

Certification of Board Vote

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Certificate Of Governing Body Vote

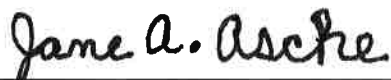
This document certifies that on May 23, 2019, at 5:00 PM a meeting of the Governing Body of Raíces del Saber Xinachtli Community School, a New Mexico public charter school, was held at O'Donnell Hall at NMSU, Room 027 in Las Cruces, NM The meeting and all votes were conducted in compliance with the New Mexico Open Meetings Act.

A quorum of the Governing Body's members being present and voting, it was voted five (5) in favor and zero (0) opposed to approve the Charter School Contract between the Public Education Commission and Raíces del Saber Xinachtli Community School which this Governance Board has pledged to uphold.

The members voting in favor were: Emma J. Armendáriz, Jane A. Asche, Rocio Benedicto, Alejandro Flores, Ray Reich.

The members voting in opposition were: None

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



Signature of Individual Authorized To Certify the Vote (Secretary or Other Officer)

Jane A. Asche

Secretary, Raíces del Saber Xinachtli Governance Board

May 23, 2019

Charter Contract Between the
New Mexico Public Education Commission
And
Raices del Saber Xinachtli Community School

This Charter Contract, (the "Contract"), is hereby entered into by and between the New Mexico Public Education Commission, (the "Commission"), and Raices del Saber Xinachtli Community School, (the "School", and, together with the Commission, the "Parties"), a New Mexico Charter School, effective this 01 day of July 2019.

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 August 23, 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 Emma J. Armendáriz and Angela Stock 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, 2019, found on the first page of this Contract.

"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, 2024. The first fiscal year of the initial Term shall be used exclusively for School planning. 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.
2. The School shall begin providing a Comprehensive Educational Program no later than the 2019-2020 school year, unless the School requests or is required to complete a second implementation year. Prior to commencing operations, the school shall demonstrate that it:
 - i. Has satisfied all conditions imposed by the Commission at initial approval;
 - ii. Has completed all requirements in the Commission's Implementation Year Checklist, described in Attachment A and made part of this contract; and
 - iii. Is qualified to act as a board of finance.
 - iv. If the School requests or is required to complete a second planning year, the School will be granted a one year suspension of the Charter.
 - a. A suspension will be lifted prior to the end of the year upon a showing that the School is prepared to commence operations, based on the Commission's implementation year checklist policy.
 - b. If the suspension is lifted, the term of the Charter will be amended to reflect the one year term of the suspension and retain the five year performance term.

- c. If the suspension is not lifted and the School is unable to demonstrate that it is prepared to commence operations; the suspension will be treated as a revocation of the charter.

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. Raíces del Saber Xinachtli Community School implements a developmentally appropriate rigorous academic program through an interdisciplinary curriculum that is experiential, participatory, bi-literate, child-centered, and culturally responsive. Our students learn Spanish and English, achieving academic proficiency in all subjects in both languages as they develop critical and creative thinking skills. Raíces creates an environment where students and parents are valued as participants in the construction of knowledge and the creation of a learning community that promotes high academic performance, positive identity formation, and the reclaiming of cultural heritage.
 - 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 B, 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 220 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 pending official E-Occupancy certification and will be provided prior to the first day of operations.
4. **Partner Organization or Management Company (Intentionally omitted):**

- i. The School has a legal relationship with _____ that is distinct from a relationship with a non-profit foundation described in 4.5 of this contract. The legal agreement governing the relationship between the School and _____ is included as Attachment C, incorporated herein by reference.
- ii. The legal agreement in Attachment C complies with all provisions of New Mexico law and the School is financially independent from _____. The School shall not make any changes to the document set out as Attachment C, or to its legal relationship and agreements with _____ without the approval of the Commission and the Department, which approval shall not be unreasonably withheld.
- iii. The Commission, through its designees and the Department, shall be permitted to review the legal agreement and other relevant school documents and records to determine whether the legal relationship between the School and _____ complies with all provisions of New Mexico law, and to determine that the School is financially independent from _____.

5. Relationship with a Non-Profit Foundation (Intentionally omitted)

- i. The school has a relationship with _____, 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 legal agreement or Memorandum of Understanding governing the relationship between the School and the foundation is Attachment D, incorporated herein by reference.
- iii. The identity of the Board of Directors and Executive Director of foundation with a conflict of interest disclosure from each are provided in Attachment D.

6. Comprehensive Educational Program of the School: The School's educational program shall be as described below:

Fully engaging students in the learning process increases their attention and focus, motivates them to practice higher-level critical thinking skills and promotes meaningful learning experiences. The curriculum in each content area uses an approach that is student centered and culturally responsive. This constructivist pedagogy engages all students in a way that enhances their cognitive abilities and allows them to grow in self-confidence as they participate in knowledge construction. The opportunity for a child to learn in two languages promotes brain development (Morales, Calvo, Bialystok, 2013), enriches academic ability in all subjects, and empowers students by becoming biliterate in a world that increasingly demands multilingual citizens. These are the opportunities we will bring to the children enrolled in Raíces del Saber Xinachtli Community School.

- i. Xinachtli - A Key Component of Curriculum as an Innovative Approach to Pedagogy. Evidenced by items such as but not limited to an engagement calendar, lesson plans, dialogue circles, and school schedule.
- ii. The Mathematics Block as Organized in Four Sections offered daily; Number Talks, Whole-group mathematics lessons, Learning Stations/Centers, Whole-class dialogue/lesson summary.
- iii. Five Main Components of the Balanced Literacy Framework offered daily; Readers Workshop, Interactive Read-Aloud (accountable talk), Shared Reading (focus poetry,

big book, close reading), Writers Workshop, Word Study.

- iv. The 90/10 dual language bi-literacy model (Spanish and English).

7. Governance:

- i. The School shall be governed by a governing body in the manner set forth in the governing body's bylaws, **Attachment E**, incorporated herein by reference.
- ii. The School's Governing Body shall have at least five members at all times; the 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 either replace any member who is removed or who resigns, or close the position in conformity with its bylaws, within 45 days of removal, resignation or closure.
- 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 Chair of the Commission within 15 days of any and all written complaints of inappropriate contact with a student or other minor by a member of the Governing Body, and shall notify the Chair of 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 F**, 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 7.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.

8. Operation:

- i. The School shall be nonsectarian in its charter school programs, enrollment policies and employment practices and all other operations. Attachment G, incorporated herein by reference, states the School's enrollment 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 Chair of the Commission and the Department within 15 days of any and all written complaints of, inappropriate contact as described in the school's policies or convictions for inappropriate contact with a student or other minor by any staff member, employee, or contractor and shall notify the Chair of 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, employee or contractor.
 - 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 H**, 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 H**, 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 I**, 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.
9. **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.
10. **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.

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

Raices del Saber Xinachtli Community School,
2211 N. Valley Drive
Las Cruces, New Mexico 88007

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 K** incorporated herein by reference,

SECTION 5: PERFORMANCE FRAMEWORKS

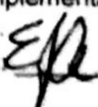
1. **Performance Framework: Attachment B**, incorporated herein by reference, includes the Charter Performance Review and Accountability System ("Accountability Plan"), which includes Academic Performance Framework, Organizational Performance Framework, and Financial Performance Framework adopted by 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.
 - 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.

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 B.

- ii. 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.
- iii. 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 B.
- iv. 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 B.
 - 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 J 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 B;

- 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 B.
- 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 insurance coverage as required by law with the types, limits, and deductibles, as described in Attachment L.

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 B.
 - 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:

Emma J. Armendáriz, Governance Board
1902 Desert Greens Dr.
Las Cruces, NM, 88011
eig.armendariz@gmail.com
(575)405-9524

Angela Stock, School Principal
2214 Dakota Dr., Apt B
Las Cruces, NM 88011
aarmstrong339@gmail.com
(575) 956-3334

NM Public Education Commission:

Patricia E. Gipson, Chair
300 Don Gaspar Santa Fe, NM 87505
575-405-9135
PEC.DistrictSeven@state.nm.us

The Parties 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.

RAICES DEL SABER XINACHTLI COMMUNITY SCHOOL

Executed this 23rd day of May 2019.

By Emma J. Armendariz

Emma J. Armendariz, Charter Representative for Raíces del Saber Xinachtli Community School

NEW MEXICO PUBLIC EDUCATION COMMISSION

Executed this _____ day of _____ 20 .

By _____

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



New Mexico Public Education Commission

School Year 2018-2019

IMPLEMENTATION – YEAR CHECKLIST

Condition for Approval of all Charter Schools Authorized by the Public Education Commission



PART I. NAME OF SCHOOL & CONTACT INFORMATION

School Information:Name Of Charter School: **Raices Charter School**School Address (if known): School Location (City/Town): School District Within Which The Proposed School Will Be Located: Grades To Be Served: Requested Enrollment Cap: **Founder Contact Information:**Primary Contact Person: Address: City: State: Zip: Daytime Tel: Fax: Alternate Tel: E-Mail: **Secondary Contact Person:** Address: City: State: Zip: Daytime Tel: Fax: Alternate Tel: E-Mail: **Foundation / Sponsoring Organization Information:**Foundation / Sponsoring Organization Name (if applicable): Principal Officer: Mailing Address: City: State: Zip: Daytime Tel: Fax: Alternate Tel: E-Mail:

Part II. Introduction

Through charter schools, the Public Education Commission (“PEC”) as Authorizer and the Charter Schools Division (“CSD”) in the New Mexico Public Education Department (“PED”) seek to provide families with effective, quality educational options.

A. Implementation Year Checklist Authority and Purpose

The *Public Education Commission Implementation Year Checklist* serves as a guide and tool for a charter school to develop and produce all necessary materials to demonstrate compliance with all applicable laws, rules, and charter provisions necessary to demonstrate readiness to operate a public school.

The *Public Education Commission Implementation Year Checklist* also provides an opportunity for a charter school to demonstrate it has the capacity to both operate and function as a place of education and learning. The legal, regulatory, and policy requirements of an authorized school are significant. Successful school operators need to both demonstrate an understanding and a capability to institute and implement a program consistent with the requirements presented within this document.

The PEC holds charter schools accountable to all applicable laws, rules, and charter provisions, by routinely making the *Public Education Commission Implementation Year Checklist* a required condition for charter authorization. Prior to the end of the implementation year, a school must apply to the PEC for authorization to commence full operations. (NMAC § 6.80.4.11). The “Implementation Year Checklist Condition” imposed by the PEC, requires a school to complete and resolve any findings, issues, or concerns identified in the *Public Education Commission Implementation Year Checklist*.

The PEC makes the final determination regarding commencement of operations, and any conditions of charter approval, after considering the review and recommendations made by the PED in completing the *Public Education Commission Implementation Year Checklist*. The PEC is not limited by these reviews and recommendations and may request any additional documentation, information, or input that the PEC deems appropriate.

B. Development of the Implementation Year Checklist

The items identified in the *Public Education Commission Implementation Year Checklist* template are those designed to address local, state, and federal, laws, rules and regulations, charter contract provisions, charter best practices, and PEC directives. Each year, the CSD reviews any changes to the aforementioned laws, rules and regulations, charter contract provisions, charter best practices, and PEC directives and prepares a revised draft *Public Education Commission Implementation Year Checklist* template.

This draft template along with any CSD recommendations is presented to the PEC at a regularly scheduled meeting. The PEC reviews and makes the final determination regarding the draft template and these CSD recommendations. The PEC is not limited by these recommendations and may add, remove, or revise any language presented in the draft template.

Prior to November of each year, the PEC votes to approve and makes available online on its website a copy of the most recently approved *Public Education Commission Implementation Year Checklist* template. The current template was approved on: June 15, 2018.

Each school will have an individual *Public Education Commission Implementation Year Checklist* that may be tailored to the individual needs of the school. The PEC may impose any conditions it deems appropriate and these conditions will be incorporated into the school's individual planning year checklist. As a result, the template may differ substantially from the document provided to an individual school.

C. Directions

1. The items on the *Public Education Commission Implementation Year Checklist* and any additional conditions of charter approval **MUST** be completed on or before May 15th, 2019 to receive a recommendation for commencement of operations.
2. All submissions and all documentation must be submitted to the CSD for review **on or before** the deadlines indicated. Documentation should be submitted online through the SharePoint site, access provided by the PED.
3. The CSD provides staff support to the PEC and will review all submissions. This review will provide the basis for any recommendation to the PEC. All documentation re-submitted for additional review and/or revision shall be saved in Word or PDF format with the track changes function enabled, to maintain all changes made to the document until the final draft is reviewed and approved by the PED.
4. The CSD will provide three summary reports to the School which will detail a summary of all findings, issues, and concerns identified by CSD. The School is required to arrange a phone conference or in-person conference with CSD within 10 days of receipt of these summary reports. The purpose of this conference will be to discuss the issues and concerns identified by CSD.
5. Following receipt of a summary report, the school is required to address and resolve all findings, issues, and concerns prior to the next submission deadline.
6. Key Terms:
 - a. An **"Indicator"** is a stated compliance objective that **MUST** be addressed and completed by the school. These objectives may be legal, regulatory, charter contract provisions, charter school best practices, or PEC directives.
 - b. **"Documentation"** requires a school to submit copies of all policies, procedures, forms, protocols, spreadsheets, documents, or any other material that will provide evidence that the school has addressed or completed the relevant indicator and compliance objective.
 - c. **"Date of Completion"** is the date that CSD certifies that documentation addressed or completed the relevant indicator. This field will be left blank until such time as CSD has received sufficient documentation to certify that a relevant indicator was completed.
 - d. **"Findings"** are those CSD comments and notes which identify deficiencies in the "documentation" provided by the school and which details the reasons why CSD was unable to certify documentation as having addressed or completed the relevant indicator.

7. When an “Indicator” or “Documentation” names a statute, rule, or regulation, this is an indication that specific materials are required by statute, rule, or regulation. The school **MUST** address each element or provision that is required in the statute, rule, or regulation.
8. Some “Indicators” may require the school to consult, update, and receive approval from different agencies, departments, or divisions within the PED. The school must provide evidence of these consultations where indicated and provide copies to CSD of any materials provided to these different agencies, departments, or divisions.
9. Additional elements may be added to the *Public Education Commission Implementation Year Checklist* based on changes to legislation, statute, regulation, or due to PEC direction or condition.
10. The PEC makes the final determination regarding the *Public Education Commission Implementation Year Checklist* and any conditions of charter approval after considering the review and recommendations provided by the CSD. The PEC is not limited by these reviews and recommendations and may request any additional documentation, information, or input that the PEC deems appropriate.

D. Review Process

Acting as staff support to the PEC, the CSD will review all school submissions and provide a summary report and any findings **within 30 days of a submission** deadline.

Generally, the CSD review process is as follows:

- 1) The school sends all policies, procedures and documents related to an indicator or documentation requirement on or prior to the indicated submission date.
- 2) CSD consults any applicable laws, regulations, charter contract provisions, written PEC policies, or written guidance manuals applicable to the indicator or documentation required.
- 3) CSD analyzes the school documentation to determine whether all required elements of the applicable laws, regulations, charter contract provisions, written PEC policies, or written guidance manuals were addressed and satisfied.
- 4) Should all elements be addressed and satisfied, CSD then reviews the school documentation for completeness. CSD also considers implementation of the documentation to determine the feasibility of the documentation, and whether the described program is possible, consistent, and reasonable.
- 5) Finally, CSD reviews implementation and consistency in relationship to all other policies and procedures provided by the school.
- 6) In the case of PEC imposed conditions or application deficiencies, CSD consults the specific named deficiencies in the application and the specific condition imposed by the PEC.

- 7) CSD analyzes the school documentation to determine whether all application deficiencies identified and any PEC imposed conditions were corrected, addressed, or satisfied.
- 8) All documentation re-submitted for additional review and/or revision shall be saved in Word or PDF format with the track changes function enabled, to maintain all changes made to the document until the final draft is reviewed and approved by the PED. All submitted documents must be uploaded through the SharePoint site.
- 9) Two Weeks Prior to Opening Review – The CSD will review for completeness all required indicators. If the school fails to submit and/or provide any items due two weeks prior to opening date, the CSD will inform the PEC.

Part III. Implementation Year Checklist

INDIVIDUAL SCHOOL CONDITIONS (IMPOSED AT APPROVAL OF APPLICATION) TO BE MET PRIOR TO COMMENCEMENT OF OPERATIONS VOTE (JUNE 15th) <i>(Materials will be provided 8 days in advance of the PEC Meeting in which the commencement of operations vote is taken.)</i>			
INDICATORS	DOCUMENTATION	DATE OF COMPLETION	FINDINGS
C.1. Timely obtain standing as an approved Board of Finance no more than 120 days after receiving written notification of the approval of the new application. <i>NMSA § 22-8-38; NMAC § 6.80.4; PEC Policy, Board of Finance Application.</i>	<input checked="" type="checkbox"/> Condition Met. <i>PEC Policy, Board of Finance Application.</i>	13 DEC 2018	During the 13 DEC 2018 PEC meeting, the school requested an extension for approval of its Board of Finance, since the school had missed the deadline indicated within NMAC regulation. The school stated they were going off the deadline outlined in the Implementation Year checklist, which stated 120 days after receiving approval. The extension was granted by the PEC. During the same meeting, the PEC made another motion to approve the school's Board of Finance.
C.2. Evidence of meeting ownership or leasing requirements no less than two weeks prior to the scheduled first day of school. <i>NMSA § 22-8B-4.2</i>	<input type="checkbox"/> School provides assurances to demonstrate the lease, lease purchase, or		

	<p>ownership arrangement complies with 22-8B-4.2.</p> <p>If applicable, the school provides evidence it has timely submitted all required application materials to PSFA for lease reimbursement payments by its deadlines.</p>		
C.3. Attend all implementation year training and technical assistance sessions hosted by CSD.	<input checked="" type="checkbox"/> Condition Met.	08 APR 2019	The school leadership team attended all ten (10) implementation year trainings, provided by the Charter School Division.
C.4. Attend all implementation year conferences to discuss with CSD any issues, concerns, and findings identified in the Implementation Year Checklist.	<input checked="" type="checkbox"/> Condition Met.	03 MAY 2019	The school participated in a phone conference for the November status check-in. The school participated in an in-person conference for the March status check-in. The school did not participate in a May phone conference as the status check-in was managed by email communication.
C.5. Correct all issues concerns, and findings identified in the Implementation Year Checklist.	<input type="checkbox"/> Condition Met.		
C.6. As part of the contract and framework negotiation and approval process, obtain the PEC approval of any substantial proposed changes to the educational model, staffing, organizational, and governance plan, or finance plan that were presented in the application.	<input checked="" type="checkbox"/> Condition Met.	03 MAY 2019	The school negotiated its charter school contract and academic performance framework with the Public Education Commission on 03 MAY 2019. The contract between the school and the Public Education Commission will be finalized after the Commencement of Operations vote in JUN 2019.

C.7.Address and correct any application deficiencies that were noted by both the PED and the PEC.	<input checked="" type="checkbox"/> Condition Met.	22 MAR 2019	The Public Education Commission approved the resubmission of the school's Charter Application during the MAR 2019 meeting.
C.8 Evidence that employment of head administrator and licensed school employees in compliance with nepotism rule as defined in NMSA § 22-8B-10. <i>(Example: Lists of names, positions, relationships, and reporting structures, etc.)</i>	<input checked="" type="checkbox"/> Condition Met.	16 MAY 2019	The school provided evidence of the head administrators licensure certificate, signed contract for the upcoming academic year, and the school's anti-nepotism policy.

SUMMARY REPORT - CONDITIONS

INDICATORS	DOCUMENTATION	Date Complete	FINDINGS/COMMENTS
ITEMS DUE BY NOVEMBER 15 th			

<p>11-15.1.Governing Board established and operating according to bylaws and in accordance with the Open Meetings Act.</p> <p><i>NMSA § 22-8b-4;</i> <i>NMSA § 22-8-12.3;</i> <i>NMSA § 10-15-1;</i> <i>NMSA § 14-2-1, et seq.</i> <i>New Charter Contract</i> <i>Section 4.(5)</i></p>	<p><input checked="" type="checkbox"/> Provide list of governing body members. Include the governing body positions to be held, either a place of residence or work, and contact information.</p>	15 NOV 2018	<p>The school provided a detailed chart to include seven (7) governing board members, along with their position on the board; specifically, Board Chair, Board Vice Chair, Board Secretary, Board Treasurer, and Board Member(s). The chart also provided detailed information to include employment, phone number, physical address, and email for all seven (7) board members.</p> <p>The school included details for “Length of Term” of its governing board members.</p> <p>Requested Follow-Up: None present at this time.</p>
	<p><input checked="" type="checkbox"/> Names of any sponsoring organizations or foundations. (This includes prospective organizations that will be established upon completion of the planning year), name of the principal officers, and their contact information.</p>	15 NOV 2018	<p>The school provided information for their “sponsoring organization” that provides financial support during its implementation year; NACA Inspired Schools Network. The school provided contact information for NACA’s executive director to include phone number(s) and email.</p> <p>Requested Follow-Up: None present at this time.</p>
	<p><input checked="" type="checkbox"/> School bylaws.</p>	15 NOV 2018	<p>The school has an established bylaws consisting of ten (10) Articles, and incorporating the items as required by regulation.</p> <p>Requested Follow-Up: Please explain how Section 3.6 Presumption of Approval is intended to address the needs of the board.</p>
	<p><input checked="" type="checkbox"/> Bylaws – Provision for replacing and removing members.</p>	15 NOV 2018	<p>A clear procedure in accord with the regulation has been established as to the removal and filling of vacancies of board members.</p> <p>In section 2.7 Removals, you may want to consider adding “Reasons for removal shall include but are not limited to”. That leaves the board room for unforeseen issues that might be reasons to remove.</p> <p>Requested Follow-Up: None present at this time.</p>
	<p><input checked="" type="checkbox"/> Bylaws – Provision for creating required audit and finance committees.</p> <p><i>NMSA § 22-8-12.3</i></p>	15 NOV 2018	<p>Provisions for the Audit and Finance committees have been created in accord with the regulation.</p> <p>I am concerned that including the business manager as an official Finance Committee member. The Finance Committee is required by NMSA § 22-8-12.3 C. (2) <i>serve as an external monitoring committee on budget and</i></p>

			<p><i>other financial matters.</i> It is common for the Finance Committee to meet regularly with the business manager, however, having that person on the actual committee has the appearance of a conflict due to the committee being required to oversee them. Please also consider including that the Audit Committee is required to have six members.</p> <p>Requested Follow-Up: None present at this time.</p>
<input checked="" type="checkbox"/> Audit and Finance Committee – Provide evidence that committees have been formed, have scheduled meetings, and list of committee membership. <i>NMSA § 22-8-12.3</i>	15 NOV 2018		<p>The school provided a narrative to outline the designation of its Audit and Finance Committee(s). The school indicated two (2) board members will serve on the school's Finance Committee (along with the business manager and principal) and six (6) individuals will serve on the school's Audit Committee to include: two (2) board members, one (1) parent of an enrolled student, one (1) community member with finance experience, the school's principal, and the school's licensed business manager.</p> <p>Requested Follow-Up: None present at this time.</p>
<input checked="" type="checkbox"/> Provide evidence that public notice of Governing Body meetings is being posted. Additionally, if a website is being used to post notice then provide website address.	15 NOV 2018		<p>The school provided its website that will be utilized to publically notice its governing board meetings. The school also provide screenshots from the school's Facebook Page it utilizes as secondary means to publically notice its governing board meetings.</p> <p>Requested Follow-Up: None present at this time.</p>
<input checked="" type="checkbox"/> Provide meeting agendas that comply with state law. <i>NMSA § 10-15-1, et seq.</i>	15 NOV 2018		<p>The school provided governing meeting agendas for three different meeting dates to include: 24 SEPT, 04 OCT, and 30 OCT 2018. Of the three agendas provided, 30 OCT 2018 agenda is the only agenda that <i>mostly</i> meetings OMA requirements to include date, time, location and action items. With the exception of item 14. Closed Session (Personnel and Legal Matters). If the governing board was voting to go into closed session as outlined by item 14, the governing board needs to follow the appropriate language, per OMA, "<i>subject to be discussed shall be stated with reasonable specificity</i>" included on the agenda and prior to the vote to go into closed session. Please reference page 31 of the "<i>New Mexico Open Meetings Act Compliance Guide</i>".</p> <p>Requested Follow-Up: Please see embedded comments within the school's document and correct agenda template for governing board meetings moving forward.</p>

		03 APR 2019	Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review; specifically an agenda template the school will use moving forward that aligns with OMA requirements. The requested changes have been made. No further action is necessary.
	<input checked="" type="checkbox"/> School IPRA policy and procedures that comply with state law. <i>NMSA § 14-2-1, et seq.</i>	15 NOV 2018	<p>The school provided a policy and procedure for handling IPRA requests; however, did not include all responsibilities of what a statement of denial to inspect records should include. Please reference page five (5) of the <i>New Mexico Inspection of Public Records Act Compliance Guide</i> for the specific items needing to be included.</p> <p>Requested Follow-Up: Please see embedded comments within the school's document and incorporate the minor change(s) noted.</p>
		03 APR 2019	Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.
11-15.2.Initial Basic Operating Policies and Procedures have been developed and approved by Governing Body. <i>New Charter Contract Section 6</i>	<input checked="" type="checkbox"/> School conflict of interest policy and procedures. <i>NMSA § 22-8B-5.2.</i>	15 NOV 2018	<p>The school provided a detailed policy and procedure for identifying and disclosing actual or perceived conflicts of interest for any person serving in the capacity of the governing board. The policy eludes to a signed annual statement by each governing board member; when will the governing board conduct signing the annual disclosure document? (specific timeline or due date should be built into the procedure).</p> <p>The procedures include determination of a potential conflict of interest as well as action that will be taken if such policy is knowingly violated.</p> <p>Recommended Follow-Up: Please see embedded within the school's document for <i>recommended</i> information to be included.</p>
		03 APR 2019	Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.
	<input checked="" type="checkbox"/> Anti-nepotism policy and procedures. <i>NMSA § 22-8B-10.</i>	15 NOV 2018	The school provided evidence of an anti-nepotism policy which appears to align with statute; however did not include a procedure in which the governing board shall follow if they deem it appropriate or necessary to waive the nepotism rule.

		03 APR 2019	<p>Requested Follow-Up: Please see embedded comment within the school's document for requested revision to the policy.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.</i></p>
<input checked="" type="checkbox"/> Background check policy and procedures. <i>NMSA § 22-10A-5.</i>	15 NOV 2018	03 APR 2019	<p>The school provided a background check policy; however did not provide a thorough procedure for obtaining and/or clearing background checks for no-licensed staff person(s). Procedure should include the hiring process for all school personnel to include obtaining the background check prior to employment. Procedure should also include how the school will handle the background with all contracted staff.</p> <p>Requested Follow-Up: Please see embedded comments within the school's document for requested revisions to the policy.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.</i></p>
<input checked="" type="checkbox"/> School FERPA policy and procedures. <i>20 U.S.C. § 1232g.</i>	15 NOV 2018	03 APR 2019	<p>The school provided a FERPA policy with embedded procedure steps that appears to mostly align with Federal Regulation. However, it is requested the school revise/remove the language relating to "parents, students, and other volunteers serving in an official capacity of the school gaining access to student confidential files".</p> <p>Requested Follow-Up: Please embedded comments within the school's document for revision to language mentioned above.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.</i></p>
<input checked="" type="checkbox"/> School Complaint and Grievance Policy including a process for receiving and resolving community, parental,	15 NOV 2018		<p>The school provided a detailed compliant policy and procedure for filing of a compliant for student and parent. Reasonable timelines were included within the procedure.</p>

	and other public complaints.		Recommended Follow-Up: Please see embedded comments within the school's document for recommended additions to the policy and/or procedure.
	<input checked="" type="checkbox"/> Volunteer policies and procedures. <i>NMAC § 6.50.18.8.</i>	15 NOV 2018	<p>The school provided evidence of a detailed volunteer policy and procedure that appears to align with regulation.</p> <p>The school distinguished between "regular" volunteer and "spontaneous" volunteer, per regulation. To include all "regular volunteers" signing the Volunteer Pledge, which also aligns with regulation.</p> <p>Requested Follow-Up: None present at this time.</p>
11-15.3.Budget Approval. <i>NMAC § 6.20.2.9.</i>	<input checked="" type="checkbox"/> An identified date for a scheduled Governing Body Meeting when the Governing Body plans to review and approve the Budget at an open meeting. <i>(Should be after the May 15th final enrollment adjustments, but must be before the June 20th regulatory deadline.).</i>	15 NOV 2018	<p>The school provided a narrative stating the governing board will be approving the school's first year budget during the 23 MAY 2019 governing board meeting.</p> <p>Requested Follow-Up: None present at this time.</p>
11-15.4. School is established as a formal public school entity in the state of New Mexico with all necessary tax identification numbers, bank accounts, etc. <i>NMAC § 6.20.2.18.</i>	<input checked="" type="checkbox"/> Bank records or other evidence that shows a public entity account has been established at a NM banking institution.	15 NOV 2018	<p>The school provided evidence of an established NM banking institution with First American Bank. Evidence included a letter from the bank on behalf of "Name of Account Is: Raices del Saber Xinachitli Community School"</p> <p>Requested Follow-Up: None present at this time.</p>
	<input checked="" type="checkbox"/> Tax ID numbers.	15 NOV 2018	<p>The school provided evidence of the establishment of a Tax ID number. Evidence included an official notification letter provided by the Department of the Treasury (IRS), dated 04 OCT 2018.</p> <p>Requested Follow-Up: None present at this time.</p>
	<input checked="" type="checkbox"/> W-9 Substitute Form (submitted to DFA through PED).	15 NOV 2018	<p>The school provide evidence of a complete W-9 Substitute Form, provided to the Department of Finance and Administration. CSD confirmed the W-9 Substitute Form has been processed by DFA and a Vendor ID has been generated for the school.</p> <p>Requested Follow-Up: None present at this time.</p>

<p>11-15.5.School Development Plans.</p> <p><i>NMAC § 6.29.1.</i></p>	<p><input checked="" type="checkbox"/> Written curriculum development plan.</p> <p>Includes 1) timeline, 2) success benchmarks, and 3) responsible parties to ensure development of entire curriculum that was identified in the application and aligned to school mission and goals, NMCCSS, and NM Content Standards prior to May 15th.</p>	<p>15 NOV 2018</p>	<p>The school provided a detailed chart broken into academic content areas that outlines success benchmark, responsible parties, time allotted and deadline for completion for each phase in the curriculum development plan. Most deadlines are marked by January and March 2019. The school identifies developing “Curriculum Teams” to during the curriculum development phases.</p> <p>Requested Follow-Up: None present at this time.</p>
	<p><input checked="" type="checkbox"/> Written Special Population Services development plan, to ensure development of plans, policies, and procedures to serve special education, ELL, and 504 Plans.</p>	<p>15 NOV 2018</p>	<p>The school provided a detailed chart outlining success benchmarks, responsible parties, time allotted, and deadlines for developing plan, policies, and procedures for students with disabilities, ELL students, and 504 plan students. Most completion deadlines ranged from Jan-Mar 2019.</p> <p>Requested Follow-Up: None present at this time.</p>
<p>11-15.6.Detailed Staffing Plan.</p> <p><i>NMAC § 6.29.1.</i></p>	<p><input checked="" type="checkbox"/> Written process and plan that details how the governing body will identify, recruit, and hire a prospective head administrator.</p> <p>(Note: A narrative may have already been included in the charter application. This documentation requirement is for the school to review the school’s process and plan and provide a current, up-to date plan that includes responsible parties, timelines, and action steps that the school plans on implementing.)</p>	<p>15 NOV 2018</p>	<p>The school provided a detailed narrative addressing the governing board timelines and tasks for recruiting the school’s Principal. The narrative also included qualifications the Principal must possess and interview protocol the governing board will utilize throughout the hiring process. The school hopes to identify and hire its Principal by January 2019.</p> <p>Requested Follow-Up: None present at the time.</p>

	<input checked="" type="checkbox"/> The school administration, school mission, and legal criteria that will be used to evaluate candidates for head administrator position.	15 NOV 2018	The school provided a detailed rubric to be used as a screening tool for principal applicants. The tool included evidence of qualification, informal phone interview, formal interview, and compilations of scores by committee. The school also provided interview questions that will be used during all interview(s). Requested Follow-Up: None present at this time.
	<input checked="" type="checkbox"/> A detailed timeline for recruiting, interviewing, selection, conducting background checks, and signing of a contract for the head administrator that must be completed prior to May 15 th .	15 NOV 2018	The school provided a detailed timeline to include interviewing, obtaining background check and licensing credentials, to job offer with a completion date of 07 JAN 2019. Requested Follow-Up: None present at this time.
	<input checked="" type="checkbox"/> A list of all prospective staff positions and a description of the required licensure for each position.	15 NOV 2018	The school provided a detailed chart to extend through years 201-2024, outlining the position(s) and licensure requirements per position. The chart did not specify how many licensed positions the school seeks to fill within each license type, such as K-5 teachers. Requested Follow-Up: None present at this time.

SUMMARY REPORT - ITEMS DUE BY NOVEMBER 15th.

11-15.7. Attend all planning year conferences to discuss issues, concerns, and findings identified in the Implementation Year Checklist.	<input checked="" type="checkbox"/> School scheduled with CSD within 10 days of receiving the November 15 th Summary Report.	08 JAN 2019	The school participated in a phone conference (on 08 JAN 2019) with the CSD staff to discuss items from the NOV submission that required review or revision. The items the school was asked to review/revise were minimal. Specifically, its conflict of interest, background check, anti-nepotism, and compliant policies.
INDICATORS	DOCUMENTATION	Date Complete	FINDINGS/COMMENTS

ITEMS DUE BY MARCH 1st.

3-1.1. Resolve all findings with the Implementation Year Checklist.	<input checked="" type="checkbox"/> Revised policies and provided additional documentation to address and resolve all findings, issues, and concerns identified in the November 15 th review or discussed during the November 15 th conference.	03 APR 2019	The school provided a status update of the requested follow-up and documents from the NOV submission, incorporating the minor revisions and recommended changes to its policies and procedures noted above in the NOV indicators. Requested follow-up: None present at this time.
3-1.2. Governing Board established and complying with PEC notification requirements. <i>PEC Policy, Charter School Governing Body Changes.</i>	<input checked="" type="checkbox"/> Review the PEC Policy, Charter School Governing Body Changes document and provide notice regarding any changes to the Governing Body which have occurred since 11.15. PEC Policy, Charter School Governing Body Changes.	03 APR 2019	The school provided a narrative indicating there have been no changes to the governing board membership since the NOV submission. Requested follow-up: None present at this time.
3-1.3. Membership Projections. <i>NMSA § 22-8-12.1.</i>	<input checked="" type="checkbox"/> Provide the projected student membership for the upcoming school year to the CSD. Projections should indicate number of projected students by grade level. Membership projections must also detail what evidence and basis there is for this projection. (Please be aware, if insufficient evidence or basis is provided then the School Budget Bureau may elect to reduce the projected enrollment)	03 APR 2019	The school provided a narrative and graphic chart with enrollment information updated to the MAR submission window. The school stated they currently have 10 student enrollment packets in hand. The school seeks to open in AUG serving 60 students; 40 kinder and 20 1 st grade for year 1. The school outlined its recruiting endeavors which included holding parent meetings at area schools, development of its Facebook page, and distribution of informational materials. Requested follow-up: None present at this time.
	<input checked="" type="checkbox"/> Current lottery forms and current lottery forms as a percentage of	03 APR 2019	The school provided its "2019-20 Lottery Application", in both English and Spanish. The school indicated it held its

	membership projections on file with the School Budget Bureau. A copy must be sent to the CSD.	16 MAY 2019	<p>Lottery Drawing on 31 MAR 2019. How many student enrollment applications has the school received to date?</p> <p>Requested follow-up: Please see embedded comments within the school's document for update on current enrollment numbers.</p> <p>Review of Resubmitted Documents: <i>Thank you for resubmitting documentation with revisions for review; specifically, clarification on enrollment projection and lottery form. The requested changes have been made. No further action is necessary.</i></p>
3-1.4. Budget Approval. NMAC § 6.20.2.9	<p><input checked="" type="checkbox"/> An identified date for a scheduled Governing Body Meeting when the Governing Body plans to review and approve the Budget at an open meeting.</p> <p><i>(Should be after the May 15th final enrollment adjustments, but must be before the June 20th regulatory deadline.).</i></p>	03 APR 2019	<p>The school provided its Governing Board meeting minutes from the 24 JAN 2019 meeting. Indicating the Board will discuss and vote on its annual budget submission during the 23 MAY 2019 meeting. Such date is in alignment with the membership projections that are due to the CSD by 15 MAY 2019 and Budget approval to School Budget by early JUN 2019.</p> <p>Requested follow-up: None present at this time.</p>
3-1.5. Enrollment processes and policies that comply with state and federal requirements. NMSA § 22-8B-4.1; NMAC § 6.80.4.19; NMAC § 6.80.4.13; New Charter Contract Section 5.(3)	<p><input checked="" type="checkbox"/> Detailed enrollment, admission, and lottery policy.</p> <p>See CSD FAQ: Lottery</p>	<p>03 APR 2019</p> <p>16 MAY 2019</p>	<p>The school provided a detailed "enrollment lottery policy and procedure" that appears to align with current regulation to ensure equitable access for all New Mexico students. The CSD encourages the school to expand upon this current policy to support enrollment practices in subsequent years. Such as, intent to return processes.</p> <p>The school also provided a flow-chart for its enrollment processes, in both English and Spanish.</p> <p>Requested follow-up: Please see embedded comments (within the school's document) for requested additional review and revision.</p> <p>Review of Resubmitted Documents: <i>Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.</i></p>

	<p>☒ All necessary forms for enrollment, admission, and lottery, including admission application and lottery forms.</p>	<p>03 APR 2019</p>	<p>The school provided its registration packet in English. The CSD requests the school include request of the student's Language Usage Survey on its "Permission for Release of Student Records" document (pg. 7). The CSD also recommends the school not include the Language Usage Survey in every registration packet, rather include distribution of the LUS during the registration process to ensure only appropriate students receive such form (such as kindergarten students and students new to NM public education).</p> <p>Requested follow-up: Please see embedded comments (within the school's document) for requested additional review and revision.</p>
		<p>16 MAY 2019</p>	<p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.</i></p>
	<p>☒ Evidence that school is advertising with newspapers, bulletin boards, and other methods.</p>	<p>03 APR 2019</p>	<p>The school provided its advertisement methods that include advertising on its school website, Facebook page, and flyers posted in public spaces.</p> <p>The CSD recommends the school continue to advertise a recruit through these final months of planning.</p> <p>Requested follow-up: None present at this time.</p>
<p>3-1.6. Status report on the development and acquisition of facilities that meet E-Occupancy, NMCI requirements, and ownership/lease requirements.</p> <p><i>NMSA § 22-8B-4.2.</i></p>	<p>☒ Provide status report of all actions the school has taken to identify an appropriate facility.</p> <p>If the school has identified such a facility, please provide the following details:</p> <ol style="list-style-type: none"> Expected date of receiving E-Occupancy certificate. Any current outstanding construction items that must be 	<p>03 APR 2019</p>	<p>The school provided a narrative outlining its status on obtaining its facility. The school indicated they signed a "Letter of Intent" with FYI on 21 DEC 2019, for use and remodel of their existing building. The school provided a Proposal for project management Services, dated 08 FEB 2019.</p> <p>The school did not however provide an updated E-Occupancy timeline. The CSD understands that is difficult to identify the anticipated dated of E-Occupancy when construction on the building is not complete. It is imperative however, the school create detailed timelines for facility processes to include each stage of construction, permitting, and E-Occupancy inspections.</p> <p>The CSD will request a detailed update on facilities during the MAY 2019 submission.</p> <p>Requested follow-up: None present at this time.</p>

	<p>completed before E-Occupancy can occur.</p> <p>3) NMCI score OR expected date of receiving NMCI score.</p> <p>4) Approval from PSFA regarding ownership/lease requirements OR identify outstanding items that must be completed before PSFA approval can be secured.</p> <p>If the school has not identified an appropriate facility, please submit detailed planned actions, with timelines.</p>		
	<p><input checked="" type="checkbox"/> Provide evidence that contact has been made with PSFA regarding the facilities plan and that contact has been made within the last 30 days.</p>	<p>03 APR 2019</p> <p>16 MAY 2019</p>	<p>The school provided email communication between itself and PSFA. Original email communication dated 03 DEC 2018. PSFA stated they could schedule a visit to the school's proposed location in JAN 2019.</p> <p>Has this visit with PSFA happened?</p> <p>Requested follow-up: Please see embedded comments (within the school's document) for requested additional review and revision.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.</i></p>
3-1.7. Financial Control.	<p><input checked="" type="checkbox"/> Provide adequate Internal Control Procedures</p> <p>NMAC § 6.20.2.11 – 6.20.2.18.</p>	11 APR 2019	<p>The school provided its Internal Control manual. The CSD is asking if the school's contracted business manager provided the internal control document or if the school developed it specific to Raices? Though the Internal Control manual appears to include procedures for most financial categories and procurement code, the manual appears to be vague in nature and not detailed for responsible parties and timelines and such. The CSD encourages the school to have its contracted business manager look over the manual for areas of clarification or added detail.</p>

		16 MAY 2019	<p>Requested follow-up: None present at this time.</p> <p>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.</p>
	<input checked="" type="checkbox"/> Establish and implement written procurement procedures consistent with state and federal law and regulations. <i>NMAC § 6.20.2.17; 34 CFR 74.44.</i>	03 APR 2019 16 MAY 2019	<p>The school provided detailed Procurement policies and procedures that appear to align with regulation. It is imperative the school identify what procedural processes will be the responsibility of the school (school personnel) and the contracted business manager.</p> <p>Requested follow-up: Please see embedded comments (within the school's document) for requested additional review and revision.</p> <p>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.</p>
3-1.8. Mandatory operational policies and procedures have been developed. <i>New Charter Contract Section 5.(3)</i>	<input checked="" type="checkbox"/> Compulsory school attendance policies and procedures. <i>NMSA § 22-12-2 et seq.</i>	05 APR 2019 16 MAY 2019	<p>The school provided a detailed attendance policy and procedures that appears to align with the NM Compulsory Attendance law. However, the CSD has included comments within the document for points of clarity and possible revision.</p> <p>Requested follow-up: Please see embedded comments (within the school's document) for requested additional review and revision.</p> <p>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review; specifically, to remove SAT referrals from attendance early intervention. The requested changes have been made. No further action is necessary.</p>
	<input checked="" type="checkbox"/> Compulsory school attendance policies and procedures – Provision to conduct early intervention for students who have accumulated five (5) unexcused absences. <i>NMSA § 22-12-9.</i>	05 APR 2019	<p>The school provided a detailed 5-day unexcused policy and procedures that appear to align with the NM Compulsory Attendance law. However, the CSD has included comments within the document for points of clarity and possible revision. Specifically, the school should consider an early intervention for 5-day unexcused absence as an attendance contract rather than referral to SAT.</p> <p>Requested follow-up: Please see embedded comments (within the school's document) for requested additional review and revision.</p>

		16 MAY 2019	<i>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.</i>
<input checked="" type="checkbox"/> Tobacco free policies and procedures. <i>NMAC § 6.12.4.</i>		05 APR 2019	The school provided a detailed Tobacco and Alcohol Free policy and procedure that appears to align with regulation. Requested follow-up: None present at this time.
<input checked="" type="checkbox"/> Bullying (including hazing) prevention policies and procedures. <i>NMAC § 6.12.7.</i>		05 APR 2019	The school provided a detailed Bullying prevention policy and procedure that appears to align with regulation. Requested follow-up: None present at this time.
<input checked="" type="checkbox"/> Dual credit policies and procedures. <i>NMAC § 6.30.7.8.</i>			Not applicable, as the school will be serving grades K-5 in its full capacity.
<input checked="" type="checkbox"/> Distance learning policies and procedures. <i>NMAC § 6.30.8.</i>		05 APR 2019	The school provided a detailed Distance Learning policy and procedure that appears to align with regulation. The school also provided a thorough tracking log utilized by the school, parent, and student when make-up is being administered. Requested follow-up: None present at this time.
<input checked="" type="checkbox"/> Grade change policies and procedures. <i>NMAC § 6.30.10</i>		05 APR 2019	The school provided a detailed Grade change policy and procedure that appears to align with regulation. The school also provided a "Grade Change Request Form" and "Response Form". Requested follow-up: None present at this time.
<input checked="" type="checkbox"/> Policies, procedures, and any forms for ensuring parental access to information regarding professional qualifications of teachers, instructional support providers, and principals. <i>NMSA § 22-10A-16.</i>		05 APR 2019	The school provided a detailed policy and procedure for notifying parents of the teacher credentials that appear to align with regulation. The school also provided a draft letter the school will use to notify parents of their student's teacher qualifications. Requested follow-up: None present at this time.

	<input checked="" type="checkbox"/> Student information system security policies and procedures. <i>NMAC § 6.19.5.8.</i>	<p>11 APR 2019</p> <p>16 MAY 2019</p>	<p>The school provided a student information system security policy and procedure that mostly align with regulation. The CSD asks the school to expand this policy to ensure security over the school's Network that supports its SIS. Training is also recommended step within the school's procedures to ensure all individuals with access to student information is properly trained.</p> <p>Requested follow-up: Please see embedded comments (within the school's document) for requested additional review and revision.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.</i></p>
	<input checked="" type="checkbox"/> Staff discipline policies and procedures. <i>NMAC § 6.69.2.8.</i>	<p>11 APR 2019</p> <p>16 MAY 2019</p>	<p>The school provided a staff discipline policy and procedures that most align with regulation. The CSD recommends the school include procedures for both licensed and non-licensed staff within this policy.</p> <p>Requested follow-up: Please see embedded comments (within the school's document) for requested additional review and revision.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review; specifically clarification within the staff discipline policies and procedures to include licensed and non-licensed staff. The requested changes have been made. No further action is necessary.</i></p>
	<input checked="" type="checkbox"/> Policy, process, or plan to disseminate "Code of Ethics" and "Code of Professional Conduct" to all licensed employees. <i>NMAC § 6.60.9.81., 6.60.9.9.</i>	<p>11 APR 2019</p>	<p>The school provided a detailed process for disseminating "Code of Ethics" and "Code of Professional Conduct" to all licensed staff as well as requiring signature acknowledgement of receiving such documents.</p> <p>Requested follow-up: None present at this time.</p>
	<input checked="" type="checkbox"/> Policies and procedures for detention, suspension, or expulsion. <i>NMAC § 6.11.2.12.</i>	<p>11 APR 2019</p>	<p>The school provided a detailed detention, suspension, and expulsion policies and procedures that appear to align with regulation. The CSD recommends the school add to the detention procedure, contact method with parents/guardian.</p> <p>Recommended follow-up: Please see embedded comments (within the school's document) for requested additional review and revision.</p>

	<input checked="" type="checkbox"/> Student discipline policies and procedures. <i>NMSA § 22-5-4.3.</i> <i>NMAC § 6.11.2.1, et seq.</i>	11 APR 2019 16 MAY 2019	<p>The school provided its student discipline policies and procedures that appear to align with regulation. However, the CSD has included comments throughout the document for consideration for revision. Specifically, removing the governing board responsibilities from the ‘disciplinary authority’.</p> <p>Requested follow-up: Please see embedded comments (within the school’s document) for requested additional review and revision.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.</i></p>
	<input checked="" type="checkbox"/> Student Handbook.	19 APR 2019 16 MAY 2019	<p>The school provided its Student and Parent handbook that appears to be thorough and align with applicable state statute and regulation. The CSD encourages the school to revisit the comments (made by the CSD) throughout the handbook for points of clarity or possible revision.</p> <p>Requested follow-up: Please see embedded comments (within the school’s document) for requested additional review and revision.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.</i></p>
	<input checked="" type="checkbox"/> Staff Handbook.	19 APR 2019 16 MAY 2019	<p>The school provided its Staff handbook that appears to be thorough and align with applicable state statute and regulation. The CSD encourages the school to revisit the comments (made by the CSD) throughout the handbook for points of clarity or possible revision.</p> <p>Requested follow-up: Please see embedded comments (within the school’s document) for requested additional review and revision.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.</i></p>
	<input checked="" type="checkbox"/> Status report on implementation of curriculum development plan.	19 APR 2019	<p>The school provided an updated (from NOV submission) detailed chart broken into academic content areas that outlines success benchmark, responsible parties, time allotted and deadline for completion for each phase in</p>

			<p>the curriculum development plan. Most deadlines are marked by March 2019 or “In Progress”. The school identifies developing “Curriculum Teams” to during the curriculum development phases.</p> <p>Requested Follow-Up: None present at this time.</p>
<p>3-1.9. Curriculum plan.</p> <p><i>NMAC 6.29.1.9.</i></p>	<p><input checked="" type="checkbox"/> Status report on implementation of Special Population Development Plans.</p>	19 APR 2019	<p>The school provided an updated (from NOV submission) detailed chart broken into academic content areas that outlines success benchmark, responsible parties, time allotted and deadline for completion for each phase in the curriculum development plan. Most deadlines are marked by March 2019 or “In Progress”. The school identifies developing “Curriculum Teams” to during the curriculum development phases.</p> <p>Requested Follow-Up: None present at this time.</p>
<p>3-1.10. Protocols and Policies for Implementation of RTI and SAT processes.</p> <p><i>NMAC § 6.29.1.9; Rtl State Guidance Manual.</i></p>	<p><input checked="" type="checkbox"/> RTI & SAT policies and procedures.</p>	<p>19 APR 2019</p> <p><i>16 MAY 2019</i></p>	<p>The school provided its SAT/ Rtl procedures. The CSD recommends the school expand upon its current progress monitoring timeframe to allow a reasonable amount of time to adjust interventions and monitor the student’s response to each intervention.</p> <p>Requested follow-up: Please see embedded comments (within the school’s document) for requested additional review and revision.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review. The requested changes have been made. No further action is necessary.</i></p>
<p>3-1.11. Special Education.</p> <p><i>IDEA 2004; 29 U.S.C. § 701 (otherwise known as Section 504 of the Rehabilitation Act of 1973); NMSA § 22-13-5 -- 22-13-8; NMSA 22-13-5 -- 22-13-8; NMAC 6.29.1.9; NMAC § 6.29.5.1, et seq.;</i></p>	<p><input checked="" type="checkbox"/> ELL services. --Provide evidence that school has consulted with the ELL Bureau and reviewed the relevant technical assistance manuals.</p> <p>Through the CSD-provided implementation training and/or individual school or group consultation, a school is required to show consultation with the Language and Culture Bureau.</p>	11 APR 2019	<p>The school provided email communications with the Language and Culture Bureau along with evidence of “Servicing ELL Students” training provided through the Language and Culture Bureau, on 14 JAN and 25 MAR 2019.</p> <p>Requested follow-up: None present at this time.</p>

<p>NMAC § 6.31.2, et seq; NMAC § 6.10.8.9; New Charter Contract Section 5.3</p>	<p><input checked="" type="checkbox"/> Special Education and 504 Services. --Provide evidence that school has consulted with the Special Education Bureau and discussed IDEA and 504 requirements.</p> <p>Through the CSD-provided implementation training and/or individual school or group consultation, a school is required to show consultation with the Special Education Bureau.</p>	<p>11 APR 2019</p>	<p>The school provided email communications with the Special Education Bureau, seeking a meeting with the bureau. To the date of the submission, the Special Education Bureau had not scheduled a meeting with the school's leadership team. The CSD encourages the school to continue reaching out the senior leadership of Special Education Bureau. Along with, reviewing the technical assistance manuals on the bureau's website.</p> <p>Requested follow-up: None present at this time.</p>
	<p><input checked="" type="checkbox"/> Indian Education – Provide evidence that school has consulted with the Indian Education Division to determine the need for and if necessary, to develop any needed Native American policies, procedures, and memorandums.</p> <p>(Through the CSD-provided implementation training and/or individual school or group consultation, a school is required to show consultation with the Indian Education Division regardless of whether a school will be seeking to provide a culturally-relevant or maintenance and revitalization program.)</p> <p>NMSA § 22-23A (Indian Education Act). NMAC § 6.10.8.9. NMAC § 6.35.2</p>	<p>11 APR 2019</p> <p>17 MAY 2019</p>	<p>The school <u>did not</u> provide documentation as evidence of consultation with the Indian Education Bureau, as required for this indicator.</p> <p>Requested Follow-Up: The school provide evidence it has consulted with the Indian Education Bureau to establish a line of contact along with awareness of policies and procedures the school may need to develop.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation with revisions for review; specifically, an email communication dated 16 MAY 2019 from the school to the Indian Education Bureau. The requested changes have been made. No further action is necessary.</i></p>

SUMMARY REPORT - ITEMS DUE BY MARCH 1st

3-1.12. Conference, discussion, and review of any findings, issues, or concerns.		03 MAY 2019	The school met with the CSD staff (in person) to discuss the MAR submissions and answer any questions regarding the revisions needed by the school.
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INDICATORS	DOCUMENTATION	Date Complete	FINDINGS/COMMENTS
ITEMS DUE BY MAY 15th.			
5-15.1. Resolve all findings with the Implementation Year Checklist.	<input checked="" type="checkbox"/> Revised policies and additional documentation to address and resolve all findings, issues, and concerns identified in the March 1 st review or discussed during the March 1 st conference.	22 MAY 2019	The school provided revised documentation from the MAR in-person status conference, to include revision and recommended changes to policies and procedures in the MAR indicators. Requested Follow-Up: None present at this time.
5-15.2. Director / Principal / Administrator in place and holds administrative license. <i>NMSA § 22-10A-3;</i> <i>NMSA § 22-8B-10.</i>	<input checked="" type="checkbox"/> Copy of administrator's license(s) or plan for obtaining licensure within 90 days of contract effective date.	19 MAY 2019	The school provided evidence of the head administrator licensure, issued through NM PED. The school has identified Angela Flor Armstrong as its head administrator and her license is effective 01 JUL 2017 through 30 JUN 2022. The school also provided evidence of Angela Flor Armstrong's K-8 Level 3 teaching license. Requested Follow-Up: None present at this time.
	<input checked="" type="checkbox"/> Signed contract with position description.	19 MAY 2019	The school provided evidence of a signed contract for the head administrator, effective 01 JUL 2019 through 30 JUN 2020. The contract was signed by the Board President and the Head Administrator on 15 MAY 2019. Requested Follow-Up: None present at this time.
5-15.3. Membership Projections & Enrollment. <i>NMSA § 22-8-12.1.</i>	<input checked="" type="checkbox"/> Provide an update on lottery form submissions or current enrollment by grade level and as a percentage of the March 1 st projected enrollment.	19 MAY 2019	The school provided a table outlining current enrollment to date of 15 MAY 2019. The school states they have 46 Kindergarten and 13 1 st grade students enrolled, for a total of 59 students. The CSD encourages the school to continue recruiting and enrolling students to meet the established projected enrollment target of 60 students come AUG

			<p>2019. Specifically, recruiting for the 1st grade class to reach the projected enrollment of 20 students.</p> <p>Requested Follow-Up: None present at this time.</p>
<p>5-15.4.First Year Operating Budget in place.</p> <p><i>NMSA § 22-8-11.</i></p>	<p><input checked="" type="checkbox"/> A Charter School Operating Budget (form 901BCS-10) on file that aligns with current enrollment and that has been submitted to the CSD.</p>	<p>19 MAY 2019</p> <p>27 MAY 2019</p>	<p>The school provided an excel spreadsheet outlining its first year of operations projected budget. However, the school did not provide the budget that indicated alignment with the school's projected enrollment.</p> <p>Has the school (or Business Manager) submitted its budget through the School Budget online portal?</p> <p>Requested Follow-Up: The school provide evidence the operating budget was developed in alignment with the projected enrollment for 2019-20SY and submitted to the School Budget bureau, via the OBMS portal.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation; specifically, confirmation the school has submitted its budget through OBMS, which aligns with its projected membership for FY20. The requested changes have been made. No further action is necessary.</i></p>
<p>5-15.5. Access to OBMS.</p> <p><i>NMAC § 6.20.2.10.</i></p>	<p><input checked="" type="checkbox"/> OBMS User Form on file to allow access to OBMS (BAR submissions, approvals, etc.). Evidence must be provided to CSD.</p>	<p>19 MAY 2019</p> <p>27 MAY 2019</p>	<p>The school provided a Word document that was blank with the following statement "Joseph will send it tomorrow morning".</p> <p>The school submitted late afternoon on 16MAY 2019 an "OBMS User Request" form, requesting to add Joseph Lucero (business manager) and Angela Stock (principal) to the school's OBMS portal. However, the school did not provide evidence the OBMS access had been granted for either the business manager or principal.</p> <p>Has the school submitted the "OBMS Request Form" to the appropriate agency? Has the school been granted access to the OBMS site?</p> <p>Requested Follow-Up: The school provide evidence it has established access to the school's OBMS portal for its business manager and principal.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation; specifically, confirmation the school's business manager and head administrator have gained access to OBMS. The requested changes have been made. No further action is necessary.</i></p>

<p>5-15.6.An electronic system for management of student data has been implemented and is compatible with STARS.</p> <p><i>NMSA § 22-10A-19.2.</i></p>	<p>☒ Provide name of software the school plans on using and name of entity that publishes, manages, or operates the software.</p>	19 MAY 2019	<p>The school provided a narrative indicating the school will utilize Tyler Student Information System and its SIS.</p> <p>Requested Follow-Up: None present at this time.</p>
	<p>☒ Provide evidence software is compatible with STARS.</p>	19 MAY 2019	<p>The school provided email communication between the school and the NM PED IT department, confirming TylerSIS is compatible with STARS.</p> <p>Requested Follow-Up: None present at this time.</p>
<p>5-15.7.Assessment Plan Developed.</p> <p><i>NMAC § 6.80.4.9(E).</i></p>	<p>☒ Should the school wish to provide Interim assessments the school must provide evidence that interim assessments have been identified and budgeted, and that there has been contact with an identified assessment company.</p>	19 MAY 2019	<p>The school provided correspondence with Tom Genne who serves as the District Test Coordinator for the NACA Inspired Schools Network and will be providing the school support in administering interim and state-mandated assessments. T. Genne provided a timeline for administration per assessment and the fiscal responsibility for each assessment; either state subsidized, NACA subsidized, or an expense to the school.</p> <p>Assessment breakdown included: NWEA, NM-APT, WIDA Screener, iStation, IPT (Spanish and English), and WIDA ACCESS.</p> <p>The CSD asks the school to consult with the Assessment Bureau to seek guidance on having an individual that is not an employee of the school serving as it ‘District Test Coordinator’. If this is an allowable practice confirmed by the Assessment Bureau, the CSD encourages the school to designate a “Site Test Coordinator” to facilitate the test security and administration needs at the school level.</p> <p>Requested Follow-Up: None present at this time.</p>
		31 MAY 2019	<p><i>The school provided communication via an email from Tom Greene, confirmation that he can serve as the school’s DTC, while the school should designate a school-site test coordinator to support the test security and administration.</i></p>
	<p>☒ Provide plan and schedule for administration of interim assessment(s) and for administration of PARCC,</p>	19 MAY 2019	<p>The school provided an assessment breakdown per Fall, Winter, and Spring timeframes for the administration of each assessment (school selected interim assessments and state-mandated). The assessment tentative</p>

	W-IDA / W-APT / ACCESS or any other planned assessments.		<p>schedule appears to align with state-mandated assessment administration schedules.</p> <p>Requested Follow-Up: None present at this time.</p>
5-15.8.Staffing Plan.	<input checked="" type="checkbox"/> Status report on recruitment and hiring to meet staffing plan provided in application.	<p>19 MAY 2019</p> <p>30 MAY 2019</p>	<p>The school provided a table (per position) the school plans to fill with licensed personnel/teachers. The table provided was primarily blank, with the exception of the Director of Operations position, which has been filled at this time.</p> <p>The school also provided job descriptions for each position it plans to hire, however, did not provide information on the status of the hiring for each position or action steps it has taken to secure teachers for the first year of operations.</p> <p>Has the school hired its Kindergarten and 1st grade classroom teacher(s)?</p> <p>Requested Follow-Up: Evidence of the hiring status the school is on track to finalize the staffing needs during its first year of operations.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation; specifically, timeframes and recruiting efforts the school has made to hire all teachers and school staff. The requested changes have been made. No further action is necessary.</i></p> <p>The CSD requests an update once all licensed teaching staff have been officially hired.</p>
	<input checked="" type="checkbox"/> Timelines to secure licensing and backgrounds for each prospective staff member.	<p>21 MAY 2019</p> <p>30 MAY 2019</p>	<p>The school provided a table (per position) for the hiring status update; however, the table was primarily blank and did not include a status update for the hiring of the licensed personnel/teachers. Nor did the table include timelines for obtaining licensure, background check, and contract signing requirements, as requested in this indicator.</p> <p>Requested Follow-Up: The school to update the table provided with information on where the school currently is in hiring the teachers/staff needed for the first year of operations, along with status update on where the school currently is in securing appropriate licensure, background check(s) and signing of contract(s).</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation; specifically, timeframes for obtaining appropriate licensure, background checks, and</i></p>

			<i>contracts for teachers and school staff. The requested changes have been made. No further action is necessary.</i>
	<input checked="" type="checkbox"/> Special education staffing plan / contracts.	21 MAY 2019	The school provided a table outlining ancillary service providers the school has been in contact with for contracting ancillary services. However, this indicator also is requesting information on how the school plans to meet the special education staffing needs outside of ancillary services. Does the school plan to hire a special education teacher? How does the school plan to handle all of the special education needs of the school (i.e., direct service provided to students, facilitate IEP development and meetings, and assisting general education teachers to ensure accommodations are supported in the classroom, etc.)? The documentation provided did not include a status of securing licensed personnel to support the special education needs of the school, outside of ancillary service providers. Requested Follow-Up: The school provide an update on how it plans to meet all special education needs of the school, in addition to ancillary service providers.
		28 MAY 2019	Review of Resubmitted Documents: Thank you for responding to the CSD's question regarding the status of meeting the requirements for this indicator. The school provided an email stating it plans to hire a Special Education teacher at 0.50FTE for the first year. The school did not however, provide an update on the status of hiring the special education teacher nor the actions the school has taken so far to secure a special education teacher. The school needs to provide documentation of the status and/or action steps taken to secure a special education teacher (even if only at 0.50FTE, contract would need to reflect the FTE or amount of time the special education teacher will be providing the school).
		30 MAY 2019	Review of Resubmitted Documents: Thank you for resubmitting documentation; specifically, timeframes for obtaining appropriate licensure, background checks, and contracts for a special education teacher. The requested changes have been made. No further action is necessary. The CSD requests an update once all licensed teaching staff have been officially hired.
5-15.9. Professional development plan. <i>New Charter Contract</i>	<input checked="" type="checkbox"/> Plan and forms to implement professional development plans (PDPs) for individual teachers.	21 MAY 2019	The school provided a robust and thorough outline for professional development that will be provided to teachers and school personnel during the summer and weekly throughout the academic year. Also included in the outline is a timeframe for when individual teacher

Section 5.(3)	NMAC § 6.65.2.8; NMAC § 6.30.5.13; NMAC § 6.30.12.11.		PDPs are due (through the Frontline Oasis platform) along with PDP check-ins that will be facilitated by the school's Principal. Requested Follow-Up: None present at this time.
	<input checked="" type="checkbox"/> Mentorship program and any necessary forms or tools to be used for novice teachers. NMAC § 6.60.10.	21 MAY 2019 31 MAY 2019	The school provided a mentorship manual that appears to be thorough and align with regulation. The CSD included a few comments throughout the document for the school to review for possible revision. To include clarifying the monetary stipend being provided for mentoring teacher(s), which is required per regulation. Recommended follow-up: Please see embedded comments (within the school's document) for requested additional review and revision. <i>Review of Resubmitted Documents: Thank you for resubmitting documentation; specifically, the school's Mentorship Handbook that reflects mentoring in the school and mentor stipend. The requested changes have been made. No further action is necessary.</i>
	<input checked="" type="checkbox"/> Plan and forms to implement professional development plans (PDPs) for all individual teachers. NMAC § 6.65.2.8; NMAC § 6.30.5.13; NMAC § 6.30.12.11.		NA, duplicate from indicator above.
5-15.10.Employee benefits and Risk Insurance coverage through the New Mexico Public Schools Insurance Authority (NMPSIA). NMSA § 22-8B-9; NMAC § 6.50.1 et. seq; New Charter Contract Section 6.(3)	<input checked="" type="checkbox"/> Employee benefits coverage (may include basic life and accidental death & dismemberment, voluntary life, long term disability, two medical plans, a dental plan with basic and comprehensive coverage, and a vision plan).	21 MAY 2019	Initially, the school provided a Word document that was primarily blank with the following statement, "Will Receive Tomorrow" for this indicator. The school then provided an "Estimated Premium Contribution" summary from NMPSIA; however the summary did not include "Employee Benefit Coverage" information or the type of benefits the school would provide for its personnel. Requested Follow-Up: The school provide evidence of "Employee Benefit Coverage" documentation from NMPSIA.

		28 MAY 2019	Review of Resubmitted Documents: Thank you for resubmitting documentation; specifically, the school's initial employee benefit set-up communication with NMPSIA, along with documentation. The requested changes have been made. No further action is necessary.
	<input checked="" type="checkbox"/> Risk coverage policy (may include property insurance, liability insurance, workers' compensation, student catastrophic insurance, student accident insurance, boiler & machinery insurance, and underground storage tanks coverage).	21 MAY 2019	The school provided evidence of general liability, auto and physical damage and crime coverage provided through NMPSIA. Requested Follow-Up: None present at this time.
5-15.11.Health, Safety, and Wellness Policy Requirements NMAC 6.29.1.9(O)(6) NMAC § 6.12.1, et seq. NMSA § 30-7-2.1 NMSA § 32A-2-33 Wellness Policy Guidance Document; Safe Schools Policy Guidance Document; Health Education Guidance Document; Homeless Policy Guidance Document; Charter Contract	<input type="checkbox"/> Health services policies and procedures. NMAC § 6.12.2; Wellness Policy Guidance Document.	28 MAY 2019	The school provided its Health Services policies and procedures that mostly align with regulation. The CSD asks the school to include <u>all</u> components of regulation specific to health services, to include: 1) 6.12.2.8(C)[2], expiration of approved immunization waivers; AND 2) 6.12.8(D), immunization provisions for military families/students. Requested Follow-Up: Please see embedded comments (within the school's document) for requested revision.
		31 MAY 2019	The school <u>did not</u> provide revised health services policies and procedures, as requested to meet the criteria for this sub-indicator.
	<input checked="" type="checkbox"/> School has provided evidence that it has developed wellness policies and procedures pursuant to NMAC § 6.12.6 and submitted these to the Safe and Healthy Schools Wellness Bureau for review. NMAC § 6.12.6; Wellness Policy Guidance Document.	28 MAY 2019	The school provided two versions of its Wellness Policy. The CSD sent an email to the school leadership team, seeking clarification for which Wellness Policy is the school's final draft that should be reviewed. Furthermore, has the school submitted its initial Wellness Policy to the Safe and Healthy School Bureau for review, as specified in this sub indicator requirements? The school will be responsible for submitting its Wellness Policy for review and approval every 3 years. Requested Follow-Up: Evidence the school has submitted its initial Wellness Policy to the Safe and Healthy School Bureau for review and feedback. Scheduling a (in-person or by phone) meeting with the Bureau personnel (Jimmie Thompson oversees school

		31 MAY 2019	<p>Wellness Policy review) or communications via email will serve as evidence to satisfy this indicator.</p> <p>Review of Resubmitted Documents: <i>Thank you for resubmitting documentation; specifically, revision to the school's Wellness policy. The requested changes have been made. However, the school did not provide evidence it has coordinated with the Safe and Healthy Schools Bureau for submitting the Wellness Policy for Bureau review.</i></p> <p>The CSD asks the school again, please submit the Wellness Policy to Jimmie Thompson with the Safe and Healthy Schools Bureau, for a Bureau level review and approval.</p>
<input checked="" type="checkbox"/> School has provided evidence that it has developed an initial Safe School Plan pursuant to NMAC § 6.12.6 and submitted it to the Coordinated School Health and Wellness Bureau for review.	<p>NMAC § 6.12.6; Safe Schools Guidance Document.</p>	28 MAY 2019	<p>The school provided its initial Safe School Plan (SSP) that appears to align with the rubric provided through the Safe and Healthy School Bureau.</p> <p>The school will be responsible for providing its Safe School Plan (SSP) for formal review to the Safe and Healthy Schools Bureau in DEC 2019. Specifically, Lisa Hecker with the bureau reviews and approves school SSPs.</p> <p>Requested Follow-Up: None present at this time.</p> <p>The CSD reminds the school to please submit its Safe School Plan (SSP) for formal review to the Safe and Healthy Schools Bureau in DEC 2019.</p>
<input checked="" type="checkbox"/> Plan for implementation of required emergency drills, including dates and types of drills for the school year.	<p>NMSA §22-13-14</p>	28 MAY 2019	<p>The school provided its emergency drill policy and procedures that align with the regulation recently approved during the 2019 Legislative Session. The school also provided a tentative schedule to include the date and type of drill the school will conduct to ensure compliance with frequency and type of all required emergency drill.</p> <p>Requested Follow-Up: None present at this time.</p>
<input checked="" type="checkbox"/> Gun free schools policy.	<p>NMSA § 30-7-2.1; NMSA § 32A-2-33.</p>	28 MAY 2019	<p>The school provided its Gun free school policy and procedures that appear to align with regulation. The CSD recommends the school include this policy in its Student and Family Handbook (if it is not currently).</p> <p>Requested Follow-Up: None present at this time.</p>

	<p>☑ Health and wellness curriculum, scope and sequence that aligns to the NM content standards for the grades served.</p> <p><i>NMAC § 6.29.6.1 et. seq.; Health Education Guidance Document.</i></p>	<p>16 MAY 2019</p> <p>29 MAY 2019</p>	<p>The school <u>has not</u> provided its Health Education curriculum, scope and sequence. Initially, the school provided an outdated template of its Wellness Policy, saved as the document name for this sub-indicator. CSD has sent the school an email for clarification.</p> <p>Requested Follow-Up: The school provide its Health education curriculum, scope and sequence documentation, as requested in this indicator.</p> <p>Review of Resubmitted Documents: <i>Thank you for resubmitting documentation; specifically, the school's health education curriculum, scope and sequence. The requested changes have been made. Though the documentation was received after the submission deadline, no further action is necessary.</i></p>
	<p>☑ Physical education curriculum, scope and sequence, that aligns to the NM content standards for the grades served.</p> <p><i>NMAC § 6.29.9.1 et. seq.</i></p>	<p>16 MAY 2019</p> <p>22 MAY 2019</p>	<p>The school provided a Word document that was primarily blank with the following statement, "PE Curriculum Scope and Sequence, Pending To Be Done".</p> <p>The school must provide the required documentation for this indicator. The Physical Education curriculum, scope and sequence is now past the submission deadline.</p> <p>Requested Follow-Up: The school provide its Physical Education curriculum, scope and sequence documentation.</p> <p>Review of Resubmitted Documents: <i>Thank you for resubmitting documentation; specifically, the physical education curriculum, scope and sequence the school will be implementing. The curriculum provided is broken down per grade level and appears to align with NM Standards. The requested changes have been made. No further action is necessary.</i></p>
	<p>☑ Homeless youth complaint policy and Notice of Rights.</p> <p><i>NMAC § 6.10.3.9 (D).</i></p>	<p>28 MAY 2019</p>	<p>The school provided its Homeless youth compliant policy, however, it was not clear if this was the final draft of the policy, as there were review notes between the school's leadership team left within the document.</p> <p>Question to school, was the document provided to the CSD the final draft of this policy?</p> <p>If this is a final draft of the school's Homeless youth compliant policy, the CSD has included comments throughout the document for the school to review and revise the policy to better align with McKinney Vento</p>

		31 MAY 2019	<p>Federal and State guidance. Specifically, including a level of dispute between the school and state liaison to involve the school’s governing board.</p> <p>Requested Follow-Up: Please see embedded comments (within the school’s document) for requested additional review and revision.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation; specifically, updating the school’s McKinney Vento compliant policy to include the governing board, between the school and state-level dispute. The requested changes have been made. No further action is necessary.</i></p>
<p><input checked="" type="checkbox"/> Homeless education and assistance policies and procedures.</p> <p><i>Homeless Policy Guidance Document, NM Educational Stability Guidelines. .</i></p>	<p>28 MAY 2019</p> <p>31 MAY 2019</p>	<p>The school provided its Homeless education and assistance policy and procedures that mostly align with Federal and State guidance. The CSD has included comments throughout the document for the school to review and revise the policy/procedures to better align with McKinney Vento Federal and State guidance.</p> <p>Requested Follow-Up: Please see embedded comments (within the school’s document) for requested additional review and revision.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation; specifically, updating the school’s homeless education policies and procedures. The requested changes have been made. No further action is necessary.</i></p>	
<p><input type="checkbox"/> Immunizations policies and procedures.</p> <p><i>NMAC § 6.12.2.8.</i></p>	<p>28 MAY 2019</p> <p>31 MAY 2019</p>	<p>The school provided its Immunization policy and procedures that mostly align with regulation. The CSD has included comments throughout the document for the school to review and revise the policy/procedure to include <u>all</u> components of regulation. Specifically, expiration of approved immunization exemptions waivers and immunization provisions for military families.</p> <p>Requested Follow-Up: Please see embedded comments (within the school’s document) for requested additional review and revision.</p> <p>The school <u>did not</u> provide revised immunization policies and procedures, as requested to meet the criteria for this sub-indicator.</p>	

	<input checked="" type="checkbox"/> Pest Control policies & procedures. <i>NMAC 6.29.1.9(P)(6).</i>	28 MAY 2019	<p>The school provided its policy and procedures for pest control management that appear to align with regulation.</p> <p>Requested Follow-Up: None present at this time.</p>
<p>5-15.12.Special Education.</p> <p>IDEA 2004; 29 U.S.C. § 701 (otherwise known as Section 504 of the Rehabilitation Act of 1973); NMSA § 22-13-5; NMSA § 22-13-8); NMAC 6.29.1.9; NMAC § 6.29.5.1, et seq.; NMAC § 6.31.2, et seq.</p>	<input checked="" type="checkbox"/> School special education & 504 policies and procedures.	<p>28 MAY 2019</p> <p>31 MAY 2019</p>	<p>The school provided its Special Education and 504 policies/procedures that mostly align with Federal and State guidance and regulation.</p> <p>The school provided an “Initial 504 Process” template that will be used for development of student 504 plans.</p> <p>It appeared, through the documentation provided, that the school may be meshing together 504 Plan processes and SAT processes. The CSD recommends the school consult with the Special Education Bureau and the Safe and Healthy Schools Bureau for clear guidance on how to develop concise procedures for handling both processes (504 plans and SAT) that serve student needs in different ways.</p> <p>Recommended Follow-Up: The school read through the comments made by the CSD throughout the document for consideration of revision, for clarification purposes.</p> <p><i>Review of Resubmitted Documents: Thank you for resubmitting documentation; specifically, the resources and documentation the school will utilize for developing and managing student 504 Plans and SAT process. The requested changes have been made. No further action is necessary.</i></p>
	<input checked="" type="checkbox"/> Completed special education template. <i>Memorandum from Director Baca, NM Special Education Bureau to Charter School Administrators (June 2, 2014).</i>	28 MAY 2019	<p>The school provided all 8 chapters of the special education template, as requested by the Special Education Bureau.</p> <p>Requested Follow-Up: None present at this time.</p>
	<input type="checkbox"/> Procedures and any necessary forms for tracking special education ancillary and direct services.	28 MAY 2019	<p>The school <u>did not</u> provide documentation for how the school will track/monitor direct service or ancillary services. The CSD sent an email to the school’s leadership team asking for documentation, as requested in this indicator.</p>

			<p>Requested Follow-: The school provide procedures and forms for tracking of special education services (ancillary or direct) provided to each student, per their IEP.</p> <p>The school <u>did not</u> provide the tracking tools or forms the school will use to ensure students receive the direct special education services and ancillary service(s) per their IEP, as requested to meet the criteria for this sub-indicator.</p>
	<input checked="" type="checkbox"/> School ELL policies and procedures.	28 MAY 2019	<p>The school provided its ELL policy and procedures that appear to align with Federal and State regulation and guidance.</p> <p>The CSD provided comments throughout the school's document for awareness of additional guidance and possible changes to the exit criteria for ELL students that is being evaluated by the Language and Culture Bureau.</p> <p>Requested Follow-Up: None present at this time. However, the CSD is providing the document back to the school so that feedback is received.</p>
	<input checked="" type="checkbox"/> Copies of all forms and surveys to be used in the application of the ELL policies and procedures.	28 MAY 2019	<p>The school provided the correct template of the Language Usage Survey (LUS) and annual parent notification letter, in both English and Spanish. The school is encouraged to download these documents onto the school's letterhead for official use.</p> <p>Please ensure the school maintains the student LUS, W-APT screener results, copy of annual parent notification and copy of WIDA ACCESS assessment outcomes within the student cumulative file, as required per Federal regulation.</p> <p>Requested Follow-Up: None present at this time.</p>
5-15.13.School Directed Program Time Requirements. NMSA § 22-8-9; NMSA § 22-2-8.1; NMAC 6.29.1.9(J); Instructional Hour Worksheet.	<input checked="" type="checkbox"/> Provide a school schedule, calendar, or any other necessary documentation that ensures minimum school directed program time is provided for the grades served and adequate instructional time is provided to support the school program.	28 MAY 2019	<p>The school provided its School Calendar for the 2019-20 year. The school indicated it will provide a 5-day school week, to include 183 Instructional Days and 4 In-Service Teacher Professional Development days.</p> <p>The CSD has reached out to the Teaching and Learning Bureau to confirm the recently approved requirements for total hours of teacher professional development that must be provided throughout the academic year. The CSD will update the school leadership team once information becomes available.</p>

			Requested Follow-Up: None present at this time. However, the school may need to include additional teacher professional development hours within its academic calendar for 2019-20.
<p>5-15.14.High school and middle school requirements.</p> <p>(This indicator is applicable only to schools that serve grades 6-12.)</p> <p><i>New Charter Contract Section 5.(3)</i></p>	<input type="checkbox"/> Graduation requirements. (Only applicable for schools that serve grade 12) <i>NMSA § 22-13-1.1</i>		Not applicable, as the school will serve grades K-1 during its first year of operations. The school will serve grades K-5, once all grade levels are rolled out.
	<input type="checkbox"/> Next Step Plan forms, policies and procedures. (Only applicable for schools that serve grades 8-12). <i>NMSA § 22-13-1.1</i>		Not applicable, as the school will serve grades K-1 during its first year of operations. The school will serve grades K-5, once all grade levels are rolled out.
	<input type="checkbox"/> School Athletic Equity policies and procedures (Only applicable for schools that serve grades 7-12). <i>NMAC § 6.13.4</i>		Not applicable, as the school will serve grades K-1 during its first year of operations. The school will serve grades K-5, once all grade levels are rolled out.
	<input type="checkbox"/> Provide evidence school shall offer at least one honors or similar academically rigorous class each in mathematics and language arts. <i>NMSA § 22-13-1.4.</i>		Not applicable, as the school will serve grades K-1 during its first year of operations. The school will serve grades K-5, once all grade levels are rolled out.
	<input type="checkbox"/> Provide evidence school has a signed Dual Credit Master Agreement with an institution of higher education. <i>NMSA § 22-13-1.4.</i>		Not applicable, as the school will serve grades K-1 during its first year of operations. The school will serve grades K-5, once all grade levels are rolled out.
	<input type="checkbox"/> Provide evidence school has a program of		Not applicable, as the school will serve grades K-1 during its first year of operations. The school will serve grades K-5, once all grade levels are rolled out.

	distance learning courses in place. <i>NMSA§ 22-13-1.4.</i>		
	<input type="checkbox"/> Provide evidence school is prepared to offer at least two years of a language other than English. <i>NMSA § 22-13-1.4.</i>		Not applicable, as the school will serve grades K-1 during its first year of operations. The school will serve grades K-5, once all grade levels are rolled out.

SUMMARY REPORT - ITEMS DUE BY MAY 15th.

5-15.15. Attend all planning year conferences to discuss issues, concerns, and findings identified in the Implementation Year Checklist.	<input type="checkbox"/> School scheduled a conference with CSD within 10 days of receiving the May 15 th Summary Report.		

INDICATORS	DOCUMENTATION	Date of Completion	FINDINGS
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ITEMS DUE TWO WEEKS PRIOR TO OPENING DATE

If the school fails to meet any of the following indicators, the CSD will inform the PEC. At that time, the PEC will take appropriate action, which may include voting to halt the commencement of operations.

P-O.1.Resolve all findings with the Implementation Year Checklist.	<input type="checkbox"/> Revised policies and additional documentation to address and resolve all findings, issues, and concerns identified in the May 15th review or discussed during the May 15th conference.		
P-O.2.Curriculum framework is articulated in writing and matches school mission and goals. (Framework aligned to NM content standards, benchmarks and performance standards by end of first year.)	<input type="checkbox"/> Status report on continued implementation of curriculum development plan.		
	<input type="checkbox"/> Resources necessary for the implementation of the curriculum as articulated are available.		
	<input type="checkbox"/> Curriculum identifies resources, knowledge and skills students are expected to learn (NMCCSS/NMCS).		
	<input type="checkbox"/> The curriculum identifies the learning standards or learning objectives students are expected to meet for each course.		
	<input type="checkbox"/> The curriculum identifies the units and lessons that teachers will teach.		
	<input type="checkbox"/> The curriculum identifies assignments and projects that will be given to students.		

	<input type="checkbox"/> The curriculum identifies the books, materials, videos, presentations, and readings used in a course.		
	<input type="checkbox"/> The curriculum identifies the tests, assessments, and other methods used to evaluate student learning		
P-O.3.School has implemented and adopted a budget and all mandatory policies.	<input type="checkbox"/> Signed statement from the governing body that the final budget, the final operating budget, and any revised policies were adopted and implemented by the governing body.		
	<input type="checkbox"/> If the school is at less than 95% of budgeted enrollment, the school provides a plan to adjust spending/budget to account for lower enrollment.		
P-O.4.Development / acquisition of facilities that meet E-Occupancy, NMCI requirements, and ownership/lease requirements (22-8B-4.2 NMSA)	<input type="checkbox"/> School has secured a facility that meets educational occupancy standards (E-Occupancy) and school has provided evidence of an E-Occupancy certificate.		
	<input type="checkbox"/> Evidence of sufficient New Mexico Condition Index.		
	<input type="checkbox"/> Copy of lease or approved lease purchase agreement. If the lease is with a private lessor or		

	foundation, the school provides assurances that the lease meets maintenance requirements. NMSA §22-8B-4		
P-O.5. Recruitment and hiring of adequate number of teachers and support personnel to match assignments and staffing plan, as adapted for actual enrollment	<input type="checkbox"/> Copies of licenses and credentials or a plan for obtaining required licensure 90 days within the contract effective are within the staff files.		
	<input type="checkbox"/> School has necessary licensure to teach curriculum, identified classes, and grade levels or a plan for obtaining required licensure 90 days within the contract effective.		
	<input type="checkbox"/> Signed contract(s) supporting minimum salaries and detailed position descriptions are within each staff file.		
	<input type="checkbox"/> Criminal background checks and fingerprinting documentation are within each staff file		
	<input type="checkbox"/> School has evidence of a licensed special education provider and a licensed gifted provider either on staff or on contract. If school has no identified special education or gifted students, then school must have evidence of a process or plan to provide these services should school received identified students.		

	<input type="checkbox"/> School has evidence of a licensed diagnostician available for special education evaluation referrals.		
P-O.6.Relevant and necessary students forms completed and on file.	<input type="checkbox"/> Completed student enrollment forms. Forms must indicate there is enrollment for a minimum of 8 students with New Mexico Residency.		
	<input type="checkbox"/> Completed English Language proficiency forms, home language surveys, or department-approved Language Use Survey for all enrolled students.		
	<input type="checkbox"/> School has developed an IEP for all identified students or has evidence that an IEP meeting has been requested.		

SUMMARY REPORT - ITEMS DUE TWO WEEKS PRIOR TO OPENING DATE

SCHOOL SPECIFIC CONDITIONS FROM APPLICATION APPROVAL (CSD Use Only)

If the school fails to meet any of the following conditions, the CSD will inform the PEC. At that time, the PEC will take appropriate action, which may include voting to halt the commencement of operations.



New Mexico Public Education Commission Charter Performance Review and Accountability System

Raices del Saber Xinachtli Community School

Contents

Introduction	3
Performance Review and Accountability System Objectives	3
Annual Performance Review Activities	4
Performance Framework	5
Intervention Ladder	7
Charter Renewal	10
Appendix A: Performance Frameworks with Mission Goal(s)	14
Appendix B: Annual School Reporting Calendar	32
Under Development	32
Appendix C: Summary of Site Visit Protocol.....	33
Appendix D: Glossary of Terms	34

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 also includes unique, school-identified measures for evaluating mission-specific goals. These goals must be approved by the PEC to insure quality and rigor of proposed indicators and that 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.

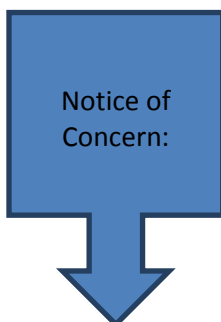
Intervention Ladder

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.

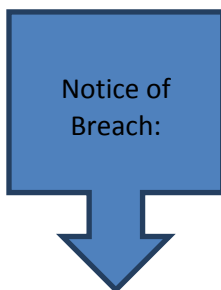


PEC will issue a Notice of Concern at a properly noticed public meeting. PEC’s authorized representative(s) shall provide schools notice that they will be appearing on the PEC’s agenda for the purposes of issuing a Notice of Concern at least 10 days prior to the meeting. As part of issuing a Notice of 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, and 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 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 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 shall 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 with Mission Goal(s)

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, with several 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 System of School Support and Accountability. The PEC considers charter school performance on each of the components of the NM System of School Support and Accountability.		Points	
Measure	Description	Elem	High
1.1 Math and Reading Proficiency	Math and Reading Proficiency is the percentage of students who are proficient on state assessments in math and reading.	30	25
1.2 English Learner Progress Toward English Language Proficiency	English learner progress toward English language proficiency is measured by the WIDA ACCESS assessment given annually to students identified as English learners.	10	5
1.3 Science Proficiency	Science proficiency is the percentage of students who are proficient on state assessments in science.	5	5
1.4 Growth of Highest-Performing Students (Q4)	These growth measures are calculated separately for three student subgroups. The three student subgroups are the lowest-performing students (lowest 25%), the middle-performing students (middle 50%) and the highest-performing students (highest 25%).	5	5
1.5 Growth of Middle performing students (Q2/3)		10	10
1.6 Growth of Lowest-Performing Students (Q1)		25	15
1.7 Graduation Rate	<p>The graduation measure includes 4-year, 5-year, and 6-year cohort graduation rates.</p> <p>Graduation rates are one-year lagged. Meaning, rates that are published in the school 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</p>	N/A	<p>10</p> <p>5 for 4 year, 3 for 5 year, and 2 for 6 year</p>

	<p><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>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.</p>		
1.8 Growth in 4-year Graduation Rate	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.	N/A	5
1.9 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:</p> <ol style="list-style-type: none"> 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); or 3) Eligibility for an industry-recognized certification (Career Technical Education). <p>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
1.10 Chronic Absenteeism	Schools earn points based on the percentage of students who were not chronically absent. A chronically absent student is one who was absent from school for any reason for at least 10 percent of the days enrolled.	5	5
1.11 Educational Climate Survey, Multicultural Initiatives, and Socio-emotional Learning (SEL)	The Educational Climate 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.	10	5

<p>Indicator 2: Subgroup Performance</p> <p>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.</p>	Points
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Measure	Description	Elem	High
2.1 Subgroup Growth of Highest- Performing Students (Q4)	Students are compared to all students statewide serving the same grade levels, based on the Growth results calculated by NM PED for Q4 students.	25	25
2.2 Subgroup Growth of Middle- Performing Students (Q2/3)	Schools are compared to all students statewide serving the same grade levels, based on the Growth results calculated by NM PED for Q2/3 students.	25	25
2.3 Subgroup Growth of Lowest- Performing Students (Q1)	Schools are compared to all students statewide serving the same grade levels, based on Growth results calculated by NM PED for Q1 students.	25	25
2.4 Subgroup Proficiency	Students are compared to all students statewide serving the same grade levels, based on subgroup proficiency rates for all eligible subgroups.	25	25

Indicator 3: School-Specific Goals The performance framework allows for the inclusion of additional rigorous, valid and reliable indicators (as determined by the PEC) proposed by a charter school to augment external evaluations of its performance. (1978 NMSA§22-8B-9.1(C).)		Points	
Measure	Description	Elem	High
School identified Mission Specific Goals, not to exceed two goals.	<p>Charter schools shall 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. Not more than two goals will be used.</p> <p>The goals must appear on the NM Spotlight Dashboard to be measurable as a SMART goal.</p> <p><i>PEC guidance for setting school goals:</i> Use a SMART goal format (Specific, Measureable, Achievable, Relevant, and Time-bound) Include metrics and measures using the following criteria: “Exceeds standards,” “Meets standards,” “Does not meet standards,” and “Falls far below standards.” Set goals that <i>augment external evaluations of school performance</i> and do not duplicate existing framework measures. Goals must be able to be documented and supported using objective, verifiable evidence of results. Mission specific goals must be distinct from ESSA indicators 1 and 2 If using additional assessments: Proficiency and growth targets must be distinct and measured separately. Assessments need to be rigorous and reliable. The data will need to be reported on the NM Spotlight Dashboard, in a format useable by PED.</p>	100	100

	<p>Additional assessments must be aligned to school mission. Reading and math goals are already included within indicators 1 and 2.</p> <p>If two goals are included, the score on this measure will be the average of the two ratings. There are four rating categories:</p> <p>Exceeds = 100 pts Meets = 75 pts Does not meet = 25 pts Falls far below = 0 pts</p>		
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Mission Specific Goal for Raíces del Saber Xinachtli Community School

Goal: 75% of Raíces students who are administered the IPT assessment at the beginning-of-year and end-of-year will attain an annual growth rate in Spanish of one proficiency level as measured by the oral IPT (grades K-5), 5 points as measured by the IPT-1 (grades 2-3) in reading and writing, and 5 points as measured by IPT-2 (grades 4-5) in reading and writing; as measured by administration of the IPT assessment at beginning and end of year.

Measure Rating Category	Description of Target for this Performance Level	Points Assigned
<i>Exceeds Standard</i>	86-100% of Raíces students who are administered the IPT assessment at the beginning-of-year and end-of-year will attain an annual growth rate in Spanish of one proficiency level as measured by the oral IPT (grades K-5), 5 points as measured by the IPT-1 (grades 2-3) in reading and writing, and 5 points as measured by IPT-2 (grades 4-5) in reading and writing; as measured by administration of the IPT assessment at beginning and end of year.	100
<i>Meets Standard</i>	75-85% of Raíces students who are administered the IPT assessment at the beginning-of-year and end-of-year will attain an annual growth rate in Spanish of one proficiency level as measured by the oral IPT (grades K-5), 5 points as measured by the IPT-1 (grades 2-3) in reading and writing, and 5 points as measured by IPT-2 (grades 4-5) in reading and writing; as measured by administration of the IPT assessment at beginning and end of year.	75
<i>Does Not Meet Standard</i>	60-74% of Raíces students who are administered the IPT assessment at the beginning-of-year and end-of-year will attain an annual growth rate in Spanish of one proficiency level as measured by the oral IPT (grades K-5), 5 points as measured by the IPT-1 (grades 2-3) in reading and writing, and 5 points as measured by IPT-2 (grades 4-5) in reading and writing; as measured by administration of the IPT assessment at beginning and end of year.	25
<i>Falls Far Below Standard</i>	59% and below of Raíces students who are administered the IPT assessment at the beginning-of-year and end-of-year will attain an annual growth rate in Spanish of one proficiency level as measured by the oral IPT (grades K-5), 5 points as measured by the IPT-1 (grades 2-3) in reading and writing, and 5 points as measured by IPT-2 (grades 4-5) in reading and writing; as measured by administration of the IPT assessment at beginning and end of year.	0

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	Assigned Points	Total Weight?	
			Elem	High
Indicator 1: Components from NM System of School Support and Accountability	The PEC considers charter school performance on each of the components of the NM PED ESSA Plan	The school earns points equal to the school's overall index score from the New Mexico System of School Support and Accountability. (1-100 pts)	35%	37.5%
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, 2.3, and 2.4. (1-100 points)	30%	25%
Indicator 3 Mission Specific Goals	Charter schools shall include mission-specific goals that are Specific, Measurable, Achievable, Relevant and Time-bound.	Points are assigned based on the average of the ratings (if there are two goals) for the goals listed in Indicator 3. (0-100 points)	35%	37.5%

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 framework expectations and is on par with the highest-performing schools in the state.• (Greater than or equal to 80 of the possible total weighted points)
Tier 2	<ul style="list-style-type: none">• School is consistently meeting PEC academic performance framework expectations.• (Greater than or equal to 70 and less than 80 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.• (Greater than or equal to 55 and less than 70 of possible total weighted points)
Tier 4	<ul style="list-style-type: none">• School is falling far below academic performance expectations. Intervention; possible revocation.• (Less than 55 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 ⁸	Component of Site Visit Evaluation?
1. EDUCATIONAL PROGRAM REQUIRMENTS		
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

⁸ 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 ⁸	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 ⁸	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 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 and without frequent, repeated errors. 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 a minimum, RfRs to the PED on a monthly basis. The school expends at least 99% of grant funds for all accounts without reversion and submits expenditures that are allowable with at least 90% aligned to the specific categories in the grant application budget 	NO

Topics and Indicators	Criteria Statements ⁸	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
2.f. Is the school meeting their obligations timely and with appropriate internal controls?	<ul style="list-style-type: none"> Bills, invoices, or other liabilities are paid in a timely fashion and the accounts payable transaction cycle meets standards for internal controls 	
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 school's governing council independently oversees the school's finances according to law Governing council policies and procedures, minutes or other documents ensure that required financial reports are being presented to the governing council on a monthly basis The governing council demonstrates in board meetings that it is analyzing the financial position of the school The charter school maintains a Board of Finance or has the capabilities to have a Board of Finance, and maintained the Board of Finance during the contract term 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

Topics and Indicators	Criteria Statements ⁸	Component of Site Visit Evaluation?
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
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 ⁸	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 ⁸	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 ⁸	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 required indicators that are 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 35% (elem/middle) or 37.5% (high) of the Academic Performance Framework

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).

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).

Student Academic Growth – is the measurement of student level improvement within a school year 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.

Approved by the Governance Board

October 30, 2018

Revised January, 24, 2019

Revised April 25, 2019

Revised May 15, 2019

**Raíces del Saber Xinachtli
Community School**

Bylaws

TABLE OF CONTENTS

ARTICLE 1	NAME, ORGANIZATION AND PURPOSE.....	4
Section 1.1	Name.....	4
Section 1.2	Organization and Purpose.....	4
Section 1.3	Location.....	4
Section 1.4	Non-Discrimination Policy.....	4
ARTICLE 2	THE GOVERNANCE BOARD.....	4
Section 2.1	Role of Governance Board.....	4
Section 2.2	Board Powers and Responsibilities.....	4
Section 2.3	Designated Board Members and Terms.....	5
Section 2.4	Vacancies and Additional Elections.....	5
Section 2.5	Background Checks.....	5
Section 2.6	Resignations.....	5
Section 2.7	Removals.....	5
Section 2.8	Attendance.....	6
Section 2.9	Individual Member Authority.....	6
Section 2.10	Binding Authority.....	6
Section 2.11	Training and Evaluation.....	6
Section 2.12	Salaries and Reimbursements.....	6
Section 2.13	Engagement of Consultants and Agents.....	7
Section 2.14	Conflict of Interest.....	7
Section 2.15	Code of Ethics.....	7
ARTICLE 3	MEETINGS.....	7
Section 3.1	Annual and Regular Meetings.....	7
Section 3.2	Special Meetings.....	8
Section 3.3	Notice of Meetings.....	8
Section 3.4	Quorum and Actions.....	8
Section 3.5	Conduct of Meetings.....	8
Section 3.6	Confidential Matters/Closed Sessions.....	9
Section 3.7	Public Input.....	9
ARTICLE 4	OFFICERS.....	10
Section 4.1	Designation of Officers.....	10
Section 4.2	Qualifications.....	10
Section 4.3	Election and Terms of Office.....	10
Section 4.4	Duties of Chairperson.....	10
Section 4.5	Duties of Vice Chairperson.....	10
Section 4.6	Duties of Secretary.....	10
Section 4.7	Duties of Treasurer.....	11
Section 4.8	Vacancies Among Officers.....	11
ARTICLE 5	COMMITTEES.....	11
Section 5.1	Establishment.....	11
Section 5.2	Standing Committees.....	11

Section 5.3	Other Committees.....	12
Section 5.4	Committee Chair.....	12
Section 5.5	Resignations and Removal.....	12
Section 5.6	Compensation.....	13
ARTICLE 6	STAFF.....	13
Section 6.1	Duties of Principal.....	13
Section 6.2	Terms of Employment of Principal.....	13
Section 6.3	Faculty Engagement, Supervision, and Termination.....	13
Section 6.4	Direction of Faculty and Staff.....	13
ARTICLE 7	FISCAL YEAR AND AUDIT.....	14
Section 7.1	Fiscal Year and Audit.....	14
ARTICLE 8	ADMINISTRATION AND MAINTENANCE OF RECORDS.....	14
Section 8.1	Record Maintenance.....	14
Section 8.2	Contracts, Loans, Checks, Drafts, Deposits, Agents.....	14
ARTICLE 9	LIABILITY AND INDEMNIFICATION OF BOARD MEMBERS.....	15
Section 9.1	Liability of Board Members and Officers.....	15
Section 9.2	Indemnity of Board Members and Officers.....	15
Section 9.3	Maintenance of Insurance.....	16
ARTICLE 10	AMENDMENT OF BYLAWS.....	16
Section 10.1	Amendment of Bylaws.....	16

**RAICES DEL SABER XINACHTLI COMMUNITY SCHOOL
BYLAWS**

ARTICLE 1: NAME, ORGANIZATION, AND PURPOSE

Section 1.1 Name

The name of the organization will be known as Raíces del Saber Xinachtli Community School. It shall hereafter be referred to in this document as “Raíces.”

Section 1.2 Organization and Purpose

Raíces will be a public charter school in the state of New Mexico. Raíces’ purpose is described in the following Mission Statement: *Raíces del Saber Xinachtli Community School implements a developmentally appropriate rigorous academic program through an interdisciplinary curriculum that is experiential, participatory, biliterate, child-centered, and culturally responsive. Our students learn Spanish and English, achieving academic proficiency in all subjects in both languages as they develop critical and creative thinking skills. Raíces creates an environment where students and parents are valued as participants in the construction of knowledge and the creation of a learning community that promotes high academic performance, positive identity formation, and the reclaiming of cultural heritage.*

Section 1.3 Location

Raíces will be located in Las Cruces, County of Doña Ana, State of New Mexico.

Section 1.4 Non-Discrimination

Raíces does not discriminate in its employment practices on the basis of any characteristic protected under State or Federal law including, but not limited to, race, color, age, sex, creed or religion, handicap or disability, marital status, citizenship status, veteran status, sexual orientation, national origin or any other characteristic protected by law.

ARTICLE 2: THE GOVERNANCE BOARD

Section 2.1 Role of the Governance Board

The governance of Raíces is vested and delegated to the Governance Board, hereby referred to in this document as the “Board.” The purpose of the Board is to govern the Charter School in accordance with its mission statement and the terms of its Charter School contract with the NM Public Education Commission (PEC) and in compliance with the New Mexico Charter Schools Act, New Mexico Statutes Annotated (NMSA) 1978, Chapter 22, Section 22-8B (2006), *et seq.* as amended from time to time.

Section 2.2 Board Powers and Responsibilities

The primary duties of the board are to 1) exercise leadership through the formulation, adoption, and oversight of school policy, 2) review and approve the budget for Raíces and oversee all fiscal operations of the school, and 3) hire, establish the duties, determine the salary and evaluate the principal. In addition to all powers conferred upon the Board by the New Mexico Charter School Act, NMSA 1978, Section 22-8B (2006), *et seq.* and monitoring the rules and regulations of the New Mexico Public School Administration Code (NMAC), sections 6.19.8.10 to 6.69.8.13, the Board shall be responsible for the fair and uniform application of federal, state, and local laws as well as the rules, regulations and policies of Raíces in operation of the school and in conformance to its charter.

Section 2.3 Designated Board Members and Terms

The numbers of board members and terms are as follows:

- a) Numbers: The number of Board members shall not be less than five (5) and not more than nine (9) members. Members shall be comprised of the community at large, with a focus on individuals who bring professional expertise, experience, or talents that the Board has identified as referenced in the Charter with a minimum of one Raíces' parent member.
- b) Terms: Members shall be elected for a three (3) year term. Upon completion of that term, a member who wishes to continue serving may request another term from the other members of the Board. Such extensions must be approved by majority vote. There are no restrictions on the number of terms a Board Member may serve. For the initial term that begins upon approval of the Raíces' Charter, all members of the Board will be appointed by the founding team. The initial Board will be split between terms of four (4) and three (3) years so as to stagger the terms. After the first four-year terms are served, all terms will be three (3) years.

Section 2.4 Vacancies and Additional Elections

Prospective board members will submit a letter of interest outlining the skills and expertise they possess which make them a strong fit for the Board and include why they would like to be a Board Member. The letter is submitted to the Governance Board Development Committee and they will interview the prospective nominee and make a recommendation to the Board Members for a vote during a regular or special board meeting. The Board will have 45 days to fill a vacancy when the number of board members is less than seven. The minimum vote required to fill the Board position shall be the affirmative vote of a majority of the Board Members present at a meeting at which a quorum is present.

Section 2.5 Background Checks

Each member of the Board, within 30 days of the election to the Board shall undergo a criminal history background check investigation for the purpose of ensuring that the member is not disqualified for membership due to a criminal history. "Criminal history" means convictions of felonies or misdemeanors of moral turpitude, or other information concerning a person's arrests, indictments, other formal criminal charges and any dispositions arising therefrom, including convictions, dismissals, acquittals, sentencing, and correctional supervision, collected by criminal justice agencies and stored in the computerized databases of the Federal Bureau of Investigation (FBI), the national law enforcement telecommunications system, the New Mexico department of public safety (DPS), or the repositories of criminal history information of other states. The school shall reimburse the member for the cost of the criminal history record check, including all costs for administering and processing the background check.

Section 2.6 Resignations

Any member may resign at any time by submitting written notification of resignation to the Board Chairperson. The date of the letter of resignation becomes the effective date.

Section 2.7 Removals

The board may remove any Officer or Board Member by a majority vote of the entire Board at any regular or special meeting of the Board, provided that written notice of the reason or reasons for the proposed removal shall have been delivered by electronic mail with delivery of receipt confirming the message was delivered to the recipient's email server, or Read receipt confirming the recipient viewed the message check box, or by Registered Mail to the Officer or Board Member for removal at least thirty (30) day before any final action is taken by the Board. The date, time, and location that the action is to

take place must be included in the statement informing the Board Member of the Board's intention of removal. Reasons for removal shall include, but are not limited to 1) failure to meet Board Meeting attendance requirements, 2) failure to disclose a conflict of interest, 3) failure to comply with the Board approved code of ethics, and 4) moral turpitude, which is conduct that is considered contrary to community standards of justice, honesty, or good morals. The Officer or Board Member shall be given an opportunity to be heard on the matter considered by the Board at the time and place stated in the motion.

Section 2.8 Attendance

Attendance at Board meetings is mandatory. Any member missing three (3) consecutive meetings or five of the meetings within a school year without prior notification to the Chairperson may be dismissed from the Board. If a Board member cannot be physically present at the meeting for unavoidable conflict, he/she may make arrangements to appear by telephone or digital communication in accordance with the provisions of the New Mexico Open Meetings Act.

Section 2.9 Individual Member Authority

A member of the Board is a public officer, but has no power or authority individually. State Statute and the Charter Contract vest power to the Board and not in its members individually. The Board at public open meetings must exercise the powers, whether regular, special, or emergency meetings, with action duly recorded in its minutes.

Section 2.10 Binding Authority

The Board shall not be bound in any way by any action or statement on the part of any individual Board Member except when such a statement or action is pursuant to specific instructions from the Board as a whole. Any such exception shall be recorded as an action item of the Board and recorded in the minutes.

Section 2.11 Training and Evaluation

Each member of the Governance Board will attend at least ten (10) hours of PED-approved training annually on topics pertaining to charter school governance, including but not limited to state rules, policies, procedures, statutory powers and duties of governing boards, as well as legal concepts for public schools as required and described by NMAC 6.80.5 and NMSA 1978, 22-8B-5.1. Each annual training will include the Open Meetings Act. New Board members cannot vote in meetings until they have attended one of the seven-hour Public Education Department trainings which are held once a month in some part of the state. Every regular board meeting will have some set amount of time as determined by the Board devoted to training that will improve the efficiency and effectiveness of Board Members in carrying out their duties. All Board Members will participate annually in a self-evaluation and develop a plan for improvement of skills and knowledge based on the data. An outside evaluator shall be secured at least every other year to conduct developmental evaluation with the Board.

Section 2.12 Salaries and Reimbursements

A Board member may not receive a salary from the school for services as a member. A Board Member may be reimbursed for out-of-pocket travel expenses with prior approval and other expenses incurred as a member on school business in accordance with the New Mexico Mileage and Per Diem Act.

Section 2.13 Engagement of Consultants and Agents

The Board may appoint or hire consultants and agents to perform duties on behalf of the Board and/or Raíces as the Board may prescribe. These consultants and agents must comport with the Conflict of Interest policy outlined in Article 2, Section 2.14.

Section 2.14 Conflict of Interest

The public has a right to expect that all public officials perform their duties in a fair and unbiased way, and that the decisions they make are not affected by self-interest, private affiliations, or the likelihood of personal gain or loss.

Public office is a trust created in the interest of the common good and for the benefit of the people. It is the intent of these Bylaws to maintain public confidence and prevent the use of public office for private gain. Board Members shall abide by the Conflict of Interest Policy adopted by the Board which shall comply with NMSA 22-8B-5.2.

All third-party agreements must be negotiated “at arms’-length” with terms fair and reasonable to the school. No Board Member shall contract with the School or receive compensation from the School for services, other than reimbursement as set forth in Section 2.12 of these bylaws. Board members must be familiar with and observe all applicable law relating to Conflicts of Interest. A potential conflict of interest exists if a contract or transaction is proposed between the School and any of the following: a member of the board member’s immediate family (spouse, parents, children, brothers, sisters, brother-in-law, sister-in-law, daughter-in-law, son-in-law) or an entity in which a board member’s immediate family holds an ownership interest or governance position.

If a contract or transaction is posed in which a Board Member or family member or entity as described above has a personal or material interest, the Board Member shall promptly disclose the material facts of such a matter and potential conflict of interest in writing to the Secretary for distribution to all Board Members. When any conflict of interest becomes relevant to any subject requiring board action or any of its duly constituted committees, the Board Member having the conflict shall not vote on the matter. A Board Member who is excluded from voting shall briefly state the nature of the conflict and answer any relevant questions of all other Board Members but shall not otherwise attempt to influence the vote. The Board Member shall be required to leave the room during the vote as not to inadvertently influence the outcome of the vote. Minutes of the meeting shall reflect that the disclosure of the conflict of interest that has been made, the Board Member abstained from voting, and the Board Member left the room during the vote.

Section 2.15 Code of Ethics

Each Board Member shall abide by the Code of Ethics established by the Board. The code will be developed as an official statement of policy that defines what constitutes ethical behavior on the part of Board Members including specifics on what constitutes moral turpitude and will appear in the Board Handbook and be reviewed each year. Failure to comply with the Code of Ethics is grounds for removal from the Board.

ARTICLE 3: MEETINGS

Section 3.1 Annual and Regular Meetings

- a) Annual Meeting: The Board shall hold an annual meeting for the purpose of appointing officers, electing board members, and for the transaction of other business including reflection and strategic

planning or such other purpose as the Board shall determine. The annual meeting shall occur during the last quarter of the fiscal year at such time and place as the Board Chairperson determines.

- b) Regular Meetings: The Board shall meet in 11 monthly regular meetings. Notice shall be given ten (10) days in advance of the meeting. All meetings of the Board shall be held in accordance with the New Mexico Open Meetings Act (OMA) and in keeping with the Board's annual OMA resolution. A "roll call vote" must be taken when voting on approval of a motion and the adoption of school or board policies. Meetings will include time for 1) review of financial reports, 2) review of student academic progress, and 3) Board training.

Section 3.2 Special Meetings

Special meetings of the Board may be called at any time by the Chairperson, or in his/her absence the Vice Chairperson by phone call and in a written email. Such requests for a special meeting shall include the reason for the meeting and shall comply with the OMA policy on such meetings. Notice of Special Meetings shall be given at least 72 hours in advance of meeting in printed or electronic format and on the School's website, except for emergency meetings of a very urgent nature, which shall require 24 hours of notice delivered in person, or by electronic mail, or by phone call to all members of the Board.

Section 3.3 Notice of Meetings

The New Mexico Open Meetings Act (OMA), NMSA 1978, Chapter 10, Section 10-15-1-D, requires that any regular, special, or closed meeting at which a discussion or adoption of any proposed resolution, rule, regulation or formal action occurs shall be held only after reasonable notice to the public. Special circumstances may dictate that "a reasonable amount of time for advance notice" can vary and additional time may be needed for notice in such cases. Otherwise, notice shall be given 1) ten days in advance of a regular meeting, 2) 72 hours in advance for a special meeting, and 3) 24 hours in advance for an emergency meeting.

Notice of the meetings shall be in writing or person and delivered personally, electronically, or mailed, given by facsimile, or other form of wireless or wired transmission to each Board Member as the Board Member shall have designated in writing and filed with the Secretary within the same time requirements as specified for public notice. If notice is to be mailed, it will be deemed to be delivered when deposited in the United States mail so addressed with postage prepaid. If notice is given by facsimile, email or some other form of wired or wireless transmission, it shall be considered mailed when transmitted.

The meeting agenda shall be posted on the school's website. In addition, the agenda, date and location of meeting must be published in a newspaper or other media at least 72 hours before the meeting, except in the case of an emergency (NMSA 1978, Section 10-15-1-F).

Section 3.4 Quorum and Actions

- a) A simple majority of the current number of Board members shall constitute a quorum. In the absence of a quorum, those members present may adjourn until a quorum is constituted.
- b) An act of the Board occurs when a quorum is present and the Board votes publically on an item.

Section 3.5 Conduct of Meetings

- a) Agendas: The Board Chairperson, in collaboration with the Principal, creates meeting agendas. Individual members of the Board may request agenda items. Any two members requesting the same item shall compel the Chairperson to include the item on the agenda. Requests must be submitted

to the Chairperson 96 hours before a meeting so that the agendas may be released in accordance with the Open Meetings Act, 72 hours before the meeting. The board may discuss a matter, but cannot take action, unless the matter is listed as a specific item of business on the agenda. Action on items that are not listed on the agenda for a meeting must be taken at a subsequent special or regular meeting.

- b) Minutes: The Board shall keep written minutes of all of its meetings. The minutes shall include at minimum the date, time, and place of the meeting; the names of members in attendance and those absent; the substance of the items/topics/proposals considered; and a record of any decisions and votes taken that show how each member voted. All minutes are open for public inspection. Draft minutes shall be prepared for approval at the next meeting where a quorum is present. Draft minutes will be made available for public view. However, minutes shall not become official until approved by the Board (NMSA 1978, 10-15-1-G).
- c) Rules of Order: In case of conflict or challenge, the rules of order in the current edition of Robert's Rules of Order shall govern the conduct of all meetings of Raíces.

Section 3.6 Confidential Matters/Closed Sessions

If during a regular, special, or emergency meeting of the Board an item is presented for discussion in a closed session, a motion for closure will be made and the reason stated as required by Section 10-15-1-I-1 of the Open Meetings Act. During the closed session the Board will consider only the item or items covered by the motion voted on prior to closing the meeting. Minutes will reflect the amount of time spent in closed session.

When the Board returns to an open meeting setting, the Chairperson states for public record who was present in the closed meeting and the topic of what was discussed in general terms. A roll call vote of the Board Members present must be taken publicly on the motion proposed in the closed meeting and the vote of each individual member recorded in the minutes.

Board Members have the right to inspect school records and documents provided that such right of inspection and copying is subject to the obligation to maintain the confidentiality of the reviewed information, in compliance with the New Mexico Inspection of Public Records Act, Family Educational Rights and Privacy Act, and all other applicable Federal, State or local law.

Section 3.7 Public Input

The Board values public input into the decisions of the board, and encourages parties affected by board policy (e.g. administrators, teachers, students, and families) to provide input to the board. In many cases, the first method for providing input will be through committees. In the event an individual or group desires to give public input or comment during a meeting, the Board will allow for it as follows:

- The Board establishes a regular "public input" period as an agenda item at the beginning of each Board meeting, during which time guests may offer input on an agenda item or any other concern about Raíces that is relevant to the Board.
- This input may include requests for future agenda items, in either written or oral form.
- A sign-up sheet allows for public input during the meeting, and the Chairperson may limit the time for each person's input.
- Public input may not demean or defame members of the Board or employees or students of Raíces.

The Chairperson of the Board may also request or hear public input on any other agenda item during a Board meeting.

ARTICLE 4: OFFICERS

Section 4.1 Designation of Officers

The officers of the Board shall consist of: Chairperson, Vice Chairperson, Treasurer and Secretary, all of whom shall be members of the Board. The officers shall be elected by the Board for a term of one (1) year and, unless sooner removed, shall serve until their successors are duly elected.

Section 4.2 Qualifications

Any Board member is eligible to serve as an officer of the Board upon election to office by a majority of the Board members.

Section 4.3 Election and Term of Office

Except for the initial Board, officers shall be elected by the Board at the first regular meeting of the Board following the start of the school year (July) and shall assume their elected position immediately. Each officer shall hold office for a term of one year. There are no restrictions as to how many terms a Board Member can be elected to a given office.

Section 4.4 Duties of Chairperson

The Chairperson shall preside at all meetings of the Board and conduct the meetings in adherence to Robert's Rules of Order. The Chairperson shall have the right to discuss questions and to vote. The Chairperson may not act for or on behalf of the Board without prior specific authority from a majority of the Board to do so. The Chairperson shall consider all communications addressed to him/her. Consideration may include consulting with legal counsel. The Chairperson shall sign legal documents as required by law and perform such other duties as may be prescribed by the Board. The Chairperson, in collaboration with Principal, is responsible for compiling the topics for business to be placed on the Board meeting agenda. Any member of the Board may offer items to be heard or discussed at any meeting of the Board, while any two Board members requesting the same item will compel the Chair to put the item on the agenda. The Chairperson will also be on the Finance Committee. The Chairperson shall oversee a Board self-assessment process to ensure optimal Board performance.

Section 4.5 Duties of Vice Chairperson

The Vice Chairperson shall perform the duties of the Chairperson in the absence of the Chairperson or at the request of the Chairperson. In the event a vacancy occurs in the presidency, the Vice Chairperson acts in the capacity of the Chairperson until the office of the Chairperson has been filled by a vote of the Board membership.

Section 4.6 Duties of Secretary

The Secretary or Secretary's designee shall issue Board meeting notices, act as custodian of the school's records and seal, sign instruments as required, make other reports, and perform such other duties as are incident to the office. The Secretary shall maintain a permanent archive of Board-approved minutes and agendas to be available for public inspection.

Section 4.7 Duties of Treasurer

The Treasurer shall have general oversight responsibility of the School's funds and securities. The Treasurer shall oversee the maintenance of financial records and books, shall sign such instruments as required, and shall make such reports and perform such other duties as are incident to the office. The Treasurer shall attend the Public Education Department (PED) Spring Budget Workshop and/or any other financial regulatory training recommended by the Principal or the Business Manager. The Treasurer shall serve as Chair of the Finance and Audit committees.

Section 4.8 Vacancies Among Officers

The Board, at its next regularly scheduled meeting, shall fill any vacancy among the officers. An officer appointed to fill a vacancy shall serve for the unexpired term of his/her predecessor in office.

ARTICLE 5: COMMITTEES

Section 5.1 Establishment

The Board may appoint such standing committees and/or Ad Hoc committees, as it deems necessary for the effective governing of Raíces. Members of each committee may be chosen from time to time by the Board and shall serve for such period of time, as the Board shall determine. The provisions described in Article IV, Section 2, however, shall govern the specific composition of the Finance and Audit Committees.

Section 5.2 Standing Committees

Each standing committee shall have a charge specific to its permitted activities and such charges shall be incorporated into Raíces policies. The function of any committee shall be fact-finding, deliberative, and advisory to the Board. Committees shall not have authority to take legislative or administrative actions, nor to adopt policies for Raíces. Standing committees shall be made up of no more than one less than a quorum of the Board. The Board Chairperson shall be an ex-officio member of each committee. The Principal shall be an ex-officio member of each committee, except where his/her evaluation, tenure, or salary is to be deliberated. The Business Manager shall be an ex-officio member of the Finance and Audit committees. Standing committees shall be:

- Governance Board Development Committee
- Finance Committee
- Audit Committee

Following is a description of the composition, role, and duties of the Standing Committees.

- a. Governance Board Development Committee: There shall be a standing committee composed of 2-4 people recommended by the Chair and elected by the Board at its annual meeting. Each person shall serve a term of two (2) years and the terms shall be staggered. The committee shall elect its own chair. The duties of this committee shall be to 1) study the needed qualifications of candidates for Board positions 2) advertise and recruit potential Board Members that can demonstrate the necessary qualifications, 3) screen applications and present a slate of the best qualified nominees for outgoing members on the Board, 4) present a slate of nominees at the Annual Meeting for Officers and new Board Members, 5) recommend candidates for the board to fill vacancies that occur outside the regular nominating process, and 6) provide ongoing orientation and supervision

for “onboarding” of new members to the Board. This committee will also be responsible for ensuring that an annual plan is developed for conducting ongoing development of Board knowledge and skills as needed, and that the plan is in alignment with board training requirements in the New Mexico State Statutes (NMSA 1978, 22-8B-5.1) and as indicated by the Board self-evaluation or the assessment of an outside developmental evaluator.

- b. Finance Committee: The Finance Committee shall be comprised of the Board Chairperson, Board Treasurer, who shall serve as chair, at least one other member of the Board, a member of the Concilio (Parent Council), and the Principal. The purpose of the Finance Committee shall be to make recommendations to the Board in the following areas: financial planning, including review of the School’s revenue and expenditure projections; review of financial statements and periodic monitoring of revenues and expenditures; annual budget preparation; oversight; and procurement. The Finance Committee shall also serve as an external monitoring committee on budget and other financial matters and shall evaluate the Principal’s compensation, oversee the use of funds, review and oversee the school’s risk management policies and investments, and review and advise the Board on all matters affecting the school’s financial condition. In carrying out its duties the Finance Committee must adhere to regulations of the New Mexico Public School Finance Act (22-8-1 and 22-8-12.3 NMSA 1978)
- c. Audit Committee: The Audit Committee shall be comprised of the School Business Manager, Board Treasurer, who shall serve as chair, Principal, the Board Chairperson, one community volunteer who has experience in accounting or financial matters and one parent volunteer from The Concilio. The parent shall be appointed from a list of parents who are willing to volunteer on the Committee. The purpose of the Audit Committee shall be to 1) evaluate the request for proposal for the annual financial audit services, 2) recommend to the Board 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 the 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 Board and the Principal, 6) track and report progress on the status of the most recent audit finding, 7) advise the Board on policy changes needed to address audit findings, and 8) provide other advice and assistance as requested by the Board. The Audit Committee shall be subject to the same requirements regarding the confidentiality of audit information as those imposed upon the Board by the Audit Act (12-6-1 through 12-6-14 NMSA 1978) and rules of the New Mexico State Auditor.

Section 5.3 Other Committees

The Chair shall recommend other committees or task forces of the Board that will be approved by majority vote of the Board and may be composed of Board Members or community members, or both except for the Governance Board Development Committee, which will only have membership from the Board. The Board may prescribe the need, timeline and/or the composition of such committees.

Section 5.4 Committee Chair

Chairpersons of standing committees report to the Board as directed above or at the request of the Board.

Section 5.5 Resignations and Removal

Any member of a Committee may, at any time, provide a written notice of resignation to the Chairperson, which becomes effective upon such notification. The Board may remove any member of a Committee whenever in its judgment the best interests of the School would be served thereby.

Section 5.6. Compensation

Members of Board Committees shall not receive any compensation for their services; however, they may be reimbursed for reasonable expenses in accordance with the New Mexico Mileage and Per Diem Act.

ARTICLE 6: STAFF**Section 6.1 Duties of the Principal**

The Principal reports to the Board and shall be responsible for all matters pertaining to the school's affairs, including recruitment and supervision of faculty and staff; discipline of students; maintenance of school property; and the relationship among students, parents, and faculty. The Principal shall approve the payment of proper bills for school expenditures and work with the Business Manager to insure all fiscal and financial affairs are in adherence of state laws and statutes and oversee the process of the yearly audit and monthly budget reports to the Board. The Principal shall work with the Board Chairperson to set meetings, develop agendas, and plan work on other items that relate to the Board carrying out its duties.

The Board shall delegate administrative and supervisory functions of the day-to-day operations of Raíces to the Principal. The Board shall not be involved in the day-to-day operations of Raíces. The Board shall delegate to the Principal the authority to implement the approved Charter and Raíces' policies and procedures, facility plans, budget, and such other directives and policies adopted by the Board. The Principal shall be responsible for all matters pertaining to Raíces' affairs, including recruitment and supervision of faculty and staff, discipline of students, maintenance of school property, and the relationship among students, families and faculty. The Principal shall approve the payment of proper bills for Raíces expenditures and sign contracts for the school. The Principal shall maintain a copy of all Board-approved documents, including the Raíces Charter, Charter Contract, minutes, agendas, Bylaws, resolutions, and policies. In partnership with the Board, the Principal shall establish for the School staff a compensation schedule to be employed by the Principal in setting salaries annually for all teaching, administrative, and support staff of Raíces.

Section 6.2 Terms of Employment of Principal - The Board shall hire the Principal who will operate under the terms of the annual contract. The Board shall conduct an annual performance evaluation. During the Principal's employment, he/she shall not engage in other employment without the Board's written approval.

Section 6.3 Faculty Engagement, Supervision and Termination

The Principal shall recruit, supervise, and recommend hiring and termination of faculty and staff. The faculty contracts shall be for one school year or less. The Principal shall assign compensation based on a salary schedule approved by the Board and in accordance with New Mexico law and shall assign job descriptions for, and annually assess, the faculty and staff.

Section 6.4 Direction of Faculty and Staff

Faculty and staff shall be subject to the Principal's control and direction in all matters relating to their teaching and administrative duties and their personal conduct that affects the school's welfare.

ARTICLE 7: FISCAL YEAR AND AUDIT

Section 7.1 Fiscal Year and Audit

Raíces' fiscal year shall begin on the first day of July and end on the last day of June of the following calendar year. The school's financial accounts shall be audited annually by a certified public accountant in accordance with New Mexico State law.

ARTICLE 8: ADMINISTRATION AND MAINTENANCE OF RECORDS

Section 8.1 Record Maintenance

The Board shall work with the Principal to maintain the following records:

- a. Minutes of all meetings of the Board and Board committees, indicating the time and place of such meetings, whether regular or special, how called, the notice given and the names of those present and the proceedings thereof;
- b. Adequate and correct books and records of accounts, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;
- c. A copy of the Raíces Charter Contract and Bylaws amended to date, which shall be open to inspection at all reasonable times during office hours.

Every Board member shall have the right at any reasonable time and for purposes related to school business, to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the School and shall have such other rights to inspect the books, records and properties of the School as may be required under the Charter Contract, and other provisions of these Bylaws and provisions of law, unless access to a specific record is otherwise restricted by law.

Section 8.2 Contracts, Loans, Checks, Drafts, Deposits, Agents

- a. Contracts: The Board Members may authorize any officer or officers, or agents to enter into any contract or execute or deliver any instrument in the name of and on behalf of the school. Such authorization may be general or confined to specific instances. In the absence of other designation, all deeds, mortgages and instruments of assignment or pledge made by the school shall be executed in the name of the school by the Chair, Vice-Chair, or Secretary, when necessary or required, shall affix the seal of the school, if any, and when so executed no other party to such instrument or any third party shall be required to make any inquiry into the authority of the signing officer or officers.
- b. Loans: No indebtedness for borrowed money shall be contracted on behalf of the school and no evidences of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board. Such authorization may be general or confined to specific instances.
- c. Checks, Drafts or Other Orders for Payment: All checks, drafts, or other orders for payment, notes, or other evidences of indebtedness issued in the name of the Raíces School shall be signed by such officer or officers, agent, or agents of the Board and in such a manner as shall be determined by the authority of a resolution of the Board.

- d. Deposits: All funds of the school not otherwise employed shall be deposited within 24 hours to the credit of the school in such banks, trust companies, or other depositories as may be selected by or under the authority of a resolution of the Board.
- e. Agents: The Board is authorized and empowered to retain such agents, attorneys, accountants, counsel, or other qualified firms or persons as the Board shall document and determine by resolution of the Board.

ARTICLE 9: LIABILITY AND INDEMNITY OF BOARD MEMBERS AND OFFICERS

Section 9.1 Liability of Board Members or Officers

Except as otherwise provided by law, no Board Member or Officer shall be liable to the school, or any person asserting rights on behalf of the school, its creditors, or any other person, for damages, settlements, fees, fines, penalties or other monetary liabilities arising solely from his or her status as a Board Member or Officer, unless the person asserting liability proves that the Board Member or Officer failed to perform their board duty. Failure to perform one's Board duty includes: 1) a willful failure to deal fairly with the Board in connection with a matter in which the Board Member or officer has a material conflict of interest, 2) a violation of criminal law, unless the Board Member or officer had no reasonable cause to believe his or her conduct was unlawful, 3) a transaction from which the Board Member or Officer derived an improper personal profit or benefit, or 4) willful misconduct.

Section 9.2 Indemnity of Board Members or Officers

The school shall indemnify a Board Member or Officer, to the extent he or she has been successful in the defense of any threatened, pending or completed civil, criminal, administrative or investigative action, suit, arbitration or other proceeding, brought by another person, for all reasonable expenses, including fees, costs, charges, disbursements and attorney fees, incurred in the proceeding, provided the Board Member or officer was a party because he or she is a Board Member or Officer of the Board.

Indemnification will not occur if the liability was incurred because the Board Member or Officer failed to perform a duty he or she owes to the Board and the failure to perform constitutes 1) a willful failure to deal fairly with the Board in connection with the matter in which the Board Member or Officer has a material conflict of interest, 2) a violation of criminal law, unless the Board Member or Officer had no reasonable cause to believe that his or her conduct was unlawful, 3) a transaction from which the Board Member or Officer derived an improper personal profit or benefit, or 4) willful misconduct.

No indemnification is required under this bylaw if the board Member or Officer has previously received indemnification, reimbursement, or allowance of expenses from any person, including the Raíces School, in connection with the same proceeding.

The school, by its Governance Board, may indemnify, in a like manner, any employee or agent of the Raíces School who is not a Board Member or Officer with respect to any action taken or not taken in his or her capacity as an employee or agent. The foregoing rights of indemnification shall be in addition to all rights to which Board Members, Officers, employees, or agents may be entitled as a matter of law, by resolution of the Governance Board, or by written agreement with Raíces School.

Section 9.3 Maintenance of Insurance

The School may, by its Board, purchase and maintain insurance on behalf of any person who is a Board Member, Officer, employee, or agent of the school to cover liability incurred by the person in his or her capacity as a Board Member, officer, employee, or agent regardless of whether the School Board is required to indemnify the person against that liability.

ARTICLE 10: AMENDMENT OF BYLAWS

Section 10.1 Amendments to Bylaws

These bylaws may be altered, amended, or repealed and new bylaws adopted by the Board Members by an affirmative vote of two-thirds of Board Members present at any meeting at which a quorum is in attendance. Changes must be in compliance with the New Mexico Charter Schools Act, NMSA 1978, Chapter 22, Article 8B (2006), *et seq.* as amended from time to time. Such amendments must be documented in Board minutes and documented as to date in the bylaw's footer.

Passed by the **Raíces del Saber Xinachtli Community School Governance Board**

This 24th day of January, 2019.

Chairperson: _____

Signature: _____ Date: _____

First Name	Last Name	Position	Committee	Term Start	Term End	Street Address	City	State	Zipcode	Email Address	Phone Number	Alternate Email	Affidavit	Certificate of Assurances
Jane	Asche	Secretary	Gov. Board Development	10/20/18	9/30/21	4627 Rock Canyon Loop	Las Cruces	NM	88011	janeasche@comcast.net	(575) 649-8154	janeasche4@gmail.com	X	X
Ray	Reich	Treasurer	Finance & Audit & Facilities	10/20/18	9/30/22	856 Blue Park Ave.	Santa Teresa	NM	88008	rayreich@sbcglobal.net	(915) 759-7775		X	X
Alejandro	Flores	Member	Facilities	10/20/18	9/30/22	714 City View Dr.	Las Cruces	NM	88011	lifloresm@gmail.com	(334) 750-6547		X	X
Paul	Gutierrez	Member	Finance & Audit	10/20/18	9/30/21	5323 Singer Road	Las Cruces	NM	88007	pgutierrez@ad.nmsu.edu	(575) 644-5469		X	X
Emma	Armendariz	Chair	Principal Recruitment & Academic Performance	10/20/18	9/30/22	1902 Desert Greens Dr.	Las Cruces	NM	88011	ejg.armendariz@gmail.com	(575) 405-9524		X	X
Rocio	Benedicto	Vice-Chair	Gov. Board Development & Principal Recruitment & Academic Performance	10/20/18	9/30/22	152 New Orleans St.	El Paso	NM	79912	rojustus@nmsu.edu	(915) 329-8388		X	X
Irene	Oliver-Lewis	Member	Principal Recruitment & Academic Performance	10/20/18	9/30/21	336E. Kansas Ave.	Las Cruces	NM	88011	iolewis@zianet.com	(575) 523-6272		X	X

Attachment F - Board of Finance Documents:

Statement to Consult with PED signed by all members

X

Affidavits from each board member

X

Affidavit signed by the school's licensed business official

X

School Business Official License

x

Certificate of insurance that indicates adequately bonded

in Attachment K

Attachment E - Governing Board ByLaws x

Dated 4/25/2019



**Raices del Saber Xinachtli Community School
Las Cruces, NM**

November 27, 2018

Charter Schools Division
Jerry Apodaca Building
Options for Parents/Charter Schools Division
300 Don Gaspar, Room 301
Santa Fe, New Mexico 87501

Dear Public Education Commissioners,

On behalf of Raíces del Saber Xinachtli Community School Governance Board please accept this cover letter and accompanying documents to register our request to seek approval as a Board of Finance in the State of New Mexico.

If you should have any questions, please reach out to me as the Project Coordinator and one of the Founders for our Charter School.

Sincerely,

Lucia V. Carmona
Project Coordinator
(575) 571-2177
luciavcarmona@gmail.com



NEW MEXICO

Public Education Department

New Mexico Public Education Commission

BOARD OF FINANCE APPLICATION

CONTENTS

- INSTRUCTIONS: APPLICATION FOR BOARD OF FINANCE DESIGNATION
 - STATEMENT FROM GOVERNING BODY
 - AFFIDAVITS FOR GOVERNING BODY MEMBERS
 - DECLARATION OR CERTIFICATE OF INSURANCE

AFFIDAVIT OF FINANCIAL RECORD CUSTODIAN

STATE OF NEW MEXICO)
)
COUNTY OF Bernalillo)

I, Michael Vigil II, [affiant] after being duly sworn, state:

1. I live in the City of Albuquerque, County of Bernalillo, New Mexico.
2. In accordance with 6.80.4.16 NMAC, I agree to accept the responsibility of keeping the financial records of the charter school and recognized that I am in charge of maintaining public funds with fidelity and in accordance to public finance laws, rules and regulations.
3. I have completed the following training in the maintenance of financial records:
 - a) NMASBO Training from Fall 2010 to Present.
 - b) NMCCS SBO Training from Fall 2010 to Fall 2011.
 - c) State Auditor Training from Spring 2014 to Present; AGA Training Feb. 2018.
4. Attached is a certificate of insurance that indicates that I am adequately bonded to take this responsibility.
5. I have earned the following certificates, licensures and/or degrees:

Certificate, licensure or degree	Educational Institution	Date	Current Yes/No
BBA	The University of New Mexico	2006	Yes
SBO Level II	NMPED	2013	Yes

FURTHER AFFIANCE SAYETH NAUGHT.


[Signature of Affiant]

10/4/18
Date

Michael Vigil II
[Print Name of Affiant]

VERIFICATION

The forgoing Affidavit of Financial Records Custodian was subscribed and sworn to before me, this 4 day of OCT, 2018.

[Notary Seal:]



My commission expires: September 3, 2022.


NOTARY PUBLIC

STATEMENT OF GOVERNING BODY TO CONSULT WITH PED

We, the undersigned, make up the governing body of the Raíces del Saber Xinachtli Community School, located in Las Cruces, 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 Raíces del Saber Xinachtli Community School'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 financially 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 60 days of a change in membership of our governing body.

THE FOLLOWING MEMBERS OF THE RAICES DEL SABER XINACHTLI COMMUNITY SCHOOL GIVE THE FOREGOING STATEMENT THIS 30th DAY OF OCTOBER, 2018.

1. 
Emma Armendariz, Chairperson

2. 
Rocio Benedicto, Vice-Chairperson

3. 
Jane Asche, Secretary

4. 
Ray Reich, Treasurer

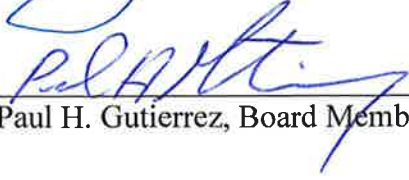
5. 
Irene Oliver-Lewis, Board Member

6.



Alejandro Flores, Board Member

7.



Paul H. Gutierrez, Board Member

AFFIDAVIT OF GOVERNING BODY MEMBER

STATE OF NEW MEXICO)

COUNTY OF)

I, Emma Armendariz after being duly sworn, state: New Mexico

1. My name is Emma Armendariz and I reside in Las Cruces, New Mexico.
2. I am a member of the governing body of the [Raíces del Saber Xinachtli Community School] in Las Cruces, 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 [Raíces del Saber Xinachtli Community 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.

Emma J. Armendariz
[Signature]

10-12-18
Date

Emma Armendariz
[Emma Armendariz]

VERIFICATION

The forgoing Affidavit of Governing Body Member was subscribed and sworn to before me, this 12 day of October, 2018.

[Notary Seal:]



OFFICIAL SEAL
M. SHIMSHOCK
NOTARY PUBLIC - STATE OF NEW MEXICO

My commission expires: 2-22-22

My commission expires: 2-22, 2022.

[Signature]
NOTARY PUBLIC

AFFIDAVIT OF GOVERNING BODY MEMBER

STATE OF NEW MEXICO)

COUNTY OF)

I, Rocio Benedicto, after being duly sworn, state:

1. My name is Rocio Benedicto and I reside in El Paso, Texas.
2. I am a member of the governing body of the [Raíces del Saber Xinachtli Community School] in Las Cruces, 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 [Raíces del Saber Xinachtli Community 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.

Rocio Benedicto
[Signature]

11/27/18
Date

Rocio Benedicto
[Rocio Benedicto]

VERIFICATION

The foregoing Affidavit of Governing Body Member was subscribed and sworn to before me, this 27th day of November, 2018.

[Notary Seal:]

[Signature]

NOTARY PUBLIC

My commission expires: Sept 15, 2020.

AFFIDAVIT OF GOVERNING BODY MEMBER

STATE OF NEW MEXICO)
)
COUNTY OF Doña Ana)

I, Jane A. Asche, after being duly sworn, state:

1. My name is Jane Asche and I reside in Las Cruces, New Mexico.
2. I am a member of the governing body of the [Raíces del Saber Xinachtli Community School] in Las Cruces, 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 [Raíces del Saber Xinachtli Community 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.

Jane A. Asche
[Signature]

10 / 30 / 18
Date

Jane A. Asche
[Jane Asche]

VERIFICATION

The forgoing Affidavit of Governing Body Member was subscribed and sworn to before me, this 30th day of October, 2018.

[Notary Seal:]

Maria D. Mauricio

NOTARY PUBLIC

My commission expires: April 29, 2020



OFFICIAL SEAL
MARIA D. MAURICIO
NOTARY PUBLIC - STATE OF NEW MEXICO

My commission expires:

4/29/20

AFFIDAVIT OF GOVERNING BODY MEMBER

STATE OF ~~NEW MEXICO~~ ^{TEXAS})

COUNTY OF ~~EL PASO~~)

I, _____, after being duly sworn, state:

1. My name is Ray Reich and I reside in Santa Teresa, New Mexico.
2. I am a member of the governing body of the [Raíces del Saber Xinachtli Community School] in Las Cruces, 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 [Raíces del Saber Xinachtli Community 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.

[Signature]
[Signature]

10-10-18
Date

[Ray Reich]

VERIFICATION

The forgoing Affidavit of Governing Body Member was subscribed and sworn to before me, this 10 day of Oct., 2018.

[Notary Seal:]

Cynthia D. Nelson

My commission expires: 7-17, 2021.



AFFIDAVIT OF GOVERNING BODY MEMBER

STATE OF NEW MEXICO)

COUNTY OF Dona Ana)

I, SARALYNN BORDEN, after being duly sworn, state:

1. My name is Alejandro Flores and I reside in Las Cruces, New Mexico.
2. I am a member of the governing body of the [Raíces del Saber Xinachtli Community School] in Las Cruces, 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 [Raíces del Saber Xinachtli Community 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.

[Signature] S. Borden

10/30/2018
Date

ALEJANDRO FLORES
[Alejandro Flores]

VERIFICATION

The forgoing Affidavit of Governing Body Member was subscribed and sworn to before me, this 30 day of Oct., 2018.

[Notary Seal:]

SARALYNN BORDEN

NOTARY PUBLIC

My commission expires: May 20, 2020



AFFIDAVIT OF GOVERNING BODY MEMBER

STATE OF NEW MEXICO)

COUNTY OF Dona Ana)

I, Paul H Gutierrez, after being duly sworn, state:

1. My name is Paul H. Gutierrez and I reside in Las Cruces, New Mexico.
2. I am a member of the governing body of the [Raíces del Saber Xinachtli Community School] in Las Cruces, 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 [Raíces del Saber Xinachtli Community 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.

Paul H. Gutierrez
[Signature]

11/27/18
Date

Paul H. Gutierrez

VERIFICATION

The forgoing Affidavit of Governing Body Member was subscribed and sworn to before me, this 27th day of November, 2018.

[Notary Seal:]

Edward Saavedra

NOTARY PUBLIC

My commission expires: Sept 21, 2019.



OFFICIAL SEAL
EDWARD SAAVEDRA
NOTARY PUBLIC-State of New Mexico

My Commission Expires 9-21-19

AFFIDAVIT OF GOVERNING BODY MEMBER

STATE OF NEW MEXICO)

COUNTY OF)

I, Irene Oliver Lewis, after being duly sworn, state:

1. My name is Irene Oliver Lewis and I reside in Las Cruces, New Mexico.
2. I am a member of the governing body of the [Raíces del Saber Xinachtli Community School] in Las Cruces, 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 [Raíces del Saber Xinachtli Community 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.

Irene Oliver Lewis
[Signature]

November 1, 2018
Date

Irene Oliver Lewis
[Print]

VERIFICATION

The forgoing Affidavit of Governing Body Member was subscribed and sworn to before me, this 1 day of Nov, 2018.

[Notary Seal:]

Michelle Silva

NOTARY PUBLIC





8/23, 2020

Online Educator Licensure Detail

[Return to search page](#)

Primary Information	
Full Name	MICHAEL JEROME VIGIL
License Number	340532

Valid Certificates

Certification Number 	Certification Level	Certificate Description 	Start Date	Expire Date	Status
340532	LEVEL TWO	SCHOOL BUSINESS OFFICIAL	Jul 01, 2013	Jun 30, 2022	Approved

Endorsements For Selected Certificate

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 [Raíces del Saber Xinachtli Community school] is adequately bonded and that [Raíces del Saber Xinachtli Community school] is insured through Public School Insurance Authority.

Attached:

- ☐ Bonding Declaration from: Poms & Associates Insurance
[Name of institution or agency]
- ☐ Certificate of Insurance from: Poms & Associates Insurance
[Name of institution or agency]



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

11/16/2018

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 have ADDITIONAL INSURED provisions or 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 Insurance Authority Member: Raices Del Saber Xinachtli Community School 410 Old Taos Highway Santa Fe NM 87501	INSURER(S) AFFORDING COVERAGE INSURER A: New Mexico Public Schools Insurance Authority INSURER B: Safety National INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES**CERTIFICATE NUMBER:** Raices Del Saber**REVISION NUMBER:**

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	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Owners Contractors <input type="checkbox"/> Protective Liability GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			MOC NO L0021	07/01/2018	07/01/2019	EACH OCCURRENCE \$ Tort Limit DAMAGE TO RENTED PREMISES (Ea occurrence) \$ Tort Limit MED EXP (Any one person) \$ Tort Limit PERSONAL & ADV INJURY \$ Tort Limit GENERAL AGGREGATE \$ Tort Limit PRODUCTS - COMP/OP AGG \$ Tort Limit Maximum Liability \$ 1,050,000
	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY			MOC NO L0021	07/01/2018	07/01/2019	COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ Tort Limit BODILY INJURY (Per accident) \$ Tort Limit PROPERTY DAMAGE (Per accident) \$ Tort Limit Maximum Liability \$ 1,050,000
	UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N	N/A		SP4055030	07/01/2018	07/01/2019


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

EVIDENCE OF COVERAGE

CANCELLATION

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 

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



CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)
11/16/2018

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.

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 FAX (A/C, No): (818) 449-9449 E-MAIL ADDRESS: rservices@pomsassoc.com PRODUCER CUSTOMER ID: 00016280
INSURED New Mexico Public Schools Insurance Authority Member: Raices del Saber Xinachtli Community School Charter 410 Old Taos Highway Santa Fe NM 87501	INSURER(S) AFFORDING COVERAGE INSURER A: Berkley Regional Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** Raices Del Saber **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
	<input type="checkbox"/> PROPERTY				<input type="checkbox"/> BUILDING	\$
	<input type="checkbox"/> CAUSES OF LOSS	<input type="checkbox"/> DEDUCTIBLES			<input type="checkbox"/> PERSONAL PROPERTY	\$
	<input type="checkbox"/> BASIC	<input type="checkbox"/> BUILDING			<input type="checkbox"/> BUSINESS INCOME	\$
	<input type="checkbox"/> BROAD	<input type="checkbox"/> CONTENTS			<input type="checkbox"/> EXTRA EXPENSE	\$
	<input type="checkbox"/> SPECIAL				<input type="checkbox"/> RENTAL VALUE	\$
	<input type="checkbox"/> EARTHQUAKE				<input type="checkbox"/> BLANKET BUILDING	\$
	<input type="checkbox"/> WIND				<input type="checkbox"/> BLANKET PERS PROP	\$
	<input type="checkbox"/> FLOOD				<input type="checkbox"/> BLANKET BLDG & PP	\$
					<input type="checkbox"/> Contents	\$
	<input type="checkbox"/> INLAND MARINE	TYPE OF POLICY				\$
	<input type="checkbox"/> CAUSES OF LOSS					\$
	<input type="checkbox"/> NAMED PERILS	POLICY NUMBER				\$
A	<input checked="" type="checkbox"/> CRIME	BGOV-45001509-23	07/01/2018	07/01/2019	<input checked="" type="checkbox"/> Employee Theft	\$ 2,000,000
	<input type="checkbox"/> TYPE OF POLICY				<input checked="" type="checkbox"/> Forgery or Alteration	\$ 2,000,000
					<input checked="" type="checkbox"/> Faithful Performance	\$ 1,000,000
	<input type="checkbox"/> BOILER & MACHINERY / EQUIPMENT BREAKDOWN					\$
						\$
						\$
						\$

SPECIAL CONDITIONS / OTHER COVERAGES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Evidence of Crime Coverage - Faithful Performance of Duty Coverage for Governmental Employees and Employee Theft for Raices Del Saber Xinachtli Community School

CERTIFICATE HOLDER EVIDENCE OF COVERAGE	CANCELLATION 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 
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3-1.5.A-1

Raíces Enrollment Lottery Policy and Procedures

Purpose: Raices del Saber Xinachtli abides by all New Mexico and federal school enrollment laws and regulations. Raices encourages diversity and does not discriminate based on gender, race, national or ethnic origin, sexual orientation, economic standing, religion, language, or disability of the child in its enrollment policies or educational programs. Eligibility criteria for attending Raices includes New Mexico residency and the student's grade levels alignment to those served by Raices in a given school year. In accordance with state law, children must be 5-years of age as of September 1st of their Kindergarten year to enroll in a New Mexico public school. Prospective students who do not meet the age criteria will be ineligible for enrollment. Admissions to Raices del Saber Xinachtli Community School will occur through a lottery selection process, with preference given to siblings of students who are already admitted or in attendance at Raices. Students admitted to Raices are required to complete all registration paperwork in order to complete the enrollment process.

Policy: Raices del Saber Xinachtli abides by all New Mexico and federal school enrollment laws and regulations. Raices encourages diversity and does not discriminate based on gender, race, national or ethnic origin, sexual orientation, economic standing, religion, language, or disability of the child in its enrollment policies or educational programs. Eligibility criteria for attending Raices includes New Mexico residency and the student's grade levels alignment to those served by Raices in a given school year. In accordance with state law, children must be 5-years of age as of September 1st of their Kindergarten year to enroll in a New Mexico public school. Prospective students who do not meet the age criteria will be ineligible for enrollment. Admissions to Raices del Saber Xinachtli Community School will occur through a lottery selection process, with preference given to siblings of students who are already admitted or in attendance at Raices. Students admitted to Raices are required to complete all registration paperwork in order to complete the enrollment process.

Lottery Overview

Raices del Saber will collect lottery applications from prospective students' families who are interested in and eligible for enrollment. The school will conduct a lottery if it receives more applications for enrollment than there are available spaces. If the school receives fewer applicants than spaces, and a lottery is unnecessary, all lottery applicants will automatically be admitted. Dates for the lottery drawing are conducted based on the discretion of the Raices del Saber Team and publicly announced on the school's website. Parents have the option of applying to Raices del Saber by submitting an online application through our website (www.raicesdelsaber.org), a paper application that can be picked up at the school, or scanning a paper application and sending it via email to the school. One application per child per grade will be accepted.

Annually, the school will announce its enrollment period, the number of seats available per grade level at the school along with all relevant dates and deadlines. Each class will be limited to 20 students, starting with 2 kindergarten classes and one first grade class in the opening year for a total of 60 students. In future years an additional 40 students will be added each year. For instance, in year two we will open the second class for first graders and add one class for the 2nd grade so that by year 5 we will have two classes of 20 students for grades K-5. Each year, during enrollment period, we will post how many open seats per class per grade level will be available. The information will be made public through the school's website as well as print materials such as fliers and brochures.

The lottery is a random selection process by which applicants are admitted to a charter school to ensure that all applicants have an equal chance of being admitted. Upon completion of the lottery drawing, waitlists are established for each grade. All parents of students who will be offered enrollment are called first, then emailed a notification of contingent enrollment. Parents will have 14 days to confirm or decline enrollment in writing. If parents do not respond within 14 days and a lottery was conducted, OR if parents decline enrollment, the seat will be forfeited. The next student on the waitlist will be offered enrollment. Notification of available space is made to the next parent/student on the waitlist as soon as an opening occurs.

After a student is selected in the lottery parents/guardians must pick up and return completed enrollment/registration forms within two weeks (14 days) of being notified. A selected student whose enrollment forms are not received in the school office by this date and time will forfeit his/her spot to the next student on the waiting list. All deadlines will be communicated to parents during the phone call and in the email notification of contingent enrollment.

Parents may, at any time, contact the school to obtain the waitlist status of their child.

The Lottery Procedures

- 1) Parents interested in enrolling their student at Raices Del Saber must complete an application (online, in person, or via email) by the deadline for the lottery applications.
- 2) A neutral party will oversee the lottery. We will invite a well-known community citizen to do the drawing who has no children or relatives enrolled in the school and does not plan to enroll any children or relatives. It will be someone who also is not related to governance board members or staff.
- 3) Every child that submitted an application will be given a number. Numbers are placed into a hat and randomly drawn. The first 20 students in each grade are eligible to enroll and remaining applicants are added to a waitlist in the order drawn, and by grade level.
- 4) In the case of siblings (brother/sister), if the first sibling is selected, e.g., for 1st, then the second sibling will automatically be given a seat in his/her respective grade level.
- 5) Once all the seats are filled, the waitlist will be created.
- 6) If a seat becomes available a lottery drawing will be conducted with the students on the waiting list. Parents will be notified if they were selected. If parents decline, the spot will be offered to another student.
- 7) Attendance at the lottery is not required, though parents are welcome to attend. We do not encourage children to attend.

Admissions Rule for Students Already Enrolled and Siblings of Currently Enrolled Students

New Mexico statute 22-8B-4.1 describes the enrollment procedures for admitting students to charter schools in the school's second year of operation and beyond as being able to give preference to:

- 1) students who have been admitted to the charter school through an appropriate admission process and remain in attendance through subsequent grades; and
- 2) siblings of students already admitted to or attending the same charter school.

Sibling means:

- a brother or sister living in the same household, at least 50% of the time, who have one or both parents in common,
- a half or step-sibling living in the household at least 50% of the time,
- students who live together due to cohabitation of the adult partners at least 50% of the time,
- or a foster child or child under legal guardianship of parent(s) of a student who is currently attending Raíces del Saber.

Procedures for Admission of Siblings

- 1) Siblings of currently enrolled students are given sibling priority and are placed in their own lottery during the Raíces spring lottery process.
- 2) Having an enrolled sibling does not automatically guarantee enrollment into the school for the following year.
- 3) If there are several siblings applying for one grade level, they will be placed in the sibling lottery to determine who will be accepted into any available spots and their order at the top of the waiting list.
- 4) It is the parent/guardian's responsibility to notify the school and fill out an enrollment application for siblings applying for the lottery by the deadline announced. Applications received after the deadline/lottery process will automatically be placed on the waiting list after any other siblings already on the list.
- 5) Birth certificate or documentation of legal guardianship must show the relation between the student and parent/guardian or acceptable proof of co-habitation shall be an affidavit signed by both cohabitants that the sibling of the enrolled student is living with the cohabitant at least 50% of the time or relevant court order describing same, or marriage license

CERTIFICATE OF ASSURANCES

My name is Jane A. Asche and I reside in Las Cruces, NM. I am a member of the governing body for Raices del Saber Xinachtli Community School a charter school which is located at Las Cruces, 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.

Jane A. Asche

Printed Name

Jane A. Asche

Signature

04/25/2019

Date

CERTIFICATE OF ASSURANCES

My name is Ray Reich and I reside in Santa Theresa, NM. I am a member of the governing body for Raices del Saber Xinachtli Community School a charter school which is located at Las Cruces, 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.
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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.

Ray Reich

Printed Name



Signature

04/26/2019

Date

CERTIFICATE OF ASSURANCES

My name is Alejandro Flores and I reside in Las Cruces, NM. I am a member of the governing body for Raices del Saber Xinachtli Community School a charter school which is located at Las Cruces, 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.
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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.

Alejandro Flores

Alejandro Flores
Printed Name


Signature

04/26/2019

04/26/2019
Date

CERTIFICATE OF ASSURANCES

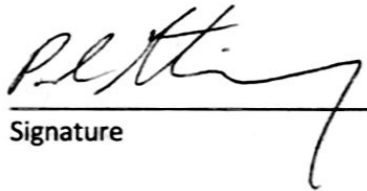
My name is Paul Gutierrez and I reside in Las Cruces, NM. I am a member of the governing body for Raices del Saber Xinachtli Community School a charter school which is located at Las Cruces. I certify that the CHARTER SCHOOL complies with all applicable federal and state laws governing the organizational 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.

Paul Gutierrez

Printed Name



Signature

04/25/2019
4/25/2019
Date

CERTIFICATE OF ASSURANCES

My name is Emma Aremendáriz and I reside in Las Cruces, NM. I am a member of the governing body for Raices del Saber Xinachtli Community School a charter school which is located at Las Cruces. 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.
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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.
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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.

Emma Armendariz

Emma Armendariz
Printed Name

Emma Armendariz
Signature

04/25/2019

Date

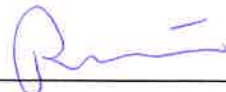
CERTIFICATE OF ASSURANCES

My name is ___Rocio Benedicto___ and I reside in ___El Paso, TX___. I am a member of the governing body for ___Raices del Saber Xinachtli Community School___ a charter school which is located at Las Cruces___, 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.
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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.

Rocio Benedicto
Printed Name


Signature

04/25/19
Date

CERTIFICATE OF ASSURANCES

My name is Irene Oliver-Lewis and I reside in Las Cruces, NM. I am a member of the governing body for Raices del Saber Xinachtli Community School a charter school which is located at Las Cruces, 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.
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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.

Irene Oliver-Lewis

Irene Oliver-Lewis

Printed Name

Irene Oliver-Lewis

Signature

04/25/2019

4/25/2019

Date



NEW MEXICO
GENERAL SERVICES DEPARTMENT

Lucia Carmona

*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 10th day of April 2019

Chief Procurement Officer Certification

Certificate No. CPO-2019-00000-02228



Mark W. Hayden
State Purchasing Agent

**NEW MEXICO PUBLIC SCHOOL FACILITIES AUTHORITY
CHARTER SCHOOL LEASE
(PRIVATE FACILITIES)**

PART “A”

This Charter School Lease (“**Lease**”) is made and entered into as of the 29th day of April 2019 (“**Reference Date Only**”), by and between “Landlord” and “School”.

SPECIFIC LEASE PROVISIONS (SLP)

- A. “Landlord”: **FAMILIES AND YOUTH INCORPORATED**, a New Mexico nonprofit corporation
- B. Landlord’s Notification Address: Families and Youth Incorporated
Attn: Brian Kavanaugh, CEO
1320 S. Solano
Las Cruces, New Mexico 88001
- C. “School”: **RAÍCES DEL SABER XINACHTLI COMMUNITY SCHOOL**, a public charter school
- D. School’s Notification Address: Raíces del Saber Xinachtli Community School
Attn: Lucia Carmona
Before the Term Commencement Date:
1565 5th Street
Las Cruces, New Mexico 88005
After the Term Commencement Date:
2211 N. Valley Drive
Las Cruces, New Mexico 88007
- E. “Premises”: The real estate in Doña Ana County, New Mexico, having an address of 2211 N. Valley Drive, Las Cruces, New Mexico 88007, described on Addendum “One” (“**Land**”), together with the “**Building**” containing 5,109 square feet, more or less, and other “**Improvements**” existing or to be constructed thereon.
- F. Tenant Improvements: “**Landlord’s Work**”: The Improvements to the Building and other areas of the Premises that are to be constructed by Landlord pursuant to Addendum “Three”.

Lease from FYI to
Raices del Saber Xinachtli Community School

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- G. "Permitted Use": A school and all related legal uses, including evening events, community events, public meetings and community uses.
- H. Certifications/Approvals/Uses: The FMP/Ed. Spec/Conflict of Interest Questionnaire has not yet been approved by NMPSFA.
- I. Commencement Dates:
- (1) "**Term Commencement Date**": The date on which Delivery of Possession of the Premises to School by Landlord occurs. The Term Commencement Date and certain other dates referenced in this Lease will be memorialized by Landlord and School within 30 days after the Term Commencement Date on the "Acknowledgment of Revised Provisions" attached hereto as Addendum "Four".
 - (2) "**Outside Term Commencement Date**": August 12, 2019.
 - (3) "**Rent Commencement Date**": The Term Commencement Date.
- If the Outside Term Commencement Date is postponed pursuant to Section 3.5 (Delayed Opening) or Addendum "Three" (Tenant Improvements by Landlord), then the Term Commencement Date and the Rent Commencement Date shall occur on the date on which Delivery of Possession of the Premises to School by Landlord occurs, but in no event prior to July 1, 2020.
- J. Term:
- (1) "**Initial Term**": The term of this Lease commences on the Term Commencement Date and continues until the end of the fifth Lease Year.
 - (2) "**Renewal Term**": One (1) 5-year extension of the Initial Term to be exercised pursuant to Section 3.3.
- K. "Charter Expiration Date": School's current five (5) year charter expires on June 30, 2024.
- L. Rent: "**Base Rent**" is set forth on Addendum "Five" attached hereto.

- M. "School's Insurance": School shall maintain insurance coverage as required by the NMPSIA pursuant to Section 6.20.2.20 NMAC. The initial coverages shall be as set forth on Addendum "Six".
- N. "Security Deposit": None.
- O. "Broker": IMA Asset Managers, LLC (Frederick G. Mobley), which is representing Landlord.
- P. Addenda to SLP:
- Addendum "One": Legal Description of the Land
 - Addendum "Two": Aerial photo of the Premises
 - Addendum "Three": Tenant Improvements by Landlord
 - Addendum "Four": Acknowledgment of Revised Provisions
 - Addendum "Five": Base Rent
 - Addendum "Six": School's Insurance
- Q. Exhibits to GLT:
- Exhibit "A": Amendments to General Lease Terms
 - Exhibit "B": Form of Indemnification Agreement

References in the "General Lease Terms" to the "Specific Lease Provisions" or "SLP" are references to the information set out above. Each term used but not defined in the SLP shall have the meaning set forth in the General Lease Terms. If a conflict exists between the Specific Lease Provisions and the General Lease Terms, the Specific Lease Provisions will control. References to "Paragraphs" are to the Specific Lease Provisions and references to "Articles" or "Sections" are to the General Lease Terms.

ADDENDUM “ONE”

Legal Description of the Land

The Land is most of Lot 1 of U.S.R.S. Tracts 7-28D and 9B-23, Replat No. 1, which lot is shown and designated on that replat, which was filed for record on November 23, 2015 (reception no. 1525055), and recorded in Plat Book No. 24 at pages 11 and 12 and filed in the records of the County Clerk of Doña Ana County, New Mexico, and which lot is identified by the County Assessor of that county as parcel no. 4-005-134-407-037. More specifically, the Land is the part of that lot that is shaded in blue on the aerial photo of that lot that is attached to this Lease as Addendum “Two”.

ADDENDUM "TWO"

Aerial Photo of the Premises



Lease from FYI to
Raices del Saber Xinachtli Community School

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ADDENDUM "THREE"

Tenant Improvements by Landlord

Landlord shall construct the following Improvements to the Premises ("**Landlord's Work**") prior to the Term Commencement Date:

1. Convert existing Dining and Kitchen into new Grade 1 classroom;
2. Create new Serving Kitchen;
3. Modify Reception area, including adding a pass through window;
4. Create a multi purpose room from existing space;
5. Add two (2) new restrooms;
6. Add square footage on west end of Building to allow for new 2 Kindergarten classrooms @ 1,000 square feet each;
7. Modify existing plumbing, fire sprinkler system, HVAC systems to accommodate new upgrades and occupancy changes.

Attached hereto as Schedule I and incorporated herein by reference are more detailed plans and specifications for the Landlord's Work.

School shall pay the architects directly for their services in preparing the preliminary design and construction documents, obtaining the permitting, and inspecting and coordinating the construction of Landlord's Work. School shall also reimburse Landlord for part of the other costs of Landlord's Work on the Effective Date. That part will amount to the difference between \$65,000 and the total amount that School pays architects for their services described in the first sentence of this paragraph.

NACA-Inspired Schools Network has agreed to reimburse Landlord, pursuant to the terms and conditions of the indemnification agreement attached to this Lease as **Exhibit B**, which shall be executed by NACA-Inspired Schools Network and delivered by School to Landlord concurrently with the execution of this Lease, for certain costs that Landlord incurs in constructing Landlord's Work if School exercises any right it has to postpone the Outside Term Commencement Date or to terminate this Lease for any reason other than pursuant to Section 16.5 (Landlord's Default).

"**Substantial Completion**" of Landlord's Work shall be deemed to be on the date that (a) Landlord delivers a certification to School from Landlord's architect or contractor that Landlord's Work has been completed, subject only to a punch list ("**Punch List**") of minor items remaining to be

corrected by Landlord, which will be prepared by representatives of Landlord and School, and which will not materially interfere with School's Permitted Use of the Premises, (b) a "certificate of occupancy" or comparable certificate has been issued for Landlord's Work by the appropriate governmental authorities, and (c) the portion of the Premises and Improvements to be used for school activities complies with the Statewide Adequacy Standards. The Punch List shall be completed by Landlord within 30 days after the Term Commencement Date.

School shall also have the right to enter into possession of the Premises under duress prior to Substantial Completion of Landlord's Work if School is required to open or be in violation of its charter, and the Premises satisfy all Statewide Adequacy Standards.

Upon School's written request, Landlord shall also place on the Premises up to four (4) portable classrooms (approximate size 24' x 64' w/2 classrooms and a restroom in each).

School acknowledges that Landlord must obtain a special use permit from Doña Ana County, New Mexico (the "**County**"), in order for School to operate a school on the Premises and that Landlord cannot obtain a building permit from the County for Landlord's Work until Landlord obtains that special use permit. Landlord has applied for the special use permit and expects the County's Planning and Zoning Commission (the "**P&Z**") to consider granting that permit at its meeting that is scheduled to take place on May 23, 2019. If the P&Z does not approve the granting of the special use permit at that meeting or if Landlord does not obtain a building permit from the County for Landlord's Work by May 30, 2019, then Landlord's contractor will not be able to substantially complete Landlord's Work before the Outside Term Commencement Date. Therefore, if the P&Z does not approve the granting of the special use permit at its meeting on May 23, 2019, or if Landlord does not obtain a building permit from the County for Landlord's Work by May 30, 2019, then either party may, by written notice delivered to the other party by June 6, 2019, either (1) postpone the Outside Term Commencement Date to any specified date, provided that such date is no earlier than July 1, 2020, and is no later than August 1, 2020, or (2) terminate this Lease. If the P&Z does not approve the granting of the special use permit at its meeting on May 23, 2019, and neither party terminates this Lease pursuant to the preceding sentence, then Landlord shall appeal the P&Z's denial of the special use permit to the County's Board of County Commissioners, but Landlord shall not be required to appeal any denial by that board of the special use permit to a state district court. If Landlord does not obtain the special use permit by July 31, 2019, then either party may, by written notice delivered to the other party by August 9, 2019, terminate this Lease.

School also acknowledges that Landlord's contractor will not have much time to construct Landlord's Work by the Outside Term Commencement Date. As a result, Landlord's contractor will not guarantee that Substantial Completion of Landlord's Work will occur by that date. If Substantial Completion of Landlord's Work and Delivery of Possession does not occur by the Outside Term Commencement Date, then Landlord shall not be in default, but School may, by written notice delivered to Landlord by August 26, 2019, postpone the Outside Term Commencement Date to any specified date, provided that such date is no earlier than July 1, 2020, and no later than August 1,

2020, and in the event School does that, the Term Commencement Date and the Rent Commencement Date will occur on the later of (1) July 1, 2020, or (2) the date Landlord's Delivery of Possession of the Premises to School occurs.

Schedule I to Addendum “Three”
Tenant Improvements by Landlord
Plans and Specifications
(To be attached)

ADDENDUM "FOUR"

Acknowledgment of Revised Provisions

THIS ACKNOWLEDGMENT is entered into effective the _____ day of _____, 2019, by and between **FAMILIES AND YOUTH INCORPORATED**, a New Mexico nonprofit corporation ("Landlord"), and **RAÍCES DEL SABER XINACHTLI COMMUNITY SCHOOL**, a public charter school ("School").

WHEREAS, Landlord and School entered into a Lease dated April 29, 2019 (the "Lease"), involving the Premises located at 2211 North Valley Drive, Las Cruces, New Mexico 88007; and

WHEREAS, the parties desire to establish the Term Commencement Date, Rent Commencement Date, and/or revise other terms and provisions of the Lease.

NOW, THEREFORE, in consideration of the above and other good and valuable consideration, the receipt of which is hereby acknowledged, IT IS AGREED AS FOLLOWS:

1. All capitalized terms shall have the definitions set forth in the Lease, unless otherwise defined herein.
2. The Term Commencement Date is hereby acknowledged to be _____, 20__.
3. The Rent Commencement Date is hereby acknowledged to be _____, 20__.
4. The Initial Term shall terminate on June 30, 202__.
5. Except as herein modified and amended, the remaining terms and provisions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto set their hands effective the date first hereinabove set forth.

FAMILIES AND YOUTH INCORPORATED, a New Mexico nonprofit corporation

By: _____
Name: _____
Title: _____

RAÍCES DEL SABER XINACHTLI COMMUNITY SCHOOL, a public charter school

By: _____
Name: _____
Title: _____

ADDENDUM "FIVE"

Base Rent

<u>Initial Term:</u>	<u>Annual Base Rent:*</u>	<u>Monthly Base Rent:</u>
1 st Lease Year	\$52,367.25** (\$10.25/sq. ft.)	\$4,363.94
2 nd Lease Year	\$69,476.25 (\$13.60/sq. ft.)	\$5,789.69
3 rd Lease Year	\$74,585.25 (\$14.60/sq. ft.)	\$6,215.44
4 th Lease Year	\$79,694.25 (\$15.60/sq. ft.)	\$6,641.19
5 th Lease Year	\$83,526.00 (\$16.35/sq. ft.)	\$6,960.50

Renewal Term:

6 th Lease Year	\$85,626.84 (\$16.76/sq. ft.)	\$7,135.57
7 th Lease Year	\$87,772.62 (\$17.18/sq. ft.)	\$7,314.39
8 th Lease Year	\$89,969.49 (\$17.61/sq. ft.)	\$7,497.46
9 th Lease Year	\$92,217.45 (\$18.05/sq. ft.)	\$7,684.79
10 th Lease Year	\$94,516.50 (\$18.50/sq. ft.)	\$7,876.38

In addition, for each portable classroom that Landlord places on the Premises pursuant to Addendum "Three," School shall pay additional Base Rent of \$1,200.00 per month from the date that the portable classroom is ready and available for School's use and occupancy.

*The annual Base Rent is based on the square foot prices reflected in parenthesis multiplied by the estimated floor space of the Building, which is 5,109 square feet.

**If the first Lease Year is less than a full year, the annual Base Rent for that Lease Year will be prorated.

"RCD" - Rent Commencement Date

ADDENDUM “SIX”

School’s Insurance

(Certificates of Insurance Attached)



CERTIFICATE OF LIABILITY INSURANCE


DATE (MM/DD/YYYY)
11/16/2018

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 have ADDITIONAL INSURED provisions or 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 FAX (A/C, No): (818) 449-9449 E-MAIL: rservices@pomsassoc.com
INSURED New Mexico Public Schools Insurance Authority Member: Raices Del Saber Xinachtli Community School 410 Old Taos Highway Santa Fe NM 87501		INSURER(S) AFFORDING COVERAGE INSURER A: New Mexico Public Schools Insurance Authority INSURER B: Safety National INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES		CERTIFICATE NUMBER: Raices Del Saber		REVISION NUMBER:			
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	ADDL INSD	SUBR WVD	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Owners Contractors <input type="checkbox"/> Protective Liability GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			MOC NO. L0021	07/01/2018	07/01/2019	EACH OCCURRENCE \$ Tort Limit DAMAGE TO RENTED PREMISES (Ea occurrence) \$ Tort Limit MED EXP (Any one person) \$ Tort Limit PERSONAL & ADV INJURY \$ Tort Limit GENERAL AGGREGATE \$ Tort Limit PRODUCTS - COMPIOP AGG \$ Tort Limit Maximum Liability \$ 1,050,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			MOC NO. L0021	07/01/2018	07/01/2019	COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ Tort Limit BODILY INJURY (Per accident) \$ Tort Limit PROPERTY DAMAGE (Per accident) \$ Tort Limit Maximum Liability \$ 1,050,000
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	SP4055030	07/01/2018	07/01/2019	<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
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 EVIDENCE OF COVERAGE	CANCELLATION 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 
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ACORD 25 (2016/03)

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Lease from FYI to
Raices del Saber Xinachtli Community School

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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

OFREMARK

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CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)
11/16/2018

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.

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: 00016280	FAX (A/C, No): (818) 449-9449
INSURED New Mexico Public Schools Insurance Authority Member: Raices del Saber Xinachtli Community School Charter 410 Old Taos Highway Santa Fe NM 87501	INSURER(S) AFFORDING COVERAGE INSURER A: Berkley Regional Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES CERTIFICATE NUMBER: Raices Del Saber 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
	PROPERTY				BUILDING	\$
	CAUSES OF LOSS DEDUCTIBLES				PERSONAL PROPERTY	\$
	BASIC BUILDING				BUSINESS INCOME	\$
	BROAD CONTENTS				EXTRA EXPENSE	\$
	SPECIAL				RENTAL VALUE	\$
	EARTHQUAKE				BLANKET BUILDING	\$
	WIND				BLANKET PERS PROP	\$
	FLOOD				BLANKET BLDG & PP	\$
					Contents	\$
						\$
	INLAND MARINE	TYPE OF POLICY				\$
	CAUSES OF LOSS	POLICY NUMBER				\$
	NAMED PERILS					\$
						\$
A	<input checked="" type="checkbox"/> CRIME	BGOV-45001509-23	07/01/2018	07/01/2019	<input checked="" type="checkbox"/> Employee Theft	\$ 2,000,000
	TYPE OF POLICY				<input checked="" type="checkbox"/> Forgery or Alteration	\$ 2,000,000
					<input checked="" type="checkbox"/> Faithful Performance	\$ 1,000,000
	BOILER & MACHINERY / EQUIPMENT BREAKDOWN					\$
						\$
						\$
						\$

SPECIAL CONDITIONS / OTHER COVERAGES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Evidence of Crime Coverage - Faithful Performance of Duty Coverage for Governmental Employees and Employee Theft for Raices Del Saber Xinachtli Community School

CERTIFICATE HOLDER

CANCELLATION

EVIDENCE OF COVERAGE

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

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**NEW MEXICO PUBLIC SCHOOL FACILITIES AUTHORITY
CHARTER SCHOOL LEASE
(PRIVATE FACILITIES)**

PART “B”

DEFINITIONS

“**Acknowledgment of Revised Provisions**” means Addendum “Four”.

“**Alterations by School**” is defined in Article IX.

“**Anti-Donation Clause**” means Article IX, Section 14 of the New Mexico Constitution.

“**Base Rent**” is defined in Paragraph L of the SLP and Addendum “Five”.

“**Board**” means the governing body of School.

“**Broker**” is defined in Paragraph O of the SLP.

“**Building**” means the building that is a part of the Premises.

“**Business Day(s)**” means any day other than a Saturday, a Sunday or a day on which federal banks in the City of Las Cruces, New Mexico, are authorized by law to remain closed.

“**Charter Expiration Date**” is defined in Paragraph K of the SLP.

“**Charter Schools Act**” means Sections 22-8B-1 et seq. NMSA 1978, as amended.

“**Delivery of Possession**” is defined in Section 7.2(a).

“**Effective Date**” is the date the last of Landlord and School fully execute this Lease.

“**Event(s) of Default**” is defined in Section 16.1(a).

“**Event of Nonappropriation**” is defined in Section 6.3.

“**First Mortgage**” means any bona fide first mortgage or deed of trust secured by the Premises whether existing on the Effective Date or thereafter during the Lease Term.

“**Fiscal Year**” means School’s fiscal year, which begins on July 1 of each year and ends on June 30 of the following year.

“Force Majeure” shall mean any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, terrorism, inability to obtain labor or materials or reasonable substitutes therefore, governmental restrictions, governmental regulations, governmental controls, delays in obtaining any governmental permit, including a special use permit for operation of a school on the Premises and a building permit for Landlord’s Work, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes (except financial) beyond the reasonable control of the party obligated to perform, shall excuse the performance by that party for a period equal to the prevention, delay or stoppage; provided the party prevented, delayed or stopped shall have given the other party written notice thereof within 30 days of such event causing the prevention, delay or stoppage.

“GLT” is the General Lease Terms.

“Hazardous Materials” is defined in Section 15.2.

“Hazardous Materials Laws” is defined in Section 15.2.

“Improvements” means the Building(s), site improvements, equipment and fixtures constituting real property located in, on or under the Land, as same may be constructed, removed, altered or otherwise renovated pursuant to the terms of this Lease.

“Initial Term” is defined in Paragraph J(1) of the SLP.

“Land” is defined in Paragraph E of the SLP and Addendum “One”.

“Landlord” is defined in Paragraph A of the SLP.

“Landlord’s Insurance” is defined in Section 12.1.

“Landlord’s Work” is defined in Paragraph F of the SLP and Addendum “Three”.

“Lease” is this Charter School Lease, and it includes all addenda, amendments, exhibits or supplements hereto.

“Lease Term” is the Initial Term and, if applicable, the Renewal Term.

“Lease Year” means, in the case of the first Lease Year, the period, even though it is less than a year, beginning on the Term Commencement Date and ending at the end of the day on June 30th of the next calendar year. Thereafter, each Lease Year shall commence on the day following the expiration of the preceding Lease Year and shall end at the expiration of 12 calendar months thereafter.

“**Net Proceeds**” is defined as: (a) the gross proceeds received: (1) from any insurance, performance bond or condemnation award or in lieu payment regarding the Premises, or (2) as a consequence of any default or breach of warranty under any contract relating to the Premises, minus (b) expenses incurred in the collection of such gross proceeds or awards.

“**NMPSFA**” means the New Mexico Public Schools Facilities Authority.

“**NMPSIA**” means the New Mexico Public Schools Insurance Authority.

“**PEC**” is the Public Education Commission of the State of New Mexico.

“**PED**” is the Public Education Department of the State of New Mexico.

“**Permitted Use**” is defined in Paragraph G of the SLP.

“**Person**” means any natural person, firm, corporation, partnership, limited liability company, State or local charter school, political subdivision of any state, other public body or other organization or association.

“**Premises**” is defined in Paragraph E of the SLP.

“**PSCOC**” means the Public School Capital Outlay Council.

“**Reference Date Only**” is the dated reflected in the first paragraph of this Lease.

“**Renewal Option**” is defined in Section 3.3.

“**Renewal Term**” is defined in Paragraph J(2) of the SLP.

“**Rent Commencement Date**” is defined in Paragraph I(2) of the SLP.

“**Requirements of Law**” means any federal, State or local statute, ordinance, rule or regulation, any judicial or administrative order, request or judgment, any common law doctrine or theory, any provision or condition of any permit or any other binding determination of any governmental authority relating to the ownership or operation of property, including any of the foregoing relating to zoning, environmental, health or safety issues.

“**School**” is defined in the Paragraph C of the SLP.

“**School’s Insurance**” is defined in Paragraph M of the SLP and Addendum “Six”

“**Security Deposit**” is defined in Paragraph N of the SLP.

“**SLP**” is the Specific Lease Provisions.

“**State**” means the State of New Mexico.

“**Statewide Adequacy Standards**” shall be effective July 1, 2015, for new leases and renewals of existing leases, and means the standards established in Sections 6.27.30.1 -.19 NMAC related to the use of the Premises for a school, and which standards Landlord is obligated to maintain at no additional cost to School or the State, or if applicable, Section 22-8B-4.2 F(2) NMSA 1978, as amended.

“**Substantial Completion**” is defined in Addendum “Three”.

“**Tenant Improvements**” is defined in Paragraph F of the SLP and Addendum “Three”.

“**Tort Claims Act**” is the New Mexico Tort Claims Act, Sections 41-4-1, et seq., NMSA 1978, as amended.

**NEW MEXICO PUBLIC SCHOOL FACILITIES AUTHORITY
CHARTER SCHOOL LEASE
(PRIVATE FACILITIES)**

PART “C”

GENERAL LEASE TERMS

RECITALS

I. School is a public charter school duly organized and validly existing pursuant to the Charter Schools Act, and School is authorized by the Charter Schools Act to contract with any third party for the use of a school building and grounds.

II. Landlord is the owner of the Premises.

III. School has determined it is in the best interests of School to lease the Premises from Landlord pursuant to this Lease, and the Board has duly authorized entering into this Lease; and Landlord has determined it is in the best interests of Landlord to lease the Premises to School pursuant to this Lease, and Landlord has duly authorized entering into this Lease.

IV. The terms and provisions of Part “A”, Specific Lease Provisions (SLP), which contains the variable provisions of this Lease, are incorporated herein.

V. Part “B”, Definitions, is incorporated herein.

VI. This Part “C”, General Lease Terms, shall not be modified, except by language in Part “A”, Special Lease Provisions, and addenda, amendments and exhibits referenced therein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration, it is agreed as follows:

**ARTICLE I
DEFINITIONS**

The capitalized terms in the SLP and the GLT shall have the definitions provided for in Part “B” Definitions.

ARTICLE II
REPRESENTATIONS, COVENANTS, WARRANTIES;
ACKNOWLEDGMENTS; CONTINGENCIES

Section 2.1. Representations, Covenants and Warranties by Landlord. Landlord represents, covenants and warrants that:

(a) Landlord (1) is duly organized, existing and in good standing under the laws of the State, (2) is the owner of the Premises, and (3) is duly authorized, by its governing body and applicable law, to own and lease the Premises to School and to execute, deliver and perform its obligations under this Lease.

(b) As of the Term Commencement Date, the Premises will comply with all Requirements of Law, including Statewide Adequacy Standards. Landlord further warrants that Landlord's Work has been or will be completed in accordance with Addendum "Three".

(c) Landlord has no conflict of interest with School or other third parties involving this Lease, or that have not been disclosed, reviewed and accepted by Board pursuant to Requirements of Law.

(d) Neither the execution and delivery of this Lease, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or will result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which Landlord is now a party, or which is binding on Landlord.

Section 2.2. Landlord Acknowledgment. Landlord acknowledges and recognizes that:

(a) This Lease will be terminated upon the occurrence of an Event of Nonappropriation;

(b) This Lease will be terminated upon nonrenewal or revocation of School's charter; and

(c) This is a "modified gross lease", meaning, as to operating costs for the Premises (including maintenance, repairs and replacements, property taxes, insurance and utilities), School is only responsible for certain maintenance, repairs and replacements to the Premises, utilities separately metered to School, janitorial services for the Premises, School's insurance, personal property taxes of School and specific obligations related to indemnity by School and the tortious conduct of School.

Section 2.3. Representations, Covenants and Warranties by School. School represents, covenants and warrants that:

(a) School is a public charter school duly authorized by the PEC or local school board, and duly organized and validly existing under the laws of the State.

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

(c) The representatives of School executing this Lease have been duly authorized to execute and deliver this Lease under the terms and provisions of a resolution of the Board or by other appropriate official action.

(d) School is not aware of any current violations of any Requirements of Law relating to the Premises, and School has complied with all Requirements of Law with respect to this Lease and all other Requirements of Law.

(e) School has appropriated sufficient monies in its operating budget to pay the Base Rent estimated to be payable in the first year of the Lease Term.

ARTICLE III
DEMISE OF PREMISES; LEASE TERM;
RENEWAL OPTION; DELAYED OPENING

Section 3.1. Demise of Premises. Landlord hereby leases to School and School leases from Landlord, on the terms and conditions set forth herein, the Premises for the Lease Term.

Section 3.2. Lease Term. The Lease Term shall commence on the Term Commencement Date and shall expire on the earlier of any of the following events:

(a) the last day of Initial Term or, if School exercises the Renewal Option, the last day of the Renewal Term;

(b) June 30 of any Fiscal Year during which an Event of Nonappropriation has occurred, provided that School does not operate a school in Doña Ana County, New Mexico, at any time during the remainder of the Initial Term or, if School exercises the Renewal Option, during the remainder of the Renewal Term;

(c) termination of this Lease following an Event of Default in accordance with Article XVI; or

(d) the final effective date of any nonrenewal/revocation of School's charter by the applicable authorities, provided that School does not operate a school in Doña Ana County, New Mexico, at any time during the remainder of the Initial Term or, if School exercises the Renewal Option, during the remainder of the Renewal Term.

Section 3.3. Renewal Option. Provided that School is not then in default in the performance of its obligations or in compliance with the requirement of this Lease, School shall have the option to extend the Initial Term for the Renewal Term on the same terms and conditions as provided for in this Lease for the Initial Term, except that the Base Rent for the Renewal Term shall be as set forth in Addendum "Five" (the "**Renewal Option**"). The Renewal Option shall be exercised in writing delivered to Landlord not later than 90 days prior to the expiration of the Initial Term. Notwithstanding the foregoing, if School does not exercise the Renewal Option within the applicable 90-day period, Landlord shall send written notice to School so notifying School, and School shall have 15 days after the receipt of said notice to exercise the Renewal Option.

Section 3.4. Effect of Termination of Lease Term. Upon termination of the Lease Term:

(a) All unaccrued obligations of School hereunder shall terminate, but all obligations of School that have accrued hereunder prior to such termination shall continue until they are discharged in full; and

(b) If the termination occurs because of the occurrence of an Event of Default, School's right to possession of the Premises hereunder shall terminate and (1) School shall, within 90 days, vacate the Premises; and (2) until School vacates the Premises, it shall pay Base Rent to Landlord.

(c) If the termination occurs because of the occurrence of an Event of Nonappropriation or the nonrenewal of School's charter, the termination shall be effective as of the last day of the then current Fiscal Year or upon the effective date of the revocation of School's charter in the case of revocation.

Section 3.5. Delayed Opening. In the event that School does not obtain the necessary approvals and funding to operate a school on the Premises during the 2019-2020 school year, School will have the right, which may only be exercised by written notice given to Landlord, to either (a) postpone the Outside Term Commencement Date to any specified date, provided that such date is no earlier than July 1, 2020, and is no later than August 1, 2020, or (b) terminate this Lease. In the event School exercises that right, Landlord will be compensated for the delay or termination by NACA-Inspired Schools Network pursuant to the Indemnification Agreement attached to this Lease as **Exhibit B**.

ARTICLE IV BASE RENT; SECURITY DEPOSIT

Section 4.1. Base Rent. From and after the Rent Commencement Date, School shall pay the Base Rent in monthly installments, on or before the first day of each month, without demand. Should the Rent Commencement Date occur on a day other than the first day of a calendar month, then the monthly installment of Base Rent for the first fractional month shall be equal to $\frac{1}{30}^{\text{th}}$ of the monthly installment of Base Rent for each day from the Rent Commencement Date to the end of the partial month.

Section 4.2. Security Deposit. Landlord in its discretion and from time to time and at any time shall be entitled to apply any portion or all of the Security Deposit, if any, for reimbursement or satisfaction of any and all Events of Default by School and/or any and all damages, losses, attorneys' fees, costs or expenses of Landlord resulting therefrom, including those not remedied by School within the period, if any, expressly provided for in this Lease for such remedial action. Upon Landlord giving School notice of any such application of the Security Deposit, School shall, within 30 days thereafter, pay to Landlord a sum sufficient to restore the amount of the Security Deposit to the amount set forth in the SLP. Within 30 days following expiration of the Lease Term (except as otherwise provided by law), Landlord shall refund to School any balance of the Security Deposit remaining on deposit with Landlord which has not been applied to reimbursement or satisfaction of the foregoing items, and Landlord shall have no further liability with respect to the Security Deposit. Interest shall not be payable or paid on the Security Deposit or any balance thereof, unless otherwise required by law. Landlord shall not be required to segregate the Security Deposit in a separate account.

Section 4.3. No Deduction or Set-Off; Late Charges. All Base Rent required hereunder shall be paid without demand, deduction, or setoff, and School shall not be entitled to any credit against any rent, except as may be otherwise herein expressly provided. If any Base Rent or other payment due from School to Landlord pursuant to this Lease (excluding late charges imposed by this Section) is not received within 10 days of its due date for any reason whatsoever, or if any payment of Base Rent or any other sum due from School to Landlord pursuant to this Lease is by check which is returned for insufficient funds, then in addition to the past due amount, School shall pay to Landlord a late charge in an amount equal to 5% of the Base Rent or other payment due from School to Landlord pursuant to this Lease, as the case may be, then due, in order to compensate Landlord for its administrative and other overhead expenses. Tenant hereby acknowledges that late payment by School to Landlord of Base Rent and other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain (such as processing and accounting charges). The parties hereby agree that any late charge imposed pursuant to this Lease does not represent interest, but rather represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by School. Landlord's acceptance of any such late charge shall not constitute a waiver of any default by School with respect to such overdue

amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

ARTICLE V USE; QUIET ENJOYMENT

Section 5.1. Use. The Premises shall only be used for the Permitted Use, without Landlord's prior written consent, which consent shall not be unreasonably withheld or delayed. School shall comply with all Requirements of Law related to the Premises and its use thereof, and School shall not take any action that would constitute a nuisance, nor permit any unlawful practice to be carried on or committed at the Premises.

Section 5.2. Quiet Enjoyment. Landlord covenants that School, on paying the Base Rent and all other sums due from School to Landlord pursuant to this Lease, and performing the covenants of this Lease shall and may peaceably and quietly have, hold and enjoy the Premises for the Lease Term, subject to any easements of record.

ARTICLE VI LIMITATIONS ON OBLIGATIONS OF SCHOOL; APPROPRIATION AND NONAPPROPRIATION OF FUNDS

Section 6.1. Limitations on Obligations of School.

(a) Payment of Base Rent by School shall constitute currently appropriated expenditures of School and may be paid from any legally available funds.

(b) School's obligations under this Lease shall be subject to School's annual right to terminate this Lease upon the occurrence of an Event of Nonappropriation or upon nonrenewal or revocation of School's charter, provided that School does not operate a school in Doña Ana County, New Mexico, at any time during the remainder of the Initial Term or, if School exercises the Renewal Option, during the remainder of the Renewal Term.

(c) No provision of this Lease shall be construed or interpreted (1) to directly or indirectly obligate School to make any payment in any Fiscal Year in excess of amounts appropriated by the State legislature for such Fiscal Year; (2) as creating a debt or multiple Fiscal Year direct or indirect debt or other financial obligation whatsoever of School within the meaning of the Anti-Donation Clause or any other constitutional or statutory limitation or provision; (3) as a delegation of powers by School; (4) as a loan or pledge of the credit or faith of School or as creating any responsibility by School for any debt or liability of any Person within the meaning of the Anti-Donation Clause; or (5) as a donation or grant by School to, or in aid of, any Person within the meaning of the Anti-Donation Clause.

(d) No provision of this Lease shall be construed to pledge or to create a lien on any class or source of monies of School, nor shall any provision of this Lease restrict the future issuance of any obligations of School, payable from any class or source of monies of School.

(e) Notwithstanding any other provision of this Lease, School shall be under no obligation to pay Base Rent or any other amount(s) on any portions of the Premises used for school activities that have not been certified pursuant to the Statewide Adequacy Standards.

Section 6.2. Appropriation. School shall include in each annual budget proposal submitted to the Board during the Lease Term, the entire amount of Base Rent scheduled to be paid; it being the intention of School that any decision to continue or to terminate this Lease shall be made solely by the Board, in its sole discretion, and not by any other official of School.

Section 6.3. Event of Nonappropriation. An “**Event of Nonappropriation**” shall be deemed to have occurred:

(a) On June 30 of any Fiscal Year if the State legislature has, on such date, failed, for any reason, to appropriate sufficient funds authorized to be used to pay all Base Rent scheduled to be paid in the next ensuing Fiscal Year, provided that (1) the Board has not designated other available funds to pay all or such part of such Base Rent that is not funded by appropriations from the State legislature and (2) School does not operate a school in Doña Ana County, New Mexico, at any time during the remainder of the Initial Term or, if School exercises the Renewal Option, during the remainder of the Renewal Term; or

(b) If:

(1) Damage to, a material defect in, or loss of title to the Premises pursuant to Section 13.1 has occurred, and

(2) the Net Proceeds received as a consequence of such event are not sufficient to repair, restore, modify, improve or replace the Premises in accordance with Section 13.3, and

(3) School has not appropriated amounts sufficient to proceed under Section 13.3(b) by June 30 of the Fiscal Year in which such event occurred or by June 30 of any subsequent Fiscal Year in which the insufficiency of Net Proceeds to repair, restore, modify, improve or replace the Premises becomes apparent, on June 30 of the Fiscal Year in which such event occurred or on June 30 of any subsequent Fiscal Year in which such insufficiency became apparent, as applicable.

ARTICLE VII
LANDLORD WORK; DELIVERY OF POSSESSION;
CONDITION OF PREMISES; EARLY ACCESS TO PREMISES

Section 7.1. Construction of Landlord's Work. If applicable, Landlord shall cause Landlord's Work to be constructed in accordance with Addendum "Three". School shall cooperate at all stages to promote the efficient and expeditious completion of Landlord's Work.

Section 7.2. Delivery of Possession.

(a) "Delivery of Possession" of the Premises shall be deemed to occur on Substantial Completion of Landlord's Work and Landlord's written notification to School that School may take possession of the Premises.

(b) Landlord warrants that as of the Term Commencement Date, the portion of the Premises to be used for school activities will comply with applicable Statewide Adequacy Standards, and that the Premises will comply with all other Requirements of Law.

Section 7.3. Early Access to Premises. School will have the right to enter the Premises before the Term Commencement Date to install fixtures and equipment, provided however, such access shall be subject to: (a) School coordinating with Landlord; (b) School providing Landlord evidence that all insurance required of School in Article XII has been obtained; and (c) such access shall be subject to the provisions of this Lease, except that the payment of Base Rent shall not be due prior to the Rent Commencement Date. School's early access shall not unreasonably interfere with Landlord's Work.

ARTICLE VIII
REPAIRS AND MAINTENANCE; LIENS; RIGHT OF ACCESS

Section 8.1. Repairs and Maintenance by Landlord.

(a) During the Lease Term, Landlord shall be responsible for maintaining the roof, foundation, and exterior walls of the Building, and electrical, HVAC, plumbing, and drainage systems servicing the Premises, in good condition (to Statewide Adequacy Standards), including repairs and replacements, except as otherwise provided for in Section 8.2. All maintenance, repairs and replacements to be made by Landlord shall be at Landlord's risk and expense.

(b) Landlord's obligations for maintenance, repairs and replacements, except as otherwise provided for in Section 8.2, shall be without reimbursement by School.

(c) Further, if at any time during the Lease Term, the Requirements of Law shall mandate that certain renovations or Improvements be made to the Premises, which do not result from

the use of the Premises for a school, Landlord shall bear the cost of making the renovations and Improvements without reimbursement from School.

(d) If, within seven (7) days after written notice by School to Landlord (or such shorter time as may be required in an emergency or pursuant to the Requirements of Law), Landlord fails to provide any of the maintenance, repairs or replacements required of Landlord, and/or fails to complete the same with reasonable diligence, then School may, at its option, provide such maintenance, repairs or replacements and the reasonable costs thereof may be deducted from succeeding Base Rent payable hereunder, provided that School provides documentation to Landlord before such deduction of the maintenance, repair or replacement provided and the cost thereof.

Section 8.2. Repairs and Maintenance by School.

(a) Subject to the obligations of Landlord set forth in Section 8.1, School shall be responsible for maintaining the interior of the Building and the parking area and landscaping of the Premises in good condition, including repairs and replacements, reasonable wear and tear, and loss due to casualty and eminent domain excepted, including paying for regular janitorial, weed and pest control, and HVAC service, repair of routine plumbing problems (including stopped up toilets or sinks), replacement of light bulbs and broken windows. School shall also be liable for the costs of repairing or replacing any damage to the Premises caused by the tortious conduct of School or any of its employees or other agents, including volunteers, or students, subject to the waiver of subrogation provided for herein. School will also be responsible for any damage caused by roof leaks as a result of any penetrations of the roof by School or any of its agents or contractors.

(b) Further, if at any time during the Lease Term, the Requirements of Law shall mandate that certain renovations or Improvements be made to the Premises, which result from the use of the Premises for a school, School shall bear the cost of making the renovations and Improvements without reimbursement from Landlord.

Section 8.3. Liens and Encumbrances.

(a) School shall keep the Premises free and clear of all mechanics' liens and other liens or encumbrances on account of work done for School or Persons claiming under it. If any such lien shall at any time be filed against the Premises, School shall cause the same to be discharged within 60 days after the recording thereof either by paying the amount claimed to be due, procuring the discharge of such lien by giving security, or in such other manner as is, or may be, prescribed by law. If School shall fail to cause the same to be discharged within said 60-day period, then, in addition to any other right or remedy of Landlord resulting from School's said default, Landlord may, but shall not be obligated to, following seven (7) days written notice to School, discharge the same either by paying the amount claimed to be due, procuring the discharge of such lien by giving security, or in such other manner as is, or may be, prescribed by law. School shall repay to Landlord, on demand, all sums disbursed or deposited by Landlord pursuant to the provisions of this Section

8.3(a), including all costs, expenses and attorneys' fees incurred by Landlord in connection therewith. Nothing contained herein shall imply any consent or agreement on the part of Landlord to subject Landlord's estate to liability under any mechanics' lien or other lien law.

(b) Should any claim of lien be filed against the Premises or any action affecting the title to the Premises be commenced, the party receiving notice of such lien or action shall forthwith give the other party written notice thereof.

(c) Landlord shall have the right to post and keep posted upon the Premises notices of non-responsibility or such other notices which Landlord may deem to be proper for the protection of Landlord's interest in the Premises. School shall, before the commencement of any work which might result in any such lien, give Landlord written notice of its intention to do so in sufficient time to enable the posting of such notices.

Section 8.4. Right of Access. Landlord, its agents, servants and employees shall have the right to enter the Premises: (a) during school hours, upon reasonable prior notice to School, and in the presence of School's personnel for the purpose of inspecting the same to ascertain whether School is performing the covenants of this Lease; and (b) after school hours, including in the event of an emergency, for the purpose of undertaking required maintenance, repairs, alterations or additions. Landlord agrees to cause as little inconvenience as reasonably possible to School, its employees, students and invitees in connection therewith.

ARTICLE IX ALTERATIONS BY SCHOOL; SIGNAGE

Section 9.1. Alterations by School. Subject to the limitations of the Anti-Donation Clause, School shall have the right to make structural and non-structural changes and Improvements to the then existing Premises, as School shall desire ("**Alterations by School**"). Provided however, any Alterations by School that affect mechanical, plumbing, electrical, or other Building systems, are structural, or impact the square footage of the then existing Premises shall be subject to Landlord's prior approval, in its reasonable discretion. All Alterations by School shall be completed in a good and workmanlike manner and in material compliance with all Requirements of Law, at School's sole expense.

Section 9.2. Signage. School shall have the right, at its expense, to install signage within the Premises that complies with all Requirements of Law, and that has been approved by Landlord, in its reasonable discretion.

ARTICLE X UTILITIES

School, at School's sole cost, shall before delinquency pay all deposits and bills for utilities delivered to the Premises, and which are separately metered and billed during the Lease Term (including gas, electric, water, sewer, telephone, data, internet, TV and trash removal). Utilities that are not separately metered and billed to the Premises, and which service the Premises shall be billed to School. Landlord shall be responsible for all curative expenses with respect to the quality, quantity or interruption of such services, if said problems are related to the negligent or intentional acts or omissions of Landlord, its employees, agents, contractors and representatives, or in the event the provision of the utility services does not meet the Requirements of Law and the cause is the distribution system within the Premises.

ARTICLE XI TAXES

Section 11.1. Real Property Taxes. Landlord shall pay all real property taxes assessed against the Premises, including any Improvements constructed thereon.

Section 11.2. School's Taxes. School shall pay, prior to delinquency, all taxes, assessments, license fees and public charges or levies, assessed or imposed upon School's business operations, trade fixtures, leasehold improvements, equipment, merchandise and other personal property in or on the Premises.

ARTICLE XII INSURANCE

Section 12.1. Landlord's Insurance. Landlord agrees that on or before the Term Commencement Date, Landlord will obtain and maintain during the Lease Term the following coverages:

(a) Commercial property insurance covering the Building(s), fixtures, equipment, tenant improvements and betterments. The amount of coverage shall equal the full estimated replacement cost of the property insured. The commercial property insurance shall, at a minimum, cover the perils insured under the ISO special causes of loss form (CP 10 30) [ISO broad causes of loss form (CP 10 20)].

(b) Equipment breakdown insurance covering the Building(s), fixtures, equipment, Tenant Improvements and betterments, from loss or damage caused by the explosion of steam boilers or pipes.

(c) Commercial general liability insurance with coverage limits of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate.

(d) Any coinsurance requirement in the policy(ies) shall be eliminated through the attachment of an agreed value endorsement, the activation of an agreed value option, or as is otherwise appropriate under the particular policy form.

(collectively “**Landlord’s Insurance**”)

Section 12.2. School’s Insurance. Prior to the earlier of the Term Commencement Date or School taking possession of the Premises, and until the expiration of the Lease Term, or earlier termination of this Lease, School shall, at its own expense, obtain and maintain insurance coverage pursuant to Section 6.20.2.20 NMAC. The initial coverages are reflected on Addendum “Six”. Any liability insurance policy maintained by School shall, if possible, name Landlord as an “additional insured.”

Section 12.3. Policies. All insurance provided for under this Lease shall be effected under valid enforceable policies issued by insurers of recognized responsibility and licensed to do business in the State of New Mexico. Certificates of such insurance shall be delivered to the other party, and upon written request, the original or certified copies of policies shall be provided to the other party. At least 10 days prior to the expiration date of any policy, the certificate of renewal for such insurance shall be delivered to the other party.

Section 12.4. Waiver of Subrogation. Landlord and School hereby waive any recovery of damages against each other (including their employees, officers, directors, agents or representatives) for loss or damage to the Building(s), Premises, Improvements, betterments, fixtures, equipment, and any other personal property to the extent covered by the commercial property insurance or equipment breakdown insurance required above. Further, Landlord and School waive all rights against each other and their agents, officers, directors and employees for recovery of damages to the extent the damages are covered by the workers compensation and employers liability insurance obtained by Landlord or School and related to this Lease. Landlord and School shall obtain endorsements to their policies to effect the waiver of subrogation provided for in this Section.

Section 12.5. Notice. As to Landlord, and Tenant, if and to the extent permitted by NMPSIA, all insurance required to be carried by the parties shall be endorsed to contain provisions to the effect that such insurance shall not be canceled or modified without first giving written notice thereof to Landlord, School and any holder of a First Mortgage at least 30 days in advance of such cancellation or modification.

ARTICLE XIII
DAMAGE AND DESTRUCTION; CONDEMNATION; LOSS OF TITLE

Section 13.1. If (a) the Premises (or any portion thereof) is destroyed or damaged by fire or other insured casualty, (b) title to, or the temporary or permanent use of, the Premises (or any portion thereof) or the interest of School or Landlord in the Premises (or any portion thereof), is taken under the exercise of the power or threat of eminent domain by any governmental body or by any Person acting under governmental authority, (c) a breach of warranty or any material defect with respect to the Premises (or any portion thereof) becomes apparent or (d) title to or the use of the Premises (or any portion thereof) is lost by reason of a defect in the title thereto, then, the Net Proceeds of any insurance, performance bond or condemnation award or the Net Proceeds received as a consequence of any default or breach of warranty under any contract relating to the Premises shall be deposited into a special trust fund held by Landlord and School, as their interests may appear. Base Rent shall abate during such period of time as to the Premises or any portions thereof that do not meet the Statewide Adequacy Standards, and as to any other portions of the Premises, as is reasonable.

If the Premises, or substantial portions thereof are destroyed or substantially damaged so as to substantially impair School's uses for educational purposes, and the destruction or damage to the Premises cannot be substantially restored within 90 days from the time of such damage or destruction, then School or Landlord shall have the right to terminate this Lease.

Section 13.2. Subject to Section 13.1, if the costs of the repair, restoration, modification, improvement or replacement of the Premises following an event described in Section 13.1 are equal to or less than the Net Proceeds available, such Net Proceeds shall be used promptly to repair, restore, modify, improve or replace the Premises (or portion thereof) and any excess shall be delivered to Landlord or School, as applicable.

Section 13.3. If the costs of the repair, restoration, modification or replacement of the Premises following an event described in Section 13.1 are more than the amount of Net Proceeds available, then:

(a) School may elect either:

(1) to direct Landlord to use the Net Proceeds promptly to repair, restore, modify or improve or replace the Premises (or portion thereof) with materials of a value equal to or in excess of the value of the Premises (or applicable portion thereof), and pay (subject to Article VI) the costs thereof in excess of the amount of the Net Proceeds, or

(2) to terminate this Lease.

(b) If, by June 30 of the Fiscal Year in which the event described in Section 13.1 occurred (or June 30 of any subsequent Fiscal Year in which the insufficiency of Net Proceeds to repair, restore, modify, improve or replace the Premises becomes apparent), School has not appropriated amounts sufficient to proceed under Section 13.3(a)(1), an Event of Nonappropriation shall be deemed to have occurred.

ARTICLE XIV ASSIGNMENT; SUBLETTING

Section 14.1. Transfer of School's Interest in Lease and Premises. School may assign, transfer or convey School's interest in this Lease and the Premises without Landlord's consent, to any governmental entity, to any foundation or not-for-profit corporation created for the purpose of supporting School, to any corporation or limited liability company which controls, is controlled by or is under common control with School, or to any corporation or limited liability company resulting from a merger or consolidation with School, or to any Person which acquires all of the assets of School's business as a going concern, provided that: (a) the assignee assumes in full the obligations of School under this Lease, (b) School remains fully liable under this Lease, and (c) the use of the Premises remains unchanged. All other assignments, transfers and conveyances by School shall be permissible only with the prior written consent of Landlord (which consent shall not be unreasonably withheld or delayed). Nothing in this Section shall be deemed to prohibit, limit or restrict the School's power to enter into joint powers agreements as provided for in Sections 11-1-1, et seq. NMSA 1978, as amended, for shared use of the Premises.

Section 14.2. Subleasing by School. School may sublease or grant a right to use all or any portion of the Premises for the Permitted Use, without Landlord's consent; provided further that School remains fully liable under this Lease, and School shall maintain its direct relationship with Landlord, notwithstanding any such sublease, grant or use.

Section 14.3. Non-waiver. Consent by Landlord to one or more assignments or sublettings shall not operate as a waiver of Landlord's rights as to any subsequent assignments and sublettings. Any attempted or purported assignment or sublease without Landlord's consent shall constitute an Event of Default.

Section 14.4. No Release. No assignment or subletting, whether with or without Landlord's consent shall relieve School from its covenants and obligations under this Lease.

Section 14.5. By Landlord. In the event of the transfer and assignment by Landlord of its entire interest in the Premises and this Lease to a Person expressly assuming Landlord's obligations under this Lease, Landlord shall thereby be released from any further obligations hereunder, and School agrees to look solely to such successor in interest of Landlord for performance of such obligations. Any Security Deposit given by School to secure performance of School's obligations

hereunder may be assigned and transferred by Landlord to such successor in interest and Landlord shall thereby be discharged of any further obligation relating thereto.

ARTICLE XV HAZARDOUS MATERIALS

Section 15.1. Landlord Warranties and Representations. Landlord warrants that, to the best of Landlord's knowledge, as of the Effective Date and the Term Commencement Date, there are no hazardous waste substances, toxic waste substances, radioactive waste substances, regulated substances, asbestos, PCBs or other substances (the word "substance" includes liquids, solids and gases) potentially dangerous to human health or the environment or which may require remedy at the behest of any governmental authority located on, in or under the Premises, and Landlord has received no notice and has no independent knowledge of the possible or actual disposal or use of any such substances on, in or under the Premises or any violation or claimed violation of the laws, rules and regulations relating to hazardous waste substances, toxic waste substances, radioactive waste substances, regulated substances, asbestos, PCBs or other similar substances; to the extent any of the above-mentioned substances are removed from or remediated at the Premises by the Landlord, Landlord will also provide verification of such removal or remediation. Landlord warrants that, to the best of Landlord's knowledge, as of the Effective Date, the Premises do not contain any underground treatment or storage tanks or gas or oil wells. Landlord shall indemnify and hold School harmless from, and defend School against any and all loss, cost or liability (including court costs, attorney's fees, consultant's fees, clean-up costs, fines, penalties, damages and amounts paid in settlement, and all direct, indirect, incidental or consequential losses incurred) arising out of any event or condition constituting a breach or inaccuracy of the representations and warranties set forth in this Section, or any liability, penalty, cleanup or remediation costs, etc., arising from the use or the condition of the Premises, prior to the Term Commencement Date.

Section 15.2. Compliance with Hazardous Materials Laws. School and Landlord mutually agree that each shall at all times and in all respects comply with all federal, state and local laws, ordinances and regulations ("**Hazardous Materials Laws**") relating to industrial hygiene, environmental protection of the use, analysis, generation, manufacture, storage, presence, disposal or transportation of any oil, petroleum products, flammable explosives, PCBs, asbestos, formaldehyde, radioactive materials or waste, or other hazardous toxins, contaminated or polluting materials, substances or waste, including any "hazardous substances", "hazardous materials", "toxic substances" or "regulated substance" under any such laws, ordinances or regulations (collectively, "**Hazardous Materials**").

Section 15.3. School Indemnity. Upon the Term Commencement Date and acceptance of the Premises by the School, and thereafter for the Lease Term, School shall be responsible to pay or otherwise satisfy any claim, written notice or demand, penalty, fine, settlement, loss, damage, cost, expense or liability made against Landlord or School directly or indirectly arising out of or attributable to the violation by School 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 the costs of any required or necessary investigation, repair, cleanup or detoxification of the Premises, and the preparation and implementation of any closure, abatement, containment, remedial or other required plan, and School shall, subject to the limitations and waivers provided for in the Tort Claims Act and other Requirements of Law, indemnify Landlord and hold Landlord harmless from any such claim, demand, penalty, fine, settlement, loss, damage, cost, expense or liability.

Section 15.4. Remedial Action Required. Without the other party's prior written consent, which shall not be unreasonably withheld or delayed, a party shall not take any remedial action in response to the presence of any Hazardous Materials on, under, or about the Premises, 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 said party's interest in the Premises; provided, however, that prior consent shall not be necessary in the event that: (a)(1) the presence of Hazardous Materials on, under, or about the Premises either poses an immediate threat or is of such a nature that an immediate remedial response is necessary, or (2) any delay in taking such remedial action would result in the imposition of periodic or daily fines; and (3) such action is required by government order; and (b) 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.

Section 15.5. Survival of Landlord's and School's Indemnities, Obligations and Liabilities. School's and Landlord's indemnities, obligations and other liabilities under this Article XV shall survive the expiration or other termination of this Lease.

ARTICLE XVI DEFAULTS AND REMEDIES

Section 16.1. Events of Default by School Defined.

(a) Any of the following shall constitute an "**Event of Default**" under this Lease:

(1) failure by School to pay any Base Rent within 10 days after its receipt of written notice from Landlord following the applicable due date;

(2) failure by School to make any other payment due from School to Landlord pursuant to this Lease within 30 days after its receipt of written notice (unless a shorter period is specifically provided for in this Lease) after the applicable due date;

(3) failure by School to vacate the Premises, subject to the provisions of with Section 3.4;

(4) any sublease, assignment, encumbrance, conveyance or other transfer of the interest of School in all or any portion of this Lease or the Premises in violation of Sections 14.1 and 14.2 or any succession to all or any portion of the interest of School in the Premises in violation of Sections 14.1 and 14.2;

(5) failure by School to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subsections (a) (1), (2), (3) or (4) of this Section 16.1, for a period of 30 days after written notice given to School by Landlord, and which specifies such failure and requesting that it be remedied; provided, however, that if the failure stated in the notice cannot reasonably be corrected within said 30-day period and corrective action shall be instituted within said 30-day period and diligently pursued until the default is corrected, no Event of Default shall occur;

(6) School shall (A) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of School or of all or a substantial part of the assets of School, (B) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (C) make a general assignment for the benefit of creditors, (D) have an order for relief entered against it under applicable federal bankruptcy law, or (E) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or file any answer admitting the material allegations of a petition filed against School in any bankruptcy, reorganization or insolvency proceeding; or

(7) an order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of School or of all or a substantial part of the assets of School, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 60 consecutive days.

(b) The provisions of subsection (a) of this Section 16.1 are subject to the following limitations:

(1) School shall be obligated to pay Base Rent only during the Lease Term, except as otherwise expressly provided in Section 3.4 or Article XIX; and

(2) if, by reason of Force Majeure, School shall be unable in whole or in part to carry out any agreement on its part herein contained, other than its obligation to pay Base Rent and all other sums due from School to Landlord pursuant to this Lease, School shall not be deemed in default during the continuance of such inability; provided, however, that School shall, as promptly as legally and reasonably possible, remedy the cause or causes preventing School from

carrying out such agreement, except that the settlement of strikes, lockouts and other disturbances shall be entirely within the discretion of School.

Section 16.2. Remedies on Default. Whenever any Event of Default shall have happened and be continuing, Landlord may take one or any combination of the following remedial steps:

(a) terminate the Lease Term and give notice to School to vacate the Premises, in the manner provided in Section 3.4;

(b) lease School's interest in all or any portion of the Premises; and/or

(c) recover from School:

(1) the portion of Base Rent payable pursuant to Section 3.4; and

(2) the portion of Base Rent for the then current Fiscal Year that has been reimbursed to the School by PSCOC, regardless of when School vacates the Premises;

(d) enforce any provision of this Lease by equitable remedy, including enforcement of the restrictions on assignment, subletting, encumbrance, conveyance, transfer or succession under Article XIV by specific performance, writ of mandamus or other injunctive relief; and

(e) take whatever action at law or in equity may appear necessary or desirable to enforce its rights in and to the Premises under this Lease, subject, however, to the limitations on the obligations of School set forth in Section 6.1.

Section 16.3. No Remedy Exclusive. No remedy herein conferred upon or reserved to Landlord is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Landlord to exercise any remedy reserved in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article.

Section 16.4. Notice to Sublessee. Landlord shall provide written notice to the sublessee of a valid sublease under Article XIV of an Event of Default by School within five (5) days after the occurrence.

Section 16.5. Landlord's Default. If Landlord fails to perform any covenant, condition or agreement contained in this Lease within a reasonable period of time, not to exceed 30 days after

receipt of written notice from School specifying such default, or if such default cannot reasonably be cured within 30 days, if Landlord fails to commence to cure within said 30-day period and diligently pursue the cure to conclusion, then Landlord shall be liable to School for any damages sustained by School as a result of Landlord's breach. If, after notice to Landlord of default, Landlord (or any holder of a First Mortgage) fails to cure the default as provided herein, then School shall have the right to cure said default at Landlord's expense, and to either terminate this Lease or to withhold, reduce or offset any such reasonable amount against any payments of Base Rent or any other charges due and payable under this Lease. No remedy herein conferred upon School is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity.

ARTICLE XVII SUBORDINATION; ESTOPPEL

Section 17.1. Subordination. This Lease and the rights of School hereunder are expressly subordinate and subject to any First Mortgage now or hereafter encumbering the Premises, including the Land, Building(s) and other Improvements included therein, or of which the Premises are a part, or any portions thereof, subject only to School's receipt of a written non-disturbance agreement (subject to School not being in default hereunder beyond applicable grace and cure periods) for the benefit of School, in a form reasonably acceptable to School. School shall execute and deliver to Landlord such documents (in a form reasonably acceptable to School) and take such further action as Landlord in its reasonable discretion deems necessary or advisable to confirm, effect, or maintain such subordination and non-disturbance within 15 Business Days after written request of Landlord or such First Mortgage holder.

Section 17.2. Estoppel. School agrees that it will from time to time within 15 Business Days after written request by Landlord execute and deliver to Landlord a written statement addressed to Landlord (or to a party designated by Landlord), which statement shall identify School and this Lease, shall certify that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as so modified), shall confirm the Term Commencement Date, the Rent Commencement Date, the Lease Term, the amount of Base Rent, and other sums due by School hereunder and the amount of the Security Deposit, if any, and any payments of Base Rent more than one (1) month in advance of their due dates, or other deposits in the possession of Landlord, shall confirm to the best of its knowledge that Landlord is not in default as to any obligations of Landlord under this Lease (or if Landlord is in default specifying any default), and shall contain such other information or confirmations as Landlord may reasonably request.

ARTICLE XVIII INDEMNITY

Section 18.1. Indemnification by School. Within the limits and subject to the provisions of the Tort Claims Act, School shall protect, defend, indemnify, and save harmless Landlord from all claims, actions, demands, liability and expense of loss of life, damage, or injury to persons or property, proximately caused by School or any of its employees or other agents, including volunteers, acting within the scope of their duties pursuant to this Lease, except to the extent caused by the negligent or intentional acts or omissions of Landlord or any of its employees or other agents. Nothing hereby shall be construed to waive or in any way abrogate immunities of the School preserved by the Tort Claims Act.

Section 18.2. Indemnification by Landlord. Landlord shall protect, defend, indemnify, and save harmless School and its employees and other agents, including volunteers, acting within the scope of their duties from all claims, actions, demands, liability, and expense of loss of life, damage, or injury to persons or property, arising out of the negligent or intentional acts or omissions of Landlord or any of its employees or other agents, except to the extent caused by the negligent or intentional acts or omissions of School or any of its employees or other agents.

Section 18.3. Survival of Indemnities. The indemnities contained in this Lease shall specifically survive the expiration of the Lease Term or earlier termination of this Lease.

Section 18.4. Limitations on Indemnities. No indemnities contained herein shall extend to those matters for which indemnification is prohibited pursuant to Section 56-7-1 NMSA 1978, as amended.

ARTICLE XIX SURRENDER AND HOLDING OVER

Upon the expiration or earlier termination of the Lease Term, School shall deliver all keys to the Premises to Landlord and shall surrender the Premises to Landlord broom clean and in as good order and condition as existed on the Term Commencement Date, except for ordinary wear and tear and damage by fire or other casualty, and loss due to condemnation or threat of condemnation. In the event School continues to occupy the Premises after the expiration of the Lease Term, such occupancy shall be considered a tenancy from month-to-month at a rent equal to the Base Rent due for the last full calendar month of the Lease Term, and such tenancy shall be upon and subject to all of the other terms, provisions, covenants and agreements set forth herein, including Section 3.4. Upon the expiration or termination of this Lease, School shall remove, at its expense, any trade fixtures and personal property of School in the Premises, and those Improvements and Alterations by School which were paid for by School and which would violate the Anti-Donation Clause if they were to remain; but any damage to the Premises caused by such removal shall be repaired by School at the time of the removal. Alternatively, Landlord shall reimburse School for the fair market value

of the Improvements or Alterations by School which violate the Anti-Donation Clause and which are to remain as determined by the New Mexico Taxation and Revenue Department. All other Improvements to the Premises made by School shall become the property of Landlord.

ARTICLE XX GENERAL PROVISIONS

Section 20.1. Notices; Demands; Calculation of Days. Any notice, demand or other communication required or permitted by law or any provision of this Lease to be given or served on either party shall be in writing, addressed to the address set forth in Paragraphs B and D of the SLP, and (a) deposited in the United States mail, registered or certified, return receipt requested, postage prepaid, or (b) delivered by an overnight private mail/courier service which provides delivery confirmation. All notices shall be deemed to be received the earlier of: (1) three (3) Business Days after being deposited in the United States mail with proper postage, (2) upon delivery by overnight courier, or (3) upon actual receipt. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given, shall be deemed to be actual receipt of the notice as of the date of such rejection, refusal or inability to deliver. Either party may designate additional addresses for the receipt of notices or demands at any time by written notice to the other. All references to “day(s)” shall be calendar days, provided however, if the last day for performance is a non-Business Day, the time for performance shall be extended to the next Business Day.

Section 20.2. Binding Effect. This Lease shall inure to the benefit of and bind the parties hereto and their respective heirs, successors, personal representatives, and permitted assigns.

Section 20.3. Severability. If any term or provision of this Lease or the application thereof to any Person or circumstance shall be invalid or unenforceable, to any extent, the remainder of this Lease, or the application of such term or provision to Persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and enforceable to the maximum extent permitted by law.

Section 20.4. No Waiver. A waiver by Landlord or School of any breach of any provision of this Lease shall not be deemed a waiver of any breach of any other provision hereof or of any subsequent breach by said party of the same or any other provision.

Section 20.5. Time of Essence. Time is of the essence with regard to every provision of this Lease.

Section 20.6. No Third Party Rights. The terms and provisions of this Lease shall not be deemed to confer any rights upon, nor obligate any party hereto to, any Person other than the parties hereto.

Section 20.7. No Principal-Agent Relationship. Nothing contained in this Lease shall be construed as creating the relationship of principal and agent, partnership or joint venture between Landlord and School.

Section 20.8. Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State.

Section 20.9. Brokers. Landlord represents and warrants that it has not had any dealings with any realtors, brokers or agents in connection with the negotiation of this Lease, except for Broker, and Landlord agrees to hold School harmless from any cost, expense or liability for any compensation, commission or charges claimed by any other realtors, brokers or agents claiming by, through or on behalf of Landlord with respect to this Lease and/or the negotiation hereof. School represents and warrants that it has not had any dealings with any realtors, brokers or agents in connection with the negotiation of this Lease, and School agrees to hold Landlord harmless from any cost, expense or liability for any compensation, commission or charges claimed by any realtors, brokers or agents claiming by, through or on behalf of School with respect to this Lease and/or the negotiation hereof.

Section 20.10. Counterparts. This Lease may be executed in several counterparts and all so executed counterparts shall constitute one agreement binding on all parties hereto, notwithstanding that all of the parties are not signatories to the original or same counterpart. Copies of the signed signature pages of this Lease provided by e-mail will be effective and binding upon the parties as if such signatures were original signatures.

Section 20.11. Attorneys' Fees. If any action or proceeding, whether judicial or non-judicial, is commenced with respect to any claim or controversy arising from a breach of this Lease or seeking the interpretation or enforcement of this Lease, in addition to any and all other relief, the prevailing party or parties in such action or proceeding shall receive and be entitled to recover all costs and expenses, including reasonable attorneys' fees and costs, incurred by it on account of or related to such action or proceeding.

Section 20.12. Interpretation. In construing this Lease, (a) feminine or neuter pronouns shall be substituted for those masculine in form and vice versa in any place in which the context so requires, (b) plural terms shall be substituted for singular and singular for plural in any place in which the context so requires, and (c) the words "include" and "including" are not limiting. In this Lease, all Articles are designated by roman numerals and all Sections are designated by Arabic numerals; those numerals preceding the decimal correspond to the number of the Article in which the Section is located. The subdivisions of the various Sections are referred to as subsections. Unless otherwise indicated, all references in this Lease to Articles and Sections refer to articles and sections of this Lease. The headings are solely for convenience of reference and shall in no way define, limit or describe the scope or intent of any provisions of this Lease. This Lease shall be construed as a whole and in accordance with its fair meaning, without regard to any presumption

or rule of construction causing this Lease or any part of it to be construed against the party causing this Lease to be written. Unless otherwise indicated, all references in this Lease to an "Exhibit" or "Addendum" are to the exhibits and addendums attached to this Lease, each of which is made a part hereof for all purposes.

Section 20.13. Warranty of Authority. Each person signing this Lease on behalf of a party individually represents and warrants to the other party that he has the express authority of such party to sign and deliver this Lease on such party's behalf. If either party is not obligated to comply with this Agreement because the person signing on behalf of such party does not have the authority to sign and deliver this Agreement on such party's behalf, then such person shall indemnify the other party for any and all losses and expenses (including reasonable attorneys' fees) it incurs as result thereof.

IN WITNESS WHEREOF, each party, or its authorized agent, has signed this Lease effective the date the last of the parties executes this Lease.

**SIGNATURE PAGE ONE TO
NEW MEXICO PUBLIC SCHOOL FACILITIES AUTHORITY
CHARTER SCHOOL LEASE
(PRIVATE FACILITIES)**

LANDLORD:

FAMILIES AND YOUTH INCORPORATED,
a New Mexico nonprofit corporation

By: _____

Name: _____

Title: _____

Date: _____

**SIGNATURE PAGE TWO TO
NEW MEXICO PUBLIC SCHOOL FACILITIES AUTHORITY
CHARTER SCHOOL LEASE
(PRIVATE FACILITIES)**

**RAÍCES DEL SABER XINACHTLI
COMMUNITY SCHOOL**, a public charter school

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT “A”
AMENDMENTS TO GENERAL LEASE TERMS
(To be attached)

EXHIBIT "B"

FORM OF INDEMNIFICATION AGREEMENT

CONSTRUCTION COSTS INDEMNIFICATION AGREEMENT

This INDEMNIFICATION AGREEMENT is made as of **April 29, 2019** (the "**Effective Date**"), by and between **NACA-INSPIRED SCHOOLS NETWORK**, a New Mexico nonprofit corporation whose address is 1000 Indian School Road NW, Albuquerque, New Mexico 87104 ("**Indemnitor**"), and **FAMILIES AND YOUTH INCORPORATED**, a New Mexico nonprofit corporation whose address is 1320 S. Solano, Las Cruces, New Mexico 88001 ("**Landlord**"), based on the following facts:

A. Indemnitor is sponsoring and financially supporting the formation and startup of a charter school to be operated by a new entity named **RAÍCES DEL SABER XINACHTLI COMMUNITY SCHOOL** ("**Tenant**").

B. Tenant wants to operate its school on the real estate owned by Landlord in Doña Ana County, New Mexico, having an address of 2211 North Valley Drive, Las Cruces, New Mexico 88007 (the "**Premises**"), which includes an existing building containing approximately 5,109 square feet of floor space and other existing improvements, pursuant to a proposed lease (as further defined below, the "**Lease**") to be dated on or about the Effective Date.

C. Tenant has requested that Landlord make certain alterations to the Premises ("**Landlord's Work**"). Landlord anticipates that it will cost over \$225,000 to perform Landlord's Work. Tenant has agreed to pay approximately \$47,000 of those costs.

D. Tenant has not obtained all the necessary approvals and funding to operate a school on the Premises during the next school year. Therefore, Tenant wants the Lease to include a provision that gives Tenant the right to delay or terminate the Lease if it does not obtain the necessary approvals and funding to operate a school on the Premises. If Tenant will have that right, then Landlord is not willing to commence construction of Landlord's Work until Tenant obtains the necessary approvals and funding to operate a school on the Premises. But, if Landlord does not commence Landlord's Work as soon as it can, it will not be able to complete Landlord's Work before the beginning of the next school year. In order to induce Landlord to enter into the Lease with the delay or termination provision desired by Tenant and to commence Landlord's Work as soon as it can, Indemnitor has offered to reimburse Landlord for part of the costs it incurs in performing Landlord's Work pursuant to the terms of this Agreement in the event that Tenant delays or terminates the Lease for any reason other than Landlord's default.

NOW, THEREFORE, the parties agree as follows:

1. Execution of Lease. Landlord shall enter into the Lease on or about the Effective Date.

2. Reimbursement of Part of Costs of Landlord's Work.

(a) If Tenant exercises any right it has to postpone the Outside Term Commencement Date (unless otherwise defined in this Agreement, each capitalized term used in this Agreement shall have the meaning given to such term in the Lease) pursuant to Section 3.5 (Delayed Opening) of the Lease or Addendum "Three" (Tenant Improvements by Landlord) of the Lease or Tenant exercises any right it has to terminate the Lease for any reason other than pursuant to Section 16.5 (Landlord's Default) of the Lease, then Indemnitor shall reimburse Landlord on written demand for all costs that Landlord has incurred in performing Landlord's Work as of the date that Tenant's notice of its exercise of that right is deemed to have been received by Landlord pursuant to Section 20.1 (Notices; Demands; Calculation of Days) of the Lease, up to a total amount of \$150,040.33 less the amount of those costs that Tenant has already paid pursuant to the Lease as of that date.

(b) If either Landlord or Tenant exercises any right it has to postpone the Outside Term Commencement Date and Tenant subsequently terminates the Lease prior to the Term Commencement Date for any reason other than pursuant to Section 16.5 (Landlord's Default) of the Lease, then Indemnitor shall reimburse Landlord on written demand for all costs that Landlord has incurred in performing Landlord's Work as of the date that Tenant's notice of termination of the Lease is deemed to have been received by Landlord pursuant to Section 20.1 (Notices; Demands; Calculation of Days) of the Lease, up to a total amount of \$150,040.33 less the amount of those costs that Indemnitor or Tenant has already paid pursuant to this Agreement or the Lease as of that date.

(c) If either Landlord or Tenant exercises any right it has to postpone the Outside Term Commencement Date and Tenant does not subsequently terminate the Lease prior to the Term Commencement Date for any reason other than pursuant to Section 16.5 (Landlord's Default) of the Lease, then Landlord shall refund to Indemnitor on the Term Commencement Date an amount equal to 90% of all payments made by Indemnitor to Landlord pursuant to subsection (a) of this Section.

3. Interest on Late Payments. If either party fails to pay any money it owes the other party pursuant to this Agreement within 10 days after the other party's written demand therefor, then the unpaid balance of such money shall bear interest beginning 11 days after the other party's written demand therefor and continuing until the date it is paid, both before and after entry of judgment, at the rate of 12% per annum.

4. Nature of Indemnification. Indemnitor's liability is not conditioned or contingent on the Lease's enforceability or validity. This Agreement applies to the construction costs referenced herein only. It does not obligate Indemnitor to perform any obligation of Tenant under the Lease or otherwise.

5. Entire Agreement; Amendment. This Agreement contains all (and supersedes all prior) agreements between the parties on the matters this Agreement covers. In entering into this Agreement, Indemnitor does not rely on any representation, promise or other assurance by Landlord. Nothing Landlord said or did, except entering into the Lease, in any way induced Indemnitor to enter into this Agreement. Nothing in this Agreement may be amended, terminated or waived without the parties' mutual written consent.

6. Notices; Demands; Calculation of Days. Any notice, demand or other communication required or permitted by law or any provision of this Agreement to be given or served on either party shall (a) be in writing, (b) either be (1) deposited in the United States mail, registered or certified, return receipt requested, postage prepaid, or (2) delivered by an overnight private mail/courier service which provides delivery confirmation, and (c) be addressed as follows:

Landlord: Families and Youth Incorporated (FYI)
Attn: Brian Kavanaugh, CEO
1320 S. Solano
Las Cruces, New Mexico 88001

Indemnitor: NACA Inspired Schools Network
Attn: Daniel Ulibarri
1000 Indian School Road NW
Albuquerque, New Mexico 87104

All notices shall be deemed to be received the earlier of: (1) three (3) Business Days after being deposited in the United States mail with proper postage, (2) upon delivery by overnight courier, or (3) upon actual receipt. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given, shall be deemed to be actual receipt of the notice as of the date of such rejection, refusal or inability to deliver. Either party may designate additional addresses for the receipt of notices or demands at any time by written notice to the other. All references to "day(s)" shall be calendar days, provided however, if the last day for performance is a non-Business Day, the time for performance shall be extended to the next Business Day.

7. Attorneys' Fees. If any action or proceeding, whether judicial or non-judicial, is commenced with respect to any claim or controversy arising from a breach of this Agreement or seeking the interpretation or enforcement of this Agreement, in addition to any and all other relief, the prevailing party or parties in such action or proceeding shall receive and be entitled to recover all costs and expenses, including reasonable attorneys' fees and costs, incurred by it on account of or related to such action or proceeding.

8. Governing Law. This Agreement shall be governed by and construed in accordance with the internal substantive laws of the State of New Mexico without reference to choice of laws

principles. Exclusive venue for any litigation arising out of this Agreement shall be the courts sitting in Doña Ana County, New Mexico.

9. Interpretation. In construing this Agreement, (a) feminine or neuter pronouns shall be substituted for those masculine in form and vice versa in any place in which the context so requires, (b) plural terms shall be substituted for singular and singular for plural in any place in which the context so requires, and (c) the words “include” and “including” are not limiting. The captions and headings in this Agreement are solely for convenience of reference and shall in no way define, limit or describe the scope or intent of any provision of this Agreement. This Agreement shall be construed as a whole and in accordance with its fair meaning, without regard to any presumption or rule of construction causing this Agreement or any part of it to be construed against the party causing this Agreement to be written.

10. Counterparts. This Agreement may be signed in several counterparts and all so signed counterparts shall constitute one agreement binding on both parties hereto, notwithstanding that both parties are not signatories to the original or same counterpart. The signature hereon of an authorized agent of each party may be transmitted by email, facsimile or other electronic means of reproduction and such transmittal shall be deemed to be an original signature hereon and the effective signing and delivery of this Agreement for all purposes.

11. Warranty of Authority. Each party represents and warrants to the other party that it is authorized to enter into this Agreement, that the person signing on its behalf is duly authorized to sign this Agreement, and that no other signature is necessary. Each person signing this Agreement on behalf of a party individually represents and warrants to the other party that he or she has the express authority of such party to sign and deliver this Agreement on such party's behalf. If either party is not obligated to comply with this Agreement because the person signing on its behalf does not have the authority to sign and deliver this Agreement on its behalf, then such person shall indemnify the other party for any and all losses and expenses (including reasonable attorneys' fees) it incurs as result thereof.

IN WITNESS WHEREOF, an authorized agent of each of the parties has signed this Agreement as of the Effective Date.

NACA-INSPIRED SCHOOLS NETWORK, a New Mexico nonprofit corporation

FAMILIES AND YOUTH INCORPORATED, a New Mexico nonprofit corporation

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____



New Mexico
Public Schools
Insurance Authority



2019/2020 BUDGET NOTICE

Estimated Premium Contribution by Member

This is not an invoice. All premiums may be subject to change. Invoices will be issued NMPSIA.

Member ID: 336

Member Name: Raices Del Saber Xinachtli Community School

Estimated 2019/2020 Premium: \$ 9,150

2018/2019 Final Premium: \$ - 0

% of Change: 0%

Reported Exposures is the basis to establish your premium

Coverage	Exposure Basis	Reported Exposures
Workers' Compensation	Payroll	\$ - 0
General Liability	Average Daily Attendance	- 0
Property	Property Value	\$ - 0
Vehicles	# of Licensed Road Vehicles	- 0
Buses	# of Buses (ex. Spares)	- 0

Allocated Rate based on reported exposures

Coverage	Rating	Allocated Rate
Workers' Compensation	Per \$100 if Payroll	\$MP
General Liability	Average Daily Attendance	\$MP
Property	Per \$100 of Property Value	\$MP
Vehicles	Per Vehicle	\$MP
Buses	Per Bus (ex. Spares)	\$

Estimated Annual Contribution for each type of insurance:

Coverage	Premium
Workers' Compensation	\$ 2,800
General Liability	\$ 2,800
Property	\$ 2,800
Vehicles	\$ 750
Buses	\$ - 0
TOTAL	\$ 9,150



NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY

GENERAL AND AUTOMOBILE LIABILITY

MEMORANDUM OF COVERAGE – MOCL021

July 1, 2018 to June 30, 2019

ISSUED BY: New Mexico Public Schools Insurance Authority
410 Old Taos Highway
Santa Fe, New Mexico 87501

DECLARATION:

Pursuant to NMSA 1978, §22-29-1 TO 22-29-11 and New Mexico Administrative Code, Title 6, Chapter 50, Parts 1 through 18, this Memorandum of Coverage (“Memorandum”) is issued by the New Mexico Public Schools Insurance Authority (“Authority”) to its public school districts, other educational entities and charter schools (“Members”) from which the Authority has timely received the applicable premium for its risk-related coverages as listed in Schedule A attached hereto.

Term of Memorandum of Coverage:

This Memorandum of Coverage is effective from July 1, 2018 at 12:01 A.M. to June 30, 2019 at 12:00 P.M. Mountain Standard Time.

Territory:

Coverage under this Memorandum applies worldwide, but coverage does not extend to claims brought in courts outside Puerto Rico, the United States of America, its territories, possessions and Canada.

New Mexico Public Schools Insurance Authority

By: _____
Board of Directors, President *Date*

Table of Contents

Section I- Coverages.....	3
Section II- Exclusions.....	4
Section III- Definitions.....	8
Section IV- Conditions.....	14
Section V- Limit of Liability.....	19
Section VI- Liability Deductible Schedule.....	20
Section VII- Limited Criminal Defense Coverage.....	21
Section VIII- Limited IEDA Coverage.....	26
Schedule A- Members.....	30

SECTION I – COVERAGES

Within the Limit of Liability defined in Section V:

1. **“We”** will pay **“Damages”** on **“Your”** behalf:
 - A. imposed by the Tort Claims Act, [NMSA 1978 §41-4-1 through 41-4-29].
 - B. arising under and subject to the substantive law of any jurisdiction other than New Mexico, including other states, territories and possessions and the United States of America, and is not limited as provided in the Tort Claims Act [NMSA 1978 §41-4-1 through 41-4-29].
 - C. imposed by the Whistle Blower Protection Act [NMSA 1978 §10-16C-1 through 10-16C-6] subject to limits of liability for **“Back Pay”**, **“Front Pay”**, and multipliers
 - D. loss of **“Back Pay”**, subject to a deductible as set forth in Section VI-Liability Deductible Schedule and also subject to limits of liability as set forth below in Section V Limit of Liability.
 - E. loss of **“Front Pay”**, subject to a deductible as set forth in Section VI-Liability Deductible Schedule and also subject to limits of liability as set forth below in Section V Limit of Liability.
 - F. for **“Personal Injury”** or **“Bodily Injury”** or **“Property Damage”** caused by an **“Occurrence”** and resulting from the ownership, maintenance or use of any **“Automobile”** which **“You”** own or hired or borrowed or used. While any **“Automobile”** is away from the state where it is licensed, **“We”** will provide the Limits of Liability stated herein applicable to Coverage B or the minimum amounts and types of other coverages as required of out-of-state vehicles by the jurisdiction where any **“Automobile”** is being used, whichever is greater.
 - G. of others for **“Personal Injury”** or **“Bodily Injury”** or **“Property Damage.”**
 - H. as a result of a **“Wrongful Act.”**
 - I. of others assumed or retained, but only under an **“Insured Contract.”**
 - J. of an **“Additional Insured”**, but only under an **“Insured Contract.”**

- K. any award for punitive or exemplary damages awarded against **"You"** under the substantive law of a jurisdiction other than New Mexico including but not limited to other states, territories and possessions and the U.S.A., if **"You"** were acting within the scope of your duty.
 - L. any award for interest on judgments against **"You"**
 - M. any award for any violation of any rights, privileges or immunities secured by the constitution and laws of the United States or the constitution and laws of New Mexico when alleged to have been committed by **"You"** while acting within the scope of **"Your"** duties.
 - N. arising under the New Mexico Inspection of Public Records Act [NMSA 1978 §14-2-1 through 14-2-12], subject to a cap of \$20,000 in any one-year policy period.
2. as the result of any one **"Occurrence"** for **"Personal Injury"** or **"Property Damage"** or **"Bodily Injury"** or **"Wrongful Act"** during the term of this Memorandum of Coverage subject to the Limits of Liability in this MOC.

"We" are under no obligation to **"You"** unless **"You"** have paid the applicable premium when due. Sections VI and VII describe stand alone coverages and nothing in Sections I through V of this Memorandum of Coverage (except for the definitions of **"You," "Your," "We" or "Us"** in Section III) shall affect the intent or interpretation of these stand alone coverages.

SECTION II – EXCLUSIONS

"We" shall not be required to perform any of the obligations specified in any of the sections of this Memorandum as respects the exclusions. The coverage does not apply:

- 1. To any claim, or suit seeking relief or redress in any forum other than for monetary damages, or for any costs, fees, or expenses which **"You"** shall be obligated to pay as a result of any adverse judgment for restitution, injunction, an accounting, or declaratory relief. However, **"We"** will defend **"You"** for claims or suits in which a covered claim for monetary **"Damages"** is present as long as the covered claim for **"Damages"** remains.
- 2. To any obligation for which **"You"** may be held liable under any workers' compensation, disability benefits, unemployment compensation or any similar law, plan or agreement.

3. To **“Bodily Injury,”** or **“Personal Injury,”** sickness, disease or resulting death of **“You”** or **“Your”** employee arising out of or related to the course of employment by **“You”** or **“Your”** **“Employee,”** or to the spouse, child, parent, brother or sister of **“You”** or **“Your”** **“Employee”** as a consequence thereof or to any obligation to share or contribute to **“Damages”** with (or to repay) someone else because of such **“Bodily Injury,”** sickness, disease or resulting death; except liability assumed by **“You”** under an **“Insured Contract.”**
4. To **“Property Damage”** to (1) property owned by **“You”** or in the **“Your”** care, custody, or control; and (2) property rented to or leased to **“You”** where **“You”** have assumed liability under an **“Insured Contract”** for damage to or destruction of such property.
5. To loss or damage or any liability arising out of or in connection with the principles of eminent domain, condemnation or inverse condemnation, by whatever name called, regardless of whether such claims are made directly against **“You”** or by virtue of any contract entered into by or on **“Your”** behalf.
6. With respect to **“Pollutants”** (including hazardous properties of nuclear material), to any loss, cost, or expense arising out of any:
 - A. request, demand or order that **“You”** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **“Pollutants”**; or
 - B. claim, suit or proceeding arising out of any governmental or quasi-governmental direction or request that **“You”** test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of **“Pollutants”**; or
 - C. monitoring, clean up, removal, containment, treatment, detoxification, neutralization or any other response to or assessment of the effects of **“Pollutants”** which **“You”** do voluntarily.
7. With respect to Asbestos:

The coverage afforded by the Memorandum does not apply to any cost, fine or penalty related to asbestos or for any expense or

claim or suit seeking removal, replacement or clean up of asbestos or asbestos related products including any of the above that **"You"** do voluntarily.

8. To any refund of taxes, fees or assessments or failure to collect and/or assess taxes, fees or assessments.
9. To any liability **"You"** incur arising, in whole or in part, out of **"Your"** obtaining remuneration or financial gain to which **"You"** are not legally entitled.
10. To any claim arising from **"Your"** activities performed for or on behalf of another private or public employer.
11. To any liability for failure to procure or maintain adequate types or amounts of insurance or bonds.
12. To all administrative costs **"You"** incur in hiring, firing, directing the work or dismissing any **"Employee"** including any claim arising out of the procedures set forth in NMSA 1978, §§22-10-1 through 27 [the School Personnel Act] or other comparable statute, rule or regulation. However, this exclusion does not apply to **"Our"** obligation to defend, adjust, settle and pay any lawsuit claims or judgments for damages for **"Wrongful Act"** or **"Personal Injury"** or **"Property Damage."**
13. As respects **"Uninsured, Underinsured, or Unknown Motor Vehicle"** coverage:
 - A. To any person who does not qualify as an insured under this memorandum while occupying or struck by any **"Motor Vehicle."**
 - B. To **"You"** in settling a **"Bodily Injury"** claim without **"Our"** consent.;
 - C. To any person who pays a charge or fee to occupy a covered **"Motor Vehicle,"** when such vehicle is being used for a purpose which is not a function of the school district, other educational entity or charter school;
 - D. To any person's use of a **"Motor Vehicle"** without having reasonable belief that the person is entitled to do so; and

- E. To any of **"Your"** **"Employees,"** **"Your"** school bus **"Contractors"** or employees of **"Your"** school bus **"Contractors"** injured in the course of employment who are eligible for workers' compensation benefits as a result of the injury. If **"You"** and **"Your"** school bus **"Contractor"** have not bargained for or paid separate full **"Uninsured, Underinsured Motorist, or Unknown Motor Vehicle"** premium for each vehicle under this Memorandum of Coverage.
 - F. Anti-Stacking. This Memorandum of Coverage does not include coverage for Stacking or **"Uninsured, Underinsured Motorist, or Unknown Motor Vehicle"** claims.
- 14. To automobile liability coverage or **"Uninsured, Underinsured or Unknown Motor Vehicle"** coverage of bus **"Contractor's"** owned and operated buses when such buses are not operated for **"Your"** benefit.
 - 15. To loss or damage or any liability arising out of or in connection with an Individuals with Disabilities Education Act, 20 USC Chapter 33 and §504 of the Rehabilitation Act of 1973 (IDEA) claim or any action in Federal District Court subsequent to an IDEA proceeding covered under Section VII of this MOC unless you have properly and timely appealed any adverse administrative decision.
 - 16. To any counterclaim or third party claim in any lawsuit initiated by **"You,"** whether arising out of the facts in the lawsuit initiated by **"You"** or facts stated in the counterclaim or third party claim.
 - 17. To loss or damage or any liability for which **"You"** are obligated to pay damages by reason of **"Your"** assumption of liability in a contract or agreement. This exclusion does not apply to an **"Insured Contract,"** during the term of the **"Insured Contract"**.
 - 18. To any claims against **"You"** under the Fraud Against Taxpayers Act [NMSA 1978 §44-9-1 through 44-9-14].
 - 19. To any claim, other than an automobile liability or automobile physical damage claim, against employees or contractors of contract bus operators.

SECTION III – DEFINITIONS

This Memorandum is subject to the following definitions:

1. **“Additional Insured”** means a party who is added as an insured under an **“Insured Contract”** for **“Bodily Injury”** or **“Personal Injury”** or **“Property Damage”** caused by (1) **“Your”** acts or omissions; or (2) the acts or omissions of those acting on **“Your”** behalf, within the Limits of Liability in Section V;
2. **“Automobile,” “Vehicle” or “Motor Vehicle”** means any land vehicle, machine, forklifts, tractor, trailer or semi-trailer propelled or drawn by mechanical power for travel on or off public roads including any machinery or equipment permanently attached thereto.
3. **“Back Pay”** means the wages or salary and benefits that an employee would have been paid during the period between resignation from employment or termination from employment up to the time in which a claim has settled or is adjudicated.
4. **“Bodily Injury”** means any physical injury (or death) to any person, and any mental injury, emotional distress, shock, sickness, disease, disability, loss of service, "Sexual Molestation or Sexual Abuse" associated with or arising from that physical injury.
5. **“Contractor”** means a person or business entity which undertakes to do specific work for **“You”** using his own means and methods without submitting himself to **“Your”** control except as to the result of the work. **“Contractor”** does not include any persons who are on **“Your”** payroll subject to payroll withholding.
6. **“Crisis Event”** means an actual or threatened event or related series of events that has a harmful effect on a NMPSIA member's staff, students, or reputation, including acts of an armed person or persons at a member's location or during an activity organized by the member.
7. **“Crisis Management Services”** means the services of a team of qualified professionals providing public relations, media management, site security, and crisis counseling in response to a **Crisis Event**.

8. **"Damages"** means money **"You"** are legally obligated to pay as compensation for injury, death, pain and suffering, emotional distress, medical expenses, loss of income, necessary care and loss of services resulting from **"Personal Injury."** or **"Bodily Injury"** or **"Wrongful Acts"** or **"Property Damage"**. **"Damages"** also means money **"You"** are legally obligated to pay as compensation for damage to property or loss of use of property other than property owned by **"You"**. Damages includes prejudgment interest, post judgment interest, punitive and exemplary damages and attorney fees as allowed by law, and the cost of Crisis Management Services following a Crisis Event.

Regardless of the source of **"Your"** obligation, **"Damages"** shall not include the cost to **"You"** of providing educational and educationally related services, including but not limited to, clinical, diagnostic, or testing services or the cost to **"You"** of providing medical evaluations, independent educational services, education or special education services **"You"** are legally obligated to provide **"Your"** students, whether mainstream or special education.

9. **"Defense Costs"** means reasonable fees charged by a lawyer, or a lawyer's representative, and all other reasonable fees, costs and expenses attributable to the adjustment, settlement, investigation, defense, litigation or appeal of claims and suits covered by this Memorandum. Other salaries paid to **"Your"** employees, **"Your"** office expenses and expenses paid to **"Your"** service company for handling claims are specifically excluded.
10. **"Employee"** means any person who is on **"Your"** payroll subject to pay roll withholding. **"Employee"** includes the **"Employee's"** estate, heirs, personal representatives or executors.
11. **"Executive Director"** means the person appointed to be in charge of the staff of the Authority.
12. **"Front Pay"** means future wages or salary and benefits equal to the estimated lost earnings that would have been paid had not the employee resigned or been terminated and the time when the employee can assume a new position, where such a claim has settled or is adjudicated.

13. **“Insured Contract”** means:

- A. a contract between **“You”** and the owner or landlord of real property for use within the scope of **“Your”** duties; or
- B. a contract between **“You”** and a railroad operator concerning railroad tracks, spurs or sidetracks or pedestrian or vehicle crossing; or
- C. a contract for rental or lease of a **“Motor Vehicle”**, equipment, aircraft or watercraft for use by **“You”** while acting within the scope of **“Your”** duties; or
- D. an easement or license agreement for **“Your”** use in the scope of **“Your”** duties; or
- E. an elevator maintenance agreement for an elevator used by **“You”** in the scope of **“Your”** duties; or
- F. a contract between **“You”** and a private user of **“Your”** **“School Facilities”** where the person or persons providing services, such as therapy or treatment are properly licensed and are providing services to students.
- G. A contract between **“You”** and an Independent Bus Contractor for school related activities.
- H. That portion of a contract between **“You”** and a health care provider requiring **“You”** to assume the providers liability for negligent acts of **“Your”** student interns currently enrolled in **“Your”** health care instructional programs.
- I. A contract where **“You”** are leasing or renting a property for **“Your”** operations for **“Bodily Injury”** or **“Personal Injury”** or **“Property Damage”** caused by (1) **“Your”** acts or omissions; or (2) the acts or omissions of those acting on **“Your”** behalf.
- J. A contract where **“You”** are leasing or renting equipment for use on **“Your”** property for **“Bodily Injury”** or **“Personal Injury”** or **“Property Damage”** caused by (1) **“Your”** acts or omissions; or (2) the acts or omissions of those acting on **“Your”** behalf.

14. **“Occurrence”**

- A. Includes continuous or repeated exposures to substantially the same general harmful conditions, or events and all such exposures to substantially the same general condition shall be considered as arising from one **“Occurrence.”**
- B. All claims by any one or more claimants arising from substantially the same or similar acts, omissions, incidents or courses of conduct, shall be considered one **“Occurrence,”** regardless of the number of alleged perpetrators. All claims during the coverage term to which this Memorandum applies by one or more claimants against an alleged perpetrator or perpetrators or insureds shall be considered one **“Occurrence”** regardless of the number of acts, omissions, incidents or courses of conduct by the alleged perpetrator.
- C. All claims with respect to **“Sexual Harassment”** or **“Sexual Molestation or “Sexual Abuse”** shall mean all claims including **“Bodily Injury”** or **“Personal Injury”** arising from all acts committed by the same perpetrator, or two or more perpetrators acting in concert, without regard to the number of victims or incidents. The **“Occurrence”** shall be deemed to have occurred on the date of the initial incident or act.

- 15. **“Personal Injury”** means: an injury arising out of false arrest; false imprisonment; wrongful entry or eviction or interference with the right of occupancy; wrongful detention; malicious prosecution; humiliation; publication or utterance of a libel or slander or other defamatory or derogatory material, or an utterance in violation of an individual’s right to privacy; abuse of process; erroneous service of civil papers; discrimination or violation of civil rights;
- 16. **“Pollutants”** means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, mold and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 17. **“Property Damage”** means physical injury to or destruction of tangible property including all resulting loss of use of that property

18. **"School Facilities"** means that part of a school district, charter school community college or university campuses or other educational entity in which instruction is offered by one or more teachers and is discernible as a building or group of buildings.
19. **"Sexual Harassment"** means actual or alleged unwelcome or offensive verbal or physical conduct of a sexual nature.
20. **"Sexual Molestation or Sexual Abuse"** means bodily injury resulting from any illegal, sexual, or wrongful conduct.
21. **"Ultimate Net Loss"** means the total sum which **"You"** become obligated to pay by reason of liability claims, either through adjudication or compromise, after making proper deduction for all recoveries and salvages, and shall also include **"Defense Costs."** Fees, charges and expenses for Third Party Claims Administrators are excluded from the **"Ultimate Net Loss."**
22. An **"Uninsured, Underinsured or Unknown Motor Vehicle"** means a **"Motor Vehicle"** of any type:
 - A. for which no bond or liability insurance policy or Memorandum applies at the time of an accident, or
 - B. for which an insuring or bonding company denies coverage or is or becomes insolvent, or
 - C. for which there is a bond or liability insurance policy or Memorandum at the time of an accident but the amount paid under the bond or policy or Memorandum is not enough to pay for the full amount **"You"** and **"Your"** passengers are legally entitled to recover.
 - D. which is a hit-and-run **"Vehicle"** and hits **"You"** or an **"Automobile"** occupied by **"You"** or that hits a covered **"Automobile"** and neither the driver nor the owner can be identified.
23. **"We", "Us" or "Our"** means the New Mexico Public Schools Insurance Authority.
24. **"Wrongful Act"** means any actual or alleged: error, act, omission, misstatement or misleading statement, neglect, negligence or breach of duty by "You" including refusal to employ, termination of employment, wrongful demotion, wrongful failure to promote,

hostile work environment, wrongful discipline, defamation, humiliation, false arrest, false imprisonment, coercion, libel, slander, retaliation, invasion of privacy, failure to grant tenure, "Sexual Harassment" or discrimination. This includes coverage pertaining to errors or omissions for the administration of **"Employee"** pension and benefit plans.

25. **"You"** or **"Your"** means a school district, other educational entity, charter school or **"Employee"** as more fully defined in §41-4-3 NMSA 1978.

"You" includes educational entities as enumerated in Article 12, Section 11 of the constitution of New Mexico and other state diploma, degree-granting and certificate-granting post-secondary educational institutions, regional education cooperatives and nonprofit organizations dedicated to the improvement of public education and whose membership is composed exclusively of public school employees, public schools or school districts.

"You" includes Students participating in Career Technical Education (CTE) courses and activities, including nurses training or similar allied health courses.

"You" includes uncompensated Volunteers performing services on **"Your"** behalf and under **"Your"** express direction and authority.

"You" includes past, present and future employees and governing boards and governing councils including directors, regents, and trustees

"You" includes student teachers, teaching assistants, and students while serving in a supervised internship program or work study program in satisfaction of course requirements.

"You" also includes a bus **"Contractor,"** but only as relates to motor vehicle liability **"You"** have agreed to cover under Sections 41-4-5 and 41-4-23B(7), NMSA 1978 from whom or on behalf of whom **"We"** have received the applicable premium.

SECTION IV – CONDITIONS

1. **Contribution Payment:**

The annual premium shall be due and payable upon inception of coverage and renewal thereafter. The amount of the annual premium will be based on rates in effect at the inception of the Memorandum and on each subsequent anniversary. **“We”** shall not be required to perform any obligations under the Memorandum if all premiums are not paid in accordance with terms outlined in **“Our”** rules as set forth in New Mexico Administrative Code, Title 6, Chapter 50, Parts 1 through 18.

2. **Inspection and Audit:**

“We” shall be permitted but not obligated to inspect **“Your”** property and operations at any time. Neither our right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of **“You”** or others, to determine or warrant that such property or operations are safe. **“You”** shall maintain records of such information as is necessary for premium computation.

3. **“Your” Duties in the Event of an Accident, Claim or Suit:**

- A. In the event of an Accident reasonably likely to be covered by this Memorandum, **“You”** shall provide **“Us”** with written notice containing particulars sufficient to identify any injured persons and also all reasonably obtainable information with respect to the time, place and circumstances of the Accident, **“Your”** contact information and the names and contact information of all available witnesses as soon as practicable.
- B. If a claim is made or suit is brought against **“You,”** **“You”** shall promptly forward to **“Us”** every demand, notice, summons or other process received by **“You”** or **“Your”** representatives.
- C. **“You”** or **“Your”** authorized representative shall cooperate with **“Us”** and upon our request, assist in making settlements, conducting our defense and investigation of the suits and in enforcing any right of contribution or indemnity against any person or organization who may be

liable to **"You"** because of all **"Damages"** with respect to which coverage is afforded under this Memorandum. **"You"** also shall answer requests for discovery, attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of the witnesses. **"You"** or **"Your"** authorized representative shall not, except at **"Your"** own cost, and without any right or recourse or reimbursement under this Memorandum, voluntarily make any payment, assume any obligation, or incur any expense, admit any liability, settle any claim, or assume any obligation on a claim or suit.

- D. Should **"You"** fail to timely report a claim or fail to act with reasonable diligence with respect to **"Your"** duty to cooperate fully with adjusters, investigators or attorneys assigned by **"Us"** to a claim or notice of claim against **"You," "We"** reserve the right to add up to a 25% increase to **"Your"** premium otherwise due for the subsequent year.

4. Defense and Settlement:

"We" shall have the right and duty to defend any claim or suit against **"You"** seeking **"Damages"** on account of claims or suits covered under this Memorandum, but:

- A. **"We"** may investigate and settle any claim or suit at **"Our"** discretion;
- B. upon reasonable notice to **"You," "Our"** right and duty to defend is terminated when the applicable limits of liability are exhausted in the payment of legal fees, **"Defense Costs,"** charges, expenses, judgments or settlements under this Memorandum;
- C. such defense shall be provided even if the allegations of the claim or suit are groundless, false or fraudulent;

5. Our Right to Appoint and Designate Defense Counsel

"We" shall have the right to appoint and designate counsel to represent **"You"** and any counsel **"You"** may employ is at **"Your"** expense.

6. Cross Suits:

In the event of that **“You”** allege a claim for **“Damages”** against another insured under this Memorandum, **“We”** will provide coverage, subject to the limits of liability, conditions and exclusions of this Memorandum, in the same manner as if separate Memorandums had been issued to **“You”** and the other insured. **“We”** agree to waive all rights of subrogation against all or any of **“You”** in such a case.

7. Bankruptcy and Insolvency:

“We” shall not be relieved of the payment of any claims under this Memorandum because of **“Your”** bankruptcy or insolvency.

8. Other Coverage:

A. Notwithstanding the terms and conditions of any other insurance clause or clauses in any policy or policies, where coverage is available to **“You,”** the coverage afforded under this Memorandum is intended to be, and shall be excess coverage. Under no circumstances shall the coverage afforded by this Memorandum be considered pro rata, concurring or coexistent.

B. If any other coverage is available to **“You,”** whether such coverage is called excess over, contingent basis or pro rata with other valid and collectible coverage or not, the coverage afforded under this Memorandum shall not apply until such other coverage has been exhausted. This clause does not apply with respect to excess coverage purchased specifically to be in excess of this Memorandum.

9. Subrogation:

In the event of any payment under this Memorandum, **“We”** shall be subrogated and otherwise entitled to all rights of recovery against any person or organization. **“You”** shall execute and deliver all instruments and papers and do whatever else is necessary to transfer and secure such rights. **“You”** shall do nothing after loss to prejudice such rights. In case any reimbursement is obtained or recovery is made by **“You”** or by **“Us”** on account of any loss covered by this Memorandum, the net amount of such reimbursement or recovery, after deducting the

actual cost of obtaining or making the same off the top of any recovery, (a reasonable and necessary attorneys' fee may be deducted) shall be applied in the following order:

- A. First, to the amount of loss which exceeds the applicable limit of liability;
- B. Second, to reduce our loss until **"We"** are fully reimbursed;
- C. Third, to reduce **"Your"** loss because of the application of any deductible.

10. Assignment:

Assignment of an interest under this Memorandum shall not bind **"Us"** unless **"We"** give our written consent. If, however, **"You"** shall die, such coverage as is afforded by this Memorandum shall apply:

- A. to **"Your"** legal representative, acting as **"You,"** but only while acting within the scope of his duties as such; and
- B. with respect to **"Your"** property to the person having proper temporary custody thereof, but only until the appointment and qualification of the legal representative.

11. Termination:

This Memorandum and coverage may be terminated by **"You"** or by **"Us"** according to the terms of New Mexico Administrative Code, Title 6, Chapter 50, Parts 1 through 18.

12. Statutory Provisions:

Terms of this Memorandum which are in conflict with the statutes of the State of New Mexico are amended to conform to such statutes.

13. Administrative Appeal:

If **"You"** make a claim for coverage and **"We"** do not agree that the claim is a covered claim under the Memorandum or **"We"** decide to apply the Memorandum to **"Your"** claim in a manner **"You"** disagree with, then, upon written demand of either, the

matter or matters upon which we do not agree shall be adjudicated pursuant to Title 6, Chapter 50, Part 16 of the New Mexico Administrative Code (Administrative Appeal of Authority Coverage Determinations).

14. If **"We"** have expended funds to settle claims against **"You"** and it is later determined that there is no coverage under this Memorandum for one or more of those claims, **"We"** reserve the right to seek reimbursement for those funds.

15. Fraudulent Claims:

If **"You"** shall make or cause to be made any claim knowing the claim to be false or fraudulent in any material manner, this coverage shall become void and all **"Your"** rights hereunder shall be forfeited.

16. Changes:

Notice to any of **"Our"** agents or knowledge possessed by any of **"Our"** agents or by any other person shall not effect a waiver or a change in any part of this coverage or prevent **"Us"** from asserting any rights under the terms of this coverage, nor shall the terms of this coverage be waived or changed, except by endorsement issued to form a part of this coverage.

17. Action Against **"Us"**:

Not until **"We"** determine the amount of the **"Ultimate Net Loss"** shall any administrative appeal with regard to a coverage disagreement be made.

SECTION V – LIMIT OF LIABILITY

Refer to separate self-insured limits applicable to Section VI and VII

Coverage Parts	Limit	Terms
State Tort Claims Act Limits Section 41-4-19 or as amended	\$ 200,000	Property Damage per property address
	\$ 300,000	Medical Expenses
	\$ 400,000	Bodily Injury, Personal Injury Per Person
	\$ 750,000	Per Occurrence
Back Pay including multipliers under any statute including the New Mexico Whistleblower Protection Act	\$ 500,000	Member Deductible Applies. See Section VI Member Deductible Schedule
Front Pay including multipliers under any statute including the New Mexico Whistleblower Protection Act	\$ 500,000	Member Deductible Applies. See Section VI Member Deductible Schedule
Out of State and Federal Coverage	\$ 30,000,000 Per Occurrence , Per Member except with regard to auto liability which will be limited to the caps in the New Mexico Tort Claims Act Limits Section 41-4-1 et seq as amended	"Personal Injury," "Bodily Injury," "Property Damage" and "Wrongful Act"
Sexual Molestation or Sexual Abuse	\$30,000,000	Per Occurrence , Per Member, Per Member Annual Aggregate

	\$30,000,000	Pool Annual Aggregate
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SECTION VI – LIABILITY DEDUCTIBLE SCHEDULE

NMPSIA's Self-Insured Retention for Liability

Coverage	Member Deductible	Terms
Deductible applies to State Tort Claims Act Limits Section 41-4-19 or as amended, Out of State, Federal and Sovereign Nations Coverage, and Sexual Molestation or Sexual Abuse	\$ 0	\$200,000 Property Damage per property address \$300,000 Medical Expenses \$400,000 Bodily Injury, Personal Injury Per Person \$750,000 Per Occurrence
Back Pay Deductible	\$ 2,500	0 to 25
Each Member is assigned a deductible based on your Full Time Employee (FTE) Count	\$ 5,000 \$ 30,000 \$ 50,000	026 to 250 251 to 500 501 and Up
Front Pay Deductible	\$ 2,500	0 to 25
Each Member is assigned a deductible based on your Full Time Employee (FTE) Count	\$ 5,000 \$ 30,000 \$ 50,000	026 to 250 251 to 500 501 and Up

SECTION VII – LIMITED CRIMINAL DEFENSE COVERAGE

(This coverage is self-insured.)

1. Reimbursement Only With Respect to Coverages B and C:

With regard to coverages B and C, this is reimbursement coverage only. No liability for payment of a claim shall occur unless **“You”** present to **“Us”** proof of loss and **“Your”** exoneration or dismissal of all charges.

2. Covered Events:

- A. Reasonable attorney fees and costs incurred by “**You**” in defending a “**Criminal Proceeding**” arising out of acts authorized by the formal student corporal punishment policy of “**Your**” employer.
- B. Reasonable attorney fees and costs incurred by “**You**” in defending a “**Criminal Proceeding**” alleging “**Sexual Abuse**” or “**Molestation**” of a student if “**You**” are fully exonerated by a court or if all charges are dismissed with prejudice or, if without prejudice, then all of the requirements of Section 6 (E) are met.
- C. Reasonable attorney fees and costs incurred by “**You**” in defending a “**Criminal Proceeding**” alleging “**Assault**” or “**Battery**” if “**You**” are fully exonerated by a court or, if all charges are dismissed with prejudice or, if without prejudice, then all of the requirements of Section 6 (E) are met.

3. Limitation of Liability (maximum amounts of coverage):

“**We**” shall not be obligated to pay attorney fees in excess of \$100 per hour, plus reasonable court costs incurred by “**Your**” defense, including costs of experts subject to the following maximum amounts:

A. “**Corporal Punishment**”

\$5,000 when all charges are misdemeanors, or
\$15,000 when one or more felony charges are brought;

for each and all “**Criminal Proceedings**” brought against “**You**” arising from the occurrence .

B. “**Sexual Abuse**” or “**Molestation**”

\$30,000 for each and all “**Criminal Proceedings**” brought against “**You**” arising from the occurrence.

C. “**Assault**” or “**Battery**”

\$5,000 when all charges are misdemeanors, or

\$15,000 when one or more felony charges are brought;

for each and all **“Criminal Proceedings”** brought against **“You”** arising from the occurrence.

4. Determination of Coverage:

The determination of whether a **“Criminal Proceeding”** which alleges **“Corporal Punishment,” “Sexual Abuse,” “Molestation,” “Assault”** or **“Battery”** arises from an occurrence in the course and scope of **“Your”** employment or arises out of **“Your”** educational employment activities shall in the first instance be based on **“Your”** response or the response of **“Your”** attorney, to the allegations made against **“You”**. If evidence obtained as a result of investigation, litigation or otherwise demonstrates that **“Your”** responses with regard to scope of employment are not credible, **“We”** may at any time thereafter determine that the incidents did not occur in the course and scope of **“Your”** employment. In the event **“We”** determine that **“Your”** initial claim that such was within the course and scope of **“Your”** employment was false, **“We”** shall be entitled to reimbursement of the attorneys fees, costs and other expenses incurred by **“Us”** in investigating the question of whether the incidents occurred in the course and scope of **“Your”** employment and any attorneys fees or costs paid by **“Us”** in **“Your”** defense.

5. Definitions:

A. **“Assault” or “Battery”:**

Means **“You”** are charged with any of the following offenses:

- 1) Assault, §30-3-1, NMSA 1978;
- 2) Aggravated Assault, §30-3-2, NMSA 1978;
- 3) Assault with the Intent to Commit a Violent Felony, §30-3-3, NMSA 1978;
- 4) Battery, §30-3-4, NMSA 1978;
- 5) Aggravated Battery, §30-3-5, NMSA 1978;

- 6) Abandonment or abuse of a child, §30-6-1, NMSA 1978.

B. “Sexual Abuse” or “Molestation”:

Means “**You**” are charged with any of the following offenses:

- 1) Contributing to Delinquency of a Minor, §30-6-3, NMSA 1978;
- 2) Criminal Sexual Penetration, §30-9-11, NMSA 1978;
- 3) Criminal Sexual Contact, §30-9-12, NMSA 1978;
- 4) Criminal Sexual Contact of a Minor, §30-9-13, NMSA 1978;
- 5) Sexual Exploitation of Children, §30-6A-3, NMSA 1978.

C. “Corporal Punishment”:

Means “**You**” are charged with any of the following offenses:

- 1) Battery as defined in §30-3-4, NMSA 1978;
- 2) Aggravated Battery as defined in §30-3-5(B) where you were acting as authorized by the formal corporal punishment policy of your employer.

D. “Criminal Proceeding”:

Means the prosecution of “**You**” commenced by the filing, in a Municipal Court or State of New Mexico, Magistrate, Metropolitan or District Court, of any information, complaint, or indictment, alleging that “**You**” had committed one or more crimes within the Coverages. Any such prosecution shall be considered a single criminal proceeding, notwithstanding the fact that the prosecution may involve multiple incidents, multiple counts or charges, and/or multiple trial and/or appellate proceedings. A subsequent or different prosecution based on the same incidents, acts, or

events that provided the basis for the original prosecution shall not constitute a separate criminal proceeding.

6. Restrictions:

- A. Method of Payment: **“Corporal Punishment”** defense shall be on a “pay-on-behalf of” basis; **“Sexual Abuse,” “Sexual Molestation”** and **“Assault and Battery”** defense shall be on reimbursement basis upon exoneration.
- B. No coverage is provided for fees or costs incurred prior to at least one of the following events: (1) a target notice is sent to **“You”**; (2) a criminal complaint is filed against **“You”**; or (3) **“You”** are arrested.
- C. If, after investigation, the claim is determined not to fall within **“Your”** scope of employment or the terms of coverage, **“We”** shall be entitled to reimbursement of payments made previously.
- D. Notice of occurrence which may give rise to a claim must be given to **“Us”** as soon as practicable.
- E. In the event **“You”** rely for reimbursement on the charges being dismissed against **“You”** without prejudice, a copy of a notice of dismissal or no true bill must be provided to **“Us”** in order to receive reimbursement and:
 - 1) all of the offenses charged in the complaint, indictment or information are dismissed with prejudice or if dismissed without prejudice are not again filed within the statute of limitations: or
 - 2) there is a hung jury on the rest of the charges or a combination of an acquittal on a charge or charges and a hung jury on the rest of the charges and the right to retry **“You”** is not preserved: or
 - 3) **“You”** received a target notice and the grand jury to which the case was presented issued a no true bill.

8. Method of Payment of Coverage A Claims:

With regard to Coverage A, if **“We”** determine from our investigation that the acts were done in the course and scope of **“Your”** employment and were authorized by **“Your”** employer’s corporal punishment policy, **“We”** will assume the reasonable cost of **“Your”** defense and pay as such costs accrue within the limits above, subject to further investigation.

9. Action Against **“Us”**:

No action shall lie against **“Us”** and no claim with regard to a coverage issue shall be made with respect to defense costs for a **“Criminal Proceeding,”** unless as a condition precedent thereto, **“You”** have fully complied with all the terms of this coverage, nor until the amount of the obligation to pay by **“Us”** shall have been finally determined either by final verdict or judgment after actual trial or by written agreement between **“You”** and **“Us.”**

10. Multiple Counts or Charges Under Coverages B and C:

For purposes of these coverages, a series of alleged continuous actions by **“You”** shall constitute a single occurrence and the limitation of liability herein shall apply to criminal proceedings arising out of a series of alleged continuous actions by **“You”**.

11. Cancellation:

There has been no additional premium charged by **“Us”** for this limited criminal defense coverage and therefore, no consideration for this coverage has been paid by **“You”** or **“Your”** employer and therefore this coverage may be cancelled by **“Us”** by mailing to **“Your”** employer at the addresses shown in our records, written notice stating when, not less than sixty (60) days thereafter, such cancellation shall be effective. On receipt of such notice **“Your”** employer shall provide similar mailed or delivered notice to **“You”** and such notice shall be provided no less than fifteen (15) days after receipt of notice of cancellation from **“Us”** by **“Your”** employer.

The mailing of notice shall be sufficient proof of notice. The date and time stated in the notice shall become the end of the period of coverage.

12. This Coverage is Excess:

This coverage is excess over any other applicable collectible coverage “**You**” may have.

SECTION VIII – LIMITED IDEA COVERAGE

(This coverage is self-insured)

1. Covered Events:

- A. Reasonable attorney’s fees and costs incurred by “**You**” in defending an Individuals with Disabilities Education Act, 20 U.S.C. Chapter 33 (IDEA) and §504 of the Rehabilitation Act of 1973 complaint arising out of rights asserted pursuant to IDEA or Section 504.
- B. Reasonable due process hearing officer’s fees and costs incurred by “**You**” in processing a proceeding alleging violation of rights pursuant to IDEA.
- C. Reasonable IDEA attorney’s fees and costs which “**You**” agree to pay or are ordered to pay in an IDEA proceeding or in a Federal District Court action arising out of or in connection with an IDEA proceeding.
- D. A and C above in the administrative appeal process plus reasonable costs incurred by “**You**” therein.

2. With regard to coverages A, B, C, and D, this is reimbursement coverage only. There shall be no liability for payment of a claim unless “**You**” present to “**Us**” proof of loss and good faith efforts by “**You**” to:

- A. Negotiate an individual education plan and reasonable accommodations with the parent, custodian or guardian of the student; and
- B. Follow the negotiated plan and provide the reasonable accommodations; and
- C. If good-faith efforts to negotiate a plan fail, engage in good-faith mediation; and

D. If a plan is negotiated or mediation results in settlement, comply in good faith with the plan or settlement.

3. Limitation of Liability:

“**Our**” obligation shall not exceed \$100 per hour for hearing officer or attorney time and \$40 per hour for necessary travel plus reasonable costs. A claim for reimbursement shall be presented in a format which separates out the following:

Coverage A) Defending an IDEA claim:

Coverage B) Due Process Hearing:

Coverage C) Complainant’s Attorney:

Coverage D) Administrative Appeal Costs:

4. Determination of Coverage/Definition of Proceedings:

The determination of whether a complaint alleges an IDEA claim shall in the first instance be based on allegations of the claim. This is a reimbursement policy and the final decision with respect to coverage shall be made after the claim is processed to a final conclusion. IDEA Proceeding means a written appeal by a parent or guardian of one or more of “**Your**” students which is within the definition of Section VII 1.A of this MOC and is processed to a point where there is a final, binding and non-appealable IDEA determination or settlement entered.

5. Claim Submission/Notice of Claim:

A claim by “**You**” may be filed with “**Us**” after a final, binding, non-appealable IDEA determination or settlement is entered. “**You**” shall submit the information in support of the claim as may be required by “**Us**” in a format as may be required by “**Us**.” The information requested will be for the purpose of allowing “**Us**” to make a determination with respect to reimbursement and the levels of reimbursement.

The information submitted by “**You**” in support of the claim shall not contain any personally identifiable information which includes but is not limited to:

- A. The student's name; or
- B. The name of the student's parent or other family member; or
- C. The address of the student or student's family; or
- D. A personal identifier, such as the student's social security number or student number; or
- E. A list of personal characteristics that would make the student's identity easily traceable; or
- F. Other information that would make the student's identity easily traceable.

Where the information required to be submitted to **"Us"** in its raw form contains such references, **"You"** have a duty under 34 CFR Part 99 to edit or blot out such personally identifiable information prior to copying and submission to **"Us."**

6. Due Process Reimbursement:

"We" will include due process reimbursement in **"Our"** self-insured retention risk pool. Each year, the legislature shall authorize the board to collect the due process reimbursement premium from **"You"** to cover the cost of due process reimbursement. To the extent **"We"** are authorized to collect the premium from **"You,"** **"We"** will do so based on claims experience and other criteria determined by the board.

Prior to the beginning of each fiscal year, **"We"** shall determine the amount of money available in the fund for special education due process reimbursements. The process by which **"Your"** claims for reimbursement must be made by the end of the fiscal year is established in this Memorandum.

7. Reimbursement Method:

The method for distributing money available for claims payment is on a pro rata basis if the available money is not sufficient to cover all claims. Prior to the end of June, 2009 and prior to the end of June of each year thereafter, **"We"** will determine, based on the premiums collected by **"Us,"** the amount of money available in our self-insured retention risk pool for due process reimbursement. **"Our"** total obligation to all our members for all IDEA due process reimbursements of allowable fees and costs during the term of this Memorandum will be established by **"Us"** prior to the beginning of the term of the successor Memorandum. **"We"** will then, on or

before June 30, distribute the money **“We”** determine available on a pro rata basis (for example, if **“Your”** approved claim is 10% of the total of all approved claims for the year, then **“You”** will receive 10% of the total money available that year) in reimbursement for all the eligible claims received by **“Us”** from **“You”** during the term of this MOC. **“We”** will have no further obligation for IDEA reimbursements to **“You”** for IDEA fees or costs incurred by **“You”** that year. In no event shall the reimbursement to **“You”** exceed one hundred thousand dollars (\$100,000) per year for each IDEA proceeding and **“You”** are not entitled to reimbursement beyond the amount determined as **“Your”** pro rata share merely because it was incurred by **“You.”**

NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY

GENERAL AND AUTOMOBILE LIABILITY COVERAGES

The schedule of covered “Members” is as follows including any other Educational Entities or Charter Schools added during the Term of this Memorandum of Coverage not named in Schedule A:

SCHEDULE A

1. 21st Century Charter School dba 21st Century Public Academy
2. ABQ Charter Academy
3. ABQ Collegiate Charter School
4. Academy for Technology and the Classics
5. ACE Leadership High School
6. Alamogordo Public Schools
7. Albuquerque Institute of Math and Science (High Tech High, Albuquerque)
8. Albuquerque Charter Academy
9. Albuquerque School of Excellence
10. Albuquerque Talent Development Academy
11. Aldo Leopold High School
12. Alice King Community School
13. Alma D’ Arte Charter School
14. Altura Preparatory Academy
15. Amy Biehl Charter School
16. Anansi Charter School
17. Animas Charter School
18. Anthony Charter School
19. Artesia Public Schools
20. Aztec Municipal Schools
21. Belen Consolidated Schools
22. Bernalillo Public Schools
23. Bloomfield Public Schools
24. Capitan Municipal Schools
25. Carlsbad Municipal Schools
26. Carrizozo Municipal Schools
27. Central Consolidated School District #22
28. Cesar Chavez Community School
29. Chama Valley Independent Schools

30. Christine Duncan Heritage Academy
31. Cien Aguas International School
32. Cimarron Municipal Schools
33. Clayton Municipal School District
34. Cloudercroft Municipal School
35. Clovis Municipal Schools
36. Cobre Consolidated Schools
37. Cooperative Educational Services
38. Coral Community Charter
39. Corona Public Schools
40. Corrales International Charter School
41. Cottonwood Valley Charter School
42. Cottonwood Classical Preparatory School
43. Cuba Independent Schools
44. DATA Charter School (Digital Arts & Technology Academy)
45. Deming Cesar Chavez High School
46. Deming Public Schools
47. Des Moines Municipal Schools
48. Dexter Consolidated Schools
49. Dora Consolidated Schools
50. Dream Dine' Charter School
51. Dulce Independent Schools
52. DZIL DIT L'OOI School of Empowerment, Action & Perseverance (DEAP)
53. East Mountain Charter School
54. Eastern New Mexico University
55. El Camino Real Academy
56. Elida Municipal Schools
57. Espanola Municipal Schools
58. Estancia Municipal Schools
59. Estancia Valley Classical Academy
60. Eunice Public Schools
61. Explore Academy
62. Farmington Municipal Schools
63. Floyd Municipal Schools
64. Fort Sumner Municipal Schools
65. Gadsden Independent Schools
66. Gallup-McKinley County Public Schools
67. Gilbert L. Sena Charter High School DBA: CEPI #2
68. Gordon Bernell Charter School
69. Grady Municipal Schools
70. Grants Cibola County Schools
71. Hagerman Municipal Schools

72. Hatch Valley Municipal Schools
73. Health Leadership High School
74. Hobbs Municipal Schools
75. Hondo Valley Public Schools
76. Horizon Academy West
77. Hozho Academy
78. House Municipal Schools
79. J. Paul Taylor Academy
80. Jal Public Schools
81. Jefferson Montessori Academy
82. Jemez Mountain Public Schools
83. Jemez Valley Public Schools
84. La Academia de Esperanza
85. La Academia Dolores Huerta Charter School
86. La Promesa Early Learning Center
87. La Resolana Leadership Academy
88. La Tierra Montessori School of the Arts & Science
89. Lake Arthur Municipal Schools
90. Las Cruces Public Schools
91. Las Montañas Charter High School
92. Las Vegas City Public Schools
93. Lindrith Area Heritage School
94. Logan Municipal Schools
95. Lordsburg Municipal Schools
96. Los Alamos Public Schools
97. Los Lunas Public Schools
98. Los Puentes Charter School
99. Loving Municipal Schools
100. Lovington Municipal Schools
101. Luna Community College
102. Magdalena Municipal Schools
103. Maxwell Municipal Schools
104. McCurdy Charter School
105. Media Arts Collaborative Charter School
106. Melrose Municipal Schools
107. Mesa Vista Consolidated Schools
108. Mesalands Community College
109. Mission Achievement and Success Charter School
110. Monte Del Sol Charter School
111. Montessori of the Rio Grande
112. Mora Independent Schools
113. Moreno Valley Charter High School
114. Moriarty Municipal Schools
115. Mosaic Academy

116. Mosquero Municipal Schools
117. Mountain Mahogany Community School
118. Mountainair Public Schools
119. Native American Community Academy
120. New Mexico Activities Association
121. New Mexico Coalition for Charter Schools
122. New Mexico Coalition for Educational Leaders
123. New Mexico Connections Academy
124. New Mexico International School
125. New Mexico Public Schools Insurance Authority
126. New Mexico School for the Arts
127. New Mexico Virtual Academy
128. North Valley Academy
129. Nuestros Valores Charter High School
130. Pecos Connections Academy
131. Pecos Independent Schools
132. Penasco Independent Schools
133. Pojoaque Valley Public Schools
134. Portales Municipal Schools
135. Public Academy for Performing Arts
136. Quemado Independent Schools
137. Questa Independent Schools
138. Raton Public Schools
139. Red River Valley Charter
140. Regional Education Cooperative # 2
141. Regional Education Cooperative #6
142. Regional Education Cooperative # 7
143. Regional Education Cooperative #8
144. Reserve Independent Schools
145. Rio Gallinas Charter School
146. Rio Rancho Public Schools
147. Robert F. Kennedy Charter School
148. Roots and Wings Community School
149. Roswell Independent Schools
150. Roy Municipal Schools
151. Ruidoso Municipal Schools
152. SAHQ Academy
153. San Diego Riverside Charter School
154. San Jon Municipal Schools
155. Sandoval Academy of Bilingual Education
156. Santa Fe Community College
157. Santa Fe Public Schools
158. Santa Rosa Consolidated Schools
159. School of Dreams Academy

160. Sidney Gutierrez Middle Schools
161. Siembra Leadership High School
162. Silver Consolidated Schools
163. Six Directions Indigenous School
164. Socorro Consolidated Schools
165. South Valley Academy
166. South Valley Preparatory
167. Southwest Aeronautics, Mathematics and Science Academy
168. Southwest Preparatory Learning Center
169. Southwest Secondary Learning Center
170. Springer Municipal Schools
171. Taos Academy Charter School
172. Taos Charter School
173. Taos Integrated School of the Arts
174. Taos International School
175. Taos Municipal Schools
176. Tatum Municipal Schools
177. Technology Leadership High School
178. Texico Municipal Schools
179. The Albuquerque Sign Language Academy
180. The ASK Academy
181. The Great Academy
182. The International School at Mesa Del Sol
183. The MASTERS Program
184. The Montessori Elementary Schools
185. The New America School, Las Cruces
186. The New America School, New Mexico (Albuquerque)
187. Tierra Adentro Charter School
188. Tierra Encantada Charter High School
189. Truth or Consequences Municipal Schools
190. Tucumcari Public Schools
191. Tularosa Municipal Schools
192. Turquoise Trail Elementary
193. UNM Middle College H.S
194. Vaughn Municipal Schools
195. Vista Grande High School
196. Wagon Mound Public School
197. Walatowa High Charter School
198. West Las Vegas Public Schools
199. Western New Mexico University
200. William W. & Josephine Dorn Charter School
201. Zuni Public Schools

NEW MEXICO PUBLIC SCHOOL INSURANCE AUTHORITY

PROPERTY, AUTOMOBILE PHYSICAL DAMAGE & CRIME COVERAGES

MEMORANDUM OF COVERAGE – MOCP021

July 1, 2018 to June 30, 2019

ISSUED BY: New Mexico Public School Insurance Authority
410 Old Taos Highway
Santa Fe, New Mexico 87501

DECLARATION:

Pursuant to NMSA 1978, §22-29-1 et seq. and New Mexico Administrative Code, Title 6, Chapter 50, Parts 1-18, this Memorandum of Coverage (“**Memorandum**”) is an agreement by the New Mexico Public School Insurance Authority (the “**Authority**”) and its “**Members**,” as listed in Schedule A attached hereto, to provide or obtain insurance protection for all covered losses subject to the limits and other terms and conditions of this “**Memorandum**” and any endorsements attached. This “**Memorandum**” is intended to describe the terms and conditions of coverage which the “**Authority**” provides as well as the terms and conditions of coverage provided by Public Entity Property Insurance Program (“**PEPIP**”) for claims in amounts excess of what the “**Authority**” provides. In consideration of the contributions paid by the “**Members**” this “**Memorandum**” provides the coverages as set forth in this below.

Throughout this “**Memorandum**,” words and phrases that appear in bold type and quotation marks have special meaning. They are defined in the DEFINITION section and the definitions are controlling as to the meaning of those words and phrases unless modified by definitions in specific coverages.

Term of Memorandum of Coverage:

This “**Memorandum**” is effective from July 1, 2017 to June 30, 2018, 12:01 A.M. local Standard Time at the address shown above. However, as respects Coverage C only, this “**Memorandum**” is effective after 12:01A.M. local Standard Time, July 1, 1986.

Territory:

Coverage under this “**Memorandum**” applies to “**Covered Property:**” 1) located on the “**Member’s**” premises; 2) while in transit within and between the United States of America, Puerto Rico and Canada; and 3) to such other locations as are specified in this “**Memorandum.**”

New Mexico Public Schools Insurance Authority

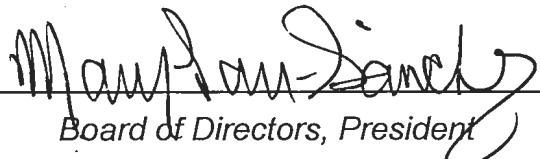
By:  6/14/18
Board of Directors, President Date

Table of Contents

A. Coverage A: Property Coverage	3
1. Section I: Property Covered	3
2. Section 2: Covered Perils	3
3. Section 3 Extensions of Coverage	4
4. Section 4: Property Not Covered	9
5. Section 5: Exclusions	10
6. Section 6: Limits of Liability	15
7. Section 7: Deductibles and Excess Insurance	17
8. Section 8: Valuation.....	17
9. Section 9: Other Coverage	19
10. Section 10: General Conditions	21
11. Section 11: General Definitions	24
 B. Coverage B: Automobile Physical Damage.....	28
1. Interest and Automobiles Covered.....	28
2. Covered Perils.....	29
3. Extensions of Coverage.....	29
4. Interests & Automobiles Not Covered.....	29
5. Perils Not Covered	30
6. Limits of Liability	30
7. Deductibles	30
8. Appraisal	31
9. Duties in the Event of a Loss	31
 C. Coverage C: Crime Coverages	32
1. Section I: Interests and Property Covered	32
2. Section II: Exclusions	34
3. Section III: General Conditions	37
4. Section IV: Provisions Affecting Loss Settlement	39
5. Section V: Cancellation Provisions	40
6. Section Vi: Definitions	41
 D. Schedule A: Members.....	45

This **"Memorandum"** consists of the following coverage parts:

COVERAGE A:	PROPERTY COVERAGE
COVERAGE B:	AUTOMOBILE PHYSICAL DAMAGE
COVERAGE C:	CRIME COVERAGE

COVERAGE A: PROPERTY COVERAGE

Section 1) PROPERTY COVERED:

This **"Memorandum"** covers the following property located within the **"Coverage Territory,"** to the extent of **"Your"** interest in such property and subject to all of the terms, conditions and exclusions of this **"Memorandum"** and also subject to its **"Limits of Liability:"**

A) **"Real Property,"** as described in the most recently conducted building appraisal on file with **"Us"** and **"Our"** excess insurers, including new buildings and additions under construction at a **"Covered Location"** and existing buildings undergoing reconstruction, alteration, installation, renovation or repair, in which **"You"** have an insurable interest;

B) **"Personal Property"** **"You"** own, including **"Your"** interest in improvements and betterments to buildings that **"You"** do not own.

C) **"Personal Property"** of others in **"Your"** custody to the extent of **"Your"** interest in and legal liability for direct loss or physical damage to the **"Personal Property"** of others.

D) The interests of contractors and subcontractors in material and associated labor incorporated into **"Covered Property"** or material to be incorporated into **"Covered Property"** which **"You"** have not paid for as of the **"Date of Loss"** to the extent of **"Your"** legal liability for such loss or damage. Such interest of contractors and subcontractors is limited to the **"Covered Property"** for which they have been hired to perform work and such interest will not extend to any **"Time Element"** coverage provided under this **"Memorandum."**

E) **"Your"** interest in **"Personal Property"** which is undergoing construction, reconstruction, alteration, installation, renovation or repair.

Section 2) COVERED PERILS:

This **"Memorandum"** covers against risks of direct physical loss or damage to **"Covered Property"** caused by an **"Occurrence"** during the **"Term"** of this **"Memorandum"** except as hereinafter excluded.

Section 3) **EXTENSIONS OF COVERAGE:**

A) **"Personal Property" owned by "Employees:"**

If **"Your"** governing body maintained a written policy effective prior to the **"Date of Loss"** stating that the **"You"** are willing to cover loss or damage to an **"Employee's" "Personal Property,"** then **"We"** will pay, subject to the applicable deductible, exclusions, **"Limits of Liability,"** and terms and conditions of this **"Memorandum,"** for direct physical loss or damage caused by a **"Covered Peril"** to **"Personal Property"** owned by **"Your" "Employee,"** provided that the direct physical loss or damage occurs while the **"Personal Property"** is at **"Your" "Covered Location"** and is being used for purposes usual, customary, and incidental to the **"Employee's"** job duties.

B) **"Personal Property" owned by "Students:"**

If **"Your"** governing body maintained a written policy effective prior to the **"Date of Loss"** stating that the **"You"** are willing to cover direct physical loss or damage to **"Personal Property"** owned by **"Students,"** then **"We"** will pay, subject to the applicable deductible, exclusions, **"Limits of Liability,"** and terms and conditions of this **"Memorandum,"** for direct physical loss or damage caused by a **"Covered Peril"** to **"Personal Property"** owned by **"Your" "Students,"** while being used for purposes usual, customary and incidental to the **"Students"** curriculum, provided that the loss or damage occurs while the **"Personal Property"** is at **"Your" "Covered Location,"** but only when such direct physical loss or damage occurs in conjunction with direct physical loss or damage to **"Your" "Covered Property."**

C) **Debris Removal:**

"We" will pay, subject to the applicable terms, conditions, exclusions, deductibles and **"Limits of Liability"** of this **"Memorandum,"** **"Your"** necessary and reasonable expenses incurred in the removal of debris from a **"Covered Location"** that remains as a result of direct physical loss or damage to **"Covered Property"** at the **"Covered Location"** caused by a **"Covered Peril."**

"We" will not pay for the cost of:

1. extracting **"Pollutants"** and **"Contaminants"** from land or water; or restoring or replacing **"Polluted"** or **"Contaminated"** land or water; or
2. removing any foundations other than the damaged portions of foundations which must be removed for repair or rebuilding; or
3. removing **"Polluted"** or **"Contaminated"** property or the **"Contaminant"** or **"Pollutant"** from **"Covered Property"** whether or not the **"Pollution"** or **"Contamination"** results from direct physical loss or damage caused by a **"Covered Peril."** However, **"We"** will pay for the necessary and reasonable cost of removal of asbestos which has been damaged as a result of direct physical loss or damage at a **"Covered Location"** caused by a **"Covered Peril."** **"We"** will only pay for cost **"You"** incur for asbestos removal if **"You"** report the cost to **"Us"** in writing within 180 days of the **"Date of Loss."**

Under this extension of coverage for Debris Removal, “We” will pay no more than 25% of the total amount of the direct physical loss or damage to “Covered Property.”

D) Increased Cost of Construction Due to Enforcement of Building Codes:

“We” will pay the reasonable and necessary costs “You” incur to satisfy the minimum requirements of the enforcement of any federal, state, county or municipal law or ordinance regulating the demolition, construction, repair, replacement or use of buildings or structures at a “Covered Location,” provided:

1. such law or ordinance is in force on the “Date of Loss” and
2. its enforcement is a direct result of direct physical loss or damage caused by a “Covered Peril.”

“We” will not pay for costs incurred due to enforcement of building codes if “You” would have been required to comply with such laws and ordinances even if the loss had not occurred.

“We” will pay for the cost of demolishing any undamaged portion of the building or structure, including the cost of clearing the site caused by loss from any “Covered Peril” and the increased cost of repair or reconstruction to permit similar occupancy of both the damaged and undamaged portion of damaged buildings or structures in order to fully satisfy the government imposed legal requirements.

“We” will not pay for the costs of removing mold or other fungi, bacteria, wet rot, dry rot, bacteria or mildew due to enforcement of laws or ordinances unless the infestation of fungi, bacteria, wet rot, dry rot, bacteria or mildew resulted from direct physical loss or damage caused by a “Covered Peril.”

“We” will not pay for the costs of removing “Pollutants” or “Contaminants,” except for the removal of asbestos which has been damaged by a “Covered Peril.”

“We” will only pay for increased cost of construction incurred to repair or rebuild the building or structure for a new use up to the amount it would have cost to restore the building to its pre-loss use as of the “Date of Loss.” “We” will not pay for increased cost of construction due to the requirements of any law or ordinance” unless the “Covered Property” is actually repaired or replaced;

“We” will also pay reasonable and necessary architects and engineers fees up to 15% of the total incurred direct physical loss or damage incurred in satisfying government imposed legal requirements “You” incur as a result of direct physical loss or damage caused by a “Covered Peril”.

This extension of coverage shall not increase the “Limits of Liability” as set forth elsewhere in this “Memorandum.”

E) Fire Brigade Charges and Extinguishing Expenses:

If “Covered Property” is destroyed or damaged by a “Covered Peril,” “We” will pay for the following:

1. fire brigade charges and other extinguishing expenses which “Your” are assessed and
2. fire extinguishing materials which are actually expended.

F) Loss of Rental or Other Income:

“We” will pay “Your” actual loss of rents or other income if “Your” operations are interrupted as a direct result of direct physical loss or damage to “Covered Property” caused by a “Covered Peril” whether the buildings were rented or not on the “Date of Loss.” “We” will pay only for “Your” actual loss of income after deduction for expenses avoided as a result of the interruption.

Loss of rental or other income coverage will begin on the “Date of Loss” and end on the earlier 1) of the date when, with the exercise of due diligence and dispatch, the property should have been repaired or replaced or 2) the date when “Your” operation is resumed at a new, permanent location.

SPECIAL EXCLUSIONS RELATED TO COVERAGE FOR LOSS OF RENTAL OR OTHER INCOME

“We” will not pay for an increase of loss resulting from:

1. interference by strikers or other persons with rebuilding, repairing or replacing the “Covered Property” or with the resumption or continuation of business; or
2. the suspension, lapse or cancellation of any lease, license, contract or order unless such suspension, lapse or cancellation results directly from the interruption of business, and then “We” will pay only such loss as affects “Your” earnings during and limited to the period from the “Date of Loss” until the of the date when, with the exercise of due diligence and dispatch, the “Covered Property” should have been repaired or replaced or the date when “Your” operation is resumed at a new, permanent location.
3. “We” will not pay for any other consequential or remote loss under this extension of coverage for Loss of Rental or Other Income.

SETTLEMENT OF LOSS – RENTAL OR OTHER INCOME:

For the purpose of this coverage, “We” will determine the amount of loss by adding (a) the actual rental income from the property, (b) the amount of all charges assumed by the tenants which would otherwise be “Your” obligations, (c) the fair rental value of that portion “You” occupied and (d) the income “You” reasonably expected from rentals of vacant portions of the property that would have been rented if no loss had occurred.

G) Transit:

“We” will pay for direct physical loss or damage caused by a “Covered Peril” to “Your” “Personal Property” or the “Personal Property” of others in “Your” actual or constructive custody while in transit within the “Coverage Territory” to the extent of the “Your” interest or legal liability.

H) Extra Expense:

“We” will pay reasonable and necessary expenses over and above “Your” ordinary business expenses in order for “You” to continue normal operations resulting from direct physical loss or damage, to “Covered Property” caused by a “Covered Peril” at a “Covered Location.” Extra Expense coverage will continue only for the period of time reasonably necessary to rebuild, repair or replace the damaged or destroyed property beginning with the “Date of Loss” during the “Term” of this “Memorandum,” but not limited by the “Expiration” of this “Memorandum.” It is a condition of this extension of coverage, that “You” must make every reasonable effort to resume operations or partial operations as soon as possible.

Any property obtained for temporary use during the period of restoration which remains after the resumption of normal operations, shall be taken into account in the adjustment of any claim for Extra Expense. “We” will determine the value of property obtained for temporary use and if “you” disagree “you” may appeal pursuant to Section 10.H) – Administrative Appeal.

I) Contingent Business Interruption:

“We” will pay Extra Expense “You” incur for a period not exceeding two consecutive weeks when access to “Your” “Covered Location” is specifically prohibited by order of civil authority as a direct result of damage to premises adjacent to “Your” “Covered Location.”

“We” will pay Loss of Rental or Other Income for a period not exceeding two consecutive weeks, when access to “Your” “Covered Location” is specifically prohibited by order of civil authority as a direct result of damage to premises adjacent to “Your” “Covered Location.” Coverage of Loss of Rental or Other Income does not begin until after 72 hours has passed from the onset of the action by civil authority.

J) Engineer's and Architect's Fees:

"We" will pay reasonable and necessary engineering and architectural fees for professional services rendered arising from a direct loss or damage to **"Covered Property"** caused by a **"Covered Peril,"** but only for an amount not to exceed 15% of the incurred loss.

K) Ingress and Egress:

"We" will pay for the actual loss **"You"** sustain due to the necessary interruption of the **"Your"** operations during the period of time when, as a direct result of direct physical damage to **"Covered Property"** caused by a **"Covered Peril,"** ingress to or egress from a **"Covered Location"** is physically prevented.

L) Expense to Reduce or Prevent Loss

"You" must take reasonable immediate action to minimize the extent of any covered loss. In case of actual or imminent physical loss or damage to **"Covered Property"** by a **"Covered Peril,"** **"We"** will pay the reasonable and necessary expenses **"You"** incur in taking reasonable actions for the temporary protection and preservation of **"Covered Property."**

M) Rebuild at Another Site:

If a loss necessitates the complete rebuilding of a structure, **"You"** may rebuild that structure at a different site, but **"We"** will only pay the cost of rebuilding that structure at the original site.

N) Pair and Set:

If any article or articles which are part of a pair or set are lost or damaged by a **"Covered Peril,"** **"We"** will pay the reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of the article or articles, but in no event will **"We"** value such loss or damage as a total loss to the pair or set.

O) Service Interruption:

"We" will pay for loss due to dampness or dryness of atmosphere, extremes or changes of temperature, shrinkage, evaporation, decay or other spoilage, loss of weight, rust, contamination, and change of flavor, color, texture or finish of **"Personal Property"** at an **"Covered Location"** resulting from direct physical loss or damage to facilities owned by the public utility or other company contracted to supply natural gas, telecommunications, water electricity, or refrigeration to the **"Covered Location."**

P) Terrorism Coverage:

"We" will pay for direct physical loss or damage caused by or resulting from **"Terrorism"** at **"Your"** **"Covered Location."** Any cause of loss which satisfies the

definition of **"Terrorism"** is not subject to the exclusions for riot, civil commotion and other warlike perils.

Section 4) PROPERTY NOT COVERED:

"We" will not pay for loss or damage to the following:

- A) accounts, bills, currency, deeds, evidence of debt or title, money, **"Securities,"** or any other documents having a negotiable or market value, except as provided under Coverage C-Crime Coverage;
- B) land, land values, animals, fish, birds, watercourses or bodies of water whether above or below ground;
- C) aircraft or watercraft;
- D) **"Automobiles"** licensed for use on public roads, except as provided under Coverage B – Automobile Physical Damage;
- E) Sewers, drains or water mains, underground tanks, flues, piping and contents of underground pipes and piping except loss caused by fire or explosion;
- F) Land improvements including but not limited to, bridges, tunnels, dams, reservoirs, dikes, bulkheads, berms, excavations, grading, backfilling or filling, piers, wharves, and retaining walls that are not part of a building;
- G) property sold by the **"Member"** under conditional sale, trust agreement, installment, or other deferred payment plans after delivery to customers;
- H) property in transit except as otherwise provided in this **Memorandum;"**
- I) **"Electronic data," "Computer Programs" and "Software;"**
- J) bullion, jewelry, furs, precious metals or precious stone, except as provided under Coverage C-Crime Coverage;
- K) Any **"Real Property"** vacant, abandoned or unoccupied for more than 60 consecutive days prior to the **"Date of Loss";**
- L) contractor's and subcontractor's machinery, tools and equipment used in the construction, renovation or repair of **"Covered Property;"**
- M) property not otherwise specifically covered under this **"Memorandum."**

Section 5) EXCLUSIONS:

“We” will not pay for loss, damage or expense directly or indirectly caused by or resulting from any of the following:

- A) wear, tear, gradual deterioration, depletion, erosion, corrosion, inherent vice, latent defect, moths, insects and vermin; unless direct physical damage or loss not excluded by this “**Memorandum**” results, then only for the resulting damage;
- B) mold or other fungi, bacteria, wet rot, dry rot, bacteria or mildew unless directly resulting from other direct physical loss or damage to “**Covered Property**” not excluded under the “**Memorandum**,”
- C) the costs associated with the enforcement of any ordinance or law which requires “**You**” or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of mold or other fungi, wet or dry rot, bacteria or mildew unless the mold or other fungi, bacteria, wet rot, dry rot, bacteria or mildew directly results from other direct physical damage or loss not excluded under the “**Memorandum**,”
- D) any costs, expenses, fines or penalties incurred or sustained by or imposed on “**You**” at the order of any government agency, court or other authority arising from any cause whatsoever;
- E) the cost of correcting or making good faulty or defective workmanship, materials, construction or design. However, this exclusion shall not apply if direct physical damage or loss not excluded by this “**Memorandum**” results, and then only for the resulting damage;
- F) “**Breakdown**” to equipment owned, operated or controlled by “**You**” unless loss or damage results from a “**Covered Peril**” and then “**We**” will pay only for the ensuing loss or damage;

Notwithstanding the foregoing exclusion, “**We**” will pay for damage to “**Covered Property**” as follows:

1. Cracking of any part of an internal combustion gas turbine exposed to the products of combustion;
2. Damage to any structure or foundation supporting the equipment owned, operated or controlled by “**You**,”
3. Damage to any vacuum tube, gas tube or brush;
4. Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;

5. An explosion unless the direct loss or damage is caused by an explosion of a steam boiler; electric steam generator; steam piping; steam turbine; steam engine; or gas turbine or any other moving or rotating machinery when such explosion is caused by centrifugal force or mechanical breakdown;

6. Explosion within the furnace of a chemical recovery type boiler or within the gas passages from the furnace to the atmosphere;

7. Fire or combustion explosion, including those that result in a **"Breakdown"** of equipment owned, operated or controlled by **"You"**; occur at the same time as a **"Breakdown"** of equipment owned, operated or controlled by **"You,"** or ensue from a **"Breakdown"** of equipment owned, operated or controlled by **"You;"**

so long as such damage is not caused by or as a result of wear or tear, gradual deterioration, depletion, erosion, corrosion, inherent vice, latent defect, insects, moths or vermin, unless direct physical damage or loss not otherwise excluded in this **"Memorandum"** results, and then only for the resulting damage;

- G) delay, loss of market or loss of use, interruption of business or any other consequential or indirect loss except as otherwise specifically covered under this **"Memorandum;"**
- H) dampness or dryness of atmosphere, extremes or changes of temperature, shrinkage, evaporation, decay or other spoilage, loss of weight, rust, contamination, and change of flavor, color, texture or finish unless resulting from direct physical loss or damage to facilities owned by a public utility or other company contracted to supply natural gas, telecommunications, water electricity, or refrigeration to the **"Covered Location;"** However **"We"** will pay no more than the maximum of \$150,000 per **"Occurrence"** for **"Damages"** from a **"Breakdown"** of equipment owned, operated or controlled by **"You"** for extremes or changes of temperatures including heat, cold waves and freezing due to cold weather if direct physical damage is the result of a **"Covered Peril"**.
- I) any dishonest or fraudulent act or acts committed alone or in collusion with others:
 - 1. by any of the partners, officers, volunteers, or employees of the **"Member,"** whether or not such acts are committed during regular business hours, or
 - 2. by any proprietor, partner, director, trustee or elected officer of any proprietorship, partnership, corporation or association engaged by the **"Member"** to render any service or perform any act in connection with property covered under this **"Memorandum;"**

except as coverage is provided under Coverage C- Crime Coverage;

- J) settling, cracking shrinking or expansion of foundations, pavements, walls, floors, roofs or ceilings. However, this exclusion shall not apply if direct physical damage or loss not excluded by this **"Memorandum"** results, and then only for the resulting damage;
- K) damage to **"Personal Property"** or **"Fine Arts"** caused by processing, renovating, restoration, retouching, repairing, or faulty workmanship;
- L) breakage of statuary, marble, glassware, bric-a-brac, porcelains, and similar fragile articles, unless caused directly by fire, lightning, aircraft, theft and/or attempted theft, cyclone, tornado, windstorm, explosion, malicious damage or collision, derailment or overturn of conveyance;
- M) damage to **"Personal Property"** resulting from **"Contamination,"** shrinkage, evaporation, loss of weight, leakage, breakage, marring, scratching, exposure to light, or change in color, texture or flavor; unless such loss or damage is caused directly by fire or the combating thereof, lightning, windstorm, hail, collapse, explosion, strike, riot or civil commotion, aircraft, vehicles, breakage of pipes or apparatus;
- N) loss or damage to or any cost, claim or expense directly or indirectly arising out of or related to any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, claim or expense unless fire or explosion ensues and then only for direct physical loss caused by the fire or explosion subject to all other terms, conditions and exclusions of this **"Memorandum:"**
 - 1) **"Electronic Data" or "Computer Programs;"**
 - 2) failure of, interruption of, loss of use of, loss of access to, or reduction or alteration in the accuracy, functionality, availability or operation of **"Electronic Data" or "Computer Programs;"**
 - 3) any instruction, including but not limited to, any **"Computer Virus,"** introduced into or caused to act upon **"Computer Operations;"**
 - 4) errors in configuring **"Computer Operations;"** or
 - 5) failure of, interruption of, loss of use of, loss of access to, or reduction or alteration in the accuracy, functionality, availability, or operation of **"Computer Operations"** caused by anything other than direct physical loss or damage caused by a **"Covered Peril"** to **"Covered Property"** at a **"Covered Location."**
- O) hostile or warlike action in time of peace or war, including action in hindering, combating or defending against an actual, impending or expected attack, by any

government or sovereign power (de jure or de facto), or by any authority maintaining or using military, naval or air forces; or by military, naval or air forces; or by an agent of any such government, power, authority or forces; any weapon of war employing atomic fission or radioactive force whether in time of peace or war; insurrection, rebellion, revolution, civil war, riot, civil commotion, usurped power or action taken by governmental authority in hindering, combating or defending against such an occurrence; seizure or destruction under quarantine or customs regulations; confiscation by or destruction by order of any government or public authority, except destruction by order of public authority to prevent spread of fire or explosion; risks of contraband or illegal transportation or trade;

P) nuclear reaction or nuclear radiation or radioactive contamination unless direct physical damage by fire results, but then only the resulting damage is covered, not including any loss or damage due to the nuclear reaction, radiation or radioactive contamination.

Q) damage or expense caused by **"Pollutants"** or **"Contaminants,"** whether to **"Your"** property or arising out of or resulting from **"Your"** liability or alleged liability for the property of others in **"Your"** care, custody or control, whether actual or constructive, resulting from:

1. actual, alleged or threatened release, discharge, escape or dispersal of **"Pollutants"** or **"Contaminants,"** however caused;
2. extraction or removal of **"Pollutants"** or **"Contaminants"** from any structure, product or debris, except asbestos if the asbestos itself is directly damaged by a **"Covered Peril"** and then **"We"** will only cover the necessary and reasonable expenses **"You"** actually incur to remove the asbestos from **"Your"** **"Real Property"** or **"Personal Property."** **"We"** will only pay expenses for asbestos removal that **"You"** report to **"Us"** in writing within 180 days of the **"Date of Loss."** Limited coverage provided for removal of damaged asbestos does not increase any **"Limits of Liability"** and does not apply to removal of undamaged asbestos.
3. extraction or removal of **"Pollutants"** or **"Contaminants"** from land or water;
4. extraction, removal, restoration or replacement of **"Contaminated"** or **"Polluted"** land or water;
5. transportation of any property or debris to a site for storage or decontamination required because the property is infected by **"Pollutants"** or **"Contaminants,"** whether or not such removal, transport or decontamination is required by law, regulation or any authority governing such matters;
6. storage or disposal of any property because **"Pollutants"** or **"Contaminants"** infect the property; or

7. demolition, increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating **"Pollutants"** or **"Contaminants";** any governmental direction or request declaring that because such **"Pollutants"** or **"Contaminants"** are present in, part of, or utilized in any undamaged portion of **"Your"** property, the property can no longer be used for the purpose for which it was intended or installed and must be removed or modified.
 8. investigation or defense of any loss or damage, expense for loss of use, fines or penalties, or cost for claims or suits related to any of the above.
- R) unexplained or mysterious disappearance of any property, or shortage disclosed when taking inventory;
- S) loss or damage to a building which is vacant, abandoned or unoccupied for a period of 60 consecutive days or more prior to the **"Date of Loss."** A vacant, abandoned or unoccupied building is one without contents normally used in operations or activities customary to occupancy or operation of the building. In determining whether a building is vacant, abandoned or unoccupied, the following considerations together with any other considerations indicated by the circumstances surrounding the loss shall be considered as indicative of a building with no cash value:
1. there is no active utility service, even though utilities may be available; or
 2. the building is not heated, not cooled, without lights; or
 3. the building is used for storage of used materials or property which **"You"** are not keeping for reuse; or
 4. the building contains no stock of supplies ordinarily used to provide educational services; or
 5. the building is left unattended and not secure from entry by uninvited persons; or
 6. if normally occupied, the building is unoccupied for a period of 60 consecutive days prior to the loss (excluding any time when school is not in session).

If sufficient evidence is presented that during the time prior to the loss an on-site caretaker or guard was present at all times or on the **"Date of Loss"** there was in effect a contract for repair, reconstruction or renovation of the building this will create a presumption sufficient to overcome the above indications that the building was vacant, abandoned or unoccupied on the **"Date of Loss."**

Section 6) LIMITS OF LIABILITY:

"We" will not pay more than the following **"Limits of Liability"** for loss or damage arising from any one **"Occurrence."**

- A) \$750,000,000 per **"Occurrence"** regardless of the number of **"Covered Locations"** or types of coverage involved, subject to the following sub-limits which shall not operate to increase this per **"Occurrence"** limit of liability. When a sublimit is designated as an **"Annual Aggregate,"** that is the maximum **"Limit of Liability"** **"We"** will pay during the **"Term"** of the **"Memorandum"** regardless of the number of **"Occurrences,"** **"Covered Locations"** and/or types of coverage involved.
1. \$100,000,000 **"Annual Aggregate"** limit for **"Flood"** loss occurring outside of Flood Zone A and V. Flood Zones are mapped by the Federal Emergency Management Agency (FEMA). All **"Flood"** loss that occurs within any 168 hour period will constitute a single **"Flood"** **"Occurrence."** The expiration of the **"Term"** of this **"Memorandum"** will neither reduce or increase the 168 hour period.
 2. \$50,000,000 **"Annual Aggregate"** limit for **"Flood"** loss occurring within Flood Zone A and V locations. Flood Zones are mapped by the Federal Emergency Management Agency (FEMA). Flood Zone A and V correspond to areas within a 100-year flood zone. All **"Flood"** loss that occurs within any 168 hour period will constitute a single **"Flood"** **"Occurrence."** The expiration of the **"Term"** of this **"Memorandum"** will neither reduce or increase the 168 hour period.
 3. \$100,000,000 **"Annual Aggregate"** limit per **"Occurrence"** for **"Earthquake."** All **"Earthquake"** shocks which occur within any 168-hour period will constitute a single **"Occurrence."** The expiration of the **"Term"** of this **"Memorandum"** will neither reduce or increase the 168-hour period.
 4. \$50,000,000 limit per **"Occurrence"** for Extra Expense.
 5. \$25,000,000 limit per **"Occurrence"** for Increased Cost of Construction due to the enforcement of building codes/ordinance or law.
 6. \$25,000,000 limit per **"Occurrence"** for **"Valuable Papers and Records."**
 7. \$25,000,000 limit per **"Occurrence"** for property-in-transit within the **"Covered Territory"** specified in this **"Memorandum."**

8. \$1,000,000 Limit per **"Occurrence"** for Loss of Rental and Other Income.
9. \$500,000 Limit per **"Occurrence"** for Tanks, Flues, Drains and Pipes. **"We"** only pay for such loss when directly caused by fire or explosion.
10. \$500,000 Limit per **"Occurrence"** for Air Supported Structures and the contents thereof.
11. \$1,000,000 Limit per **"Occurrence"** for landscaping, trees, shrubs, plants, greens and athletic fields and further subject to \$25,000/25 gallon maximum per item.
12. \$500,000 Limit per **"Occurrence"** for Ingress and Egress coverage.
13. \$3,000,000 Limit per **"Occurrence"** for Contingent Business Interruption.
14. \$500,000 Limit per **"Occurrence"** for **"Leased Equipment."**
15. \$25,000,000 Limit per **"Occurrence"** for new locations of existing **"Members."** Additionally, there is automatic coverage for new locations of value greater than \$25,000,000 up to \$100,000,000 for 90 days from date of acquisition. If values are not reported within 90 days from the date of acquisition, the maximum sublimit of \$25,000,000 will apply.
16. \$500,000 Limit per **"Occurrence"** for loss or damage from mold or other fungi, bacteria, wet rot, dry rot, bacteria or mildew which has directly resulted from direct physical damage caused by one or more **"Covered Perils."** The maximum total limit provided by this coverage extension is \$500,000 per **"Occurrence,"** regardless of the number or type of **"Covered Perils"** involved, the number of **"Covered Locations"** to which this coverage extension applies, or the number or types of mold or other fungi, wet or dry rot, bacteria or mildew.
17. \$250,000,000 **"Annual Aggregate"** for direct physical loss or damage for **"Terrorism."** This **"Limit of Liability"** combines coverages for Property Damage, Contingent Business Interruption, Loss of Rental and other Income and Extra Expense. There is an additional \$550,000,000 **"Limit of Liability"** applicable to all insureds of **"PEPIP."**
18. \$25,000,000 Limit per **"Occurrence"** for off premises Services

Interruption.

Section 7) DEDUCTIBLES AND EXCESS INSURANCE:

All losses, damages or expenses arising out of any one **“Occurrence”** shall be adjusted as one loss, and of the total amount of such adjusted loss **“We”** will pay the following maximum amount:

\$750,000 for loss from all perils, except hail. A \$1,000,000 per **“Occurrence”** maximum applies for the peril of hail. Property losses in excess of these limits are covered by excess insurance.

Property losses are also subject to **“Member”** deductibles which is outlined below and in the **“Authority’s Summary of Coverage”** for each **“Term”** of the **“Memorandum.”** Where a **“Member”** assumes liability for property coverage under a construction or renovation contract, the contractor shall be responsible for payment of the first \$1,000 of each **“Occurrence.”** The **“Member”** shall pay the remainder of the deductible, up to the maximum amount stated in the **“Authority’s Summary of Coverage.”**

“Member” Deductible Schedule

Each **“Member”** is assigned a building deductible based on the Member’s total appraised building values. The annual Budget Notice provides the **“Member”** with the recent appraised value. All losses, damages or expenses arising out of any one **“Occurrence”** shall be considered as one loss, and the following deductibles shall be applied to the total of the loss regardless of the number of buildings that incur damage.

Building Values	Deductible	Maximum Out of Pocket Deductible	Contents Deductible
\$10 Million and Under	\$1,000	\$4,000	\$750
\$10 to \$20 Million	\$2,500	\$10,000	\$750
\$20 to \$50 Million	\$5,000	\$20,000	\$750
\$50 to \$100 Million	\$10,000	\$40,000	\$750
\$100 to \$200 Million	\$15,000	\$60,000	\$750
\$200 Million and Above	\$25,000	\$100,000	\$750
If there is a combination of building damage and contents damage, only the higher deductible shall be charged. Once the Out of Pocket deductible has been reached, the building deductible will default to \$750 per occurrence for the remainder of the “Term” of the “Memorandum” .			

Section 8) VALUATION:

Subject to the **“Limits of Liability”** stated above, **“We”** will value property losses as follows:

"We" will value losses to **"Real Property"** at the full cost to repair or replace the **"Real Property"** without any deduction for depreciation, as of the **"Date of Loss"** at the **"Covered Location"** so long as **"You"** repair or replace the **"Real Property"** within two years following the loss and use it for the same purpose as prior to the loss. **"We"** will pay no more than the amount **"You"** actually spend to repair or replace the **"Real Property,"** and such payment shall not exceed 125% of the amount stated in the most recent building appraisal as Building Cost of Replacement New.

Upon acceptance of the **"Proof of Loss,"** **"We"** will pay up to the **"Actual Cash Value"** of the **"Real Property,"** as stated in **"Our"** most recent building appraisal under the heading "Building Cost of Replacement Less Depreciation." **"We"** will withhold the difference between the **"Actual Cash Value"** and the heading "Building Cost of Replacement New" until such time as the repair, reconstruction or replacement of the **"Real Property"** has been completed.

If **"You"** do not repair, rebuild or replace the **"Real Property"** within two years after the loss, **"We"** will pay only the cost of the debris removal, demolition, or cleanup plus the **"Actual Cash Value"** as stated in the most recent building appraisal under Building Cost of Replacement Less Depreciation as of the **"Date of Loss."**

"Personal Property" shall be valued as follows:

- A) **"Valuable Papers and Records:"** **"We"** will pay the cost to repair or restore the **"Valuable Papers and Records"** to their condition that existed immediately prior to the loss or the cost to replace the items. If the information contained in the **"Valuable Papers and Records"** cannot be replaced or restored with other of like kind and quality, **"We"** will pay the value of the blank media upon which the **"Valuable Papers and Records"** were imprinted or stored;
- B) **"Personal Property"** of others: **"We"** will pay the amount **"You"** are legally liable for, not to exceed the **"Actual Cash Value"** of the **"Personal Property"** of others as of the **"Date of Loss;"**
- C) **"Fine Arts:"** **"We"** will pay for loss to **"Fine Arts"** that **"You"** own based on the appraised value as of the **"Date of Loss."** If the **"Fine Arts"** are owned by others, **"We"** will pay the lesser of the amount shown on any loan receipt or the amount for which **"You"** may be legally liable;
- D) **Equipment** including self-propelled machines, outdoor equipment or furniture: **"We"** will pay the **"Actual Cash Value"** as of the **"Date of Loss."**
- E) **Leased Equipment:** **"We"** will pay the cost to repair or replace the item or items as of the **"Date of Loss."**

Section 9) OTHER COVERAGE:

A) If “**You**” have other insurance covering the same loss or damage, “**We**” will pay only for the amount of covered loss or damage which is excess of the amount due from that other insurance coverage, whether collectible or not. In no event will “**We**” pay more than the applicable “**Limit of Liability**.”

This “**Memorandum**” provides the terms of coverage for the “**Authority’s**” self-insured layer and its provisions prevail over all provisions of excess coverages or individual policies purchased by the “**Authority**” for losses that may be covered by this “**Memorandum**.”

B) Joint or Disputed Loss Agreement –

1. This condition is intended to facilitate payment of insurance proceeds when:
 - a. Both this “**Memorandum**” and an Equipment Breakdown Policy are in effect;
 - b. Damage occurs to “**Covered Property**” that is insured by this “**Memorandum**” and an Equipment Breakdown Policy; and
 - c. There is a disagreement between the “**Authority**” and the insurer issuing the Equipment Breakdown Policy as to whether there is coverage or as to the amount of the loss to be paid, if any, by each under its own coverage parts.
2. This condition does not apply if:
 - a. Both the “**Authority**” and the insurer issuing the Equipment Breakdown Policy do not admit to any liability; and
 - b. Neither the “**Authority**” nor the insurer issuing the Equipment Breakdown Policy contends that coverage applies under either this “**Memorandum**” or the Equipment Breakdown Policy.
3. The provisions of this condition apply only if all of the following requirements are met:
 - a. The “**Memorandum**” contains a similar condition at the time of the loss or damage, with substantially the same provisions, requirements, procedures and conditions as contained in the Equipment Breakdown Policy.
 - b. The damage to the “**Covered Property**” was caused by a loss for which:

i. Both the **“Authority”** and the insurer for the Equipment Breakdown policy admit to some liability for payment under the respective coverages; or

ii. There is a disagreement between the **“Authority”** and the insurer for the Equipment Breakdown Policy with respect to:

(a) Whether the damage to **“Covered Property”** was caused by a cause of loss which is covered or insured against, partially or wholly, by both;

(b) The extent of participation of the Equipment Breakdown Policy and of the **“Memorandum”** in a loss which is insured against, partially or wholly, by both.

4. If the requirements listed in paragraph 3 are satisfied, the **“Authority”** and the insurer for the Equipment Breakdown Policy will make payment per the following:

a. Upon receiving **“Your”** written request, **“We”** will pay the entire amount of loss that **“We”** have agreed that is covered by this **“Memorandum”** plus one-half of the amount of the loss that is in disagreement.

b. The insurer for the Equipment Breakdown Policy, will upon receiving **“Your”** written request, pay the entire amount of loss that the insurer for the Equipment Breakdown Policy has agreed that is covered by its policy plus one-half of the amount of the loss that is in disagreement.

c. Payments by the **“Authority”** and the insurer for the Equipment Breakdown Policy of the amounts which are in disputed, as described above, do not alter, waive or surrender any rights of either the **“Authority”** or the insurer for the Equipment Breakdown Policy against any other with regard to the portion of the loss for which each is liable.

d. The amount in disagreement to be paid by the **“Authority”** under this condition shall not exceed the amount payable under the equivalent loss agreement of the insurer for the Equipment Breakdown Policy.

e. The amount to be paid under this condition shall not exceed the amount the insurer for the Equipment Breakdown Coverage would have paid had no coverage by the **“Authority”** been available at the time of loss.

f. **“Your”** acceptance of any payment pursuant to the provisions of this clause, including an arbitration award, shall not alter, waive, surrender or in any way affect **“Your”** rights as against the **“Authority”** or the insurer for Equipment Breakdown Coverage.

5. Arbitration:

a. The payments by the **“Authority”** and the insurer for Equipment Breakdown Coverage and acceptance of those sums by **“You”** signify the agreement between the **“Authority”** and the insurer for Equipment Breakdown Coverage to proceed with arbitration within 90 days of such payment.

b. The arbitrators shall be three in number, one of whom shall be appointed by **“Us”** and one of whom will be appointed by the insurer for Equipment Breakdown Coverage and the third will be appointed by the consent of the other two arbitrators.

If the two arbitrators cannot agree on selection of a third, either arbitrator may request that a selection be made by a judge of a court having jurisdiction.

c. A decision agreed to by two of the three arbitrators will be binding on both the **“Authority”** and the insurer for Equipment Breakdown Coverage. Judgment on such award can be entered in any court that has jurisdiction.

i. **“You”** must cooperate in connection with such arbitration, but cannot intervene.

ii. The provisions of this condition shall not apply unless the policy issued by insurer for Equipment Breakdown Coverage contains the same or similar provisions.

Section 10) GENERAL CONDITIONS:

Applicable with respect to any claim under this **“Memorandum.”**

A) **Examination of Records:** **“You”** shall, as often as may be reasonably required during the **“Term”** of this **“Memorandum”** and up to three years thereafter, produce for **“Our”** examination or examination by **“Our”** authorized representatives all the books and records, inventories and accounts relating to **“Your”** **“Covered Property.”**

B) **No Assignment:** This **“Memorandum”** shall be void if assigned or transferred without **“Our”** written consent.

C) **Cancellation:** This **“Memorandum”** may be cancelled by the **“Authority”** according to the rules set forth in the New Mexico Administrative Code Title 6, Chapter 50, Part 4 if **“You”** fail to make premium payments.

D) **Inspections:** **“We”** and/or our authorized agents shall be permitted, but

not obligated to, inspect **"Your" "Covered Property"** at all reasonable times. **"Our"** right to make inspections, the inspections themselves or any inspection reports do not imply that all other hazards or conditions are under control at the time of the inspection, or that such inspections constitute compliance with OSHA regulations or other similar laws.

- E) **Salvage and Recovery:** When **"We"** obtain any salvage or recovery in connection with any loss, **"You"** shall first be made whole; then the **"Authority"** and the excess insurers or reinsurers shall share the remaining portion on a pro rata basis.
- F) **Subrogation:** If **"We"** pay **"You"** or any person or organization for loss or damage caused by a third party, any of those subrogation rights to recover damages from the third party are to be transferred to the **"Authority"** to the extent of **"Our"** payment for that loss. **"You"** must do everything reasonably necessary to secure the **"Authority's"** subrogation rights prior to any loss including, but not limited to, not agreeing to waivers of such subrogation rights contained in contracts wherever possible. **"You"** also must do nothing after loss to impair the **"Authority's"** subrogation rights.
- G) **Duties in the Event of Loss or Damage:** **"You"** must see that the following are done in the event of loss or damage to **"Covered Property:"**
 - 1. Notify the police if a law may have been broken.
 - 2. Give **"Us"** prompt notice of the loss or damage; including a full description of the property involved.
 - 3. As soon as possible, give **"Us"** a description of how, when, and where the loss or damage occurred.
 - 4. If feasible, set aside the damaged property in the best possible order for examination.
 - 5. Take all steps to protect the **"Covered Property"** from further damage, and keep a record of your expenses necessary to protect the **"Covered Property"** so that these expenses may be paid, to the extent they are within the **"Limit of Liability."** **"We"** will not pay for any subsequent loss or damage resulting from failure to take reasonable measures to protect the damaged property from further loss or damage.
 - 6. At **"Our"** request give **"Us"** complete inventories of the damaged and undamaged property, including quantities, costs, values, copies of original purchase documents and the amount of the loss claimed.
 - 7. Permit **"Us,"** as often as may be reasonably required, to inspect the

damaged property and examine “Your” books and records.

8. Permit “Us” to take samples of damaged and undamaged property for inspection, testing and analysis, and provide relevant copies from “Your” books and records.
9. Send “Us” a signed, sworn “Proof of Loss” containing the information “We” require within 90 days after “Our” request. “We” will provide “You” with the necessary forms.
10. Cooperate with “Us” in the investigation or settlement of the claim.

“We” may examine “You” under oath and at such times as may be reasonably required, about any matter including “Your” books and records relating to the filed claim.

H) **Administrative Appeal:** If a “Member” makes a claim for coverage and the “Authority” does not agree that the claim is covered under this “Memorandum,” then, upon written demand of either, the matter or matters upon which we do not agree shall be adjudicated pursuant to Title 6, Chapter 50, Part 16 of the New Mexico Administrative Code (Administrative Appeal of Authority Coverage Determinations). Notwithstanding any other language in this “Memorandum,” either express or implied, this “Memorandum” does not and shall not be construed as creating a contract either express or implied between the “Authority” and any “Member” or any others whose interests may be covered by this “Memorandum.”

I) **Right of Recovery:** If the “We” have expended funds to settle “Your” claims and it is later determined that there is no coverage under this “Memorandum” for one or more of those claims, “We” reserve the right to seek reimbursement for those settlement funds from the recipient of those funds.

J) **Misrepresentation, Concealment or Fraud:**

This “Memorandum” is void as to any “Member” if before or after a loss:

1. “You” have willfully concealed or misrepresented a material fact or circumstance that relates to this “Memorandum” concerning any claim or the interest of the “Member” or any other person or entity seeking coverage under this “Memorandum;”
2. “You” or any other person or entity seeking coverage under this “Memorandum” has engaged in fraud or false swearing.

- K) **Changes:** Notice to or knowledge of any of the “**Authority’s**” employees or authorized representatives shall not effect a waiver or a change in any part of this coverage or prevent the “**Authority**” from asserting any rights under the terms of this “**Memorandum**,” nor shall the terms of this “**Memorandum**” be waived or changed, except by endorsement issued to form a part of this “**Memorandum**.”

Section 11) GENERAL DEFINITIONS:

- B) “**Authority**” means the New Mexico Public School Insurance Authority and its employees and authorized representatives.
- C) “**Actual Cash Value**” means replacement cost new less depreciation.
- D) “**Annual Aggregate**” means a “Limit of Liability” up to which this “We” will pay during each “Term” of this “Memorandum” regardless of the number of claims submitted.
- E) “**Automobile**,” “**Automobiles**” means a land motor vehicle of a private passenger type or of a commercial type used for the transportation of passengers, the delivery of goods or for any other business purpose directly related to the operation of the “**Member**,” including equipment permanently attached thereto. An “**Automobile**” does not include any motor vehicle owned by or registered in the name of any employee, volunteer, officer, or board member, of a “**Member**,” or any motor vehicle insured elsewhere for physical damage coverage.
- F) “**Breakdown**” means the following direct physical loss that causes physical damage to any of the following owned, operated or controlled by “**You**”:
- a. Equipment designed and built to operate under internal pressure or vacuum other than weight of contents except the furnace and the gas passages from any boiler or fired vessel to the atmosphere,
 - b. Communication equipment and Computer equipment but does not include electronic data or media,
 - c. Fiber optic cable, or
 - d. Any other electrical or mechanical equipment that is used in the generation, transmission or utilization of energy, caused by electrical failure including arcing; failure of pressure of vacuum equipment; or mechanical failure including rupture or bursting caused by centrifugal force.

- G) **“Computer Operations”** means computer hardware of any kind, computer networks and networking equipment, **“Computer Programs,”** electronic data processing media, **“Electronic Data,”** operating systems, media microchips, microprocessors, integrated circuits or similar devices, firmware, software, servers, websites, and all input, output processing, storage and off-line media libraries.
- H) **“Computer Programs”** means recorded instructions, whether digital or otherwise, for the processing, collecting, transmitting, recording, retrieval or storage of **“Electronic Data.”**
- I) **“Computer Virus”** means any corrupting, harmful or otherwise unauthorized instructions or code, including, but not limited to, any maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network. **“Computer Virus”** includes, but is not limited to, “Trojan Horses,” “worms” and time or logic bombs.
- J) **“Contaminant,” “Contamination,” “Contaminated:”** See definition of **“Pollutants,” “Pollution,” “Polluted.”**
- K) **“Coverage Territory”** means the **“Member’s”** premises, and for property in transit anywhere in the United States of America, Puerto Rico and Canada. Certain specified coverages may apply as well to other locations as specified in this **“Memorandum.”**
- L) **“Covered Location”** means a **“Member’s”** premises as listed in the **“Authority’s”** most recent building appraisal and any new properties acquired since the **“Authority’s”** most recent building appraisal.
- M) **“Covered Peril”** means any cause of direct physical loss or damage except those excluded under the terms of this **“Memorandum.”**
- N) **“Covered Property”** means all **“Real Property”** and **“Personal Property”** except that which is excluded under the terms of this **“Memorandum.”**
- O) **“Date of Loss”** means the time at which an event or casualty causing loss or damage occurs.
- P) **“Earthquake”** means any natural or man-made earth movement (except mudslide or mud flow caused by accumulation of water on or under the ground) caused by earthquake, volcanic action, landslide, subsidence or tsunami including also volcanic eruption, meaning eruption, explosion, or effusion of a volcano.
- Q) **“Electronic Data”** means data, information and knowledge recorded or transmitted in a form usable by **“Computer Programs,”** microchips,

integrated circuits or similar devices in non-computer equipment which can be stored on electronic data processing media, including but not limited to, hard or floppy disks, CD-ROMs, tapes, drives, cells and other data processing devices.

R) **“Employee” or “Employees”** means:

1) Any natural person:

- a. while in **“Your”** service;
- b. whom **“You”** compensate directly by salary or Wages; and
- c. whom **“You”** have the right to manage the work, direct the work and control the work while performing services for **You.”**

2) Any natural person:

- a. who is a non-compensated officer or elected or appointed official in service to **“You;”** or
- b. who is a director or trustee in service to **“You”** while performing acts coming within the scope of their usual duties for **“You.”**

3) Any natural person who is:

- a. a “regular volunteer” pursuant to 6.50.18 NMAC in service to **“You.”**

S) **“Expiration”** means the termination of this **“Memorandum”** at the end of the **“Term.”**

T) **“Fine Arts”** means paintings, etchings, pictures, tapestries, rare or art glass, stained glass windows, valuable rugs, statuary, sculptures, antique furniture, bric-a-brac, porcelain and similar property of rarity, historical value or artistic merit excluding automobiles, coins, stamps, furs, jewelry, precious stones, precious metals, watercraft, aircraft, money and **“Securities.”**

U) **“Flood”** means the general and temporary condition of partial or complete inundation of normally dry land areas from the overflow of inland or tidal waters; the unusual and rapid accumulation of run-off of surface waters from any source; mud-slide or mud-flow proximately caused by flooding; the accumulation of water underground or water which backs up through sewers, drains or sumps.

- V) **"Limit of Liability," "Limits of Liability"** means the maximum amount **"We"** will pay for claims as specified in detail in Section 6 of this **"Memorandum."**
- W) **"Member:"** means all participating School Districts, Charter Schools, Regional Education Cooperatives and Post-Secondary Institutions, as listed in Schedule (A) attached hereto and made part of this **"Memorandum."**
- X) **"Memorandum of Coverage"** means the New Mexico Public School Insurance Authorities written description of insurance for certain property related risks of its **"members"**.
- Y) **"Occurrence"** means all covered loss, damage or sequence of losses or damages, casualties or disasters arising from a single event or accident. With respect to the perils of **"Earthquake"** and **"Flood,"** one event shall be construed to include all losses arising during a continuous period of 168 hours. Except where the **"Limit of Liability"** is indicated as being an **"Annual Aggregate,"** loss under this **"Memorandum"** shall not reduce the stated **"Occurrence"** limits.
- Z) **"Personal Property"** means Property other than **"Real Property"** including: furniture, fixtures, machinery, equipment, stock, computers and office machinery, **"Your"** interest in as a tenant in improvements and betterments to leased premises and leased personal property which **"You"** have a contractual responsibility to provide property coverage for.
- AA) **"Pollutants," "Pollution," "Polluted"** means any solid, liquid, gaseous or thermal irritant or **"Contaminant"** including, but not limited to asbestos, smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. **"Pollutants"** or **"Contaminants"** include, but are not limited to: 1) those materials that can cause or threaten damage to human health or human welfare, or cause or threaten damage, deterioration, loss of value, marketability or loss of use to property; and/or 2) bacteria, fungi, mold, mildew, virus or hazardous substances as listed in the Federal Water Pollution Control Act, Clean Air Act, Resource Conservation and Recovery Act of 1976, Toxic Substances Control Act or as designated by the U.S. Environmental Protection Agency or any other governing authority.
- BB) **"Proof of Loss"** means a sworn statement by the **"Member"** regarding the facts of a claim for loss or damage to property
- CC) **"Real Property"** means existing buildings and structures, buildings and structures undergoing construction, repair or renovation and includes all permanent fixtures attached or adjacent to the buildings and structures such as signs, fences, glass, radio and television antennas, satellite dishes,

landscaping, trees, shrubs, athletic fields, walkways, parking lots, exterior light fixtures and poles, foundations or other building supports.

- DD) **"Securities"** means all negotiable and non-negotiable instruments or contracts representing either **"Money"** or **"Other Property"** owned by **"You"** or held by **"You."**
- EE) **"Student," "Students"** means a natural person enrolled on a full or part time basis in classes at a **"Member"** institution.
- FF) **"Term"** means the dates of coverage as stated on the first page of this **"Memorandum."**
- GG) **"Terrorism"** means any violent act dangerous or damaging to human life, property, or infrastructure within the United States or to a U.S. air carrier, vessel, or United States mission abroad, committed by an individual or individuals against U.S. civilians or the government.
- HH) **"Time Element"** means an indirect loss stemming from direct loss or damage by a "Covered Peril" to income producing property.
- II) **"Valuable Papers and Records"** means drawings, exposed film or other written, printed or otherwise inscribed documents including books, manuscripts, maps, drawings, film, negatives, transparencies and prints and other photographically produced records such as slides and microfilms, legal and financial agreements such as deeds and mortgages that can be replaced.
- JJ) **"We," "Us" or "Our"** means the New Mexico Public School Insurance Authority.
- KK) **"You" or "Your"** means any participating school districts, other educational entities, charter schools from whom or on behalf of whom **"We"** have received the applicable premium as listed in Schedule A.

COVERAGE B: AUTOMOBILE PHYSICAL DAMAGE

The provisions stated in Coverage A: Property Coverage, Section 10- General Conditions also apply to Coverage B: Automobile Physical Damage. The following provisions apply to Coverage B only.

1) INTEREST & AUTOMOBILES COVERED:

A **"Covered Automobile"** is:

- A) An **"Automobile"** **"You"** own, including equipment permanently installed the **"Automobile";**
- B) **"Your"** interest in or legal liability for direct physical loss or damage to

an “Automobile” owned by others in “Your” custody to the extent “You” are required to keep the “Automobile” covered for direct physical loss or damage.

2) **COVERED PERILS:**

This “Memorandum” covers against direct physical loss or damage to “Covered Automobiles” caused by an “Occurrence” except as excluded by this “Memorandum.”

3) **EXTENSIONS OF COVERAGE:**

A) **Glass Breakage:**

“We” will pay for the following:

1. glass breakage; and
2. loss caused by hitting a bird or animal; and
3. loss caused by falling objects or missiles.)

B) **Towing:**

“We” will pay for reasonable towing and labor costs incurred when a “Covered Automobile” is disabled.

C) **Rental reimbursement due to theft:**

“We” will pay up to \$18 per day to a maximum of \$500 for transportation expenses “You” incur because of the total theft of a “Covered Automobile” of the private passenger type which “You” own.

4) **INTERESTS & AUTOMOBILES NOT COVERED:**

The provisions stated in Coverage A: Property Coverage, Section 4- Property Not Covered apply to Coverage B: Automobile Physical Damage. The following provisions also apply to Coverage B: Automobile Physical Damage only.

This “Memorandum” does not cover:

- A) tapes, wires, records, discs, or any other media for use with any device or instrument designed for the recording, reproduction, or recording and reproduction of sound;
- B) any equipment designed for use for the detection or location of radar;
- C) any telephonic, wireless, computer related, facsimile transmission, copying, navigation or other communication or computer related devices unless such device or instrument is installed by the manufacturer in the

“Covered Automobile.”

- D) any device or instrument designed for the recording, reproduction, or recording and reproduction of sound, unless such device or instrument is installed by the manufacturer in the **“Covered Automobile”**;
- E) any **“Covered Automobile”** while used in any racing or demolition contest or stunting activity, or while practicing or being prepared for such contest or activity.

5) PERILS NOT COVERED:

The provisions stated in Coverage A: Property Coverage, Section 5 - Exclusions also apply to Coverage B: Automobile Physical Damage. The following provisions also apply to Coverage B: Automobile Physical Damage only.

This **“Memorandum”** does not cover against loss, damage or expense caused by or resulting from any of the following:

- A) wear and tear, freezing or mechanical or electrical breakdown or failure, unless such damage is the direct result of **“Covered Peril,”**
- B) blowouts, punctures or other road damage to tires, unless such damage is the direct result of a **“Covered Peril.”**

6) LIMITS OF LIABILITY:

The provisions stated in Coverage A: Property Coverage, Section 6 – Limits of Liability, also apply to Coverage B: Automobile Physical Damage. The following provisions are additional items that apply to Coverage B: Automobile Physical Damage only.

The most **“We”** will pay for loss to any one **“Covered Automobile”** in any one **“Occurrence”** is the lesser of:

- A) the **“Actual Cash Value”** of the damaged or stolen **“Covered Automobile”** as of the **“Date of Loss”**; or
- B) the cost of repairing or replacing the damaged or stolen **“Covered Automobile”** with another of like kind and quality.

7) DEDUCTIBLES:

“You” must pay a \$750.00 deductible for each **“Covered Automobile,”** that is damaged, lost or stolen with the exception of vehicle glass claims, which are subject to a \$50.00 deductible. In the event of a loss involving multiple **“Covered Automobiles”** in one **“occurrence”** (i.e. hail storm damage), the deductibles are capped in the following maximums:

- 1) Regardless of the number of "**Covered Automobiles**" damaged, the total deductible to any "**Member**" will not exceed \$5,000;
- 2) Regardless of the number of "**Covered Automobiles**" vehicle glass panes damaged, the total deductible for any "**Member**" will not exceed \$250.

8) **APPRAISAL:**

If "**You**" disagree with "**Us**" as to the amount of a loss, either party may demand an appraisal of the loss. In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial third appraiser. The appraisers will state separately the "**Actual Cash Value**" and the amount of loss. If they fail to agree, they will submit their differences to the third appraiser. An award in writing of any two shall determine the amount of loss. Each party will:

- A) pay its chosen appraiser; and
- B) bear the other expenses of the appraisal and third appraiser equally.

"**We**" will not be held to have waived any of "**Our**" rights by any act arising out of this appraisal process.

9) **DUTIES IN THE EVENT OF LOSS:**

- A) In the event of loss, "**You**" must give the "**Authority**" prompt notice. Such notice shall include information sufficient to establish:
 1. how, when and where the loss occurred; and
 2. to the extent possible, the names and addresses of any injured persons and witnesses.
- B) Additionally, "**You**" must:
 1. assume no obligation, make no payment, or incur no expense without "**Our**" consent, except at "**Your**" expense;
 2. cooperate with "**Us**" in the investigation of the loss or damage, settlement or defense of any suit;
 3. promptly notify the police if the "**Covered Automobile**" or any of its manufacturer installed equipment is stolen;
 4. take all reasonable steps to protect the covered "**Covered Automobile**" from further damage and keep a record of "**Your**" expenses related to the loss or damage to the "**Covered**

Automobile” for consideration in the settlement of the claim;

5. permit **“Us”** to inspect the **“Covered Automobile”** before its repair or disposition;
6. agree to an examination under oath at **“Our”** request and/or, if requested, give **“Us”** a signed statement regarding the claim.

COVERAGE C: CRIME COVERAGES

The following provisions apply to **Coverage C: Crime Coverages** only.

SECTION I- INTERESTS AND PROPERTY COVERED:

Part A-Employee Theft – Per Loss Coverage:

“We” will pay for direct loss of **“Money,” “Securities”** or **“Other Property”** **“You”** sustain because of **“Theft”** or **“Forgery”** committed by an **“Employee,”** whether identified or not, acting alone or in collusion with other persons or other **“Employees,”** with the manifest intent to:

- 1) cause **“You”** to sustain loss ; and also
- 2) to obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, or pensions or other employee benefits earned in the normal course of employment) for:
 - a) that **“Employee”** or those **“Employees”**; or
 - b) any person or organization intended by the **“Employee”** to receive that benefit.

Part B-Inside the Premises Coverages:

- 1) **“We”** will pay for loss **“You”** sustain resulting directly from:
 - a) the loss of **“Money”** and **“Securities”** from inside **“Your” “Premises”** or any **“Banking Premises”** as a result of **“Theft,” “Robbery”** or **“Safe Burglary”** by one or more **“Third Parties”**, or
 - b) the actual disappearance or destruction of **“Money”** and **“Securities”** which occurs inside **“Your” “Premises.”**
- 2) **“We”** will pay for loss **“You”** sustain because of the loss of or damage to **“Other Property”** from:
 - a) inside the **“Premises”** resulting directly from an actual or attempted **“Robbery”** by one or more **“Third Parties,”** or

- b) inside the “**Premises**” in a safe or vault, resulting directly from and actual or attempted “**Safe Burglary**” by one or more “**Third Parties**.”
- 3) “**We**” will pay for loss “**You**” sustain:
- a) for damage to the “**Premises**” or its exterior; and
 - b) for loss of, or damage to a locked safe, vault, cash register, cash box or cash drawer located inside the “**Premises**”

resulting directly from an actual or attempted “**Theft**,” “**Robbery**” or “**Safe , Burglary**,” by one or more “**Third Parties**” if “**You**” are the owner of the “**Premises**” or are liable for damage to it.

Part C-Outside the Premises Coverages:

- 1) “**We**” will pay for loss “**You**” sustain because of “**Theft**” of “**Money**” or “**Securities**” by one or more “**Third Parties**” while being conveyed by a “**Messenger**” or armored motor vehicle company outside the “**Premises**.”
- 2) “**We**” will pay for loss “**You**” sustain because of disappearance or destruction of “**Money**” or “**Securities**” while being conveyed by a “**Messenger**” or armored motor vehicle company outside the “**Premises**.”
- 3) “**We**” will pay for loss “**You**” sustain because of loss of or damage to “**Other Property**” resulting from actual or attempted “**Robbery**” by one or more “**Third Parties**” outside the “**Premises**” while being conveyed by a “**Messenger**” or armored motor vehicle company.
- 4) “**We**” will pay for loss “**You**” sustain because of loss caused by “**Theft**” of “**Money**,” “**Securities**” or “**Other Property**” by a “**Third Party**” while temporarily at the home of a “**Messenger**.”

Part D-Forgery or Alteration Coverage

- 1) “**We**” will pay for loss “**You**” sustain of “**Money**,” “**Securities**” or “**Other Property**” resulting directly from “**Forgery**” or alteration of any financial instrument committed by one or more “**Third Parties**.”
- 2) If “**You**” are sued to enforce payment of any financial instrument covered in **Part D-Forgery or Alteration** on the basis that it has been forged or altered, and “**You**” have our written consent to defend against the suit, “**We**” will pay for any reasonable legal expenses that “**You**” incur and pay in that defense. The amount “**We**” will pay is in addition to the Limit of Coverage applicable to **Part D-Forgery or Alteration Coverage**.

Part E-Computer Fraud Coverage:

“**We**” will pay for loss “**You**” sustain because of “**Theft**” of “**Money**,” “**Securities**” or “**Other Property**” resulting directly from “**Computer Fraud**” by a “**Third Party**.”

Part F-Money Orders and Counterfeit Paper Currency Coverage:

"We" will pay for loss **"You"** sustain resulting directly from **"Your"** having accepted in good faith, in exchange for merchandise, **"Money"** or services from a **"Third Party:"**

- 1) money orders issued by any post office, express company or bank in the United States that are not paid upon presentation; or
- 2) counterfeit United States currency; that is acquired during the regular course of business.

Part G-Credit Card Fraud Coverage:

"We" will pay for loss **"You"** sustain resulting directly from **"Credit Card Fraud"** committed by a **"Third Party."**

Part H-Funds Transfer Fraud Coverage:

"We" will pay for loss **"You"** sustain resulting directly from **"Funds Transfer Fraud"** committed by a **"Third Party."**

SECTION II-EXCLUSIONS:

A. Exclusions Applicable to All Coverages:

"We" will not pay for the following losses:

- 1) loss resulting from war, whether or not declared, warlike action, insurrection, civil war, rebellion or revolution or any related act or incident;
- 2) loss resulting from seizure or destruction of property by order of governmental authority, expropriation or nationalization or any related act or condition;
- 3) loss resulting from the cost of reproducing any information contained in any lost or damaged manuscripts, records, accounts, microfilms, tapes, electronic data storage or recording media or other records;
- 4) expenses incurred by **"You"** in establishing the existence or the amount of any loss covered under **Coverage C-Crime Coverages** except that **"We"** will reimburse **"You"** for those reasonable and customary charges of a Certified Public Accountant incurred by **"You"** in establishing a valid and collectible claim arising from an **"Occurrence"** under **Coverage C-Crime Coverage**, up to a maximum amount of \$5,000;
- 5) loss of income that **"You"** do not realize as the result of any loss covered under **Coverage C-Crime Coverage**;
- 6) fees, costs or expenses **"You"** incur or pay in prosecuting or defending any legal proceeding or claim, (other than legal proceedings covered under **Part D-Forgery and Alteration Coverage** above), whether or not such proceeding results or would result in a loss recoverable under **Coverage C- Crime Coverage**;

- 7) due to nuclear reaction, nuclear radiation or radioactive contamination;
- 8) **"Indirect or Consequential Losses"** of any kind.
- 9) any loss or potential loss not reported to **"Us"** more than 60 days following **"Your"** **"Discovery"** of the loss or potential loss or more than 60 days following **"Cancellation"** or **"Termination"** of this **"Memorandum of Coverage"** or all or any Part of **Coverage C-Crime Coverages**.
- 10) any loss of property covered under Coverage A-Property Coverage or Coverage B-Automobile Physical Damage Coverage of the **"Memorandum of Coverage"** of which **Coverage C-Crime Coverages** is a part.

B. Exclusions Only Applicable to Part A-Employee Dishonesty Coverage:

"We" will not pay for losses under **Part A-Employee Dishonesty Coverage** as follows:

- 1) loss caused by an **"Employee"** if **"Your"** management personnel possess knowledge of any prior act or acts of **"Theft,"** fraud or dishonesty committed by that **"Employee"** either while that **"Employee"** is employed by **"You"** or prior to his or her employment by **"You;"**
- 2) loss caused by **"Your"** broker, contractor, independent contractor or any other agent or representatives of them;
- 3) loss or that part of any loss the proof of which involves in any manner:
 - a. profit and loss computation; or
 - b. a comparison of inventory records with an actual physical count; provided, however, that where **"You"** can establish that a loss has occurred wholly apart from such comparison, then **"You"** can offer inventory records and the actual physical count of inventory in support of the amount of loss claimed.

C. Exclusions Only Applicable to Parts B-Inside the Premises Coverages, and Part C- Outside the Premises Coverages:

"We" will not pay for any losses under **Part B-Inside the Premise Coverages** or **Part C-Outside the Premises Coverages:**

- 1) due to **"Theft"** or any other fraudulent, dishonest or criminal act by **"Your"** **"Employee"** whether acting alone or in collusion with others;
- 2) due to fire, except:

- a. loss of or damage to **"Money"** or **"Securities,"** or
- b. damage to any safe or vault caused by the use of fire for the purpose of **"Safe Burglary;"**
- 3) due to giving or surrendering **"Money"** or **"Securities"** in any exchange or purchase;
- 4) due to loss or damage to manuscripts, records, accounts, microfilm, tapes, or other electronic data storage or recording media;
- 5) due to **"Forgery;"**
- 6) due to loss or damage to **"Money," "Securities"** or **"Other Property"** while in the mail or in the custody of a carrier for hire other than an armored motor vehicle company;
- 7) due to loss or damage to **"Money," "Securities"** or **"Other Property"** while in the custody of any bank, trust company, similar recognized place of safe deposit, or armored motor vehicle company or **"Messenger"** unless the loss is in excess of the amount **"You"** have recovered or received under:
 - a. **"Your"** contract with the bank, trust company, or any similar recognized place of safe deposit, or armored motor vehicle company; or
 - b. any **"Other Bonds or Insurance"** which would cover the loss in whole or in part, in which case **Coverage C-Crime Coverages** will cover only such excess up to the applicable Limit of Coverage.
- 8) due to loss of **"Money," "Securities"** or **"Other Property"** as a result of kidnap, ransom or other extortion payment (as distinct from **"Robbery"**) surrendered to any person as a result of a threat to do bodily harm to any person or a threat to do damage to the **"Premises"** or other property.

D. Exclusion Only Applicable to Part D-Forgery and Alteration Coverage; Part E-Computer Fraud Coverage; Part F- Money Orders and Counterfeit Currency Fraud Coverage; Part G-Credit Card Fraud Coverage and Part H-Funds Transfer Fraud Coverage:

Under **Part D-Forgery and Alteration Coverage; Part E-Computer Fraud Coverage; Part F-Money Orders and Counterfeit Currency Fraud Coverage; Part G-Credit Card Fraud Coverage and Part H-Funds Transfer Fraud Coverage**, coverage does not apply to loss through **"Forgery"** or alteration of, on, or in any financial instrument, if the **"Forgery"** or alteration is committed by any **"Employee"** or by any person in collusion with any **"Employee."**

SECTION III - GENERAL CONDITIONS:

The General Conditions stated in **Coverage A: Property Coverage, Section 11)** also apply to **Coverage C: Crime Coverages**. The General Conditions below apply to **Coverage C: Crime Coverages- Parts A, B, C, D, E, F, G and H** only:

A. Statutory Provisions:

Any terms of **Coverage C-Crime Coverages** which are in conflict with the statutes of the State of New Mexico are amended to conform to such statutes.

B. Other Coverage:

If any **"Other Bonds or Insurance"** apply to a loss covered by **Coverage C-Crime Coverages**, the coverage under **Coverage C-Crime Coverages** shall be excess over the amount collectible under **"Other Bonds or Insurance."**

C. Excess Coverage, Insurance or Reinsurance:

"You" may purchase excess coverage, insurance or reinsurance above the Limits of Coverage which apply to **Coverage C-Crime Coverages**. Such excess coverage, insurance or reinsurance is not **"Other Bonds or Insurance"** for the purposes of the Paragraph B. above. Excess coverage, insurance or reinsurance shall not be considered in the application of any pro rata clause or apportionment clause.

D. Limit of Coverage and Deductible Amount:

The most **"We"** will pay for any loss **"You"** sustain caused by any one **"Occurrence"** under **Coverage C-Crime Coverages** is limited to the amounts shown below applicable to each Part of **Coverage C-Crime Coverages**.

Coverages	Limit of Insurance Per Occurrence	NMPSIA's Deductible Per Occurrence	Member Deductible Per Occurrence
Part A. Employee Theft – Per Loss	\$2,000,000	\$250,000	\$750
Part B. Insured the Premises	\$2,000,000	\$250,000	\$750
Part C. Outside the Premises	\$2,000,000	\$250,000	\$750
Part D. Forgery or Alteration	\$2,000,000	\$250,000	\$750
Part E. Computer Fraud	\$2,000,000	\$250,000	\$750
Part F. Money Orders and Counterfeit Money	\$2,000,000	\$250,000	\$750
Part G. Credit, Debit or Charge Card Forgery	\$2,000,000	\$250,000	\$750
Part H. Funds Transfer	\$2,000,000	\$250,000	\$750

Fraud			
Faithfull Performance	\$1,000,000	\$250,000	\$750

“We” will not pay for a loss “You” sustain which does not exceed the deductible amount shown above. If the loss exceeds the deductible amount “We” will pay the amount of loss in excess of the deductible amount up to the applicable Limit of Coverage.

E. Discovery of Loss:

“Discovery” of loss occurs when “You” first become aware of facts which would cause a reasonable person to assume that a loss covered by **Coverage C-Crime Coverages** has been or will be incurred, even though the amount or details of loss may not then be known. “Discovery” also occurs when “You” receive notice of an actual or potential claim against “You” alleging facts that if true would constitute a covered loss under **Coverage C-Crime Coverages**.

F. Duties After Discovery of a Loss:

After “You” “discover” a loss or a situation that may result in covered loss under **Coverage C-Crime Coverages**, “You” must:

- 1) notify “Us” as soon as possible and in no case later than 60 days after you have made the “Discovery;”
- 2) “You” must provide “Us” with a detailed, sworn proof of loss within 120 days after “Discovery;”
- 3) “You” must submit to an examination under oath at our request;
- 4) “You” must comply with the provisions of General Conditions Stated in **Coverage A: Property Coverage, Section 10 G) Duties in the Event of Loss or Damage of the Memorandum of Coverage**; and
- 5) “You” must produce all relevant records and cooperate with us in the investigation and settlement of the claim.

G. Coverage for Prior Losses:

“We” will pay for loss “You” sustain caused by an “Occurrence” which happened any time on or after July 1, 1986 which has not been reported to any previous insurer, reinsurer or under any previous “Memorandum of Coverage,” so long as “Discovery” of the loss or situation that may result in loss takes place during the “Term” of this “Memorandum of Coverage.”

H. Audit Requirement:

“We” maintain the right to deny coverage for any loss under **Coverage C- Crime Coverages** in

which a substantial contributing cause or factor in the loss itself or extent of the loss is **"Your"** unreasonable failure to comply with the provisions of the Audit Act, NMSA 1978 §12-6-1 et seq.

SECTION IV- PROVISIONS AFFECTING LOSS SETTLEMENT

A. Limit of Coverage per Occurrence:

If **"We"** pay for any loss **"You"** sustain caused by an **"Occurrence"** under **Coverage C-Crime Coverages**, such payment shall not reduce **"Our"** duty to pay for other losses caused by other **"Occurrences."**

B. Non-Accumulation of Coverage Limits:

Regardless of the number of years **Coverage C-Crime Coverages** remains in force or the number of premiums paid, no coverage limit accumulates from year to year or from **"Term"** to **"Term."** All losses from a single act or any number of acts by the same **"Employee"** or **"Third Party"** will be treated as a single loss and the applicable Limit of Coverage will apply.

C. Valuation:

Subject to the applicable Limit of Coverage provision, **"We"** will pay for:

- 1) Loss of **"Money"**, but only up to and including its face value or the United States dollar value of a foreign currency based on the currency rate of exchange in effect on the day any loss involving foreign currency is **"Discovered."**
- 2) Loss of **"Securities"** but only up to their value at the close of business on the business day immediately preceding the day on which the loss is **"Discovered."**
 - a. **"We"** may at **"Our"** option pay the value of such **"Securities"** or replace them in kind, in which event **"You"** must assign to **"Us"** all of **"Your"** rights, title and interest in those **Securities"**; or
 - b. The cost of any Lost Securities Bond required in connection with issuing duplicates of the **"Securities."** However, **"We"** will pay only so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the value of the **"Securities"** at the close of business the day the loss was **"Discovered"** or the applicable Limit of Coverage.
- 3) Loss of or damage to **"Other Property"** for the replacement cost of the **"Other Property"** without deduction for depreciation. However, **"We"** will not pay more than the least of the following:
 - a. the Limit of Coverage applicable to the **"Other Property"** which has been lost or damaged; or
 - b. the cost to replace the **"Other Property"** that has been lost or damaged with property of comparable material and quality and used for the same purpose;

or

- c. the amount “You” actually spend that is necessary to repair or replace the lost or damaged “Other Property.” Any property that “We” pay for or replace becomes “Our” property.
- 4) Loss from damage to the “Premises” or its exterior. “We” will not pay on a replacement cost basis for any loss or damage:
 - a. Until the damage is actually repaired and unless the repair or replacement is made as soon as reasonably possible after the loss.
 - b. If the damage is not repaired, “We” will pay on an actual cash value basis.

D. **Recoveries:**

Any recoveries “We” obtain, less the cost of recovering them, made after settlement of loss covered by **Coverage C-Crime Coverages** will be distributed as follows:

- 1) to “You,” until “You” are reimbursed for any loss that “You” sustain that exceeds the applicable Limit of Coverage less the Deductible Amount;
- 2) then to “Us,” until “We” are reimbursed for the settlement made;
- 3) then to “You” until “You” are reimbursed for that part of the loss equal to the Deductible Amount.

This provision regarding Recoveries does not apply to any recovery from insurance, suretyship or reinsurance “We” have obtained to cover “Our” obligations under **Coverage C-Crime Coverages**. This provision regarding Recoveries also does not apply to original “Securities” after duplicates of them have been issued.

SECTION V- CANCELLATION PROVISIONS

A. **“Cancellation” as to any Employee:**

Coverage C-Crime Coverages is “Cancelled” as to any “Employee”:

- 1) effective immediately upon “Discovery” by “You” of any act of “Theft” or other fraudulent or dishonest act committed by that “Employee,” whether the act was committed before or after becoming employed by “You.” “You” must report any such “discovery” to “Us” within 60 days of such “Discovery.” However, **Coverage C-Crime Coverage** shall be “Cancelled” as to that “Employee” for any acts of “Theft” or “Forgery” committed after such “Discovery,” whether or not the “Discovery” is reported to “Us.

- 2) for any other reason other than **"Discovery"** of **"Theft"** or dishonest or fraudulent acts by the **"Employee,"** on the date specified in a notice mailed to **"You."** The date will be at least 30 days after the date of notice.

B. "Cancellation" of Coverage C-Crime Coverages

"We" may **"Cancel"** all or any part of **Coverage C-Crime Coverages** at any time in accordance with the Rules and Regulations of the **"Authority"** upon 60 days' notice to **"You."**

SECTION VI – DEFINITIONS

- A. **"Authority"** means the New Mexico Public School Insurance Authority.
- B. **"Banking Premises"** means the interior of that portion of any building occupied by a banking institution or similar safe depository.
- C. **"Cancellation"** means that **"We"** have put an end to all or some of our obligations under **Coverage C- Crime Coverages** as a result of a default by **"You"** or one of **"Your"** **"Employees"**.
- D. **"Computer Fraud"** means the unlawful taking of **"Money," "Securities"** or **"Other Property"** resulting from a **"Computer Violation."**
- E. **"Computer System"** means a computer or network of computers, including its input, output, processing, storage and communication facilities, and shall include offline media libraries.
- F. **"Computer Violation"** means an unauthorized:
- 1) entry into or deletion of data from a **"Computer System;"**
 - 2) change to data elements or program logic of a **"Computer System,"** which is kept in machine readable format; or
 - 3) introduction of instructions, programmatic or otherwise, which propagate themselves through a **"Computer System."**
- G. **"Counterfeit"** means an imitation of an actual valid original which is intended to deceive and to be taken as the original.
- H. **"Credit Card Fraud"** means the **"Forgery"** or alteration of, on or in, any written instrument required in connection with any credit card issued to **"You"** or at **"Your"** request to any of **"Your"** **"Employees."**
- I. **"Discovery"** or **"Discovered"** or **"Discover"** means the time at which **"You"** first become aware of facts which would cause a reasonable person to believe that a loss covered by **Coverage C-Crime Coverage** has occurred or will be incurred or the time when **"You"** receive notice of a claim or potential

claim.

J. **“Employee” or “Employees” means:**

- 1) Any natural person:
 - a. while in **“Your”** service;
 - b. whom **“You”** compensate directly by salary or wages ; and
 - c. whom **“You”** have the right to manage the work, direct the work and control the work while performing services for **“You.”**
- 2) Any natural person:
 - a. who is a non-compensated officer or elected or appointed official in service to **“You;”** or
 - b. who is a director or trustee in service to **“You”** while performing acts coming within the scope of their usual duties for **“You.”**
- 3) Any natural person who is temporarily furnished to **“You:”**
 - a. as a substitute for a permanent **“Employee”** who is on leave, or
 - b. to meet seasonal or short-term workload conditions, who is assigned to perform **“Employee”** duties while that person is subject to **“Your”** management’s direction and control and performing services for **“You,”** excluding, however, any such person while having care and custody of any of **“Your”** property outside the **“Premises.”**
 - c. **“We”** will not cover any loss caused by any temporarily employed person if such loss is also covered by any fund, insurance or suretyship held by an agency furnishing such temporary personnel to **“You.”**
- 4) Any natural person who is:
 - a. a student enrolled in a school under **“Your”** jurisdiction while the student is handling or has possession of **“Money”** or **“Other Property”** in connection with sanctioned student activities; or
 - b. a “regular volunteer” pursuant to 6.50.18 NMAC in service to **“You”** while handling or in possession of **“Money”** or **“Other Property”** in connection with sanctioned student activities.

- 5) **"Employee"** does not mean any agent, broker, person leased to **"You"** by a labor leasing firm, factor, commission merchant, consignee, independent contractor or representative of the same general nature.

K. **"Forgery"** means falsely making or altering any signature to, or any part of, any writing purporting to have any legal efficacy with intent to injure or defraud or knowingly issuing or transferring a forged writing with intent to injure or defraud.

L. **"Funds Transfer Fraud"** means fraudulent written, electronic, telegraphic, cable, teletype or telephone instructions issued to a financial institution directing such institution to transfer, pay or deliver **"Money"** or **"Securities"** from any account maintained by **"You"** at such institution, without **"Your"** knowledge or consent.

M. **"Indirect or Consequential Loss"** is a loss that is the indirect result of any act or **"Occurrence"** covered by this **"Memorandum of Coverage,"** including, but not limited to loss resulting from:

- 1) **"Your"** inability to realize income that **"You"** would have realized had there been no loss of or loss from damage to **"Money," "Securities"** or **"Other Property,"** or
- 2) payment of damages of any type for which **"You"** are legally liable except as specifically covered under **Part D - Forgery or Alteration Coverage** or **"Your"** liability for damage to premises you do not own under **Part B-Inside the Premises Coverage.**

N. **"Messenger"** means any of **"Your"** **"Employees"** who is authorized by **"You"** to have care and custody of **"Money," "Securities"** or **"Other Property"** outside the **"Premises."**

O. **"Money"** means currency, coin, bank notes and bullion owned or held by **"You"** on behalf of others.

P. **"Occurrence":**

- 1) As respects **Coverage C- Crime Coverages - Section 1-Part A-Employee Dishonesty Coverage**, **"Occurrence"** means all loss or losses caused by or involving one or more **"Employees"** whether as a result of a single act or a series related acts;
- 2) As respects **Coverage C- Crime Coverages - Section 1-Part B-Inside the Premises Coverages, Part C- Outside the Premises Coverages, Part D-Forgery and Alteration Coverage, Part E- Computer Fraud Coverage, Part F-Money Orders and Counterfeit Paper Coverage, Part G- Credit Card Fraud Coverage and Part H - Funds Transfer Fraud Coverage**, **"Occurrence"** means all loss or losses caused by any **"Third Party"** or in which that **"Third Party"** is involved, whether the loss involves one or more items, one or more **"Third Parties"** or a single act or series of related acts.
- 3) As to losses involving the disappearance or destruction of **"Money"** or **"Securities," "Occurrence"** means all disappearances or destruction which result

from the same event or related series of events.

Q. **“Other Bonds or Insurance”** means any primary [not excess] bonds or insurance coverage **“You”** or any other party in interest acquire as protection against risks covered by **Coverage C-Crime Coverages**.

R. **“Other Property”** means any tangible property other than **“Money”** or **“Securities”** owned by **“You”** or held by **“You”** on behalf of others that has intrinsic value which is not otherwise excluded.

S. **“Premises”** means the interior of that portion of any buildings **“You”** occupy in conducting school related activities.

T. **“Robbery”** means the unlawful taking of **“Money,” “Securities”** or **“Other Property”** from the care and custody of an **“Employee,” “Messenger”** or other authorized person by a **“Third Party”** who has caused or threatened to cause the **“Employee,” “Messenger”** or other authorized person with bodily harm.

U. **“Safe Burglary”** means the taking of:

- 1) **“Money,” “Securities”** or **“Other Property”** from within a locked safe or vault by a **“Third Party”** unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or
- 2) a safe or vault from inside the **“Premises.”**

V. **“Securities”** means all negotiable and non-negotiable instruments or contracts representing either **“Money”** or **“Other Property”** owned by **“You”** or held by **“You”** and includes:

- 1) tokens, tickets and stamps (whether represented by actual stamps or unused value in a meter) in current use; and
- 2) evidence of debt issued in connection with credit or charge cards, but does not include **“Money.”**

W. **“Term”** means the one year period commencing July 1 of a given year and ending June 30 of the following year which is identified as **“Term of Memorandum of Coverage”** on the first page of the **“Memorandum of Coverage.”**

X. **“Termination”** means the expiration of a **“Memorandum of Coverage”** at the end of a **“Term.”**

Y. **“Theft”** means the unlawful taking of **“Money,” “Securities”** or **“Other Property.”**

Z. **“Third Party”** means a person other than an **“Employee.”**

NEW MEXICO PUBLIC SCHOOLS INSURANCE AUTHORITY

PROPERTY, AUTOMOBILE PHYSICAL DAMAGE & CRIME COVERAGES

The schedule of covered "Members" is as follows including any other Educational Entities or Charter Schools added during the Term of this Memorandum of Coverage not named in Schedule A:

SCHEDULE A

1. 21st Century Charter School dba 21st Century Public Academy
2. ABQ Charter Academy
3. ABQ Collegiate Charter School
4. Academy for Technology and the Classics
5. ACE Leadership High School
6. Alamogordo Public Schools
7. Albuquerque Institute of Math and Science (High Tech High, Albuquerque)
8. Albuquerque Charter Academy
9. Albuquerque School of Excellence
10. Albuquerque Talent Development Academy
11. Aldo Leopold High School
12. Alice King Community School
13. Alma D' Arte Charter School
14. Altura Preparatory Academy
15. Amy Biehl Charter School
16. Anansi Charter School
17. Animas Charter School
18. Anthony Charter School
19. Artesia Public Schools
20. Aztec Municipal Schools
21. Belen Consolidated Schools
22. Bernalillo Public Schools
23. Bloomfield Public Schools
24. Capitan Municipal Schools
25. Carlsbad Municipal Schools
26. Carrizozo Municipal Schools
27. Central Consolidated School District #22
28. Cesar Chavez Community School
29. Chama Valley Independent Schools
30. Christine Duncan Heritage Academy
31. Cien Aguas International School
32. Cimarron Municipal Schools
33. Clayton Municipal School District
34. Cloudcroft Municipal School

35. Clovis Municipal Schools
36. Cobre Consolidated Schools
37. Cooperative Educational Services
38. Coral Community Charter
39. Corona Public Schools
40. Corrales International Charter School
41. Cottonwood Valley Charter School
42. Cottonwood Classical Preparatory School
43. Cuba Independent Schools
44. DATA Charter School (Digital Arts & Technology Academy)
45. Deming Cesar Chavez High School
46. Deming Public Schools
47. Des Moines Municipal Schools
48. Dexter Consolidated Schools
49. Dora Consolidated Schools
50. Dream Dine' Charter School
51. Dulce Independent Schools
52. DZIL DIT L'OOI School of Empowerment, Action & Perseverance (DEAP)
53. East Mountain Charter School
54. Eastern New Mexico University
55. El Camino Real Academy
56. Elida Municipal Schools
57. Espanola Municipal Schools
58. Estancia Municipal Schools
59. Estancia Valley Classical Academy
60. Eunice Public Schools
61. Explore Academy
62. Farmington Municipal Schools
63. Floyd Municipal Schools
64. Fort Sumner Municipal Schools
65. Gadsden Independent Schools
66. Gallup-McKinley County Public Schools
67. Gilbert L. Sena Charter High School DBA: CEPI #2
68. Gordon Bernell Charter School
69. Grady Municipal Schools
70. Grants Cibola County Schools
71. Hagerman Municipal Schools
72. Hatch Valley Municipal Schools
73. Health Leadership High School
74. Hobbs Municipal Schools
75. Hondo Valley Public Schools
76. Horizon Academy West
77. Hozho Academy
78. House Municipal Schools
79. J. Paul Taylor Academy
80. Jal Public Schools

81. Jefferson Montessori Academy
82. Jemez Mountain Public Schools
83. Jemez Valley Public Schools
84. La Academia de Esperanza
85. La Academia Dolores Huerta Charter School
86. La Promesa Early Learning Center
87. La Resolana Leadership Academy
88. La Tierra Montessori School of the Arts & Science
89. Lake Arthur Municipal Schools
90. Las Cruces Public Schools
91. Las Montañas Charter High School
92. Las Vegas City Public Schools
93. Lindrith Area Heritage School
94. Logan Municipal Schools
95. Lordsburg Municipal Schools
96. Los Alamos Public Schools
97. Los Lunas Public Schools
98. Los Puentes Charter School
99. Loving Municipal Schools
100. Lovington Municipal Schools
101. Luna Community College
102. Magdalena Municipal Schools
103. Maxwell Municipal Schools
104. McCurdy Charter School
105. Media Arts Collaborative Charter School
106. Melrose Municipal Schools
107. Mesa Vista Consolidated Schools
108. Mesalands Community College
109. Mission Achievement and Success Charter School
110. Monte Del Sol Charter School
111. Montessori of the Rio Grande
112. Mora Independent Schools
113. Moreno Valley Charter High School
114. Moriarty Municipal Schools
115. Mosaic Academy
116. Mosquero Municipal Schools
117. Mountain Mahogany Community School
118. Mountainair Public Schools
119. Native American Community Academy
120. New Mexico Activities Association
121. New Mexico Coalition for Educational Leaders
122. New Mexico Coalition for Charter Schools
123. New Mexico Connections Academy
124. New Mexico International School
125. New Mexico Public Schools Insurance Authority
126. New Mexico School for the Arts
127. New Mexico Virtual Academy
128. North Valley Academy

129. Nuestros Valores Charter High School
130. Pecos Connections Academy
131. Pecos Independent Schools
132. Penasco Independent Schools
133. Pojoaque Valley Public Schools
134. Portales Municipal Schools
135. Public Academy for Performing Arts
136. Quemado Independent Schools
137. Questa Independent Schools
138. Raton Public Schools
139. Red River Valley Charter
140. Regional Education Cooperative # 2
141. Regional Education Cooperative #6
142. Regional Education Cooperative # 7
143. Regional Education Cooperative #8
144. Reserve Independent Schools
145. Rio Gallinas Charter School
146. Rio Rancho Public Schools
147. Robert F. Kennedy Charter School
148. Roots and Wings Community School
149. Roswell Independent Schools
150. Roy Municipal Schools
151. Ruidoso Municipal Schools
152. SAHQ Academy
153. San Diego Riverside Charter School
154. San Jon Municipal Schools
155. Sandoval Academy of Bilingual Education
156. Santa Fe Community College
157. Santa Fe Public Schools
158. Santa Rosa Consolidated Schools
159. School of Dreams Academy
160. Sidney Gutierrez Middle Schools
161. Siembra Leadership High School
162. Silver Consolidated Schools
163. Six Directions Indigenous School
164. Socorro Consolidated Schools
165. South Valley Academy
166. South Valley Preparatory
167. Southwest Aeronautics, Mathematics and Science Academy
168. Southwest Preparatory Learning Center
169. Southwest Secondary Learning Center
170. Springer Municipal Schools
171. Taos Academy Charter School
172. Taos Charter School
173. Taos Integrated School of the Arts
174. Taos International School
175. Taos Municipal Schools

176. Tatum Municipal Schools
177. Technology Leadership High School
178. Texico Municipal Schools
179. The Albuquerque Sign Language Academy
180. The ASK Academy
181. The Great Academy
182. The International School at Mesa Del Sol
183. The MASTERS Program
184. The Montessori Elementary Schools
185. The New America School, Las Cruces
186. The New America School, New Mexico (Albuquerque)
187. Tierra Adentro Charter School
188. Tierra Encantada Charter High School
189. Truth or Consequences Municipal Schools
190. Tucumcari Public Schools
191. Tularosa Municipal Schools
192. Turquoise Trail Elementary
193. UNM Middle College H.S
194. Vaughn Municipal Schools
195. Vista Grande High School
196. Wagon Mound Public School
197. Walatowa High Charter School
198. West Las Vegas Public Schools
199. Western New Mexico University
200. William W. & Josephine Dorn Charter School
201. Zuni Public Schools

Endorsement No. 1

Attached to and forming part of the PROPERTY, AUTOMOBILE PHYSICAL DAMAGE & CRIME COVERAGES - MEMORANDUM OF COVERAGE, NMPSIA MOC No. P19

Only as respects losses within the "Authority's" retention, this endorsement extends the Territory for interests of the "Member" for "Personal Property" coverage for which the "Member" becomes legally liable, to "Personal Property" located or in transit anywhere in the world, but such extension shall be subject to a limit of \$50,000 per occurrence.

Nothing herein contained shall alter, vary or extend any provisions or conditions of this "Memorandum" other than as above stated.

New Mexico Public Schools Insurance Authority

By: Mary Pan-Sanchez 7/18/18

Board of Director, President Date