

ALAMEDA UNIFIED SCHOOL DISTRICT

Excellence & Equity For All Students

Professional Services Agreement

This Agreement is entered into between the Alameda Unified School District (AUSD) and Bay Area Community Resources (BACR) (CONTRACTOR). AUSD is authorized by Government Code Section 53060 to contract for the furnishing of special services and advice in financial, economic, account, engineering, legal, and administrative matters with persons specially trained, experienced, and competent to perform such services. CONTRACTOR is specially trained, experienced, and competent to provide such services. The parties agree as follows:

1. Services. The CONTRACTOR shall provide the following services:

This is in addition to the current MOU that exists between AUSD and BACR.

See Attached Addendum

2. Terms. CONTRACTOR shall commence work on 8/15/2014, or the day immediately following approval by the Superintendent, if total amount the CONTRACTOR has contracted with the District is below \$84,100 in the current fiscal year, or the Board of Education if total Agreement exceeds \$84,100, whichever is later. The work shall be completed no later than 6/30/2015.

3. Compensation.

Check one of the following boxes:

☒ CONTRACTOR is providing services for a flat fee which shall not exceed \$ \$22,500.

☐ CONTRACTOR will be compensated at an hourly rate. Contractor will provide a maximum of _____ hours of service at a rate of \$ _____ per hour for a total not to exceed \$ _____.

☒ Other: See Attached Addendum.

This sum shall be for full performance of this Agreement and includes fees, costs, and expenses incurred by CONTRACTOR including, but not limited to labor, materials, taxes, profit, overhead, travel, insurance, subcontractor costs, and other costs.

AUSD shall not be liable to CONTRACTOR for any costs or expenses paid or incurred or equipment, materials or supplies used by CONTRACTOR in performing services for AUSD, except as follows: _____

Payment for the work shall be made for all undisputed amounts in monthly installment payments within forty-five (45) days after the CONTRACTOR submits an invoice to AUSD for work actually completed and after AUSD's written approval of the work, or the portion of the work for which payment is to be made.

The granting of any payment by AUSD or the recipient thereof by CONTRACTOR, shall in no way lessen the liability of CONTRACTOR to correct unsatisfactory work, although the unsatisfactory character of that work may not have been apparent or detected at the time a payment was made. Work, which does not conform to the requirements of this Agreement, may be rejected by District and in that case must be replaced by CONTRACTOR without delay.

4. Strategic Alignment. (Check one)

- A. ☒ **School-based Agreements:** How does this service support your academic goals and increase student achievement as described in the Board-approved School Site Plan? Goal #1 "Student Engagement: Eliminate barriers to student success and maximize learning time. Goal #2 "Improved Academic Performance for ALL: Measured growth for every student relative to their individual performance level(s)"
- B. ☐ **Central Office Agreements:** How does this service support the overall strategic goals of the department and increase student achievement? _____

C. Contractor Qualifications / Performance of Services.

4.1 Contractor Qualifications. CONTRACTOR is specially trained, experienced, competent and fully licensed to provide the Services required by this Agreement in conformity with the laws and regulations of the State of California, the United States of America, and all local laws, ordinances and regulations, as they may apply.

4.2 Standard of Care. CONTRACTOR represents that CONTRACTOR has the qualifications and ability to perform the Services in a professional manner, without the advice, control, or supervision of AUSD. Contractor's services will be performed, findings obtained, reports and recommendations prepared in accordance with generally and currently accepted principles and practices of its profession for services to California school districts.

5. Status of Contractor. This is not an employment contract. CONTRACTOR, in the performance of this Agreement, shall be and act as an independent contractor. CONTRACTOR understands and agrees that it and all of its employees shall not be considered officers, employees, agents, partner, or joint venture of AUSD, and are not entitled to benefits of any kind or nature normally provided employees of AUSD and/or to which AUSD's employees are normally entitled, including, but not limited to, State Unemployment Compensation or Workers' Compensation. CONTRACTOR shall assume full responsibility for payment of all federal, state, and local taxes or contributions, including unemployment insurance, social security, and income taxes with respect to CONTRACTOR's employees. In the performance of the work herein contemplated, CONTRACTOR is an independent contractor or business entity, with the sole authority for controlling and directing the performance of the details of the work. AUSD's interest is only in the results obtained.

6. Conduct of Contractor. CONTRACTOR will adhere to the following staff requirements and provide AUSD with evidence of staff qualifications, prior to commencing the work under this Agreement and consistent with invoicing requirements outlined in Section 9, which include:

6.1 Tuberculosis Screening. A statement that TB Clearance is on file for each person.

- ☐ **Waiver of TB Screening.** CONTRACTOR is not required to provide evidence of TB Clearance because CONTRACTOR will not work directly with students on more than an occasional basis.

_____ (CONTRACTOR initials)

_____ (District Representative initials)

- 6.2 Fingerprinting of Employees and Agents.** The fingerprinting and criminal background investigation requirements of Education Code Section 45125.1 apply to CONTRACTOR's services under this Agreement and CONTRACTOR certifies its compliance with these provisions as follows:

"CONTRACTOR has complied with the fingerprinting and criminal background investigation requirements of Education Code Section 45125.1 with respect to all CONTRACTOR's employees, subcontractors, agents, and subcontractors' employees or agents ("Employees") regardless of whether those Employees are paid or unpaid, concurrently employed by AUSD or acting as independent contractors of CONTRACTOR, who may have contact with AUSD pupils in the course of providing services pursuant to the Agreement, and the California Department of Justice has determined that none of those Employees has been convicted of a felony, as that term is defined in Education Code Section 45122.1. CONTRACTOR further certifies that it has received and reviewed fingerprint results for each of its Employees and CONTRACTOR has requested and reviewed subsequent arrest records for all Employees who may come into contact with AUSD pupils in providing services to the District under this Agreement."

- ☐ **Individual Consultants.** CONTRACTOR(s) who are individual consultants must complete the Consultant Screening Process in the Human Resources Department. A Consultant Clearance Letter must be issued before the commencement of work under this Agreement.
- ☐ **Waiver of Fingerprint Requirement.** CONTRACTOR is not required to comply with section 7.2 because CONTRACTOR's services are of limited duration and District employees will directly supervise CONTRACTOR at all times that CONTRACTOR is in the presence of students.

_____ (CONTRACTOR initials)

_____ (District Representative initials)

- 6.3 Removal of CONTRACTOR's Employee(s).** In the event that AUSD, in its sole discretion, at any time during the term of this Agreement, desires the removal of any CONTRACTOR related persons, employee, representative, or agent from an AUSD school site and/or property, CONTRACTOR shall immediately upon receiving notice from AUSD of such desire, cause the removal of such person or persons.

- 7. Insurance.** CONTRACTOR will provide AUSD with evidence of the following insurance coverage prior to commencing the work under this Agreement:

- 7.1 Workers' Compensation Insurance.** If CONTRACTOR employs any person to perform work in connection with this Agreement, CONTRACTOR shall procure and maintain at all times during the performance of such work, Workers' Compensation Insurance in conformance with the laws of the State of California and Federal laws when applicable. Employers' Liability Insurance shall not be less than One Million Dollars (\$1,000,000) per accident or disease.

Check only one of the boxes below:

- ☐ The CONTRACTOR is aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and will comply with such provisions before commencing the performance of the work of this Agreement.

- ☐ The CONTRACTOR does not employ anyone in the manner subject to the Workers' Compensation laws of California.

7.2 **General Liability Insurance.** CONTRACTOR shall maintain general liability insurance, including automobile coverage with limits of One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage. The coverage shall be primary as to AUSD and shall name AUSD as an additional insured. Evidence of insurance is attached. Inclusion of AUSD as an additional insured shall not affect AUSD's right to a claim, demand, suit or judgment made, brought or recovered against CONTRACTOR. The policy shall protect CONTRACTOR and AUSD in the same manner as though each were separately issued. Nothing in said policy shall operate to increase the insurer's liability as set forth in the policy beyond the amount or amounts shown or to which the insurer would have been liable if only one interest were named as an insured.

7.3 **Professional Liability Insurance.** If CONTRACTOR is offering AUSD professional advice under this Agreement, CONTRACTOR shall maintain errors and omissions insurance or professional liability insurance with coverage limits of One Million Dollars (\$1,000,000) per claim.

- ☐ **Waiver of Insurance.** CONTRACTOR is not required to maintain any insurance under this Agreement. Waiver of insurance does not release CONTRACTOR from responsibility for any claim or demand.

_____ (CONTRACTOR initials)

_____ (District Representative initial)

8. **Invoicing.** Invoices furnished by CONTRACTOR under this Agreement must be in a form acceptable to AUSD. All amounts paid by AUSD shall be subject to audit by AUSD.

8.1 Invoice shall include but not be limited to: Consultant name, consultant address, invoice date, invoice sequence number, purchase order number, name of school or department service was provided to, period of service, number of hours of service, brief description of services provided, hourly rate, and total payment requested.

8.2 In addition, unless specifically waived by AUSD as set forth above, invoices from Agencies or Organizations must include evidence of compliance with section 7 herein.

9. **Licenses and Permits.** CONTRACTOR shall obtain and keep in force all licenses, permits, and certificates necessary for the performance of this Agreement.

10. **Notices.** All notices and invoices provided for under this Agreement shall be in writing and either personally delivered during normal business hours or sent by U.S. Mail (certified, return receipt requested) with postage prepaid to the other party at the address set forth below:

AUSD Representative:

Name: Ben Washofsky
E-mail: BWASHOFSKY@Alameda.k12.ca.us
Site/Dept: JHS
Address: 500 Pacific Ave, Alameda 94501
Phone: 510-748-4024

CONTRACTOR:

Name: Martin Weinstein
Title: CEO
Address: Bay Area Community Resources
171 Carlos Dr., San Rafael, CA 94903
Phone: 415-755-2321

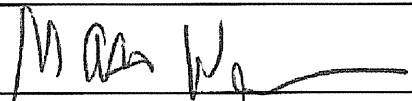
Notice shall be effective when received if personally served or, if mailed, three days after mailing. Either party must give written notice of a change in address. CONTRACTOR shall submit invoices in a form that includes the name of the person providing the service, the service performed, the date service was rendered, and the hours spent on the work.

- 11. Assignment.** The obligations of CONTRACTOR under this Agreement shall not be assigned by CONTRACTOR without the express prior written consent of AUSD.
- 12. Anti-Discrimination.** It is the policy of AUSD that in connection with all work performed under contracts there be no discrimination against any employee engaged in the work because of race, color, ancestry, national origin, religious creed, physical disability, medical condition, marital status, sexual orientation, gender, or age and therefore the CONTRACTOR agrees to comply with applicable federal and California laws including, but not limited to, the California Fair Employment and Housing Act beginning with Government Code Section 12900 and Labor Code Section 1735 and AUSD policy. In addition, the CONTRACTOR agrees to require like compliance by all its subcontractors. Contractor shall not engage in unlawful discrimination in employment on the basis of actual or perceived race, color, national origin, ancestry, religion, age, marital status, pregnancy, physical or mental disability, medical condition, veteran status, gender, sex, or sexual orientation.
- 13. Drug-Free/Smoke Free Policy.** No drugs, alcohol, and/or smoking are allowed at any time in any buildings and/or grounds on AUSD property. No students, staff, visitors, CONTRACTORS, or subcontractors are to smoke or use drugs or alcohol on these sites.
- 14. Indemnification.** CONTRACTOR agrees to hold harmless, indemnify, and defend AUSD and its officers, agents, and employees from any and all claims or losses accruing or resulting from injury, damage, or death of any person, firm, or corporation in connection with the performance of this Agreement. CONTRACTOR also agrees to hold harmless, indemnify, and defend AUSD and its elective board, officers, agents, and employees from any and all claims or losses incurred by any supplier, contractor, or subcontractor furnishing work, services, or materials to CONTRACTOR in connection with the performance of the Agreement. This provision survives termination of this Agreement.
- 15. Copyright/Trademark/Patent/Ownership.** CONTRACTOR understands and agrees that all matters produced under this Agreement shall become the property of AUSD and cannot be used without AUSD's express written permissions. AUSD shall have all rights, title, and interest in said matters, including the right to secure and maintain the copyright, trademark and/or patent of said matter in the name of AUSD. CONTRACTOR consents to use of CONTRACTOR's name in conjunction with the sale, use, performance, and distribution of the matters, for any purpose and in any medium. These matters include, without limitation, drawings, plans, specifications, studies, reports, memoranda, computation sheets, the contents of computer diskettes, artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, source codes, or any other original works of authorships, or other documents prepared by CONTRACTOR or its subcontractors in connection with the Services performed under this Agreement. All works shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in those works are the property of AUSD.
- 16. Waiver.** No delay or omission by either party in exercising any right under this Agreement shall operate as a waiver of that or any other right or prevent a similar subsequent act from constituting a violation of the Agreement.

- 17. Termination.** AUSD may at any time terminate this Agreement upon written notice to CONTRACTOR. AUSD shall compensate CONTRACTOR for services satisfactorily provided through the date of termination. In addition, AUSD may terminate this Agreement for cause should CONTRACTOR fail to perform any part of this Agreement. In the event of termination for cause, AUSD may secure the required services from another contractor. If the cost to AUSD exceeds the cost of providing the services pursuant to the Agreement, CONTRACTOR shall pay the additional cost.
- 18. No Rights in Third Parties.** This Agreement does not create any rights in, or inure to the benefit of, any third party except as expressly provided herein.
- 19. AUSD's Evaluation of CONTRACTOR and CONTRACTOR's Employees and/or Subcontractors.** AUSD may evaluate the CONTRACTOR's work in any way that AUSD is entitled to do so pursuant to applicable law. The AUSD's evaluation may include, without limitation:
- 19.1** Requesting that AUSD employee(s) evaluate the CONTRACTOR and the CONTRACTOR's employees and subcontractors and each of their performance.
- 19.2** Announced and unannounced observance of CONTRACTOR, CONTRACTOR's employee(s), and/or subcontractor(s).
- 20. Limitation of AUSD Liability.** Other than as provided in this Agreement, AUSD's financial obligations under this Agreement shall be limited to the payment of the compensation provided in this Agreement. Notwithstanding any other provision of this Agreement, in no event shall AUSD be liable, regardless of whether any claim is based on contract or tort, for any special, consequential, indirect, or incidental damages, including, but not limited to, lost profits or revenue, arising out of or in connection with this Agreement for the services performed in connection with this Agreement.
- 21. Confidentiality.** The CONTRACTOR and all CONTRACTOR's agents, personnel, employee(s), and/or subcontractor(s) shall maintain the confidentiality of all information received in the course of performing the Services. CONTRACTOR understands that student records are confidential and agree to comply with all state and federal laws concerning the maintenance and disclosure of student records. This requirement to maintain confidentiality shall extend beyond the termination of this Agreement. CONTRACTOR will be permitted access to student data only where permissible under state and federal law and only after executing AUSD's Confidentiality Agreement Regarding Student Data.
- 22. Conflict of Interest.** CONTRACTOR shall abide by and be subject to all applicable AUSD policies, regulations, statutes or other laws regarding conflict of interest. CONTRACTOR shall not hire any officer or employee of AUSD to perform any service by this Agreement. CONTRACTOR affirms to the best of his/her/its knowledge, there exists no actual or potential conflict of interest between CONTRACTOR's family, business or financial interest and the services provided under this Agreement, and in the event of change in either private interest or services under this Agreement, any question regarding possible conflict of interest which may arise as a result of such change will be brought to AUSD's attention in writing. Through its execution of this Agreement, CONTRACTOR acknowledges that it is familiar with the provisions of Section 1090 *et seq.* and Section 87100 *et seq.*, of the Government Code of the State of California, and certifies that it does not know of any facts which constitute a violation of said provisions. In the event CONTRACTOR receives any information subsequent to execution of this Agreement, which might constitute a violation of said provisions, CONTRACTOR agrees it shall notify AUSD of this information.

23. **Integration/Entire Agreement of Parties.** This Agreement constitutes the entire agreement between the Parties and supersedes all prior discussions, negotiations, and agreements, whether oral or written. This Agreement may be amended or modified only by a written instrument executed by both Parties.
24. **Litigation.** This Agreement shall be performed in Alameda, California and is governed by the laws of the State of California. The Alameda County Superior Court shall have jurisdiction over any state court litigation initiated to enforce or interpret this Agreement. If litigation is initiated, the prevailing party shall be entitled to reasonable attorney's fees and costs.
25. **Agreement Contingent on Governing Board Approval.** The District shall not be bound by the terms of this Agreement until it has been formally approved or ratified by the District's Governing Board, and no payment shall be owed or made to CONTRACTOR absent formal approval.
26. **Signature Authority.** Each party has the full power and authority to enter into and perform the Agreement and the person signing this Agreement on behalf of each party has been given the proper authority and empowered to enter into this Agreement.
27. **Counterparts.** This Agreement and all amendments and supplements to it may be executed in counterparts, and all counterparts together shall be construed as one document.
28. **Incorporation of Recitals and Exhibits.** The Recitals and each Exhibit attached hereto are hereby incorporated herein by reference.
29. **Other.** Additional terms set forth in this paragraph 30 must be approved by AUSD General Counsel:
_____ (General Counsel initials)

CONTRACTOR:
Print Name & Title: Martin Weinstein, CEO, BACR

CONTRACTOR Signature:  Date: 8/2/2014

Budget Code: 01-0002-0-1110-1000-5800-024-24-1050

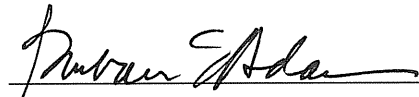
☒ Restricted Funds (categorical) Teaching and Learning Director Approval: 
☐ Unrestricted Funds (general fund)
☐ Donated Funds
☐ Site Funds

Reviewed by: Ben Washofsky
Requesting Administrator

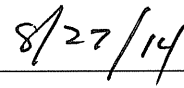
Forward to:

- ☐ Interim Superintendent, Sean McPhetridge
- ☒ Assistant Superintendent of Educational Services, Barbara Adams
- ☐ Chief Business Officer, Robert Clark
- ☐ Interim Chief Human Resources Officer, Mike Bowers
- ☐ General Counsel, Chad Pimentel

For Contracts Which Do Not Exceed \$84,100:



Signature of Cabinet Member



Date

ALAMEDA UNIFIED SCHOOL DISTRICT

For Contracts In Excess of \$84,100:

President, Board of Education

Date

Secretary, Board of Education

Date

ALAMEDA UNIFIED SCHOOL DISTRICT

Excellence & Equity For All Students

Instructions to Independent Contractors

*Contractors who are not corporations should complete this form and submit with other contract documents.
Check all items that are true and correct. Contractor must inform Fiscal Services if business is converted into a corporation.*

INDEPENDENT CONTRACTOR STATUS CHECKLIST (Employee v. Independent Contractor)

Independent

Contractor's Name: N/A

Retired school employee?

☐ Yes

☐ No

Current school employee?

☐ Yes

☐ No

COMMON LAW FACTORS:

- ☐ **NO INSTRUCTIONS:** The worker will not be required to follow explicit instructions to accomplish the job. AUSD may provide job specifications, however.
- ☐ **NO TRAINING:** The worker will not receive training provided by AUSD. The worker will use independent methods to accomplish the work.
- ☐ **RIGHT TO HIRE OTHERS:** The worker is being hired to provide a result and will have the right to hire others to do the actual work/job.
- ☐ **WORK NOT ESSENTIAL TO AUSD:** AUSD's success or continuation does not depend on the services of the worker.
- ☐ **OWN WORK HOURS:** The worker will establish the work hours for the job.
- ☐ **NOT A CONTINUING RELATIONSHIP:** The worker will not have a continuing relationship with AUSD. If the relationship is frequent, it will be at irregular intervals, or call (no full-time), or whenever work is available.
- ☐ **CONTROL OF ASSISTANTS:** If assistants are hired, it will be at the worker's sole discretion. The worker will be responsible for hiring, supervising, and paying those assistants.
- ☐ **TIME TO PURSUE OTHER WORK:** The worker will have time to pursue other gainful work.
- ☐ **JOB LOCATION:** The worker will control the job location if work is performed on AUSD's premises; AUSD will not direct or supervise the work.
- ☐ **ORDER OF WORK:** The worker will determine the order and sequence in which the job will be performed.
- ☐ **BASIS OF PAYMENT:** The worker will be paid by the job or project, not by actual time expended. Periodic payments may be made, though, based on a percentage of the completed job. Also, overall compensation may be based on the projected number of days/hours needed to do the job times a fixed daily/hourly rate. However, this compensation will be set in advance of the job.
- ☐ **WORK FOR MULTIPLE FIRMS:** The worker may work for more than one firm or agency at a time.
- ☐ **BUSINESS EXPENSES:** The worker will be responsible for incidental or special business expenses.

- ☐ **OWN TOOLS/EQUIPMENT:** The worker will furnish the tools/equipment needed for the job. If AUSD leases equipment to the worker, the terms will be equivalent to what an independent business person could have obtained in the open market.
- ☐ **SIGNIFICANT INVESTMENT:** The worker can perform services without hiring AUSD's facilities (equipment, office furniture, machinery, etc.). The worker's investment in his/her trade is real, essential, and adequate.
- ☐ **SERVICES AVAILABLE TO GENERAL PUBLIC:** The worker makes his/her services available to the general public by (check one or more):
- ☐ Having an office and assistants
 - ☐ Advertising his/her services (e.g., business cards, letterhead, telephone book, other)
 - ☐ Having business signs
 - ☐ Having a business license
 - ☐ Listing services in a business directory
 - ☐ Other
 - ☐ (Attached copies of business license, business cards, letterhead, advertisements)
- ☐ **POSSIBLE PROFIT OR LOSS:** The worker can make a profit or a loss (check one or more):
- ☐ The worker hires, directs, and pays assistants
 - ☐ The worker has his/her own office, equipment, materials, or facilities
 - ☐ The worker has continuing and recurring liabilities
 - ☐ The worker has agreed to perform specific jobs for prices agreed upon in advance
 - ☐ The worker's services affect his/her own business reputation
- ☐ **LIMITED RIGHT TO DISCHARGE:** The worker cannot be fired so long as a result is produced which meets the contract specifications.
- ☐ **NO COMPENSATION FOR NON-COMPLETION:** The worker is responsible for the satisfactory completion of the job and is not entitled to compensation in case of non-completion.
- ☐ **NO INTERIM REPORTS:** The worker is hired for the final result, and therefore, the worker will be asked for progress or interim reports. (Note: Reports which are defined in the Independent Contractor Agreement as an expected final result of the agreement or which are required by state or federal law are part of the services contracted for and are not considered "interim" or "progress" reports.)

I, _____ (contractor's printed name), certify that all the statements as checked above are true and correct according to the best of my knowledge.

Signature: _____

ADDENDUM TO PROFESSIONAL SERVICES AGREEMENT

This addendum describes the services to be provided by Bay Area Community Resources (BACR) pursuant to the attached Professional Services Agreement (PSA) with Alameda Unified School District (AUSD).

1. Required Services

By entering into this PSA, BACR obligates itself to provide the following services:

BACR will coordinate after-school activities at Island High. Activities are to be provided for four hours each school day, to be scheduled by Island principal. Activities are to include support for after-school supervision, Cyber High testing, extra-credit contracts, leadership coaching and development, and such other activities as may be jointly agreed to by BACR and the Principal of Island High. Subject to the terms and conditions set forth in the PSA, AUSD will pay BACR a flat fee not to exceed \$22,500 in consideration for provision of the services set forth above.

2. Additional Conditional Services

By entering into this PSA, BACR agrees that it will provide the following services at AUSD's sole option in AUSD's sole discretion, subject to the availability of funds and continued AUSD interest in obtaining the services:

a. Tier 1 Services

BACR will coordinate school activities at Island High throughout the school day; from 9 am to 5 pm. Activities are to include support for campus supervision, Cyber High testing, extra-credit contracts, leadership coaching and development, and such other activities as may be jointly agreed to by BACR and the Principal of Island High. Subject to the terms and conditions set forth in the PSA, AUSD will pay BACR an additional conditional services fee not to exceed \$22,500 in consideration for provision of the additional conditional services set forth above.

b. Tier 2 Services

BACR will co-ordinate an after-school sports program at Island High. ASP Sports includes but is not limited to coordination of participation in Alternate Education Fall and Spring Sports leagues, practice for the sports, support for academic enrichment activities, and coordination of supervision of BACR staff and support. Subject to the terms and conditions set forth in the PSA, AUSD will pay BACR an additional conditional services fee not to exceed \$10,000 in consideration for provision of the additional conditional services set forth above.

BACR will co-ordinate after-school Food and Nutrition support at Island High. ASP Food and Nutrition programs will provide up to 50 meals daily to students after school to support student health, and student healthy eating while participating in other ASP activities. Subject to the terms and conditions set forth in the PSA, AUSD will pay BACR an additional