

Contact: Aimee Claeys

NORTHEAST REGIONAL ACADEMY

Action Requested: Approve the Agreement to Establish a Consortium to Jointly Administer an Instructional Program at the Northeast Regional Academy.

Executive Summary: During the April 2015 meeting, the Board approved an Iowa Code Chapter 28E agreement between the Board of Regents and the Charles City Community School District for the Management and Operation of the Northeast Regional Academy (Operation Agreement). The Operation Agreement establishes the first regional academy for the provision of special education and related services to K-12 students who are deaf and/or visually impaired. The Operation Agreement requires that school districts who wish to enroll students in the Northeast Regional Academy join a consortium for the purpose of administering and managing the Academy.

Superintendent Gettel now requests approval of an Agreement to Establish a Consortium to Jointly Administer an Instructional Program at the Northeast Regional Academy (Consortium Agreement), included as Attachment A. This Consortium Agreement establishes the terms and conditions for the joint administration and management of the Northeast Regional Academy. This Consortium Agreement must be approved and executed by an interested school district prior to enrolling students in the Academy. The Consortium Agreement was approved by the Charles City Community School District during its August meeting.

Background: During the April 25-26, 2012, meeting of the Board of Regents, the Board approved a request to contact the Iowa Department of Management regarding a feasibility study to examine the administrative and programmatic functions of the Iowa Braille and Sight Saving School and the Iowa School for the Deaf. A Feasibility and Planning Study Committee was formed and met monthly through Fall 2012. The Committee's recommendations were presented to the Board of Regents during the February 6-7, 2013, Board meeting. The Board approved, in concept, the Committee's recommendations, which included the development of regional programs to extend the continuum of deaf/blind services statewide. In order to better understand the implications of the regional-center concept, the Board directed the IBSSS/ISD Superintendent to develop a proposal for a pilot program with one regional center.

Following approval of the Committee's recommendations the IBSSS/ISD Superintendent and his Leadership Team initiated planning for a pilot regional program. The Charles City Community School District was identified as an ideal location for the pilot regional program. Administrators from the Charles City Community School District and Area Education Agency 267 meet with the IBSSS/ISD Leadership Team monthly to plan and implement the pilot regional program. Additional information regarding the history of the IBSSS/ISD feasibility study and the current status of the recommendations is available at the Board office. The most recent status report on the Northeast Regional Academy was presented to the Education and Student Affairs Committee during its March 11, 2015, meeting [Agenda Item 4].

Terms and Conditions: The Consortium Agreement includes the following key provisions:

- Establishes an administrative body comprised of the superintendents of each participating school districts tasked with setting policy, reviewing and approving purchases and business operations, and providing macro-level administrative oversight.
- IBSSS/ISD and Charles City retain day-to-day programmatic administrative oversight in accordance with the terms of the Operation Agreement.
- Superintendents shall meet at least twice each school year to consider items of mutual concern and conduct the business of the consortium.
- Establishes the terms under which the consortium is empowered to acquire property and execute business contracts for the use and benefit of the Northeast Regional Academy.
- Defines the operating budget for the Northeast Regional Academy and establishes a formula for allocating costs amongst participating school districts.
- Membership of individual school districts may be terminated by providing timely written notice. The consortium and the Consortium Agreement generally remain in effect unless terminated by affirmative vote of all member districts or upon termination of the Operation Agreement.

**AGREEMENT TO ESTABLISH A CONSORTIUM TO
JOINTLY ADMINISTER AN INSTRUCTIONAL PROGRAM AT
THE NORTHEAST REGIONAL ACADEMY**

This Consortium Agreement is entered into this ____ day of _____, 2015, between _____ School District (Member District); the Charles City Community School District (Charles City or Host District); and the Board of Regents, State of Iowa (Board of Regents).

RECITALS:

WHEREAS, Charles City and the Board of Regents entered into an Agreement for the Management and Operation of the Northeast Regional Academy (Operation Agreement) for the purpose of establishing the Northeast Regional Academy (Program), and

WHEREAS, the Program will provide special education and related services for students in grades pre-K through 12 who are deaf, hard of hearing, visually impaired, blind or deaf-blind, and

WHEREAS, the Operation Agreement requires that school districts who wish to enroll one or more students in the Program will form and join the Northeast Regional Academy Consortium (Consortium) for the purpose of setting the direction, policy and overall administration of the Program, and

WHEREAS, the Member District identified herein wishes to enroll one or more students in classes offered and available at the Program that are not otherwise available at the Member District's site.

NOW, THEREFORE, Charles City, the Board of Regents, and the Member District, in cooperation with all other member districts, agree to establish a jointly administered instructional program in the form of a consortium as authorized by Iowa Code under the following terms and conditions:

1. PURPOSE

Charles City, pursuant to Iowa Code section 274.1, has the exclusive authority and responsibility to operate instruction programs in the Charles City Community School District. In accordance with Iowa Code chapter 28E, Charles City and the Board of Regents established the Northeast Regional Academy (Program) for the joint and cooperative provision of special education services to students within the identified geographical region. This Consortium Agreement establishes certain terms and conditions for participation in and the management of the Program. This Consortium Agreement provides a means by which members school districts may provide greater educational opportunities for eligible students through the joint and cooperative offering of educational programs.

2. NAME/ORGANIZATION

To accomplish the purposes identified herein, and to carry out joint and cooperative activities associated with the Program, there is hereby created the Northeast Regional Academy Consortium (Consortium). The Consortium shall consist of Charles City, the Board of Regents, and any and all member districts who have approved and executed a Consortium Agreement and whose membership in the Consortium has not otherwise been

terminated. The Consortium shall not be considered a separate legal entity for the purpose of Iowa Code Chapter 28E.

3. DEFINITIONS

“Administrative Fiscal Agent” means, the school or school district that is established within the terms of this Consortium Agreement as having the responsibility of providing the administrative business services, including student, staff, and financial accounting/management on behalf of the Consortium.

“Administrators” means, collectively, the superintendents of each member district, the superintendent of the Host District and the superintendent of the Iowa Braille and Sight Saving School/Iowa School for the Deaf.

“Host District” means the district in which the Program is located.

“Member District” means each public school district whose board has agreed to participate in the Consortium and approved and executed a Consortium Agreement.

4. ADMINISTRATIVE FISCAL AGENT

The Iowa School for the Deaf will serve as the Administrative Fiscal Agent for purposes of all administrative business services associated with the Consortium pursuant to the terms of this agreement. The Administrative Fiscal Agent shall receive funds, handle student, staff, and financial accounting, make timely payments for all expenses incurred by or on behalf of the Consortium in accordance with this Consortium Agreement, and provide timely itemized billings to member districts. The host district will ensure that students are entered into an appropriate Student Record Information System (SRI) in classes offered through the Program.

5. ADMINISTRATION

The Consortium shall be governed and administered by the superintendents of each Member District, the superintendent of the Host District, and the superintendent of the Iowa Braille and Sight Saving School/Iowa School for the Deaf (IBSSS/ISD), (collectively, the Administrators).

The Administrators shall have all powers, privileges, and authority necessary and incidental to manage the affairs of the Consortium, to exercise any power common to the Member Districts, and to work with each other to manage the Program. The Administrators shall carry out the intent and purpose of this Consortium Agreement not inconsistent with law, this Consortium Agreement or the Operation Agreement.

The powers and responsibilities of the Administrators shall include general administrative duties which may arise from time to time, including, but not limited to:

- A. Setting policy and directing administrative regulations for the Consortium.

- B. Evaluating and preparing required reports on the effectiveness of the Consortium and the Program.
- C. Providing curriculum ideas for program offerings.
- D. Assessing the education needs and interests of the students within their respective district.
- E. Providing long-range planning for the Consortium and the Program.
- F. Setting and evaluating program participation numbers and qualification guidelines.
- G. Discussing and approving collective purchases for supplies, equipment, rental/leases, etc., on behalf of the Consortium.
- H. Meeting periodically, as needed, but no less than twice each school year, to discuss issues associated with the Northeast Academy program and the Consortium.
- I. Other reasonable and necessary administrative duties.

6. JOINT MEETINGS

The Administrators shall meet at least twice each school year, or more often if necessary, to discuss items of mutual concern. A minimum of 50% plus one administrator shall constitute a quorum for the purpose of conducting business during a meeting. Meetings may be held electronically or in person at a mutually convenient location. Administrators may participate in meetings via electronic means. The conduct of meetings shall be governed by Roberts Rules of Order. The Administrators shall maintain minutes of each meeting sufficient to reflect any action taken during the meeting.

7. VOTING

Approval of all items within the scope of the Administrators' authority shall be accomplished by a vote at a meeting. The number of votes required to constitute a majority for a given purpose shall be a majority of the Administrators present at a meeting, assuming a quorum.

8. BOARD APPROVAL

This Consortium Agreement shall be approved by the board of education of the school district seeking to participate in the Consortium. Failure of a board of education to approve the Consortium Agreement shall remove that school district from Consortium membership.

9. JURISDICTION OVER STUDENTS

Students enrolled in the Program shall continue to be enrolled in their resident districts but shall be under the jurisdiction of, and be the responsibility of, the Host District while in attendance at Northeast Regional Academy, except as otherwise set out in the student's IEP or this Consortium Agreement. While in attendance at the Northeast Regional Academy, Member District students shall be subject to the same academic, disciplinary, and other additional requirements that apply to Host District resident students. All disciplinary or other hearings concerning matters that arise out of or are related to a student's attendance at the Northeast Regional Academy will be conducted by the Host District administration or board of education with the exception of hearings regarding suspension of more than ten (10) days and expulsions, which will be held by the resident district. In either case, the board of the resident district will work with the board of the Host

District to determine an appropriate course of action with regard to the student's participation in the Program.

Students enrolled the Program shall be allowed to participate in the student activities in their resident districts and will be subject to the eligibility rules of their resident districts.

The employer of the Program's licensed teachers will administer required assessments and will forward the results of the individual assessments to each resident district. The resident districts remain responsible for the achievement of resident students pursuant to the provisions of the No Child Left Behind Act. Permanent school records shall be maintained at the student's resident district. The resident districts, through the Consortium, must be actively involved in the management, direction, supervision, and evaluation of the program; evaluation of the students; staff development of teachers; and monitoring adherence to all pertinent state and federal laws, including, but not limited to: testing requirements, No Child Left Behind provisions, IDEA provisions, EDGAR provisions, OMB circular A-87 and A-133 provisions, FERPA provisions, teacher licensure, curriculum development, professional development and expectations, and core curriculum implementation.

10. INDEPENDENCE RETAINED

It is expressly understood and agreed to by the Member Districts that nothing contained in this Consortium Agreement shall be construed to create a partnership, association, or other affiliation or like relationship between the Member Districts, it being specifically agreed that their relationship is and shall remain that of independent parties participating in a cooperative, mutual relationship in the Consortium. In no event shall a school district be liable for the debts and obligation of another school district.

11. NON-DELEGATION

Unless specifically provided in this Consortium Agreement, the Consortium Agreement shall not be construed as a delegation by the boards of education of any Member Districts of the authority, powers or responsibilities conferred upon them by Iowa Code.

12. SPECIAL EDUCATION

Each Member District, as well as any other district sending students under a tuition arrangement to the Program, shall remain responsible for insuring the special education instructional and related services offered to its students through the Program provide a free and appropriate public education (FAPE) pursuant to federal and state law.

Each Member District is to maintain a file on each resident student attending the Program. For special education students, this file shall contain the student's current Individual Education Plan (IEP) and progress reports.

The Member District, working with the agency employing the teacher, the Host District and the Administrative Fiscal Agent, is responsible for IEP development and review.

13. LIMITED ENGLISH PROFICIENT

If any student enrolled and served in the Program requires a Limited English Proficient (LEP) program, the resident district shall be billed for the cost of those services provided above the regular instructional program.

14. STAFFING

Unless otherwise provided in this Consortium Agreement or approved by a majority of the Administrators, IBSSS/ISD shall be responsible for providing qualified staff to deliver student instruction and related services for the Program (Program Staff). Program Staff provided by IBSSS/ISD shall remain employees of IBSSS/ISD. To the extent that the Consortium assigns other Member Districts to provide specific Program Staff or contracts the day to day operation of the program to another agency, those staff shall remain the employees of their respective school district or agency.

15. TRANSPORTATION

Transportation of students to and from the Northeast Regional Academy will be determined and provided by the resident Member District and will not be the responsibility of the Host District, unless otherwise agreed to in writing between the Host District and the Consortium. Other necessary transportation during the school day shall be provided by the Host District and shall be charged to the Member District in accordance with Section 19.

The Host District agrees to allow vehicles from Member Districts to cross its boundaries for purposes of providing such transportation.

16. PROPERTY

- A. Real Property. It is not contemplated that the Consortium will acquire, hold or dispose of any real property as part of this undertaking. However, the Consortium may enter into lease or sublease arrangements for a building to house the Program, with approval of a majority of the Administrators. That lease or sublease arrangements may be payable from the Physical Plant and Equipment Levy Fund or other legally authorized funds.
- B. Member District Property. Existing equipment, supplies, furniture, and textbooks of each Member District may be used in the Program. Such use will be determined by the Administrators based upon the appropriate need for the item. An inventory of exchanged items will be maintained by the Administrative Fiscal Agent.

Upon termination of this Consortium Agreement, identifiable exchanged items shall be returned to the district of original ownership. All items purchased directly by a Member District for use in the Program during the term of this Consortium Agreement shall remain the property of that Member District.

Each member district shall be responsible for its own buildings, non-instructional equipment and supplies, school buses, custodial and maintenance, utilities, insurance, and similar costs outside of the Consortium.

- C. Consortium Property. The Consortium may purchase equipment, supplies, furniture, textbooks and other materials necessary for the Program. All purchases shall be approved, in advance, by a vote of a majority of the Administrators during a meeting of the Administrators. Member Districts shall be billed for the cost of Consortium Property in accordance with Section 19. Upon termination of this Consortium Agreement, Consortium Property shall be disposed of as determined by the Administrators.

17. NON-MEMBER DISTRICTS

Only Consortium member school districts will be allowed to enroll students into the Northeast Regional Academy program.

18. MEDICAID

Administration and staff serving the Program will complete Medicaid claim documentation on behalf of Member Districts. The submission of claim documentation for Medicaid reimbursement will be the responsibility of each Member District for their resident students. Tuition billing for student(s) actual costs for attending the Northeast Regional Academy program will not reflect any potential Medicaid reimbursement. The Host District will not receive Medicaid reimbursements for students from other Member Districts.

19. FINANCIAL PROVISIONS

Member Districts agree to pay Consortium costs to the Administrative Fiscal Agent for their students' enrollment in Northeast Regional Academy. The costs shall be computed by determining actual costs for providing educational services to each Member District's students with IEPs as defined in this Agreement.

If statutory changes or additions, i.e., state incentives for such sharing, mandate adjustments in the payments required pursuant to this Consortium Agreement, addenda shall be executed to bring the Consortium Agreement into compliance with statutory requirements.

- A. Operating Budget. The Administrative Fiscal Agent shall establish an operating budget for the Program. The budget shall include all anticipated revenues and expenditures for instruction, instructional supervision, and operation and maintenance. If the revenues or cash flow are insufficient to meet the costs of the Consortium, the Administrators shall discuss adjustments to the revenues, expenditures or budget. The budget, and any amendments to the budget, shall be approved by a majority of the Administrators. Because the costs to districts must be based on actual resident students enrolled and served in the Consortium program, and students may move, drop out or join the program throughout the school year, the budget estimated to be paid by each member district may require adjustment throughout the year accordingly.

- B. Costs of Providing Education. Member Districts shall pay for the costs of providing education and instruction to students enrolled in the Program as follows:
- i. Actual Costs. Each Member Districts shall pay the actual costs of the educational program for each of its resident students pursuant to the IEP. "Actual costs" is a term referring to the excess costs of providing instruction for children requiring special education, above the costs of instruction of pupils in a regular curriculum. "Actual costs" should not be confused with the common meaning of actual as 'all costs incurred' which might include non-instructional costs or costs of instruction that are substantially similar to the costs of instruction in regular curriculum. To the extent that the costs are directly related to the provision of special education services pursuant to the IEPs, these costs are special education costs in the member districts. In the case of a Consortium, the general purpose percentage (GPP) would not be billed as a part of the actual costs, because the non-IEP costs are being allocated to member districts otherwise; billing for GPP would result in duplicated billing.
 - ii. Specialized Costs. Specialized costs for identified Limited English Proficient (LEP) students above the costs of providing instruction for students in a regular curriculum, may be billed to each Member District of such identified LEP students in the proportion that each member's student FTE enrolled in the Program and using that specialized LEP instruction bears to the total of all members' student FTE enrolled and using that specialized LEP instruction. Costs must be exclusively for identified LEP students and must be related to LEP instruction above the regular curriculum. Such costs will be billed as individualized cost and may be paid from the LEP weighted funding (280.4), from SBRC modified supplemental amount (257.31(5)"j"), or from general fund general purpose funding.
- C. Additional Costs. Member Districts shall pay for the following additional costs associated with the Program:
- i. Lease Costs. Annual costs of lease(s) entered into pursuant to section 16.A. shall be billed to each Member District in the proportion that each member's student FTE enrolled in the Program bears to the total of all Members student FTE enrolled during that school year. Lease costs will be paid from either PPEL or SAVE and are not a special education cost. No costs related to debt, facility use charges, or new construction/remodeling may be charged.
 - ii. Materials, Supplies and Equipment. The cost of materials, supplies and equipment that are not included in actual costs of special education, may be billed to each member district in the proportion that each member's student FTE enrolled in the Program bears to the total of all Members' student FTE enrolled during that school year. These costs would be general fund, general purpose expenditures.
 - iii. Transportation. The costs of necessary transportation provided by the Host District during the school day may be billed to each Member District in the

proportion that each member's student FTE enrolled in the Program bears to the total of all members' student FTE enrolled during that school year.

- iv. Professional Development. Professional development and teacher travel that is specific and unique to the students served in the Program, may be billed to each Member District in the proportion that each member's student FTE enrolled in the Consortium program bears to the total of all members' student FTE enrolled during that school year. If the professional development/travel is special education professional development, it may be charged to special education funding by the member districts; if not special education professional development, it is a general fund, general purpose expenditure.
 - v. Private Instructional Services. The cost of purchased instructional services from a private provider that are not itemized and included in actual costs of special education, may be billed to each Member District in the proportion that each member's student FTE enrolled in the Program bears to the total of all members' student FTE enrolled during that school year. These costs would be general fund, general purpose expenditures.
- D. Administrative Fiscal Agent Fee. The Administrative Fiscal Agent shall receive as a fee for services provided under this Consortium Agreement the lesser of (i) one (1) percent of the regular program District Cost Per Pupil (DCPP) for each student (FTE) enrolled in the Program, or (ii) the actual cost for services provided by the Administrative Fiscal Agent under this Consortium Agreement. Administrative Fiscal Agent Fees recovered under 19.D.ii shall be supported by time records in sufficient detail to document the total fee billed. Member Districts shall be billed for the Administrative Fiscal Agent Fee in proportion to the number of the Member District's FTE students enrolled in the Program.
- E. Billing. The Administrative Fiscal Agent shall provide itemized billings for all the costs set out in this Agreement, within thirty (30) days of the end of each quarter. No billing shall be provided directly to resident districts from a third party contract (such as the ISD, IBSSS, AEA or private provider). Each member shall promptly pay its amount at its next board meeting, but no later than forty-five (45) days from receipt of the itemized bill. If any costs were estimated in the first three quarters, the final quarter's billing shall be adjusted to ensure that the costs are the actual costs for special education for the entire year and the correct share of costs pursuant to this Agreement. "Itemized" billing means a bill in sufficient detail that each member district can meet its legal fiscal responsibilities, including but not limited to, determining performance of the IEP requirements for each of its students, reporting expenditures from the correct funding source in accordance with the permissive uses guidance document issued in October 2014, filing Medicaid claims or special education claims or determining that such claims have been filed and billed costs reduced by that amount, etc.

20. CONTRACTED SERVICES

Billings from any purchased service provider must be itemized in sufficient detail that each member can meet its legal fiscal responsibilities, including, but not limited to, the ability to:

- Determine performance of the IEP requirements for each of its students.
- Report expenditures from the correct funding source in accordance with the permissive uses guidance document issued in October 2014.
- Ensure that costs are itemized for the purpose of submitting Medicaid claims or special education claims or determining that such claims have been filed and billed costs reduced by that amount, etc.
- Ensure that the costs are limited to actual costs of special education as defined by Iowa Code.
- Ensure that each item is an item on the student's individual student's IEP so that re-billings are accurate.
- Ensure that items such as services of a nurse are identified and are linked only to students with services of a nurse included on the individual student's IEP.
- Ensure that each item is paid from the correct fund.
- Ensure that each item is paid from the correct funding stream (special education weighted funding, IDEA Part B or Part C, LEP, Title 1, general purpose funding, etc.).
- Ensure that any administrative costs are allowable and itemized for the purpose of requesting permission from the SBRC to pay those costs from special education weighted funding rather than general purpose funding.
- Ensure costs that are not included within the definition of actual costs of special education instructional programs are separately identified so that they are not paid from any special education funding streams. For this purpose, at a minimum, this would require costs itemized to the function level, and sometimes object level, that districts are required to enter on the CAR-COA. There cannot be a single special education cost when that cost includes non-instructional items. Therefore, there would be separate purchased services (even if in the same Agreement) for such things as instruction, support services, administration, operations and maintenance if applicable, etc.
- Ensure that no costs were paid from grants or other funding resources the private provider received or was entitled to receive to address the potential for any cost to be paid by the district which was properly paid from a different source. The IDEA provides that education agencies are payers of last resort.
- Ensure that any profit built in by a private for-profit service provider is reasonable. The district has a stewardship responsibility to look at those costs to evaluate the cost effectiveness of purchasing services versus providing the services directly as well as to have procedures in place to meet the coming requirements of the Onmi-circular related to procurement.
- Ensure that no costs are "per pupil rates."
- Ensure that no costs are related to purchasing spaces or other phantom student models.
- Ensure time records are maintained when personnel are paid from multiple funding streams and costs are proportionate to time.
- If the contracted service provider is the ISD, IBSSS or AEA, ensure that no costs are related to those agency responsibilities and all costs are at cost without built-in profit.
- Ensure that if GPP is part of the billing, that the GPP has been used to reduce the costs which are not defined by Code as special education instructional costs.

21. AMENDMENTS

The provisions of this Consortium Agreement may be added to, amended, or modified by a majority vote of all Administrators. Amendment votes must be cast at a duly called

meeting of the Administrators at which all Member Districts are present. All amendments to this Consortium Agreement must be documented in writing.

22. TERM

Subject to the rights of amendment, modification, or termination, this Consortium Agreement shall be in full force and in effect from the date of execution by at least three parties, including the Host District and the Administrative Fiscal Agent district, until June 30, 2016. This Consortium Agreement shall automatically renew every July 1 thereafter for one-year periods unless terminated in accordance with Section 23.

23. TERMINATION

A. Consortium Termination. The Consortium and this Consortium Agreement shall terminate upon the occurrence of one of the following –

- i. By affirmative vote of all Member Districts to terminate this Consortium Agreement. A vote to terminate can only occur at a duly called meeting of the Administrators at which all Member Districts are present. A negative vote or an abstention from one or more Member Districts shall defeat a motion to terminate this Consortium Agreement.
- ii. The number of participating Member Districts, excluding the Host District and the Administrative Fiscal Agent district, is zero.
- iii. The termination of the Agreement for the Management and Operation of the Northeast Regional Academy.

B. Member District Termination. A Member District may terminate its participation in the Consortium by providing written notice to all other Member Districts on or before February 1.

C. Disposition of Assets.

- i. Member Assets. Upon termination of this Consortium Agreement in accordance with Paragraph 23.A, or upon termination of an individual Member Districts Participation in accordance with Paragraph 23.B, all assets owned by an affected Member District shall be returned to the Member District of original ownership, unless alternative arrangements have been agreed to in writing signed by the Member District, the Host District and the Administrative Fiscal Agent.
- ii. Consortium Financial Assets. Upon termination of this Consortium Agreement in accordance with Paragraph 23.A, all assets owned by the Consortium, other than those identified in Paragraph 23.C.iii, and remaining after payment of all liabilities shall be distributed to each Member District participating in the Consortium at the time of termination, at fair value, on the basis of its total FTE of student enrollment on October 1 in the year of termination in proportion to the total student enrollment of all member districts on October 1. If assets are insufficient to pay all liabilities, members shall be assessed in proportion.
- iii. Consortium Property. Upon termination of this Consortium Agreement in accordance with Paragraph 23.A, any remaining equipment, supplies, textbooks, and furniture purchased by the Consortium on a prorated basis shall

be divided by the same proration, subject to depreciation. Such items will be physically divided where possible. If not possible, one district shall compensate the other districts for their prorated share of the depreciated value as directed by the Administrative Fiscal Agent. Upon a majority vote of all Administrators in the Consortium at the time of termination, all or a portion of the items covered by Paragraph 23.C.iii may be liquidated and distributed in accordance with Paragraph 23.C.iii.

24. INDEMNIFICATION AND INSURANCE

To the fullest extent permitted by law, each Member District shall protect, defend, hold harmless, and indemnify the other Member Districts from and against any and all claims, losses, costs, damages, and expenses, including reasonable attorney's fees and expenses, arising out of or resulting from the negligent acts or omissions of the indemnifying party or its officers, employees or agents in the performance of this Consortium Agreement.

During the life of this Consortium Agreement, each Member District, the Host District and the Administrative Fiscal Agent shall maintain General Liability Coverage in the amount of one million dollars, or shall maintain a program of self-insurance sufficient to meet this requirement.

25. APPLICATION OF LAWS, RULES AND REGULATIONS

This Consortium Agreement and all policies, rules, and regulations adopted by the Administrators to govern the operation of the Program shall comply with the laws of the state of Iowa, with rules and regulations of the Iowa Department of Education, and with federal laws and regulations. Any provision of this Agreement in conflict therewith shall be null and void and the remainder of the Agreement shall be binding upon all members.

Any action based on or arising out of this Consortium Agreement shall be brought and maintained exclusively in state or federal court in Polk County, Iowa.

All Member Districts shall refrain from any action which would violate any law, rule, policy, or regulation of any governmental body or agency having jurisdiction over this Consortium Agreement.

All Member Districts agree to cooperate as needed to assure that all required services and responsibilities are provided by the members and that the educational programs and activities are operated in compliance with all applicable laws.

26. SUCCESSORS AND ASSIGNS

The covenants, conditions and obligations contained in this Consortium Agreement shall be binding upon, and inure to the benefit of, the Member Districts and their successors and assigns to the same extent as though each successor or assign were named as party to this Consortium Agreement. Notwithstanding the forgoing, no Member District may assign this Consortium Agreement, in whole or in part, without the prior written consent of all other Member Districts, and any attempt to do so shall be null and void.

27. EXECUTION IN COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

28. SEVERABILITY

If any clause, provision or section of this Agreement shall, for any reason be held illegal or invalid by a court or state or federal agency, the illegality or invalidity of such clause, provision or section shall not affect any of the remaining clauses, provisions or sections hereof, and this Agreement shall be construed and enforced as if such illegal or invalid clause, provision or section had not been contained herein.

In commemoration of this Consortium Agreement, the presidents and secretaries of the respective boards of education sign this Agreement on the dates set below, the Agreement having been passed by a majority roll call vote of each board.

(Signature Page to Follow)