



May 14, 2025

Sent Without Prejudice & With Reservation of Rights

VIA ELECTRONIC MAIL & VIA OVERNIGHT COURIER

By email to mhyatt@gmcs.org

Mike Hyatt, Superintendent
Gallup-McKinley County Schools
640 Boardman Drive
Gallup, NM 87301

Re: Response to Your Letters of April 1, 2025 and April 22, 2025

Dear Superintendent Hyatt:

I am writing on behalf of Stride, Inc. and K12 Virtual Schools, L.L.C. (together, "Stride"), to address the allegations in your letters from April 1 and April 22, 2025, alleging that Stride has materially breached the Educational Products and Services Agreement, dated June 15, 2020 (the "Agreement"), with the Gallup McKinley County Schools (the "District"). Your correspondence purports to terminate the Agreement as of June 30, 2025. We disagree with the allegations in the letters and hereby refute their claims for the many reasons below.

Allegations of Breach

First, Stride disagrees that there has been a breach of the Agreement. Your letters of April 1, 2025 and April 22, 2025, raise the following allegations regarding Stride's actions, which, for ease of reference only, can be separated into three (3) categories as follows:

Staffing

Teacher licensing

Teachers not adequately completing required trainings

Counselor to student ratio

Reduction in staffing adversely affected graduation rate

Standardized testing rate failure

Failure to timely conduct standardized testing and failure to submit accurate reporting

Lack of sufficient staffing resulting in reduction of academic progress

Violation of teacher-student ratios

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Technology

Hot Spots
Data Breach

Student Impacts

Student turnover
Student proficiency and failure to develop remediation plan for proficiency
Low school day participation
Failure to provide timely updates on enrollment/withdrawals
Synchronous/asynchronous learning
Failure to appropriately identify students for special education services

This letter addresses each of these issues and refutes the allegation that these are material breaches of the Agreement. The April 1st letter also fails to meet the requirements of the EPSA for termination as required in Section 12.1, which will be further discussed below.

Significant Data Differences

Our data outlined below in response to your allegations, does not demonstrate that there has been any breach. Several issues raised by your letters involve data that Stride refutes with its own data. In other cases, it is not possible for Stride to confirm or deny the allegations without access to the District's source data.

Staffing

- Your letter alleges: "There are 66 teachers exclusively employed by K12 that are not sufficiently licensed to teach at DCA and are listed in the attached Excel Sheet. The duty of providing qualified teachers is solely on K12;"

Response: The past practice, as communicated by the District and followed by Stride, was to send in requests for waivers to the District related to any teacher that was working toward obtaining the appropriate credentials. Stride submitted the appropriate waiver requests to the District prior to 4/1/25. The list you provided is incorrect. At least 24 teachers referenced do not work for Stride or the data is incorrect. The remainder on the list are compliant with waivers in place for elementary art or physical education (PE). Here are examples of incorrect information you provided: Byrne, Kimberly and Creecy-Gutierrez, Shalada are not Destinations Career Academy of New Mexico ("NMDCA") teachers. Additionally and for example, you provided the wrong information for the following teachers: Brekne, Denae - Teaches PE, not Art, and has a waiver for PE; and Guthrie, Diane - HS CTE teacher, does not teach Art. Given

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the inaccuracies of the information provided, we hereby request that you provide the source data for this information so that we may compare it to our own data.

- Your letter alleges “K12 teachers have only completed 83.2% of all required occupational and professional trainings under State law;”

Response: Teachers have until May 30, 2025 to complete this training, so it is impossible to have a current breach with respect to this point. Further, the District has the only login to see completion report data. Thus, the NMDCA Academic Administrators rely on reports from Jake Stokes, the District’s employee. Stride requests that Mr. Stokes provide the completion report weekly to the Academic Administrators for appropriate follow-up to ensure everyone has completed the requisite training by May 30, 2025.

- K12 has counselor-to-student ratios that the School District believes are approximately 1366 students per counselor, depriving students of sufficient services and guidance. The American School Counselor Association recommends a ratio of 250 to one. This lack of services is reflected in your inadequate services to students and deficient reporting compliance. This needs to be remedied.

Response: This calculation is untenable. NMDCA’s enrollment would have to be at least 5,000 students for the 1,366 to 1 ratio to be correct. Please provide the source data for this analysis. Additionally, please see the reference below regarding the positive movement on closing credit gaps with student performance and grade improvements. This does not point to students being underserved. Further, as addressed below, you cite no legal or Contractual provision demonstrating that NMDCA, as a school program, is actually bound to such a standard. Ironically, only three states in the country actually operate within the American School Counselor Association recommendations. New Mexico is not one of them, nor is the District otherwise in accord with this standard. Therefore, to try to hold Stride to a standard the District does not meet is unreasonable and obviously does not constitute a breach of the Agreement.

- Your letter alleges that a reduction in staffing adversely affected graduation rate, and that the graduation rate as calculated for K12 clearly demonstrates deficiency in the following areas: program of instruction, resources provided, student and parent communication, teachers, counselors, computers and access, etc...that is also lacking in substance and supervision leading to a horrific graduation rate for this last school year that is anticipated to be matched this school year as follows - a. 2024 27.67%, b. 2023 54.29%, c. 2022 55.79% and d. 2021 47.88%.

Response: First, there has never been a reduction in staffing by Stride at the program/instructional level. Any reduction in staffing has been on the corporate side to free up

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resources for program/instructional level positions. You have provided no evidence to the contrary.

Second, based on the data available, Stride believes the District has 'cherry picked' student data that is favorable to it and has excluded student data that does not support its position. In addition, NMDCA is a school program of choice for a significant number of students who left their prior school(s) being unsuccessful. Students who were credit deficient at the time of enrollment with NMDCA rose from 24% in SY20-21 to 45% in SY24-25. NMDCA has had a dramatically positive impact on this group by consistently remediating such gaps for 50-60% of these students. Additionally, our data shows that NMDCA has improved passing rates at all grade bands for each year since the program began in 2020. Stride is proud of how it has helped its most needy students.

- Your letter alleges that the numbers for Spring 2024 testing are still well below the required 95% participation mandated by State law and the PED despite e-mails to K12 regarding the need to meet testing requirements. There are multiple e-mail chains dated April 2, 2022; May 19, 2022; August 28, 2023; May 6, 2024, and May 9, 2024, in which the School District gave notice to K12 of its testing deficits and failure to comply with State law, regulations and Board of Education Policies. The School District has determined that K12's current testing rate for this school year as of April 14, 2025 is only 37%;

Response: As you know, at the time the 37% figure was provided, testing was under way. The final calculated participation rates for testing as provided by the District to Stride are: SAT/ASR: 80.9%; NM MSSA ELA: 85.5%; NM MSSA Math: 85.9% and ASR: 84% 5th and 8th grade. Though we disagree with the District's conclusions, we cannot fully respond to this without the source data breaking out the participation rates for the NMDCA students who were required to test with the District students and the virtual students. There is also evidence of irregularities on the District's side regarding improper notification and accommodation for students to be tested. See attached letter from a parent marked Exhibit A. Finally, though NMDCA makes every effort to achieve high testing percentages, you provide no authority to show that NMDCA, as a school program and unlike the District, is legally bound by such a standard.

- Your letter also alleges that K12 failed to timely conduct standardized testing and failed to submit accurate reporting of testing contrary to Paragraphs 1.2; 3.5.1; 3.5.6; and 9.2 of the Agreement.

Response: Stride denies this allegation. First, NMDCA does not report its own testing – none of the District's schools do, and the District should be well aware of that. Reporting of testing goes directly to PED when a student submits their testing electronically. NMDCA believes that

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a significant number of NMDCA students did not hit the “submit” button upon finishing their testing, resulting in some nonreporting going to the PED. NMDCA has established additional procedures to assist students in understanding and confirming that they have appropriately submitted the electronic test to ensure PED receives this data. Regarding timely conducting of testing, Stride needs proof of the basis for this allegation. Stride’s own internal investigation shows that a lack of communication from the District regarding locations for testing has impacted the timing of testing. Again, see Exhibit A, as one example.

Technology

- Your letter discusses hot spots and suggests this is another breach of the Agreement: “K12 issued Hotspots that K12 knew or should have known would not work in the areas serviced by K12 in violation of Exhibit A of the Agreement on the required Curriculum and Services contrary to Paragraphs 1.2; 3.5.1; 3.5.6 and 9.2 of the Agreement;”

Response: Exhibit A to the Agreement on Curriculum Services discusses instructional support that K12 would provide to students of the program in the form of “...Internet service for any student enrolled in the Program who meets the federal requirements for a free or reduced lunch or who meet other criteria as agreed upon between the District and K12, with such criteria intended to include families that cannot afford Internet access with special attention paid to those who live in rural areas of the state without easy access to the Internet. families that cannot afford Internet access.” Exhibit A to the Agreement at I(C). Stride has complied with this requirement, which contemplates internet service, not hotspots. Nevertheless, when internet service is not available, Stride has provided hotspots on an as-needed basis. However, Section 19.1.3 of the Agreement states “K12 MAKES NO GUARANTEES AND SHALL NOT BE LIABLE FOR NON-AVAILABILITY OF THE K12 WEBSITE, END-USER CONNECTION SPEED OR CONNECTIVITY PROBLEMS.” Additionally, the Agreement’s Force Majeure clause at Section 23, states that neither party will be liable for any delay in performance or inability to perform...due to...Internet outage.”

Despite clearly not being liable for end-user connection speed or connectivity problems, nor liability due to internet outages, Stride has worked diligently to address the concerns raised in your letter and identify students who live in areas where Verizon hotspots do not have coverage. To date, Stride has identified ten (10) families to participate in a pilot program of StarLink devices to be tested in rural areas with limited or no connectivity.

- Your April 22, 2025 letter also alleges “K12 has suffered at least one data breach during the term of the Agreement and failed to appropriately notify the New Mexico Department of Justice or Gallup-McKinley County schools as required by the Data Breach Notification Act NMSA (2017) Chapter 57 Article 12C;”

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Response: K12 denies this allegation. K12 had one data breach in 2020 and all state protocols were followed, including fully informing the district at the time, five years ago. It appears your letter is citing a data breach that PowerSchool experienced in 2024. PowerSchool is not affiliated with Stride. PowerSchool was responsible for the breach to its systems and it impacted school programs not just in New Mexico, but nationally. As a program of the District, it would be the District's responsibility to report PowerSchool's data breach to the state and follow all state protocols. Stride has issued any notifications that it was obligated to make pursuant to the PowerSchool data breach.

Students Impacts

- Your letter alleges "The student turnover rate for FY25 is currently 29.82%. K12 deficiencies in the following areas: program of instruction, resources provided, student and parent communication, teachers, counselors, computers and access, etc....is leading to an excessive number of students who do not remain with the program."

Response: Stride denies this allegation. While the withdrawal rate is ~29.2%, the allegation that the withdrawal of students is due to the reasons listed in your letter is not borne out by recent parent survey results. These survey results show that parent satisfaction is high. Students can withdraw for a variety of reasons. Parents are also highly satisfied with NMDCA:

Overall Satisfaction of the School- 4.2/5

Likelihood to Recommend School- 8.9/10

Learning Coach Experience- 4.4/5

85% of Learning Coaches gave a positive Experience Score

Your alleged deficiencies in the areas listed simply cannot be substantiated and are not reflected in our data. Stride requests that the District share data on point to substantiate these allegations. Further, you cite no authority to show that any such student turnover is a breach of any legal obligation by Stride.

- Your letter alleges substandard student proficiency and failure to develop a remediation plan for proficiency: "The proficiency rates of K12 are substantively substandard for any substantive program of instruction and K12 numbers have been declining each school year as follows –
 - a. **Math Proficiency** – For the 2022-2023 school year K12 is 12.9 percentage points lower than in-person students and 17.6 percentage points lower than the State proficiency rate, and for the 2023-2024 school year K12 is 12.4 percentage points lower than in-person students and 17.5 percentage points lower than the State proficiency rate, demonstrating no progress by K12;
 - b. **Reading Proficiency** – For the 2022-2023 school year K12 is 1.2 percentage points lower than in-person students and 11 percentage points lower than the State

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proficiency rate, and for the 2023-2024 school year K12 is 7.4 percentage points lower than in-person students and 16.3 percentage points lower than the State proficiency rate, demonstrating no progress by K12; and

c. **Science Proficiency** – For the 2022-2023 school year K12 is 10.8 percentage points lower than in-person students and 17.7 percentage points lower than the State proficiency rate, and for the 2023-2024 school year K12 is 11.3 percentage points lower than in-person students and 20.1 percentage points lower than the State proficiency rate, demonstrating no progress by K12

- Your letter also states that “K12 failed to develop any remediation plan or sought School District input from for substandard proficiency by students at DCA following more than two consecutive years of bad performance contract to Paragraph 3.4.6 of the Agreement;”

Response: Stride's data contradicts the data that you have provided. Stride requests that you provide the District's source data to verify your assertions and calculations. In addition, it is important to highlight that unlike parents of the District's traditional students, parent demand for NMDCA has increased significantly over the years with a significant volume of students enrolling after the start of school and throughout the year up to and through state testing. Although, these late enrollees show growth for the duration of their enrollment, they tend to score, as late enrollees, at the lowest proficiency level in the state compared to other students. Regarding students who remain enrolled for three (3) consecutive years, the data shows that individual student performance is not declining. NMDCA continues to enroll a highly at-risk population with the top 5 reasons for enrollment being:

1. *I was concerned about the environment of the previous school (safety, drugs, distractions, peer pressure, etc.)*
2. *I am concerned about the mental health and overall well-being of my student*
3. *Flexible scheduling/pacing (ability for my student to learn at own pace)*
4. *This will be a good way for my student to catch up academically*
5. *My student was not doing well academically at school*

As stated above, NMDCA parents are also highly satisfied with the program:

- Overall Satisfaction of the School- 4.2/5
- Likelihood to Recommend School- 8.9/10
- Learning Coach Experience- 4.4/5
- 85% of Learning Coaches gave a positive Experience Score

Stride is proud to open its doors to educate all students, and we're proud of the growth and credit gains that our most needy students have attained. Regarding the remediation plan, the

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correct section of the Agreement is 3.5.6 on Academic Comparisons, and *not* 3.4.6 as cited in your letter. Regarding two back-to-back years, Stride has no record of the District ever providing metrics to NMDCA from the NMPED, thus alleging that NMDCA was below the average Metric of Similarly Situated Schools is impossible to verify, given a lack of cooperation from the District in providing such data. Nevertheless, in lieu of receiving a format from the District for a remediation plan, NMDCA proactively developed a school playbook that specifically outlined the program's remediation plan to improve academic proficiency, and was implicitly endorsed and accepted by the District, given its knowledge of the plan's development and use, and given subsequent favorable references that you provided on behalf of Stride to other prospective school Districts and to the NMPED itself.

- Your letter alleges “[i]n reviewing percentage point comparisons, the School Day Participation Rate for K12 for the Spring 2023 was 17.4 percentage points lower than the students engaged in in person instruction. The deficit in ELA students in K12 is 17 percentage points for ELA students; the Math and Science Participation Rates are 18.4 percentage points lower than for in-person students and standardized testing participation rates are 43.6 percentage points lower for English [sic] Language Arts and Mathematics and 50 percentage points lower for Science compared to in-person students;”

Response: Since NMDCA is a program of the District, and not a school, it is unclear if “school day participation” regulations apply to NMDCA. Technically, the District has enrolled NMDCA students in the bricks & mortar schools within the District, but Stride has no knowledge of the school day schedule of classes for the District's schools. Further, Stride disagrees with your asserted participation rates above.

The NMDCA online program adheres to the asynchronous guidelines as defined in NMAC 6.30.8.9 as “Qualified distance learning students participating in asynchronous distance learning courses must log on to their distance learning courses at least the same number of days per week as the traditional face-to-face classes occur at the schools in which they are enrolled, and certify that they are the enrolled students.” It is unclear, however, if “face-to-face” as contemplated in this regulation means in-person, or one-on-one in a virtual capacity. In order to more fully respond to the allegation, Stride would need the class schedules for all District school campuses and grade levels with the participation rates to compare to our online participation.

Without the actual data, Stride is unable to address the difference in standardized participation rates at the District campuses compared to online program. However, reviewing the data for just the NMDCA students, Stride estimates that Math and ELA participation was about 2% lower and approximately 5% lower in science. From our data, the biggest contributor to this lower difference relates to the online students that the District requires to test at the District

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campuses. The participation rates for these students were significantly lower (in Reading 11.7 percentage points lower, in Math 11.1 percentage points lower, and in Science 24.9 percentage points lower) than the students tested by Stride. This indicates that the District has inferior processes in place to ensure student participation. In any event, you do not cite any authority for Stride's NMDCA program being bound to such participation rates.

- Your letter states that on December 17, 2024, and on December 24, 2024, K12 submitted withdrawal reports for students who have been inactive for extended periods of the school year, including one student who is listed as withdrawn from K12 on September 3, 2024, but who was not included in a withdrawal report from K12 until December 24, 2024. There are 21 students who were withdrawn from K12 long before being included in a withdrawal report submitted to the School District. K12's withdrawal criteria, as seen in the **Next Placement** column of the attached table, include **Absences for 10 consecutive days** and **Student Never Started with K12 constituting ghost students to the enrollment at K12**. The School District was not made aware of student withdrawal dates until the students appeared on the reports that were submitted by K12 often long after these students should have been removed from the enrollment rolls. This delay results in non-compliant inclusion of these students in the 80 Day reporting window and, for one student, in the 40-Day reporting window starting 10/9/2024. Despite previous multiyear efforts to work with K12 on improving timeliness of withdrawing students, and letting us know about it, these issues continue to persist.

Response: We disagree with your unfounded assertion. NMDCA follows an engagement funnel plan with interventions at the third (3rd), fifth (5th), and seventh (7th) days of absence. Non-responsive students are withdrawn after not attending the program for ten (10) consecutive school days. Of the twenty-one (21) students the District provided in a list purporting to demonstrate failure to timely withdraw students, two (2) students never attended NMDCA, and one (1) withdrew prior to the ten (10) consecutive days. Six (6) students on the list had withdrawals processed outside of what would be a reasonable time (approximately 1 month or more after the tenth (10th) day). All six of these students had absences that spanned the Thanksgiving break, which means the counting of days and the availability of staff to process withdrawals were adversely affected. Stride denies the allegation that it is counting "ghost" students for some nefarious reason. We also challenge the accuracy of the data that the District is working from in its student information system, given all the errors in the lists provided in your letter. For the sample of 21 students you provided: 15 were processed correctly, 2 never attended and 4 were errors.

- Additionally, your letter alleges "K12 has failed to consistently provide timely updates regarding student withdrawals, new enrollments, scheduling information, or required documentation such as guardianship papers and age verification forms. These delays

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adversely affect the School District's ability to meet State reporting requirements and disrupts established workflows, as the School District relies on K12 reporting for its reporting to the PED."

Response: Again, Stride disagrees. NMDCA follows an engagement funnel plan with interventions at the 3rd, 5th, and 7th days as described above. Specifically on the enrollment documents raised in this allegation, you repeatedly gave verbal permission to enroll students so they could start their education and work with the families to obtain the needed documents afterward.

- Your letter states "To increase profits by reducing staff levels and employing specialized staff, K12 has failed to appropriately identify students for special education services. The result is significant harm to the School District to identify and address student need for services at level 3 and level 4 as required by Federal and State law. More importantly, as of the 120th day reporting, K12 has 11 teachers over their permitted case load for SPED students."

Response: Stride denies this allegation. Stride has not reduced staffing levels at the instructional or support levels and you provide absolutely no evidence to the contrary. As you know, any reductions at Stride have occurred at the corporate level only, with the elimination of certain corporate positions and the combination of other positions. Stride cannot fully respond to the remainder of this allegation without the District's source data providing specific details to substantiate the claim that K12 has failed to appropriately identify students for special education. For example, without knowing what date the data above was obtained, NMDCA is unable to respond with accuracy. At any given time, these students could have been enrolled with an expired Individualized Education Program (IEP) or evaluation and NMDCA had yet to hold their intake IEP. It is also important to note that your administration has refused to provide access to the District's IEP system for at least one NMDCA special education teacher, making it impossible to adequately provide special education services to that teacher's students.

- Your demand for data in your Letter of April 22, 2025, and conversations between your attorney and ours has raised an additional allegation that Stride is violating regulations related to synchronous/asynchronous learning.

Response: As you know, Stride introduced a "flex" program in 2018. As an asynchronous online model, the "flex" program is a designation where a parent communicates if they would prefer the *live* teaching session that support the online course work to be marked as required or optional on the student's daily plan in the online school. Again, you cite no authority for your assertion that such regulations apply to a program such as NMDCA's and provide no evidence of any non-compliance even if such regulations did apply.

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There is No Breach of Any Standard that Applies to Stride/NMDCA

Stride has abided by its obligations in the Agreement. Stride has abided by all laws that apply to its NMDCA school program. Several legal standards that you cite apply to the District, not to a school program such as NMDCA. Notwithstanding this, NMDCA has done its best to assist the *District* to comply with *its* legal obligations to NMPED and to its students. You cannot place the responsibility on NMDCA for the District's own failures. For example, it is the District that is responsible for class load size and liability is not on any one school and not on any one program, but on the District as a whole.

The student-teacher ratios and the teacher licensure issues raised in your letters are an obligation of the District under state law and not on Stride. However, Stride is dedicated to doing what it reasonably can to help the District meet its obligations. There is no statutory or contractual provision which imposes upon Stride (the administrator of an educational program) an obligation regarding student-teacher ratios. Indeed, it is clear from the statute that such an obligation is on the District. See Section 22-10A-20(G) (establishing responsibility for justifying waivers and plans to comply on the school districts); Section 22-10A-20(I) (requiring school districts to report size and composition of classes); and NMAC 6.29.1.10(A) (regarding the process for requesting a waiver from either a district superintendent or the administrator of a state-chartered charter school).

Nowhere in the statutes or regulations on class load size will you find a reference to an individual school, much less a program of a district, such as NMDCA. You will also not find a regulation or statute requiring an educational program or a school to report or enforce class load size. The responsibility is squarely on the District, and in fact, you have submitted at least one class load waiver request for the 2022-2023 School Year, and upon information and belief, you have submitted other waiver requests since this Agreement began.¹ Further, NMDCA has kept the District fully apprised of staffing levels throughout the life of the program as it has undergone rapid growth in serving students of New Mexico and the District. Indeed, the District has significantly benefitted financially from this growth, and has worked collaboratively with NMDCA on this topic. Upon information and belief, the District has a history of submitting class load waivers to PED both for itself and for NMDCA. As you know, in an attempt to improve students' quality education, Stride has been working to improve the student-teacher ratios for students in its virtual program, despite the District's efforts to prevent that effort. Please see letters dated April 21, 2025 and April 30, 2025 from Stride's counsel Laura Sanchez to Andrew Sanchez, the District's counsel. See attached Exhibit B and Exhibit C.

¹ Stride currently has an IPRA Request pending to the District asking for any waiver requests submitted by the District since July 1, 2020. The District has not responded to this request.



Material Breach Analysis

Given that the standards applicable to class load size do not apply to NMDCA, then there can be no breach of those standards, and therefore, there can be no material breach. Nevertheless, this section outlines the additional ways that your assertion of material breach is wholly deficient.

New Mexico Courts have defined a “material” breach as “the failure to do something that is so fundamental to the contract that the failure to perform that obligation defeats an essential purpose of the contract.” *Famiglietta v. Ivie-Miller Enterprises, Inc.*, 1998-NMCA-155, ¶ 17 (internal quotations and citations omitted). The *Famiglietta* court adopted the Restatement's five factors for deciding the materiality of a breach of contract:

- (1) the extent to which the injured party will be deprived of the benefit he or she reasonably expected to receive from the contract;
 - (2) the extent to which the breaching party will suffer forfeiture if the breach is deemed material;
 - (3) whether the injured party can be adequately compensated in damages for the breach;
 - (4) the likelihood that the breaching party will cure his or her failure to perform under the contract; and,
 - (5) whether the breaching party's conduct comported with the standards of good faith and fair dealing.
- Id.* at ¶ 18 (citing Restatement (Second) Of Contracts § 241).

In New Mexico, partial rescission of a contract has been found when a party committed an uncured material breach which destroyed the purpose of the contract. *E.g.*, *Famiglietta v. Ivie-Miller Enterprises, Inc.*, 1998-NMCA-155, ¶ 14 (adopting rule that material breach allows avoidance of remaining performance); *Robison v. Katz*, 1980-NMCA-045, ¶¶ 11–14 (allowing rescission without complete restoration to pre-contract relationship).

Generally, a breach of contract does not excuse the nonbreaching party of its obligation to perform, unless a breach is “material.” *KidsKare, P.C. v. Mann*, 2015-NMCA-064, ¶ 20 (“A material breach of a contract excuses the non-breaching party from further performance under the contract.”). “[T]he materiality of a breach is a specific question of fact.” *Famiglietta*, 1998-NMCA-155, ¶ 16 (citing *Lukoski v. Sandia Indian Management Co.*, 1988-NMSC-002, ¶ 3). Further, where the meaning of a material contract term is in dispute a party seeking affirmative relief based upon its interpretation necessarily bears the burden of establishing that its interpretation controls. *Farmington Police Officers Ass'n Comm'n Workers of Am. Loc. 7911 v. City of Farmington*, 2006-NMCA-077, ¶ 16, 139 N.M. 750, 756, 137 P.3d 1204, 1210. In your letters, you have clearly failed to meet the District's burden, established by New Mexico law, to establish any material breach of the Agreement by Stride. Applying New Mexico law on material breach, the District needs to demonstrate that the allegations in your letters of April 1

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and April 22 are of a material nature, that is, are “so fundamental to the contract that the failure to perform that obligation defeats an essential purpose of the contract.” New Mexico Courts have been clear on the factors they apply to determine materiality of a breach. As you know, the District is still receiving the benefit of the Agreement, which is the provision of educational products and services, enabling a virtual program that serves some 4,200+ students.

Cure Period

If the District’s allegations survive an analysis of materiality after applying the five factors that New Mexico Courts use regarding material breach, then the District has not complied with the “termination for cause” standard under the Agreement. Determining material breach is only one prong of the District’s burden. The second is whether Stride has failed to cure such a breach within forty-five (45) days after receiving written notification from the District. The 45-day cure timeline started, at the very earliest on April 4, as Section 20 (Official Notices) of the Contract provides that “Notice will have been deemed to have been given (i) three business days after mailing ... Electronic mail does not constitute notice under this Agreement.” However, since additional issues were raised in your letter of April 22, 2025, notice was only given as of April 25, 2025, at least as to the issues raised in that letter. We have provided you with notice, both written and verbal,² that the District has been interfering with Stride’s right to cure. This violates the District’s obligation under the Agreement, including its obligation to act in good faith to resolve a dispute.

As you know, the existing Agreement at Section 12.1 clearly outlines a responsibility that “the Parties shall use good faith efforts to resolve all disputes relating to this Agreement as set forth in Section 22”. Nevertheless, the District has chosen not to use good faith efforts, and has instead moved directly to termination for cause according to your April 1st letter. The Agreement provides that: “either Party may terminate this Agreement for cause at any time with ninety (90) days’ prior written notice to the other Party.” However, the Agreement clearly defines what “Termination for Cause” means:

“Termination for cause shall mean the breach of any material term or failure to fulfill any material condition, term, provision, representation, warranty, covenant or obligation contained in this Agreement, **and a failure to cure such a breach within forty-five (45) days after receiving written notification from the terminating Party.**” (emphasis added)

Therefore, the ninety (90) days’ notice for termination for cause pursuant to the Contract must come after the forty-five (45) days’ cure period. That process and timeline has clearly not been

² By letters sent to your counsel on April 21, 2025 and April 30, 2025, and by phone communicated with him on April 24, 2025.



followed by the District. Further, the District has hindered Stride's ability to cure, as our lawyer has explained to yours in the two letters sent April 21, 2025, and April 30, 2025. See attached Exhibit B and Exhibit C.

ADDITIONAL CONTRACTUAL PROVISIONS

As demonstrated above, you have not demonstrated that Stride has breached any provision in the Agreement or any legal standard that is applicable to it as an organization that is running a school program. However, even if you were able to so demonstrate, your letters do not address the impact of other relevant provisions of the Agreement.

Force Majeure Applies

The Agreement contains a clause that would be applicable to this unique situation regarding any alleged delay in performance or inability to perform:

"Notwithstanding any other provisions of this Agreement, no Party will be liable for any delay in performance or inability to perform (except for payments due hereunder) due to acts of God or due to war, riot, terrorism, civil war, embargo, fire, flood, explosion, sabotage, accident, labor strike, Internet outage, pandemic, epidemic or other acts beyond a Party's reasonable control and unrelated to its fault or negligence." (emphasis added)

In the first year, NMDCA had 1,441 students, and has since grown to over 4,200 students in the current 2024-2025 School Year. You claim to have notified Stride of ratios and licensure problems multiple times since the 2020 school year. The pandemic officially continued through May 2023.³ Thus, for the first three school years of NMDCA, there was a pandemic, and Section 23 of the Agreement applied. This Force Majeure clause in the Agreement applies for the first three school years of this contract: 2020-2021, 2021-2022, 2022-2023, as COVID did not end officially until May 2023. Therefore, any allegations of breach by you for the years 2020-2023 would be excused under the force majeure clause due to the Worldwide pandemic that also materially affected the District's operations and compliance with applicable legal standards.

³ The World Health Organization (WHO) officially declared the COVID-19 pandemic on March 11, 2020, and it declared that COVID-19 was no longer a global health emergency on May 5, 2023. National Library of Medicine, <https://pmc.ncbi.nlm.nih.gov/articles/PMC10478644/#hsr21544-sec-0040>.



Waiver by Estoppel

In addition, as you know, the District has itself submitted waivers requesting that PED exempt certain of its and NMDCA's teachers from the student-teacher ratio standards (again, showing that the standard and obligation is on the District, not NMDCA). The District has also requested waivers for its own schools and teachers. The District has not provided Stride with any notice of alleged breach under Section 20 of the Agreement as to this or any other issue of which it has had knowledge for years. Therefore, it is clear that the District has waived such issues by both its affirmative actions in submitting various waivers to PED and by its inactions, failure to assert any breach by Stride. Stride has relied upon these actions and inactions in administering the NMDCA program over the last five years. It is clear that these breach allegations are purely in retaliation for Stride not offering you employment.

Generally, New Mexico cases have defined waiver as the intentional relinquishment or abandonment of a known right. *E.g., Young v. Seven Bar Flying Serv., Inc.*, 1984-NMSC-069, ¶ 9. However, a waiver can be presumed or implied contrary to the intention of the party waiving certain rights, based upon the honest belief of the other party that a waiver was intended. *J.R. Hale Contracting Co. v. United New Mexico Bank at Albuquerque*, 1990-NMSC-089, ¶ 12 (citing *Ed Black's Chevrolet Center, Inc. v. Melichar*, 1970-NMSC-091, ¶ 6).

"[E]stoppel 'is the preclusion, by acts or conduct, from asserting a right which might otherwise have existed, to the detriment and prejudice of another, who, in reliance on such acts and conduct, has acted thereon.' " *Brown v. Taylor*, 1995-NMSC-050, ¶ 10, (quoting *C & H Const. & Paving Co. v. Citizens Bank*, 1979-NMCA-077, ¶ 33.). A certain type of equitable estoppel, waiver implied from a course of conduct may be termed a 'waiver by estoppel.' *Id.* "To prove waiver by estoppel the party need only show that he was misled to his prejudice by the conduct of the other party into the honest and reasonable belief that such waiver was intended." *Id.*, (quoting *J.R. Hale Contracting Co. v. United New Mexico Bank at Albuquerque*, 1990-NMSC-089, ¶ 12). To support a claim of waiver by estoppel, a party must show these facts: (1) the party to be estopped made a misleading representation by conduct; (2) the party claiming estoppel had an honest and reasonable belief based on the conduct that the party to be estopped would not assert a certain right under the contract; and (3) the party claiming estoppel acted in reliance on the conduct to its detriment or prejudice. *Brown*, 1995-NMSC-050, ¶ 10. The District's failure to take any action on student-teacher ratios for up to five years, indicates that it agrees with Stride's understanding of applicable law and would, in any event, constitute a waiver of any such obligation. This is confirmed by the fact that you also served as a reference for Stride to the NMPED as well as other entities, including joining Stride representatives on a trip to meet in person with Navajo Nation Department of Diné Education representatives on May 8, 2023 and serving as a reference to NMPED and others as recently as February 2025. These are not the actions of someone who believes that Stride is in material breach of an important contract.

Adam C. Hawf

Senior Vice President, Schools
ahawf@k12.com

stridelearning.com

11720 Plaza America Drive, 9th Floor, Reston, VA 20190

This letter is without prejudice to any of our rights, powers, privileges, remedies, and defenses, now existing or hereafter arising, all of which are expressly reserved.



Dispute Resolution Procedure

The Agreement outlines a process for dispute resolution at Section 22.1. Despite clear language that the District agreed to, that within ten (10) days, the Parties would “attempt in good faith to settle all disputes arising in connection with this Agreement amicably in the ordinary course of business,” and the District has refused to do so. There is a further process to resolve a dispute spelled out in Section 22.2.

We sincerely hope that the District will engage with us in good faith to resolve this matter and avoid spending potentially hundreds of thousands of the public’s tax dollars in arbitration. In conclusion, for the reasons outlined above and for many others, Stride denies that it has engaged in a material breach of the Agreement and disputes that the District has the right to terminate it.

Sincerely,

A handwritten signature in black ink, appearing to be "AH" or "A. Hawf", written in a cursive style.

Adam C. Hawf
Senior Vice President, Schools

cc: Christopher Mortenson, GMCS Board President, cmortens@gmcs.org
Charles Long, GMCS Board Vice President, chase4long@yahoo.com
Michael W. Schaaf, GMCS Board Secretary, mschaaf@gallupnm.gov
Kevin Mitchell, GMCS Board Member, kmitch1@gmcs.org
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Secretary, Legal, Stride, Inc., gmcullen@k12.com
Laura E. Sanchez, Rodey Law Firm, lsanchez@rodey.com

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This letter is without prejudice to any of our rights, powers, privileges, remedies, and defenses, now existing or hereafter arising, all of which are expressly reserved.

Adam C. Hawf
Senior Vice President, Schools
ahawf@k12.com

Exhibit A

From: Paterson, MaryRose <mpaterson1@k12.com>
Sent: Thursday, May 8, 2025 12:24 PM
To: Hawf, Adam <ahawf@k12.com>; Shiebler, Sheila <sshiebler@k12.com>
Subject: RE: Gallup McKinley County School Ending Partnership

Hi Adam and Sheila,

If a student lives within the GMCS physical district, the local schools were supposed to schedule their testing. This student's physical address is in the city of Gallup.

We have had these issues each year with the local brick and mortar school either not letting our parents know when their student was to test or not scheduling them at all.

As far as I am aware, we were never given a schedule as to when our students were to test at the local schools, otherwise, I would have been sending reminders to those parents also.

MaryRose Paterson

Community Engagement Specialist/Student Support Admin

NMDCA – A Program of the GMCS District

Cell: 575.749.1865

mpaterson1@k12.com | [K12.com](https://www.k12.com)
www.nmdca.k12.com



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From: Hawf, Adam <ahawf@k12.com>

Sent: Thursday, May 8, 2025 12:50 PM

To: LC - ca96707@gmail.com <ca96707@gmail.com>; Shiebler, Sheila <sshiebler@k12.com>; Paterson, MaryRose <mpaterson1@k12.com>

Subject: Re: Gallup McKinley County School Ending Partnership

Hi Cora,

Thank you for reaching out. We are in an ugly contractual dispute with them and I'm sorry that you are put in the middle of it. We were very surprised by the termination threat and working hard to fight it.

I'm concerned about your testing comment, and I want to make sure we reach out to her right away and ensure she is served properly. I'm adding my colleague Sheila here.

Please know we are working on a plan to ensure we can continue educating your daughter for the coming year.

Adam

--

Adam Hawf

Superintendent of Schools

ahawf@k12.com / 203-393-8645 (*text is best*)

Helping learners of all ages reach their full potential through [inspired teaching](#) and [personalized learning](#).

From: Cora <ca96707@gmail.com>

Date: Thursday, May 8, 2025 at 1:46 PM

To: Hawf, Adam <ahawf@k12.com>

Subject: Gallup McKinley County School Ending Partnership

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Mr Hawk,

This is Cora Annichiarico. As a concerned parent, did GMCS say why? My daughter, Kelsie Annichiarico, hasn't even taken the state testing. We've been waiting on the school to call us regarding a place and time for the test. Both schools are dropping the ball regarding my child's education. We need answers to if she is still required to take the tests and why they want to end partnership.

Cora A.

JOHN P. SALAZAR
CATHERINE T. GOLDBERG
EDWARD RICCO
CHARLES K. PURCELL
NELSON FRANSE
PAUL R. KOLLER
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WRITER'S DIRECT NUMBER
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LSanchez@rodey.com

Exhibit B

April 21, 2025

By hardcopy and email to: asanchez@edlawyer.com

Andrew M. Sanchez, Sr.
Himes Petrarca & Fester Chtd.
5051 Journal Center Blvd NE Ste 320
Albuquerque, NM 87109-5907

Re: Teacher Fingerprint Clearance and License Extension Processes

Dear Mr. Sanchez:

As you know, this law firm represents Stride, Inc. and K12, Inc. As discussed with you last week, the Educational Products and Services Agreement (EPSA) in effect between your client Gallup-McKinley County Schools (the "District") and my client provides for a forty-five (45) day cure period in the event of an allegation of breach:

"Termination for cause shall mean the breach of any material term or failure to fulfill any material condition, term, provision, representation, warranty, covenant or obligation contained in this Agreement, and a failure to cure such a breach within forty-five (45) days after receiving written notification from the terminating Party." EPSA, Section 12.1.

We are currently in that cure period. It has come to our attention that the District has recently changed its long-standing practices regarding: (a) fingerprint/background clearance for teachers that Destinations Career Academy of New Mexico ("NMDCA") wish to be cleared to teach students at NMDCA; and (b) license extension applications for teachers serving NMDCA by refusing to approve such routine requests. These changes are hindering the efforts to staff this program and deliver educational services to your students.

Andrew M. Sanchez, Sr.

April 21, 2025

Page 2

Regarding the fingerprinting/clearance procedure, NMDCA's operations manager has historically sent an email out to all new hires with directions on how to complete the required District background check for teachers as they are hired. The new hires follow the process in the email, which means, they get fingerprinted in hard copy if they live out of state and mail directly to "IdentoGO" based in Tennessee. Teachers who obtain fingerprints in-state are digital. NMDCA then gives the District a list of names of the new hires, so the District can monitor the background clearance and notify NMDCA when cleared or if there are issues. The ORI number used with IdentoGO was given to NMDCA by GMCS several years for this purpose.

NMDCA received an email on the evening of April 15, 2025 from District personnel stating:

"All staff must complete a GMCS application packet to ensure compliance with our hiring procedures and policies. Our department is the only authorized entity to share background check information with prospective employees to maintain confidentiality and compliance. It was only recently that we became aware that our ORI number for background checks was being shared outside of the Personnel team, which is not in compliance with NMDPS or GMCS policies."

This is a complete departure from the process that has been utilized by the District and its program, NMDCA, since its inception, and is now delaying approval of teacher hires that will further impact students at NMDCA.

Regarding license extension applications, the District is specifically preventing the four following essential teachers from obtaining the necessary license extensions, adversely impacting hundreds of NMDCA students:

- Hope Russell serves students in 5th grade, her license is LEVEL ONE PROVISIONAL 5-9 MIDDLE LEVEL With Endorsements in Mathematic sand Language Arts. She is at her 5th year and needs an extension for a LEVEL ONE PROVISIONAL 5-9 MIDDLE LEVEL with Endorsements in Mathematics and Language Arts.
- Anthony Ganesh teaches students in HS, he has multiple licenses expiring. He is in his 5th year and needs the extensions: LEVEL ONE PROVISIONAL 6-12 SECONDARY With Endorsement in Technology Education; LEVEL ONE PROVISIONAL 6-12 SECONDARY With Endorsement in Technology Education; and LEVEL ONE PROVISIONAL PREK-12 SPECIALTY AREA With Endorsement in Business Education;
- Noah Rymer serves HS art students. He is in his 5th year and needs the extension: LEVEL ONE PROVISIONAL 6-12 SECONDARY With Endorsement in Visual Arts;
- Tim Johnson teaches HS Social Studies. He is in his 5th year and needs the extension: LEVELONEPROVISIONAL 6-12 SECONDARY With Endorsement in Social Studies.

On the license extension for the 4 teachers: they need a 1-year extension signed by GMCS giving them approval to teach one more year to try and get the required credentials completed in that

Andrew M. Sanchez, Sr.

April 21, 2025

Page 3

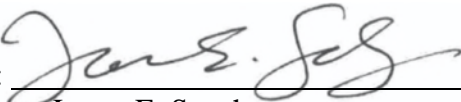
additional year. As you know, GMCS sends the extension to the NMPED for approval. GMCS has done this for teachers serving GMCS students in the NMDCA program, including for Henry Berry and Rachel Rogers. NMDCA learned that the teachers above already had appointments with the District to sign and notarize the necessary documents. The District sent them notice of cancellation of their scheduled time to go to Gallup, adding that the District was not proceeding with licensure requests at this time. One out-of-state teacher had already purchased plane tickets to attend her appointment.

As you know, the EPSA requires the parties to use good faith efforts to resolve all disputes. See EPSA, Section 12.1. The District's actions in changing established procedures regarding fingerprint clearance is improperly hindering and delaying our opportunity to cure pursuant the EPSA. More importantly, it is adversely affecting students.

We respectfully request that the District return to its long-standing practice on approving fingerprint clearance and license extension applications so these teachers can educate students in your District.

Respectfully,

RODEY, DICKASON, SLOAN, AKIN & ROBB, P.A.

By: 

Laura E. Sanchez

cc: Mike Hyatt, GMCS Superintendent, mhyatt@gmcs.org

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WRITER'S DIRECT NUMBER
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LSanchez@rodey.com

Exhibit C

April 30, 2025

By hardcopy and email to: asanchez@edlawyer.com

Andrew M. Sanchez, Sr.
Himes Petrarca & Fester Chtd.
5051 Journal Center Blvd NE Ste 320
Albuquerque, NM 87109-5907

Re: Second Letter on Continuing Teacher Fingerprint Clearance Problems

Dear Mr. Sanchez:

I am writing with regard to my client Stride, Inc. and K12 Virtual Schools, L.L.C. (together "Stride"). As discussed with you last week, Stride is acting in good faith pursuant to, Section 12.1 of the Educational Products and Services Agreement ("EPSA") with your client Gallup-McKinley County Schools (the "District"), to cure issues that your client has raised (pursuant to Section 12.1 of the EPSA).

Attached is a list of ~37 teachers whose fingerprint clearance has not been communicated by the District to Destinations Career Academy of New Mexico ("NMDCA") personnel, along with multiple letters that have gone unanswered from Stride/K12 personnel to the District. See Exhibit A. These clearances have been pending from as long ago as April 4 and the lack of the District's cooperation on this (and departure from past practice) is not only a violation of Sections 4.5 (School District Compliance), 12.1 (using good faith efforts to resolve disputes), 24.1.2 (duty to act reasonably) of the EPSA, but is also adversely impacting NMDCA's students and violating Stride's cure rights under Section 12.1. When we spoke by phone on April 24, 2025, you indicated that you would speak with your client about this matter and that my client could provide you with a list of teachers that had not been cleared yet. The attached list demonstrates that the issue with clearing teachers' fingerprints continues. As you know, our conversation followed my letter to you

Andrew M. Sanchez, Sr.
April 30, 2025
Page 2

dated April 22, 2025 on this topic (attached) and cited other examples of your client's improper attempt to interfere with Stride's contractual cure right.

Additionally, it has come to our attention that Superintendent Mike Hyatt recently caused messages to be sent out to NMDCA staff about Stride on an app called "Apptegy". This message called into question the future employment of our staff and, as a result of this action, teachers at NMDCA are understandably frightened and some have already begun to search for other jobs, further negatively impacting NMDCA students and adversely impacting Stride's ability to fulfill its obligations under the EPSA. Please see attached Apptegy message (Exhibit B), examples of how teachers are being impacted by the Superintendent's messages (Exhibit C), and an example of the impact these actions are having on NMDCA's contract therapists (Exhibit D), and therefore, vulnerable NMDCA students. This action by Superintendent Hyatt is inappropriate and violates Sections 9.1 and 9.2 of the EPSA (Stride having the sole authority to supervise, direct, dismiss staff members, Teachers and Student Support Staff, etc.), among others.

As you know, Section 12.1 of the EPSA requires the parties to use good faith efforts to resolve all disputes. The District's actions in continuing to hinder Stride from its cure rights has the potential to seriously undermine student achievement.

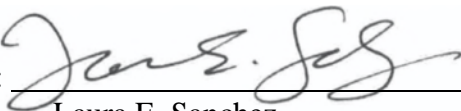
We respectfully request that the District cooperate in good faith in clearing the pending teachers so they can return to their critical role of educating students. Moreover, we insist that the Superintendent cease and desist from sending out inflammatory messages about Stride to its staff.

The actions by Superintendent Hyatt over the last month have ostensibly been designed to thwart Stride's ability to: continue to perform under the EPSA; exercise its contractual cure rights; and interfere with its contractual relations with its staff. Please advise your client to stop such inappropriate actions.

Finally, please clarify whether you also represent Superintendent Hyatt in a personal capacity.

Respectfully,

RODEY, DICKASON, SLOAN, AKIN & ROBB, P.A.

By: 

Laura E. Sanchez

cc: Adam Hawf, Senior Vice President, Schools, Stride, Inc.

Exhibit A
List of Teachers and Date of Mailing Fingerprints to Vendor

| Last Name | First Name | Fingerprint Mailing to IdentoGO Date |
|------------------|-------------------|---|
| Acosta | Kathylina | unknown |
| Allison | Rachel | 15-Apr-25 |
| Anchents | LaVonna | unknown |
| Anders | Jennifer | 15-Apr-25 |
| Black | June | unknown |
| Branan | Mary | 7-Apr-25 |
| Brown | Brandi | 10-Apr-25 |
| Brown | Carolyn | unknown |
| Burnett | Ella | 9-Apr-25 |
| Dilks-Davis | Stephanie | unknown |
| Doyle | Monica | 16-Apr-25 |
| Duncan | Destiny | 15-Apr-25 |
| Ealey | Michelle | 15-Apr-25 |
| Esmay | Janice | 4-Apr-25 |
| Gano | Jason | 22-Apr-25 |
| Garibay | Rebecca | 16-Apr-25 |
| Harris | Jennifer | 9-Apr-25 |
| Henderson | Celisa | 14-Apr-25 |
| Henderson | Karen | 11-Apr-25 |
| Hooks | Jamie | 14-Apr-25 |
| Koger | Shoshanna | 25-Apr-25 |
| Long | Ben | unknown |
| Lyons | Kat | unknown |
| Marriott | Christopher | 17-Apr-25 |
| Morone | Patricia | 17-Apr-25 |
| Paul | Corrine | unknown |
| Pearson | Cassy | 10-Apr-25 |
| Pope | Dana | 17-Apr-25 |
| Priestley | Bethkisha | 7-Apr-25 |
| Richter | Nichole | 24-Apr-25 |
| Shannon | Rachel | 23-Apr-25 |
| Smith | Joi | unknown |
| Syed | Shams | 16-Apr-25 |
| Thomas | Brittany | 14-Apr-25 |
| Waldrop | Johanna(Leah) | 11-Apr-25 |
| Walker | Rena | 22-Apr-25 |
| Waxler | Hannah | 2-May-25 |
| Winton | Mandy | 15-Apr-25 |

Exhibit A

From: Chavez, Rose <rchavez@k12.com>
Sent: Wednesday, April 23, 2025 1:38 PM
To: Rolinda VanWinkle <rvanwinkle@gmcs.org>
Cc: Horacek, Gerald <ghoracek@k12.com>
Subject: Background Clearance- NMDCA

Hi Rolinda- Here is an updated list of teachers we are waiting on the background clearance for.

| First | Last |
|--------------|-----------|
| LaVonna | Ancheta |
| Ben | Long |
| Leonard | Velasquez |
| Jamie | Hooks |
| Bethkisha | Priestly |
| June | Black |
| Celisa | Henderson |
| Jennifer | Harris |
| Mary | Branan |
| Ella | Burnett |
| Jan | Esmay |
| Michelle | Ealey |
| Karen | Henderson |
| Monica | Doyle |
| Dana | Pope |
| Rachel | Allison |
| Destiny | Duncan |
| Mandy | Winton |
| Brittany | Thomas |
| Brandi | Brown |
| Leah Johanna | Waldrop |
| Rebecca | Garibay |
| Shams | Syed |
| Jennifer | Anders |
| Shannon | Rachal |
| Jason | Gano |
| Cassy | Pearson |
| Kathylina | Acosta |
| Rena | Walker |
| Patricia | Morone |

Exhibit A

| | |
|-------------|----------|
| Shoshannah | Koger |
| Katherine | Lyons |
| Christopher | Marriott |
| Caroline | Brown |
| Corrine | Paul |

Rose Chavez

School Operations Manager

New Mexico Destinations Career Academy

rchavez@K12.com

Stride

stridelearning.com



Exhibit A

From: Chavez, Rose
Sent: Friday, April 11, 2025 5:06 PM
To: Rolinda VanWinkle <rvanwinkle@gmcs.org>
Subject: NMDCA- BG Clearance

Hi Rolinda- Here is an updated list. We have added more temps and 1 new hire. We may continue to add more temps through mid May.

Permanent

| New Hires |
|------------------|
| LaVonna Ancheta |
| Ben Long |

Temporary

| First | Last |
|--------------|-------------|
| Jamie | Hooks |
| Bethkisha | Priestly |
| June | Black |
| Celisa | Henderson |
| Jennifer | Harris |
| Mary | Branan |
| Ella | Burnett |
| Samantha | Earp |
| Janice | Esmay |
| Michelle | Ealey |
| Karen | Henderson |
| Monica | Doyle |
| Lindsey | Owen |
| Dana | Pope |
| Rachel | Allison |
| Destiny | Duncan |
| Mandy | Winton |
| Brittany | Thomas |
| Brandi | Brown |
| Leah Johanna | Waldrop |
| Rebecca | Garibay |
| Shams | Syed |
| Jennifer | Anders |
| Shannon | Rachal |
| Jason | Gano |

Exhibit A

| | |
|-------------|----------|
| Cassy | Pearson |
| Kathylina | Acosta |
| Angelo | Mercado |
| Rena | Walker |
| Christopher | Marriott |

Rose Chavez

School Operations Manager

New Mexico Destinations Career Academy

rchavez@K12.com

Stride

stridelearning.com



Exhibit A

From: Horacek, Gerald
Sent: Friday, April 18, 2025 3:09 PM
To: Ashley Ryan <ashley.ryan@gmcs.org>
Cc: Rolinda VanWinkle <rvanwinkle@gmcs.org>
Subject: RE: Background Check-NMDCA

Ashley,

In reference to the proposed new approach/GMCS application packet, would you please explain what this entails?

We would appreciate your support in continuing to clear teachers so they may begin working for us.

In response to the question of what temps are, we do not have temps, they are full time Stride employees.

Gerald Horacek

Executive Director
Destinations Career Academy New Mexico



ghoracek@k12.com | stridelearning.com

From: Ashley Ryan <ashley.ryan@gmcs.org>
Sent: Tuesday, April 15, 2025 3:11 PM
To: Horacek, Gerald <ghoracek@k12.com>
Cc: Rolinda VanWinkle <rvanwinkle@gmcs.org>; Chavez, Rose <rchavez@k12.com>
Subject: RE: Background Check-NMDCA

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello Gerald,

All staff must complete a GMCS application packet to ensure compliance with our hiring procedures and policies. Our department is the only authorized entity to share background check information with prospective employees to maintain confidentiality and compliance. It was only recently that we became aware that our ORI number for background checks was being shared outside of the Personnel team, which is not in compliance with NMDPS or GMCS policies.

Exhibit A

Can you please clarify what a "temp employee" is and who they serve? This is the first I am hearing of temp employees.

Ashley Ryan, Ph.D.
Director of Personnel
505-721-1066
ashley.ryan@gmcs.org



From: Rolinda VanWinkle <rvanwinkle@gmcs.org>
Sent: Tuesday, April 15, 2025 2:44 PM
To: Ashley Ryan <ashley.ryan@gmcs.org>
Subject: RE: Background Check-NMDCA

From: Horacek, Gerald <ghoracek@k12.com>
Sent: Tuesday, April 15, 2025 2:43 PM
To: Rolinda VanWinkle <rvanwinkle@gmcs.org>
Cc: Chavez, Rose <rchavez@k12.com>
Subject: RE: Background Check-NMDCA

Rolinda,

We will need further clarification on this.

What does mailing them an application mean and what does assist with fingerprinting mean?

We have, as far as I know, sent the information to our new hires related to the GMCS required fingerprinting.

Gerald Horacek

Executive Director
Destinations Career Academy New Mexico



ghoracek@k12.com | stridelearning.com

From: Rolinda VanWinkle <rvanwinkle@gmcs.org>
Sent: Tuesday, April 15, 2025 2:32 PM
To: Chavez, Rose <rchavez@k12.com>
Cc: Horacek, Gerald <ghoracek@k12.com>
Subject: RE: Background Check-NMDCA

Exhibit A

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good Afternoon

Please email the list of new/temp hires with their emails and I will in return email them the application and assist with their fingerprinting.

Thank you.

From: Chavez, Rose <rchavez@k12.com>
Sent: Tuesday, April 15, 2025 12:41 PM
To: Rolinda VanWinkle <rvanwinkle@gmcs.org>
Cc: Horacek, Gerald <ghoracek@k12.com>
Subject: Background Check-NMDCA
Importance: High

Hi Rolinda- Below is the email that I send to our new hires to do the background check for school employment.

Welcome to NMDCA!

You are receiving this email because you will need to complete a 2nd background check. You have taken the 1st background check with K12 and now you will need to complete a 2nd one for the State of NM. All employees are subject to a school background check. This is done through a fingerprinting process. You must register for fingerprinting within a timely manner upon acceptance of employment as follows.

To get set up for fingerprinting, please click on the link: <https://nm.state.identogo.com/>. This will take you to the registration site where you will schedule an appointment for fingerprinting via *IdentoGO*®.

There are two fingerprinting options you can choose from:

Option 1: Schedule a new appointment at one of the fingerprinting sites in New Mexico (**NM Residents Only**)

Option 2: Register for Fingerprinting Cards (**Out-of-state Residents Only**)

- **School Employment:** ORI# NM930034Z School Employment fingerprint is required for all new NMDCA hires.

There will be a \$59 charge, but that is something you can get reimbursed through NetSuite, which I've also included a document showing instructions on how to submit for reimbursement. After your start date you can register for NetSuite.

Upon registration at *IdentoGO* website you will receive confirmation with date and registration ID information. Please inform Rose Chavez via email rchavez@k12.com with date for fingerprinting and registration ID to confirm that you are in the fingerprinting system so we can monitor background clearance results. You will need to register asap.

Exhibit A

Best,

Rose Chavez

School Operations Manager, New Mexico Destinations
Career Academy



☎ 505.906.6180

rchavez@K12.com | stridelearning.com



Exhibit A

From: Chavez, Rose <rchavez@k12.com>
Sent: Wednesday, April 30, 2025 2:29 PM
To: Rolinda VanWinkle <rvanwinkle@gmcs.org>
Cc: Horacek, Gerald <ghoracek@k12.com>
Subject: Background Clearance- NMDCA

Hi Rolinda- Following up and if you have received any background clearances for the list below. Thank you

| First | Last |
|----------------------|------------|
| LaVonna | Ancheta |
| Ben | Long |
| Leonard | Velasquez |
| Carolyn | Brown |
| Corrine | Paul |
| Stephanie Dilk-Davis | Dilk-Davis |
| Jamie | Hooks |
| Bethkisha | Priestly |
| June | Black |
| Celisa | Henderson |
| Jennifer | Harris |
| Mary | Branan |
| Ella | Burnett |
| Jan | Esmay |
| Michelle | Ealey |
| Karen | Henderson |
| Monica | Doyle |
| Dana | Pope |
| Rachel | Allison |
| Destiny | Duncan |
| Mandy | Winton |
| Brittany | Thomas |
| Brandi | Brown |
| Leah Johanna | Waldrop |
| Rebecca | Garibay |
| Shams | Syed |
| Jennifer | Anders |
| Shannon | Rachal |
| Jason | Gano |
| Cassy | Pearson |

Exhibit A

| | |
|-------------|----------|
| Kathylina | Acosta |
| Rena | Walker |
| Patricia | Morone |
| Shoshannah | Koger |
| Katherine | Lyons |
| Nichole | Richter |
| Emily | McConahy |
| Hannah | Waxler |
| Brittany | Grimes |
| Christopher | Marriott |

Rose Chavez

School Operations Manager

New Mexico Destinations Career Academy

rchavez@K12.com

Stride

stridelearning.com



Exhibit B

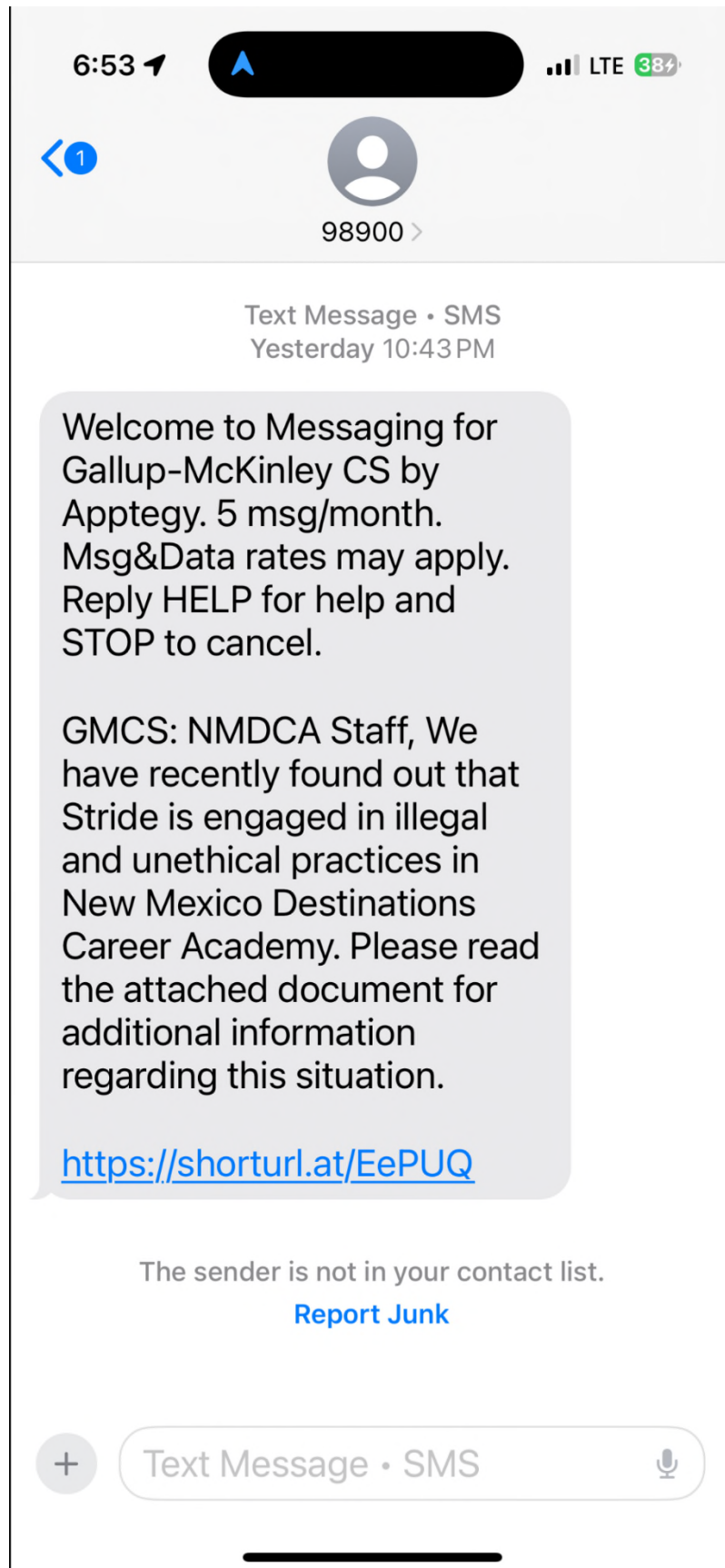


Exhibit C



1h • 🌐

Dear Friends / Connections,

My school (of 5 years) will be closing due to circumstances outside of our control. While this is an emotional and uncertain time, I'm choosing to see it as an opportunity for a new chapter.

I'm currently exploring new job opportunities in business, accounting, education, instructional design, and nonprofit work. Before transitioning to education, I worked as an accountant for 20 years. Most recently, I've been a K12 Portfolio Academic Administrator, Instructional Coaching and Team Lead Facilitator, and teaching Career and Technical Education (CTE) courses, combining my industry experience with a passion for helping others succeed.

I'm open to both remote and in-person roles, and would truly appreciate any leads, referrals, or connections you might be able to share.

Thank you for your support—it means so much during this transition.

Warmly,

Exhibit C

From: Hawf, Adam <ahawf@k12.com>
Date: Wednesday, April 30, 2025 at 3:05 PM
To: [REDACTED]
Subject: Re: NMDCA support

Thank you for your kind note, [REDACTED]. I am extremely sorry for this situation and I am so grateful to you for keeping focused on our students and families. We are committed to the school and will work hard to keep it open. I am optimistic we will be able to keep it open – and I'm confident that we will treat staff fairly if we cannot do so. I am really grateful for your message.

--

Adam Hawf
Superintendent of Schools
ahawf@k12.com / 203-393-8645 (*text is best*)

Helping learners of all ages reach their full potential through inspired teaching and personalized learning.

From: [REDACTED]
Date: Wednesday, April 30, 2025 at 2:45 PM
To: Hawf, Adam <ahawf@k12.com>
Subject: NMDCA support

Hello Mr. Hawf

I am a [REDACTED] at New Mexico Destination Career Academy.

This is my [REDACTED] year with NMDCA and with Stride. I have very much enjoyed being a part of the Stride organization, but more importantly, I have enjoyed being part of the NMDCA community. I started off at the elementary level, then moved to MS and HS. I cannot stress enough how much the staff care about the students. Even though we are an online program, the connections that are made between students and also between students and staff are amazing. As you are well aware, online schooling is a much needed resource for many families out there.

As I work with [REDACTED] and [REDACTED] graders currently, I am saddened by what is occurring with the partnership between Stride and the Gallup McKinley school district. I am not sure what the outcome will be with the contract for Gallup McKinley, but I do want to request that Stride consider how to keep NMDCA alive and well for the current students and families at NMDCA, along with any potential child/family living in New Mexico who may be considering online options. If you could read what some of the students and families write about how thankful they are they found NMDCA, it would make you smile. We have seniors that are not able to graduate this May, but are hopeful and excited that they could be summer, December 2025 or May 2026 graduates through NMDCA. We have siblings of past graduates that are looking forward to finishing their high school career with NMDCA. Also, we have roughly 200 employees at NMDCA and I am worried for all of us regarding employment. That is a lot of individuals who are worried about what is going to happen next.

I am reaching out to ask that the leadership at Stride do what is best for our New Mexico families and students and find a way to continue our wonderful and impactful program we have created. I have been impressed with what Stride has accomplished since the start of this company, and I hope that we at NMDCA will be able to continue with Stride to see the many more accomplishments that will come.

Exhibit C

Sincerely,

[REDACTED]

[REDACTED]

[REDACTED]

Exhibit D

From: Kendall, Jenny <jkendall@k12.com>
Sent: Wednesday, April 30, 2025 10:16 AM
To: Grothaus, John <jgrothaus@k12.com>
Cc: Gruneberg, Janice <jgruneberg@k12.com>; Hawf, Adam <ahawf@k12.com>; Shiebler, Sheila <sshiebler@k12.com>
Subject: FW: Text message from GMCS
Importance: High

Hi all

Contracted related service therapists are entered into NMDCA/Gallups IEP system and this includes their licensure and contact information.

It appears that they (contracted therapists) are receiving the text message and link below.

Can someone please provide guidance on messaging I should provide to these contracted therapists? Some appear to be upset about this messaging and we have a larger relationship with their employers (Devon Health Care, Presence, etc) that cross over multiple states/schools.

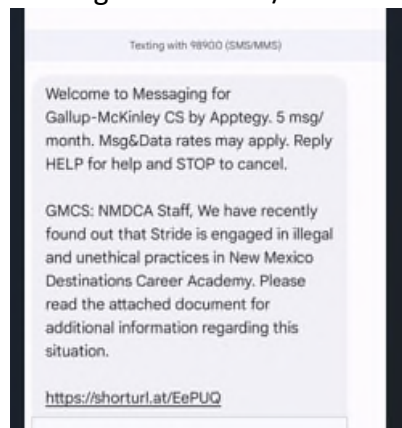
Thanks

Best,

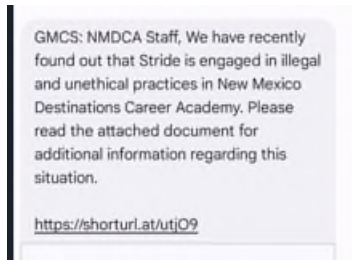
Jenny

From: Lotshaw, Stacey <slotshaw@k12.com>
Sent: Wednesday, April 30, 2025 10:10 AM
To: Kendall, Jenny <jkendall@k12.com>
Subject: Text messages from 98900

Message Received 4/29 –



Message Received 4/30 –



Stacey

Stacey Lotshaw

Manager, National Related Services
RESOS - Related Services Operations at Stride



slotshaw@k12.com | stridelearning.com



Provider Therapy Platforms: Submit a ticket [here](#) to report issues with students accessing online therapy sessions.

Accessible Text: Need accessible textbooks for English Learners or for students with special needs? Please submit your request [here](#).

Contractor Feedback: Submit feedback [here](#) regarding assigned contractor performance.

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