

Shaw Island School District Board of Directors

Agenda

Date: Tuesday, September 17, 2024

Time: 2:30 PM

Location: Shaw Island School, Shaw Island, Washington

Regular Board Meeting

1. Opening Items

- 1.1. Call to Order.
- 1.2. Changes or Additions to the Agenda.
- 1.3. Approval of Agenda (Action).

2. Hearing of Individual or Groups on Agenda and Non-Agenda Items

3. **Presentation of Shaw School History Sign:** Annette Smith will show the board the mock up for the historical information going on the school's kiosk.

4. Superintendent Report and Discussion

- 4.1. Superintendent Report (Information).

5. Business and Operations

- 5.1. Consent Agenda (Action). The superintendent recommends approval of the following items on the consent agenda:
 - 5.1.1. Minutes from Previous Meetings: August 13, 2024 regular meeting and August 29, 2024 special meeting
 - 5.1.2. August 2024 Payroll.
 - 5.1.3. August 2024 Claims.
 - 5.1.4. August 2024 Budget Status Report.
 - 5.1.5. Donations Since Previous Meeting: \$600 for Teacher Housing Project; \$1,285 from Shaw School Foundation for final DC field trip expenditures.
 - 5.1.6. Resolution 2024-8 Declaring Property Surplus to the District. (propane heaters and canisters)
- 5.2. Review and Discussion of NWESD 189 Business Manager Contract

6. Unfinished Business

- 6.1. Teacher Housing Project
 - 6.1.1. Update on Teacher Housing

7. School Board

- 7.1. School Board Director's Reports (Information).

8. Adjournment

Next meeting: October 15, 2024

Shaw Island School District Board of Directors Regular Meeting

Tuesday, August 13, 2024

The open public meeting was held at Shaw Island Elementary School, 44 Hoffman Cove Road, Shaw Island, Washington.

Directors Present: Carol Criss, Jon Shannon, Shirley Lange, and Shannon Klohr. Director John Bogert was not present.

Administration Present: Superintendent Kari McVeigh and Office Administrator Deanna Shannon.

Guest: None.

Minutes

1. Opening Items:

- 1.1. Call to Order: The meeting was called to order at 2:29 PM by Chair Carol Criss.
- 1.2. Changes or Additions to the Agenda: None.
- 1.3. Approval of Agenda: **Director Shannon moved to approve the agenda as presented; Director Klohr seconded the motion; the motion carried unanimously.**

2. Hearing of Individuals or Groups on Agenda and Non-Agenda Items: None.

3. Superintendent Report and Discussion:

3.1. Superintendent McVeigh reported on the following:

- The official student count for the 2024-25 school year was 7. The first day of school was August 29th. Dismissal would be at noon followed by a family picnic. Board members were welcome to attend the picnic.
- The painter, John Kurtz, recommended using exterior paint with a sheen rather than the flat paint currently on the buildings. The paint upgrade would cost a little more, but would be easier to clean and more durable.
- Ms. McVeigh and Deanna Shannon met with NWESD (Northwest Educational Service District) staff via Zoom to discuss NWESD taking over the payroll and accounts payable (AP) for the district since the San Juan County Auditor's Office would no longer be providing payroll services and were limiting AP services. NWESD had not yet given a cost, but it would be more than the current approximately \$4,000 annually charged by the county. The benefit of having NWESD process payroll and AP was their understanding of school district finances. Ms. McVeigh and Deanna would be meeting with NWESD again in August.

4. Business and Operations:

4.1. Consent Agenda: Items under the Consent Agenda are considered by the board to be routine and subject to one motion and vote. **Director Lange moved to approve the consent agenda; Director Klohr seconded the motion; the motion passed unanimously.**

- Minutes from previous meeting (July 16, 2024 Regular Meeting).
- Claims and Payroll: the following vouchers as audited and certified by the auditing officer, as required by RCW 42.24.080, and those expense reimbursement claims certified, as required by RCW 42.24.090, are approved for payment. In addition, payroll warrants in the amount of \$22,359.16 are also approved.

General Fund 6361:
Warrant numbers 281764 through 281779
Totaling \$8,962.31

Capital Fund 6367:
Warrant numbers 781780,781781, and 782412
Totaling \$6,453.43

Payroll (July):
Warrant numbers 108221 through 108228
Totaling \$22,359.16

- Donations Since Previous Meeting: Teacher Housing Project \$2,300.
- 4.2. Approval to Hire Aidan Shannon as Paraeducator for the 2024-25 School Year. **Director Lange moved to approve Aidan Shannon for the 2024-25 paraeducator position; Director Klohr seconded the motion.** Superintendent McVeigh stated that two candidates had interviewed for the position and both were equally viable candidates. Having housing on Shaw and bringing a male presence to the school made Aidan the best choice. **The Chair called for the vote. Directors Lange, Klohr, and Criss voted to approve the hire. Director Shannon abstained.**
- 4.3. Approval of Employment Contracts and Agreements:
- **Director Klohr moved to approve Certificated Teacher Contract with Diane Clifton; Director Lange seconded the motion; the motion carried unanimously.**
 - **Director Shannon moved to approve the supplemental contract for Diane Clifton; Director Lange seconded the motion; the motion carried unanimously.**
 - **Director Lange moved to approve the classified contract with Deanna Shannon; Director Klohr seconded the motion; Directors Criss, Klohr, and Lange voted to approve the contract. Director Shannon abstained.**
 - **Director Shannon moved to approve the Paraeducator Employment Agreement with Anita Orne; Director Lange seconded the motion. The motion carried unanimously.**
 - **Director Klohr moved to approve the Paraeducator Employment Agreement with Aidan Shannon; Director Lange seconded the motion; Directors Criss, Klohr, and Lange voted to approve the contract. Director Shannon abstained.**
5. Unfinished Business:
- 5.1. Teacher Housing Project Update:
- Superintendent McVeigh stated she had contacted Pacifica Law Group about reviewing the construction contract when it was ready. It would cost about \$2,000 to \$3,000 to review the contract.
 - Well drilling could take place at any time. After the well was drilled, the septic permit could be finalized. Septic installation could be done at any time after approval.
 - Director Criss reported that the committee was continuing to focus on both houses being built at the same time as everything was connected, and it was more economical to build them both at the same time.
 - The committee would call in pledges when the permit was ready.
 - Anita Orne had told Director Criss that her band, JP and the OK Rhythm Boys, would perform a benefit concert for teacher housing fundraising.
 - A GoFundMe page for fundraising was discussed. More information would be gathered.
6. School Board
- 6.1. School Board Directors' Reports: None.
7. Executive Session
- 7.1. Director Criss called a thirty minute executive session to discuss the superintendent. The board, and Deanna Shannon at the request of the superintendent, entered the executive session at 2:52. The session ended at 3:22. Chair Criss stated there was nothing to report.

8. Adjournment: *Director Shannon moved to adjourn the meeting; Director Klohr seconded the motion; Chair Criss adjourned the meeting at 3:23 PM.*

Carol Criss, Chair

Kari McVeigh
Superintendent/Secretary to the Board

John Bogert, Director

Shirley Lange, Director

Shannon Klohr, Director

Jon Shannon, Director

Shaw Island School District Board of Directors Special Meeting

Thursday, August 29, 2024

4:30 PM

The open public meeting was held at Shaw Island School, Shaw Island, Washington.

Directors Present: Carol Criss, Jon Shannon, Shannon Klohr, Shirley Lange, and John Bogert.

Administration Present: Superintendent Kari McVeigh and Office Administrator Deanna Shannon.

Audience: Becky Bell, superintendent replacement candidate. John Bingham, Teacher Housing Project Manager and Philip Burkhardt from PBW Architects were present via Zoom online meeting platform.

Minutes

1. Opening Items:
 - 1.1. Call to Order: The meeting was called to order at 1:19 PM by Chair Carol Criss.
 - 1.2. Approval of Agenda: **Director Shannon moved to approve the agenda; Director Lange seconded the motion; the motion carried unanimously.**
2. Special Topics:
 - 2.1. Discussion and Possible Action Teacher Housing Bid Process: The bid process, bid documents, and whether to go ahead with a hauled water option on the building permit or get the well drilled before the bid documents were release were discussed. The building permit and the septic permit were contingent on a county approved water system. Since the ultimate plan was to have a well and not to haul water, there was no support to use the hauled water option to obtain a building permit. **Director Shannon moved to ask the project manager and architect to postpone the issuance of a bid request until the building permit is issued; Director Bogert seconded the motion.** Discussion included the start and end time for the bid documents, scheduling the well drilling, and obtaining a well driller. **The Chair called for a vote. The motion carried unanimously.** (John Bingham and Philip Burkhardt signed off of the Zoom meeting platform).
 - 2.2. Approval to Hire Custodial/Maintenance Sub: Aidan Shannon had applied for the custodial/maintenance sub position. **Director Klohr moved to approve Aidan Shannon for the custodial/maintenance sub; Director Lange seconded the motion. Directors Criss, Bogert, Lange, and Klohr voted to approve the motion; Director Shannon abstained.**
3. Executive Session:
 - 3.1. Personnel Applicant Review: Chair Criss called an executive session to begin a 1:55 and last for 45 minutes to interview prospective superintendent Becky Bell. The board, Becky Bell, and Deanna Shannon attended the executive session. The executive session ended at 2:23. Chair Criss stated there was nothing to report.
4. Adjournment: **Director Shannon moved to adjourn the meeting; Director Bogert seconded the motion; the meeting was adjourned by the Chair at 3:25 PM.**

Carol Criss, Chair
Board

Kari McVeigh, Superintendent/Secretary to the

John Bogert, Director

Shannon Klohr, Director

Shirley Lange, Director

Jon Shannon, Director

EARNINGS SECTION					DEDUCTIONS SECTION				LEAVE SECTION				
Type	Hours/units	Rate	Amount	Src	Plan	Base Wages	Deduction	Benefit/Cont	LvPlan	Accrued	Taken	Banked	Lost
Grand Totals					Employees: 13								
a			333.33		decomp	13,932.15	1,075.00		waskpt	1.00			
hsspeb			32.50		draw		1,000.00						
rr	182.75		27,201.98		ficshc	607.16	37.64	37.64					
					ficshs	3,750.00	232.50	232.50					
					ficshl	17,696.75	1,097.32	1,097.32					
					ficshw	4,831.23	299.54	299.54					
					fwf	24,225.61	2,564.13						
					hsar	8,689.75	200.00						
					lshic	22.75	5.00	15.48					
					lshis	38.00	4.83	8.80					
					lshiw	122.00	15.51	27.60					
					mdcshc	607.16	8.81	8.81					
					mdcshs	3,750.00	54.38	54.38					
					mdcshl	17,696.75	256.63	256.63					
					mdcshw	4,831.23	70.05	70.05					
					prfd	27,535.31		145.54					
					sebjj		194.00	2,356.00					
					sebjse		254.17						
					sebs2	5,242.40	405.81	572.99					
					stnd	23,178.15	90.04						
					tra	9,246.00	745.23	896.86					
					tra3	8,689.75	434.49	842.91					
					unemp	27,535.31							
					walc	27,481.49	159.40						
Grand Totals	182.75		27,535.31				9,205.48	6,922.85					

Gross:	27,535.31
Net:	18,326.83

<< 15 Errors / 8 Warnings >>

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described, or that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the Shaw Island School District, and that I am authorized to authenticate and certify to said claim.

Carol Criss
Auditing Officer

8/15/24
Date

Board Authorization

I, the undersigned, do hereby certify that I concur with the review of the claims as just obligations against the Shaw Island School District.

Signed the _____ day of _____, _____.

Director

Director

Director

Director

Director

Departmental Expenditure Report
San Juan County

Expenditure Accounts

Shaw SD10 Capital Projects
Shaw SD10 Capital Projects

<u>Account #</u>	<u>PO #</u>	<u>Amount</u>	<u>Check # Invoice</u>	<u>Line</u>	<u>Vendor</u>
E 6367.00.500.84.20.0069		715.00	282576 106	1	BINGHAM, JOHN W
Fund Group Budget Account	Total :	715.00			
Shaw SD10 Capital Projects	Total :	715.00			
	Expenditure Account Totals :	715.00			
	Grand Totals :	715.00			

apChkLst
08/20/2024 4:27:59PM

Final Check List
San Juan County

Page: 1

Bank : apbank BANNER BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
283088	8/20/2024	kur100	JOHN T. KURTZ PAINTING LL 4291	8/15/2024	BUILDING MAINTENANCE	50,576.10	50,576.10
Sub total for BANNER BANK:							50,576.10

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Bank : apbank BANNER BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
282571	8/7/2024	ace101	ACE HARDWARE OF ANACO 6722	7/25/2024	OPPERATING SUPPLIES	15.21	15.21
282572	8/7/2024	ban155	BANNER BANK 3204	8/1/2024	CREDIT CARD VARIOUS	339.11	339.11
282573	8/7/2024	gre065	GREATAMERICA FIN SRVS C 37131803	8/1/2024	CONTRACT SERVICES OFFICE	103.14	103.14
282574	8/7/2024	kcd100	KCDA PURCHASING COOPE 300795461	7/31/2024	SUPPLIES VARIOUS	91.16	91.16
282575	8/7/2024	orc830	OPALCO 3037000	7/30/2024	UTILITIES	231.35	231.35
Sub total for BANNER BANK:							779.97

Bank : apbank BANNER BANK

Check #	Date	Vendor	Invoice	Inv Date	Description	Amount Paid	Check Total
283083	8/20/2024	bay105	BAY CITY SUPPLY 363602	8/5/2024	SUPPLIES OPERATIONS	112.99	112.99
283084	8/20/2024	cen657	CENTURYLINK / LUMEN 300521788	8/6/2024	UTILITIES	97.97	
			300523168	8/6/2024	UTILITIES	61.95	
			300523166	8/6/2024	UTILITIES	39.03	198.95
283085	8/20/2024	har300	HARBOR RENTAL & SAW SH w32086	8/9/2024	CONTRACT MAINTENANCE	275.03	275.03
283086	8/20/2024	sec159	SECURE FIRE PROTECTION 2688	8/13/2024	CONTRACT MAINTENANCE	91.06	91.06
283087	8/20/2024	tea155	TEACHERS' CURRICULUM IN INV125557	8/12/2024	INSTRUCTIONAL SUPPLIES	172.36	172.36
Sub total for BANNER BANK:							850.39

Expenditures GF 6361		2022-24 Budget	YTD 8/31/2024	Amount Remaining	Percent Spent	August Notes:
20	Certificated Salaries	221,240.00	224,635	-3,395	101.53%	GF: \$1,285.95 from SSF for DC field trip.
30	Classified Salaries	126,520.00	121,524	4,996	96.05%	
40	Employee Benefits	114,890.00	97,607	17,283	84.96%	\$1,000 transferred from ASB to GF for DC field trip expenses.
50	Supplies / Materials	7,100.00	8,602	-1,502	121.15%	
70	Purchased Services	27,200.00	35,913	-8,713	132.03%	CF: \$100 teacher housing donation
70	Purchased Services Capacity	40,000.00	0	40,000	0.00%	
70	Payments to Other Districts	7,000.00	6,110	890	87.29%	
70	Utilities	10,000.00	9,819	181	98.19%	
80	Travel	16,700.00	12,707	3,993	76.09%	
90	Capital Outlay	200.00	0	200	0.00%	
Totals		570,850	516,916	53,934	90.55%	

Revenues GF 6361		2022-24 Budget	YTD 8/31/2024	Amount Remaining	Percent Received
3100	State-General*	435,600	413,534	22,066	94.93%
4109	State Funded TK		4,003		
4121	Special Ed		12,643	-12,643	
4174	Highly Capable	360	112	248	31.04%
410001	Para Ed		505	-479	
2300	Interest	13,200	26,430	-13,230	200.23%
6100	Federal Grants	22,000	22,708	-708	103.22%
6109	Federal Funding TK		8,567		
2500	Other	8,000	509,835	-501,835	6372.93%
3600	CAPACITY	40,000	0	40,000	
6113	ESSER	0	4,386	-4,386	
Total Revenues		519,160	1,010,297	-491,137	194.60%

SUMMARY GENERAL FUND

	8/31/2024	YTD	YTD
ending cash	4,311	76,825	beginning bal 70,398
ending investments	198,999	747,999	revenue 1,010,297
ending outstanding warrants		2,046	expenditures 516,916
Ending Cash & Investments	203,310	822,777	transfer out 20,000
			transfer in 31,000
			transfer to invest 500,000
			ending cash 74,778

beg cash less outstanding warrants

SUMMARY CAPITAL FUND

	23-24 Budget	8/31/2024	YTD	YTD
Beginning Cash CF 6367	0	82,132	beginning bal	7,730
deposits	0	2,400	rev other	40,114
transfer in	100,000		rev TH donations	77,274
warrants redeemed		57,007	transfer in	20,000
warrants outstanding	100,000		expenditure other	95,471
Ending Cash CF 6367	0	27,525	expenditure TH	22,122
			ending balance	27,525

CASH BALANCE DETAIL

-27,626 other bal
55,152 TH bal
27,525

SUMMARY ASB FUND

	23-24 Budget	8/31/2024	YTD	YTD
Beginning Cash ASB 6367	2,879	1,150	beginning bal	3,695
revenues	4,200	0	revenue	2,455
expenditures	7,000	1,000	transfer in	0
Ending Cash ASB 6368	79	150	expenditures	6,000
			ending balance	150

Teacher Housing Donations for approval 9/17/2024

Donor	Amount	Date Rec'd
Dean and Cynthia Epperson	100.00	8/15/2024
Valeria Anne Swengel (see collected ple	100.00	9/4/2024
Glenn and Rosemary Cooper	400.00	9/4/2024

General Fund Donations

Shaw School Foundation \$1,285.92 8/12/2012 For the final DC field trip expenditures. The covered the whole remaining balance rather than splitting with district. 😊



Shaw Island School District 10

RESOLUTION NO. 2024-8

DECLARING CERTAIN PROPERTY OF SHAW ISLAND SCHOOL DISTRICT 10 SURPLUS TO THE NEEDS OF THE DISTRICT

WHEREAS, the following District owned items have served their useful life; and

WHEREAS, the Board of Directors of Shaw Island School District, San Juan County, Washington desires to declare such property surplus;

THEREFORE, BE IT RESOLVED by the Board of Directors of Shaw Island School District, San Juan County, Washington, that the following items are approved for sale, transfer, or disposal:

- 2 Propane patio heaters
- 4 Propane 15 pound tanks

APPROVED this 17th Day of September, 2024.

Attest:

 Kari McVeigh
 Superintendent/Secretary to the Board

 Carol Criss, Chair

 John Bogert, Vice Chair

 Jon Shannon, Director

 Shirley Lange, Director

 Shannon Klohr, Director

NORTHWEST EDUCATIONAL SERVICE DISTRICT CONTRACT FOR BUSINESS MANAGEMENT SERVICES

BETWEEN

Shaw Island School District
(Hereinafter referred to as District)
44 Hoffman Cove Rd, Shaw Island, WA 98286

AND

Northwest Educational Service District 189
(Hereinafter referred to as NWESD)
1601 R Ave, Anacortes WA 98221
Phone: (360) 299-4000

Phone: (360) 468-2570

In consideration of the promises and conditions contained herein, NWESD and the District do mutually agree as follows:

1. **Purpose and Formation.** This Contract stipulates the promises and conditions by which the Northwest Educational Service District No. 189 (the "NWESD") provides business manager services to the District. Both the NWESD and the District recognize this is a mutual arrangement for the benefit of both parties.

The purpose of this Contract is for the NWESD to provide assistance to the District so that the District may meet its obligations for the efficient and effective financial management of the District according to provisions delineated in Title 28A Revised Code of Washington (RCW); resultant regulations delineated in the Washington Administrative Code (WAC); regulations delineated by the Office of the Superintendent of Public Instruction (OSPI); and the written policies and procedures of the District. If District is a Charter School, see additional regulations under Section 6.2. **Responsibilities of the District.**

2. **Term.**

2.1 **Initial Term.** The initial term for the Contract shall be from October 1, 2024 to August 31, 2025.

2.2 **Regular Review.** This Contract may be reviewed at least quarterly and services may be subject to change pursuant to written addendum to this Contract between NWESD and the District. During the first term of this contract the services will be reviewed by both parties to this agreement August 1, 2025, to determine any changes to contract services necessary.

2.2 **Renewal.** This Contract shall automatically renew for additional September 1 through August 31 terms, thereafter unless the District gives written notice of its election to terminate the Contract by April 15 the preceding contract year.

In the event that the District desires to continue receiving services specified under this Contract after August 31, 2026, the contract price will be reviewed in accordance with section 4. **Cost.**

3. **Organization and Governance.** The parties agree the NWESD is authorized as the legal and administrative entity to govern and direct the operation of this Contract and the parties' obligations hereunder in accordance with the terms of this Contract and the NWESD's adopted policies and procedures.

The District shall identify for the NWESD a liaison for contact regarding services provided under terms of this Contract. The liaison shall be the sole District authority for authorizing services provided pursuant to this Contract.

4. **Cost.** The District shall pay to the NWESD the amount described in Appendix A to this Contract.

Should any services beyond the scope of this Contract be requested by the District or required of the NWESD, the NWESD will determine whether it has the expertise or capability to provide the services. Should the NWESD decide to provide the additional services, the NWESD and the District will negotiate an amount to be included in a contract addendum.

- 4.1 **Invoicing.** Invoicing will be done monthly and payment is expected within 30 days of receipt of invoice.
- 4.2 **Contract Review.** The base contract rate will be reviewed prior to April 15 of each annual renewal and adjusted, as necessary. The initial Contract is based on a cost estimate of the time and expertise required by the NWESD to deliver the services, including the oversight of sufficient qualified personnel provided by the District, necessary to accomplish the business management tasks identified in Appendix A.

Extensions of this Contract will require both parties to evaluate the time and cost of the Contract based on: (1) the services desired and/or needed in the future period; (2) the capability of assigned District personnel to independently perform functions related to those services, and (3) a base contract price increase based upon the most current CPI Index (the Seattle-Tacoma-Bremerton CPI-U bi-monthly and annual percent changes table for December of the previous year).

5. Responsibilities of the NWESD. The responsibilities of the NWESD under this Contract are as follows:

- 5.1 Provide advice, consultation, coordination, analysis, and review of the contracted business management functions with the intent of insuring participating District compliance with statutory and regulatory requirements for the services listed in Appendix A.
 - 5.1.1 Employ professional, technical and clerical staff with appropriate training, experience, and/or certificates(s) to provide listed and/or requested business management services.
 - 5.1.2 Assign staff to specific tasks and supervise the performance of staff in responding to the listed and/or requested services.
 - 5.1.3. Provide services listed and/or requested services in conformance with the adopted operational and personnel policies of the District.
 - 5.1.4. Schedule appropriate days of service, including travel time to District's site, to accomplish contracted services, and determine the appropriate alternate site location for the performance of listed and/or requested services.
- 5.2 In the event that the District requires on-site support, it will reimburse the NWESD for all travel costs. Hotel and transportation will be reimbursed based on the actual costs incurred. Per Diem and mileage will be reimbursed based on the appropriate current State of Washington Office of Financial Management's published rates.

6. Responsibilities of the District. The responsibilities of the District under this Contract are as follows:

- 6.1 Recognize and accept full responsibility and accountability for the financial solvency of the District; compliance with District policies and procedures; compliance with applicable federal, state, and local government statutes and regulations; and use of this Contract as a tool for the provision of professional and technical assistance by the NWESD.
- 6.2 If the District is a Charter School, comply with the School Finance provisions set forth in the Charter School Contract between the Washington State Charter School Commission

and the District, including but not limited to; undergo independent financial audits conducted in accordance with governmental accounting standards and performed by a certified public accountant, maintain financial records in accordance with the governmental accounting method required by the Washington State Charter School Commission including the preparation of the Comprehensive Annual Financial Report (if applicable).

- 6.3 Provide a workstation, computer equipment, calculator, supplies and materials necessary for the assigned NWESD personnel to function and provide the assistance stipulated in this Contract while on-site at the District.
 - 6.4 Assign sufficient personnel to accomplish the technical aspects of the District responsibilities outlined in Appendix A.
 - 6.5 Contract with the Northwest Regional Data Center cooperative for Fiscal/Human Resource information system services and support.
 - 6.6 Pay to the NWESD contracts amounts owed per the timeline and fees as outlined in Appendix A.
7. **Assignment.** Neither this Contract nor any interest therein may be assigned by either party without the prior written consent of the other party.
 8. **Mutual Termination.** This Contract may be terminated by mutual agreement by the parties.
 9. **Unilateral Termination by District.**
 - 9.1 **Definition.** A "unilateral termination by the District" is a withdrawal from or termination of the Contract prior to the expiration of the initial or any renewal term.
 - 9.2 **Damages.** By entering into this Contract, the District acknowledges that it is or may be participating in a fee for services program with the NWESD and that its withdrawal from or termination of this Contract prior to the expiration of the then ongoing term is likely to result in material adverse financial consequences for the NWESD. As a result, in the event of the unilateral termination by the District, the District shall pay all fees for the remainder of the then ongoing initial term or renewal term in full; fees shall not be prorated for any partial term. The District agrees such amount constitutes liquidated damages and not a penalty and further agrees that those amounts are a reasonable reflection and estimate of damages, which will be incurred by the NWESD as a result of the District's unilateral termination.
 - 9.3 **Termination After Renewal.** If this Contract is renewed and thereafter the District unilaterally terminates this Contract within the last one hundred twenty (120) days of the ongoing initial term or any renewal term, then in addition to the damages called for above, the District shall also be responsible for all costs related to personnel whose services would have been needed to serve the District had it not unilaterally terminated and who cannot lawfully be terminated (or non-renewed) in a timely manner.
 10. **Termination by NWESD.**
 - 10.1 **Breach by District.** In the event the District fails or neglects to pay or perform according to the terms of this Contract, the NWESD may terminate this Contract upon thirty (30) days written notice to the District and the District shall be responsible for payment of all damages as described in Section 9 above.

- 10.2 Upon Dissolution of Fee for Services Program.** The NWESD reserves the right to dissolve this fee for services program and terminate this Contract when in the NWESD's judgment its participation in this fee for services program does not afford an educational or financial advantage in quality or quantity of services called for in this Contract. The NWESD will give the District notice in writing clearly outlining the termination date, which will be no sooner than ninety (90) days after the date the notice was delivered to the District. In the event of dissolution of this fee for services program, all assets acquired by the NWESD from any monetary source or assets donated and placed in service for this fee for services program during the life of this Contract shall be and remains the property of the NWESD.
- 11. Termination for Breach.** If either party fails to comply with the terms and conditions of this Contract, the other party, upon thirty (30) days prior written notice to the breaching party, may terminate this Contract with no continuing financial liability to the non-breaching party.
- 12. Breach/ Default Waiver.** No delay or failure on the part of the NWESD to exercise any rights under the Contract shall operate as a waiver of the NWESD's contractual rights. Also, the NWESD's waiver or acceptance of a partial, single or delayed performance of any term or condition of the Contract shall not operate as a continuing waiver or a waiver of any other breach of a Contract term or condition. No waiver shall be binding unless it is in writing and signed by the party waiving the breach.
- 13. Indemnification/Hold Harmless.** The District indemnifies and shall defend and hold the NWESD, its employees, agents and representatives, harmless from and against all third-party claims, actions, liens, suits or proceedings asserted against the NWESD that are related to the District's obligations or performance under this Contract. The District shall timely reimburse the NWESD for all costs, expenses, damages, losses, liabilities or obligations, including reasonable attorney's fees, incurred by the NWESD as a result of such third-party claims, actions, liens, suits or proceedings.
- 14. Severability.** If any provision of this Contract is determined to be invalid under any applicable statute or rule of law, it is to that extent to be deemed omitted and the balance of the Contract shall remain enforceable.
- 15. Governing Law/Venue.** The terms of this Contract shall be construed and interpreted in accordance with the laws of the state of Washington, without regard to conflicts of laws principles. In the event that legal action or arbitration is commenced to resolve a dispute related to this Contract, the venue of such action or arbitration shall be in Skagit County, Washington.
- 16. Dispute Resolution.** If a dispute regarding this Contract arises between the District and the NWESD, then the District will appoint someone to represent it, the NWESD will appoint someone to represent it, and those two parties will appoint someone as a third representative. Decisions will be made by a vote of the majority of the representatives. The dispute committee shall be limited to resolving issues pursuant to the terms of this Contract, and its decision(s) shall be final.
- 17. Integration/Modification.** This Contract constitutes fully integrated document containing the full, final and binding agreement of all parties signatory and all persons claiming by or through a signator, and supersedes all other negotiations, offers or counteroffers relating to the subjects treated in this Contract. The parties may amend this Contract only upon a writing bearing the actual signatures of the names of all the parties or their respective, authorized representatives.
- 18. Attorney Fees and Costs.** In the event litigation arises out of this Contract, the losing party agrees to pay the prevailing party's attorney fees incident to said litigation, together with all costs and expenses incurred in connection with such action, whether incurred in trial court or on appeal.

- 19. **Headings.** The headings of each section of this Contract are provided only to aid the reader. If there is any inconsistency between the heading and the content of the paragraph or the context of the contract, the content or context will prevail.
- 20. **Nondiscrimination/Anti-Harassment.** The NWESD and the District agree to comply with state and federal guidelines and regulations regarding nondiscrimination and harassment involving any employee/student on the basis of race, color, sex, religion, ancestry, national origin, creed, marital status, age, sexual orientation, honorably discharged veteran or military status, or the presence of any sensory, mental, or physical disability or use of a trained dog or service animal by a person with a disability in employment, services, or any other regards.
- 21. **Crimes Against Children.** In accordance with RCW 28A.400.330, employees, agents, and contractors of the NWESD and District are prohibited from working at a public school if they have or may have contact with children at a public school during the course of their employment and have pleaded guilty to or been convicted of crimes identified in RCW 28A.400.322. Any failure to comply with this section shall be grounds for the District immediately terminating this Contract.
- 22. **Suspension and Debarment Assurances.** The NWESD certifies, and the District relies thereon in execution of this Contract, that neither it nor its Principals are presently debarred, suspended, proposed for debarment, or declared ineligible or voluntarily excluded for the award of contracts by any Federal governmental agency or department. "Principals", for the purposes of this certification, mean officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity. Further, the NWESD agrees to provide the District immediate written notice if, at any time during the term of this Contract, including any renewals hereof, it learns that its certification was erroneous when made or has become erroneous by reason of changed circumstances. The NWESD's certification via the execution of this Contract is a material representation of fact upon which the District has relied in entering into this Contract. Should the NWESD determine, at any time during this Contract, including any renewals hereof, that this certification is false, or should it become false due to changed circumstances, the District may terminate this Contract in accordance with the terms and conditions therein.
- 23. **Other Assurances.** In performing its obligations under this Contract, each party shall promptly comply with all laws, ordinances, orders, rules, regulations and requirements of the federal, state, county or municipal governments or any of their departments, bureaus, boards, commissions or officials concerning the subject matter of this Contract (the "Laws"). This provision applies to Laws currently existing or applicable to a party's duties under this Contract during the term of this Contract.
- 24. **Authority.** The terms and conditions of this Contract to which the parties agree are being entered into by appropriate resolutions of the respective boards of directors of the NWESD and the District.

IN WITNESS WHEREOF, the District and the NWESD have executed this Contract on the date and year indicated below.

NORTHWEST EDUCATIONAL SERVICE DISTRICT NO.189

By: _____ Date: _____
Dr. Ismael Vivanco, Superintendent
Northwest Educational Service District 189

By: _____ Date: _____

NORTHWEST EDUCATIONAL SERVICE DISTRICT APPENDIX A – Service Matrix

Business Manager/Payroll Responsibilities	NWESD	District
Business and Operations Activities		
Financial Management:		
Finance representative to Board		x
Finance support to the Superintendent		x
Prepare iGrant applications to OSPI		x
Review iGrant applications for submission to OSPI		x
Technical assistance on correspondence to OSPI and funding organizations as needed		x
Establish and monitor a system of Internal controls and efficient processes and procedures	x	
Communication with district staff on state/federal compliance or grant requirements	x	
Audit liaison for annual audit by State Auditor's office		x
Annual budget development - Transactional	x	
Annual budget development - Stakeholder Process		x
General financial analysis and cash flow monitoring		x
External Reporting:		
Annual budget reporting to OSPI (F203, F195, F195F)	x	x
Annual year end report to OSPI (F196), notes to financial statements	x	x
Annual Schedule of Expenditure of Federal Awards (SEFA) to SAO		x
Annual 1099 reporting to IRS	x	
Quarterly use tax reporting to DOR		x
Annual/Monthly Activities:		
Annual budget expenditure and revenue estimates and modifications		x
Monthly financial reports to governing Board	x	
Monthly reconciliations to county treasurer reports	x	
Monthly grant claims to OSPI		x
General ledger account reconciliations, balance imprest/petty cash		x
Daily/Weekly Activities:		
Maintenance of general ledger and chart of accounts	x	
Process journal vouchers	x	
W-9 solicitations , input new vendors into system		x
Input purchase requisitions		x
Approve purchase orders		x
Send approved purchase orders to vendors		x
Verification of merchandise receipt		x
Code and approve invoices for payment		x
Process A/P vouchers for approved invoices		x
Deposit cash receipts daily		x
Review daily cash receipts deposited by district	x	
Input/process cash receipts		x
Employee Compensation and Staff Related Activities		
External Reporting:		
Annual personnel reporting to OSPI (S-275)	x	
Annual W-2 reporting IRS	x	
Annual Affordable Care Act reports (1094 and 1095)	x	
Quarterly F941 reporting to IRS	x	
Quarterly unemployment reporting to State Agency	x	
Quarterly family leave reporting to State Agency	x	
Quarterly workers compensation reporting to State Agency	x	
Monthly/Weekly/Daily Activities:		
Filing DRS	x	
Pay EFTPS	x	
Staff planning/budget support	x	
Complete personnel action forms for employee changes		x
Enter employee onboarding information into the Finance/HR System (specifics tbd)	x	
Enter employee contracts into Finance/HR System	x	
Time off/leave setup and maintenance	x	
Time and Effort reporting		x
Enter employee record changes into system (specifics tbd)	x	
Calculation of leave cash outs/termination pay	x	
Process monthly payroll	x	
Enter timesheet and other pay into Finance/HR System		x
Entering time off allocations (annually or at contract start)	x	
Enter/process/review/approve (in Qmlativ) employee time off/leave transactions (monthly)		x
Approve employee time off (final level in Qmlativ) and review/verify paper timesheets		x
Processing of EFTPS, retirement deposit, and other county payments (deposits)	x	
Retirement transmittal	x	
Insurance processing and vendor portal updates		x
Payroll encumbrance setup and processing	x	
Payroll AP vendor invoices and payments (specifics tbd)	x	
Reconcile retirement and benefits to agency records/payments	x	
Generation of monthly reports for review	x	
Prepare sick leave buy-back notices, as needed		x
Questions from Census/Unions/Employees		x
Questions from Auditors		x

**NORTHWEST EDUCATIONAL SERVICE DISTRICT
APPENDIX A – Contacts & Fees**

CONTRACT MANAGERS:

<u>NWESD Contract Manager</u>	<u>Client Contract Manager</u>
Name: Kara Moored	Name: Deanna Shannon
Address: 1601 R Ave Anacortes, WA 98221	Address: 44 Hoffman Cove Re Shaw Island, WA 98286
Phone: (360) 299-4720	Phone: (360) 468-2570
Email Address: kmoore@nwesd.org	Email Address: dshannon@shaw.k12.wa.us

CONTRACT COST:

Name of Service	Annual Contract Cost	Payment Schedule
Business Manager Services – per Service Matrix	\$16,044	Monthly, 1/12 of annual cost
Additional Business Services, as requested by district	\$95/hour	Monthly, based upon deliverables completed
Qmlativ software system startup and implementation	\$100/hour not to exceed \$4,500	50% due 1/31/2025 50% due 1/31/2026