

MEMORANDUM OF UNDERSTANDING
by and between
PLEASANT VALLEY SCHOOL DISTRICT BOARD OF EDUCATION
and
PEAK PREP PLEASANT VALLEY CHARTER SCHOOL

This Memorandum of Understanding, hereinafter referred to as the “Agreement”, is executed between the Pleasant Valley School District Board of Education and the Peak Prep Pleasant Valley Charter School, a California nonprofit public benefit corporation.

RECITALS:

- A. The Pleasant Valley School District Board of Education, hereinafter referred to as “PVBOE” is the Governing Board of the Pleasant Valley School District, a School District existing under the laws of the State of California. The actual performance of duties outlined in this agreement will be carried out on behalf of the PVBOE by Pleasant Valley School District staff and is hereinafter referred to as “PVSD.”
- B. Peak Prep Pleasant Valley Charter School, hereinafter referred to as “Charter School,” is a California, non-profit public benefit corporation (Secretary of State File Number 4290874) whose charter was granted by the PVBOE on April 25, 2019 for a three (3) year term, and that will operate a public TK-12 online charter school, existing under the laws of the State of California and under the supervisory oversight of the PVBOE.
- C. The PVBOE is the chartering authority of the Charter School operated by the Peak Prep Pleasant Valley Charter School. This Agreement is intended to outline the agreement of the Charter School and the PVBOE governing their respective fiscal and administrative responsibilities and their legal relationships, as well as the operation of the Charter School.
- D. Written modifications of this Agreement may be made by mutual agreement as set forth below.
- E. There shall be, at all times, an operative MOU between the Charter School and the PVBOE. The PVBOE and the Charter School agree that for the purposes of this MOU and any other MOU between the PVBOE and the Charter School, “shall” and “may” will have the meanings provided by Education Code Section 75.

F. The Charter School agrees that enrollment in the Charter School shall be open to all students as provided by Education Code Section 220, as this section may be amended during the three-year term of the charter school, regardless of actual or perceived disability, gender, gender identity, gender expression, nationality, race or ethnicity, religion, sexual orientation, or any other characteristic that is contained in the definition of hate crimes set forth in Section 422.55 of the Penal Code, including immigration status, in any program or activity conducted by an educational institution that receives, or benefits from, state financial assistance, or enrolls pupils who receive state student financial aid and that all such provisions of non-discrimination shall also apply to all employment by the Charter School.

G. Per Education Code Section 47605:

“(B) If the number of pupils who wish to attend the charter school exceeds the charter school’s capacity, attendance, except for existing pupils of the charter school, shall be determined by a public random drawing. Preference shall be extended to pupils currently attending the charter school and pupils who reside in the school district except as provided for in Section 47614.5. Preferences, including, but not limited to, siblings of pupils admitted or attending the charter school and children of the charter school’s teachers, staff, and founders identified in the initial charter, may also be permitted by the chartering authority on an individual charter school basis. Priority order for any preference shall be determined in the charter petition in accordance with all of the following:

(i) Each type of preference shall be approved by the chartering authority at a public hearing.

(ii) Preferences shall be consistent with federal law, the California Constitution, and Education Code Sections 200 and 47605.

(iii) Preferences shall not result in limiting enrollment access for pupils with disabilities, academically low-achieving pupils, English learners, neglected or delinquent pupils, homeless pupils, or pupils who are economically disadvantaged, as determined by eligibility for any free or reduced-price meal program, foster youth, or pupils based on nationality, race, ethnicity, or sexual orientation.

(iv) In accordance with Section 49011, preferences shall not require mandatory parental volunteer hours as a criterion for admission or continued enrollment.

- H. The Charter School, its California nonprofit corporation, its officers, board members, employees and volunteers, shall operate and provide the school services pursuant to this MOU and the Charter as a wholly independent entity. The Charter School and PVSD shall not in any way or for any purpose become or be deemed to be agents, partners, joint ventures, or a joint enterprise. PVSD shall not be liable for the debts or obligations of the Charter School, or for claims arising from the performance of acts, errors, or omissions by the Charter School.

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

AGREEMENTS:

I. TERMS AND RENEWAL

- A. This Agreement shall commence on the date upon which it is fully executed by all parties and shall cover the three (3) year term of the charter of April 25, 2019 through June 30, 2022. The Agreement is subject to termination during the term as specified by law or as otherwise set forth in the Agreement.
- B. Any modifications of this Agreement must be in writing and executed by the duly authorized representatives of both parties specifically indicating the intent of the parties to modify this Agreement.
 - 1. The duly authorized representatives of the Charter School are the Officers and the President of the Board of Directors or designee.
 - 2. The duly authorized representatives of the PVBOE are the Pleasant Valley Board of Education and PVSD Superintendent of Schools.
 - 3. This Agreement is for the term of the charter, shall be reviewed annually, and may be amended at any time with mutual agreement. The approved Agreement continues in existence as long as the Charter School is operational, but automatically expires if the

Charter School becomes non-operational for any reason, including through non-renewal, and/or revocation. In the event the Charter School becomes non-operational for any reason, the Charter School's obligation to follow the closure procedures pursuant to Education Code Section 47605(b)(5)(O) and Title 5, California Code of Regulations Section 11962, shall survive the revocation, expiration, or termination of this MOU.

4. The PVBOE reserves the right of approving amendments and/or revoking the charter as specified in Education Code Section 47607.

C. The Charter School agrees to abide by all regulations outlined in the PVBOE's Board Policy and Administrative Regulation 0420.4 that apply and any subsequent modifications thereto. The PVBOE may elect to waive one or more items in the Administrative Regulation 0420.4 if necessary and mutually agreed upon with the Charter School. The following exceptions to 0420.4 have been acknowledged by both parties:

1. The Charter School shall become a member of the Ventura Special Education Local Plan Area (SELPA) as soon as possible. As stated at page 39 of the April 12, 2019 Peak Prep Pleasant Valley charter petition:

"The Charter School shall seek local educational agency ('LEA') status and membership in a special education local plan area ('SELPA') in accordance with Education Code Section 47641(a). As an LEA, the Charter School shall be solely responsible for IDEIA and State special education law compliance, including but not limited to child find; identification and referral; assessment, arranging IEP meetings; IEP development, and implementation interim placement; placement off campus as required by IEP; and defense or prosecution of complaints in accordance with policies and procedures of the SELPA in which the Charter School is a member."

2. PVSD Administrative Regulation 0420.4 requires the PVBOE to be the agent for disposition of the assets of the Charter School upon closure. By law, upon dissolution of a nonprofit public benefit corporation, assets must be disbursed to another nonprofit public benefit corporation or a governmental agency. As part of its

oversight responsibility and in compliance with Education Code Section 47605 and Title 5, California Code of Regulations Section 11962, PVSD shall have approval authority over any and all plans of the Charter School for the disposition of all of the Charter School's assets acquired and/or maintained by public education funds, including but not limited to: real property, furniture and equipment and student records.

3. PVSD Administrative Regulation 0420.4 requires compliance by the Charter School with the conflict of interest provisions of the Government Code, particularly Section 1090. The Charter School agrees to comply with Section 1090, and that Section 1090 applies to charter school officers and employees in the same manner as it applies to school district officers and employees. The PVBOE and the Charter School acknowledge and agree that on March 5, 2019, Governor Gavin Newsom signed Senate Bill 126, which requires charter schools to comply with the same public records, open meeting, and conflict of interest laws as school districts. Therefore, the Charter School agrees that it is required by existing laws to comply with the Brown Act, the California Public Records Act, and that Charter School governing board members must comply with Government Code Section 1090 and the Political Reform Act.

4. The Charter School understands and agrees that in the event of any inconsistency between the Charter and this MOU, the provisions of this MOU shall at all times govern.

The Charter School may submit a request for renewal of its Charter between October 1, 2021 and January 31, 2022, unless otherwise agreed with PVSD, which timing the parties agree will provide adequate information regarding the Charter School's performance during the current term, specifically including increases in pupil academic achievement, while also providing adequate time for the consideration of and action on the renewal request. In no event shall the Charter School submit its request for renewal of its Charter at any time prior to the fiscal year in which the Charter's current term expires unless the Superintendent or designee explicitly agrees to such early submission due to unusual circumstances. The Charter School understands and agrees that only after all renewal documentation, specifically including formal documentation of compliance with the

applicable academic performance requirements (from a source such as CDE, and not created internally by the Charter School) and the documents specified below, has been submitted to PVSD, receipt of the Charter renewal will be placed on the next regular or special PVBOE meeting agenda for which meeting the agenda deadline has not passed, and such receipt by the PVBOE shall commence the Education Code's timelines for action on the renewal request. Charter School further acknowledges that PVBOE deadlines are generally at least three weeks prior to the Board meeting, and understands that receipt of the renewal request will be placed on a Board agenda in accordance with PVSD's normal agenda deadline requirements, and the Charter School may obtain specific agenda deadline information from the Superintendent or designee prior to submittal.

Any Charter School renewal request shall include all of the following materials:

1. At least 12 hard copies (in notebooks or otherwise bound) of the entire renewal Charter, with the entire document (including any appendices, exhibits, or attachments) sequentially numbered from the first through the last page (including any appendices, exhibits, or attachments), and also including a table of contents which includes references to all appendices/exhibits/attachments;
2. A redline comparing the renewal Charter to the 2019 Charter as granted shall be included in each notebook;
3. An electronic (Word) version of both the clean and redline versions of the renewal Charter;
4. An electronic (PDF) version of both the clean and redline versions of the renewal charter.
5. All renewal charter petition budget, cashflow, and financial projections in Excel format.

The renewal process shall be governed by the provisions of Education Code Section 47607 or the provisions of law that may supersede, modify, amend, or succeed that provision. Each renewal of the Charter shall be for five years or for the time period specified by law applicable at the time of the renewal.

The Charter School is encouraged to consult with PVSD regarding submittal of a draft of the renewal request prior to the formal submittal of any renewal request in order to provide additional time for PVSD review and comment, and for the parties to work cooperatively on any outstanding issues concerning the Charter School's operations or the Charter document. Any review of or comment on the proposed renewal Charter prior to the Charter School's formal submittal will be at PVSD's sole discretion.

The PVBOE delegates to the Superintendent or designee and the Charter School Board delegates to the Head of School or designee authority to waive or extend the timelines in this MOU, or in the Charter, for consideration or action on renewal of the Charter.

II. DESIGNATION OF SCHOOL

- A. The Head of School of the Charter School and the Board of Directors of the Charter School's California nonprofit corporation shall be responsible for all functions of the Charter School subject to the terms and conditions set forth in this Agreement and its charter. The Charter School shall at all times provide PVSD with the identities and telephone and email contact information for all members of the Charter School's Board of Directors, and shall notify the District immediately of all vacancies and changes in membership of the Charter School's Board of Directors.
- B. Grade Levels: It is recognized that the Charter School will serve grades Transitional Kindergarten through grade 12.
- C. The Charter School's educational program and grade level offerings shall at all times be in compliance with the Charter School's petition.
- D. As the Charter School provides a Non-Classroom Based Program, the Charter School shall adopt Independent Study board policies and comply with all legal requirements of Independent Study, pursuant to Education Code Sections 51745 – 51749.6 and all relevant California Code of Regulations sections. All Average Daily Attendance for the Charter School's Non-Classroom Based Instruction shall be determined in compliance with Education Code Section 47634.2 and Title 5, California Code of Regulations Section 11963.2.

- E. The Charter School shall implement and maintain in operation at all times an appropriate audit trail for independent study clearly tracing each student's work evaluated for credit and attendance in compliance with all California Department of Education guidance.
- F. The student to teacher ratio for Non-Classroom Based Study shall be determined pursuant to Education Code Section 51745.6 and CCR Title 5 Section 11704.
- G. The Charter School agrees that it will not allow students to bank advance work in order to obtain attendance credit for independent study.
- H. All of the Charter School's student files shall at all times contain appropriate and clear documentation of completion of the course of study, passing of proficiency exams, completion of credits and graduation date.
- I. The Charter School shall at all times comply with the terms and requirements of the free schools guarantee of the California Constitution, Article IX, Section 5, Education Code Section 49010-49013, Government Code Section 905, and California Code of Regulations, Title 5, Section 350, in all aspects of the Charter School program. Under no circumstances shall any student be adversely impacted, in any manner, in admission, registration, offers of course credit or educational activities for financial reasons, including without limitation a failure to make a financial contribution of any kind or for failure to make donations of goods or services, including in-kind or volunteer services, to the Charter School, nor shall any course credit or privileges related to Charter School education activities be provided in exchange for money or donations of goods or services, including in-kind and/or volunteer services. Any complaints alleging unlawful pupil fees shall be processed by the Charter School in accordance with Education Code Section 49013 and the Uniform Complaint Procedures as set forth in Chapter 5.1 commencing with Section 4600 of Division 1 of Title 5 of the California Code of Regulations.

III. FUNDING

- A. To the extent that the Charter School is required to submit records or information to PVSD under Education Code Section 47604.33 in order to confirm the Charter School's funding, all such records must be prepared by or for the Charter School in conformance with PVSD procedures and software requirements.

- B. Charter School acknowledges and agrees that it must comply with all applicable laws and regulations related to AB 97 (Local Control Funding Formula), as they may be amended from time to time, which include the requirement that Charter School submit a Local Control and Accountability Plan (LCAP) to PVSD Superintendent of Schools and to the Ventura County Superintendent of Schools on or before July 1 of each year. In accordance with California Education Code Sections 47604.33 and 47606.5, Charter School shall annually update its goals and annual actions to achieve those goals identified in the Charter pursuant to Education Code Section 47605(b)(5)(A)(ii), using the most current Local Control and Accountability Plan template adopted by the State Board of Education. Charter School shall submit its annual update to the Charter Schools Division on or before July 1 of each applicable year, beginning in 2020. Charter School shall comply with all requirements of Education Code Section 47606.5, including but not limited to the requirement that Charter School “shall consult with teachers, principals, administrators, other school personnel, parents, and pupils in developing the annual update.”

Charter School shall extend its uniform complaint procedure to complaints pursuant to the local control funding formula. (Cal. Education Code Section 52075).

Local Control and Accountability Plan - In accordance with California Education Code Sections 47604.33 and 47606.5, Charter School shall include in its annual update a “listing and description of the expenditures for the fiscal year implementing the specific actions included in the charter as a result of the reviews and assessment required by paragraph (1)” of Education Code Section 47606.5(a). These expenditures shall be “classified using the California School Accounting Manual pursuant to Section 41010.” Education Code Section 47606.5(b)

- C. In addition to the Local Control Funding Formula (LCFF), the parties recognize the authority of the Charter School to pursue additional sources of funding.

1. The PVBOE has no obligation to apply for additional sources of funding for the Charter School. However, if the PVBOE applies for additional sources of funding for the Charter School in the form of grants and/or categorical funding at the request of and for the benefit of the Charter School through PVSD, PVSD will receive an amount equal to 1% of such funds to be allocated to the Charter

School as an administrative charge, or as otherwise required by the specific grant or by law. Funds may be allocated to the Charter School on a prorated basis related to the formula which generates the funds. For example, if funds are generated on a per eligible student basis, funds may be allocated to the Charter School on a per eligible student basis minus the administration fee charged by PVSD. Consequently, the 1% administrative charge due to PVSD will be paid from the Charter School's unrestricted funds.

2. The Charter School shall cooperate fully with the PVBOE and PVSD in any application made by PVSD on behalf of the students of the Charter School.
3. The Charter School agrees to comply with all laws and regulations related to expenditures and receipt of such funds.
4. The Charter School will receive funding from the State directly. All external income, loans or any form of borrowing received by the Charter School shall be accounted for in the Charter School's financial records upon receipt. The Charter School will be entitled to the Local Control Funding Formula revenues per ADA. Any and all funding shortfalls will be the responsibility of the Charter School; however, any debt issuance by or on behalf of the Charter School must immediately be reported to PVSD staff assigned for fiscal review and monitoring, including financial details, copies of all loan or assignment documents, and conditions of all such debt.

The Charter School is solely responsible for collecting the funding entitlement generated from in lieu of property taxes directly from its sponsoring local educational agency and/or the district(s) in which the student(s) attending the Charter School reside, and for providing sufficient support documentation to such entity(ies) to ensure the accuracy of the tax billing.

5. It is anticipated that the Charter School may be entitled to funding from formula-based categorical or restricted-use funding programs, including Special Education, Lottery Instructional Materials, and a variety of state and federal application-based programs, as well as various grant opportunities. Except as otherwise noted in this agreement, it shall be the sole responsibility of the Charter School

to apply for all such funding which is beyond the basic statutory entitlement. Charter School agrees to comply with all laws and regulations related to expenditures and receipt of such funds and with all provisions of the FCMAT California Charter School Accounting and Best Practices Manual.

- D. The Charter School agrees that all revenue obtained from PVSD shall only be used for the provision of educational services for school age students enrolled in and attending the Charter School and shall not at any time be used for the Charter School's debt service or for any purposes other than those set forth in the approved Charter, any authorized amendments, and this agreement.
- E. The Charter School agrees to indemnify and hold harmless the PVBOE and PVSD for all claims, causes of action, funds owed, or other actions taken by the State or any other third parties as a result of any ADA disputes and any issues brought forward in an independent auditor's report.

IV. LEGAL RELATIONSHIP

- A. The Parties recognize that the Charter School is a separate legal entity. The Charter School shall be operated as a non-profit public benefit corporation under Education Code Section 47604. Charter School shall annually provide PVSD by June 1 of each year with evidence that the Charter School is an active California Nonprofit Public Benefit Corporation.
- B. The Charter School shall be solely responsible for all costs and expenses related to the Charter and its operation, including, but not limited to, costs of insurance, reserves, staff and operations.
- C. The PVBOE acknowledges that the Charter School will operate as a non-profit entity and at all times will provide the District with copies of its current corporate bylaws along with a summary of the Charter School's governance structure. The Charter School agrees to include a PVBOE representative appointed by the PVBOE as a member of the Charter School Board of Directors if so desired by the PVBOE. This representative may be a member of the PVBOE or a designee. The Charter School will adopt bylaws and will be fully organized by September 1, 2019. All members of the Charter School's Board of Directors will file all applicable Fair Political Practice Commission conflict of interest forms by the required date. Charter School shall by September 1, 2019 provide PVSD with

copies of its nonprofit's Articles of Incorporation as filed with the California Secretary of State and copies of its nonprofit's signed Bylaws as adopted.

- D. The Parties agree and understand that employees of the Charter School are not employees of PVSD, and that the Charter School shall be "deemed the exclusive public employer of the employees of the charter school for purposes of Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code." (Education Code Section 47605(b)(6).)
- E. Any complaints/concerns received by the PVBOE or PVSD about any aspect of the operation of the Charter School or about the Charter School shall be forwarded by PVSD to the Charter School. To the extent that such concerns/complaints may involve issues related to possible revocation or non-renewal of the charter, the Charter School shall inform the PVBOE in writing of how such concerns/complaints were addressed. The Charter School agrees to provide all such information. Nothing herein shall be interpreted to modify the authority of PVBOE to investigate and monitor operations of the Charter School when PVBOE receives parental complaints or other information as required by Education Code Section 47604.32.
- F. The parties agree that for all legal actions filed the appropriate venue is Ventura County, California.
- G. The Charter School shall notify PVSD of any pending litigation or legal action taken by any party against the Charter School, its Board of Directors, or any employee of the Charter School, including any Special Education complaint, or due process hearing within ten (10) calendar days of the Charter School's receiving said notice.

V. FISCAL RELATIONSHIP

- A. It is understood between PVSD and the Charter School that the Charter School shall be responsible for all of its own fiscal services such as payroll, purchase orders, attendance reporting and state budget forms. In the event that the Charter School utilizes the services of a management company as part of its structure, all financial records of the back office or management company and the Charter School's contract with the back office or management company must be made available for review by PVSD at any time within five (5) calendar days of PVSD's written request. Charter School's contracts with any such back office or management company

shall at all times comply with Education Code Section 47604 as operative July 1, 2019.

- B. Average Daily Attendance: The Charter School shall employ an attendance accounting process that is approved by the Pleasant Valley School District (PVSD). The attendance accounting process shall additionally be approved by the State of California using the same requirements that exist for all other TK-12 public schools. Approvals shall be in writing prior to the Charter School's first day of operation and any change to the Charter School's attendance accounting process shall be approved by PVSD in advance of the change.

The Charter School will be responsible for its daily and monthly attendance accounting. Charter School will submit the attendance reports in accordance with PVSD format and State law and regulations to PVSD's attendance officer in a timely manner and in a manner that is consistent with PVSD's process and software. For independent study operations, the Charter School shall track such information pursuant to Education Code Section 51747.5(b) using forms as suggested by the California Independent Study Operations Manual or as provided by PVSD. All such attendance accounting shall be included in the annual independent audit of the Charter School.

The Charter School shall make available for PVSD review and audit all supporting enrollment and attendance documents, including approved weekly site-based attendance sheets, and evidence of contact made with parents or guardians when students are absent from school, e.g. parent contact logs, absence notes, phone logs, etc., within five (5) calendar days of PVSD's written request.

- C. Annual Audit: Charter School shall not be part of PVSD's annual fiscal auditing process. Charter School shall be responsible at its own expense for having an annual independent fiscal audit done of the Charter School and of its California nonprofit corporation in accordance with Education Code Section 47605(l) and with all applicable laws and in accordance with Section VII of the charter. The Charter School's annual audit shall employ generally accepted accounting principles and shall specifically identify all loans, audit exceptions and deficiencies.
- D. Charter School agrees that it shall establish a fiscal plan for repayment of any loans received by Charter School and provide all such fiscal plans to

PVSD in advance of receipt of such loans. It is agreed that loans sought by Charter School shall be authorized in advance by Charter School Board and shall be the sole responsibility of Charter School and neither the PVBOE nor PVSD shall have any obligation for repayment.

- E. PVSD shall not advance any funds to Charter School. PVSD shall not provide a line of credit for Charter School.
- F. The Charter School shall at all times maintain a minimum financial reserves in accordance with the Economic Uncertainty Reserve Requirements determined by the CDE and published in the Criteria & Standards Report, with a written plan submitted to PVSD to remedy the Charter School's reserve deficient if the Charter School's reserves fall below the required amounts.
- G. It is recognized that either party may apply for private/grant funding. Any application that includes the other shall be approved in advance by both parties.

VI. FISCAL CONTROLS

Charter School shall adopt the FCMAT California Charter School Accounting and Best Practices Manual as the Charter School's Accounting Manual. The Charter School shall meet generally accepted accounting principles and shall adopt policies to ensure the Charter School's funds are used to most effectively support the school's mission and to ensure that funds are budgeted, accounted for, expended and maintained in an appropriate fashion. Such policies will include, but not be limited to, principles that ensure that: (1) expenditures are authorized in accordance with amounts specified in the Board adopted budget; (2) the School's funds are managed and held in a manner that provide a high degree of protection of the School's assets; and (3) all transactions are recorded and documented in an appropriate manner that allows reporting to the State as required by PVSD and the California Department of Education.

All financial reporting shall be performed using the State of California Standardized Account Code Structure (SACS) and attendance reporting forms including State adopted criteria and standards, annual budget, interim reports, and multi-year projections, all of which shall conform to the timelines required of K-8 school districts.

The budget structure used by the Charter School shall at all times be based on, and in the format applicable to, standard California public schools, clearly separating costs for certificated and classified staff, and shall separate budgets for instructional and non-instructional staff.

The Charter School shall develop and monitor its budget in accordance with the annual budget development and monitoring calendar to be developed by the Charter School and provided to PVSD. All required annual reports under Education Code Section 47604.33 shall be forwarded to PVSD on or before all statutory due dates.

- A. Segregation of Duties: In compliance with the FCMAT California Charter School Accounting and Best Practices Manual, the Charter School will develop and maintain simple check requests and purchase order forms to document the authorization of all non-- budgeted expenditures. All proposed expenditures must be approved by the Charter School's Head of School who will review the proposed expenditure to determine whether it is consistent with the Charter School's Board-adopted budget and sign the check request form. All transactions will be posted in the Charter School's financial system. The transactions will be posted by a Charter School employee or a contracted bookkeeper. To ensure segregation of record recording and authorization, the contracted bookkeeper may not co-sign check requests or purchase orders.

- B. Banking Arrangements: The Charter School will maintain an account with the Ventura County Treasurer as soon as such an account is available by the County. The Charter School may also maintain an account at a federally insured commercial bank or credit union. In compliance with the FCMAT California Charter School Accounting and Best Practices Manual, the Charter School's bookkeeper will reconcile the School's ledger(s) with its accounts 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 Charter School's Chief Financial Officer (CFO), PVSD and the Charter School's Board will review these statements monthly. The Charter School will deposit all funds received as soon as practical upon receipt. A revolving cash fund may be established with an appropriate ledger reconciled monthly by the school secretary or designated person. In no case will the person approving the revolving expenditures be the same person reconciling the account. These internal controls are intended to reduce the Charter School's exposure to

fraudulent activities. In accordance with Education Code Section 42821, the revolving cash fund shall not exceed \$1,000.

If the Charter School contemplates incurring debt, including loans from any source or from the California State Treasury, the Charter School's Governing Board shall approve all such loans and a plan for repayment and notify PVBOE in a timely manner prior to applying for such loans.

- C. Purchasing Procedures: In compliance with the FCMAT California Charter School Accounting and Best Practices Manual, all of the Charter School's purchases over \$25,000 must include documentation of a good faith effort to secure the lowest possible cost for comparable goods or services. The Head of School shall not approve purchase orders or check requests without such documentation. Documentation shall be attached to all check and purchase order requests showing that at least (3) vendors were contacted and all such documentation shall be maintained for (3) years. All purchases in excess of \$25,000.00 must have dual signatures by a Charter School Board member and an officer of the Charter School's nonprofit corporation.

- D. Property Inventory: The Director of Operations shall establish and maintain an inventory of all non-consumable goods and equipment over \$500.00. This inventory shall include the original purchase price and date, a brief description, serial numbers whenever available and other information appropriate for documenting the Charter School's assets. Property will be inventoried on an annual basis and lists of any missing property or other dispositions shall be presented to the Charter School's Board of Directors and to the PVBOE.

- E. Payroll Service: In compliance with the FCMAT California Charter School Accounting and Best Practices Manual, the Charter School will use a payroll system to prepare payroll checks, tax and retirement withholdings, tax statements and to perform other payroll support functions. The Head of School and PVSD will review payroll statements monthly to ensure that (1) the salaries are consistent with staff contracts and personnel policies, and (2) the correct tax, retirement, disability, and the withholding have been deducted and forwarded to the appropriated authority. All staff expense reimbursements will be by checks separate from payroll checks. Upon hiring of staff, a personnel file will be established containing all appropriate payroll-

related documentation including TB Test Verification, a federal I-9 form, tax withholding forms, retirement date and use of sick leave.

- F. Attendance Accounting: The Charter School's Head of School will establish and maintain an appropriate California State approved attendance accounting system to record the number of days students are actually in attendance at the Charter School and engaged in activities required of them by the Charter School. The Charter School's annual audit will review actual attendance accounting records and practices to ensure compliance. The Charter School's attendance accounting practices will be in conformance with the Charter School Act and the California Code of Regulations sections defining Charter School average daily attendance.
- G. Annual Financial Audit: The Charter School agrees to at all times use the same accounting firm PVSD employs for the Charter School's annual financial audit.
- H. Insurance: The Charter School shall purchase and maintain in full force and effect at all times during the term of the charter insurance in amounts and types required by PVSD as necessary to cover all liability in connection with the operation of the Charter School.

The Charter School shall obtain, pay for, and maintain in full force and effect insurance policies issued by an insurer or insurers admitted by the California Insurance Commissioner to do business in the State of California and rated not less than "A" or "A-VII" by A.M. Best Insurance Rating Guide, or, in the case of self-insurance, with a California Joint Powers Authority, a memorandum or memoranda of coverage providing coverage as follows:

The Charter School shall maintain the following types of insurance: Commercial General Liability Insurance which shall include coverage for: "Bodily Injury," "Property Damage," "Personal and Advertising Injury, including products-completed operations coverage; "Sexual Abuse and Molestation"; with limits of not less than \$5,000,000 per occurrence and \$10,000,000 aggregate. Professional Liability Liability/Educator's Legal Liability with limits of not less than \$1,000,000 per occurrence and \$3,000.000 in the aggregate. The above-required coverages shall be on an occurrence basis.

Property Insurance shall include Fire Legal Liability, to protect against liability for any portions of premises leased or rented, and Business Personal Property, to protect on a Broad Form, named peril basis, for all furniture, equipment and supplies of the Charter School. If any PVSD property is leased, rented or borrowed, it shall also be insured by the Charter School by the same type of property insurance.

Commercial Auto Liability Insurance shall include coverage for owned, non-owned, and hired autos, with bodily injury and property damage liability limit not less than \$1,000,000 combined single limit per accident.

Worker's Compensation Insurance shall include coverage as required by applicable law, with not less than statutory limits.

Commercial Crime Insurance shall include coverage for "Faithful Performance of Duty", "Forgery or Alterations", "On Premises", "In Transit", "Money Orders and Counterfeit Money", "Computer Crime", "Funds Transfer Fraud", "Personal Accounts Protection" with coverage amounts of no less than \$1,000,000 per occurrence.

The commercial liability insurance required by the foregoing provisions of this MOU other than workers compensation, Professional Liability/Educator's Legal Liability, and Crime coverage shall, as applicable: (a) be endorsed to name PVSD and its Board of Trustees, Board members, officers, administrators, and employees (collectively hereinafter the "PVSD and PVSD Personnel") as additional insureds in connection with the obligations with the charter; (b) shall be primary insurance; (c) all insurance and coverage shall be on an "occurrence" basis rather than a "claims made" basis, excepting only Professional Liability, which shall be on a "claims made" basis; and (d) all insurance and coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of liability set forth in the applicable policy or memorandum of coverage.

The Charter School shall notify PVSD immediately in writing if any insurance and/or memorandum of coverage required by PVSD is suspended, rescinded, voided, cancelled, reduced in coverage or in limits, or non-renewed, or materially changed for any reason.

Verification of Coverage: The Charter School shall provide to PVSD Certificates of Insurance showing proof of the aforementioned insurance policies, which shall be received by PVSD annually in accordance with the Charter School Reporting Timeline and at any other time that a policy of insurance and/or memorandum of coverage is changed. Copies of all Certificates of Insurance and additional Insured Endorsements shall be made available to PVSD within five (5) calendar days of PVSD's written request.

- I. Other Fiscal Control Policies: Charter School shall develop and maintain all fiscal control policies as recommended by independent certified public accountants retained by the Charter School to advise it on fiscal control policy matters and which are in compliance with the FCMAT California Charter School Accounting and Best Practices Manual.

VII. INDEMNIFICATION

- A. To the fullest extent permitted by law, the Charter School agrees to promptly, fully and completely indemnify, defend through counsel reasonably acceptable to PVSD and hold harmless PVSD, the PVBOE, the Superintendent and each of their members, officers, Board appointed groups, committees, boards, and any other Board or Superintendent appointed body, and administrators, employees and attorneys, agents, representatives, volunteers, successors, and assigns (“Indemnitees”) from and against any and all claims, demands, actions, causes of action, suits, losses, expenses, costs, penalties, obligations, or liabilities of whatever nature or kind, including, but not limited to, attorney’s fees and litigation costs, that in any way arise out of or relate to any actual or alleged act or omission on the part of the Charter School, and/or on the part of the Charter School’s board of directors, officers, board appointed groups, committees, boards, and any other Charter School appointed body, and administrators, employees, attorneys, agents, representatives, volunteers, subcontractors, invitees, successors, and/or assigns of the Charter School in any way related to the performance of and/or to the failure to perform in whole or in part any obligation under this MOU and/or in any way related to the operation or operations of the Charter School or of any other facility, program, or activity.
- B. The obligations of the Charter School to defend PVSD and the other Indemnitees identified herein are not contingent upon there being an acknowledgement of or a determination of the merit of any claim, demand, action, cause of action, or suit, and those obligations will be deemed to be triggered immediately upon the assertion of any claim, demands, actions, cause of action, or suit within the scope of this paragraph. However, nothing in this paragraph shall be constructed to obligate the Charter School to indemnify Indemnitees for any claims, demands, actions, causes of action, suits, losses, expenses, costs, penalties, obligations, or liabilities resulting from an Indemnitee’s sole negligence or from an Indemnitee’s willful misconduct where such sole negligence or willful misconduct has been adjudged by the final and binding findings of a court of competent jurisdiction; except, in instances where the sole negligence or willful misconduct of an Indemnitee accounts for only part of the loss(es) involved, the indemnity obligations of the Charter School shall be for that portion of the loss(es) not due to the sole negligence or the willful misconduct of such Indemnitees.

- C. The Charter School further agrees that its indemnification, defense, and hold harmless obligations pursuant to this MOU extend to indemnify, defend, and hold the Indemnitees harmless from any and all financial obligations in the event of the Charter School having an unbalanced budget.
- D. The Charter School's obligation to indemnify, defend, and hold harmless the Indemnitees, as set forth in this section of the Charter, shall survive the revocation, expiration, termination, or cancellation of this MOU or the Charter School's Charter or any other act or event that would end the Charter School's right to operate as a charter school pursuant to its Charter or cause the Charter School to cease operations.
- E. Pursuant to Education Code Section 47604(c), an entity that grants a charter to a charter school operated by or as a non-profit public benefit corporation shall not be liable for the debts or obligations of the charter school, or for claims arising from the performance of acts, errors, or omissions by the charter school, if the authorizing entity has complied with all oversight responsibilities required by law.
- F. The Charter School shall at all times be operated by or as a nonprofit public benefit corporation and shall provide to PVSD proof of its current federal and state tax exempt status on immediately upon approval of this MOU. Nothing in this paragraph shall serve to reduce or excuse the Charter School's obligations to obtain and maintain the insurance required by this MOU and/or the Charter School's obligation to indemnify, defend, and hold harmless the Indemnitees, as set forth in this MOU.

VIII. SPECIAL EDUCATION SERVICES/504

The Charter School shall comply with all applicable state and federal laws in serving students with disabilities, including, but not limited to, Section 504 of the Rehabilitation Act of 1973 ("Section 504"), the Americans with Disabilities Act of 1992, and the Individuals with Disabilities Education Improvement Act (20 U.S.C. § 1400 *et seq.* "IDEIA").

The Charter School shall be solely responsible, at its own expense, for compliance with Section 504 and the Americans with Disabilities Act with respect to all eligible students. Should the Charter School be unable to provide the services necessary to comply with the requirements of Section 504 and the Americans with Disabilities Act, the Charter School may request that PVSD provide the necessary services at

a cost to be negotiated between PVSD and the Charter School separate from this MOU and subject to agreement by PVSD at PVSD's sole discretion, and/or subject to PVSD's approval, the Charter School may contract with outside service providers at the Charter School's sole expense.

The Charter School will participate as a local educational agency in the Ventura County Charter School Special Education Local Plan Area.

Until such time as the Charter School achieves SELPA membership as a LEA, the Charter School shall be categorized as a "public school" within the District in conformity with Education Code Section 47641(b). During that time, the Charter School shall comply with this Memorandum of Understanding ("MOU") between the Pleasant Valley School District and the Charter School which addresses the delineation of duties between the Pleasant Valley School District and the Charter School, and which shall strictly limit the duties and responsibilities of the Pleasant Valley School District solely to pass through of apportionment for the Charter School for special education services provided by the Charter School up to the amount of State and Federal special education funding received by the by the District on behalf of Charter School. All other duties and responsibilities under the IDEIA and the Education Code relating to eligible special education students shall be specifically assigned to the Charter School and shall be handled by the Charter School in accordance with applicable law and Ventura County Office of Education and/or SELPA policy and procedure including but not limited to child find; identification and referral; assessment, arranging IEP meetings; IEP development, and implementation; interim placement; placement off campus as required by IEP; and defense or prosecution of complaints. The Charter School shall hold harmless, indemnify, and defend the Pleasant Valley School District against any and all complaints, due process claims, suits, requests for reimbursement, compensatory education, damages, whether via judgment or settlement, arising out of or relating to the actions or omissions of the Charter School, its employees, or contractors in providing special education and/or related services to the Charter School's students. To the extent the Charter School is indemnified by any contractor, the Charter School shall ensure that such indemnification equally applies to the Pleasant Valley School District. The Pleasant Valley School District shall be named an additional insured on any and all special education related insurance coverage carried by the Charter School.

The Charter School agrees the Charter School will comply with California Education Code Section 47646(c).

The Charter School agrees that it shall comply with any notice requirements requested by the District to ensure the Pleasant Valley School District that the Charter School is meeting its obligations under applicable State and Federal law, Pleasant Valley School District and SELPA policy.

Should the Charter School choose to change Special Education Local Plan Areas (SELPA), the Charter School will provide PVSD with written proof of acceptance to another State Board of Education approved SELPA that is consistent with subdivision (a), (b), or (c) of Education Code Section 56195.1 at least one month prior to the proposed effective date of the change and this MOU shall be revised to reflect such change prior to implementation thereof.

The Charter School is solely responsible for ensuring that all students with disabilities enrolled in the Charter School receive special education and related services in a manner that is consistent with all applicable provisions of state and federal law, regardless of students' home district and shall comply with all requirements of the IDEIA.

The Charter School shall comply with all requirements of state and federal law and with all Ventura County Charter School Special Education Local Plan Area policies and procedures relating to the provision of services to students with special needs and the following Special Education Responsibilities:

- A. The Charter School shall identify all students with special needs and refer students through the SST process who have or may have exceptional needs that qualify them to receive services under the Individuals with Disabilities Education Improvement Act (IDEIA) and comply with all child find obligations.
- B. The Charter School, under this MOU and while operating as an LEA, is solely responsible for offering a full continuum of services to address the needs of students with individualized education programs (IEPs) and to provide a "free appropriate public education" (FAPE) as defined in the IDEIA at no cost to the parent/student.
- C. The Charter School shall obtain the cumulative files, prior and/or current IEP and all other special education information for any student enrolling.

- D. The Charter School shall provide appropriate and timely interim placements for students who are new to the Charter School and have IEPs. Students with an existing individualized education program (IEP) are entitled to receive a comparable program on a 30-day “interim placement” basis, unless the parent and Charter School agree otherwise. The interim placement shall begin as soon as the Charter School verifies the student has an existing IEP and the parent completes the Charter School’s enrollment process.

- E. The Charter School shall participate in all legally required evaluation and assessment processes to make certain that the appropriate services are provided on an individualized basis for every child with a disability.

- F. Each student’s Education Specialist, along with the Charter School’s IEP team, will lead development of IEPs, manage IEPs, communicate plans for modifications and accommodations, and work with teachers and stakeholders to implement the IEP.

The Charter School will develop, maintain and implement policies and procedures to ensure that all parents/guardians are fully informed of their rights and that families of Special Education students are given copies of the document, *Special Education Rights of Parents and Children: Notice of Procedural Safeguards* (Revised October 2016). The link for this document is:

<http://www.cde.ca.gov/sp/se/qa/documents/pseng.doc>

Because the Charter School shall operate as its own LEA for the purposes of special education, PVSD shall have no responsibility for the coordination or provision of special education services to the Charter School’s students, regardless of the school district of residence of students, and the Charter School shall be exclusively responsible for the coordination and provision of special education services to the Charter School students and for any and all other obligations of a school or school district relative to services for students with special needs, including identification of such students. The Charter School’s insurance and indemnification obligations pursuant to this MOU, specifically including all requirements to provide insurance coverage for PVSD and PVSD Personnel and/or to indemnify, defend, and hold harmless PVSD and all the “Indemnitees” as identified in the Indemnification section of this MOU, below, shall extend with full force and effect to any and all matters in any way related to or arising from compliance with the IDEIA, Section 504, the Americans with Disabilities Act, and the Charter School’s provision of services to students with

special needs and access to the Charter School and its facilities, including all PVSD due process expert and attorneys' fees and costs.

IX. HUMAN RESOURCES MANAGEMENT

All employees of Charter School are solely the employees of the Charter School. As such, the Charter School shall have the sole responsibility for the employment, management, dismissal and discipline of all Charter School employees.

- A. Charter School shall conform to all laws regarding background checks, fingerprinting and credentialing, including Education Code Sections 47605, 45125, and 45125.1. No Charter School teacher shall be maintained in the Charter School's employment without possession of a valid California credential, TB Test verification, and appropriate fingerprint clearance. All substitute teachers shall possess a valid California 30 Day Substitute permit or credential, TB test clearance, and appropriate fingerprint clearance. The Charter School shall provide confirmation of compliance in accordance with the Charter School Reporting Timeline.
- B. The Charter School agrees that the use of non-certificated specialists for student instruction at all times requires a certificated teacher of record to be available and not alternatively assigned.
- C. If the Charter School decides to offer existing or new employees of Charter School the opportunity to participate in CalSTRS or CalPERS, Charter School shall be responsible for making these arrangements through PVSD. Pursuant to Education Code Section 47611.3, PVSD, as applicable, shall create any reports necessary required by CalSTRS and/or CalPERS and submit such reports on behalf of the Charter School. The Charter School shall reimburse the applicable entity for the actual costs of creating and submitting such reports.

While the Charter School's charter petition references non-certificated employees participating in federal social security and/or a 401(k) defined contribution plan, the Charter School understands and acknowledges that a 401(k) plan is not a replacement for federal social security, STRS, PERS, or other retirement plan and the Charter School shall provide legally compliant and appropriate retirement system coverage for all employees as required by Education Code Section 47605.

X. FACILITIES

- A. The Charter School will operate a grades TK-12 online charter school. The Charter School understands any change to the Charter School's grades served will require a material revision and approval by the PVBOE.
- B. The Charter School may need to use PVSD school facilities to provide special education services which may be provided by PVSD under a separate agreement and at the sole cost of the Charter School and at the sole discretion of PVSD.
- C. All such facilities provided by PVSD to the Charter School shall meet all applicable health and fire code requirements, comply with Education Code Sections 47610 and 47610.5, and shall be of sufficient size to safely house anticipated enrollment and purposes.
- D. The parties acknowledge the decision of the Charter School to exempt itself from application of the Field Act Standards and that it may offer educational programs in facilities that are not otherwise approved under the Field Act. Charter School agrees to disclose in writing to all students and parents that any such facilities do not meet all Field Act Standards.
- E. Charter School recognizes that its facilities and programs must conform with the Americans with Disabilities Act and any other federal or State disability access requirements that may be applicable to charter schools.
- F. Charter School agrees that neither the PVBOE nor PVSD is legally obligated to provide facilities to or for the Charter School's pupils.

XI. EVALUATION OF EDUCATIONAL PROGRAMS/CONFORMANCE TO CHARTER

- A. Enrollment: The Charter School shall obtain a CDS code number from the CDE and complete and submit enrollment and other necessary demographic information to PVSD, to the California Longitudinal Pupil Achievement Data System (CALPADS), and to the California Basic Education Data System (CBEDS) consistent with State timelines and requirements.

- B. Oversight: The PVBOE/PVSD's oversight of the Charter School shall be in compliance with Education Code Section 47604.32, PVBOE Board policy, the "Charter School Oversight by Chartering Authority" language from the June 2019 FCMAT Fiscal Oversight Guide, and the terms of the approved charter. At PVSD's request, Charter School and PVSD personnel shall meet monthly to discuss areas of concern, review and monitor records and student progress. The Charter School shall furnish PVSD with an annual financial report and an evaluation of its educational program as further outlined herein.
- C. Annual Update: The Charter School shall submit a Local Control Accountability Plan on or before July 1st of each year with updated information on goals and annual actions to achieve the goals. The Charter School will comply with all requirements of Education Code Sections 47605 and 47606.5.
- D. Annual Programmatic Audit: The Charter School will provide an annual performance audit to the PVBOE. This audit will, at a minimum, include the following data:
1. An analysis of the progress made towards the Charter School's Annual Pupil Outcomes for the prior school year. This data will be displayed on both a school-wide basis and disaggregated by major racial and ethnic categories.
 2. A summary of the Charter School's Annual Pupil Outcomes for the current school year.
 3. Analysis and comparison of the racial and ethnic makeup of all of the Charter School's pupils as compared to the general population of residents within the territorial boundaries of PVSD and of Ventura County, including all actions taken and future plans to ensure the Charter School's pupil population is reflective of the general population of PVSD and of Ventura County.
 4. Analysis of the Charter School's admissions practices, data regarding the numbers of students enrolled, dis-enrolled, denied admission and the reasons therefore, the number of students on any

and all waiting lists, and information on any plans for expansion to accommodate more pupils, including those on all waiting lists.

5. Data on the level of parent involvement in the Charter School from an annual parent and student satisfaction survey, together with a summary of actions taken or planned to correct deficiencies or improve results in parent and student satisfaction.

E. Curriculum and Assessments: Charter School agrees to provide a plan for meeting measurable student outcomes and demonstrating student improvement subject to the same state accountability standards and assessments as non-charter public schools. The Charter School shall meet all statewide standards and conduct pupil assessments pursuant to Education Code Section 60605 and any other mandated statewide standards authorized in statute or pupil assessments applicable to pupils in non-charter public schools. The Charter School shall certify that its pupils have participated in all state testing programs specified in Education Code Section 60600 et. seq., as a condition of apportionment of state funding.

1. Charter School agrees to annually administer all of the current statewide mandated performance assessments including CAASPP, ELPAC and Physical Fitness testing. Results of such statewide assessments shall be made available on request by PVSD. The Charter School will use multiple assessment measures to help prepare students for the California statewide mandated assessments.
2. The Charter School's Board of Directors shall be responsible for operating the Charter School in conformance with the provisions of the approved charter and this MOU. The Charter School Board of Directors shall provide written notice to PVSD Superintendent of all Charter School Board of Director's vacancies or any other changes in the Charter School's Board's membership immediately upon the occurrence of the vacancy or change in Board membership.
3. All of the Charter School's textbooks and other instructional materials shall be selected based on California State textbook adoptions, teaching strategies and techniques, assessment procedures and input from advisory groups. The Charter School shall ensure that students are provided with sufficient instructional

materials as defined by Education Code Section 60119(c) including adequate textbooks and computers with sufficient software programs and training. The determination regarding the ordering of instructional materials shall be made by the Charter School administrator in collaboration with teaching staff. PVSD may request an inventory of such materials at any time or visit the Charter School's sites to inventory the sufficiency under Education Code Section 60119(c) of the Charter School's instructional materials.

4. The Charter School shall integrate computer instruction into its curriculum. The Charter School shall use multiple assessment measures to help prepare students for the CAASPP assessments. As computer usage by students increases, the Charter School shall purchase or seek donations of additional computer workstations for its students. The Charter School shall continue to develop and implement short and long-term strategic plans for the use of technology in the Charter School. The Charter School shall maintain a technology resource employee to provide technical assistance and consultation to the Charter School's staff in order to make the best use of technology.
5. The Charter School shall provide to PVSD a report of all Charter School student dual enrollment with ASU/Chapman whenever the Charter School's students are enrolled in high school classes and university classes concurrently.
6. The Charter School shall provide to PVSD, within five (5) calendar days of PVSD's request, the Charter School's full curriculum for all of the Charter School's grade levels identifying all measurable pupil outcomes for each grade level.

XII. SPECIAL PROGRAM/SERVICES

- A. In the event that either party to this agreement wishes to have its staff and or faculty participate in a professional development or educational program offered by the other, advanced approval and arrangements shall be made. It is understood that expenses for such events are negotiable at the time of the event. Such arrangements must be made with the appropriate site administrator or PVSD personnel in advance and confirmed in writing.

XIII. CHARTER SCHOOL POLICIES AND PROCEDURES

- A. The Charter School shall provide PVSD with copies of all Charter School Policies and Procedures upon adoption of all such Policies and Procedures by the Charter School's Board. All such Charter School Policies and Procedures are subject to review and revision by PVSD for compliance with the Education Code and California State and Federal law. This includes, but is not limited to the Charter School's Policies and Procedures for:
1. The development and maintenance of a safety and sun exposure plan, a prescription medication plan, and a Comprehensive School Safety Plan in compliance with Education Code Sections 47605 and 32280 et seq. Such information shall be provided at all of the Charter School's staff desks at each site and provided to PVSD.
 2. Policies and procedures for how professional support services will be provided to any interns and/or new teachers hired by the Charter School.
 3. Providing a school management and pupil disciplinary plan that identifies school and classroom rules and includes reasonable comprehensive descriptions of pupil due process requirements and the Charter School's pupil disciplinary plan review process.
 4. Written policies and procedures describing how textbooks and other instructional materials shall be selected based on California State textbook adoptions and input from advisory groups. The Charter School shall provide assurances that students are provided with sufficient instructional materials including adequate textbooks and computers with sufficient software programs and training (Ed. Code 35186).
- B. The Charter School shall implement anti-nepotism policies and procedures, which shall be provided to PVSD. Such policies shall require that no spouse or dependent of a Charter School board member shall enter into employment with the Charter School with the exception of contracts allowed under Government Code Section 1091 and 1091.5. Additionally, any persons related by blood or by marriage to a Charter School employee

shall not be appointed to a position where one relative would be in a supervisory position over another.

- C. Employees of the Charter School shall not sit on the Charter School's Board of Directors while employed by the Charter School. If an employee takes the oath of office or in any way assumes a seat on the Board of Directors of the Charter School, the employment of that employee shall be deemed to be abandoned, and the employee deemed to have resigned their employment as a Charter School employee.

- D. Expulsion Appeals

1. All of the Charter School's processes for the Charter School to dismiss, remove, or otherwise exclude a student who attends the Charter School from further attendance at the Charter School for any reason, including but not limited to, disciplinary causes shall at all times be in compliance with Education Code section 47605(J). The PVBOE/PVSD must review and approve all revisions to the Charter School's causes or procedures for pupil suspension or expulsion.
2. Pupils who are expelled by the Charter School governing board may appeal that expulsion in writing to the Ventura County Board of Education pursuant to the current VCBOE Policies and Procedures within (30) calendar days after the Charter School decision to expel the pupil. The appeal shall be filed in writing by the pupil/parent/or guardian. The California Education Code defines the scope and limitations of a county board of education expulsion appeal hearing. Specifically, an appeal before the VCBOE is not a rehearing, but rather a review of the record of the local proceedings to determine that all due process procedures were followed and that a fair hearing was conducted. The VCBOE's review will be based on the Charter School's discipline, suspension, and expulsion policies.

XIV. STUDENT RECORDS

- A. Family Educational Rights and Privacy Act.

The PVBOE hereby designates employees of the Charter School as having a legitimate educational interest such that they are entitled to access to education records under 20 U.S.C.A. 1232g, the Family Educational Rights

and Privacy Act and California Education Code Section 49076(b)(6) (“FERPA”). The Charter School and its officers and employees shall comply with FERPA at all times.

The Charter School hereby designates employees of PVSD as having a legitimate educational interest such that they are entitled to access to education records of Charter School students under FERPA. PVSD, its officers and employees shall comply with FERPA at all times.

- B. Charter School agrees that its Independent Study Master Agreement and Student Contract shall, at all times, fully conform with all requirements for Independent Study Contracts under the Education Code.

XV. ADMISSION PRIORITIES

The Charter School’s charter petition specifies admission preferences to be used in the event that there are more applicants than places for students at the Charter School in any year. The Charter School and PVSD acknowledge and agree that each type of the Charter School’s preferences must be approved by PVSD at a public hearing and that all of the Charter School’s preferences must fully comply with all provisions of Education Code Section 47605. Once approved by PVSD, the admission priorities specified in the Charter may not be amended or deviated from without prior approval of a material revision to the Charter by the PVBOE in accordance with the procedures specified in Education Code Sections 47605 and 47607.

XVI. GOVERNANCE

- A. The Charter School’s Board of Directors shall at all times fully conform to the Brown Act. The Brown Act requires school boards to conduct their business in pre-announced and agendaized open session public meetings unless specific conditions exist that justify the meeting of the board in closed session.
- B. In addition, the Charter School understands and agrees that all of its records that are subject to the requirements of the Public Records Act (Government Code Section 6250 et seq.).

- C. Notwithstanding any conflict with the corporate Articles of Incorporation or Bylaws or the law controlling non-profit corporations, all business of the Charter School and its Board of Directors shall comply with all laws controlling charter schools and the Charter School, its Board of Directors, administrators, managers and employees, and any other committees of the school, shall comply with all applicable federal and state laws and nonprofit integrity standards regarding ethics and conflicts of interest, and all provisions of law generally applicable to public agencies, including, but not limited to the Public Records Act (Government Code section 6250 *et seq.*), the Political Reform Act of 1974 (Gov. Code Section 81000 *et seq.*), the Brown Act (Government Code sections 54950 *et seq.*), and the requirements described at Government Code Section 1090 *et seq.* and any attendant regulations as they may be amended from time to time, and any other applicable conflict of interest prohibitions, including all prohibitions applicable to California non-profit corporations. By the terms of its Charter and/or this MOU, the Charter School is obligated to comply with the requirements of Government Code Section 1090 *et seq.* and the Political Reform Act to the same extent as if the Charter School were a non-charter California public school district, regardless of any arguments regarding the applicability generally of those laws to California charter schools. In the event that the laws/rules/provisions of Government Code Section 1090 *et seq.* and the Political Reform Act of 1974 permit an action or means of taking action that is restricted or prohibited by the other conflict of interest statute's laws/rules/provisions, the most restrictive law/rule/provision shall control.
- D. The Charter School shall adopt the Fair Political Practices Commission's Model Conflict of Interest Code, pursuant to California Code of Regulations, Title 2, Section 18739, including the formal designation of reporters and reporting categories and the forms to be filed thereunder, and shall review, revise and maintain that Conflict of Interest Code as current throughout the term of the Charter, and provide a copy of the Conflict of Interest Code and the documentation of Board action adopting it to PVSD (and any revisions thereto), and require all Charter School officers, employees, representatives and governing board members to comply therewith.
- E. The Charter School Board shall adopt all rules and policies necessary to fully implement the provisions of Government Code Section 1126, "Incompatible Activities", in all of the Charter School's operations and employment practices.

- F. In the case of a conflict between the requirements of this MOU or the Charter and provisions of the Charter School's Articles of Incorporation and/or Bylaws, all actions taken in accordance with such Articles or Bylaws which conflicts with or is inconsistent with the requirements of the Charter or this MOU shall be deemed a violation of this MOU and the Charter. The Charter School's nonprofit corporation's Bylaws shall provide that in the case of such a conflict, the Charter School's Board of Directors shall take prompt action to revise the Articles or Bylaws to make them consistent with the requirements of the Charter and this MOU or seek a material revision to the Charter and/or MOU to make the Articles, Bylaws, Charter, and MOU consistent. Should the provisions of the Charter or this MOU conflict with the policies, practices, or terms of any collective bargaining agreement or other agreement of the Charter School, the provisions of this MOU shall prevail.
- G. The Board of Directors and the Charter School administration shall complete training regarding conflict of interest, specifically including the Political Reform Act and Government Code Section 1090 *et seq.*, and the Brown Act on an annual basis throughout the term of the Charter. The training shall be conducted by an individual or entity with demonstrated or professional knowledge and expertise in the law, regulations, and rules governing conflicts of interests, specifically including the Political Reform Act and Government Code Section 1090 *et seq.* and the Brown Act. Any new Board member or new Head of School of the Charter School shall complete such training within 60 days of beginning their employment or position with the Charter School.
- H. The Charter School shall provide written notice to PVSD Superintendent of any proposed revisions to the Charter School's nonprofit corporation's Articles of Incorporation and/or Bylaws no less than three (3) calendar weeks prior to consideration of adoption of the revision(s) by the Charter School's Board. Should the Superintendent or designee indicate that PVSD considers the proposed revision(s) to be a material revision to the Charter School's governance structure or Charter, the Charter School may not formally adopt such revision(s) unless and until the revision(s) is first approved through the process set forth in Education Code Section 47607 for material revision of the Charter. Should the Charter School adopt revision(s) to its Articles of Incorporation and/or Bylaws in accordance with these requirements, it shall provide a final copy of all such revised documents to PVSD within three (3) business days of the adoption of such

revision(s). The Charter School's Bylaws shall specify these requirements for amendments thereto.

- I. The Charter Board, and all other "legislative bodies" of the Charter School, as that term is defined in the Brown Act, shall meet only in accordance with the requirements of the Brown Act, including, but not limited to, the agenda posting requirements, including concurrent posting on the Charter School's website. All approved meeting minutes of the Charter School's Board shall also be posted on the Charter School's website within sixty (60) calendar days of the Charter School's Board's approval.

XVII. DISPUTE RESOLUTION

As specified in the Charter Analysis by staff, the dispute resolution provision set forth therein was only a starting point for discussion, and is replaced in its entirety by this section of this MOU.

Disputes Between PVSD/PVBOE and the Charter School

- A. The Charter School and PVSD will attempt to resolve any disputes between them amicably and reasonably without resorting to formal procedures.
- B. If PVSD determines that a violation of the Charter or MOU or law may have occurred or a problem has arisen related to the operation of the Charter School or PVSD's oversight obligations, or a dispute otherwise arises between PVSD and the Charter School, the following procedures shall be followed to resolve the dispute:
 1. Should PVSD determine in writing that the violation or issue in question constitutes a severe and imminent threat to the health or safety of the pupils, PVSD shall not be bound by any portion of this dispute resolution process and may commence revocation proceedings immediately or take action as it deems necessary.
 2. In the event that PVSD believes that the dispute relates to an issue that could lead to revocation of the Charter, participation in the dispute resolution procedures outlined herein shall not be interpreted to impede or act as a pre-requisite to PVSD's ability to proceed with revocation in accordance with Education Code Section 47607 and its implementing regulations. Rather, PVSD may choose, in its sole

discretion, to proceed directly with revocation procedures or may choose to participate in all or part of the dispute resolution procedures set forth below.

3. If the violation or issue in question does not constitute a severe and imminent threat and PVSD has not decided to commence revocation procedures without following this dispute resolution procedure, PVSD will provide written notification of the violation or issue. The date that this notice is provided in writing or sent shall be the "Notice Date." This notice will also constitute the notice required under the provisions of Education Code Section 47607(c)(1)(d) prior to revocation of a charter. Upon issuance of this notice, a meeting will be scheduled to discuss and attempt to resolve the dispute. Both parties must have representatives present at this meeting and the meeting shall be held within ten (10) calendar days after the Notice Date. The PVSD representative at the meeting will be the Superintendent or the Superintendent's designee, and the Charter School representative will be the Charter School Head of School or the Head of School's designee. If the dispute is not resolved at that meeting, or in strict accordance with any plan for resolution agreed upon at that meeting, the parties will proceed to step 4 below. Any period of time agreed upon at the meeting for the Charter School to attempt to cure the issue shall be deemed and is agreed by the Charter School and PVSD to constitute the "reasonable opportunity to remedy the violation" provided for in Education Code Section 47607(c)(1)(d) prior to revocation of the Charter.
4. PVSD may commence the process of revocation of the Charter School's charter and/or any other appropriate actions in accordance with Education Code Section 47607 and applicable laws.

Internal Disputes

- A. The Charter School Board will adopt policies and processes for airing and resolving disputes, other than those between PVSD and the Charter School. All Charter School parents, students, Board members, volunteers and staff at the Charter School and PVSD will be provided with a copy of the Charter School's Board Policies and internal dispute resolution policies.
- B. PVSD will refer all disputes or complaints it receives not related to a possible violation of the Charter, this MOU, or the law or to the operation

of the Charter School or PVSD's oversight obligations to the Charter School's Head of School for resolution according to the Charter School's internal dispute resolution process. Should PVSD receive a complaint regarding the Charter School that is referred to the Charter School for investigation and/or resolution, the Charter School shall provide PVSD with timely updates regarding the Charter School's investigation and resolution of the matter at least every two weeks and upon resolution of the complaint or issue. In the event that the Charter School's adopted policies and processes fail to resolve the dispute, PVSD agrees not to intervene in the dispute without the consent of the Charter School's Board of Directors unless the matter relates to a possible violation of the Charter, this MOU, or the law, to the operation of the Charter School or in any way to PVSD's oversight obligations.

II. LEGAL SERVICES/OTHER SERVICES

Charter School will be responsible for procuring its own legal counsel and for all costs of such legal services. The Charter School reserves the right with PVSD's written approval, to subcontract any and all services specified in this agreement to PVSD and/or to public or private subcontractors as permitted by law, except as prohibited by Education Code Section 47604 as operative July 1, 2019.

III. OVERSIGHT

A. The Charter School and the PVBOE agree that the PVBOE's "oversight" and "supervisory oversight", as used in Education Code Sections 47604(c) and 47613 shall be as set out in the "Charter School Oversight by Chartering Authority" section of the FCMAT June 2019 Fiscal Oversight Guide and shall include, but is not limited to, the following:

1. All activities related to the charter revocation and renewal processes, and described in Section 47607;
2. Activities relating to monitoring the academic and financial performance and compliance of the Charter School with respect to the terms of its Charter, related agreements, and all applicable laws;
3. Participating in the dispute resolution process as described in the Charter;

4. Review and timely response to the Charter School's Annual School Performance Report and Annual Independent Fiscal Audit;
 5. Identification of at least one PVSD staff member as a contact person for the Charter School;
 6. A visit to any reasonably nearby Charter School site at least annually;
 7. Ensuring that the Charter School complies with all reports required of charter schools by law;
 8. Monitoring the fiscal condition of the Charter School;
 9. Providing timely notification to the CDE if any of the following circumstances occur or will occur with regard to the Charter School: (1) renewal of the charter is granted or denied, (ii) the charter is revoked, (iii) the Charter School will cease operation for any reason;
 10. All of the "Duties of chartering authority" as set out in Education Code Section 47604.32 and any other oversight activities the PVBOE believes are necessary.
- B. The parties agree that should PVSD be requested by the Charter School to perform services other than as outlined above, PVSD will incur additional costs or expenses, which Charter School agrees are not included within the services under Education Code Section 47613, and for which Charter School agrees to reimburse PVSD within thirty (30) calendar days after invoice by PVSD.
- C. A complete Charter School Board of Directors packet, including without limitation all nonprofit Board meeting agendas, budget, enrollment, and cash-flow documents will be sent to PVSD via email at least 72 hours prior to the date of each Charter School's Board of Directors' Board meeting. Any and all other meeting information being disseminated to any legislative body of the Charter School will be sent to PVSD 72 hours prior to all such meetings to allow for written comment or documents to be provided by PVSD.

All approved meeting minutes of the Charter School's Board shall also be posted on the Charter School's website within sixty (60) calendar days of the Charter School's Board's approval.

- D. As required by Education Code Section 47604.3, the Charter School agrees to promptly respond to all reasonable inquiries by PVSD as its chartering authority regarding the workings of the Charter School, including financial records, budget information and any other data noted in the Data Reporting section of this Agreement, and all other such information as may be requested by PVSD as part of its oversight and supervision duties as provided in Education Code Section 47604.32. The Charter School shall reimburse PVSD for its actual costs of supervisorial oversight of the Charter School up to 1% of all Local Control Funding Formula revenues as defined in Education Code Sections 47613 and 47632 (excluding grants and monies outside of the Local Control Funding Formula). The Charter School shall pay PVSD's supervisorial oversight costs on a biannual basis.

XVIII. PVSD STUDENTS

The PVBOE and the Charter School agree on two areas of cooperation between Charter School and the PVBOE and PVSD regarding (1) PVSD students' access to all of the Charter School's online curriculum, and (2) socialization events for the Charter School's students.

- A. All PVSD students will have access to all of the Charter School's online curriculum at no cost to PVSD or to any PVSD student.
- B. The PVSD's Santa Rosa Technology Magnet School shall be used as the socialization hub for all PVSD students who enroll in Charter School. Such socialization is to include events such as school dances and middle school sports programs. All Charter School students must be of appropriate age for each event, and must abide by all school rules and regulations of Santa Rosa Technology Magnet School. Inclusion of Charter School students at socialization events shall at all times be at the sole discretion of PVSD.
- C. The Head of School of the Charter School and the principal of Santa Rosa Technology Magnet School will meet at least annually to discuss how the school will be used as a socialization hub and agree upon any necessary protocols to help facilitate socialization activities between the two schools.

XIV. INDEPENDENT CONTRACTOR

The parties to this Agreement intend that the relationship between Charter School and the PVBOE and PVSD created by this Agreement is that of an Independent Contractor and not employer-employee. No agent, employee, or servant of the Charter School shall be deemed to be the employee, agent or servant of PVSD. The Charter School will be solely and entirely responsible for its acts and for the acts of Charter School's agents, employees, servants and subcontractors while acting under Charter School's direction during the entire term of the Charter School's charter.

XV. SEVERABILITY

If any provision or any part of this agreement is held by a court of competent jurisdiction to be invalid and 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.

XVI. NOTICE OF VIOLATION, OPPORTUNITY TO REMEDY, AND REVOCATION

PVSD shall provide notices of violation, opportunity to remedy, and intent to revoke the Charter School's charter when legally required as set forth in Education Code Section 47607, its implementing Regulations, and this MOU.

XVII. NOTIFICATION

All notices, requests, and other communication under this agreement shall be in writing and mailed to the proper address as follows:

To the Superintendent at:

Superintendent of Schools
Pleasant Valley School District
600 Temple Avenue
Camarillo, CA 93010

To the Charter School:

Peak Prep Pleasant Valley Charter School
Jon R. Gundry

6520 Lonetree Blvd., Suite #130
Rocklin, CA 95765

This MOU contains the entire agreement of the parties with respect to the matters covered hereby and supersedes any oral or written understanding 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 or 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 MOU is intended to prevail over all of the Charter School's charter petition's provisions and shall only be modified in writing and by the mutual agreement of the parties.

IN WITNESS WHEREOF, the parties to this agreement have duly executed it on the day and year set forth below:

Approved by the Pleasant Valley Board of Education on _____.

Approved by the Peak Prep Pleasant Valley Board of Directors on _____.

Jon R. Gundry, Board Chair
Peak Prep Pleasant Valley Charter School

Date

Dr. Angelica M. Ramsey, Superintendent
Pleasant Valley School District

Date