

**GENERAL, FISCAL AND OPERATIONAL
MEMORANDUM OF UNDERSTANDING
BETWEEN THE ALAMEDA UNIFIED SCHOOL DISTRICT
AND ACADEMY OF ALAMEDA, INC.
2019-2020**

This Memorandum of Understanding (“Agreement”) is executed between the Alameda Unified School District and Academy of Alameda, Inc., (hereafter referred to as “AOA”), a 501c (3) tax exempt non-profit public benefit corporation, that operates Academy of Alameda Charter Middle School and Academy of Alameda Elementary Charter School (collectively, the “Charter Schools”).

1. RECITALS

- 1.1. The Alameda Unified School District (hereinafter referred to as “District”) is a school district existing under the laws of the State of California.
- 1.2. AoA is a California non-profit public benefit corporation that operates the Charter Schools, two public charter school existing under the laws of the state of California and under supervisory oversight of Alameda Unified School District. AoA shall be responsible for and have all rights and benefits attributable to the Charter Schools, as further outlined herein. Where this Agreement obligates one or both Charter Schools to a particular course of action, AOA shall also be so obligated.
- 1.3. The District is the authorizing agency of the Charter Schools. This Agreement is intended to outline the agreement of AoA and the District governing their respective fiscal and administrative responsibilities, their legal relationships and operation of the Charter Schools.
- 1.4. If the terms of this Agreement conflict with the terms of the Charter documents (“Charters”), this Agreement will control the handling or resolution of the particular issue in question. In addition, if the Charters are silent on an issue addressed by this Agreement, this Agreement shall control.

2. AGREEMENTS

2.1. Terms

- 2.1.1. This Agreement will govern the relationship between the District and Charter Schools regarding the operation of the Charter Schools and the relationship of the District and Charter Schools.
- 2.1.2. Any modification of this Agreement must be in writing, executed by duly authorized representatives of both parties, ratified by the respective Boards, and must indicate intent to modify or amend this Agreement.
- 2.1.3. The duly authorized representative of Charter Schools is their Executive Director, or designee.
- 2.1.4. The duly authorized representative of the District is the Superintendent or any designee thereof. In order to ensure consistency in communications, all communication regarding any

aspect of the operation of the Charter Schools shall be initiated by the designated representative of Charter Schools with the Superintendent of the District, unless the Superintendent delegates this function to another officer of the District.

2.1.5. The term of this Agreement shall be one year, commencing effective July 1, 2019 and terminating June 30, 2020. This entire Agreement is subject to approval by the respective governing boards of the District and Charter School.

2.1.6. This Agreement shall terminate automatically upon closure of the Charter School for any reason, except as may be specified otherwise herein. "Closure" means that all legally required closure processes are completed.

2.2. Student Records

2.2.1. District shall provide, within ten (10) working days of the request of a Charter School, or sooner if required by applicable state or federal law, any cumulative file information regarding any student who previously attended District and who has enrolled in that Charter School, including but not limited to information regarding special education and related services. District recognizes the receiving Charter School as its authorized agent under the Family Education Rights and Privacy Act of 1974 (20 U.S.C.A. Section 1232g) ("FERPA") for the actions described in this subsection.

2.2.2. Charter Schools shall be responsible for ensuring that student data is entered into a District-approved student information system, including average daily attendance, enrollment, standardized and alternative assessment data, emergency contacts, race/ethnicity, age, address, parent/guardian, immunization, discipline/suspension/expulsion and other information as provided in the student system available to individual District school sites.

2.3. Legal Relationship

2.3.1. The Parties recognize that AoA is a separate legal entity that operates the Charter Schools under the supervisory oversight of the District.

2.3.2. Any complaints or concerns (including complaints filed with OCR, EEOC, or FEHA) received by the District about any aspect of the operation of a Charter School(s) or about that Charter School(s) shall be forwarded by the District to the Charter School and AoA. District may request that the Charter School(s) inform the District of how such concerns or complaints are being addressed, and Charter Schools shall provide such information. Each Charter School shall handle its own uniform complaints pursuant to a Uniform Complaint Procedure adopted in accordance with California Code of Regulations, Title 5, Section 4600 et seq.

2.4. Oversight Obligations

District oversight obligations include, but are not necessarily limited to:

2.4.1 Review and revision of this Agreement and any subsequent agreements to clarify and interpret the Charters and amendments to the Charters and the relationship between the Charter Schools and the District.

- 2.4.2 Charter Schools shall promptly respond to all reasonable inquiries of the District, including, but not limited to inquiries regarding its financial records.
- 2.4.3 Any process conducted in compliance with Education Code Section 47607 related to the issuance of a notice to remedy or other corrective notice related to one or both Charter School's operations, including document request, hearings, notices, and investigations, and monitoring efforts to remedy operational problems identified by the District.
- 2.4.3 For purposes of fiscal oversight and monitoring by the District, Charter Schools shall provide the District with a copy of the following documents, data and reports, in the form and at the times specified.

2.5. Student Data

For purposes of fiscal oversight and monitoring by the District, Charter Schools shall provide the District with a copy of the following documents, data and reports, in the form and at the times specified.

2.5.1. The Charter Schools shall submit student enrollment projections to the District by May 1 of the preceding school year each year. During the school year, monthly enrollment and ADA reports with respect to the Charter School shall be provided to the District. Charter Schools shall annually provide the District a list of names and addresses of students enrolled along with the school district of residence of each respective student no later than September 1 of each year.

2.5.2. Charter Schools shall maintain contemporaneous written records of enrollment and ADA and make these records available to the District for inspection and audit upon request. Charter Schools shall provide copies of the P-1, P-2, and annual state attendance reports to the District by January 6, April 20, and June 20, respectively, each year. Copies of amended state attendance reports, if any, shall be provided to the District within 3 weeks of discovery of the need for making such an amendment. In addition, the Charter Schools shall provide all necessary information required to be submitted to the California Longitudinal Pupil Achievement Data System (CALPADS) by no later than October 31 of each year, including the R-30 Report. Such reports must be generated using the required Standardized Account Code Structure (SACS) and Attendance Reporting software. Charter Schools shall ensure that coding of student information conforms to District student information system requirements.

2.5.3. Each Charter School's student discipline policies shall be provided to the District annually, by September 1 of each year, and as updated.

2.6. Personnel Data/Credential Data

Actual staffing data shall be provided to the District on an annual basis and prior to commencement of each school year. Teacher credentials, clearances, and permits shall be maintained on file at the Charter Schools and shall be subject to periodic inspection by the District. Copies of credentials and a list of teaching/class assignments for each teacher shall be provided to the District by the Charter School at the commencement of each school year and no later than September 15, and whenever any changes in credentials or assignments occur during the school year, along with written verification by the Charter Schools that credentialing requirements imposed on the Charter

School under NCLB have been met. Charter Schools shall also provide to the District at the commencement of each school year and no later than September 15, all available information to demonstrate compliance with Education Code Section 44237 for Charter Schools' employees.

2.7. Budget/Financial Data

2.7.1. Budget Data

A preliminary budget shall be provided to the District and the Alameda County Superintendent of Schools for review at least ten days prior to the Charter School(s) Board meeting at which the budget is to be approved. All key budget variables, including revenue, expenditures, debt, beginning and ending balance variables shall be defined, and the budget shall be accompanied by summary certificated and classified employee salary data, and health benefit plans and policies as supporting documents.

A copy of the adopted budget shall be provided to the District by no later than June 25 of each year. Copies of budget revisions shall be provided to the District within two weeks of revision, upon approval by the Charter Schools' Boards of Directors.

A copy of any revisions to Charter Schools' budget guidelines, policies, and internal controls shall be provided to the District within four weeks of adoption of revisions, and then, followed by annual updates.

2.7.2. Cash Flow Data

District shall be notified at least three weeks in advance of Board of Directors action to incur short- or long-term debt on behalf of a Charter School(s), and financing documents shall be made available for District review upon request.

2.7.3. Financial Data

Bank account reconciliations for each Charter School will be the responsibility of the Charter School.

The First Interim Financial Report shall be provided to the District and the Alameda County Superintendent of Schools by December 1 of each year, and shall reflect changes through October 31; the Second Interim Financial Report shall be provided to the District by March 1 of each year, and shall reflect changes through January 31.

The Unaudited Actuals Financial Report shall be provided to the District and the Alameda County Superintendent of Schools by September 5 of each year.

Charter Schools are required to provide the District with reasonable written assurances that demonstrate fiscal responsibility and planning in each financial decision over \$50,000, including entering into contracts and loans, within ten (10) days of entering into such financial commitments.

2.7.4. Financial Audit

Each Charter School shall provide a copy of that Charter School's Audited Financial Report to the District, the Alameda County Superintendent of Schools, the State Controller, and the California Department of Education by December 15 of each year. Audit exceptions or deficiencies identified in the audit report shall be addressed by the Charter School through the development of a remediation plan outlining how and when they will be resolved, subject to District approval. The remediation plan will be provided to the District by January 15 of each year or within 4 weeks following the finalization of the Audited Financial Report, whichever is later. Failure to obtain an approved remediation plan will be considered fiscal mismanagement within the meaning of Education Code Section 47607(c) (3).

2.8. Payment of Fees and Charges

On a quarterly basis, District shall bill Charter Schools for the fees and charges set forth in the Alternative Facilities Use Agreement in force between the parties. Charter Schools shall pay the invoice within 45 days of receipt.

2.9. Governance Data Meeting Information

Copies of meeting agendas for meetings of the AOA and Charter School(s) Board of Directors shall be posted to the Charter Schools' facility and website at the time they are distributed to the public pursuant to the Brown Act. Copies of meeting minutes shall be posted at the facility and to the Charter Schools' website within 5 days after their approval by the governing board. Charter School shall provide the District with notice of all meetings by providing copies of agendas at the same time the agenda is posted and will provide copies of minutes to the District from each meeting upon approval of same.

The Charter School shall annually (on or before July 1 of each year) send to the District a list of its directors and officers, and shall notify the District within 30 days of any change in the composition of these directors and officers.

2.10. Personnel Policies

A copy of AoA and each Charter School's personnel and payroll policies shall be provided by September 1.

2.11. Risk Management Data

Copies of all policies of insurance and memoranda of coverage shall be provided by AoA to the District annually by no later than two weeks prior to the commencement of school.

A copy of the Charter Schools' Health and Safety Plans shall be provided to the District at least annually no later than two weeks prior to the commencement of school.

2.12. Programmatic/Performance Audit

Each Charter School will prepare an annual performance report and shall provide all information necessary to demonstrate that the Charter School is pursuing adequately and/or meeting the applicable accountability standards defined by the State of California. The report shall also

include: an analysis of whether student performance is meeting the goals specified in the Charter, using data displayed on a school-wise basis and disaggregated by major racial and ethnic categories to the extent feasible without compromising student confidentiality; an overview of the Charter School's admissions practices during the year and data regarding the number of students enrolled and the number on waiting lists; analysis of the effectiveness of the Charter Schools' internal and external dispute mechanisms and data on the number and resolution of disputes and complaints. The performance audit shall be provided to the District by December 31 of each year.

2.13. Instructional Materials

Charter Schools shall provide a list of core instructional materials by grade and content annually, no later than two weeks prior to the commencement of each school year.

2.14. Other

2.14.1. Charter Schools shall provide such other documents, data and reports as may be reasonably requested or required by the District or the Alameda County Office of Education.

2.14.1.1. Data required to be submitted pursuant to this Section shall be submitted in electronic form if requested by the District.

2.14.1.2. Charter Schools shall comply with Generally Accepted Accounting Principles (GAAP) applicable to public school finance and fiscal management. In keeping with GAAP, each Charter School must maintain a minimum reserve for economic uncertainties (designated fund balance) of at least 3% of year-end expenditures of the Charter Schools.

2.15 Other Services to be provided to Charter School

At the option of the Charter Schools, the District agrees to negotiate to provide Other Services in addition to the Administrative Services and Oversight Obligations set forth herein. The Parties agree that these Other Services will be billed at rates and at times to be determined through negotiations.

2.16 Legal Counsel

The Charter Schools shall retain the right to use their own legal counsel and will be responsible for procuring such counsel and associated costs.'

2.17 Enrollment of Expelled Students

Neither the Charter Schools nor the District shall be obligated to accept enrollment of any student who has been expelled from the other entity during the term of the expulsion except as may be required by federal or state law.

2.18 Provision of Documents

With all Parties understanding that some state, federal, and county documents directed toward one party may be mailed to the other party, the Parties agree to pass on such documents and forms to the addressed recipient in a timely manner so it may complete its legal obligations. The Charter Schools have full responsibility for the forms and documents they receive directly and those which are accessible on the internet on their own.

2.19 Non-Assignment

No party shall assign its rights, duties or privileges under this Agreement, nor shall either party attempt to confer any of its rights, duties or privileges under this Agreement on any third party, without the written consent of the other party. The replacement of AoA with any other nonprofit corporation or other operating body or governance structure shall be treated as a material revision of the Charter(s), subject to the review and approval of the District pursuant to applicable provisions of the Education Code.

2.20 Severability

If any provision or any part of this Agreement is for any reason held to be invalid or unenforceable or contrary to public policy, law, or statute and/or ordinance, the remainder of this Agreement shall not be affected thereby and shall remain valid and fully enforceable.

2.21 Reimbursement of Mandated Costs

Charter Schools shall seek reimbursements of its mandated costs, if any, directly from the State.

2.22 Dispute Resolution

All disputes regarding this Agreement shall be resolved in accordance with the dispute resolution provision included in the Charters, provided, however, that disputes related to revocation of the Charters or acts or omissions of the Charter School(s) that constitute grounds for revocation of the Charter(s) shall be handled pursuant to Education Code Section 47607.

2.23 Enforcement of Agreement

It is understood and agreed that any material violation of the Agreement is subject to the provisions of Education Code Section 47607(c), and the terms of the Agreement may be enforced by civil action. If any action is necessary to enforce or interpret the terms of this Agreement, the prevailing party or parties (as determined by the Court) in such action shall be entitled to its/his/her reasonable attorneys' fees and costs, including court costs and expert fees, whether or not such proceeding is prosecuted to judgment.

For: Alameda Unified School District

For: Academy of Alameda, Inc.

Shariq Khan, Chief Business Officer

Matt Huxley, Executive Director

Dated: _____

Dated: _____

Approved and ratified this _____ day of _____, 2019 by the AoA Board by the following vote:

AYES: _____

NOES: _____

ABSTAINS: _____

Certification by the AoA Executive Director:

Approved and ratified this _____ day of June, 2019 by the Board of Trustees of the Alameda Unified School District by the following vote:

AYES: _____

NOES: _____

ABSTAINS: _____

Mialisa Bonta, President, AUSD Governing Board

Certified by:

Sean McPhetridge, Secretary, Board of Trustees