

AGREEMENT FOR SPECIAL EDUCATION CONSORTIUM SERVICES

Between

Educational Service District No. 123
3918 W. Court St.
Pasco, Washington 99301
(Hereinafter referred to as the "ESD")

And

Othello School District
615 E. Juniper Street
Othello, WA 99344-1463
(Hereinafter referred to as the "District")

I. PURPOSE AND FORMATION OF CONSORTIUM

The purpose of this Agreement is for the ESD to provide personnel in specified disciplines to support the special education instructional and administrative programs of the District. There is mutual recognition by the ESD and the District that this consortium is based upon a trusting and collaborative working relationship. This Consortium provides programs which may not be available to the participating district at a reasonable expense and avoids unnecessary duplication of specialized staff, facilities and equipment. It also enhances the delivery, equity, sustainability, consistency and cost effectiveness of related services through the formation of four regional hubs in southeast Washington. The four hubs will be in Walla Walla, Clarkston, Tri-Cities and North Franklin regions.

II. TERM OF AGREEMENT

Upon signed agreement by both parties, the term of this contract shall begin on the date of signature and continue from year to year until formally dissolved in accordance with section VIII.

III. ORGANIZATION AND GOVERNMENT

A Consortium Board consisting of the superintendent of each member district or designee thereof is hereby created. The purpose of such board shall be to monitor the performance of this agreement and provide advice on matters relating to this agreement to the superintendent of ESD 123 who shall administer this agreement. The superintendent of ESD 123 shall solicit the prior advice of the districts' superintendents on matters relating to this agreement by scheduling meetings at least annually. Special meetings may be called by the ESD 123 superintendent or any superintendent of a member district.

Only local school districts within the boundaries of ESD 123 and ESD 123 are eligible for membership in the consortium. The District shall become a member in the Consortium upon passage of a resolution authorizing membership and agreeing to the terms and conditions of this agreement. Membership in the Consortium shall entitle the District to designate the Superintendent or designee to the Consortium Board. A designee is a permanent representative with full responsibility selected by the district's superintendent. The designee will have a broad base of district knowledge and the authority to make decisions which affect her/his district. All requests for membership shall be submitted to the Consortium Board for approval by a majority vote of a quorum of the Consortium Board.

The Executive Board shall have the power to prepare and adopt, amend and repeal rules and regulations and general policy statements for the organization, government and guidance of the consortium, provided that action taken with respect thereto is not inconsistent with State law, the Washington Administrative Code and policies of the Educational Service District 123 Board of Directors.

The Executive Board consists of seven (7) members. Six (6) voting members are elected by the Consortium Board. There are four hubs established (North Franklin, Walla Walla, Tri-Cities and Clarkston). Each hub will have representation by a superintendent on the Executive Board. In addition, there will be two at large non-superintendent representatives. The ESD 123 Superintendent, or designee, will be an ex officio member of the Executive Board. The Consortium Board shall select a Chairman from among the members of the Executive Board once every two years. The Executive Board shall meet at least quarterly: August, November, February and May.

Executive Board members shall be elected for three year staggered terms. Clarkston, one at large and the North Franklin hub representatives shall serve terms for the 2008-09 fiscal year through the 2010-11 fiscal year. Tri-Cities, one at large and the Walla Walla hub representatives shall serve terms for the 2008-09 fiscal year through the 2009-10 fiscal year.

The Chairman of the Executive Board shall also serve as Chairman of the Consortium Board.

Elections will be held in June of each election year.

Members are those members of the consortium who have paid the initial Start-up fee.

The ESD shall be administrator of the Special Services Consortium and the ESD designated program administrator shall function as the secretary of the Consortium Board and the Executive Board.

The consortium will abide by the policies and procedures adopted by the ESD 123 Board of Directors.

All communications to and from the Consortium Board and matters of business requiring formal action by the Consortium Board as stipulated in the terms of this agreement shall be submitted to the Executive Board. The Executive Board shall review all communications and business matters and submit to the Consortium Board for their consideration and action with recommendations and/or explanations which the Executive Board deems appropriate.

The Executive Board may submit all business matters requiring formal action by the Consortium Board as stipulated in this agreement to the Consortium Board.

IV FINANCE AND BUDGET

Initial Start-up Fees: \$100 per day based on the average number of days used during the past three years with a minimum fee of \$ 2,500. Start-up fees for districts joining in subsequent years shall be as determined by the Executive Board.

The ESD shall account for the status of the fund balance at least twice per year to the Executive Board (September and January).

The ESD administrator responsible for the operations of the consortium will present a proposed budget by April 30th of the year prior to the budget year to the Executive Board for their approval. Rates will be a per day rate based upon an approved annual budget by the Executive Board. The per day rate will consist of two elements. First to be the approved annual budget amount divided by the estimated days of service for the upcoming year. Second to be an increment to bring fund balance up to the Board designated amount.

The Executive Board will determine the target amount of fund balance necessary for the operation of the consortium. If the fund balance is below the Board approved amount as of the end of the fiscal year, the ESD administrator may request the Executive Board to reassess the consortium members to bring the fund balance up to the target amount.

Non consortium members will pay the direct and indirect cost of providing the requested service, if available.

V. GENERAL RESPONSIBILITIES OF THE ESD

The general responsibilities of the ESD under this Agreement are as follows:

1. Employ professional staff with appropriate training, experience, and/or certificate to provide the required assistance identified by the District. Services provided under this agreement are contingent upon the employment of appropriate certificated and classified professional staff.
2. Services will be delivered in priority as follows:
 - a. Consortium members will have first priority for delivery of services.
 - b. Non-consortium members will have second priority for delivery of services.
3. Provide special education services requested by the district.
 - a. Psychologists
 - b. Speech/Language Pathologists (SLPs)
 - c. Vision Impairment Specialists
 - d. Hearing Impairment Specialists
 - e. Occupational Therapist
 - f. Other requested special education services
4. Other special education services as requested
5. Follow ESD program and personnel policies for the delivery of the special education services requested by the District.
6. Maintain appropriate forms to meet district requirements.
7. Establish and disseminate, in a timely manner, the rates for services of each term as specified in Section IV.
8. Collect and provide appropriate data to assist the District with evaluation of the extent to which the District is satisfying its responsibilities for the provision of special education services to eligible children.
9. Schedule the services delineated in this Agreement during the appropriate term.
10. Complete employee evaluations with input from district designee.
11. Recruit, employ, train, assign, supervise (observe, collect verifiable information), and evaluate special services consortium staff needed to adequately carry out special services consortium policies and procedures in the areas of:
 - a. IDEA-B and 619
 - b. Title 19-Medicaid claiming process
 - c. Discipline of disabled students
 - d. Title II of Americans with Disabilities Act (ADA)

VI. GENERAL RESPONSIBILITIES OF THE DISTRICT

The general responsibilities of the District under this Agreement are as follows:

1. Provide an estimate of service needs to the ESD by March 31st of the year prior to the year of service.
2. Provide and manage classroom educational programs for eligible children of the District.
3. Determine, request, administer, and manage the special education services for children served in the District, including eligibility determination.
4. File all appropriate documents to insure application and the receipt of funding by the granting source for compliance with federal and state regulations.
5. Pay to the ESD, upon receipt of invoice, the fees established pursuant to Section IV for services, as provided.

VII. DISPUTES

The first attempt to resolve disputes between the district and ESD on the interpretation of the content of this Agreement shall be on an informal basis. Second attempt shall require written notice describing the concern to the other party. Final recourse for disputes will be with the Consortium Executive Board.

VIII. TERMINATION

1. If ESD 123 as administrator fails to comply with the terms and conditions of this agreement, the Consortium, by two-thirds (2/3) majority vote of the total Consortium Board upon forty-five (45) days prior written notice to ESD 123, may terminate ESD 123 as administrator. If ESD 123 is terminated as administrator, the Consortium Board will name a new administrator who will function in that position on behalf of the Consortium.
2. If the District fails to comply with the terms and conditions of this agreement, the Consortium Board shall review the conditions of the breach of the agreement. In this regard, the Consortium, by two-thirds (2/3) majority vote of the total Consortium Board, upon thirty (30) days' prior written notice to the District, may terminate this agreement as of December 31 of any year. In this regard, all actions of the Consortium Board are final.
3. The Consortium may be dissolved as of midnight, August 31st of any year by a two thirds (2/3) majority vote of a quorum of the Consortium Board. Action for dissolution shall occur no later than April 15th.
4. The consortium board may decide to terminate a district from membership if the district has been inactive for five years or longer.

IX. DISTRIBUTION OF ASSETS UPON DISSOLUTION/TERMINATION

Upon dissolution of the Consortium or termination of the agreement with any party hereto, the following provisions shall apply:

1. If for any reason the Consortium is dissolved, each district shall be entitled to its prorata share of the assets of the Consortium after all claims have been resolved. Prorata share shall be based upon the ratio of the district's contracted days to the Consortium total contracted days. Such dissolution payments shall be paid within 90 days of the end of the calendar quarter in which dissolution is enacted.
2. If a district is terminated under paragraph VIII, such district shall not be entitled to its prorata share of fund balance.
3. No distribution of assets shall be made to any district that owes the Consortium funds until such amounts are paid.

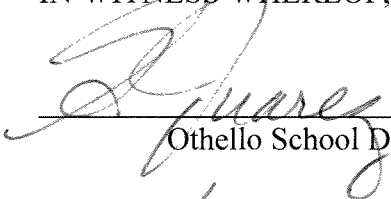
X. ACKNOWLEDGMENT

The parties acknowledge that they have read and understand this Agreement, including any supplements thereto. The parties further agree that this Agreement constitutes the entire Agreement between the parties and supersedes all communications written or oral related to the subject matter of this Agreement.

XI. APPLICABLE LAW

This Agreement shall be governed by the laws of the State of Washington. The authority for the formation of this consortium is Chapter 28A.310.180 and Chapter 28A.310.200 of the Revised Code of Washington and Chapter 39.34 Interlocal Cooperation Act. Venue for any legal action shall be proper only in Franklin County, Washington.

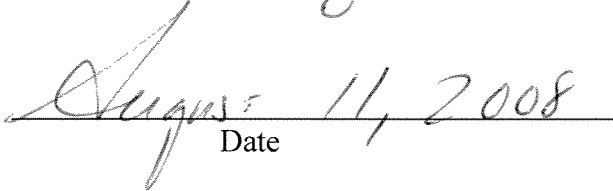
IN WITNESS WHEREOF, the parties have executed this agreement.



 Othello School District



 Educational Service District 123



 Date