

COOPERATIVE AGREEMENT

(As amended 10/15/96)

AREA SPECIAL EDUCATION COOPERATIVE #997
1505 Central Avenue NW
East Grand Forks, MN 56721

THIS AGREEMENT, entered into this 15th day of October, 1996 by and between Minnesota Independent School District Numbers 2854 - Ada-Borup, 592 - Climax-Shelly, 595 - East Grand Forks, 599 - Fertile-Beltrami, 600 - Fisher, 601 - Fosston, 604 - Mentor, 2215 - Norman County East, 2527 - Norman County West, 627 - Oklee, 628 - Plummer (July, 1984), 630 - Red Lake Falls, 2856 - Stephen-Argyle, 2609 - Win-E-Mac, and 2176 - Warren-Alvarado-Oslo (hereinafter referred to as "Member Districts").

WHEREAS, Area Special Education Cooperative #997 has been in existence pursuant to an initial Cooperative Agreement dated July 3, 1981, as revised October 13, 1992; **AND WHEREAS** this amendment (October 15, 1996) is made due to school district consolidation and a change in the method of selection of members of the Governing Board, and shall not be deemed to have invalidated the previous agreement or revision, except for the modifications herein contained, and

WHEREAS, the parties to this agreement have, as one of their purposes, the provision of special education and related areas of education to youth and adults, and

WHEREAS, it is felt by each member district that this can best be accomplished by cooperative efforts, and

WHEREAS, Minnesota Statutes, Section 471.59, authorizes member districts to jointly or cooperatively exercise any power common to the contracting parties, and

NOW, THEREFORE, the parties to this agreement, pursuant to the authority and in accordance with the conditions specified in Minnesota Statutes, Section 471.59, hereby agree as follows:

I PURPOSE OF AGREEMENT

The purpose of this agreement shall be to cooperate in order to enlarge and enrich the learning opportunities in special education and related areas of education for eligible residents within the geographical boundaries of the member districts. Acting with and under the authority of Minnesota Statutes, Section 471.59, and such other statutes as shall apply, such an educational cooperative is hereby established and this Cooperative to be known as the "Area Special Education Cooperative" is created by this agreement.

II ACCOMPLISHMENT OF PURPOSE

The comprehensive education program of this Cooperative shall be accomplished by the creation of a governing board which shall, on behalf of the member districts, apply for, receive and administer education funding, including state and federal reimbursements. The governing board shall administer these funds and exercise its authority in such a way to accomplish the purpose of this agreement set forth in paragraph I.

III MEMBERSHIP

- (A) Any school district (whether or not invited to be an original member) may become a member with majority consent of the current members upon application to the board and subscription to this agreement. Such applicant shall also agree to pay to the Cooperative a pro rata cost for the real and personal property including, but not limited to, cash or investments on hand, materials, equipment, and supplies owned by the Cooperative; the cost of which or any portion thereof has been assessed against each of the member districts of the Cooperative. This amount shall be determined by the Executive Director from the records which he has maintained.
- (B) Each member district may appoint a director of the Cooperative, who shall serve on the Governing Board of the Cooperative. The representative appointed by each member district shall be either the Superintendent of Schools or a member of the Board of Education of such district. No district may have more than one appointee serving on the Governing Board of the Cooperative at any time. In accordance with Article IV hereof, the term of each director shall be three (3) years, and shall commence at the annual meeting next following his appointment. Provided, however, that in the event a director appointed by a member district dies or resigns between annual meetings, a member district may appoint a successor to such resigning or deceased director, whose appointment shall commence at the next regular or special meeting following the notification of the Cooperative by the member district of such appointment. The term of a director so appointed shall expire at the normal expiration date of the person being replaced. The annual meeting of the Governing Board shall be on the third Tuesday of July of each year, at 10:30 o'clock a.m., and shall be convened at such place the Governing Board shall determine. The Executive Director of the Cooperative shall give notice of said annual meeting to each member school district, in writing, no later than twenty (20) days prior to said meeting. Additionally, the Governing Board shall meet at least monthly, with the exception of August of each year, at such time and place as is determined by the Governing Board. The Executive Director shall cause written notice of such meeting to be given to each member district no later than ten (10) days prior to each monthly meeting. In the event that the business of the Cooperative so requires, the Chairman of the Governing Board, or a majority of said board may call a meeting during the month of August. In such event, the same provision for notice as is herein set forth with regard to monthly meetings, shall apply.
- (C) The Governing Board shall elect from their number a Chairman, a Vice Chairman, a Secretary and a Treasurer, at the annual meeting, who shall serve until the following annual meeting. In the event of the death or resignation of an officer between annual meetings, the Governing Board may elect a successor to the resigning officer. The Governing Board, from time to time, may appoint such other officers and agents as they deem necessary. These officers so elected or appointed shall serve until the next annual meeting of the Governing Board, or until such earlier date as an appointed officer or agent's term shall expire. Provided, however, that the authority of the Chairman, Vice President, Secretary, and Treasurer shall continue (absent death or resignation) until the successor of such officer shall have been elected or appointed. Further provided that any officer or agent so elected or appointed may be removed by the Governing Board, upon affirmative vote of a two-thirds (2/3rds) majority, with or without cause.

- (D) Special meetings of the Governing Board may be called for any purposes by the Chairman or by a majority of the Governing Board. Upon request in writing by registered mail or delivered in person to the Chairman or Executive Director executed by the majority of the Governing Board for the calling of a special meeting, the Executive Director shall forthwith cause notice to be given to all member districts of the time and place of such special meeting, and the purpose of such meeting. Such notice shall be in writing and mailed or delivered to each member district no later than ten (10) days prior to such special meeting. The date of such special meeting shall be no more than twenty (20) days after the receipt of the appropriate request for such special meeting by the Chairman or Executive Director.
- (E) If any meeting of the Governing Board shall be adjourned to another time or place, the notice of such adjournment and the time and place to which such meeting shall be adjourned, shall be mailed at least five (5) days prior to the continuation of such meeting to each member district by the Executive Director, or by such other person as may be charged with such duty by the Governing Board.
- (F) Any notice required by this Article may be waived in writing by any member district, or by the director appointed by such district, on behalf of such district. Such waiver may be given before or after the meeting and shall be filed with the Secretary or entered upon the records of the meeting.
- (G) Each director shall be entitled to one vote at each meeting of the Governing Board. A quorum for the conduct of business, except as may be otherwise specifically required, shall be a majority of the directors serving on the Governing Board. In the absence of a quorum, any meeting may be adjourned from time to time. Provided, however, that once a quorum is established for the conduct of business at any meeting, that quorum shall be deemed to be continuing, and the subsequent withdrawal of a director or directors shall not prevent the conduct of further business at a meeting at which a quorum has been established.
- (H) Any action which, under the provisions of law or this agreement, may be taken at a meeting of the Governing Board, may be taken by a writing signed by all of the Superintendents of Schools of the member districts.

IV ***GOVERNING BOARD***

- (A) The Governing Board of the Cooperative shall consist of the directors appointed by each member district in accordance with Article III of this agreement. Their terms and meetings shall be as set forth in Article III. The member district appointing a director shall notify the Executive Director or Chairman of the Board of the identity of the person appointed, in writing, and shall indicate whether such person is the Superintendent of Schools or a member of the Board of Education of the appointing member district. In the event that a member district shall withdraw from the Cooperative during the term of a director appointed by such member district, the director appointed by the withdrawing member district shall be deemed to have resigned, as of the effective date of the withdrawal of the member district which has appointed such director. The number of directors shall be the number appointed, from time to time, by the procedure set forth in Article III, but shall in no event be fewer than the number required by law.

- (B) The Governing Board shall employ an Executive Director who shall administer the programs of the Cooperative. Said Executive Director shall be a nonvoting member of the Governing Board.
- (C) The Governing Board shall hold a monthly meeting and may meet more frequently upon the request of the Executive Director or upon the written request of two or more board members.
- (D) The Governing Board may adopt or amend the bylaws governing the operation of the Cooperative.
- (E) The Governing Board shall establish a record keeping system and financial system separate from the member districts.

V

CONTRACTS AND DISBURSEMENT OF FUNDS

The Governing Board may enter into contracts and disbursement of funds as it deems appropriate. In exercising these powers, the Governing Board shall comply with all of the statutory provisions which are applicable to the member districts.

VI

FINANCE

The financing of this Cooperative shall be shared by the member districts on a membership fee and per capita basis, grades K-12, based on the previous year's ED-00333-12 P.L. 94-142 Unduplicated Child Count Form State Federal Report. All state aid and federal aid reimbursements to the Cooperative shall remain in the Cooperative operating budget. Each member district shall be billed by the Cooperative at a time to be determined by the Governing Board based on the differential between all aids collected by the Cooperative and total operating budget.

VII

SEPARATE BENEFITS

Nothing herein shall prevent any member district from applying separately for any benefits to which it may itself be entitled.

VIII

WITHDRAWAL, TERMINATION AND AMENDMENT

- (A) All member districts shall be bound by the terms of this agreement during any fiscal period which it enters as a member. Any member district may withdraw from this agreement by giving six (6) month written notice to other members of the Cooperative of its intentions to withdraw. Such withdrawal, however, shall become effective only on June 30 of the fiscal period in which the end of such six (6) month written notice occurs.
- (B) This agreement may be amended or terminated at any time by a two-thirds (2/3) vote of the Governing Board with the approval of the majority of the member districts of the Cooperative.

- (C) Upon termination of membership in this agreement, a suitable appraiser will be appointed by the Governing Board to determine the current worth of the assets (all real and personal property including, but not limited to, cash or investments on hand, materials, equipment, and supplies) of the Cooperative and that a proportionate share of the assets based upon current pupil enrollment, be returned to the withdrawing member district. The withdrawing member district shall, however, be responsible for any obligation incurred by it or the Governing Board in behalf of it, for the remainder of the fiscal year in which the membership is terminated.

- (D) Upon termination of the Cooperative, all funds remaining after payments of all outstanding debts and obligations and all property owned by it shall be distributed to the member districts in the same proportions as those member districts contributed to the purchase of such items, unless a majority of the member districts find this to be impractical and agree before termination to a different method of distribution of property and funds.

IN TESTIMONY WHEREOF, the parties hereto have set their hands the day and year first above written.

Ada-Borup District Representative

Date

Climax-Shelly District Representative

Date

East Grand Forks District Representative

Date

Fertile-Beltrami District Representative

Date

Fisher District Representative

Date

Fosston District Representative

Date

Mentor District Representative

Date

Norman County East District Representative

Date

Norman County West District Representative

Date

Oklee District Representative

Date

Plummer District Representative

Date

Red Lake Falls District Representative

Date

Stephen-Argyle Central District Representative

Date

Warren-Alvarado-Oslo District Representative

Date

Win-E-Mac District Representative

Date