subject to the limitations and conditions stated and the availability of sufficient appropriations and revenues therefor.

(c) The representatives of Lessee executing this Agreement have been duly authorized to execute and deliver this Agreement under the terms and provisions of a resolution of Lessee's governing body or by other appropriate official action.

(d) The Lessee has complied with the New Mexico Open Meetings Act, NMSA 1978, §§10-15-1 *et seq.*, with respect to this Agreement and acquisition of the School Site, and all other state and federal laws applicable to this Agreement.

(e) Except as otherwise provided under the terms of this Agreement, Lessee will not transfer, lease, assign, mortgage or encumber this Agreement or the School Site.

(f) Lessee will use and occupy the School Site for the primary purpose of a public school and related activities thereto and for such other public purposes as may be lawfully authorized or permitted by the Lessee.

(g) Lessee will conform and comply with all applicable municipal, state and federal ordinances, laws, rules and regulations in using the School Site and will not use or suffer to be used the School Site in any manner which contravenes any applicable municipal, state or federal ordinance, law, rule or regulation, or so as to create any nuisance.

(h) Lessee will use its best efforts to make its final payment for the School Site from Lessor with funds obtained from grant assistance from the Outlay Council or from other available revenue or funding sources at the earliest possible time, but in no event later than thirty (30) years from the date the Agreement is executed.

Section 2.2. Representations, Covenants and Warranties of Lessor.

Lessor represents, covenants and warrants as follows:

(a) Lessor is a non-profit corporation duly organized, existing and in good standing under the laws of the State of New Mexico and has full and complete power to enter into this Agreement and to enter into and carry out the transactions contemplated hereby, and to carry out its obligations under this Agreement; and is possessed of full power to own and hold real and personal property, and to lease the same and has duly authorized the execution and delivery of this Agreement.

(b) Neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with the terms and conditions thereof, nor the consummation of the transactions contemplated hereby and thereby, conflicts with or will result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which Lessor is now a party.

(c) Lessor warrants that it is in good standing pursuant to the terms of any underlying mortgage or obligations affecting the School Site.

(d) To the best of Lessor's knowledge, Lessor has not received any notice that the School Site and/or the present use and condition of the School Site violates any applicable deed restrictions or other covenants, restrictions or agreements, mortgages or conditions of title or ownership, site plan approval, zoning or subdivision regulations, urban development plans, the laws statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions or requirements of any authorities governing or regulating the use and operation, or otherwise applicable to the School Site.

(e) To the best of Lessor's knowledge, there are no underground storage tanks at the School Site and, to the best of Lessor's knowledge, Lessor has not used the School Site to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process pollutants, dangerous substances, toxic substances, hazardous wastes, hazardous materials or hazardous substances as defined in or pursuant to the Resource Conservation and Recovery Act (42 U.S.C.A. §§6901 *et seq.*) as amended, the comprehensive Environmental Response Compensation and Liability Act (42 U.S.C.A. §§9601 *et seq.*) as amended, or any other related Legal Requirement, and to the best of Lessor's knowledge, Lessor has not caused, and has no knowledge of, the leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping of any hazardous substances on or off the School Site on adjacent properties.

ARTICLE III AUTHORIZATION OF AGREEMENT

Section 3.1. Agreement. Lessor hereby leases the School Site to Lessee, and Lessee hereby leases the School Site from Lessor, upon the terms and conditions set forth in this Agreement. This Agreement, once fully executed, supersedes any prior Lease Agreement for the School Site, between the parties.

Section 3.2. Possession and Enjoyment. Lessor hereby covenants with respect to the School Site, to provide Lessee during the Term with quiet use and enjoyment of the School Site, and Lessee shall during the Term peaceably and quietly have and hold and enjoy the School Site, without suit, trouble or hindrance from Lessor, except as expressly set forth in this Agreement.

Section 3.3. Lessor Access to School Site. Lessee agrees that during the term of this Agreement following the Commencement Date of this Agreement, Lessor shall have the right during Lessee's normal working hours on Lessee's normal working days, upon compliance with any security requirements imposed by Lessee and upon reasonable notice, to enter on and examine and inspect the School Site for the purpose of assuring that the School Site is being properly

maintained, preserved and kept in good repair and condition. Lessee further agrees that Lessor shall have such rights of access to the School Site as may be reasonably necessary to cause the proper maintenance of the School Site in the event of failure by Lessee to perform its obligations hereunder, provided that at no time shall Lessor be compelled or required to make any improvements, alterations or additions to the School Site.

Section 3.4. School Site. The School Site is the real property described on Exhibit "A." and any Improvements.

ARTICLE IV TERM OF AGREEMENT

Section 4.1. Term. The Term shall commence upon the execution of this Agreement by the Parties after approval of the Department and the PSFA ("Commencement Date") and continue for twenty-eight (28) years, three (3) months ("Term").

Section 4.2. Termination of Term. The Agreement will terminate upon the occurrence of the first of the following events:

- (a) the purchase of the School Site by the Lessee pursuant to Article VI of this Agreement;
- (b) a default by Lessee and Lessor's election to terminate this Agreement pursuant to Article XI; or
- (c) a default by Lessor and Lessee's election to terminate this Agreement pursuant to Article XI;
- (d) if sufficient money is not available to meet any current lease payment; or
- (e) Lessee's charter is revoked by its authorizer and said revocation is not reversed on appeal prior to the effective date of the charter revocation.

Section 4.3. Effect of Termination of Term. Upon termination of the Agreement the remedies shall be as set forth in Article XI.

Section 4.4. Lien on Real Property by Lessee. If the State or Lessee's funds, above those required for lease payments, are used to construct or acquire Improvements after the Commencement Date, the cost of such Improvements shall constitute a lien on the School Site in favor of the Lessee and then, if this Agreement is terminated prior to the final payment and the release of the security interest or the transfer of title at the option of the Lessee: (1) the Lessee may foreclose the real estate lien as created by NMSA 1978, §22-26A(5)(H); or (2) the current market value of the School Site or other real property at the time of termination, as determined by an independent appraisal certified by the New Mexico Taxation and Revenue Department, in excess of the outstanding principal due under this Agreement shall be paid to the Lessee. The priority of any such lien shall be determined according to New Mexico law.

Section 4.5 Continuation. Pursuant to NMSA 1978 §22-26A-5(I) the parties agree that there is no legal obligation for the Lessee to continue this Agreement from year to year or to purchase the School Site.

ARTICLE V AGREEMENT RENTAL PAYMENTS

Section 5.1. Agreement Payments.

(a) Lessee agrees to pay Lessor and Lessor agrees to accept as full rent payment for the premises a sum equal to the amounts provided in Exhibit D ("Base Rent"), payable monthly on the twentieth (20th) day of the first month following the Commencement Date and each succeeding month throughout the term of the Agreement. Any partial month will be calculated on a pro rata basis.

(b) The Base Rent as stated in Exhibit D, specifies the principal and interest component of each payment made under the Agreement. Upon receipt by the Lessor of each payment of Base Rent, the Lessor shall apply the amount of each Base Rent payment to principal and interest as shown on Exhibit D, thereby reducing the purchase price for each succeeding Option Date as defined in Section 6.2. The interest rate is as stated in Section 6.4.

(c) Lessee and Lessor agree that the Base Rent payments, as used in this Section 5.1 hereof, include a payment to establish a Repair and Replacement Fund, for extraordinary repairs and maintenance, including structural components, repair and replacement of major system components (electrical, plumbing and HVAC) or such other repairs and maintenance the Lessor deems necessary to keep the condition of the School site in compliance with all requirements of applicable law. The Lessor's obligations for maintenance and repairs shall not exceed the balance of the Repair and Replacement Fund as of date the necessity of said maintenance or repair arises. The Repair and Replacement Fund shall not be used for payments of taxes, routine repair, maintenance, operating expenses and the like which are otherwise obligations of Lessee as Operating Expenses under the terms of Section 7.1 of this Agreement.

(d) The Base Rent and other obligations payable by the Lessee under this Agreement shall constitute currently appropriated expenditures of the Lessee and shall not constitute a debt or multiple fiscal year direct or indirect obligation whatsoever of the Lessee or a mandatory charge or requirement against the Lessee in any fiscal year (July 1 to June 30) beyond the fiscal year for which such payments have been approved.

Section 5.2. Additional Rent. In addition to the Base Rent as defined above, the School shall pay Additional Rent during this Agreement as herein provided. The Additional Rent during the Term of this Lease shall be estimated annually by the Lessee and shall be in an amount sufficient to pay the following costs during the next ensuing Fiscal Year: (i) the reasonable fees and expenses of the Lessor related to the School Site and Improvements; (ii) the cost of Lessor's insurance premiums; and (iii) all other costs expressly required to be paid by the Lessor, if any, as Additional Rent hereunder. The Additional Rent may be adjusted during the Term of this Lease in the discretion of the Lessor and with the consent of the Lessee. In the event Lease term is extended for next ensuing Fiscal Year, the School's obligation under this Lease to pay Additional Rent during such Fiscal Year shall be limited to the amount so appropriated for Additional Rent and any amounts subsequently appropriated by supplemental appropriation for payment of Additional Rent during such Fiscal Year. Additional Rental obligations in excess of the amounts so appropriated shall in no event be due or owing from the School. As used herein, "Fiscal Year" means the School's fiscal year, which begins on July 1st of any year and ends on June 30th of the following year.

Section 5.3. Escrow Account. The School shall make all payments due under this Agreement as set forth in Sections 5.1 and 5.2 into an Escrow Account pursuant to the terms and conditions of the Escrow Agreement attached hereto as Exhibit B.

ARTICLE VI CONTINGENT OBLIGATION TO PURCHASE

Section 6.1. Option to purchase. In consideration of the agreements, promises and covenants made in this Agreement, and other good and valuable consideration received, Lessor grants to Lessee the option to purchase the School Site upon the terms and conditions set forth in this Agreement.

Section 6.2 Accelerated Sale and Transfer. Lessee may acquire the leased property only on an option date. The term "Option Date" shall be August 20 of each year after the Commencement Date and the corresponding date in each year thereafter. If the sale and transfer of the property is not completed on or prior to last Option Date the option to purchase shall expire and thereafter and be of no further force or effect.

Section 6.3 Notice of sale and transfer. Lessee's election to proceed to sale and transfer of the property on an Option Date must be evidenced by a written notice addressed to Lessor, sent by registered or certified mail to Lessor's office or to any other place designated by Lessor by written notice to Lessee. Such written notice must be given not less than 12 months before the Option Date on which the option is to be exercised and sale and transfer is to occur.

Section 6.4 Purchase Price on Exercise of Option: The Purchase Price for the School Site shall be \$6,432,500 of principal as of June 1, 2017 upon which interest shall accrue at an annual rate of 5.25% per annum on principal amounts due on September 1, 2022 and at 6.00% per annum on the balance of the principal amount in accordance with the schedule attached at Exhibit D. The interest rate does not to exceed the maximum permitted by the Public Securities Act, Section 6-4-1 through 6-14-3 NMSA 1978. The price to be paid by Lessee to Lessor for the School Site on an Option Date shall be the principal balance of the unpaid purchase price as of that Option Date, as set forth in the schedules attached at Exhibit D, plus any accrued and unpaid interest plus expenses described in Section 6.5. below.

Section 6.5. Expenses, mortgage. The Purchase Price to be paid to Lessor, as provided above, shall be a net amount to Lessor, and all expenses in connection with the transfer of the School Site, including, but not limited to, title insurance, recording fees, documentary stamps, and all other closing costs, shall be divided evenly by Lessor and Lessee. The Purchase Price shall be paid by Lessee in cash to Lessor concurrently with the conveyance of the School Site by Lessor to Lessee.

Section 6.6. Transfer of title. Except as provided below, at closing Lessor shall convey the School Site to Lessee free and clear of any mortgage, indenture or other encumbrance. Any such transfer shall be effected by a special warranty deed by Lessor.

Section. 6.7 First mortgage. Lessee's rights under this option are and shall be subject and subordinate to any mortgage (including a consolidated mortgage), indenture or deed of trust constituting a first lien on the School Site, or any part thereof, whether such mortgage, indenture or deed of trust has heretofore been, or may hereafter be, placed upon the School Site to secure an indebtedness to any savings bank, bank, trust company, or other institutional lender, private or public for the purchase of the School Site and Improvements on the Land, and to any renewal, modification, consolidation, replacement, or extension of any such mortgage or deed of trust. This subordination is limited and relates only to a first mortgage securing an indebtedness that will not

on any Option Date exceed the price at which this option may then be exercised on that date, as herein provided. This subordination shall be self-operative and no further instrument of subordination shall be required. Lessee shall, nevertheless, execute and deliver, from time to time, any instrument and certificate affirming and confirming such subordination that Lessor may reasonably request. Lessor will cause any such mortgage or deed of trust to contain provisions requiring the holder of the indebtedness secured by mortgage or deed of trust to mail to Lessee by registered mail, addressed to Lessee at its office as set forth in this lease, a copy of each notice of breach of covenant, default, or foreclosure given by the holder or the trustee under such mortgage or deed of trust to Lessor. Notwithstanding the provisions of Section 6.3, Lessee may, upon receiving notice of breach of covenant, default, or foreclosure under any such mortgage or deed of trust as herein provided after the First Option Date, exercise this option at the following option price: the amount which would have been payable, as provided in Section 6.5, at the next succeeding option date, plus 1/365ths of the difference between that amount and the amount which would have been payable, as provided in Section 6.5, at the last preceding option date, multiplied by the number of days remaining between the settlement date and the next succeeding option date. Notwithstanding the provisions of this Article 6, Lessee may, upon receiving notice of breach of covenant, default, or foreclosure under any such mortgage or deed of trust as herein provided before the first Option Date, exercise this option by paying the then-outstanding principal amount of the debt secured by mortgage, indenture or deed of trust plus any accrued and unpaid interest plus any amounts necessary to pay all amounts due to the first call date the indebtedness secured by the mortgage, indenture or deed of trust.

Section 6.8. Performance of lease. The right to exercise this option is conditioned upon the faithful performance by Lessee of all its covenants, conditions, and agreements under this lease, and the payment by Lessee of all Base Rent and Additional Rent, and other special payments as provided in this lease to the date of the completion of the purchase of the School Site by Lessee.

Section 6.9. Adjustments. Adjustments and proration of taxes, water rents, insurance premiums, and similar items shall be made as of the date of the closing of title, in accordance with the practice approved by the parties.

Section 6.10. Security deposit. The parties stipulate that no security deposit was paid by Lessee as part of this agreement and none is required.

Section 6.11. Priority. This option shall be a covenant running with the land described above, and no conveyance, transfer, easement, or encumbrance of such land shall defeat or adversely affect this option.

Section 6.12. Assignment of option, binding effect. As provided in NMSA 1978, §22-26A-5(K), with prior approval of the Lessor, which shall not be unreasonable withheld, this Agreement may be assigned, without costs to the Lessee and with all of the rights and benefits of its predecessor in interest being transferred to the assignee, to a school district or charter school; or the state or one of its institutions, instrumentalities or other political subdivision.

Section 6.13. Prepayment. The amounts due under this Agreement are subject to prepayment at the option of the Lessee at such time or times and upon such terms and conditions, with or without the payment of such premium or premiums as determined by the Lessee's Governing Council. Beginning with the first Option Date, the parties may proceed to closing on purchase at any time without assessment of costs, expenses or penalties except that Lessee agrees to pay any prepayment amounts required by any loan secured by the Land and Lessor's Improvements.

ARTICLE VII MAINTENANCE AND INSURANCE

Section 7.1. Maintenance and Facility Costs. Lessee shall at all times during the Term maintain, preserve and keep the School Site in good repair, working order and condition, and shall from time to time make all repairs, replacements and improvements necessary to keep the School Site in such condition. This Lease is intended to be and shall be construed consistently with it being an absolute net lease with Lessee paying all expenses related to the School Site, including without limitation, (i) the cost of insurance premiums for insurance deemed necessary or desirable in Lessor's reasonable discretion; (ii) the cost of taxes, utility charges, maintenance, upkeep, and repair costs including routine repair and replacement of roof, structural components, HVAC, and carpet and/or tile; and (iii) all other costs associated with operation, repair and maintenance of the School Site (collectively, "Operating Expenses"). Portions of Operating Expenses may be, at Lessor's option, paid by Lessee directly to the third parties who are owed certain amounts included in Additional Rent (e.g. insurance companies, taxing authorities, utility companies).

Section 7.2. Removal of Improvements. Except as provided for in Section 4.3.c. and 9.3, Lessee hereby agrees and covenants with Lessor that any and all alterations, additions, and improvements, except moveable furniture, equipment, portable or modular buildings and such other items of personal property that are removable from the wall, ceiling and floor surfaces without causing damage to such surfaces, shall become a permanent part of the School Site at the termination of this Agreement, if not removed by the Lessee. If Lessee fails or refuses to remove any improvements that can be removed, Lessor shall not be liable for the value or cost of those improvements as may be contemplated by Section 4.3c. Lessee agrees that if such Improvements are removed at the termination hereof, it will repair or restore the area of such surface, if removal of Lessee's personal property creates an unsightly condition, by capping any electrical outlets and concealing any surface areas where personal property, such as counters or shelving, may have been stabilized by attachment to such surfaces.

Section 7.3. Lessee's Insurance Obligations.

(a) Liability Insurance. Beginning upon the Commencement Date, Lessee shall procure and maintain or cause to be carried and maintained in full force and effect during the term of this Agreement and any extension thereof at Lessee's sole cost and expense and as additional rent above the Base Rent hereunder, such public liability insurance covering bodily injury, disease, illness or death and property damage liability, as is available from and provided by the New Mexico Public Schools Insurance Authority ("NMPSIA") or its successor with limits of coverage not less than \$300,000 for each person for all past and future medical and medically-related expenses arising out of a single occurrence and \$400,000 in the aggregate for all claims other than medical or medically-related expenses arising out of a single occurrence, and \$100,000 for each accident for property damage liability for the benefit of both Lessee and Lessor as protection against all liability claims arising from activities on the School Site, causing Lessor to be named as an additional-named insured on such policy of insurance, and delivering a copy thereof to Lessor upon the commencement of the term of this Agreement. Lessee shall adjust such minimum coverage limits annually or as necessary to conform to the minimum coverage limits required for local public bodies pursuant to Sections 41-4-19 and 41-4-20 NMSA 1978, and Sections 22-29-1 through 22-29-11 NMSA 1978, as amended.

(b) Property Insurance. Subject to the availability of such coverage from NMPSIA, Lessee shall also carry and maintain or cause to be carried and maintained in full force and effect

during the term of this Agreement and any renewal thereof, at Lessee's sole cost and expense, fire and extended coverage insurance upon the School Site, including all buildings, alterations, additions and improvements in an amount equal to their replacement values. Lessor and lending institution(s) of record shall be named as additional insureds and loss payees on the Property Insurance Policy and shall be provided with a copy of this policy annually on the anniversary date of the Policy. In the event that the School Site should be destroyed or substantially damaged in whole or in part, and such loss is covered by fire and extended coverage insurance, Lessee shall have the option to either continue this Agreement and use the insurance proceeds to replace or repair the School Site and on Lessor's behalf, or terminate this Agreement and tender to the Lessor all such insurance proceeds attributable to the loss or damage to the School Site. If for any reason Lessee is prohibited by law or regulation from carrying such insurance, Lessor may obtain such insurance, and Lessee shall pay the premiums of such insurance as Operating Expenses.

Section 7.4. Worker's Compensation Insurance. If required by state law as of the Commencement Date, Lessee shall carry worker's compensation insurance covering all of its respective employees on, in, near or about the School Site and upon request, shall furnish certificates to the Lessor evidencing such coverage.

Section 7.5. Liens. Except as provided in Section 4.3, neither Lessee or Lessor shall directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Improvements, other than the respective rights of Lessor and Lessee as herein provided. Except as otherwise expressly provided in this Article, Lessor and Lessee shall promptly, at its own expense, take such action as may be necessary duly to discharge or remove any such mortgage, other than existing mortgages or subsequent mortgages as agreed to by the parties in writing, pledge, lien, charge, encumbrance or claim if the same shall arise at any time, during the respective party's control of the School Site and each party shall reimburse the other for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim which arose during the control of the School Site. Nothing herein shall limit the Lessor's right to refinance or restructure debt against the property, however, no refinance or restructure shall impair Lessee's rights under the terms of this Agreement. Lessee covenants and agrees to execute and deliver, upon demand, such further reasonable instrument or instruments subordinating this Lease to the lien of any mortgage or mortgages as shall be desired by Lessor and any mortgagees or proposed mortgagees, provided such documents contain commercially reasonable non-disturbance agreements. Lessor shall, within 30 days of refinancing or restructuring provide notification to Lessee with certification from the financial institution that this Agreement does not violate any term or condition of the restructured or refinanced obligation and Lessor shall pay for any of Lessee's costs associated with said refinancing.

ARTICLE VIII CONDEMNATION; USE OF NET PROCEEDS

Section 8.1. Condemnation. In the event that all or any portion of the School Site or Improvements are condemned by any governmental body or agency other than Lessee under power of eminent domain or is sold under threat of condemnation to any public body other than Lessee prior to purchase of the School Site by Lessee, Lessor shall be entitled to all compensation awarded, less an amount equal to the Lessee's principal payments made to date in accordance with Article VI., plus the value of any improvements placed on the School Site by Lessee pursuant to Section 9 herein, which portions of the compensation awarded shall be paid to Lessee.

Section 8.2. Condemnation of Other Property Owned by Lessee. Lessee shall be entitled to the Net Proceeds of any condemnation award or portion thereof made for destruction of, damage to or taking of its property not included in the School Site. Lessor agrees that Lessee shall have the option, upon written notice to Lessor, to enter an appearance and defend in any condemnation action as to both the School Site and the Improvements, and upon such election, Lessor shall not be obligated to provide a defense as to the Improvements, but may do so at Lessor's sole expense. In consideration for such option granted in this paragraph, Lessee agrees not to enter into any settlement agreement as to the condemnation award to be paid for the taking or partial taking of the Improvements without Lessor's prior consent, which consent shall not be unreasonably withheld.

ARTICLE IX LESSEE'S IMPROVEMENTS, EQUIPMENT AND WARRANTIES

Section 9.1. Improvements to School Site. The Lessee, at its own expense, may remodel, or make additions, modifications or improvements to, the School Site, provided that (i) such remodeling, modifications and additions (A) shall not in any way damage the School Site as it existed prior thereto and (B) shall become part of the School Site, subject to the provisions of Section 9.3; (ii) the value of the School Site after such remodeling, modifications and additions shall be at least as great as the value of the School Site prior thereto; and (iii) the School Site, after such remodeling, modifications and additions, shall continue to be used as provided in and shall otherwise be subject to the terms of this Agreement. If the School makes capital improvements to the School Site or other after acquired real property that is covered by this Agreement, there shall be no additional financial obligations without a written amendment approved by the Department.

Section 9.2. Installation of Lessee's Equipment. Lessee may at any time and from time to time in its sole discretion and at its own expense, install items of movable machinery, standard office partitions, railings, doors, gates, counters, cabinets, lighting fixtures, signs and such other furnishings and equipment as may in Lessee's judgment be necessary for its purposes in or upon the School Site. All such items shall remain the sole property of Lessee, in which Lessor shall have no interest, and may be modified or removed by Lessee at any time provided that Lessee shall repair and restore any and all damage to the School Site resulting from the installation, modification or removal of any such items upon termination of this Agreement for any reason other than purchase of the School Site by the Lessee. Nothing in this Agreement shall prevent Lessee from purchasing items to be installed pursuant to this Section under a conditional sale or lease purchase contract, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest shall attach to any part of the School Site.

Section 9.3. Warranties. Upon acceptance and purchase of the School Site by Lessee pursuant to Article VI hereof, Lessor will assign to Lessee, all of its interest, if any in all warranties and guarantees or other contract rights against architects, builders, contractors, subcontractors, suppliers, materialmen or manufacturers for the School Site, express or implied, issued on or applicable to the School Site, and Lessor hereby authorizes Lessee to obtain the customary services furnished in connection with such warranties and guarantees at Lessee's expense. Lessee's sole remedy for the breach of such warranties and guarantees shall be against the provider of such work, service, equipment or materials made to or on the School Site and not against Lessor, nor shall

such matter have any effect whatsoever on the rights of the Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder.

Section 9.4. Disclaimer of Warranties. Upon acceptance of the School Site by the Lessee, Lessor makes no warranty or representation except as stated in Section 9.4, either express or implied, as to the value, design, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by Lessee of the School Site, or any other representation or warranty with respect to the School Site. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement or the existence, furnishing, functioning or Lessee's use of any portion of the Improvements provided for in this Agreement.

ARTICLE X ASSIGNMENT, SUBLEASING, MORTGAGING AND SELLING

Section 10.1. Assignment. Neither party shall assign its interests in this Agreement without the prior written consent of the other party which consent shall not be unreasonably withheld or delayed. Any consent by a party to any assignment shall not operate as consent to any further assignment, and any further assignment shall be subject to the prior written consent of the other party in accordance with the provisions of this Section 10.1. Unless otherwise agreed, no assignment permitted hereunder shall relieve a party from liability for the performance of its obligations under this Agreement for the remainder of the then current term.

With the prior approval of the Lessor, which shall not unreasonably be withheld, the Lease Purchase Arrangement is assignable, without cost to the charter school and with all of the rights and benefits of its predecessor in interest in being transferred to the assignee, to: (1) a school district or charter school; or (2) the state or one of its institutions, instrumentalities or other political subdivisions.

Nothing in this Section 10.1 shall be deemed to prohibit, limit or restrict the Lessee's power to enter into joint powers agreements as provided in Sections 11-1-1 et seq. NMSA 1978, as amended for shared use of the School Site.

Section 10.2. Restriction on Mortgage or Sale of School Site by Lessee. Prior to closing on purchase of the School Site, Lessee will not mortgage, sell, assign, transfer or convey the School Site or any portion thereof without the written consent of Lessor, which consent shall not be unreasonably withheld or delayed.

Section 10.3. Title. Upon the purchase of the School Site by Lessee pursuant to Article VI. of this Agreement, Lessor shall transfer its interest in the School Site to Lessee by standard form special warranty deed free and clear of any encumbrances, except those specifically accepted by Lessee.

ARTICLE XI EVENTS OF DEFAULT AND REMEDIES

Section 11.1. Events of Default Defined. The following shall be "Events of Default" under this Agreement and the terms "Event of Default" and "Default" shall mean, whenever they are used in this Agreement, with respect to the School Site, any one or more of the following events:

(a) Failure by Lessee to make any payments under this Agreement as and when due, except where sufficient money is not available to meet any current lease payment as contemplated in the Escrow Agreement;

(b) Failure by Lessor or Lessee to observe and perform any covenant, condition or agreement (other than as described in Section 11.1(a)) on its part to be observed or performed, for a period of thirty days after written notice specifying such failure and requesting that it be remedied has been given by the nondefaulting party unless the nondefaulting party shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the nondefaulting party will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the defaulting party within the applicable period and diligently pursued until the default is corrected, however, any such extension shall not extend for more than six months after the initial written notice.

(c) The filing by Lessor or Lessee of a voluntary petition in bankruptcy, or failure by Lessor or Lessee promptly to lift any execution, garnishment or attachment of such consequence as would impair the ability of Lessor or Lessee to carry on its operations at the School Site, or adjudication of Lessor or Lessee as a bankrupt, or assignment by Lessee for the benefit of creditors, or the entry by Lessee into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to Lessor or Lessee in any proceedings instituted under the provisions of the federal Bankruptcy Act, as amended, or under any similar acts which may hereafter be enacted.

(d) Lessee's charter is revoked by its authorizer and said revocation is not reversed on appeal prior to the effective date of the charter revocation.

Section 11.2. Remedies on Default. Whenever any Event of Default shall have happened and be continuing, the Lessor may, without any further demand or notice, take one or any combination of the following remedial steps:

(a) Terminate the Lease and give notice to the Lessee to vacate the School Site within one-hundred twenty days (120) days from the date of such notice.

(b) Lease all or any portion of the School Site.

(c) Recover from the Lessee: (i) to the extent the recovery thereof is permitted by law, the fair rental value of the use of the School Site during any period beyond the thirtieth (30th) day following the occurrence of the Event of Default; and (ii) Base Rent and Additional Rents, to the extent amounts for such Base Rent and Additional Rents have been specifically appropriated in accordance with the provisions hereof, which would otherwise have been payable by the Lessee hereunder during the remainder, after the Lessee vacates the School Site, of the Fiscal Year in which such Event of Default occurs.

(d) Take whatever action at law or in equity may appear necessary or desirable to enforce its rights in and to the School Site under this Lease.

Section 11.3. Force Majeure. The provisions of Sections 11.1 and 11.2 are subject to the following limitations: if by reason of force majeure Lessee or Lessor is unable in whole or in part to carry out its obligations under this Agreement, Lessor or Lessee shall not be deemed in default during the continuance of such inability or during any other delays which are a direct consequence of the force majeure inability. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or any of its departments, agencies or officials, or any civil or military authority other than the

Lessee or Lessor; insurrections; riots; earthquakes; fires; storms; drought; floods; explosions; breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of Lessor or Lessee and not resulting from the negligence of the party claiming a force majeure event. Lessor and Lessee agree, however, to remedy with all reasonable dispatch the cause or causes preventing them from carrying out their respective obligation under this Agreement; provided that the settlement of strikes, lockouts and other industrial disturbances shall not be required if in the judgment of the party raising the defense of force majeure, acceding to the demands of the person or persons creating the strike, lockout or industrial disturbance, would be injurious to such party.

Section 11.4. Remedies Cumulative. The above-provided rights and remedies to which either party is entitled hereunder are cumulative, and not exclusive, of all other rights and remedies to which a party may be entitled in the event of breach or threatened breach by a party in default of any of the terms, conditions and provisions contained herein.

Section 11.5. No Additional Waiver Implied by One Waiver. The failure, neglect or omission of a non-defaulting party to terminate this Agreement for any breach or default shall not be deemed a consent by the non-defaulting party of such breach or default and shall not stop, bar or prevent the non-defaulting party from thereafter terminating this Agreement, either for such violation of for prior or subsequent violation of any covenant hereof. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 11.6. Dispute Resolution. The parties shall endeavor to resolve all disputes arising as to this Agreement by mediation before a mutually agreed mediator the cost of which shall be shared by the parties. In the event mediation is unsuccessful, arbitration in accordance with the terms of this Section shall be used to resolve any and all claims, disputes or disagreements arising under this Agreement, except for (i) matters requiring immediate exigent relief, including without limitation unlawful detainer; and (ii) all claims by either party which (a) seek anything other than enforcement of rights under this Agreement, or (b) are primarily founded upon matters of fraud, willful misconduct or any other allegations of tortious action, and seek the award of punitive or exemplary damages, which disputes shall be resolved by suit filed in the Second Judicial District Court, Bernalillo County, New Mexico, the decision of which court shall be subject to appeal pursuant to applicable law. The parties hereby agree to conduct themselves in strict, full, complete and timely accordance with the terms of this Section.

(a) Any dispute to be arbitrated pursuant to the provisions of this Section shall be determined by binding arbitration before a single arbitrator (the "Arbitrator") under the auspices of the Commercial Arbitration Rules of the American Arbitration Association ("AAA"). Such arbitration shall be initiated by either party, within thirty days after either party sends written notice (the "Arbitration Notice") of a demand to arbitrate by registered or certified mail to the other party and to AAA. The Arbitration Notice shall contain a description of the subject matter of the arbitration, the dispute with respect thereto, the amount involved, if any, and the remedy or determination sought. The parties may agree on the selection of an Arbitrator.

(b) The arbitration shall be conducted in the greater Albuquerque or Bernalillo County metropolitan area and, unless otherwise agreed by the parties must be completed within 180 days. Any party may be represented by counsel or other authorized representative. In rendering a decision, the Arbitrator shall determine the rights and obligations of the parties according to the substantive and procedural laws of New Mexico and the terms and provisions of this Agreement.

The decision shall be conclusive and binding, and it may thereafter be confirmed as a judgment by the Second Judicial District Court, Bernalillo County, New Mexico in accordance with the New Mexico Uniform Arbitration Act. The Arbitrator may award injunctive relief. The Arbitrator may award costs, including without limitation, attorneys' fees, and expert and witness costs, to the prevailing party, if any as determined by the Arbitrator in his or her discretion. A party shall be determined by the Arbitrator to be the prevailing party if its proposal for the resolution of the dispute in the discretion of the Arbitrator was closest to that adopted by the Arbitrator.

ARTICLE XII TITLE

Section 12.1. Title to Improvements. During the Term, legal title to the School Site shall be in Lessor, unless otherwise agreed to by the parties in writing.

Section 12.2. Public Property. Upon approval of this Agreement by the Department and execution of this Agreement by the parties pursuant to the Public School Lease Purchase Act, the School Site shall be considered to be a public property pursuant to NMSA 1978 §22-26A-5.1(B).

ARTICLE XIII HAZARDOUS MATERIALS LAWS

Section 13.1. Compliance with all Hazardous Materials Laws. As of the Commencement Date, Lessee, shall at all times keep and maintain the School Site in compliance with and shall not cause or permit the School Site or any activities conducted thereon to be in violation of any federal, state or local law, ordinance or regulation relating to commercial or industrial hygiene, environmental safety or the environmental conditions on, under or about the School Site, including, but not limited to, air, soil, subsurface and ground water conditions. Neither party shall permit any subtenant or other occupant of the School Site, except in accordance with applicable Hazardous Materials laws as hereinafter defined, to use, generate, manufacture, store, produce, release, discharge, dispose of or otherwise permit the presence of, on, under or about the premises or transport to or from the School Site any explosives (flammable or otherwise), radioactive materials, pollutants, contaminants, hazardous wastes, hazardous air pollutants, toxic substances or related materials, including, without limitation, any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous pollutants" or "toxic substances" under any applicable federal or state laws or regulations (collectively referred to hereinafter as "Hazardous Materials"). Hazardous materials shall include petroleum products. Upon request of either party, the other party will prepare and provide such reports as will evidence compliance by the party with Hazardous Materials laws, and which will evidence that the School Site and the uses thereon are in compliance with Hazardous Materials Laws. Either party shall immediately advise the other party in writing of its discovery of or receipt of notice of (i) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened pursuant to any applicable federal, state or local laws, ordinances, regulations, orders or publications relating to any Hazardous Materials affecting the School Site ("Hazardous Materials Laws"); (ii) any use, generation, manufacture, production, release, discharge, storage or disposal of Hazardous Materials, or substantial threat of any of the foregoing, on, under or about the School Site; (iii) all claims made or threatened by any third party against a party or the School Site relating to damage, contribution, cost recovery compensation,

loss or injury resulting from any Hazardous Materials (the matters set forth in clauses (i) and (iii) above are hereinafter referred to as "Hazardous Materials Claims"); and (iv) any occurrence or condition on any property adjoining or in the vicinity of the School Site that could cause the School Site to be subject to any restrictions on the ownership, Completion, transferability or use of the premises under any Hazardous Materials Law.

Section 13.2. Lessee's Responsibility. Upon and after issuance of the Certificate of Occupancy and acceptance of the School Site by the Lessee, Lessee shall be solely responsible to pay or otherwise satisfy any claim, written notice or demand, penalty, fine, settlement, loss, damage, cost, expense or liability made against Lessor or Lessee directly or indirectly arising out of or attributable to the violation by Lessee of any Hazardous Materials Law, orders, written notice or demand of governmental authorities, or the use, generation, manufacture, storage, release, threatened release, discharge, disposal, production, abatement or presence of Hazardous Materials on, under or about the premises including, without limitation: the costs of any required or necessary investigation, repair, cleanup or detoxification of the School Site, and the preparation and implementation of any closure, abatement, containment, remedial or other required plan and shall to the extent allowable by law applicable to public schools, indemnify Lessor and hold Lessor harmless from any such claim, demand, penalty, fine, settlement, loss, damage, cost, expense or liability subject to the limitations and waivers contained in the New Mexico Tort Claims Act and any insurance coverage issued pursuant thereto.

Section 13.3. Remedial Action Required. Without the other party's prior written consent, which shall not be unreasonably withheld, a party shall not take any remedial action in response to the presence of any Hazardous Materials on, under, or about the School Site, nor enter into any settlement agreement, consent decree, or other compromise in response to any Hazardous Materials claim, which remedial action, settlement, consent or compromise might, in the other party's reasonable judgment, impair the value of party's fee interest in the School Site; provided, however, that prior consent shall not be necessary in the event that: (i)(A) the presence of Hazardous Materials on, under, or about the School Site either poses an immediate threat or is of such a nature that an immediate remedial response is necessary; or (B) any delay in taking such remedial action would result in the imposition of periodic or daily fines; and (C) such action is required by government order; and (ii) it is not possible to obtain the other party's consent before taking such action; provided that in such event notice shall be given as soon as practicable of any action so taken. Each party agrees not to withhold its consent, where such consent is required hereunder, if either (i) a particular remedial action is ordered by a court of competent jurisdiction, or (ii) the party establishes to the reasonable satisfaction of the other party that there is no reasonable alternative to such remedial action that would result in less impairment to the value of the party's interest in the School Site.

Section 13.4. Survival of Lessee's Obligations and Liabilities. Lessee's obligations and liabilities hereunder with respect to Hazardous Materials Claims arising from Lessee's actions shall survive the expiration or other termination of this Agreement.

ARTICLE XIV LIMITATION OF LIABILITY

Section 14.1. Limitation of Liability. Neither party shall be liable for special or consequential damages arising from a breach of this Agreement.

ARTICLE XV
ADMINISTRATION PROVISIONS

Section 15.1 Notices. All notices required under this Agreement shall be in writing, signed by the party or agent sending them, and (i) delivered personally, (ii) sent by registered or certified mail, (iii) sent by a recognized overnight express mail carrier, or (iv) sent by facsimile, if a copy is sent by one of methods (i), (ii) or (iii) as soon as practicable thereafter, addressed to Lessor or Lessee, as the case may be, at the following addresses (or such other addresses as either party may give by notice conforming with this Section 16.1), and such notices shall be effective on the date of receipt thereof.

Lessor:

Horizon Academy Foundation
c/o President
3021 Todos Santos St. NW
Albuquerque, NM 87120
Telephone No.: (505) 998-0459
Facsimile No.: (505) 998-0463

Lessee:

Horizon Academy West
c/o School's Director
3021 Todos Santos St. NW
Albuquerque, NM 87120
Telephone No.: (505) 998-0459
Facsimile No.: (505) 998-0463

Section 15.2 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective administrators, successors and assigns.

Section 15.3. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 15.4. Amendments, Changes and Modifications. This Agreement may be amended or any of its terms modified only by a written amendment authorized and executed by both Lessee and Lessor. Amendments to this Agreement, except amendments that would improve the building or other real property without additional financial obligations to the Lessee, shall be approved by the Department pursuant to 22-26A-5(L) NMSA 1978.

Section 15.5. Further Assurances and Corrective Instruments. Lessor and Lessee agree that they will, if necessary, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intention of this Agreement.

Section 15.6. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 15.7. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico, with regard to conflicts of laws rules.

Section 15.8. Lessor and Lessee Representatives. Whenever under the provisions of this Agreement the approval of Lessor or Lessee is required, or Lessor or Lessee is required to take some action at the request of the other, such approval of such request may be given for Lessor by a Lessor Representative and for Lessee by a Lessee Representative, and any party hereto shall be authorized to rely upon any such approval or request.

Section 15.9. Integration. This Agreement contains all of the agreements of Lessee and Lessor respecting the subject matters hereof, and all prior negotiations are merged herein.

Section 15.10. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Agreement.

Section 15.11. Business Days. If the day upon which any action required by the Agreement shall fall on a Saturday, Sunday or banking holiday, then such actions shall be deemed timely if made or taken on the next succeeding business day.

Section 15.12. Administrative Approval. Pursuant to Section 22-26A-4 NMSA 1978, the parties to this Lease acknowledge that they have obtained prior written consent from the Public Education Department prior to executing this Agreement. A copy of said approval is attached to this Agreement as Exhibit "G".

IN WITNESS WHEREOF, Lessor has caused this Agreement to be executed in its corporate name by its duly authorized officers; and Lessee has caused this Agreement to be executed in its name by its duly authorized officers, as of the date first above.

LESSOR:
HORIZON ACADEMY FOUNDATION

By: Cynthia Carter

Its: Horizon Academy Foundation, Vice President

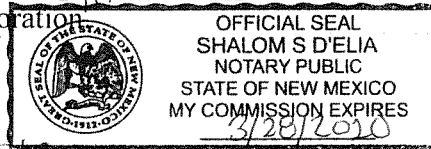
STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

^{VP} This instrument was acknowledged before me on June 12, 2017 by Cynthia Carter
as President of Horizon Academy Foundation, a New Mexico non-profit corporation

Shalom S D'Elia

Notary Public

My commission expires: 3/25/2020



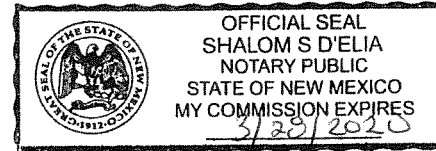
LESSEE:
HORIZON ACADEMY WEST

By: Carrie Rodriguez
Its: Governing Council President

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on June 12, 2017 by Carrie Rodriguez as President of Horizon Academy West Governing Council, a New Mexico public charter school.

Shalom S D'Elia
Notary Public



My commission expires: 3/28/2020

EXHIBIT A
PROPERTY DESCRIPTION

LOT NUMBERED TWELVE-A (12-A) PLAT OF TRACT
5A2- A1 AND LOT 12-A, VOLCANO BUSINESS PARK
PHASE 1, CITY OF ALBUQUERQUE, BERNALILLO
COUNTY, NEW MEXICO, AS THE SAME IS SHOWN
AND DESIGNATED ON SAID PLAT, FILED IN THE
OFFICE OF THE COUNTY CLERK OF BERNALILLO
COUNTY, NEW MEXICO, ON NOVEMBER 9, 1995, IN
PLAT BOOK 95C, FOLIO 413,

with a street address of 3021 Todos Santos NW, Albuquerque, New Mexico 87120, together with any existing site improvements, building structures, landscaping, irrigation equipment, and fixtures erected thereon or affixed thereto, or which belong to or are used in connection therewith and all, rights, privileges, interests, leases, easements and appurtenances belonging or in any way pertaining thereto.

EXHIBIT B
ESCROW AGREEMENT
(See Attached)

**HORIZON ACADEMY WEST ESCROW AGREEMENT
FOR DEPOSIT AND DISBURSEMENT OF RENTS
PURSUANT TO LEASE-PURCHASE AGREEMENT**

This HORIZON ACADEMY WEST ESCROW AGREEMENT FOR DEPOSIT AND DISBURSEMENT OF RENTS PURSUANT TO LEASE-PURCHASE AGREEMENT (the Escrow Agreement referred to hereafter as the “Agreement”) is between WELLS FARGO BANK, N.A., as trustee (“Trustee”), and HORIZON ACADEMY WEST, a New Mexico public charter school (“School”), and WELLS FARGO BANK, N.A. as escrow agent (“Escrow Agent”), dated June 1, 2017.

WHEREAS, the Public Finance Authority, a public body corporate and politic organized and existing under the laws of the State of Wisconsin (the “Issuer”), issued and sold its Educational Facility Revenue Bonds (Horizon Academy West Charter School Project), Series 2012 (the “Bonds”) to finance the acquisition of and renovation of an existing 21,600 square foot building, and construction and equipping of a 20,000 square foot addition to the renovated building, all for use as a charter school facility and located at 3021 Todos Santos NW in Albuquerque, New Mexico, owned by the Horizon Academy Foundation (“Company”), and leased to the School;

WHEREAS, the Bonds were issued pursuant to an Indenture of Trust dated October 1, 2012 between the Issuer and the Trustee (the “Indenture”);

WHEREAS, the Company and the School entered into an Amended and Restated Lease Agreement dated October 1, 2012 pursuant to which the School has continued to occupy the charter school facility, and pursuant to which the School has agreed, subject to the rights of the School to terminate its obligations under the Amended and Restated Lease Agreement on an annual basis, to make lease payments in the amounts and at such times as stated in the Amended and Restated Lease Agreement;

WHEREAS, rents from the Amended and Restated Lease Agreement were assigned by the Company to the Trustee pursuant to the terms the Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated October 1, 2012;

WHEREAS, the School and the Trustee entered into a Pledge and Covenant Agreement and an Account Control Agreement on October 1, 2012, which agreements, among other matters, describe the method by which the School shall make payment of rents to the Trustee in accordance with the Amended and Restated Lease Agreement;

WHEREAS, the Amended and Restated Lease Agreement provides that the School has the option to substitute the Amended and Restated Lease Agreement with a Lease Purchase Arrangement (hereafter the “Lease”) as the terms are defined by the Public School Lease Purchase Act, NMSA 1978, §22-26A-1, *et seq.* (“Act”). The Act requires

that all lease purchase arrangements be approved by the New Mexico Public Education Department (“NMPED”). NMPED has informed the School that approval of the School’s Lease is contingent upon the parties to the Pledge and Covenant Agreement and Account Control Agreement agreeing to substitute those agreements with this Escrow Agreement, which Escrow Agreement shall control the method of rent payments owed pursuant to the Lease;

WHEREAS, the School and the Trustee agree that all Base Rents and Additional Rents owed according to the Lease, will be deposited by the School into the Escrow Account established pursuant to this Agreement, and thereafter distributed to the Trustee in accordance with this Agreement; and

WHEREAS, the capitalized terms used but not defined herein shall have the meaning set forth in the Indenture; provided, however, that incorporation of such definitions shall in no way indicate that the Escrow Agent is a party to or bound by the Indenture. A copy of the Indenture definitions shall be furnished to the Escrow Agent at the time of execution of this Agreement, and the Escrow Agent shall be entitled to conclusively rely on such copy for such definitions.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the parties hereto mutually undertake, promise and agree for themselves, their respective representatives and successors, as follows:

1. ESCROW FUND.

a. For and in consideration of Trustee agreeing to cancel the Pledge and Covenant Agreement and Account Control Agreement both dated October 1, 2012, on execution of this Agreement, the School shall deposit into the Escrow Account established hereby, advanced lease payments equal to three months of Base Rent [\$130,736.15] (“Deposit”). In addition, the School agrees to deposit every month during the term of the Lease, all Base Rent and any Additional Rent (together referred to as the “Rent Payment”) due into the Escrow Account, on or before the twentieth day of each month, commencing July 2017 (the “Monthly Disbursement Date”). The Deposit shall be held for the benefit of the Trustee in the event that the School does not deposit on or before the Monthly Disbursement Date an amount equal to the Rent Payment then due to Trustee, and shall be deemed to be funds available to cover current lease payments pursuant to NMSA 1978, §22-26A-5(J).

b. The Deposit and Rent Payment (together referred to as “Escrow Funds”) will be held solely for the benefit of the Trustee. Nothing in this Escrow Agreement shall prohibit the Escrow Agent from investing the remaining balance of the Escrow Account, unless to do so would impair the Trustee’s access to the Deposit if the School’s Rent Payments are insufficient on any given Monthly Disbursement Date.

c. The Escrow Funds shall not be subject to warrants, drafts or checks drawn by the School, but shall be disbursed solely as set out in Section 4 of this Agreement. The Escrow Agent shall provide to the Trustee and the School an annual accounting of the Deposit and Rent Payments or more frequently upon written request of either party.

d. The Escrow Funds held by the Escrow Agent under this Agreement shall not be considered as a banking deposit by the School, and the Escrow Agent shall have no right or title with respect to the Escrow Funds except as Escrow Agent under the terms of this Escrow Agreement. If, for any reason, any check deposited into the Escrow Account is returned unpaid to the Escrow Agent, the sole duty of the Escrow Agent shall be to return the check to the School and advise the Trustee promptly thereof.

e. To the limited extent required to perfect the security interest granted by the Company to the Trustee in the Rent Payments owed under the Lease, the parties hereby appoint the Escrow Agent as the security agent, and the Escrow Agent hereby accepts the appointment as security agent and agrees to hold physical possession of the Deposit and Rent Payments on behalf of the Trustee, until such time as disbursement instructions are provided pursuant to paragraph 4, below.

2. **CONTROL OF THE ESCROW FUND.** The Escrow Agent shall comply with the written instructions provided by the Trustee directing the distribution of funds from the Escrow Fund. The Escrow Agent shall not, except as permitted in this Escrow Agreement, comply with instructions or other directions concerning the Escrow Fund or the disposition of funds in the Escrow Fund unless directed by an order of a court of competent jurisdiction.

3. **ESCROW AGENT'S RESPONSIBILITY.** Except for acting on third-party instructions in violation of Section 2 above, the Escrow Agent shall have no responsibility or liability to the School for complying with instructions concerning the Escrow Fund from the Trustee consistent with this Escrow Agreement and shall have no responsibility to investigate the appropriateness of any such instruction, even if the School or Company notifies the Escrow Agent that the Trustee is not legally entitled to originate any such instruction.

4. **DISBURSEMENTS FROM THE ESCROW FUND.** The Trustee and the School hereby authorize the Escrow Agent to take the following actions with respect to the Escrow Fund:

a. The Escrow Agent shall comply with all orders, notices, requests and other instructions by Trustee directing disbursement of an amount equal to the Base Rent and Additional Rent due without further consent of the School by 5:00 p.m. Minneapolis, Minnesota time on a Monthly Disbursement Date. On each Monthly Disbursement Date, the Escrow Agent shall transfer to the Trustee from the Escrow Account (other than from the Deposit) the amount of the Rental Payment due under the Lease Agreement for such month.

b. In the event there are insufficient funds on deposit in the Escrow Account to make the payment required by Section 4(a), other than from the Deposit, the Escrow Agent shall draw upon the Deposit in the amount of the deficiency and transfer such amount to the Trustee. The School shall replenish the amount of any such draw on the Deposit within thirty (30) days of the draw.

5. **INVESTMENT OF FUNDS.** Money on deposit in the Escrow Fund held by the Escrow Agent and created hereunder shall be invested at the written direction of the Trustee by the Escrow Agent for the benefit of the Trustee as permitted by applicable federal or state law. Earnings on the Escrow Fund, if any, shall be held and administered in the Escrow Fund and utilized in the same manner as the other moneys on deposit therein for the benefit of the Trustee. Interest or other amounts earned and received by the Escrow Agent with respect to the Escrow Fund shall be deposited in and comprise a part of the Escrow Fund and shall be disbursed pursuant to the provisions of paragraph 4 or paragraph 7 as the case may be.

6. **UNEXPENDED FUNDS.** After final payment of the Purchase Price as defined in Section 6.4 of the Lease and any other payments necessary to deliver clean title to the School, any unexpended Escrow Funds shall satisfy all unpaid reasonable fees and expenses incurred by the Escrow Agent, which shall be evidenced by its statement forwarded to the Trustee and the School within thirty (30) days Escrow Agent is notified that the School made the final payment of the Purchase Price. Any remaining Escrow Funds after the allowable deductions, if any, shall be refunded to the School by the Escrow Agent. The Trustee shall submit its approval of the Escrow Agent's final accounting to the School within five (5) business days of the termination of the Lease or receipt of the Escrow Agent's final accounting, whichever date is later. The School shall deliver a copy of the Trustee's approval of the final accounting to the Escrow Agent, together with instructions concerning the disbursement of unexpended Escrow Funds, if any, to the School. The Escrow Agent shall have no obligation to ensure that the Escrow Funds are used as required by the provisions of the Lease, which is the sole obligation of the School.

7. **ESCROW AGENT FEES.** The reasonable fees and expenses of the Escrow Agent incurred in connection herewith shall be the responsibility of the School .

8. **LIABILITY OF ESCROW AGENT.** To the extent permitted by law, the Escrow Agent shall not be liable for any act done or step taken or omitted by it or any mistake of fact or law, except for its negligence or default or failure in the performance of any obligation imposed upon it hereunder. The Escrow Agent shall not be responsible in any manner for any proceedings in connection with the Agreement or any recitation contained in the Agreement.

9. **INDEMNITY.** Solely to the extent expressly permitted by law, the School hereby agrees to indemnify and hold harmless the Escrow Agent and Trustee, their directors, officers, agents and employees against any and all claims, causes of action, liabilities, lawsuits, demands and damages, including without limitation, any and all court costs and reasonable attorneys' fees, in any way related to or arising out of or in connection with this Escrow Agreement or any action taken or not taken pursuant hereto, except to the extent caused by the Escrow Agent's or Trustee's gross negligence or willful misconduct or the Escrow Agent's or Trustee's breach of any of the provisions hereof. The obligations of the School under this Section 9 shall survive the termination of this Escrow Agreement and the resignation or removal of the Escrow Agent.

10. **RECORDS.** The Escrow Agent will keep complete and correct books of record and account relating to the receipts, disbursements, allocations and application of the money deposited to the Escrow Fund, and investments of the Escrow Fund and all proceeds thereof. The records shall be available for inspection and copying at reasonable hours and under reasonable conditions by the Trustee and the School. In addition, the parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

11. **SUCCESSORS AND ASSIGNS.** The terms of this Escrow Agreement shall be binding upon, and shall inure to the benefit of the parties hereto and their respective successors or heirs and personal representatives.

12. **AMENDMENTS.** No amendment, modification, termination or assignment, except as otherwise specified in this Escrow Agreement, of any rights hereunder except to the extent contemplated under this Escrow Agreement, shall be binding on any party hereto unless it is in writing and is signed by each of the parties hereto, and any attempt to so amend, modify, terminate or assign except pursuant to such a writing shall be null and void. No waiver of any rights hereunder shall be binding on any party hereto, unless such waiver is in writing and signed by the party against whom enforcement is sought.

13. **RESIGNATION/REMOVAL OF THE ESCROW AGENT APPOINTMENT OF SUCCESSOR ESCROW AGENT.** If the Trustee under the Indenture resigns or is removed, the successor Trustee shall become the Escrow Agent hereunder.

14. **NOTICES.** Unless otherwise provided for in this Escrow Agreement, any notice required or permitted to be given under this Agreement may be given by certified or registered mail, return receipt requested, or by facsimile, charges prepaid, or by commercial overnight delivery service, prepaid, addressed:

If to the Trustee:

Wells Fargo Bank, N.A.
Attention: Corporate, Municipal and Escrow Services
600 South 4th Street, 6th Floor
MAC: N9300-060
Minneapolis, MN 55415

If to School:

Horizon Academy West
Attention: Head of School
3021 Todos Santos St., NW
Albuquerque, NM 87120

With a copy to the Company:

Horizon Academy Foundation
Attention: President
3021 Todos Santos St., NW
Albuquerque, NM 87120

To the Escrow Agent:

Wells Fargo Bank, N.A.
Attention: Corporate, Municipal and Escrow Services
600 South 4th Street, 6th Floor
MAC: N9300-060
Minneapolis, MN 55415

15. **CHOICE OF LAW.** This Escrow Agreement shall be governed exclusively by the applicable laws of the State of New Mexico. Venue for disputes shall be in the New Mexico Second (2nd) Judicial District Court in Bernalillo County, New Mexico.

16. **ASSIGNABILITY.** Other than as set out in Section 11, this Escrow Agreement shall not be assignable by the parties hereto, in whole or in part, and any attempted assignment shall be void and of no force and effect.

17. **ENTIRE AGREEMENT.** This Escrow Agreement evidences the entire agreement among the Trustee, the School and the Escrow Agent and supersedes any other agreements, including but without limitation the Pledge and Covenant Agreement and the Account Control Agreement dated October 1, 2012, whether oral or written, between the parties regarding the Deposit, Rents or the Escrow Fund. No modification or amendment of this Escrow Agreement shall be valid unless the same is in writing and is signed by the School and the Escrow Agent and consented to by the Trustee.

18. **SEVERABILITY**. If any term, covenant, condition or provision of this Escrow Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

19. **COUNTERPARTS**. This Escrow Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Escrow Agreement by signing and delivering one or more counterparts.

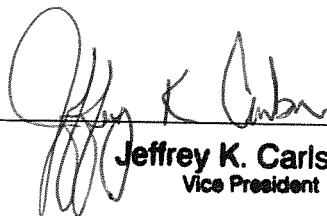
IN WITNESS WHEREOF, the parties hereto have executed this Escrow Agreement effective upon signature of all parties.

WELLS FARGO BANK, N.A., as Trustee

By _____

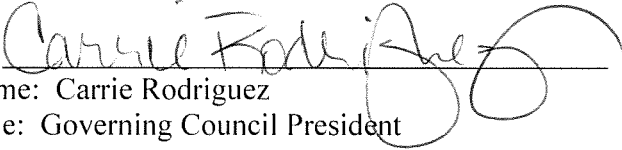
Name:

Title:



Jeffrey K. Carlson
Vice President

HORIZON ACADEMY WEST, SCHOOL

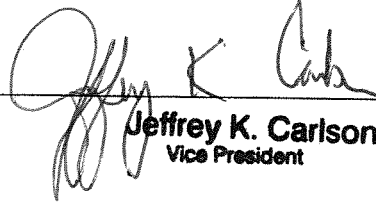
By: 
Name: Carrie Rodriguez
Title: Governing Council President

WELLS FARGO BANK, N.A., as Escrow Agent

By _____

Name:

Title:


Jeffrey K. Carlson
Vice President

ACKNOWLEDGMENT OF COMPANY

The undersigned hereby consents to and acknowledges the foregoing Escrow Agreement dated as of June 1, 2017, among Horizon Academy West, Wells Fargo Bank, N.A., as trustee, and Wells Fargo Bank, N.A., as escrow agent.

HORIZON ACADEMY FOUNDATION


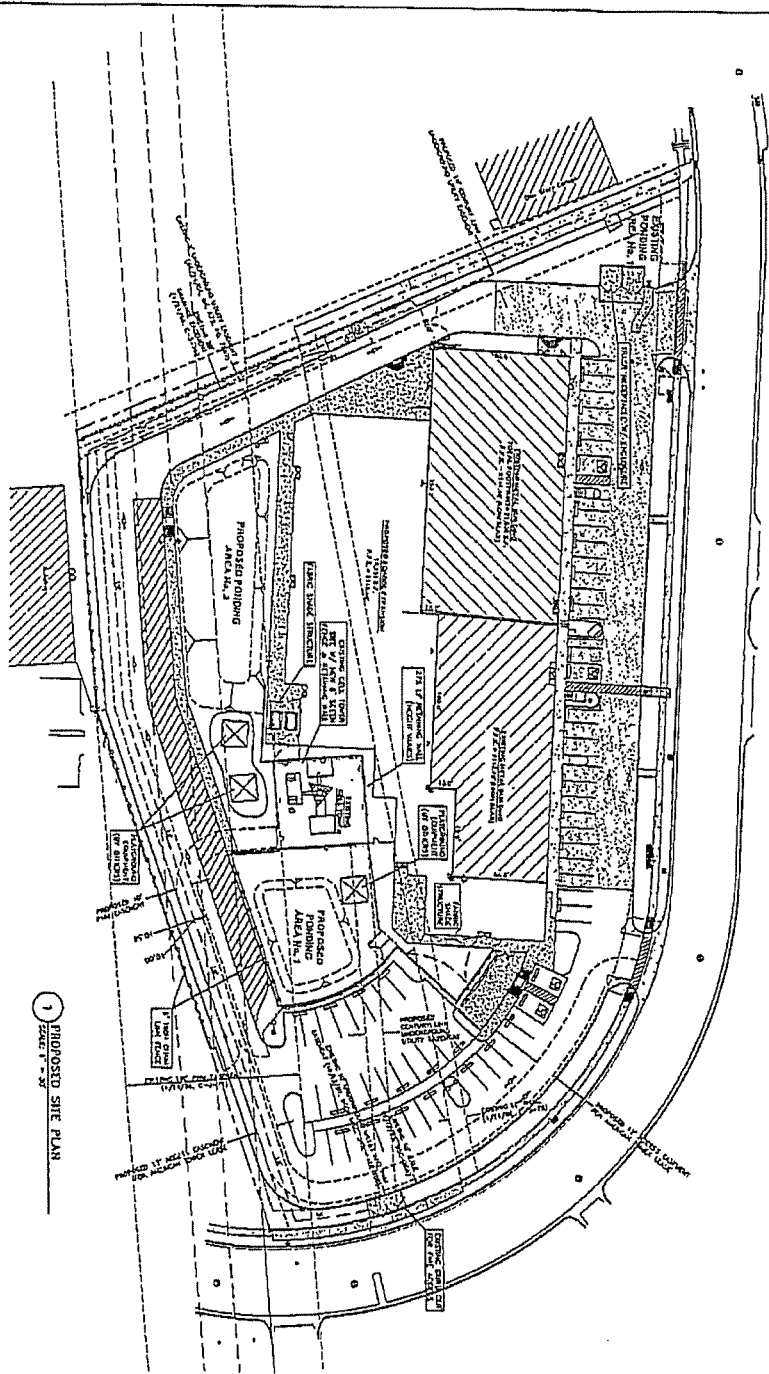
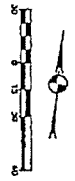
By 
Cynthia Carter
Its Vice President

EXHIBIT C
SITE PLAN AND FLOOR PLAN
(IMPROVEMENTS)


Approximately 41,100 square foot building all for use as a charter school and located on approximately 4 acres of land at 3021 Todos Santos NW, Albuquerque, New Mexico and as more particularly described in the attached Site Plan and Floor Plan.



1 PHOTO SITE PLAN
SCALE: 1" = 50'



LEGEND	REMARKS
EXISTING LOT 1000	EXISTING LOT 1000
EXISTING LOT 1001	EXISTING LOT 1001
EXISTING LOT 1002	EXISTING LOT 1002
EXISTING LOT 1003	EXISTING LOT 1003
EXISTING LOT 1004	EXISTING LOT 1004
EXISTING LOT 1005	EXISTING LOT 1005
EXISTING LOT 1006	EXISTING LOT 1006
EXISTING LOT 1007	EXISTING LOT 1007
EXISTING LOT 1008	EXISTING LOT 1008
EXISTING LOT 1009	EXISTING LOT 1009
EXISTING LOT 1010	EXISTING LOT 1010
EXISTING LOT 1011	EXISTING LOT 1011
EXISTING LOT 1012	EXISTING LOT 1012
EXISTING LOT 1013	EXISTING LOT 1013
EXISTING LOT 1014	EXISTING LOT 1014
EXISTING LOT 1015	EXISTING LOT 1015
EXISTING LOT 1016	EXISTING LOT 1016
EXISTING LOT 1017	EXISTING LOT 1017
EXISTING LOT 1018	EXISTING LOT 1018
EXISTING LOT 1019	EXISTING LOT 1019
EXISTING LOT 1020	EXISTING LOT 1020
EXISTING LOT 1000	EXISTING LOT 1000
EXISTING LOT 1001	EXISTING LOT 1001
EXISTING LOT 1002	EXISTING LOT 1002
EXISTING LOT 1003	EXISTING LOT 1003
EXISTING LOT 1004	EXISTING LOT 1004
EXISTING LOT 1005	EXISTING LOT 1005
EXISTING LOT 1006	EXISTING LOT 1006
EXISTING LOT 1007	EXISTING LOT 1007
EXISTING LOT 1008	EXISTING LOT 1008
EXISTING LOT 1009	EXISTING LOT 1009
EXISTING LOT 1010	EXISTING LOT 1010
EXISTING LOT 1011	EXISTING LOT 1011
EXISTING LOT 1012	EXISTING LOT 1012
EXISTING LOT 1013	EXISTING LOT 1013
EXISTING LOT 1014	EXISTING LOT 1014
EXISTING LOT 1015	EXISTING LOT 1015
EXISTING LOT 1016	EXISTING LOT 1016
EXISTING LOT 1017	EXISTING LOT 1017
EXISTING LOT 1018	EXISTING LOT 1018
EXISTING LOT 1019	EXISTING LOT 1019
EXISTING LOT 1020	EXISTING LOT 1020



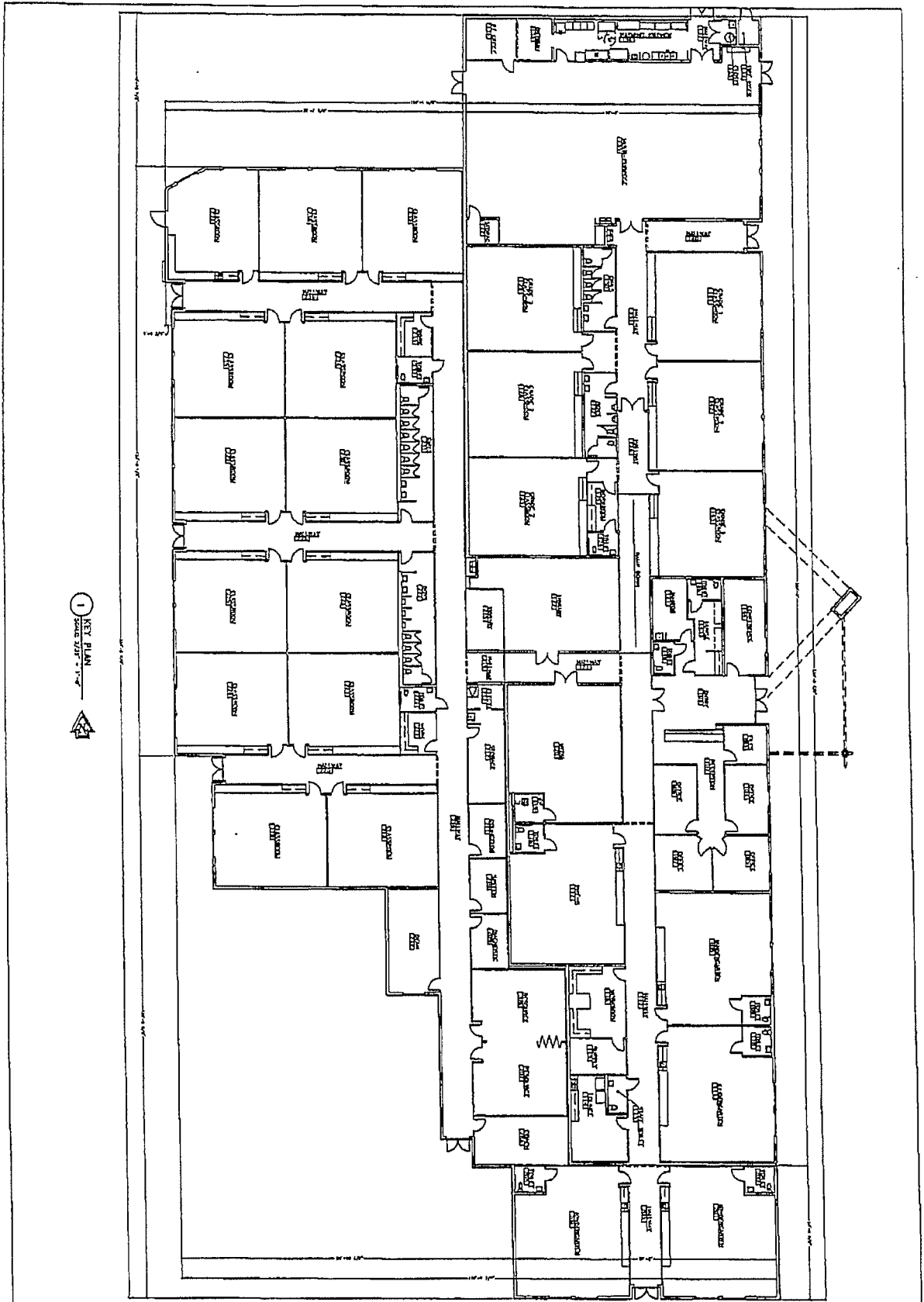
**HORIZON
CHARTER SCHOOL**

3021 TODOS SANTOS ST.
ALBUQUERQUE, NEW MEXICO 87120

SITE PLAN

2275 NORTH 11TH STREET
PHOENIX, ARIZONA 85016
TEL: 602-497-1111
FAX: 602-497-1112

PROJECT: AMENDED SITE DEVELOPMENT RE-SUBMITTAL FOR PROJECT #1004178 JUNE 4, 2012



A2.0 3021 TODOS SANTOS STREET NORTHWEST ALBUQUERQUE, NEW MEXICO 87120 TEL: 505.263.1234 FAX: 505.263.1235 WWW.HORIZONACADEMY.COM	Local Jurisdictions please note: This building is under the jurisdiction of the State of Arizona, Department of Public Building and Construction. Further, a permit and inspection of the building are the sole responsibility of the State of Arizona, Department of Public Building and Construction. Please see the Arizona Rules of Statutes 41-2151 for more information.	KEY PLAN HORIZON ACADEMY WEST ELEMENTARY CHARTER SCHOOL 3021 TODOS SANTOS STREET NORTHWEST ALBUQUERQUE, NEW MEXICO 87120 ACT PROJECT MANAGER APPROVAL FOR CONSTRUCTION:	PRELIMINARY CONTRACTOR
	PROGRESS: 0% ARCHITECTURAL - 0% STRUCTURAL - 0% E.I.A.P.		

EXHIBIT D
BASE RENT PAYMENTS

(Base Rent Payment Schedule for the term of this Agreement is attached.)

Horizon Academy Foundation
Rental Payment Schedule
As of June 1, 2017

		Principal	Interest	Total	Repair and Replacement Fund	Annual Base Rent
			\$ 32,481.25	\$ 32,481.25	\$ 3,248.13	\$ 35,729.38
			\$ 32,481.25	\$ 32,481.25	\$ 3,248.13	\$ 35,729.38
			\$ 32,481.25	\$ 32,481.25	\$ 3,248.13	\$ 35,729.38
			\$ 32,481.25	\$ 32,481.25	\$ 3,248.13	\$ 35,729.38
			\$ 32,481.25	\$ 32,481.25	\$ 3,248.13	\$ 35,729.38
			\$ 32,109.38	\$ 32,109.38	\$ 3,210.94	\$ 35,320.31
			\$ 32,109.38	\$ 32,109.38	\$ 3,210.94	\$ 35,320.31
			\$ 32,109.38	\$ 32,109.38	\$ 3,210.94	\$ 35,320.31
			\$ 32,109.38	\$ 32,109.38	\$ 3,210.94	\$ 35,320.31
			\$ 32,109.38	\$ 32,109.38	\$ 3,210.94	\$ 35,320.31
			\$ 32,109.38	\$ 32,109.38	\$ 3,210.94	\$ 35,320.31
			\$ 32,109.38	\$ 32,109.38	\$ 3,210.94	\$ 35,320.31
			\$ 32,109.38	\$ 32,109.38	\$ 3,210.94	\$ 35,320.31
			\$ 32,109.38	\$ 32,109.38	\$ 3,210.94	\$ 35,320.31
			\$ 32,109.38	\$ 32,109.38	\$ 3,210.94	\$ 35,320.31
06/20/2017	\$	7,500.00	\$ 32,109.38	\$ 39,609.38	\$ 3,960.94	\$ 43,570.31
07/20/2017	\$	7,500.00	\$ 32,109.38	\$ 39,609.38	\$ 3,960.94	\$ 43,570.31
08/20/2017	\$	7,500.00	\$ 32,109.38	\$ 39,609.38	\$ 3,960.94	\$ 43,570.31
09/20/2017	\$	7,916.67	\$ 31,715.63	\$ 39,632.29	\$ 3,963.23	\$ 43,595.52
10/20/2017	\$	7,916.67	\$ 31,715.63	\$ 39,632.29	\$ 3,963.23	\$ 43,595.52
11/20/2017	\$	7,916.67	\$ 31,715.63	\$ 39,632.29	\$ 3,963.23	\$ 43,595.52
12/20/2017	\$	7,916.67	\$ 31,715.63	\$ 39,632.29	\$ 3,963.23	\$ 43,595.52
01/20/2018	\$	7,916.67	\$ 31,715.63	\$ 39,632.29	\$ 3,963.23	\$ 43,595.52
02/20/2018	\$	7,916.67	\$ 31,715.63	\$ 39,632.29	\$ 3,963.23	\$ 43,595.52
03/20/2018	\$	7,916.67	\$ 31,715.63	\$ 39,632.29	\$ 3,963.23	\$ 43,595.52
04/20/2018	\$	7,916.67	\$ 31,715.63	\$ 39,632.29	\$ 3,963.23	\$ 43,595.52
05/20/2018	\$	7,916.67	\$ 31,715.63	\$ 39,632.29	\$ 3,963.23	\$ 43,595.52
06/20/2018	\$	7,916.67	\$ 31,715.63	\$ 39,632.29	\$ 3,963.23	\$ 43,595.52
07/20/2018	\$	7,916.67	\$ 31,715.63	\$ 39,632.29	\$ 3,963.23	\$ 43,595.52
08/20/218	\$	7,916.67	\$ 31,715.63	\$ 39,632.29	\$ 3,963.23	\$ 43,595.52
09/20/2018	\$	8,333.33	\$ 31,300.00	\$ 39,633.33	\$ 3,963.33	\$ 43,596.67
10/20/2018	\$	8,333.33	\$ 31,300.00	\$ 39,633.33	\$ 3,963.33	\$ 43,596.67
11/20/2018	\$	8,333.33	\$ 31,300.00	\$ 39,633.33	\$ 3,963.33	\$ 43,596.67
12/20/2018	\$	8,333.33	\$ 31,300.00	\$ 39,633.33	\$ 3,963.33	\$ 43,596.67
01/20/2019	\$	8,333.33	\$ 31,300.00	\$ 39,633.33	\$ 3,963.33	\$ 43,596.67
02/20/2019	\$	8,333.33	\$ 31,300.00	\$ 39,633.33	\$ 3,963.33	\$ 43,596.67
03/20/2019	\$	8,333.33	\$ 31,300.00	\$ 39,633.33	\$ 3,963.33	\$ 43,596.67
04/20/2019	\$	8,333.33	\$ 31,300.00	\$ 39,633.33	\$ 3,963.33	\$ 43,596.67
05/20/2019	\$	8,333.33	\$ 31,300.00	\$ 39,633.33	\$ 3,963.33	\$ 43,596.67
06/20/2019	\$	8,333.33	\$ 31,300.00	\$ 39,633.33	\$ 3,963.33	\$ 43,596.67
07/20/2019	\$	8,333.33	\$ 31,300.00	\$ 39,633.33	\$ 3,963.33	\$ 43,596.67
08/20/2019	\$	8,333.33	\$ 31,300.00	\$ 39,633.33	\$ 3,963.33	\$ 43,596.67
09/20/2019	\$	8,750.00	\$ 30,862.50	\$ 39,612.50	\$ 3,961.25	\$ 43,573.75
10/20/2019	\$	8,750.00	\$ 30,862.50	\$ 39,612.50	\$ 3,961.25	\$ 43,573.75
11/20/2019	\$	8,750.00	\$ 30,862.50	\$ 39,612.50	\$ 3,961.25	\$ 43,573.75
12/20/2019	\$	8,750.00	\$ 30,862.50	\$ 39,612.50	\$ 3,961.25	\$ 43,573.75
01/20/2020	\$	8,750.00	\$ 30,862.50	\$ 39,612.50	\$ 3,961.25	\$ 43,573.75

02/20/2020	\$	8,750.00	\$	30,862.50	\$	39,612.50	\$	3,961.25	\$	43,573.75
03/20/2020	\$	8,750.00	\$	30,862.50	\$	39,612.50	\$	3,961.25	\$	43,573.75
04/20/2020	\$	8,750.00	\$	30,862.50	\$	39,612.50	\$	3,961.25	\$	43,573.75
05/20/2020	\$	8,750.00	\$	30,862.50	\$	39,612.50	\$	3,961.25	\$	43,573.75
06/20/2020	\$	8,750.00	\$	30,862.50	\$	39,612.50	\$	3,961.25	\$	43,573.75
07/20/2020	\$	8,750.00	\$	30,862.50	\$	39,612.50	\$	3,961.25	\$	43,573.75
08/20/2020	\$	8,750.00	\$	30,862.50	\$	39,612.50	\$	3,961.25	\$	43,573.75
09/20/2020	\$	9,583.33	\$	30,403.13	\$	39,986.46	\$	3,998.65	\$	43,985.10
10/20/2020	\$	9,583.33	\$	30,403.13	\$	39,986.46	\$	3,998.65	\$	43,985.10
11/20/2020	\$	9,583.33	\$	30,403.13	\$	39,986.46	\$	3,998.65	\$	43,985.10
12/20/2020	\$	9,583.33	\$	30,403.13	\$	39,986.46	\$	3,998.65	\$	43,985.10
01/20/2021	\$	9,583.33	\$	30,403.13	\$	39,986.46	\$	3,998.65	\$	43,985.10
02/20/2021	\$	9,583.33	\$	30,403.13	\$	39,986.46	\$	3,998.65	\$	43,985.10
03/20/2021	\$	9,583.33	\$	30,403.13	\$	39,986.46	\$	3,998.65	\$	43,985.10
04/20/2021	\$	9,583.33	\$	30,403.13	\$	39,986.46	\$	3,998.65	\$	43,985.10
05/20/2021	\$	9,583.33	\$	30,403.13	\$	39,986.46	\$	3,998.65	\$	43,985.10
06/20/2021	\$	9,583.33	\$	30,403.13	\$	39,986.46	\$	3,998.65	\$	43,985.10
07/20/2021	\$	9,583.33	\$	30,403.13	\$	39,986.46	\$	3,998.65	\$	43,985.10
08/20/2021	\$	9,583.33	\$	30,403.13	\$	39,986.46	\$	3,998.65	\$	43,985.10
09/20/2021	\$	10,000.00	\$	29,900.00	\$	39,900.00	\$	3,990.00	\$	43,890.00
10/20/2021	\$	10,000.00	\$	29,900.00	\$	39,900.00	\$	3,990.00	\$	43,890.00
11/20/2021	\$	10,000.00	\$	29,900.00	\$	39,900.00	\$	3,990.00	\$	43,890.00
12/20/2021	\$	10,000.00	\$	29,900.00	\$	39,900.00	\$	3,990.00	\$	43,890.00
01/20/2022	\$	10,000.00	\$	29,900.00	\$	39,900.00	\$	3,990.00	\$	43,890.00
02/20/2022	\$	10,000.00	\$	29,900.00	\$	39,900.00	\$	3,990.00	\$	43,890.00
03/20/2022	\$	10,000.00	\$	29,900.00	\$	39,900.00	\$	3,990.00	\$	43,890.00
04/20/2022	\$	10,000.00	\$	29,900.00	\$	39,900.00	\$	3,990.00	\$	43,890.00
05/20/2022	\$	10,000.00	\$	29,900.00	\$	39,900.00	\$	3,990.00	\$	43,890.00
06/20/2022	\$	10,000.00	\$	29,900.00	\$	39,900.00	\$	3,990.00	\$	43,890.00
07/20/2022	\$	10,000.00	\$	29,900.00	\$	39,900.00	\$	3,990.00	\$	43,890.00
08/20/2022	\$	10,000.00	\$	29,900.00	\$	39,900.00	\$	3,990.00	\$	43,890.00
09/20/2022	\$	10,416.67	\$	29,375.00	\$	39,791.67	\$	3,979.17	\$	43,770.83
10/20/2022	\$	10,416.67	\$	29,375.00	\$	39,791.67	\$	3,979.17	\$	43,770.83
11/20/2022	\$	10,416.67	\$	29,375.00	\$	39,791.67	\$	3,979.17	\$	43,770.83
12/20/2022	\$	10,416.67	\$	29,375.00	\$	39,791.67	\$	3,979.17	\$	43,770.83
01/20/2023	\$	10,416.67	\$	29,375.00	\$	39,791.67	\$	3,979.17	\$	43,770.83
02/20/2023	\$	10,416.67	\$	29,375.00	\$	39,791.67	\$	3,979.17	\$	43,770.83
03/20/2023	\$	10,416.67	\$	29,375.00	\$	39,791.67	\$	3,979.17	\$	43,770.83
04/20/2023	\$	10,416.67	\$	29,375.00	\$	39,791.67	\$	3,979.17	\$	43,770.83
05/20/2023	\$	10,416.67	\$	29,375.00	\$	39,791.67	\$	3,979.17	\$	43,770.83
06/20/2023	\$	10,416.67	\$	29,375.00	\$	39,791.67	\$	3,979.17	\$	43,770.83
07/20/2023	\$	10,416.67	\$	29,375.00	\$	39,791.67	\$	3,979.17	\$	43,770.83
08/20/2023	\$	10,416.67	\$	29,375.00	\$	39,791.67	\$	3,979.17	\$	43,770.83
09/20/2023	\$	10,833.33	\$	28,750.00	\$	39,583.33	\$	3,958.33	\$	43,541.67
10/20/2023	\$	10,833.33	\$	28,750.00	\$	39,583.33	\$	3,958.33	\$	43,541.67
11/20/2023	\$	10,833.33	\$	28,750.00	\$	39,583.33	\$	3,958.33	\$	43,541.67
12/20/2023	\$	10,833.33	\$	28,750.00	\$	39,583.33	\$	3,958.33	\$	43,541.67
01/20/2024	\$	10,833.33	\$	28,750.00	\$	39,583.33	\$	3,958.33	\$	43,541.67
02/20/2024	\$	10,833.33	\$	28,750.00	\$	39,583.33	\$	3,958.33	\$	43,541.67
03/20/2024	\$	10,833.33	\$	28,750.00	\$	39,583.33	\$	3,958.33	\$	43,541.67
04/20/2024	\$	10,833.33	\$	28,750.00	\$	39,583.33	\$	3,958.33	\$	43,541.67
05/20/2024	\$	10,833.33	\$	28,750.00	\$	39,583.33	\$	3,958.33	\$	43,541.67

[illegible]

[illegible]

[illegible]

06/20/2037	\$	23,333.33	\$	16,325.00	\$	39,658.33	\$	3,965.83	\$	43,624.17
07/20/2037	\$	23,333.33	\$	16,325.00	\$	39,658.33	\$	3,965.83	\$	43,624.17
08/20/2037	\$	23,333.33	\$	16,325.00	\$	39,658.33	\$	3,965.83	\$	43,624.17
09/20/2037	\$	25,000.00	\$	14,925.00	\$	39,925.00	\$	3,992.50	\$	43,917.50
10/20/2037	\$	25,000.00	\$	14,925.00	\$	39,925.00	\$	3,992.50	\$	43,917.50
11/20/2037	\$	25,000.00	\$	14,925.00	\$	39,925.00	\$	3,992.50	\$	43,917.50
12/20/2037	\$	25,000.00	\$	14,925.00	\$	39,925.00	\$	3,992.50	\$	43,917.50
01/20/2038	\$	25,000.00	\$	14,925.00	\$	39,925.00	\$	3,992.50	\$	43,917.50
02/20/2038	\$	25,000.00	\$	14,925.00	\$	39,925.00	\$	3,992.50	\$	43,917.50
03/20/2038	\$	25,000.00	\$	14,925.00	\$	39,925.00	\$	3,992.50	\$	43,917.50
04/20/2038	\$	25,000.00	\$	14,925.00	\$	39,925.00	\$	3,992.50	\$	43,917.50
05/20/2038	\$	25,000.00	\$	14,925.00	\$	39,925.00	\$	3,992.50	\$	43,917.50
06/20/2038	\$	25,000.00	\$	14,925.00	\$	39,925.00	\$	3,992.50	\$	43,917.50
07/20/2038	\$	25,000.00	\$	14,925.00	\$	39,925.00	\$	3,992.50	\$	43,917.50
08/20/2038	\$	25,000.00	\$	14,925.00	\$	39,925.00	\$	3,992.50	\$	43,917.50
09/20/2038	\$	26,250.00	\$	13,425.00	\$	39,675.00	\$	3,967.50	\$	43,642.50
10/20/2038	\$	26,250.00	\$	13,425.00	\$	39,675.00	\$	3,967.50	\$	43,642.50
11/20/2038	\$	26,250.00	\$	13,425.00	\$	39,675.00	\$	3,967.50	\$	43,642.50
12/20/2038	\$	26,250.00	\$	13,425.00	\$	39,675.00	\$	3,967.50	\$	43,642.50
01/20/2039	\$	26,250.00	\$	13,425.00	\$	39,675.00	\$	3,967.50	\$	43,642.50
02/20/2039	\$	26,250.00	\$	13,425.00	\$	39,675.00	\$	3,967.50	\$	43,642.50
03/20/2039	\$	26,250.00	\$	13,425.00	\$	39,675.00	\$	3,967.50	\$	43,642.50
04/20/2039	\$	26,250.00	\$	13,425.00	\$	39,675.00	\$	3,967.50	\$	43,642.50
05/20/2039	\$	26,250.00	\$	13,425.00	\$	39,675.00	\$	3,967.50	\$	43,642.50
06/20/2039	\$	26,250.00	\$	13,425.00	\$	39,675.00	\$	3,967.50	\$	43,642.50
07/20/2039	\$	26,250.00	\$	13,425.00	\$	39,675.00	\$	3,967.50	\$	43,642.50
08/20/2039	\$	26,250.00	\$	13,425.00	\$	39,675.00	\$	3,967.50	\$	43,642.50
09/20/2039	\$	27,916.67	\$	11,850.00	\$	39,766.67	\$	3,976.67	\$	43,743.33
10/20/2039	\$	27,916.67	\$	11,850.00	\$	39,766.67	\$	3,976.67	\$	43,743.33
11/20/2039	\$	27,916.67	\$	11,850.00	\$	39,766.67	\$	3,976.67	\$	43,743.33
12/20/2039	\$	27,916.67	\$	11,850.00	\$	39,766.67	\$	3,976.67	\$	43,743.33
01/20/2040	\$	27,916.67	\$	11,850.00	\$	39,766.67	\$	3,976.67	\$	43,743.33
02/20/2040	\$	27,916.67	\$	11,850.00	\$	39,766.67	\$	3,976.67	\$	43,743.33
03/20/2040	\$	27,916.67	\$	11,850.00	\$	39,766.67	\$	3,976.67	\$	43,743.33
04/20/2040	\$	27,916.67	\$	11,850.00	\$	39,766.67	\$	3,976.67	\$	43,743.33
05/20/2040	\$	27,916.67	\$	11,850.00	\$	39,766.67	\$	3,976.67	\$	43,743.33
06/20/2040	\$	27								

[illegible]

EXHIBIT E
SOURCES OF FUNDS
(See attached)

HORIZON ACADEMY WEST
Source of Funds for Facility Payments Pursuant to Lease Agreement with Option to Purchase
Based on 30 Year Amortization

Purchase Price \$ 6,432,500

Highest Monthly Payment
(course of payments) \$ 46,640

Highest Annual Payment \$ 554,271

Description of Funding Source(s)		40th Day Projected MEM	Per MEM Funding Allocation	Maximum Allowable Assistance
<u>Based from FY17 Funding</u>				
♦PSFA Lease Assistance	\$ 322,109	437	\$ 736.25**	\$ 322,109
+HB33	97,780			
* SB-9	134,382			
Total funds available	\$ 554,271.			

♦PSFA notified the Schools as part of the FY2018 lease reimbursement grant application that per pupil funding may be reduced. The School has sufficient funds available from HB33 distributions to cover the anticipated shortfalls. See below.

✦ Beginning in FY2018 the School anticipates that it will receive approximately \$260,000 annually in HB33 mill levy distributions to offset shortfalls from PSCOC lease reimbursement grants, if any.

* SB-9 Funds will applied for again in FY2019 and this will be required every 6 years.

** PSFA Lease Assistance payments assume per-member funding remaining at \$736.25, which is the FY17 calculation. Although the Public School Capital Outlay Act, 22-24-1 NMSA 1978, provides for an annual CPI adjustment to the per-member funding amount, HAW has not forecasted any potential increase when assessing whether the charter school will be able to generate sufficient funds to cover their obligation.

EXHIBIT F
APPROVALS

(Copy of the New Mexico Public Education Department's and Public School Facilities Authority's approval of this Agreement. See attached.)

From: Mastalir, Dawn, PED
To: pmatthews@matthewsfox.com
Cc: [Sanchez, Robert F, PED](#)
Subject: RE: Final Clean documents
Date: Thursday, June 08, 2017 3:14:29 PM

Patti:

I understand your need for clarity. Yes, PED's position is that the terms for resolution of the lawsuit have been met.

Dawn

From: pmatthews@matthewsfox.com [<mailto:pmatthews@matthewsfox.com>]
Sent: Thursday, June 08, 2017 3:12 PM
To: Mastalir, Dawn, PED
Subject: RE: Final Clean documents

Dawn:

I apologize for not being clear, but please verify that the PED believes the conditions for resolution of the lawsuit have been met. I do not want to have a misunderstanding as I proceed with finalizing matters with PED and for my clients.

Thank you.

PATRICIA MATTHEWS
www.matthewsfox.com
1925 Aspen Dr. Suite 301
Santa Fe, NM 87505
Office: 505.473.3020
Fax: 505.474.3727
pmatthews@matthewsfox.com



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From: Mastalir, Dawn, PED [<mailto:DawnE.Mastalir@state.nm.us>]
Sent: Thursday, June 08, 2017 3:08 PM
To: pmatthews@matthewsfox.com
Cc: Sanchez, Robert F, PED <RobertF.Sanchez@state.nm.us>
Subject: RE: Final Clean documents

Patti:

Thank you for sending the clean version of the documents. Both documents are approved as to form.

Dawn

From: pmatthews@matthewsfox.com [<mailto:pmatthews@matthewsfox.com>]
Sent: Thursday, June 08, 2017 2:54 PM
To: Mastalir, Dawn, PED
Subject: Final Clean documents

Dawn:

I think the redline was confusing. The final version reflects the corrections we agreed to. I have attached final clean of the Escrow Agreement with typo in 9 correct.

Please confirm that the PED has approved the LPA and Escrow Agreement as to form. It is my understanding that a formal approval will come after I receive the email confirmation.

We can coordinate dismissal of the lawsuit, after I have confirmation that the documents are approved. Thank you for getting back to me.

PATRICIA MATTHEWS
www.matthewsfox.com
1925 Aspen Dr. Suite 301
Santa Fe, NM 87505
Office: 505.473.3020
Fax: 505.474.3727
pmatthews@matthewsfox.com



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State of New Mexico
Public School Facilities Authority



Robert A. Gorrell, Director
Rocky Kearney, Deputy Director

Santa Fe Office
410 Don Gaspar
Santa Fe, NM 87501
(505) 988-5989
(505) 988-5933

Albuquerque Field Office
1312 Basehart Road, SE
Suite 200
Albuquerque, NM 87106
(505) 843-6272
(505) 843-9681 (Fax)

Website: www.nmpsfa.org

April 8, 2015

RE: Horizon Academy West - 3021 Todos Santos - Albuquerque, NM

Director Cynthia Carter,

On March 3, 2015 the Public Schools Facility Authority (PSFA) received correspondence from you requesting an assessment of the facility you currently occupy located at 3021 Todos Santos, Albuquerque, New Mexico for the purpose of determining the wNMCI and E Occupancy as you are considering entering into a lease-purchase agreement for this facility.

An assessment of this facility was conducted on March 6, 2015. A wNMCI score was generated for this facility as a result of this assessment. The result of this assessment is a wNMCI score of 4.76% which is better than the statewide average for all schools, which is 18.95%. A lower score is better than a higher score.

The facility has a certificate of occupancy from the City of Albuquerque that indicates the current occupancy classification is "E" as required for schools serving children through the 12th grade.

Based on the above information the Public School Facilities Authority is pleased to indicate this facility meets the requirements stated above. Please contact the Public Education Department and provide them with this information as they are the Agency that approves the lease to purchase agreement.

If you have any questions regarding this letter, please feel free to contact me. I can be reached at (505)468-0274.

A handwritten signature in black ink, appearing to read "Martica Casias".

Martica Casias
Planning & Design Manager
Public Schools Facilities Authority

Cc; Norma Ahlskog, Financial Specialist
Matt Phal, Interim Director Public Education Department Charter Division

Certificate of Occupancy

City of Albuquerque
Planning Department
Building Safety Division

This Certificate, issued pursuant to the requirements of Section 115.3 of the Albuquerque Uniform Administrative Code, certifies that at the time of issuance this structure was in compliance with the above code and other technical codes and city ordinances regulating building construction or use.

Building Address 3021 Todos Santos St NW Phase I Zip 87120

Portion of Building Tenant Improvement Horizon Academy West Elementary Charter School

Use Classification Commercial Project Bldg. Permit No. 129296201

Occupancy Group E Type of Construction VB Sprinkled Land Use Zone SU 1

Owner of Building Horizon Academy Foundation Address: 1900 Atrisco Rd NW Albuquerque, NM 87120



By: Katrina Sigala

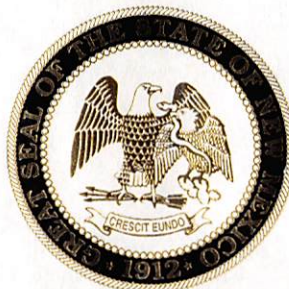
Date: October 1, 2013

V Land Clark
Chief Building Official

IBC Code Year: 2009

POST IN A CONSPICUOUS PLACE

MAXIMUM OCCUPANT LOAD: 685



NEW MEXICO
GENERAL SERVICES DEPARTMENT

cynthia carter

*Who has satisfactorily pursued the certification training program and
passed the required examination*

in accordance with the requirements established pursuant to

NMSA 13-1-95.2

is hereby awarded on this 0th day of September 2017

Chief Procurement Officer Certification

Certificate No. **CPO-2015-00000-00279**



Lawrence O. Maxwell

State Purchasing Agent