

**MEMORANDUM OF UNDERSTANDING
BETWEEN COMMUNITY LEARNING CENTER SCHOOLS, INC. AND
THE ALAMEDA UNIFIED SCHOOL DISTRICT**

This Memorandum of Understanding ("Agreement") is executed by and between the Board of Education of the Alameda Unified School District ("District") and Community Learning Center Schools, Inc. ("CLCS").

RECITALS:

1. The Alameda Unified School District is a California public school district existing and operating under the laws of the State of California. The District is the authorizing agency of the Charter School.
2. *Community Learning Center Schools, Inc., a California non-profit public benefit corporation, developed and submitted to the District a petition to establish a charter school to be known as Nea Community Learning Center ("NCLC" or "Charter School"). The affairs of the Charter School will be managed and its powers exercised under the ultimate authority of CLCS. (The Charter School is operated by a non-profit public benefit corporation in accordance with Ed. Code 47604.)*
3. The District Board of Education approved the charter ("Approved Charter") on November 25, 2008, contingent upon execution of a memorandum of understanding between the parties covering operational issues.
4. This Agreement is intended to outline the parties' agreements governing their respective fiscal and administrative responsibilities, their legal relationship, and other matters of mutual interest not otherwise addressed or resolved in the contents of the Approved Charter.
5. Contingent upon compliance and satisfaction of the conditions set forth in this Agreement, the Charter School shall commence operation at the beginning of the 2009-2010 school year. The length of the initial term of the charter will be from July 1, 2009 through June 30, 2012 in accordance with the action by the District Board of Education to approve the charter.
6. This Agreement is specifically intended and shall be interpreted to supersede any and all inconsistent language contained in the Approved Charter unless otherwise specified.
7. Any substantive modifications to this Agreement may be made only upon mutual agreement set forth in writing and approved by both parties.

AGREEMENTS:

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein set forth, the District and CLCS do hereby agree as follows:

1. Effective Date and Renewal: This Agreement shall become effective on the date upon which it is executed by duly authorized representatives of both parties and upon ratification and approval by the District Board of Education and the CLCS Board of Directors. Renewal for successive terms is subject to prior approval by the respective Boards. The provisions of this Agreement are hereby incorporated into the Approved Charter.
2. Term: The term of this Agreement is from the effective date of this Agreement through the 2009-2010 school year (including the 2010 summer session) only. The parties agree to review this Agreement annually. By March 1, 2010, both parties will present any proposed revisions to the Agreement. If there is no agreement on the proposed revisions by April 30, 2010, this Agreement shall expire at the end of the 2009-2010 school year (including the summer session). In addition, nothing in this Agreement affects the District's ability to revoke the Approved Charter in accordance with Education Code section 47607 before the end of the term of this Agreement.
3. Amendments: Designated representatives of the District and CLCS will meet as necessary to implement this Agreement and to discuss necessary amendments. Amendments dictated by any changes in statute, regulation and/or controlling court decision shall automatically become part of this Agreement. Otherwise, any substantive modification of this Agreement must be in writing, specifically indicating intent to modify this Agreement and is subject to mutual ratification.
4. Conditions for Commencing Operation: CLCS shall submit the following information to the District, and have the following policies and programs in place, prior to commencing operation at the start of the 2009-2010 school year. The Charter School may not commence operation until the information is received by the District pursuant to the timelines set forth below. (If the District has a concern regarding any documentation provided to it in accordance with this section, the District shall note its concerns in writing to the Charter School within 30 days of receipt of the documentation.) If CLCS fails to provide this information or have the policies and programs in place pursuant to the timelines set forth below, CLCS shall not begin instruction at start of 2009-2010 school year. The Charter shall be allowed to begin instruction in the following school year if all conditions are met by the timelines for the following year.

4.1 Due by June 1, 2009:

Governance

- a. Submit the names and contact information of the CLCS Board of Directors and NCLC Core Action Team members, and Board meeting dates, times, and locations.
- b. Submit Organizational Chart.

- c. Submit resumes for any new member of the CLCS Board of Directors or NCLC Core Action Team that was not included in the Approved Charter.
- d. Submit bylaws approved by the CLCS Board of Directors.
- e. Submit CLCS Board policies aligned with the principles of the Brown Act, the Political Reform Act, and policies and procedures regarding self-dealing and conflict of interest.
- f. Submit any changes to the CLCS Board of Directors or NCLC Core Action Team, and/or governance documents.

Enrollment Policies and Applications for Admission

- a. Submit Enrollment Policy and an Application for Admission approved by the CLCS Board of Directors.
- b. Submit list of enrolled students--including name, DOB, prior school, home language, Alameda residency or not, and CSIS number (list to be updated September 15 annually)

Nutrition Services Program

- a. Submit written assurance identifying the terms of a contract with an external food service provider, or whether or not the school wishes to contract food services through the District.

Complaint Procedure

- a. Submit Comprehensive Complaint and Investigation Process approved by the CLCS Board of Directors to include the Internal Dispute Resolution Policy.
- b. Submit Uniform Complaint Process approved by the CLCS Board of Directors, posting location(s), and method of notifying parents of this annually.
- c. Submit Comprehensive Anti-Harassment Policies and Procedures approved by the CLCS Board of Directors regarding sexual harassment or other harassment based on gender, race, religion, creed, color, national origin, ancestry, age, medical condition, marital status, sexual orientation, or disability.

Student Learning Time

- a. Submit certification of instructional hours to be provided in 2009-2010.
- b. Submit adopted 12-month school calendar distinguishing dates with standard or reduced instructional time, and noting vacation days.

Code of Conduct, Student Handbook, and Recommended Policies

- a. Submit Student Handbook. (Prepare student handbook and registration materials--to include the enrollment schedule, school calendar, all policies and procedures pertaining to health and safety, homework, attendance, discipline, suspension and expulsions--in all languages as distributed.)
- b. Submit Code of Conduct approved by the CLCS Board of Directors.

Financial Organization

- a. Submit copy of the school's Annual Information Sheet & Funding Survey to the CDE (plus annual filings to be provided to CDE by June 1, 2009).
- b. Submit the school's Fiscal Policies and Procedures.

School Facility and Building Safety

- a. Submit Blood Borne Pathogens Exposure Control Plan.
- b. Submit Facilities Safety and Evacuation Plan.
- c. Submit Emergency Preparedness Handbook approved by the CLCS Board of Directors.
- d. Submit Drug, Alcohol, and Smoke Free Environment. approved by the CLCS Board of Directors.

CLCS must also provide the following unless facilities are those provided by the District pursuant to Proposition 39:

- a. Submit a copy of an executed lease or deed for a facility, or suitable comparable facility use agreement, noting occupancy on or before July 1, 2009 or no later than 45 days prior to the start of instruction.
- b. Submit written assurance that the facility selected for the school is programmatically accessible to physically handicapped individuals.
- c. Make available for inspection a current Certificate of Occupancy
- d. Make available for inspection a current Fire Inspection Certificate
- e. Make available for inspection a current Building Safety Inspection Certificate.
- f. Make available for inspection a current Health Inspection.
- g. Make available for inspection a current Asbestos Inspection Report and Management Plan.

Special Education Program Plan

- a. Submit adopted 504 plan, policy, and procedures.
- b. Submit Special Education Identification, Assessment, Program and Services Plan.

Budget and Cash Flow

- a. Submit 2 paper copies, in addition to an electronic version of an updated and revised cash flow statement and 3-year projections. Include revised facility expenses.

School Health Plan and Medications Administration Plan

- a. Submit School Health Plan (to comply with immunization audit, hearing and vision screening requirements) and Medications Administration Plan.

4.2 Due by August 1, 2009:

Insurance Policies

- a. Submit evidence of commercial general liability insurance held by CLCS for not less than \$1,000,000 per incident; to include the District as additionally insured.
- b. Submit evidence of fidelity bond coverage held by CLCS for not less than \$50,000 per occurrence and workers' compensation insurance.

Instructional Staff

- a. Submit a list of teachers hired--including name, DOB, assignments, subject matter certification and credential evidence, qualification to teach ELL students, evidence of current clear tuberculosis test, date of fingerprinting, date of background review.
- b. Submit employee handbook, including policies and procedures that ensure the health and safety of students and staff.
- c. Submit list of teachers requiring Beginning Teacher Support and Assessment.
- d. Submit personnel policies approved by the CLCS Board of Directors.

Programming Plans

- a. Submit English Learner Plan--adopted policies and procedures that pertain to use of a home language survey and mandatory CELDT testing.
- b. Submit a list of which courses the school considers non-core, non-college preparatory courses.
- c. Submit a course catalog, or equivalent, notifying parents about transferability of courses to other public schools and the ability of courses to meet college entrance requirements.
- d. Submit a year one curriculum map.

All Other Staff/Volunteers

- a. Submit list of all other school employees, on-site contractors, and volunteers working directly with students--including name, position, and evidence of current clear tuberculosis test, date of fingerprinting, and date and outcome of background review in accordance with District policy.
- b. Submit volunteer handbook, including policies and procedures that ensure the safety of students and staff.

Evaluation of School Leader, School Administrators, and Teachers

- a. Submit performance evaluation criteria and evaluation plan templates for school site leader/administrator and teachers.

Professional Development for School Administrators and Teachers

- a. Submit professional development plans for school site leader(s), administrator(s), and teachers.

- 4.3 Due by October 1, 2009: Submit the names and contact information of the NCLC Governing Board members, and Board meeting dates, times, and locations.
5. Student Demographic Report: CLCS shall annually submit to the District a report of enrollments showing each student's demographic information, including home address, grade level and school of attendance in the prior fiscal year. This report shall be completed and submitted to the District not later than October 31 each year.
6. Confidentiality of Records: The District agrees to maintain the confidentiality of any information (e.g., individual student records, employee records, etc.) that is provided by CLCS and/or the Charter School to the District, if such confidentiality is required by applicable law (e.g., FERPA). This provision does not apply to information the District is required provided to state and/or federal agencies.

EDUCATIONAL PERFORMANCE

7. Section 504 Services: CLCS (and the Charter School) shall be solely and exclusively responsible, at its own expense, for compliance with Section 504 of the Rehabilitation Act of 1973 (Section 504). The Charter School agrees to implement a Student Study Team, a regular education function, to monitor and guide referrals for Section 504 Services. The Charter School will develop, maintain and implement policies and procedures to ensure identification of students who may require Section 504 accommodation(s).
8. Special Education Services: The charter petition approved by the District Board of Education on November 25, 2008 provided that the Charter School "will" become a local educational agency (LEA) within the El Dorado County Charter SELPA for the purposes of the provision of special education and related services. It is understood by the Parties that the Charter School is currently seeking membership as an LEA within the El Dorado County Charter SELPA, and shall continue to put forth best efforts do so; however, the Charter School has not received SELPA approval as of the date of this Agreement. Until such time as the Charter School is accepted as a member LEA in a SELPA, the Charter School and the District do hereby agree as follows:
 - 8.1 *Nondiscrimination*. All students will have access to the Charter School and no student shall be denied admission due to disability.
 - 8.2 *Enrollment Information*. The Charter School shall include on its enrollment form(s) a question regarding whether the student seeking enrollment in the Charter School is, or may be, a student eligible for special education and related services. On the same form, the Charter School shall state the information is for planning purposes only and that no student will be denied admission on the basis of his or her disability.

8.3 *CLCS Responsibility for Special Education and Related Services.* CLCS shall be solely and exclusively responsible for the provision of special education and related services to students enrolled in the Charter School. CLCS shall ensure that a free appropriate public education ("FAPE") shall be provided for all students with disabilities, regardless of the severity of their disabilities, attending the Charter School in accordance with state and federal legal mandates, and the North Region Special Education Local Plan, including but not limited to, the following:

- a. *Identification and Referral of Students.* The Charter School has the responsibility to make referrals for identification and assessments of any students who are enrolled in the Charter School who are believed to be eligible for special education assessment and/or services. Prior to making any referral, the Charter School shall conduct a student study team, if at all possible (given a parent's right to refuse such an option) to determine if alternative interventions are appropriate. All referrals shall be immediately delivered to the Charter School or its contracted service provider for consultation, identification and assessment.
- b. *Assessment of Students.* The Charter School will determine what assessments, if any, are necessary, and arrange for and provide such assessments for all referred students, for annual assessments, and for triennial assessments.
- c. *Individualized Education Program.* The Charter School shall be responsible for arranging all necessary IEP meetings. The Charter School shall be responsible for providing adequate meeting rooms at the Charter School, having all necessary members of the IEP team in attendance. Team membership shall be in compliance with state and federal law and shall include the designated representative of the Charter School (or designee). Further, the Charter School responsibilities shall include appropriate documentation of the IEP meeting and the provision of parent rights, as required by law.
- d. *Eligibility and Placement.* Decisions regarding eligibility, goals/objectives, program placement and exit from special education shall be the decision of the IEP team. Services and placement shall be provided to all eligible Charter School students in accordance with the IDEA, and the policies, procedures and requirements of the North Region SELPA, and whenever possible, should be provided at the Charter School.
- e. *Interim Placement.* For students who enroll in the Charter School with a current IEP, it is the responsibility of the Charter School to implement the existing IEP to the extent possible at the Charter School. The Charter School will also require, as part of its

admissions process that prospective students consent to acquisition from the student's prior school of their cumulative files, including all special education files. For students who were previously enrolled in the District, the District agrees to forward the student's cumulative file including all special education files to the Charter School within ten (10) days of notification.

- f. *Educational Services and Programs.* To the extent that the agreed upon IEP requires educational or related services to be delivered to staff other than the Charter School staff, the CLCS shall provide such services through a contract with a third party special education provider(s). All services required by the IEP will be provided by CLCS and its contractor(s).
- g. *Child Find.* The Charter School shall adhere to the procedural guide of the North Region Special Education Local Plan and all applicable policies and procedures of North Region Special Education Local Plan, which outlines the policies and procedures required by North Region Special Education Local Plan members to fulfill their child-find responsibilities under State and Federal law reporting date.

8.4 *Parent/Guardian Concerns.* Parent/Guardian Concerns regarding special education services shall be directed to the Charter School. The Charter School shall address the parent/guardian concerns. However, the ultimate responsibility for resolution of parent/guardian concerns lies with CLCS.

8.5 *Complaints.* The Charter School shall address, respond, investigate, and take any and all necessary action to respond to all complaints received under, among other things, the uniform complaint procedure, involving special education and IDEA compliance. CLCS shall be solely responsible for the defense of all complaints along with costs associated, including but not limited to attorney fees, settlement costs, compensatory education and damages.

8.6 *Initiation of Due Process Hearing.* The Charter School, under the direction of CLCS, may initiate a due process hearing related to a student enrolled in the Charter School if CLCS determines is legally necessary to meet the Charter School's responsibilities to the student under state and/or federal law.

8.7 *Indemnification.* CLCS shall indemnify and hold harmless from and against any and all liability, arising from acts or omissions related to the provision of special education and related services for student enrolled at the Charter School. This indemnification shall include the costs of the legal defense of the District, its officials and employees, and against or related to special education due process hearing complaints, and/or complaints to state or federal agencies or courts. If, in the District's

opinion, a conflict exists between the District and CLCS and/or the Charter School regarding the defense of such a claim, the District shall select its own legal counsel, and CLCS shall provide payment of the District's associated legal costs. CLCS shall assume no responsibility to indemnify or hold harmless the District for claims or allegations against the District related to services or rights while the student was enrolled in the District.

8.8 *SELPA Activities and Meetings.* As part of his or her District representation duties at all SELPA meetings, the District Superintendent shall represent the Charter School. Reports to the Charter School regarding SELPA decisions, policies, etc., shall be communicated to the Charter School as they are to all other schools within the District. To the extent that the District and/or SELPA provide training opportunities and/or information regarding special education to site staff, such opportunities/information shall be made available to the Charter School and its staff. To the extent that site staff has the opportunity to participate in committee meetings of the SELPA as representatives of their District, such opportunities shall be made available to Charter School staff.

8.9 *Special Education Funding.* The District shall provide CLCS all state and federal special education revenues that are generated by special education students attending the Charter School and distributed by the North Region SELPA through the Alameda County Office of Education ("ACOE"). As state and federal special education revenues are dispersed to the District from ACOE on a monthly basis September through June, state and federal special education revenues shall also be dispersed to the Charter School on a monthly basis September through June in an amount proportionate to the special education revenue generated by special education students attending the Charter School. The parties recognize that the funds received for special education purposes from federal and state sources are currently inadequate, and that additional funds are required. To the extent that excess funds are necessary, CLCS will be required to pay for all excess costs related to the provision of special education and related services, including (but not limited to) costs associated with the legal defense of CLCS, the Charter School and/or the District against due process complaints in accordance with the indemnification provision described in 8.7, complaints to state or federal agencies or actions filed in state or federal court. This payment of excess costs shall be considered CLCS' contribution to the special education encroachment on the District's general fund.

NCLC agrees to use special education funds for provision of special education and related services to eligible students only. CLCS shall return any unused state or federal special education revenues generated by students attending the Charter School and distributed by North Region SELPA to the District on or before June 30 of each year.

Upon acceptance as an LEA within El Dorado County Charter SELPA, the following provisions regarding special education shall apply:

- 8.10 *Nondiscrimination.* All students will have access to the Charter School and no student shall be denied admission due to disability.
- 8.11 *Enrollment Information.* The Charter School shall include on its enrollment form(s) a question regarding whether the student seeking enrollment in the Charter School is, or may be, a student eligible for special education and related services. On the same form, the Charter School shall state the information is for planning purposes only and that no student will be denied admission on the basis of his or her disability.
- 8.12 *Responsibility for Special Education and Related Services.* As an LEA within the El Dorado County Charter SELPA, CLCS shall be solely responsible for the provision of special education and related services to student enrolled in the Charter School. CLCS shall ensure that a free appropriate public education ("FAPE") shall be provided for all students with disabilities, regardless of the severity of their disabilities, attending the Charter School in accordance with state and federal legal mandates, and the El Dorado County Charter Local Plan.
- 8.13. *Child Find.* The Charter School shall adhere to the procedural guide of the El Dorado County Charter SELPA and all applicable policies and procedures of the El Dorado County Charter SELPA including but not limited to Special Education Local Plan Area CEO POLICY 2, "Identification and Evaluation of Individuals For Special Education" which outlines the policies and procedures required by El Dorado County Charter SELPA members to fulfill their child-find responsibilities under state and federal law. In recognition that the Charter School will not serve students who reside in the District who are not yet school age (pre-kindergarten), the CLCS shall transfer an amount of funds out of their general funds to the District in an amount equivalent to 1% of the Charter School's annual state and federal special education revenue. This amount shall be transferred annually to the District on or before P2 attendance reporting date. At the end of the fiscal year, an adjustment may be made after the final calculations.
- 8.14 *Special Education Funding.* As an LEA within the El Dorado County Charter SELPA, CLCS shall receive special education funding from El Dorado County in accordance with the El Dorado County Charter SELPA Allocation and Budget Plan. The District shall have no obligation or responsibility to collect, allocate or otherwise provide funding for special education and related services for students attending the Charter School.
- 8.15. *Indemnification.* CLCS shall indemnify and hold harmless from and against any and all liability, arising from acts or omissions related to the provision of special education and related services for student enrolled at the Charter School. This indemnification shall include the costs of the

legal defense of the District, its officials and employees, and against special education due process hearing complaints, and/or complaints to state or federal agencies. If, in the District's opinion, a conflict exists between the District, CLCS and/or the Charter School regarding the defense of such a claim, the District shall select its own legal counsel, and CLCS shall provide payment of the District's associated legal costs. CLCS shall assume no responsibility to indemnify or hold harmless the District for claims or allegations against the District related to services or rights while the student was enrolled in the District.

9. State Mandated Assessments. CLCS shall comply with and adhere to the state requirements for participation and administration of all state mandated tests for the school and shall include but not be limited to:
 - a. California Standards Tests
 - b. CAT/6
 - c. Aprenda 3
 - d. CMA
 - e. CAHSEE
 - f. Physical Fitness Test
 - g. CELDT

10. Evaluation of the Educational Program/General Operation: CLCS shall furnish to the District an annual written report and evaluation of its educational program and general operation in accordance with the Approved Charter and the Education Code. The annual report, some of which may be presented in the form of the annual School Accountability Report Card, shall include an evaluation of the fulfillment of the charter's purposes and goals and shall include all of the following:
 - a. Review of each major component of the Approved Charter for compliance.
 - b. Analysis of whether goals included in the current Approved Charter are being met; review of all state and federal student assessment data and reports.
 - c. Summary of major decisions made/policies established by CLCS and the Charter School Board of Directors in prior year.
 - d. Data on level of parent involvement in governance and operation of the Charter School.
 - e. Summary data from annual student/parent satisfaction survey.
 - f. Data regarding number of staff, their qualifications, verification of credentials and teaching assignments during the prior year.
 - g. Copy of health/safety procedures and summary of any major changes in this program.
 - h. Unless CLCS received facilities from the District under Proposition 39, Report on the suitability of the facility in terms of health and safety, including certification that all facilities used by students comply with the California Building Standards Code as adopted by the local building enforcement agency. If CLCS receives a facility from the District under Proposition 39, this shall be a District responsibility.

- i. Report on the suitability of the facility in terms of educational utility.
- j. Overview of admission practices including:
 - 1) Number of students actually enrolled in each grade.
 - 2) Waiting lists for each grade.
 - 3) Data regarding each student denied admission, including grade level, ethnicity and reason for denial of admission.
 - 4) Data regarding each student disenrolled from the Charter School, including grade level, race, ethnicity and reason for disenrollment.
- k. Report on expulsions and suspensions during prior year.
- l. Review of internal/external dispute resolutions during prior year.
- m. Report on parent complaints and any disposition of these complaints.
- n. Report on any claims or lawsuits and any disposition of such claims or lawsuits.
- o. A detailed report on the racial and ethnic balance of the Charter School. This report shall include detail on all efforts and initiatives to attract and maintain a racial and ethnic balance which reflects that of the District. The report shall also include an analysis of student attrition in the previous school year which impacts racial and ethnic balance.

The annual Evaluation of the Educational Program/General Operation Report shall be part of the CLCS Annual Report regarding the Charter School published on Jan 1 of each year.

- 11. Notification Regarding Students: As required by law, if a student is expelled or leaves the Charter School without graduating or completing the school year for any reason, the charter school shall notify the superintendent of the school district of the pupil's last known address within 30 days, and shall, upon request, provide that school district with a copy of the cumulative record of the pupil, including a transcript of grades or report card, and health information. This paragraph applies only to pupils subject to compulsory full-time education pursuant to Education Code section 48200.

FISCAL OPERATIONS

- 12. Charter School Finances: Block Grant funding, Categorical Program funding from the state, as well as lottery funds, shall be received through the Office of the County Treasurer as outlined in the Charter Schools Act. The Alameda County Office of Education will issue a check to CLCS or authorize the release of funds for deposit into the account which CLCS has established within 2 business days of receipt of said monies.

CLCS will maintain its accounts either in the County Treasury or at a federally-insured commercial bank or credit union. Funds will be deposited in non-speculative accounts including federally-insured savings or checking accounts or invested in non-speculative federally backed instruments

Unless otherwise agreed, CLCS will provide, at its own expense, personnel to work with the District and/or the County Office of Education to manage receipts

and disbursements for CLCS, according to County Office of Education procedures.

CLCS's business services coordinator will reconcile the Charter School's ledger(s) with its account in an approved banking institution or in the County Treasury on a monthly basis and prepare (1) a balance sheet, (2) a comparison of budgeted to actual revenues and expenditures to date, and (3) a cash flow statement. The the Charter School Governing Board and CLCS CEO and CFO will regularly review these statements. CLCS will deposit all funds received as soon as practical upon receipt. A "revolving" cash fund, not to exceed \$2,000 (\$100 may be petty cash) may be established with an appropriate ledger to be reconciled monthly by an on site staff member, designated by the Charter School Board, who shall not be authorized to expend petty cash.

The District has no obligation to apply for additional sources of funding for the Charter School beyond its statutory obligations in the Charter Schools Act. However, if the District applies for additional sources of funding in the form of grants and/or categorical funding for the benefit of the Charter School, the District shall receive a portion of such funds as negotiated between the parties, or as provided by the specific funding source.

CLCS must notify the District 30 days in advance if it determines to secure or provide loans, or other short term funding for the support of the Charter School, apart from normal state subventions for charter schools. The potential lender(s) must be notified, in writing, with a copy to the District, that the District is not a party to the proposed loan, and that the District bears no responsibility for the repayment of the loan. Further, CLCS agrees to communicate with the District, prior to the finalization of the loan agreement. This communication with the District will provide information regarding the details of the loan, including the repayment schedule, the impact on the current operating budget and the multiyear financial plan. If the District determines, at any time in the loan application/repayment schedule, that the Charter School is in danger of default, the District may initiate notification to CLCS regarding the possibility of revocation.

CLCS and the Charter School are not entitled to District funds (e.g., parcel tax, bonds, etc.). Any such potential sharing of revenue would strictly be based upon subsequent negotiations between the parties.

13. Attendance Reporting: The Charter School will be responsible for its daily attendance accounting. The Charter School Director shall establish and maintain an appropriate attendance accounting system to record the number of days students are actually in attendance at the Charter School and engaged in the activities required of them by the Charter School. Not less than 30 days prior to the commencement of instruction, the attendance accounting system will be submitted to the District for review. Following review and approval of the attendance accounting system by the District, the Charter School agrees that it will not be changed prior to additional review by the District.

Reporting by the Charter School of average daily attendance, in accordance with the Charter Schools Act and the California Code of Regulations, shall be submitted to the District by the Charter School, according to the County Office of Education procedures. CLCS will also be responsible for preparation and submittal of the Period 1, Period 2, and Annual Attendance Reports for the Charter School. The annual audit shall include a review of actual attendance accounting records and attendance accounting practices to ensure compliance with the law.

14. Annual Fiscal Audit: CLCS shall contract for an annual fiscal audit as detailed in the Approved Charter and this Agreement. The annual fiscal audit shall be conducted according to the generally accepted accounting principles appropriate to the organization under which the Charter School operates as determined by the auditor. The annual audit report shall be forwarded to the District, the County Superintendent of Schools, the State Controller and the State Department of Education by December 15 each year. Audit exceptions and deficiencies shall be resolved to the satisfaction of the District. If deficiencies are not resolved then the District will invoke its responsibilities under Ed Code 47607.
15. Fiscal Accountability: CLCS will establish and maintain a Fiscal Committee to monitor all fiscal operations including budget development and oversight. The District will receive notification of all meetings of the Fiscal Committee, as well as minutes and miscellaneous work products from that group.

CLCS shall adopt and meet appropriate and generally accepted accounting principles and shall ensure that: (1) expenditures are authorized by an accord with amounts specified in the budget adopted by the Charter School Board; (2) the Charter School's funds are managed and held in a manner that provide a high degree of protection of the Charter School's assets; and (3) all transactions are recorded and documented in an appropriate manner that allow reporting as required by the District, the County Office of Education or Department of Education.

The Charter School will develop and maintain basic check requests and purchase order forms to document the authorization of all non-payroll expenditures. The following requirements shall be followed with regard to purchase orders:

- a. The Charter School Governing Board must approve all purchase orders for an amount equal to or exceeding \$5000 based upon whether it is consistent with the adopted budget and authorize the Charter School CEO to sign the check request form.
- b. The Charter School CEO may grant preliminary approval for purchase orders for an amount less than \$5000 after prior review of the proposed expenditure to determine whether it is consistent with the adopted budget. After preliminary approval by the Charter School CEO, the Charter School Lead Facilitator must also sign the check request form.

All transactions will be posted on an electronic general ledger. The transactions will be posted on the ledger by the Charter School Office Manager or EdTec bookkeeper.

All purchase orders over \$10,000 must include documentation of a good faith effort to secure the lowest possible cost for comparable goods or services. The Charter School Governing Board shall not approve purchase orders or check requests lacking such documentation. Documentation shall be attached to all check and purchase order requests showing that at least three (3) vendors were contacted and such documentation shall be maintained for three (3) years. The Charter School CEO shall establish and maintain an annual inventory of all Charter School non-consumable goods and equipment over \$500 in value.

CLCS has chosen a reputable, bonded and insured payroll contractor (EdTec), to prepare payroll checks, tax and retirement withholdings, tax statements and to perform other payroll support functions (CLCS reserves the right to change this service provider or provide these services with CLCS employees). The Charter School CEO will establish and oversee a system to prepare time and attendance reports and submits payroll check requests. The Charter School CEO and CFO will review payroll statements monthly to ensure that (1) the salaries are consistent with staff contracts and personnel policies and (2) the proper tax, retirement, disability, and other withholdings have been deducted and forwarded to the appropriate authority. All staff expense reimbursements will be on checks separate from payroll checks. Upon hiring of staff, a personnel file will be established with all appropriate payroll-related documentation including a federal I-9 form, tax withholding forms, retirement data and use of sick leave.

16. Fiscal Reporting: CLCS will forward to the District and to the County Superintendent of Schools the following reports by the designated dates:
- a. On or before June 15, a preliminary budget.
 - b. On or before July 15, a final budget.
 - c. On or before September 15, a final, unaudited report for the prior school year, derived from the Charter School's general ledger, reflecting actual revenues and total expenditures.
 - d. On or before December 15, an interim financial report. This report, derived from the Charter School's general ledger, shall reflect actual revenues and expenditures, as well as budget activity and changes through October 31.
 - e. On or before March 15, a second interim financial report. This report, derived from the Charter School's general ledger, shall reflect actual revenues and expenditures, as well as budget activity and changes through January 31.

The parties agree that it is the right and responsibility of the District to use any financial information it obtains, including the reports noted above, to monitor the fiscal condition of the Charter School.

17. Insurance and Risk Management. The District shall not be required to provide coverage to CLCS or the Charter School under any of the agency's self-insured programs or commercial insurance policies. The Charter School shall secure and maintain, as a minimum, insurance as set for the below to protect CLCS or the Charter School from claims which may arise from its operations. The following insurance policies are required:
- a. Workers' Compensation Insurance in accordance with provisions of the California Labor Code, adequate to protect the Charter School from claims under Workers' Compensation Acts, which may arise from its operations.
 - b. General Liability, Comprehensive Bodily Injury and Property Damage Liability for combined single limit coverage of not less than \$2,000,000 for each occurrence with an excess liability coverage (up to) \$20,000,000 for each occurrence. The policy shall be endorsed to name the AUSD and the AUSD Board of Education as additional insured's.
 - c. Fidelity Bond coverage shall be maintained by CLCS to cover all charter school employees who handle, process, or otherwise have responsibility for Charter School funds, supplies, equipment or other assets. Minimum amount of coverage shall be \$50,000 per occurrence, with no self-insured retention; CLCS will make no changes in coverage without 90 days prior notification to the District.

CLCS shall establish and maintain a risk management program. A report of the risk management program operation shall be submitted to the District not later than September 1 each year. The components of the report should include the Designated Safety Officer and establish that the following are in place:

- a. Injury Illness Prevention Plan
- b. Hazard Communication Program
- d. Emergency Plan
- e. Annual Safety Inspections

By October 1 each year, evidence of the following training must be submitted to the District:

- Blood borne Pathogen Training
- Employee Safety Training

18. Contracted Services: At the discretion of the District, CLCS may procure operating services from the District at prices to be determined by the District. Any contracted Services must be in writing signed by both parties as an amendment to this MOU.
19. District Oversight and Accountability: The CLCS Board of Directors shall include one representative of the District, selected by the District who shall be a non-voting member. In addition, the District shall responsibility to make reasonable efforts to accommodate the growth of the Charter School in accordance with Education Code section 47605(d)(2)(C).

CLCS will pay the District for the actual costs of supervisorial oversight not to exceed 1 percent of the applicable revenue of the Charter School, to be

increased to 3 percent of the applicable revenue if the Charter School is able to receive substantially rent free facilities from the District. Applicable revenue is defined in accordance with Education Code Section 47613(f) as the general purpose entitlement and categorical block grant. The invoice for actual costs of supervisory oversight, which shall not require itemization of District Staff time, shall be submitted to the Charter School at the close of each school year. The Charter School shall make payment to the District within 30 days of receipt of the invoice.

The District and CLCS agree that "Supervisory Oversight," as used in the Charter Schools Act, shall include the following:

- a. All activities related to Charter School revocation and renewal processes as described in Section 47607.
- b. Activities relating to monitoring the performance and compliance of the Charter School with respect to the terms of its Charter, related agreements, and all applicable laws and regulations.
- c. Participating in the dispute resolution process described in the Charter. However, if CLCS or the Charter School materially violate any of the conditions, standards, or procedures set forth in the Approved Charter, the District as the chartering authority may revoke the Charter School's charter in accordance with Education Code section 47607, without regard to the dispute resolution procedures set forth in the Approved Charter.
- d. Review and timely response to the Charter School's Annual Independent Fiscal Audit and Evaluation of the Education Program/General Operation Report.
- e. Identification of at least one Staff member as a contact person for the Charter School.
- f. Visiting the Charter School at least twice annually in addition to the Charter School's policy as stated on page 79 of the Charter application.
- g. Ensuring that the Charter School complies with all reports required of charter schools by law.
- h. Monitoring the fiscal condition of the Charter School.
- i. Providing timely notification to the California Department of Education if any of the following circumstances occur:
 - 1) A renewal of the charter is granted or denied.
 - 2) The charter is revoked.
 - 3) The Charter School will cease operation for any reason.

GOVERNANCE AND HUMAN RESOURCES MANAGEMENT

20. Uniform Complaint Procedure: The Charter School will be responsible for establishing and maintaining a Uniform Complaint Procedure (as approved by CLCS) which will be distributed to parents/guardians at the time of student enrollment. Except in the instance of complaints that allege student safety issues, or other matters which constitute possible grounds for charter revocation or non-renewal of the charter, the District will refer all complaints it receives back to the Charter School for investigation and processing. To the extent that such

concerns/complaints may involve issues related to possible revocation or non-renewal of the charter, the District may request that the Charter School inform the District of how such concerns/complaints were addressed. The Charter School agrees to provide such information without delay.

21. Conformance to Charter: The Board of Directors of CLCS shall be responsible for operating the Charter School in conformance with the provisions of its charter and this Agreement, as well as in conformance with state and federal law.
22. Legal Relationship: The parties recognize that the District and CLCS are separate legal entities. In respect to its operations under the Charter and this Agreement, CLCS shall, to the fullest extent permitted by law, hold harmless, indemnify, and defend the District, its officers, directors and employees from and against any and all claims, demands, actions, suits, losses, liability expenses and costs, including without limitation attorneys' fees and costs arising out of injury to any person, including death or damage to any property caused by, connected with, or attributable to the willful misconduct, negligent acts, errors or omissions of CLCS or its officers, employees, agents or consultants under the Charter and this Agreement, excepting only those claims, demands, actions suits, losses, liability expenses and costs caused by the sole negligence of the District, its officers, directors or employees.

In respect to its operations under the Charter and this Agreement, the District shall, to the fullest extent permitted by law, hold harmless, indemnify, and defend CLCS, its officers, directors and employees from and against any and all claims, demands, actions, suits, losses, liability expenses and costs, including without limitation attorneys' fees and costs arising out of injury to any person, including death or damage to any property caused by, connected with, or attributable to the willful misconduct, negligent acts, errors or omissions of the District or its officers, employees, agents or consultants under the Charter and this Agreement, excepting only those claims, demands, actions suits, losses, liability expenses and costs caused by the sole negligence of CLCS, its officers, directors or employees.

Should CLCS retain the legal services of a public organization or any private law firm that also is retained by the District, CLCS agrees that, in the event legal disputes arise between the parties, CLCS will move to retain legal representation by a separate organization or firm.

CLCS has no authority to enter into a contract which would bind the District, nor to extend the credit of the District to any third person or party. CLCS shall clearly indicate to vendors and other entities and individuals outside the District, with whom CLCS enters into an agreement or contract for goods or services, that the obligations under such agreement or contract are solely the responsibility of CLCS and are not the responsibility of the District.

23. Statement of Facts Roster: It shall be the sole responsibility of CLCS to file, and update as required, the "Statement of Facts Roster of Public Agencies" as required by Government Code Section 53051. The current State of Facts Roster

shall be submitted to the District by October 31 each year. It shall also be the sole responsibility of CLCS to file an amendment to the Statement of Facts within 10 days after a change in any of the required information, e.g., legal name and mailing address of the school, name and residence or business address of each member of the Charter Board, and name, title and residence or business address of the presiding officer. In addition to submission to the County Clerk and Secretary of State, an amendment to the Statement of Facts will also be submitted to the District within 10 days after the change.

24. General Reporting Requirement: In addition to providing the reports specified in this agreement, CLCS agrees to comply promptly with all District inquiries made under Education Code sections 47604.3, 47604.32, 47604.33 and 47605(b)(5)(I) and with all inquiries made by the County Superintendent of Schools under Education Code sections 1241.5, 47604.3 and 47604.4. In addition, NCLC agrees to comply with all reports required of charter schools by law and to provide a copy of each such report to the District upon submission.
25. Employment Standards: In accordance with Education Code Section 47605, subdivision (b)(5)(F), the procedures that CLCS will follow to ensure the health and safety of pupils and staff shall include the requirement that each employee of CLCS shall have a criminal background check performed pursuant to the requirements set forth in the Education Code.

In accordance with Education Code Section 47605, subdivision (I), teachers in NCLC shall be required to hold a Commission on Teacher Credentialing certificate, permit, or other document equivalent to that which a teacher in other public schools would be required to hold. NCLC shall be responsible for monitoring the status of required credentials/permits/etc. held by its employees to ensure compliance with this Agreement and the applicable provisions of the Education Code. Evidence of such credentials/permits/etc. shall be maintained on file at NCLC and shall be subject to periodic inspection by the District. Further, CLCS agrees to comply with the "highly qualified" requirements of the No Child Left Behind Act, as it is deemed to apply to charter schools.

26. Annual Employment Audit: CLCS shall provide the following reports to the District not later than the workday immediately prior to the first day of student instruction each year:
 - a. List of all employees verifying TB clearance.
 - b. List of certificated employees verifying credentials held, as well as the expiration date for each credential.
 - c. Verification that all employees have submitted fingerprints, and prior to employment, were found eligible to work for a public school.
 - d. Master Schedule listing all teaching assignments.
27. Brown Act/Public Records Act: CLCS shall conduct its Board of Directors meetings, as well as those of any Standing Committees, etc., regarding NCLC, according to the Brown Act. In addition, CLCS understands and agrees to

comply with the Public Records Act (Government Code Section 6250 et seq.) as well as Education Code Section 47604.3.

28. Reciprocity of Student Discipline: To the extent consistent with federal and state laws and regulations governing the confidentiality of student educational records, the Lead Facilitator of the Charter School and the principals of District middle and high schools shall consult with their counterpart/s regarding student disciplinary action when they have reason to believe that their disciplinary action may have implications for the safety of students at the other school. Such situations include, but are not limited to disciplinary matters involving conflicts between students at the Charter School and other District schools, or when a student subject to disciplinary action seeks to transfer between the Charter School and a District school. Following such consultation, enforcement of another school's disciplinary action shall be at the discretion of the District or the Charter School's Lead Facilitator after giving due consideration to the safety and educational needs of all affected students.
29. Student Expulsion: For purposes of enrolling students who have been expelled from their previous school, the Charter School and the District shall be considered separate school districts. The Charter School and the District shall comply with applicable law governing enrollment of expelled students.
30. Conflicts of Interest: CLCS and the Charter School and all of its officers and employees shall continue to comply with the conflict of interest provisions contained in the originally Approved Charter petition.
31. Pupil Transportation: CLCS shall be responsible for any and all transportation offered to students who enroll in the Charter School.
32. Severability: The terms of this Agreement are severable. In the event that any of the provisions are determined to be unenforceable or invalid for any reason, the remainder of the Agreement shall remain in effect, unless mutually agreed otherwise by the District and CLCS.
33. Notification: All notices, requests, and other communications under this Agreement shall be in writing and mailed to the proper addresses as follows:

To the District at: Alameda Unified School District
 Office of the Superintendent
 2200 Central Avenue
 Alameda, CA 94501

To the Charter School at: Community Learning Center Schools, Inc.
 210 Central Ave. #603
 Alameda, CA 94501

34. Entire Agreement: This Agreement contains the entire agreement of the parties with respect to the matters covered hereby, and supersedes any oral or written

understandings or agreements between the parties with respect to the subject matter of this Agreement. No person or party is authorized to make any representations or warranties except as set forth herein, and no agreement, statement, representation or promise by any party hereto which is not contained herein shall be valid or binding. The undersigned acknowledges that she/he has not relied upon any warranties, representations, statements or promises by any of the parties herein or any of their agents or consultants except as may be expressly set forth in this Agreement. The parties further recognize that this Agreement shall only be modified in writing by the mutual agreement of the parties.

35. Dispute Resolution: If there is a dispute between the parties regarding or involving this Agreement, or a claim by the either party that the other has not complied with this agreement the dispute shall be resolved in accordance with the Dispute Resolution provisions of the Charter (Section N). However, if CLCS or the Charter School materially violate any of the conditions, standards, or procedures set forth the Approved Charter, the District as the chartering authority may revoke the Charter School's charter in accordance with Education Code section 47607, without regard to the dispute resolution procedures set forth in the Approved Charter.

Dated: March 16, 2009

Paul Bentz Chief Executive Officer
[Name and Title]
For: Community Learning Center Schools, Inc.

Dated: March 16, 2009

Debbie L. Wong Assistant Superintendent
[Name and Title]
For: Alameda Unified School District

Approved and ratified this 09 day of March, 2009 by the Charter School Board by the following vote:

AYES: _____
NOES: _____
ABSTAINS: _____

Certification by the CLCS CEO:

Paul Bentz , Chief Executive Officer

Approved and ratified this 10 day of March, 2009 by the Board of Trustees of the Alameda Unified School District by the following vote:

AYES: _____
NOES: _____
ABSTAINS: _____

Certification by the Superintendent:

Kirsten Vital, Superintendent
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