

**COOKE COUNTY SPECIAL EDUCATION CO-OP
SHARED SERVICES ARRANGEMENT AGREEMENT**

CALLISBURG INDEPENDENT SCHOOL DISTRICT, ERA INDEPENDENT SCHOOL DISTRICT, MUENSTER INDEPENDENT SCHOOL DISTRICT, SIVELLS BEND INDEPENDENT SCHOOL DISTRICT, VALLEY VIEW INDEPENDENT SCHOOL DISTRICT, LINDSAY INDEPENDENT SCHOOL DISTRICT and WALNUT BEND INDEPENDENT SCHOOL DISTRICT ("Member Districts"), hereby agree to cooperatively operate their special education programs under the authority of Education Code Section 29.007 and Texas Government Code Section 791.001 et seq., as the **COOKE COUNTY SPECIAL EDUCATION CO-OP SSA** ("the Cooperative" or "Co-op") Member Districts agree that:

1. General Covenants and Provisions

- 1.1** The purpose of this Agreement is to create a cooperative arrangement whereby the Member Districts may provide for the efficient delivery of legally required special education and related services to eligible students with disabilities.
- 1.2** The Member Districts do not intend by entering this agreement, or otherwise, to create a separate or additional legal entity.
- 1.3** The Cooperative's administrative offices will be located in Cooke County, Texas.
- 1.4** The special education program will be operated in compliance with federal and state law, including the Individuals with Disabilities Education Act, 20 USC § 1401 et seq; Section 504 of the Rehabilitation Act of 1973, 29 USC § 794; the Americans with Disabilities Act, 42 USC § 12101 et seq; Chapter 29 of the Texas Education Code; implementing regulations for all applicable statutes; section 1.3 of the Financial Accounting and Reporting Module of the Financial Accountability System Resource Guide (FASRG) and the Co-op operating guidelines approved by all Member Districts.
- 1.5** Any Co-op operating guidelines inconsistent with the provisions contained herein shall be deemed null and void.
- 1.6** Each Member District retains the responsibility for providing services and programs pursuant to Section 504 of the Rehabilitation Act. Notwithstanding, the Co-op will comply with Section 504 of the Rehabilitation Act as indicated in Section 1.4.
- 1.7** Any timelines and procedures referenced herein regarding reconfiguration of the Co-op shall be consistent with the Texas Education Agency's ("TEA") Division of IDEA Coordination Guidelines.

2. Management

- 2.1** The Co-op will be governed by a management board (the “Co-op Board”) composed of the Superintendents of the Member Districts as the representatives of the board of trustees of the Member Districts.
- 2.2** The Chief administrator of the Cooperative will be the Special Education Director (“Director”).
- 2.3** Each superintendent or the superintendent’s designee shall attend the regularly scheduled Co-op Board meetings. Each Superintendent is responsible for keeping their respective board of trustees advised of Co-op Board actions and operations.
- 2.4** The superintendent of the Fiscal Agent will initially serve as chairperson of the Co-op Board. The only permanent positions on the Co-op Board will be that of Chairperson and secretary. The secretary will record and prepare the minutes of each Co-op Board meeting. These two positions will be filled by simple majority vote at the September meeting on an annual basis. The Co-op Board may from time to time elect a chairperson from among its members and designate a secretary, who may or may not be a member of the Co-op Board.
- 2.5** Except as provided otherwise herein, actions shall require the approval of a majority of a quorum of the Co-op Board. Members of the Co-Op Board may not cast votes by proxy. Each Member District of the Co-Op Board shall have one vote of equal weight.
- 2.6** The Co-op Board shall annually designate its regular meeting dates for conducting and reviewing the administration and operation of the shared services arrangement. Additional meetings may be called as necessary.
- 2.7** Additional powers and duties of the Co-op Board shall be determined by Co-op operating guidelines.

3. Personnel

- 3.1** The Co-Op Board will recommend the Director for employment to the board of trustees of the Fiscal Agent. The Director shall serve under a contract with the Fiscal Agent and be subject to the policies, rules and regulations of the Fiscal Agent. The duties of the Director shall be defined by a job description developed by the Co-Op Board. Other Director responsibilities include: (a) recommendation of operating guidelines for the Co-op; (b) recruitment, interviewing and recommendation of employment of Co-op personnel to the Co-op Board, who then makes a recommendation to the Fiscal Agent Board, as needed to ensure that the Co-op is staffed with qualified personnel; (c) purchasing of materials, approval of bills, overseeing disbursements and keeping records of all transactions; (d) supervising, evaluating and recommending employment status of other Co-op

personnel; (e) and other duties as assigned by the Fiscal Agent, taking into consideration the recommendations of the Co-op Board.

- 3.2** The Director shall serve as Fiscal Agent's deputy officer for public records for purposes of the Texas Public Information Act and the Local Government Records Act. The Fiscal Agent shall process and respond to any request for information submitted to the Co-Op or directly to the Fiscal Agent, in accordance with state and federal law. Other member district all cooperate in the gathering of responsive records subject to such requests, if necessary. Each Member District retains responsibility to process requests for records submitted directly to the Member District.
- 3.3** The Director has discretion to call additional Co-op Board meetings.
- 3.4** The Director, through the Fiscal Agent, on behalf of the Co-op, may purchase goods and services necessary to administer and operate the Co-op in accordance with the policies of the Fiscal Agent and the Co-Op operating guidelines.
- 3.5** The Director may negotiate contracts with outside service providers for special education and related services for students with disabilities in accordance with law and Co-op operating guidelines.
- 3.6** Co-op professional personnel, which may include the Director, diagnosticians, speech therapists, LSSPs, special education counselors, Vocational Adjustment Coordinator ("VAC"), teachers of the Visually Impaired ("VI"), Co-op classroom teachers, classroom para-professionals and Co-op office personnel ("Co-Op Personnel") are employed by the Fiscal Agent and are subject to the personnel policies of the Fiscal Agent, including but not limited to all policies governing contracts, at-will employment, standards of conduct, leave and other benefits. The Fiscal Agent may consider recommendations from the Co-op Board when employing Co-op personnel but retains final hiring and termination authority regarding employment of professional personnel. Co-Op Personnel shall be subject to the salary schedule approved by the Co-op Board, subject to final approval by the Fiscal Agent Board of Trustees each school year. In the absence of a salary schedule approved by the Co-Op Board, the salary schedule of the Fiscal Agent shall apply to Co-Op Personnel.
- 3.7** Personnel who provide special education services for the Co-op but who are employed by a Member District other than the Fiscal Agent are subject to Co-op operating guidelines as well as the board policies, rules, and regulations of the employing Member District.
- 3.8** Except as otherwise provided herein, Co-op personnel who provide special education services to Member Districts and Co-op office personnel, shall be evaluated by the Director or other appropriate supervisor, pursuant to the evaluation policies and procedures of the Fiscal Agent or the Co-op Operating

Guidelines as determined by the Director. Each Member District shall have the right to provide appropriate input into the evaluation of Co-op personnel.

- 3.9 Member District employment contracts subject to this Agreement shall incorporate by reference Co-op operating guidelines and each Member District employee shall be provided with access to Co-op operating guidelines.
- 3.10 Any hearing on an employee grievance, termination, or non-renewal is the responsibility of; and will be held in accordance with the policies of the district with whom the employee has a contract

4. Fiscal Agent

- 4.1 VALLEY VIEW INDEPENDENT SCHOOL DISTRICT will serve as the Fiscal Agent for the Cooperative. VALLEY VIEW INDEPENDENT SCHOOL DISTRICT acknowledges that it is an accredited Texas school district and that it offers grades kindergarten through 12.
- 4.2 Except as otherwise provided herein, the Fiscal Agent is responsible for applying for, receiving, collecting, expending, and distributing all funds, regardless of source, in accordance with the budget adopted by the Co-op Board. The Fiscal Agent shall provide accounting services, reports and Co-op records and shall perform any other responsibilities required by Co-op operating guidelines. Funding for suitable facilities and utilities for those facilities will be calculated as part of the overall Co-op budget prorated as provided in Section 7.2. The Fiscal Agent will utilize an acceptable cost allocation method consistent with the *Financial Accountability Systems Resource Guide (FASRG)* Section 1.3, 1.4, (Basis of Allocations of Costs of the Fiscal Agent.)
- 4.3 Except as otherwise provided herein, the Fiscal Agent will account for salaries and expenses of Co-op personnel as set forth in Section 3, Co-op operating expenses, IDEA, Part B funds, and other applicable state and federal funds. The Fiscal Agent will maintain personnel records and payroll systems for Co-op personnel as set forth in Section 3 herein. It is agreed that each Member District is responsible for certifying receipt of Medicaid funds and that the Fiscal Agent and Co-op have no responsibility related to Medicaid funding.
- 4.4 The district serving as Fiscal Agent may withdraw from the role of Fiscal Agent by first notifying the other Member Districts of its intention to withdraw on or before November 1st of the last fiscal year it intends to serve as Fiscal Agent. The withdrawing Fiscal Agent shall notify TEA of its intent to withdraw as Fiscal Agent on or before February 1st preceding the end of the last fiscal year it intends to serve as Fiscal Agent. After a satisfactory independent audit of the Co-op's accounts, the transfer of Fiscal Agent status will become effective on the following July 1st. Should the Fiscal Agent cease for any reason to serve, the Co-op Board will by majority vote appoint another Member District as Fiscal Agent, subject to

approval of the Board of Trustees of the Member District appointed to serve. Notwithstanding, a Member District may only serve as Fiscal Agent upon receipt of specific approval by all Member District Boards of Trustees, and subject to an amendment of this Agreement.

- 4.5 Except as otherwise provided herein, the Fiscal Agent will prepare and submit, on behalf of the Co-op, any reports or applications required by federal or state law or Co-op policy. The Director of the Co-op will submit federal, preschool, capacity building and IDEA-B fund applications.
- 4.6 The Fiscal Agent, as a Member District, is subject to Co-op operating guidelines and procedures. The Fiscal Agent will be responsible for reporting to internal and external entities, including fiscal reporting through the PEIMS 032 or 033 records, whichever may be applicable with TEA guidelines. Each District reports 033 based upon information provided by the Co-op.
- 4.7 The Fiscal Agent agrees to provide each Member District with an accounting of federal funds earned and expended on behalf of that Member District.

5. Member Districts' General Obligations

- 5.1 Each Member District acknowledges federal funds received from the State earmarked for special education programs flow directly to the Fiscal Agent. Member Districts agree that any other funds assessed under Co-op policies or other legal requirement will be remitted within thirty (30) calendar days from the date the invoice is received from the Co-op.
- 5.2 Each Member District shall pool its 25% IDEA Part-B formula funds ("set-aside" funds) with the set-aside funds of all other members districts, to be applied for payment of related services and residential costs associated with the residential placement of any student residing within a Member District of the Co-op.
- 5.3 Each Member District agrees to cooperate with the Fiscal Agent in maintaining the proper fiscal, personnel, and student records for the Co-op operations.
- 5.4 Repayments to TEA due to a violation of Federal rules on Maintenance of Effort ("MOE") by any Member District shall be the responsibility of the Member District that violated the MOE requirement. The Member District agrees to submit payment to the Fiscal Agent in the amount equal to the repayment due TEA within 10 business days of receiving notice of the assessed repayment. Upon receipt of the payment, the Fiscal Agent will submit to TEA the amount of repayment due from IDEA-Part B funds.
- 5.5 Unless otherwise provided herein, title to and ownership of all property of whatever type or nature, both real and personal, acquired, purchased, encumbered, or committed to by the Co-op with Co-op funds, whether through purchase, lease,

time payment, or any other acquisition agreement, regardless of whether the source of such Co-op funds was from local, state, federal, or private sources, are the property of the Co-op, and not that of individual Member Districts. All property of whatever nature, both personal and real, individually purchased with Member District funds or otherwise acquired by individual Member Districts from local resources shall remain that Member District's property, regardless of its use by the Co-op for Co-op educational services. Agreements pertaining to purchase of real property or any deeds pertaining to real property are not governed by this contract. It is agreed and understood that any agreement pertaining to the lease of property in an amount totaling \$10,000 or more per year will be presented to each Member District Board of Trustees to the extent that each Member District would be deemed a party to the lease agreement.

6. Changes to Membership or Dissolution

- 6.1** In accordance with state law, any change to the Co-Op's membership or configuration shall take effect on the July 1st immediately following the provision of proper written notice of the change to TEA ("Effective Date"), unless otherwise provided by TEA or state law.
- 6.2** A Member District may withdraw from the Co-op by providing the other Member Districts with written notice of its proposed action before the November 1st immediately preceding the Effective Date. The withdrawing Member District, with the assistance of the Director, is responsible for ensuring that all requirements for effectuating a withdrawal are met, in accordance with state law, TEA rules and the terms of this Agreement. On or before the Effective Date, the withdrawing Member District shall return to the Co-op any supplies, equipment, or fixtures in its possession that was purchased with Co-op funds. The Member Districts further agree that any uncommitted surplus funds, after charges and liabilities, remaining in the Co-op's operating fund as of the Effective Date, shall be calculated, and the withdrawing member shall receive a proportionate share, as calculated pursuant to the formula set forth in Section 7.2 herein, of such remaining balance, in full and complete payment for, and settlement of, any legal and equitable rights and interests, if any, as such withdrawing member may have in the Co-op's property or assets. It is agreed and understood that the withdrawing Member District shall pay costs and fees, up to an amount not to exceed \$10,000.00, related to, resulting from, or associated with the withdrawal including, but not limited to, non-renewal proceedings, legal costs, legal fees, or expenses pertaining to the drafting of an agreement reflecting the reconfiguration.
- 6.3** The Co-op Board may, by a majority vote of its membership, initiate the revocation of the membership of a Member District for intentional or knowing non-compliance with the terms of the Agreement or for the Co-op operating guidelines. Final revocation must be approved by of a majority of the Member Districts' boards of trustees. The Member District subject to revocation shall return to the Co-op any supplies, equipment, or fixtures in its possession that was

purchased with Co-op funds, prior to or by the Effective Date. The Member Districts further agree that the Member District subject to revocation shall have no right or claim to any fund balance, including all roll-forward monies, remaining in the Co-op's operating fund as of the Effective Date. It is agreed and understood that the Member District subject to revocation shall pay costs and fees, up to an amount not to exceed \$10,000.00, related to, resulting from, or associated with their withdrawal including, but not limited to, non-renewal proceedings, legal costs, legal fees, or expenses pertaining to the drafting of an agreement reflecting the reconfiguration. The Board of Trustees of the Member District being recommended for revocation shall have no vote in such proceeding.

6.4 The addition of a new Member District must be unanimously approved by the Co-op Board as well as each Member Districts' boards of trustees. It is agreed and understood that any school district seeking to join the Co-op may be assessed a fee to be determined by the Co-op Board prior to obtaining membership.

6.5 Dissolution of this Agreement shall require the affirmative vote of a majority of the Member Districts' boards of trustees. The Fiscal Agent will timely notify TEA of the intent to dissolve by the February 1st immediately preceding the Effective Date. Upon dissolution, the Co-op's funds and any other remaining assets, after any charges and liabilities, will be divided among the Member Districts, prorated in the same manner as administrative costs as provided by Section 7.2. Should the Co-op dissolve, instructional materials and equipment purchased for use in each Member District will remain in the respective districts and become the property of that district. Any other remaining assets will be divided among the Member Districts based upon an equal split.

7. Fiscal Practices

7.1 The Co-op will operate on a budget prepared by the Director and approved by the Co-op Board and Member District boards of trustees as part of the respective Member Districts' overall budget approval process. Any Member District exceeding budget allocations without the proper budget amendments will be solely responsible for those expenditures, which exceed the budget allocations.

7.2 Administrative and uncontrollable costs will be allocated among Member Districts as determined by the Co-op Board based on a proportionate amount determined by a ratio that compares the weighted FTEs of each Member District's special education eligible students being served to the total Co-op weighted FTEs based upon the PEIMS June 1 count or at time cost is incurred.

7.3 The Co-op will cause to be annually conducted a complete audit of all accounts. The responsibility of the annual audit will rest generally with the Fiscal Agent. The Co-op Board may select from time to time an independent auditor to perform the annual audit or any special or investigative audit. Each Member District agrees

to cooperate fully in each annual audit and in any audit ordered by the Co-op Board.

8. Risk of Loss

8.1 Except as otherwise provided herein, each Member District bears its own risk of loss "Loss" includes, but is not limited to, damage to or loss of personal or real property, costs of administrative hearings, litigation expenses, awards of actual damages, court costs, attorney's fees, and settlement costs.

9. Transportation

9.1 Except as otherwise provided herein, each Member District bears responsibility for providing or contracting for the transportation of each of its transportation-eligible students to each facility at which services are provided. For students who attend the Denton Regional Day School Program for the Deaf and the Co-op classrooms, round trip transportation will be provided by the Co-op.

9.2 Each Member District will insure its owned or leased vehicles used in the transportation of students with disabilities for the statutory maximum limits of school district liability for motor vehicle accidents.

10. Legal Responsibilities

10.1 The Member District wherein the student resides shall be solely responsible for the provision of a Free Appropriate Public Education ("FAPE").

10.2 Legal fees, court costs, and attorney's fees regarding a student shall be the responsibility of the Member District in which the student was enrolled at the time of the alleged events or incidents that are the subject of the litigation.

10.3 If the Co-op or the Fiscal Agent is a named party (in addition to the Member District wherein the student resides) in a Due Process Hearing or legal proceeding in state or federal court involving a special education student receiving services from a Member District, the Member District wherein the student resides remains responsible for legal costs, court costs and attorney's fees, resulting from litigation directly involving such student, including reimbursement to the Co-op for any legal costs incurred by the Co-op. These costs are solely related to legal fees incurred by the Co-op or Fiscal Agent required for the legal defense of the Co-op or Fiscal Agent.

10.4 Except as otherwise provided herein, if the Co-op or the Fiscal Agent is a named party in a lawsuit filed against the Co-op or the Fiscal Agent in State or Federal Court, and such lawsuit is based on a State or Federal Law other than the IDEA, then each Member District will be responsible for a prorated amount based on the formula set forth in Section 7.2 herein. This provision

contemplates lawsuits that arise from the Fiscal Duties as set forth herein, and that the Fiscal Agent is acting in compliance with applicable State and Federal law.

- 10.5** Each Member District shall be individually responsible for legal fees incurred due to complaints, grievances, or litigation brought against the Member District by a current or former employee of the Member District.
- 10.6** The legal responsibilities stated herein shall survive the expiration of this Agreement should litigation arise from events that occurred during the term of the Agreement.
- 10.7** The Member Districts agree to negotiate in good faith in an effort to resolve any dispute related to this Agreement that may arise from the Member Districts. If the dispute cannot be resolved by negotiations, the dispute shall be submitted to mediation before resort to litigation. If the need for mediation arises a mutually acceptable mediator shall be chosen by the parties to the dispute who shall share the cost of mediation services based upon the prorated amount set forth in Section 7.2 herein. Mediation is a voluntary dispute, resolution process in which the parties to the dispute meet with an impartial person, called a mediator, who will help to resolve the dispute informally and confidentially. Mediators facilitate the resolution of disputes but cannot impose binding decisions. The parties to the dispute must agree before any settlement is binding.
- 10.8** The Member District wherein the student resides is responsible for legal fees incurred due to Texas Education Agency (TEA) complaints, Office of Civil Rights (OCR) complaints and grievances directly involving that student.

11. The Agreement

- 11.1** This Agreement will be automatically renewed by each Member District annually unless notice of withdrawal or dissolution is given under the terms of this agreement, or this Agreement is revised or modified.
- 11.2** It is agreed and understood that the terms of this Agreement shall not be modified absent written agreement of all parties. Any modifications to this Agreement agreed to by all Member District Boards of Trustees shall be submitted to the TEA's Division of IDEA Coordination within 90 calendar days of that amendment.
- 11.3** This Agreement will supersede all previous agreements among the parties in relation to the operation of the Co-op and responsibilities under any prior Cooperative agreement.
- 11.4** This Agreement will apply to and bind the representatives and successors in interest of the parties to this Agreement.

11.5 This Agreement is governed by the laws of the State of Texas.

11.6 If any provision of this Agreement becomes or is held violative of any law or unenforceable, then the invalidity of that provision will not invalidate the remaining provisions. The Member Districts agree that all remaining provisions of this Agreement will remain in effect.

11.7 Citations of and references to any specific federal or state statute or administrative regulation in this Agreement include any amendment to or successor of that statute or regulation.

11.8 The effectiveness of this Agreement is conditioned upon the approval of the Texas Commissioner of Education, pursuant to Education Code § 29.007.

11.9 It is understood and agreed that this Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes.

11.10 To the extent that a Member District is no longer accredited by TEA, that Member District is deemed not to be a party to this Agreement.

Executed this ____ day of _____, 2019.

Callisburg Independent School District

Board President

Date

Board President

Date

Era Independent School District

Board President

Date

Sivells Bend Independent School District

Board President

Date

Lindsay Independent School District

Board President

Date

Valley View Independent School District

Board President

Date

Walnut Bend Independent School District

Board President

Date

Muenster Independent School District