

**MEMORANDUM OF UNDERSTANDING BETWEEN  
ACTON-AGUA DULCE UNIFIED SCHOOL DISTRICT AND  
ALBERT EINSTEIN ACADEMY – ELEMENTARY SCHOOL**

This Operations Memorandum of Understanding (“MOU” or “Agreement”) is executed by and between the Board of Trustees of the Acton-Agua Dulce Unified School District (“District”) and the Albert Einstein Academy – Elementary School (“Charter School”), a non-profit public benefit corporation (collectively, “the Parties”).

**RECITALS**

- A. The District is a public school district existing under the laws of the State of California.
- B. The Charter School has developed and submitted a petition to establish a charter school to the District. The Charter School shall be operated as a California non-profit benefit corporation pursuant to Education Code section 47604.
- C. By approving the petition, the District shall be the authorizing agency of the Charter School. The establishment and operation of the Charter School shall be in compliance with the laws and regulations of the State of California and the California Department of Education pertaining to Charter Schools.
- D. This Agreement is intended to outline the Parties’ agreements governing their respective fiscal and administrative responsibilities and their legal relationship and other matters of mutual interest.
- E. Upon the execution of this Agreement by the parties and upon ratification and approval by the District, this Agreement shall be considered a material revision of the charter and shall become a fully incorporated part of the charter. If any provision of this MOU is inconsistent with the charter, the terms of the MOU shall prevail.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements contained herein, the Parties agree as follows:

**AGREEMENT**

**I. TERM AND RENEWAL.**

- A. Term. This Agreement shall be for a term of 5 years commencing on July 1, 2013 and ending on the termination date of the Charter School’s charter. This Agreement is subject to termination during the term or any renewal as specified by law or as otherwise set forth in this Agreement.
- B. Modification of Agreement. Any modification of this Agreement shall be in writing and executed by the duly authorized representatives of the Parties specifically indicating the intent of the parties to modify this MOU.

1. The duly authorized representative of the Charter School is the Einstein Academy Board of Directors or its designee.
  2. The duly authorized representatives of the District are the District Governing Board and Superintendent or designee.
  3. The Parties agree to review this Agreement annually. By February 1 of the then-current year, both Parties will present proposed revisions to the MOU. If there is no agreement to the proposed revision(s) by March 30 of the current year, then the existing MOU will continue in effect until mutually modified, except that the MOU shall expire upon the expiration, rescission, or revocation of the charter. This Agreement may be amended in writing by the Parties at any time during the school year.
  4. The District reserves the right of approving material revisions and/or revoking the Charter School charter as specified in Education Code section 47607.
- C. Charter School Name. The Charter School shall ensure that its name *Albert Einstein Academy – Elementary School* is correctly spelled in all notifications to the State and in its corporate documents.

## II. CHARTER SCHOOL PROGRAM.

- A. Program. The Charter School shall comply with all applicable state and federal laws and regulations pertaining to the Charter School, including but not limited to, California Education Code sections 47600 et seq. and Title 5 of the California Code of Regulations, sections 11960 et seq., as these laws and regulations may be amended from time to time, during the term of this Agreement.

Special Education. The Charter School has informed the District that it intends to apply to the Ventura County Special Education Local Plan Area (“SELPA”) to become its own local educational agency (“LEA”) for purposes of special education beginning the 2013-2014 school year. If a letter from the Ventura County SELPA approving the Charter School’s status as an LEA is not received by June 1, 2013, the Charter School shall operate as a public school of the District for purposes of special education during its first year of operation.

Should the Charter School operate as a school of the District, the Parties intend that funding for special education at the Charter School will be allocated by the Antelope Valley SELPA and that responsibilities and obligations of the District and the Charter School regarding the provision of special education and related services for students enrolled in the Charter School shall be set forth in a separate memorandum of understanding between the Parties. Such memorandum of understanding shall be in place prior to the opening of the Charter School and no later than July 1, 2013.

## III. OVERSIGHT AND ADMINISTRATIVE SERVICES.

- A. Oversight Fee. Pursuant to Education Code section 47613(b), the District will charge the Charter School for the actual costs of supervisory oversight not to exceed one percent (1%) of the total annual revenue of the Charter School. In accordance with Education Code section 47613(f), “revenue” is defined as the general purpose entitlement and categorical block grant, as defined in Education Code Section 47632(a) and (b). Payment by the Charter School shall be made in accordance with the provisions of Section VI.A. below. These oversight costs are in addition to, and not in lieu of, other costs set forth herein.
- B. Oversight Responsibilities. The Parties agree that the District’s oversight responsibilities include, but will not necessarily be limited to, the following:
1. All activities related to the charter revocation and renewal and processes as described in Education Code section 47607.
  2. Activities relating to monitoring the performance and compliance of the Charter School with respect to the terms of its charter, related agreements, and all applicable laws.
  3. Participation in the dispute resolution process described in the charter.
  4. Review and timely response to the Charter School’s annual independent fiscal and performance audit.
  5. Identification of at least one staff member as a contact person for the Charter School.
  6. Visit to the Charter School at least once per year.
  7. Ensuring that the Charter School submits the reports and documents identified herein.
  8. Monitoring the fiscal condition of the Charter School.
  9. Providing timely notification to the California Department of Education if any of the following circumstances occur:
    - (i) A renewal of the charter is granted or denied.
    - (ii) The charter is revoked.
    - (iii) The charter School ceases operation for any reason.
  10. Any other activities required of charter authorizing agencies under application law and regulations.
- C. District Liaison. Due to the small size and limited resources of the District, and considering the potential placement of the Charter School’s learning centers, the District will hire a staff or assign staff to provide specific oversight for the Charter School and to serve as a liaison for the District. In exchange, the Charter School

agrees to pay the District the sum of \$50,000 per school year, which represents the approximate cost to the District to hire a full-time employee for this purpose. In the event that both of the Charter School's petitions for the elementary school and secondary school are approved, the Parties agree that payment for such specific oversight shall not exceed the total sum of \$50,000 per school year. Should only one petition be approved, the Charter School nevertheless agrees to pay the District the sum of \$50,000 per school year for this oversight.

D. Additional Administrative Services. In addition to the supervisory oversight responsibilities and the one percent (1%) oversight fee described in Sections III.A. and III.B. above, the District shall also provide the Charter School with the following services which shall be compensated by the Charter School as more fully set forth below:

1. After hours and occasional use of the District's library, science labs, and other facilities, which shall be subject to the Parties entering into a lease agreement setting forth the terms, conditions, and obligations of the Parties as related to such use.
2. Access to District instructional materials and other resources.
3. In-service training opportunities for Charter School staff in the same manner as provided to staff of the District, unless deemed inapplicable to the Charter School. In-service training may include, but is not limited to, sexual harassment training, curriculum development, and student discipline.

As consideration for the additional services provided by the District to the Charter School, the District shall charge the Charter School an amount equal to two and one-half percent (2.5%) of the revenue of the Charter School (as the term "revenue" is defined in Education Code section 47632(a) and (b)). Payment by the Charter School shall be made in accordance with the provisions of Section VI.A. below.

E. Curriculum Council. The District and Charter School shall jointly establish a Curriculum Council to assist in the ongoing improvement of Charter School's curriculum and implementation of its education program.

1. The Curriculum Council shall serve an advisory function only. Its members shall include, at a minimum, the District Superintendent or designee, the District's Director of Student Services, and the Charter School Principal. The chairperson of the Curriculum Council shall be the District's Director of Student Services.
2. The Curriculum Council shall meet on at least monthly and / or quarterly basis to review, discuss, and/or make recommendations to the Charter School's Board of Overseers regarding instructional materials and other teaching resources, standardized testing requirements, school improvement tools and processes, professional development for teachers

and administrators, technology integration, and other curriculum-related topics.

- F. Contracting with Third Parties. The Charter School shall retain the authority to contract with third parties for any services the Charter School determines will aid the school to operate in accordance with the law, this MOU, and the approved charter. However, third party contracts over \$10,000 shall be subject to prior written approval by the District. Prior to entering into any such third party contracts over \$10,000, and as a condition of District approval, the Charter School shall provide to the District the following, and the District will review the information and, if deemed necessary, provide feedback to the Charter School regarding the contract within fifteen (15) business days of receipt:
1. A draft of the proposed contract specifying the exact services that will be provided and the cost, the term of the contract, and how the Charter School will monitor the third party contractor to ensure quality of service.
  2. A description of the third party contractor's roles and responsibilities for the operation of the Charter School.
  3. A list of the charter schools managed and/or served by the third party contractor.
  4. A letter of assurance from the Charter School that:
    - (a) The contract does not violate applicable conflict of interest laws or the Charter School's own conflict of interest policy.
    - (b) The Charter School will use its best efforts to ensure that the third party contractor complies with all reasonable requests by the District for financial records and inquiries regarding financial records, and that failure of the contractor to promptly provide financial records upon request and respond to inquiries regarding financial records may be considered a breach of the charter and grounds for revocation.

Additional services may be contracted by the Charter School from the District if available pursuant to a separate written agreement between the Parties.

#### **IV. PROGRAMMATIC AUDIT**

After receipt of standardized testing scores and Academic Performance Index ("API") statewide or similar school ranks, the Charter School administrator will compile and provide to the District an annual performance audit documenting whether or not students are achieving the measurable outcomes defined in the charter and such other information requested by the District relating to the Charter School's performance. This section does not limit the District's statutory authority to make reasonable requests for information related to the educational program and student performance at any time during the year.

## **V. FUNDING**

- A. To the extent that Charter School are required to submit records or information to the District or to the Los Angeles County Office of Education in order to confirm funding, those records must be prepared by the Charter School in a format acceptable to the recipient and in accordance with the law.
- B. The parties recognize the authority of the Charter School to pursue additional sources of funding.
  - 1. The District has no obligation to apply for additional sources of funding for the Charter School. However, if the District applies for additional sources of funding in the form of grants and/or categorical funding at the request of and for the benefit of the Charter School, the District shall receive one percent (1%) of such funds or as required by the specific funding source.
  - 2. The Charter School shall cooperate fully with the District in application made by the District on behalf of the students of the Charter School.
  - 3. The Charter School agrees to comply with all regulations related to expenditures and receipt of such funds.
- C. The Charter School has elected to receive funding from the State directly, pursuant to Education Code Section 47651.
- D. The Charter School agrees that all revenue obtained from the District shall only be used for the provision of educational services for school age children enrolled in and attending the Charter School and shall not be used for purposes other than those set forth in the approved charter and any authorized amendments.

## **VI. PAYMENT TIMELINE/SCHEDULE**

With the understanding that neither the District nor the Charter School desire to create any financial hardship in meeting the payment obligations as specified in this MOU, the following agreement has been developed:

- A. Non-supervisory oversight services payments (e.g., payment for administrative services) to the District shall follow the Charter School's receipt of the Categorical and General Purpose Grant apportionments.
  - 1. The Charter School shall provide written notification to the District upon receipt of such revenue by the Los Angeles County Office of Education.
  - 2. The District shall then invoice the Charter School for the payments for the 1% oversight fee and the 2.5% for administrative services.
  - 3. The Charter School shall issue payment to the District within 30 days of the invoice date.

4. Should any “settle up” payments be necessary, they will be calculated as soon as possible so that they may be set up as accounts receivable and accounts payable by each entity for the school year.
- B. Regarding the District’s payments to the Charter School for “in lieu” of property taxes, the schedule set forth in Education Code section 47635 shall be followed.
  - C. Special Education Local Plan Area (“SELPA”) payments, if any, to the Charter School shall follow the SELPA’s funding allocation plan.
    1. The Charter School understands that the delay in state or federal special education funding shall not delay services provided by the Charter School.
    2. The Charter School agrees to provide funding above and beyond state and federal special education funding should it be necessary.

## **VII. LEGAL RELATIONSHIP**

- A. The Parties agree and understand that all employees of the Charter School shall be employees of the Charter School and that it shall be the exclusive public school employer for the purposes of collective bargaining as provided in Education Code Section 47605(b)(5)(O).
- B. With respect to its operations under the charter and this Agreement, the Charter School shall, to the fullest extent permitted by law, hold harmless, indemnify, and defend the District, the Board of Education, its officers, directors, and employees from and against any and all claims, demands, actions, suits, losses, liability expenses and costs including, without limitation, those related to special education hearing office due process matters and/or state compliance investigations, attorneys’ fees and costs arising out of injury to any persons, including death or damage to any property caused by, connected with, or attributable to the willful misconduct, negligent acts, errors or omissions of the Charter School or its officers, employees, agents and consultants, excepting only those claims, demands, actions, suits, losses, liability expenses and costs caused by the active negligence or willful misconduct of the District, its officers, directors, and employees. It is the express intent of the Parties to provide the District the broadest indemnity protection available, consistent with applicable laws, and any doubts shall be resolved in favor of indemnifying the District.

It is understood and agreed that such indemnity shall survive the termination of this Agreement. The Charter School’s obligations under this section shall not be limited by the Charter School’s insurance coverage.

The Charter School agrees to pay any attorneys’ fees and costs incurred by the District, or the District’s insurer that provides liability or property coverage to the District, which are incurred in any successful effort by the District or the insurer to invoke or enforce the indemnification and insurance provisions of this Agreement. Any successful effort includes, but is not limited to: 1) the District prevailing in any litigation against the Charter School, or its insurance providers,

seeking to invoke or enforce the indemnification and insurance provisions of this Agreement, and 2) voluntary acceptance of the indemnification and insurance provisions of this Agreement by the Charter School or its insurance providers. All fees and costs incurred by the District or the insurer, after the District or the insurer has requested in writing, that the Charter School or its insurance provider comply with the indemnification and insurance provisions of this Agreement, shall be paid to the District, or the insurer, whichever has paid the fees and costs.

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. As such, in accordance with Education Code Section 47604(c), if the District complies with all oversight responsibilities required by law, the District 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.

- C. Any complaints/concerns received by the District about any aspect of the operation of the Charter School or about the Charter School shall be forwarded by the District to the Charter School in a timely manner. To the extent that such concerns/complaints may involve issues related to possible revocation or non-renewal of the charter, the District may request that the Charter School inform the District of how such concerns/complaints were addressed and the Charter School agrees to provide such information.
- D. Dispute Resolution. If a dispute arises between the Charter School and the District, the dispute resolution procedure provided by the charter shall control, with the exception of the following revisions and additions:
1. The goal of the mediation is to facilitate resolution of the dispute. Unless agreed otherwise, the mediator shall not make findings or recommendations.
  2. The mediator shall be jointly agreed upon by the duly authorized representative of the Charter School and District Superintendent within two weeks of the joint meeting between the authorized representatives of the Charter School and the District. If no mediator is agreed upon within two weeks, the right to mediation is deemed waived unless otherwise agreed by the Parties in writing.
  3. In no event shall the dispute resolution process extend past sixty (60) days from the issuance of the written notification by the party asserting existence of the dispute or controversy unless otherwise agreed by the Parties in writing.
  4. The District reserves the right to take any action it deems appropriate and the Charter School reserves the right to seek legal redress for any such actions under the law. In addition, the District is not required to be referred to mediation in those cases where the District determines that the



violation constitutes a severe and imminent threat to the health and safety of the Charter School's students.

5. The dispute resolution process shall not apply to disputes relating to an issue that could potentially lead to revocation of the charter.

## VIII. FISCAL RELATIONSHIPS

- A. Fiscal Services. The District and the Charter School agree that the District shall not act a fiscal agent for the Charter School. It is understood that the Charter School shall be responsible for all fiscal services such as payroll, purchase orders, attendance reporting, and state budget forms but may contract with the District for services by way of a separate written agreement. To the extent that the District is required to submit financial forms on behalf of the Charter School, the Charter School is responsible for providing the necessary information to the District in a timely manner and in a format acceptable to the District. The Charter School agrees to follow processing schedules and District business office procedures.
- B. Average Daily Attendance. The Charter School will be responsible for its daily and monthly attendance accounting. The Charter School will submit the attendance reports in accordance with the District format and State law and regulations to the District's attendance officer in a timely manner and in a manner that is consistent with District process and software. The Charter School shall track such information using forms as suggested by the California Independent Study Operations Manual or as provided by the District. Such attendance will be included in the annual independent audit of the Charter School.
- C. Annual Audit. The Charter School shall be responsible for having an annual independent fiscal audit done of the entire Charter School operation in accordance with all applicable laws. The Charter School shall provide written verification that the proposed auditor has direct experience in public school finance. Bonds. In the event that the District seeks and receives voter-approved bond(s), parcel taxes, etc., the Charter School shall have no entitlement to any portion of the funds unless otherwise negotiated in advance or unless otherwise required by law. The Charter School agrees that it has no entitlement to funds currently being received, if any, by the District under former parcel tax or bond elections.
- D. Loans. The Charter School agrees that it shall establish a fiscal plan for repayment of any loans received by the Charter School in advance of receipt of such loans. It is agreed that all loans sought by the Charter School shall be authorized in advance by the Charter School and shall be the sole responsibility of the Charter School. The District shall have no obligation for repayment.
- E. Cash Flow. Absent any agreement otherwise, the District shall not advance any funds to the Charter School. In addition, the District shall not act or provide a line of credit for the Charter School.
- F. Reserves. The Charter School shall maintain a minimum of five percent (5%) annual revenues in reserves at all times during the term of this Agreement.

- G. Monitoring and Reporting. The Charter School shall carefully monitor its financial budget and agrees to report any potentially significant operating deficit to the District within thirty (30) days of initial discovery or knowledge of such potential deficit.
- H. Fiscal Reporting Timelines. The Charter School shall annually prepare and submit the following reports to the District and the County Superintendent of Schools in the format dictated by the County Superintendent of Schools:
1. On or before July 1, a preliminary budget.
  2. On or before December 15, an interim financial report reflecting changes through October 31.
  3. On or before March 15, a second interim financial report reflecting changes through January 31.
  4. On or before September 15, a final unaudited report for the full prior year.

#### **IX. FISCAL CONTROLS.**

The Charter School shall adopt and 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 by an accord with amounts specified in the Board adopted budget; (2) the Charter School's funds are managed and held in a manner that provide a high degree of protection of the Charter School's assets; and (3) all transactions are recorded and documented in an appropriate manner that allow reporting to the State as required by the District, the County Office of Education, or Department of Education.

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. State required financial reports shall be forwarded to the District by the dates specified in this MOU.

The Charter School shall develop and maintain other fiscal control policies as recommended by independent certified public accountants retained by the Charter School to advise it on fiscal control policy matters.

- A. Segregation of Duties. 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 reviewed and approved by the Charter School's Director to determine whether the proposed expenditure is consistent with the Board-adopted budget and sign the check request form. All transactions will be posted on an electronic general ledger. The transactions will be posted on the ledger by someone at the school site or by a

contracted bookkeeper. To ensure segregation of record recording and authorization, the bookkeeper may not co-sign check requests or purchase orders.

- B. Banking Arrangements. The Charter School will maintain an account with the 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. The Charter School's bookkeeper will reconcile the Charter 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 chief financial officer and/or finance committee of the Charter School Board will regularly review these statements, and a copy of the monthly statements will be provided to the District. The Charter School will deposit all funds received as soon as practical upon receipt. A petty cash fund may not exceed \$500.00, may be established with an appropriate ledger to be reconciled twice monthly by a Charter School administrator, who shall not be authorized to expend petty cash. If the Charter School contemplates incurring debt, including loans from the State Treasury, it will provide notice to the District regarding the loans and its plans for repayment.
- C. Purchasing Procedures. All purchases over \$12,000.00 must include documentation of a good faith effort to secure the lowest possible cost for comparable goods or services. The Charter School shall not approve purchase orders or check requests lacking such documentation. Documentation shall be attached to all check and purchase order requests showing that at least (3) vendors were contacted and such documentation shall be maintained for (3) years. All purchases in excess of \$20,000.00 must have dual signature by a board member and an officer of the corporation.
- D. Property Inventory. The Charter School shall establish and maintain an inventory of all non-consumable goods and equipment over \$1,000.00. This inventory shall include the original purchase price and date, a brief description, serial numbers 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 and to the District.
- E. Payroll Service. The Charter School may contract with the District or County Office of Education or reputable, bonded, and insured payroll contractor to prepare payroll checks, tax and retirement withholdings, tax statements, and to perform other payroll support functions. The Charter School will establish and oversee a system to prepare attendance reports and submit payroll check requests. The Charter School 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 on checks separate from payroll checks. Upon hiring of staff, a personnel file will be established with all appropriate payroll-related documentation including a federal I-9 form, tax withholding forms, retirement data and use of sick leave.

## **X. INSURANCE**

No later than July 1, 2013, or such earlier time as the Charter School may employ individuals or acquire or lease property or facilities, the Charter School shall procure from an insurance carrier licensed to do business in the State of California, and maintain in full force during the term of the charter, at its own expense, at least the following insurance coverage:

- A. Property Insurance. Property insurance shall cover replacement costs, if offered by the insurance carrier, including coverage for all assets listed in the Charter School's property inventory and consumables. If full replacement value coverage is not available, the Charter School shall procure property insurance in amounts as close to replacement value as possible..
- B. General Liability. General liability insurance shall be no less than \$1,000,000 per occurrence and \$2,000,000 general aggregate for bodily injury, personal injury, civil rights claims (including employment discrimination), and property damage.
- C. Workers' Compensation. Workers' compensation insurance adequate to protect the Charter School from claims under Workers' Compensation laws and within statutory limits.
- D. Directors and Officers Liability Insurance. Directors and officers liability insurance, including employment practices liability insurance, shall be obtained and kept in force at all times and shall be no less than \$50,000 per occurrence and \$500,000 general aggregate.
- E. Automobile Liability. Automobile liability insurance to the extent necessary and in amounts appropriate for the type and use of the automobile(s).
- F. The Charter School will also institute risk management policies and practices to address reasonably foreseeable occurrences and provide the District with a copy of the policies and a certification that such policies and practices have been instituted.
- G. The Charter School shall provide certificates of insurance coverage to the District prior to opening and annually thereafter. The certificates shall state that the District and its Governing Board have been endorsed as additional insured under the insurance coverage under the coverage reflected in A, B, D, and E above and shall include a provision that the coverage will be primary and will not participate with nor be excess over any valid and collectible insurance or program of self-insurance carried or maintained by the District and its Governing Board. The certificates shall provide for thirty (30) days advance written notice to the District of any modification, change, or cancellation of any of the above insurance coverage. The District may request to see evidence of insurance coverage during the site visits. It shall be expressly understood that the coverage and limits referenced herein shall not in any way limit the liability of the Charter School.

## **XI. HUMAN RESOURCES MANAGEMENT**

- A. Employees of the Charter School are solely the employees of the Charter School. As such, the Charter School shall have the sole responsibility for employment management, dismissal, and discipline of its employees.
- B. The Charter School will conform to the laws regarding background checks and fingerprinting and credentialing. No Charter School teacher shall be maintained in employment without compliance with Education Code Section 47605(l).
- C. If Charter School decides to offer existing or new employees of the Charter School the opportunity to participate in STRS or PERS, the Charter School shall be responsible for making these arrangements through the County Office of Education or the District as applicable. The Charter School shall accept and assume full responsibility for any and all financial consequences flowing from the implementation of regulations, or any other action, that renders employees of the Charter School ineligible to participate in a government-defined benefit retirement plan. Pursuant to Education Code section 47611.3, the District or County as applicable shall create any reports necessary required by STRS and/or PERS 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.

## **XII. FACILITIES**

- A. The Charter School recognizes that its facilities must conform with any federal or State requirements that may be applicable to charter schools.
- B. The Charter School intends to secure and provide facilities for administration and classroom use at no cost to the District. The Charter School shall also be responsible for the maintenance and operations of its facilities. The Charter School waives any right to facilities, furniture, fixtures or equipment it might be eligible for under Proposition 39, codified at Education Code 47614, or its implementing regulations or any related laws enacted in the future.
- C. The Charter School agrees to provide the District with a minimum of forty-five (45) days advance written notice should the Charter School decide to establish additional sites, satellite campuses, and/or learning centers. The Charter School shall also obtain written approval from the District prior to entering into any lease or other facility-related agreement with a third party for this purpose.

## **XIII. EVALUATION OF EDUCATIONAL PROGRAMS/CONFORMANCE TO CHARTER**

- A. Oversight Monitoring. Oversight monitoring of Charter School shall be in compliance with applicable law, District Board policy, and the terms of the approved charter. At the District's request, the Charter School and District personnel shall meet monthly to discuss areas of concern, review and monitor records and student progress.

- B. Admission. In accordance with Education Code section 47605(d)(2) and the charter, in the event enrollment demand exceeds capacity, students residing within the AADUSD District boundaries shall receive an enrollment preference over new Charter School students residing elsewhere.
- C. Referral to Charter School as Alternative Placement. The Parties agree that the District may refer up to ten (10) District students per school year to the Charter School as an alternative placement, provided that the Charter School's enrollment is not at capacity. The Parties further agree that enrollment in the Charter School is optional and no student can be required to attend pursuant to Education Code section 47605(f).
- D. Conflict of Interest. The Charter School shall maintain a conflict of interest policy which shall be provided to the District. This policy shall reflect compliance with the Political Reform Act of 1974 (Government Code §§ 81000 et seq.) and the California Corporations Code as related to the governance structure of the Charter School.
- E. Access to Student Records. The Charter School hereby designates employees of the District as having a legitimate educational interest such that they are entitled to access the education records of the Charter School students under the Family Educational Rights and Privacy Act ("FERPA"; 20 U.S.C. § 1232g) and Education Code sections 49073 et seq., provided that access is solely for the purpose of supervisory oversight activities required of the District. The Charter School, the District, and their respective officers and employees shall comply with FERPA at all times.
- F. Brown Act/Public Records. The Charter School shall conform to the Brown Act. The Brown Act requires public school boards to conduct their business in pre-announced and agendaized open session unless specific conditions exist that justify the meeting of a board in closed session. In addition, all of the Charter School's records that relate in any way to the operation of the Charter School, including without limitation all of the records of the non-profit corporation operating the Charter School, and any other subsidiary to the extent it participates in the operation of the Charter School, are deemed to be subject to the requirements of the California Public Records Act (Government Code sections 6250 et seq.) as well as Education Code section 47604.3.

#### **XIV. MISCELLANEOUS**

- A. Legal Services/Other Services. The Charter School will be responsible for procuring its legal counsel and the costs of such service. The Charter School reserves the right to subcontract any and all services specified in this Agreement to the District and/or to public or private subcontractors as permitted by law and as available from the District.
- B. Collaborative Agreement. AADUSD and AEALAS agree to collaboratively establish Einstein partnership academies (Dependent Charters) to be located within the attendance boundaries in AADUSD. Both parties agree to open the

first Academy by September of 2014. These schools will bring together the mutual expertise of the District and Einstein to create a model educational environment that is desired by the families of Acton and Agua-Dulce.

- C. No Agency Relationship. No agent, employee, or servant of the Charter School shall be deemed to be the employee, agent or servant of the District except as expressly acknowledged in writing by the District. The Charter School will be solely and entirely responsible for its acts and for the acts of the Charter School's agents, employees, servants and subcontractors while acting under the Charter School's direction during the entire term of this Agreement.
- D. Severability. If any provision or any part of this Agreement is for any reason held 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.
- E. Notification. All notices, requests and other communication under this Agreement shall be in writing and mailed to the proper address as follows:

To the District at: 32248 Crown Valley Road  
Acton, CA 93510

To the Charter School at: Address TBD

- F. Entire Agreement. This Agreement 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, 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 consultant except as may be expressly set forth in this Agreement. The Parties further recognize that this agreement shall only be modified in writing and by the mutual agreement of the parties.
- G. Recitals. The Parties agree that the recitals set forth above are true and are incorporated as essential terms of this MOU.
- H. Governing Law. This Agreement shall be interpreted under the laws of the State of California. Any litigation filed by the Parties regarding this Agreement shall be filed and heard in a court of competent jurisdiction for the County of Los Angeles, State of California.
- I. Non-Assignment. It is mutually understood and agreed that this Agreement is not assignable by either party in whole or in part.

J. Signatures. The Parties acknowledge that each of the undersigned has the power and authority to enter into a binding contract on behalf of the party so noted below. Further, the Parties agree and understand that a facsimile version of the undersigned signatures will be deemed an original signature.

ALBERT EINSTEIN ACADEMY – ELEMENTARY SCHOOL

Dated: \_\_\_\_\_  
Jeffrey Shapiro, Executive Director - AEALAS

ACTON-AGUA DULCE UNIFIED SCHOOL DISTRICT

Dated: \_\_\_\_\_  
Brent Woodard, Ph.D., Superintendent

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