

**COOPERATIVE AGREEMENT  
ESTABLISHING  
CORE EDUCATIONAL COOPERATIVE**

THIS AGREEMENT is made and entered into by and between the following South Dakota School Districts pursuant to authorization and provisions of SDCL 13-5-32 and CH. 1-24:

ARMOUR SCHOOL DISTRICT #21-1  
BURKE SCHOOL DISTRICT #26-2  
COLOME CONSOLIDATED SCHOOL DISTRICT #59-3  
CORSICA-STICKNEY SCHOOL DISTRICT #21-3  
GREGORY SCHOOL DISTRICT #26-4  
KIMBALL SCHOOL DISTRICT #07-2  
LYMAN SCHOOL DISTRICT #42-1 (purchased membership 7/1/2021)  
MOUNT VERNON SCHOOL DISTRICT #17-3  
PLANKINTON SCHOOL DISTRICT #01-1  
PLATTE-GEDDES SCHOOL DISTRICT #11-5  
WESSINGTON SPRINGS SCHOOL DISTRICT #36-2  
WHITE LAKE SCHOOL DISTRICT 01-3  
WOLSEY-WESSINGTON SCHOOL DISTRICT #02-6

**ARTICLE 1  
CREATION, NAME, PURPOSE AND POWERS**

- 1.1 There is hereby created and established as a legal entity, a cooperative educational Service unit pursuant to statutes stated above.
- 1.2 The name of the cooperative educational service unit created and established by this agreement shall be the CORE EDUCATIONAL COOPERATIVE (the "Cooperative").
- 1.3 The intent and purpose of establishing the cooperative and this agreement is to provide to member districts, cooperative educational services in the areas of special education, adult education, in-service training and other educational services as determined and agreed upon by its member districts. Member districts realize that it is economically feasible and consequently to their advantage to enter into this agreement to share the costs of providing such services.
- 1.4 The Cooperative will exercise the powers granted to its member districts by law, as may be deemed appropriate by the Cooperative, to discharge its duties hereunder, and to that end, the member districts hereby delegate their respective powers accordingly.

**ARTICLE 2  
DURATION OF AGREEMENT**

- 2.1 This agreement shall be for a term of one year running from July 1 through June 30 annually, and is automatically extended for additional one-year periods thereafter unless written notice is received by CORE Educational Cooperative NO later than its January Board Meeting. Exceptions to this would be for any district in its first (3) three years of membership, in which case, said district must maintain membership for at least 3 years.
- 2.2 This agreement shall be filed with the South Dakota Department of Education for final approval by the Secretary of said division.

**ARTICLE 3**

## **ORGANIZATION AND REPRESENTATION**

### **3.1 GOVERNING BOARD:**

- 3.1.1 The Cooperative shall be governed by a Governing Board comprised of one (1) school board member from each of the member districts appointed by their respective local board of education.
- 3.1.2 Each member district shall nominate at least one alternate board member who can attend meetings and vote in the place of the regularly appointed board member.
- 3.1.3 The Governing Board shall elect a chairperson and vice-chairperson from its membership to serve for one-year period. Said elections shall take place in July of each year.
- 3.1.4 The terms of office of the members of the Governing Board shall be for a one-year period. Any unexpired terms of office shall be filled by appointment through the respective local board of education to serve the remainder of the unexpired term of office. There shall be no limit to the number of consecutive or total terms of office held by one member.
- 3.1.5 The Governing Board shall meet on Wednesday of the first full week of each month. The Chairperson of the Governing Board or a majority of the members of the Governing Board may call special meetings as deemed necessary under provisions of SDCL 13-8-10.
- 3.1.6 A majority of the voting members of the Governing Board shall constitute a quorum for the transaction of official business. A majority vote of the quorum is required for the passage of any business.
- 3.1.7 A two-thirds (2/3) majority vote of all Governing Board members is required to adopt or amend by-laws or policies.
- 3.1.8 The Governing Board may adopt, amend, or rescind policies and procedures for the cooperative as deemed necessary to accomplish its purpose.
- 3.1.9 The Governing Board may adopt, amend or rescind any part of this Agreement as deemed necessary to accomplish the purposes of the Agreement but only after a first and second reading of the change has been conducted at regular consecutive monthly meetings of the Governing Board.
- 3.1.10 The Governing Board shall meet on the Thursday following the second Monday of the month of July.

### **3.2 ADMINISTRATIVE ADVISORY BOARD:**

- 3.2.1 The Cooperative shall have an advisory board composed of the Superintendent from each member school district.
- 3.2.3 The Advisory Board shall meet on Monday of the first full week of each month.
- 3.2.5 The Advisory Board shall supervise the operation of the Cooperative in conjunction with the policies and procedures determined by the Governing Board. The Advisory Board shall make administrative recommendations to the Governing Board concerning employment of personnel, budgets, assessments, policies and procedures and other matters deemed necessary.
- 3.2.8 The Superintendent Advisory Board shall nominate one member to serve as a representative to attend the governing board meetings. The superintendent representative may participate in board discussions, but will not be a voting member of the Governing Board.

## **ARTICLE 4 ADMINISTRATION**

### **4.1 PERSONNEL:**

- 4.1.1 The Governing Board shall employ a full time director (position may be part time or a contract position prior to July 1, 2017) and appropriate personnel necessary to operate the programs of the CORE Educational Cooperative.
- 4.1.2 The Governing Board shall employ a business manager who will report to both the director and the governing board. The business manager will attend all governing board meetings, except that under rare circumstances he or she may be excused by the Governing Board.
- 4.1.3 A personnel policy handbook containing the grievance policy, leave and benefit policies, salary guideline and evaluation policies shall be adopted by the Governing Board on an annual basis by the July meeting.
- 4.1.4 The amount of service each member district receives from any given cooperative staff member shall be determined by the director, and shall be determined in consideration of proportionate share of funds contributed to the Cooperative by said member districts.

### **4.2 FINANCING:**

- 4.2.1 The Cooperative shall have no power to levy taxes or issue bonds and therefore shall be financed by the member districts and state and federal grant awards or reimbursements
- 4.2.2 The member districts shall pay to the Cooperative their respective individual shares of monies provided by P.L. 94-142 and respective shares of grant monies provided the State of South Dakota, and a local assessment amount as deemed necessary by the adoption of annual budgets by the Governing Board.
- 4.2.3 All funds delivered to the Cooperative shall be expended in accordance with the budgets adopted by the Governing Board.
- 4.2.4 The Cooperative will provide each Governing Board member with a report of its financial status on a monthly basis, and such report will be prepared in time for that month's Superintendent Advisory Board meeting held prior to the Governing Board meeting.
- 4.2.5 The Cooperative will provide a proposed budget to each member district at the regular March meeting of the Governing Board. Said budget shall set forth the anticipated expenditures and revenues for the succeeding school year, including estimated funds each member district will be required to appropriate to the Cooperative.
- 4.2.6 Each member district shall remit payment of assessments due the Cooperative no later than thirty (30) days after official date of receipt as noted on the assessment statement, unless other arrangements are made with the CORE Educational Cooperative Business Manager and Director.
- 4.2.7 The Cooperative will deliver bills for the assessment of services on a monthly basis to each member school, prior to the first Friday of each month, so that the bill may be submitted for payment at the regular meeting of each member school's board of education.
- 4.2.8 All funds and all accounts and line items within those funds will be tracked and managed by the business manager utilizing standard accounting procedures for school districts and educational cooperatives, as per SDCL 13-5-33. Furthermore, all funds, accounts and line items will be managed by one software program approved by the Governing Board, which is state supported, and which is the same program used by the member schools. Balance sheets presented to the

board on a monthly basis, as well as expenditure reports and revenue summaries available for inspection by the Governing Board and member schools, will be generated with this same software program. The business manager's annual report will also be generated with this same software program.

#### **4.3 MINUTES:**

- 4.3.1 The business manager shall be responsible for keeping accurate minutes for the Governing Board of all meetings and official transactions taken by the Cooperative.
- 4.3.2 Copies of said minutes shall be provided each member of the Governing Board and each member district.
- 4.3.3 Minutes of the Cooperative shall be published in the legal newspaper of said Cooperative to be selected as required by law.

### **ARTICLE 5**

#### **MEMBERSHIP**

##### **5.1 ADMISSION:**

Membership in the CORE Educational Cooperative will be granted to any school district that has participated in any of the preliminary discussions about the CORE cooperative AND has prior to the first organizational meeting on October 27, 2016 taken board action on a resolution to form said cooperative AND agrees to pay the startup amount determined by the governing board. The initial startup cost per district will be approved by the governing board in its first organizational meeting.

After the initial organizational meeting of the cooperative on October 27, 2016 any school district geographically located in South Dakota may be admitted as a member district in the CORE Educational Cooperative, upon approval of the Governing Board. All admissions shall be initiated by the district desiring entry by presenting a written application for admission to the Governing Board of the Cooperative. The application shall be addressed to the chairperson of the Governing Board, and shall include:

- A specific statement requesting admission;
- The reason(s) admission is being requested;
- The current and projected enrollments of the school district for the forthcoming three (3) consecutive years;
- The school district's projected needs for special education and other supplemental personnel for the current and forthcoming three (3) consecutive years; and,
- The school district's projected method of meeting its financial obligations to the Cooperative should it be admitted.

If the Governing Board of the Cooperative rules in favor of entry, its ruling must be acted upon by board resolution of 75% of the local boards of education currently holding membership in the Cooperative. Furthermore, it shall be understood that the school district being admitted must agree, through local board resolution, to abide by this Agreement and By-Laws. Cost to buy-in to the cooperative will be determined by the governing board on a case by case basis.

##### **5.2 MAINTAINING MEMBERSHIP:**

Any school district desiring to maintain a membership in the CORE Educational Cooperative, must participate in current operative programs involving Special, Adult, and/or other supplemental educational services.

- 5.2.1 Any new school districts joining the Cooperative must continue membership status for a minimum of three consecutive years before withdrawal would be permitted by the governing board.

**5.3 PURCHASED SERVICES:**

- 5.3.1 Any school district in South Dakota desiring to purchase services from CORE Educational Cooperative, but not a member, may do so by requesting in writing to the Director of said Educational Cooperative. The service(s) requested will be considered if it causes no financial bind to the membership. Any additional costs for mileage, salaries, supplies or administrative services, will be assumed by the school(s) requesting said services.
- 5.3.2 For each specific service area, which may include: Speech, Early Childhood, Occupational Therapy, Physical Therapy and Psychological Services, if services in a specific service area are requested, then all services in that specific area will be provided by CORE Educational Cooperative. Said services must be requested no later than March 1st for the following school year. If during the school year, a member school requests withdrawal from receiving a service and/or requests additional services, each request will be handled on a request by request basis with the Governing Board.

**5.4 WITHDRAWAL:**

Any school district currently participating in the CORE Educational Cooperative may withdraw from the Cooperative after the 3<sup>rd</sup> consecutive year of membership, or thereafter. Such withdrawal shall be initiated by the member district desiring to be released by presenting a written notice for withdrawal to the Governing Board. The notice shall be addressed to the Chairperson of the Governing Board and received on or before its January Board Meeting, or on such date as determined by the Governing Board.

Withdrawal may become effective only at the end of the school year. Such withdrawal shall not affect the liability of the withdrawing school district for obligations incurred during its participation. Any property acquired by the CORE Educational Cooperative program shall remain in the Cooperative so long as a Cooperative program shall be in operation. No property will be distributed to any school district withdrawing from the Cooperative prior to complete dissolution of the Cooperative.

Any ruling made by the Governing Board on the questions of admission, maintaining or withdrawal of a district, or any ruling made by one or more of the local school districts on these matters may be appealed to the State Secretary of Elementary and Secondary Education, whose decision shall be final unless appealed to the courts.

**ARTICLE 6  
DISSOLUTION**

- 6.1 CORE Educational Cooperative may be dissolved by a unanimous vote less one (1) of the member school districts. In the event that dissolution is determined, the Chairperson of the Governing Board will instruct the board members to take action by resolution to dissolve the Cooperative at the end of the school fiscal year during which such a resolution is adopted. The resolution to dissolve the Cooperative shall be made prior to February 15 of the current school year. The Governing Board shall terminate the affairs of the Cooperative promptly following the end of the school fiscal year. In event of dissolution, the following procedures are to be followed:
- 6.1.1 Any real or personal property of the Cooperative shall be disposed of according to the provisions of SDCL 13-21.
- 6.1.2 All funds resulting from said disposal shall be returned to the local school districts holding

membership in the Cooperative at the time of dissolution. These funds will be split equally amongst the member schools. Exception: Any school district that had recently obtained new membership would receive dollars under the following formula. Years of membership; 1 through 5: they would not be eligible for these funds. Years 6 through 10: they would receive a 20% share for year 6 and increasing by 20% each year through year 10; at that time they would receive an equal share as all other schools.

- 6.1.3 Dissolution of the Cooperative shall not relieve any member district from being responsible for its continuing obligation for its share of long term indebtedness incurred by the Cooperative prior to dissolution.
- 6.1.4 The Governing Board shall forward all student records to the appropriate member district in which each child is currently enrolled. Employee records and other pertinent records will be administered in accordance with the provisions of the State of South Dakota Records and Management Program.
- 6.2 Final approval for dissolution of the Cooperative shall be requested and received from the South Dakota Secretary of Education prior to the above procedures being implemented.

Approved November 17, 2016

Reviewed, Amended and Approved July 19, 2018

Amended May 7, 2021

Amended July 1, 2021

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Reviewed July 13, 2023

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