

Charter School Memorandum of Understanding

Between

Santa Cruz County Board of Education,

Santa Cruz County Superintendent of
Schools/Office of Education,

And

Pacific Collegiate School

July 1, 2011 – June 30, 2016

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MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is made and entered into this 20th day of January, 2011 by, between, and among the Santa Cruz County Board of Education (hereinafter "the County Board"), Santa Cruz County Superintendent of Schools/Office of Education (hereinafter "the Santa Cruz COE"), and Pacific Collegiate School, (hereinafter referred to as "PCS" or "Charter School"). Hereinafter, the County Board, the Santa Cruz COE, and PCS shall be collectively referred to as "the parties."

I. PURPOSE OF MEMORANDUM OF UNDERSTANDING

- A. The State of California enacted the Charter Schools Act of 1992 (hereinafter "The Act") authorizing the formation of charter schools with the intent that the schools improve student learning through a variety of means, including increased learning opportunities, innovative teaching methods, performance-based accountability, and expanded choice for parents within the public school system.
- B. The Act authorizes the County Board to grant charter petitions under specified circumstances. The County Board has approved a charter renewal petition for PCS for a five-year period beginning July 1, 2011 through June 30, 2016, (hereinafter the "renewed Charter").
- C. PCS is operated as a California non-profit public benefit corporation in accordance with Education Code section 47604. PCS and its Board of Directors are responsible for the Charter School's compliance with the terms of the renewed Charter and with this MOU.
- D. All parties agree that no single party to this MOU waives any of the rights, responsibilities and privileges established by the Charter Schools Act of 1992 that may change from time to time during the Term of this MOU.
- E. To the extent permitted by applicable law, the County Board has, by agreement with the County Superintendent, delegated its obligations to oversee the Charter School, whether arising at law, by the terms of Charter School's renewed Charter, by this Agreement, or from any other source, to the Santa Cruz COE; and in connection with the said delegation, the Santa Cruz COE shall report periodically to the County Board.
- F. The fundamental interest of the Santa Cruz COE and County Board is – on a continuing basis – to be reasonably assured that PCS is:
 - Implementing the provisions of the renewed Charter as approved.
 - Obeying all requirements of federal, state, and local law that apply to the Charter School.
 - Being operated prudently and soundly in all respects.
 - Providing a sound education for all of the Charter School's students.

- G. The parties recognize that there are a limited number of matters related to the operation of this Charter School and the effective oversight of PCS, which go beyond the provisions included in the Charter School's renewed Charter or which need further clarification. Santa Cruz COE also acknowledges that the operation of Charter School is to be solely carried out by PCS. This MOU is intended to address those matters that have not been covered in the renewed Charter and to provide guidance on the oversight policies and procedures of Santa Cruz COE. Further, this MOU is intended to outline the parties' agreements governing their respective fiscal and administrative responsibilities and their legal relationships.
- H. The parties recognize and agree that PCS shall not charge tuition, shall be nonsectarian, and shall be open to all students regardless of the characteristics listed in Education Code Section 220 (actual or perceived disability, gender, 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 or association with an individual who has any of the aforementioned characteristics) and those provisions of non-discrimination shall apply as well to employment.

II. TERM OF MEMORANDUM OF UNDERSTANDING

- A. This MOU, provided it is fully executed by all parties, shall cover the term of the renewed Charter's five (5) fiscal years commencing on July 1, 2011, and ending on June 30, 2016 ("Term"). This MOU between and among the Santa Cruz County Board of Education, Santa Cruz COE, and PCS shall include Attachments A (Additional Services) and B (the Charter), and is subject to termination during this Term or during any subsequent renewal of the Charter as specified by law or as otherwise set forth in this MOU. The "effective date" of the Charter School's renewal is July 1, 2011.
- B. Any modification of this MOU must be in writing and executed by duly authorized representatives of all parties.
 - 1. The duly authorized representative of PCS are its Board President, Principal, or designee.
 - 2. The duly authorized representative of the County Board is the President of the County Board of Education or designee.
 - 3. The duly authorized representative of the Santa Cruz COE is the County Superintendent of Schools or designee. For purposes of material amendments to the renewed Charter, such amendments take effect only if approved by PCS and the County Board.
- C. This MOU is for the term of the Charter and shall be reviewed at least annually by the parties. Proposed revisions to the MOU will be submitted by February 1 annually, or as may be requested by PCS or the Santa Cruz COE. In the case of mid-year changes in applicable laws, the Santa Cruz COE reserves the right to request mid-year modifications to this MOU. Such modifications, if agreed upon, will be included as addendums to the MOU. The approved MOU and addendums will

continue unless modified and agreed to in writing by all parties. This MOU will automatically expire upon the expiration or revocation of the renewed Charter. However, the MOU will not expire pending any appeal of a denied renewal or revocation.

III. TERM, RENEWAL, AND REVOCATION OF CHARTER

- A. PCS is a public charter school that shall be operated pursuant to the renewed charter petition (Attachment B). The Charter School's renewal was granted by the County Board on September 23, 2010.
- B. Charter School will continue to operate with grades 7 through 12 and may grow to serve an approximate enrollment of up to 520 students (current estimated site capacity) during the chartered renewal period.
- C. PCS shall be responsible for all the functions of the Charter School as a public charter school subject to terms and conditions set forth in this MOU, the renewed Charter and applicable law.
- D. Charter School's renewed Charter shall have a five (5) year term and expire on June 30, 2016. The parties acknowledge that the provisions of the renewed Charter and this MOU are not intended to conflict. However, in case of conflict between the renewed Charter and MOU the parties agree to meet as soon as possible to negotiate an amendment to the MOU (or Charter, if necessary – which shall require County Board approval for material changes). In the interim, however, the charter shall control.
- E. Future review and renewal of the renewed charter shall be in accordance with state and federal law, and as described under Section 4.3 of this MOU. The County Board reserves the right to approve amendments to the Charter and/or revoke the Charter as specified in EC section 47607 and applicable regulations, if any.

SECTION 1: GOVERNANCE AND ORGANIZATIONAL MANAGEMENT
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- A. The Charter School will operate consistent with EC Section 47604(a). PCS is a separate legal entity and neither the County Board nor the Santa Cruz COE is liable for the debts and obligations of PCS as per EC 47604(c).
- B. The parties further recognize that consistent with the renewal Charter approved by the County Board, PCS has obtained and maintains status as a non-profit, public benefit corporation as provided in EC 47604.
- C. The County Board reserves the right to appoint a representative to the PCS Board of Directors in accordance with EC Section 47604 (b).

- D. PCS will use all revenue received from state and federal sources only for the educational services and related activities specified in the renewed Charter and this MOU for the benefit of the students enrolled and attending Charter School.
- E. Other sources of funding must be used in accordance with applicable state and federal statutes, and the terms or conditions, if any, of any grant or donation.

1.1 Organization

Prior to the effective date of renewal, and at all times it is operational, PCS will have the following information posted on its Internet site (<http://www.pacificcollegiate.com/>) and will update the posting as quickly as possible whenever the information changes:

- a) Contact information, including phone numbers and e-mail addresses of the principal contacts for Charter School; and
- b) The Charter School's management organization chart displaying PCS' governing board and listing of all the names and contact information for the Charter School leadership.

PCS will provide Santa Cruz COE with written notice of any change in the directors, officers, and administrators within twenty (20) working days.

1.2 Governing Board Composition

Prior to the effective date of renewal, and at all times it is operational, PCS will have the following information posted on its Internet site (<http://www.pacificcollegiate.com/>) and will update the posting as quickly as possible whenever the information changes:

- a) Updated Articles of Incorporation as filed with the California Secretary of State.
- b) Updated Bylaws approved by PCS.
- c) Notice of approval of federal 501(c)(3) tax-exempt status of PCS.
- d) Conflict of Interest policy applicable to PCS.
- e) Roster of current Board of Directors of PCS.
- f) Membership process for the Board of Directors of PCS.

1.3 Governing Board Activities

- a) Calendar: PCS shall provide Santa Cruz COE an annual calendar of governing board meetings for PCS including a description of how parents of PCS students and community members will be notified of the meetings. This calendar shall be posted on the Internet (<http://www.pacificcollegiate.com/>).
- b) Brown Act Training: Prior to the effective date of renewal, PCS shall provide verification by letter to Santa Cruz COE that all members of the governing board of PCS, administrative staff, and any other staff relative to the Charter School deemed appropriate by PCS have participated in Brown Act training.
- c) Governing Board Meetings: The governing board of PCS shall conduct public meetings at such intervals as are necessary to ensure that the governing board is providing sufficient direction to PCS through implementation of effective policies and procedures. Governing board meetings of PCS will be conducted in keeping

with the requirements of the Ralph M. Brown Act (Government Code sections 54950 – 54962).

- i. All agendas shall be provided to the Santa Cruz COE electronically in advance of the board meeting when posted and such posting shall be in a conspicuous location and on the Internet (<http://www.pacificcollegiate.com/>) in accordance with the Brown Act.
 - ii. Minutes of each meeting whether regular or special shall also be made available to the Santa Cruz COE within twenty (20) working days of approval.
 - iii. Approved Charter School Governing board meeting agendas and minutes will be posted on the Internet (<http://www.pacificcollegiate.com/>).
 - iv. Governing Board meeting agendas and minutes of PCS shall be maintained and available for public inspection and during site visits.
- d) Governing Board Policies: The governing board will adopt policies and procedures to guide the operation of PCS, and PCS will post the policies and procedures on the Internet (<http://www.pacificcollegiate.com/>), updating the posting as quickly as possible following any change. The policies and procedures will include, but not be limited to, the following:
- i. *Conflicts of Interest*: Prior to effective date of renewal, PCS' Governing board shall: (1) adopt a conflict of interest policy, including provisions related to nepotism, for itself, for Charter School, and for PCS' employees and contractors, to ensure that no action taken by an individual or organization covered by the policy results in an actual or apparent conflict of interest; and (2) provide Santa Cruz COE verification that all PCS board members and employees deemed appropriate by PCS have participated in conflict of interest training.
 - ii. *Internal Fiscal Controls*: PCS will maintain internal fiscal control policies governing all financial activities of Charter School. PCS shall provide Santa Cruz COE a copy of its internal fiscal control policies governing all financial activities approved by PCS' governing board as policies are revised. Such policies and procedures are subject to review during site visits to see that they are being implemented.
 - iii. *Campus Supervision*: Prior to the effective date of renewal, PCS shall provide Santa Cruz COE a copy of the governing board policy of PCS relative to the supervision of Charter School students before and after school and while on campus, student field trips, student pick-up, as well as a procedure for visitors to enter and leave campus.
 - iv. *Discipline Policies*: Prior to the effective date of renewal, PCS shall provide Santa Cruz COE a copy of the governing board policies of PCS relative to student discipline, including a list of the offenses for which students may be

suspended or expelled, the procedures for suspension or expulsion, procedures by which parents and students will be informed about reasons for suspension or expulsion, and of their due process rights in regard to either disciplinary action.

- v. *Parent/Student Handbook*: Prior to the effective date of renewal, PCS shall provide Santa Cruz COE a copy of the parent/student handbook for the Charter School. At a minimum, the handbook shall include detailed expectations for student attendance, behavior, and discipline, including policies and consequences for bullying and harassment, due process rights related to discipline (including suspension, expulsion, and special education), and a description of both informal and formal complaint procedures that parents may pursue in the event of disagreements. PCS will provide an electronic copy of the parent/student handbook to each family at the beginning of each year and will post a copy on the Internet. Upon request, PCS will promptly also provide a hardcopy of the parent/student handbook.
- e) Health and Safety Plan: Prior to the effective date of renewal, and at all times it is operational, PCS will have the following information posted on the Internet (<http://www.pacificcollegiate.com/>) and will update the posting as quickly as possible whenever the information changes:
 - i. A copy of the health, safety, and emergency plan for Charter School students and employees.
 - ii. Certification that staff has been trained in health, safety, and emergency procedures.

The health and safety plan shall address at a minimum, fire emergencies, earthquakes and other natural disasters, civil disorder, accidents, injuries, and other threats to the health and safety of students and staff. PCS shall provide training for staff in responding to emergencies and conduct emergency response drills for its students. PCS shall provide Santa Cruz COE a copy of the annual calendar of emergency drills for students at the Charter School.

- f) Notice to Parents/Guardians:
 - i. Prior to the effective date of renewal, and at all times it is operational, PCS will have posted on the Internet (<http://www.pacificcollegiate.com/>) information concerning the rights of parents and guardians under the applicable provisions of the federal No Child Left Behind (NCLB) and the Family Educational Rights and Privacy Acts (FERPA), and will update the posting as quickly as possible whenever the information changes. PCS will also provide a hardcopy to families upon request.
 - ii. If the Charter School receives Title I funding on behalf of Charter School, parent notice shall provide information regarding the federal No Child Left Behind (NCLB) Act, including the right to request and receive essential information about the professional and educational background of the

teacher(s) instructing their child and notification when their child is taught for four or more weeks by a teacher who is not “highly qualified.”

- g) Family Educational Rights and Privacy Act (FERPA): PCS employees have 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 (FERPA). The Charter School, its officers and employees shall comply with FERPA at all times. In addition, it is agreed that the Santa Cruz COE has a legitimate educational interest in the educational records of Charter School's students such that the Santa Cruz COE shall have access to those records. Records shall, at a minimum, include emergency contact information, health and immunization data, attendance summaries, and academic performance data from the statewide student assessments required pursuant to EC sections 60605 and 60851.
- h) Criminal Records Summaries: At all times during the Term of the renewed Charter, PCS employees who will be performing services with Charter School students that are not under the direct supervision of a certificated teacher, and onsite vendors having unsupervised contact with Charter School students will submit to background checks and fingerprinting in accordance with EC Section 45125.1. PCS will provide certification to Santa Cruz COE that all employees, and volunteers/vendors (as applicable) have clear criminal records summaries prior to their having any unsupervised contact with students. PCS shall maintain on file and have available for inspection during site visits, evidence that it has performed criminal background checks for all employees and documentation certifying that vendors have conducted required criminal background checks for their employees prior to any unsupervised contact with students.

1.4 Administration

Prior to the effective date of renewal, and at all times it is operational, PCS will have the following information posted on the Internet (<http://www.pacificcollegiate.com/>) and will update the posting as quickly as possible whenever the information changes:

- a) Enrollment and Admissions Documentation:
 - i. Procedures for enrollment, admission, and the public random drawing.
 - ii. Descriptions of outreach and recruitment activities that have been conducted to reach target population.
 - iii. Evidence that enrollment preferences and random drawing preferences are consistent with the Charter and applicable law.
 - iv. A copy of the application and enrollment forms and information provided to prospective families.
 - v. Process for exiting a student from PCS for other than disciplinary reasons.

By CBEDS date of each year, PCS shall also provide the Santa Cruz COE with electronic documentation of enrollment, including each student's name.

- b) Required Disclosures: PCS shall immediately notify Santa Cruz COE of any pending or actual litigation and/or claim from any party or notice of potential

infraction, criminal or civil action against PCS, its officers or any employee, agent or volunteer that may involve or affect PCS. In addition, PCS shall immediately notify Santa Cruz COE of any request for information by any governmental agency about PCS. Santa Cruz COE shall immediately notify PCS of any pending or actual litigation and/or claim from any party or notice of any potential litigation and/or claim against Santa Cruz COE, the County Board, or PCS, that may involve or affect PCS. In addition, the Santa Cruz COE shall immediately notify PCS of any request for information by any governmental entity about the Charter School.

- c) School Accountability Report Card (SARC): On or before February 1st of Charter School year, PCS shall post its SARC on the PCS website (<http://www.pacificcollegiate.com/>). PCS will use the template developed by the California Department of Education (CDE) as a guide which is available at <http://www.cde.ca.gov/ta/ac/sa>. PCS may add or delete elements of the SARC in accordance with applicable law.
- d) Inquiries or Requests for Information: PCS shall promptly respond to all reasonable inquiries by the Santa Cruz COE, County Board, the Superintendent of Public Instruction, and their respective designees, including but not limited to the financial records of the Charter School and shall consult with the County Superintendent or his/her designee regarding any inquiries as per EC 47604.3.
- e) Insurance and Risk Management: PCS shall procure from an insurance carrier licensed to do business in the State of California or a qualified JPA (joint powers authority) registered with the California Department of Industrial Relations, and keep in full force during the term of the renewed Charter and will provide annually a copy of the certificate of coverage, at least the following insurance coverage concerning PCS:
 - i. *Property Insurance* – covering damage, destruction or loss personal property owned by PCS or located at premises occupied by PCS, providing for replacement value and the loss of use of such property, which will include all assets listed in the applicable property inventory and consumables.
 - ii. *General Liability* – At least \$1,000,000 per occurrence and \$2,000,000 aggregate, in addition no less than \$15,000,000 in total general liability insurance or excess as deemed appropriate per current insurer (NCR), providing coverage for negligence, errors and omissions/educators legal liability, abuse and molestation, and employment practices liability of PCS, its governing board, officers, agents, employees, or students of PCS. The deductible per occurrence for said insurance shall not exceed \$20,000 for any and all losses resulting from negligence, errors and omissions of PCS, its governing board, officers, agents, employees, or students of PCS.
 - iii. *Workers' Compensation* – In accordance with the provisions of the California Labor Code, insurance adequate to protect PCS from claims under Workers' Compensation Acts which may arise from its operation of PCS, with statutory limits.

- iv. *Automobile Insurance* – to the extent necessary and in amounts appropriate for the type and use of any automobile.

PCS shall provide evidence of all applicable insurance coverage to Santa Cruz COE annually and will instruct the insurance carrier(s) to inform the Santa Cruz COE immediately if the coverage becomes inoperative for any reason.

PCS shall hold harmless, defend, and indemnify the County Board, Santa Cruz COE, its officers, agents and employees, from every liability, claim, or demand which may be made by reason of (1) any injury to volunteers; and (2) any injury to person or property sustained by any person, firm, or corporation caused by any intentional or negligent act or omission of PCS, its officers, employees or agents. In cases of such liabilities, claims, or demands, PCS, at its own expense and risk, shall with legal counsel satisfactory to Santa Cruz COE defend and indemnify the County Board, Santa Cruz COE, its officers and employees, with their full cooperation, and shall satisfy any resulting judgments up to the required amounts that may be rendered against any of them. This indemnity and hold harmless provision shall exclude actions brought by third persons against Santa Cruz COE or County Board arising out of the negligence or intentional acts, errors, or omissions of the Santa Cruz COE or the County Board, its directors, employees, officers and agents.

Santa Cruz COE and the County Board shall hold harmless, defend, and indemnify PCS, its officers, agents and employees, from every liability, claim, or demand which may be made by reason of (1) any injury to volunteers; and (2) any injury to person or property sustained by any person, firm, or corporation caused by any intentional or negligent act or omission of Santa Cruz COE or the County Board, its officers, employees or agents. In cases of such liabilities, claims, or demands, Santa Cruz COE and/or County Board, at its own expense and risk, shall with legal counsel satisfactory to PCS defend and indemnify PCS, its officers and employees, with their full cooperation, and shall satisfy any resulting judgments up to the required amounts that may be rendered against any of them. This indemnity and hold harmless provision shall exclude actions brought by third persons against PCS arising out of the negligence or intentional acts, errors, or omissions of PCS, its directors, employees, officers and agents.

1.5 Human Resources Management

PCS is deemed the exclusive employer of the employees of PCS for the purposes of the Educational Employee Relations Act (EERA) under *Government Code* Section 3540, et. seq. PCS will have sole responsibility for employment, management, dismissal, and discipline of its employees.

- a) Employee Handbook: Prior to the effective date of renewal, and at all times it is operational, PCS will have posted on the Internet (<http://www.pacificcollegiate.com/>) (and will update the posting as quickly as

possible whenever the information changes), a copy of the employee handbook that will be distributed to employees at PCS each year. At a minimum, the handbook shall include detailed expectations for employee performance and behavior, due process rights of employees related to disciplinary actions (including termination), compensation and benefit information, and a description of both informal and formal complaint procedures that employees may pursue in the event of disagreements. PCS may provide the Santa Cruz COE with an electronic copy of the document in lieu of posting it on the Internet.

- b) Employee Contracts: Prior to the effective date of renewal, PCS will provide Santa Cruz COE sample employee contract(s) that, at a minimum, state that PCS is the exclusive employer of employees and has sole responsibility for employment, management, dismissal, and discipline of its employees. PCS will provide Santa Cruz COE with updated versions of the sample employee contract(s) when any changes are made to them during the Term of the Charter.
- c) Teacher Credentials and Highly Qualified Teacher Requirements: Prior to the effective date of the renewal, and by August 1 of each year thereafter, PCS shall provide the Santa Cruz COE proof that all PCS teachers hold a Commission on Teacher Credentialing certificate, permit, or other document equivalent to that which teachers in other public schools are required to hold, except as otherwise exempted by the Charter Schools Act. The certification will also cover the compliance with the federal No Child Left Behind (NCLB) highly qualified teacher requirements. PCS will have documentation on file (for inspection upon request) of its teachers' credentials and that the teachers of any NCLB core subject meet the highly qualified teacher requirements.
- d) STRS & PERS Reporting Requirements: PCS shall accept and assume sole financial responsibility for all STRS and PERS reporting fines and penalties resulting from incomplete, inaccurate, or late reports and/or inadequate or late deposits from any cause whatsoever, except the sole negligence of the Santa Cruz COE. Such responsibility shall include but not be limited to any and all reporting fines and/or penalties.

1.6 Facilities

It is understood and agreed that the County Board and/or the Santa Cruz COE have no obligation to provide facilities to PCS. If PCS seeks facilities from a district in which it intends to locate under Proposition 39, it shall follow applicable statute and regulations regarding submission of such a request to a district. PCS shall provide a copy of each Proposition 39 request to Santa Cruz COE at the time of submitting its request to any school district.

- a) Prior to the effective date of renewal, PCS shall provide Santa Cruz COE with its current facility lease agreement. PCS shall provide any and all amendments to lease agreements for its school site annually thereafter.
- b) Zoning and Occupancy: Prior to the effective date of renewal, PCS shall provide Santa Cruz COE a certification that the Charter School's facility is located in an

area that is properly zoned for operation of a school and that has been cleared for student occupancy by all appropriate local authorities. All facilities must meet all applicable health and fire code requirements and zoning laws in accordance with Education Code Section 47610. PCS will furnish the Santa Cruz COE, upon request, with all local approvals (*EC* Section 47610(d)) including applicable fire marshal clearances, certificates of occupancy, signed building permit inspections and approved zoning variances. PCS cannot exempt itself from applicable local zoning or building code ordinances without prior approval of the Santa Cruz COE, which shall not be unreasonably withheld.

- c) Santa Cruz COE shall conduct a site review to determine that the facilities are clean, safe, American Disabilities Act (ADA) compliant, and have the necessary local approvals to operate.

SECTION 2: EDUCATIONAL PERFORMANCE

2.1 Educational Program

By August 1st of each year and at all times it is operational, PCS will have the following information posted on the Internet (<http://www.pacificcollegiate.com/>) and will update the posting as quickly as possible whenever the information changes:

- a) Scope and sequence for all subjects to be offered by PCS.
- b) The complete educational program for students to be served including, but not limited to: (1) a description of the curriculum and identification of the basic instructional materials to be used, (2) plans for professional development of instructional personnel to deliver the curriculum and use the instructional materials, (3) identification of specific assessments that will be used in addition to the results of the Standardized Testing and Reporting (STAR) program in evaluation of student progress, and (4) course offerings for middle and high school.
- c) Annual calendar for the PCS school year that includes the number of instructional days (must provide a minimum of 175 days or as otherwise required by law), annual instructional minutes offered, and the number of professional development days.
- d) Daily bell schedule for site based programs.

2.2 Student Achievement Plan

- a) PCS will not be required to submit a Student Achievement Plan for PCS if it meets its API growth targets and AYP, both school wide and by significant subgroups, each year.

- b) If PCS fails to meet API and AYP targets school-wide or by numerically significant subgroups for two consecutive school years, PCS shall be required to submit a Student Achievement Plan to Santa Cruz COE according to the following dates:
- October 1 - draft Student Achievement Plan
 - December 1 - final Student Achievement Plan
- c) If PCS is seeking renewal and it has not met API and AYP in the prior two school years, PCS shall submit a draft Student Achievement Plan for the future concurrent with the charter renewal request.
- d) PCS shall implement its final Student Achievement Plan that sets forth its specific goals, how progress towards and achievement of each goal will be measured, and plans for addressing areas identified as needing improvement. The Student Achievement Plan shall build upon the assessment measures, educational goals, and student outcomes described in the charter petition, but shall not provide for less stringent assessment measures, educational goals, and student outcomes than those described in the charter petition. If the final Student Achievement Plan is less stringent than the Charter, this will be considered a material amendment to the Charter and shall be subject to Santa Cruz COE review and approval.

2.3 Evaluation of Educational Programs

- a) Annual Report of Activities: By November 30 of each year, PCS shall post on the Internet (<http://www.pacificcollegiate.com/>) and submit a report for PCS to the Santa Cruz COE for the prior year that examines the following ("Annual Report"):
- i. STAR results both in aggregate and disaggregated by numerically significant subgroups.
 - ii. CAHSEE results both in aggregate and disaggregated by subgroups.
 - iii. Progress made toward meeting API and AYP targets.
 - iv. Progress made toward each of the educational goals and student outcomes identified in the renewed Charter.
 - v. Results and analysis of any additional internal assessments used by PCS.
 - vi. The fulfillment of the school's purposes and goals, including plans to address areas, if any, that PCS has identified as needing improvement by PCS.
 - vii. Implementation of Diversity Plan and three-year pilot study addressing diversity.
 - viii. Culture and climate of the school including attendance patterns, parent satisfaction surveys, and community participation.

- ix. Evidence that PCS is financially sound.

If PCS has been required to submit a Student Achievement Plan, it must also address the following elements in the Annual Report:

- i. Progress made in areas identified where progress falls short of meeting outcomes identified in the Student Achievement Plan.
 - ii. Professional development provided to further progress on goals described in the Student Achievement Plan.
 - iii. Progress made on the implementation of changes to curriculum and instructional strategies identified in the Student Achievement Plan.
 - iv. Evidence that the Charter School is systemically examining student data and using it to drive decisions regarding curriculum and instruction.
- b) Annual Plan Regarding ELs and other Special Needs Students: A continuing plan for the support of students requiring academic assistance to meet school curriculum and assessment requirements, including English Learners and those with identified special education needs, as well as for students continuing to be unsuccessful even with additional support, shall also be submitted to the Santa Cruz COE in written form on or before October 30 of each year. The plan shall be reassessed, at a minimum, on an annual basis to measure the effectiveness of the program to meet established goals and PCS shall make revisions as required.

The Annual Report, (in conjunction with the Student Achievement Plan, if applicable) shall be used as a central area of focus for site visits. PCS will provide specific evidence that the results, as shown in the Annual Report, are targeting improvement in student achievement and that PCS is financially sound.

2.4 Updates to Santa Cruz County Board of Education

At the request of Santa Cruz COE, PCS shall present updates and or reports to the Santa Cruz County Board of Education during the year.

2.5 Services for Students with Disabilities

- a) It is recognized that PCS is a member of the North County SELPA, that PCS shall be categorized as a local education agency (LEA) for the purpose of providing special education services to students of PCS. As set forth in Education Code sections 47640, 47641 and 47644, PCS, serving as an LEA, shall be responsible for complying with all provisions of 20 U.S.C., Chapter 33 and its implementing regulations as they relate to LEAs. PCS shall provide a copy of the Local Plan and approval of PCS as an LEA member of the SELPA if requested.

PCS shall assume all responsibility, including but not limited to full financial responsibility, for the implementation and continuing operation of all items identified in this Section, specifically any and all costs associated with the

provision of special education and related services and accommodations under Section 504 of the Rehabilitation Act, for all students who are enrolled in PCS, over and above any state or federal funding received for such purposes.

- b) Special Education Staffing: PCS shall provide its own properly credentialed and fully qualified coordinator for special education and shall be responsible for referrals, identification, assessments, IEP and Section 504 team meetings, implementation of Section 504 Plans and IEPs, complaints, mediations, and due process hearings. PCS may contract with any other school district for other services on behalf of PCS, provided that such are available and are at no cost to the County Board and/or Santa Cruz COE. Written agreements shall be authored to specify such services and costs. It is further recognized that PCS may contract with a SELPA, employ its own staff and/or contract with other vendors to deliver services required by the IEPs and/or Section 504 Plans of students enrolled in PCS and as otherwise required by applicable state and federal laws.

To the extent that the delivery of Section 504 and/or special education services and adherence to Section 504 and special education laws have costs in excess of revenue allocated to PCS for such purposes, PCS shall be responsible for any and all such costs related to students of PCS.

- c) Requests For Information: PCS agrees to fully and promptly comply with any reasonable requests for information made by the Santa Cruz COE with regard to special education services and individual students. The Santa Cruz COE may establish regular meetings with the Charter School's coordinator for purposes of reviewing special education and/or Section 504 compliance. The Santa Cruz COE may also take action to monitor PCS to ensure that special education and/or Section 504 services are being provided as required by law and applicable SELPA policy.
- d) Certification Requirements: PCS agrees to defend with legal counsel satisfactory to Santa Cruz COE, approval of which will not be unreasonably withheld and to hold harmless the County Board, the County Superintendent, the Santa Cruz County Office of Education, and each of their officers, directors, agents and employees, from and against any and all costs, including attorney's fees, and/or awards related to complaints, due process hearings, mediations or any and all forms of litigation relating to special education and/or Section 504 matters for PCS students. PCS shall provide the Santa Cruz COE with annual written certification that PCS has complied with its Section 504 and special education obligations as part of the Charter School's Annual Update Report. PCS acknowledges that its failure to provide all Section 504 and/or special education services required in student Section 504 Plans and IEPs may constitute a material violation of the conditions, standards and procedures set forth in the renewed Charter, this MOU, as well as violation of applicable law sufficient to support the County Board's revocation of PCS's Charter pursuant to Education Code Section 47607.

2.6 Independent Study

To the extent that PCS provides instruction through independent study to any PCS students, it will meet all requirements of law applicable to independent study, including but not limited to the use of individual student contracts describing the evaluation of student work for time value.

SECTION 3: FISCAL OPERATIONS

3.1 Funding

PCS will be direct funded in accordance with EC Section 47630 et seq. the Charter School's general purpose entitlement will be calculated in accordance with applicable provisions of The Act including EC Section 47633 et seq. The parties recognize the authority of PCS to pursue additional sources of funding.

- a) The parties agree that the Charter School's funding per ADA shall not exceed enrollment capacity. The parties agree that the maximum enrollment capacity of current Charter School facilities shall be 520 (current estimated site capacity).
- b) The parties specifically agree that it is not the responsibility of the Santa Cruz COE (except as a distributing agent) to provide funding in lieu of property taxes to PCS.
- c) PCS shall establish a fiscal plan for repayment of any loans received by PCS for the Charter School in advance of receipt of such loans. It is agreed that all loans sought by PCS for the Charter School shall be authorized in writing in advance by PCS and shall be the sole responsibility of PCS. In no event shall the County Board and/or the Santa Cruz COE have any obligation for repayment of such loans. PCS shall provide advance written notice to the County Board and the Santa Cruz COE specifying its intent to apply for a loan for Charter School. PCS shall also provide advance written notice of deposit of any sums which are loans for the Charter School and the plan for repayment.
- d) In general, the Santa Cruz COE shall not advance any funds to PCS, except as a distributing agent and not from its own account. In addition, the Santa Cruz COE shall not act or provide a line of credit to PCS.

3.2 Fiscal Agent

- a) The parties agree that neither the Santa Cruz COE nor the County Board shall act as fiscal agent for PCS. It is agreed that PCS shall be solely responsible for all fiscal services for the Charter School such as payroll, purchasing, attendance reporting, and completion and submission of state budget forms, but may contract with the Santa Cruz COE for such services to PCS by way of mutual agreement.
- b) To the extent that PCS wishes to contract with the Santa Cruz COE for any services to PCS beyond those specified in this agreement, if any, a prior separate written contract with the Santa Cruz COE shall be required and the costs of such services paid in full by PCS.

3.3 Student Attendance Accounting and Reporting

- a) PCS shall use commercially available attendance accounting software (such as Power School, SASI, etc.) for student attendance accounting at PCS. PCS shall submit enrollment and attendance data as required to receive apportionment of funding according to the following schedule:
 - i. First Principal Apportionment (attendance for all full school months between July 1 and December 31) due one week prior to the January date indicated by CDE.
 - ii. Second Principal Apportionment (attendance for all full school months between July 1 and April 15) due one week prior to the May date indicated by CDE.
 - iii. Annual Apportionment (attendance for school year) due one week prior to the July date indicated by CDE.
- b) In addition to submission of the electronic data files, PCS shall make available for review to Santa Cruz COE upon request all back up attendance documents that support the reported average daily attendance (ADA). Santa Cruz COE staff will review and certify the accuracy of PCS attendance data submitted by PCS only when all documentation has been submitted and is accurate. Attendance data submitted without the requisite detail will not be processed and may result in a delay of funding to PCS. PCS is responsible to assure that all reports are accurate and timely in order to receive regular and timely apportionment payments. Santa Cruz COE shall process and transfer to PCS all payments received by the Santa Cruz COE for PCS in a timely fashion.
- c) Weekly site-based attendance sheets, signed and dated by teachers, and evidence of contact made with parents when students are absent from School (e.g. parent contact log, absence log. etc.) shall be maintained by PCS, and will be provided to and reviewed by Santa Cruz COE during site visitations.

3.4 Financial Reporting

- a) PCS is required by EC Section 47604.33 to submit periodic financial reports of revenues, expenditures, and reserves. In order to meet statutory timelines for financial reporting, PCS shall submit such reports to Santa Cruz COE for review, using the state software (SACS 20__ALL) or the Charter School Alternative Reporting form, according to the following schedule:
 - i. Preliminary budget due one week prior to the July 1 deadline indicated by CDE. *(Note: Santa Cruz COE may request a revised budget to address any concerns identified during the review of the preliminary budget.)*

- ii. Unaudited Actuals Report for the prior fiscal year due one week prior to the September 15 deadline indicated by CDE.
 - iii. First Interim Report (expenditures through 10/31) due one week prior to the December 15 deadline indicated by CDE.
 - iv. Second Interim Report (expenditures through 1/31) due one week prior to the March 15 deadline indicated by CDE.
- b) Any significant changes in the budget or interim reports from one reporting period to the next must be explained in writing. The following back up information shall be consistently provided for each reporting period:
- i. Multi-Year Projection (MYP) for current and two subsequent years.
 - ii. Assumptions used for two subsequent years.
 - iii. A written summary of any significant changes in the budget or interim reports, by category, from one reporting period to the next period.
 - iv. Enrollment projections/growth in average daily attendance (ADA) by grade level and the impact of the growth on liabilities, facilities, etc.
 - v. Cost of Living Allowance (COLA), if applicable, and deficit percentage, if any.
 - vi. Calculation used for determining general purpose funding.
 - vii. Number of Full Time Equivalent (FTE) for certificated and classified employees for each year including an organizational chart identifying all charter school positions and respective salary information for each position.
 - viii. Supplemental financial report showing the Charter School's budget to date and financial transactions and reconciliations, i.e. Statement of Activities (Income & Expenditure Account) and Statement of Financial Position (Balance Sheet).
 - ix. Statement of cash flow for the current and subsequent fiscal year.
- c) The parties agree that maintenance of a sufficient level of funding reserve is in the best interest of PCS and its successful operation. Accordingly, PCS shall maintain reserves of no less than three percent (3 %) for PCS based upon the total expenditures and other uses of the Charter School's Adopted Budget for the fiscal year. PCS shall have the same flexibility regarding the maintenance of its reserve account allowed to school districts under the Education Code. An explanation of any projected drop in reserves below the three percent level must be included in the assumptions.

- d) The Santa Cruz COE may request additional information, as necessary, to evaluate the fiscal condition of PCS.

3.5 Annual Audit

PCS shall submit an annual independent financial audit in accordance with EC Section 47605(m), to the State Controller's Office, the Santa Cruz COE, and the California Department of Education no later than December 15 of each year. In order for PCS to receive a favorable recommendation for renewal, corrective action plans shall have been implemented in a timely manner to the satisfaction of the Santa Cruz COE for any findings or exceptions identified in each annual audit, such that there are no continuing prior year findings or deficiencies identified in the following year. The audit shall be conducted by an auditor from the list approved by the State Controller's Office.

In addition to the Charter School's financial statements, the audit shall include, as applicable, but not be limited to contemporaneous records of attendance and annual instructional minutes as required by the law for the audit of charter schools.

3.6 Monitoring and Oversight

- a) The County Board, by agreement with the Santa Cruz County Superintendent, designates the Santa Cruz County Superintendent and staff as the third party oversight agency to provide oversight and monitoring of PCS Public Charter School on behalf of the County Board.
- b) PCS shall be charged an annual oversight fee by Santa Cruz COE for the cost of oversight, monitoring, and reporting concerning PCS in accordance with EC Section 47613, with such fees capped at 1% of the general purpose and categorical block grant revenue received by PCS, in accordance with EC 47613(f) ("CBG Revenue"). The oversight fees shall be used to offset consultant and administrative costs required for comprehensive oversight, which includes but is not limited to the following categories:
 - i. Curriculum and instruction
 - ii. Assessment and accountability
 - iii. School fiscal review
 - iv. Governance and management operations review
 - v. Site visitations
 - vi. Renewal evaluations
 - vii. Attendance accounting certification
 - viii. Communication & research & issue resolutions relative to PCS
- c) The oversight fees shall be invoiced quarterly by Santa Cruz COE, with payment due and payable within 30 days of receipt. The actual amount of the oversight fees shall be reconciled as soon as reasonably possible upon the determination of the actual amount of the CBG Revenue.

3.7 State Teachers Retirement System (STRS)/Public Employees Retirement System (PERS) Reporting

If PCS offers employees of PCS the opportunity to participate in STRS or PERS, PCS shall be responsible for contracting with Santa Cruz COE for reporting purposes and for payment of costs to Santa Cruz COE that are associated with such reporting.

SECTION 4: FULFILLING CHARTER TERMS

4.1 Material Amendments to Charter

Changes to the renewed Charter deemed to be material amendments may not be made without prior approval from the County Board per EC 47607. Amendments to the renewed Charter considered to be material changes include, but are not limited to, the following:

- a) Substantial changes to the educational program (including the addition or deletion of an educational program), mission, or vision of the Charter School.
- b) Adding a classroom-based program/facility.
- c) Proposed changes in enrollment that increase or decrease the enrollment originally projected in the charter petition by more than 25 percent in any given year unless provided for in the Facility Use Agreement.
- d) Addition or deletion of grades or grade levels to be served.
- e) Changes to location of facilities, including school sites, resource centers, meeting space, or other satellite facility including the opening of a new facility.
Temporary locations rented for annual student testing purposes shall be exempt from this provision.
- f) Substantial changes to admission requirements and procedures.
- g) Significant changes to the governance structure, including but not limited to: the dissolution of the corporation holding the charter.

4.2 State Assessments

PCS shall comply with and adhere to the state requirements for participation and administration of all state mandated tests for charter schools, and shall include but not be limited to:

- a) California Standards Tests (CSTs)
- b) California Modified Assessment (CMA)
- c) Standards-based Tests in Spanish (STS)
- d) California Alternative Performance Assessment (CAPA)
- e) California High School Exit Examination (CAHSEE)
- f) California Physical Fitness Test (PFT)
- g) California English Language Development Test (CELDT)

4.3 Site Visits

The Santa Cruz COE will conduct at least one visit to PCS annually in accordance with the Act. The information gathered will be used to assess the Charter School's progress

in governance and organizational management, educational performance, fiscal operations and fulfillment of the terms of the renewed Charter and this MOU. A school site visit may include review of the facility, review of records maintained by PCS, interviews with the Principal of PCS, employees working at PCS including the site principal, and PCS students/parents, as well as observation of instruction in the classroom(s). Any deficiencies will be reviewed with the Charter School's Principal and an opportunity provided for comment, explanation and/or correction. The evaluations for each year will be used, in addition to other information and reports, to determine a renewal decision. The Santa Cruz COE reserves the right to make unannounced visits to PCS.

4.4 Renewals

- a) PCS may seek renewal of the Charter School's Charter prior to expiration of the term of the renewed Charter in accordance with statutory provisions. PCS shall submit its renewal petition for the next charter term along with a copy of the most recent Annual Report and Student Achievement Plan (if applicable) to Santa Cruz COE, no sooner than October 15 of the fiscal year in which PCS would cease operations without renewal.
- b) Santa Cruz COE shall review the charter petition, academic and financial performance, audit reports, annual visitation reports, and may conduct a renewal site visit prior to scheduling the renewal request for consideration by the County Board. To the extent required, the charter renewal petition shall be revised in accordance with current statutes and regulations.
- c) PCS may seek earlier renewal of the Charter School's Charter if it meets all of the following conditions:
 - i. Has been in existence for at least three years, or has completed three years of a subsequent term of renewal;
 - ii. Has similar schools API rankings of 8 or above in all three years;
 - iii. Has met AYP criteria school wide and by significant subgroups in all three years;
 - iv. Has submitted accurate and timely budgets, interim fiscal reports, and student attendance data to Santa Cruz COE;
 - v. Independent financial audits for all three years have been free of audit exceptions and/or deficiencies (minor findings corrected in the year of the audit through a corrective action plan are allowable under this provision);
 - vi. Has received no health and safety code violations from local authorities;
 - vii. Has demonstrated that a majority of parents, students, and staff are satisfied with performance of PCS;
 - viii. Has met the requirements for any then pending correction action set by Santa Cruz COE in a written correspondence (4.5 a), if any; and
 - ix. Has met applicable additional requirements for such renewal, if any, in the law.

4.5 Notice to Cure and Revocation

- a) The County Board shall have the right to revoke the renewed Charter in accordance with EC 47607 or other statute or regulations expressly applicable to the revocation of a charter thereunder. The progression of notification of corrective action for concerns the County Board consider to involve violation(s) of EC 47607(c) is as follows:
- Direct contact with PCS specifying the concerns with PCS, followed by written Correspondence #1.
 - Written Correspondence #2 – restatement of concerns if there has been little or no response by PCS to Correspondence #1, and a request for a response from PCS informing the Santa Cruz COE about steps PCS is taking to address the concerns noted in Correspondence #1; the Santa Cruz COE may conduct a site visit.
 - Written Correspondence #3 (Notice of Concern) – restatement of concerns and direction to PCS to take corrective action by a specified reasonable date.
 - Written Correspondence #4 (Notice to Cure or Face Revocation) – letter identifying history of failure to correct or address the concerns and directing PCS to take specific enumerated actions or submit documentation by a specified date. Failure to do so will result in the institution of revocation proceedings in accordance with EC 47607 and applicable regulations, if any.
 - Revocation – schedule an agenda item for the County Board to hold a public hearing and consider revocation of the Charter in accordance with EC 47607 and applicable regulations, if any.
- b) The exception to the above process is under circumstances where the County Board determines in writing that there is a severe and imminent threat to the health or safety of students and/or staff of PCS per EC 47607(d). The County Board will be apprised in writing of the situation by Santa Cruz COE and immediate action may be taken by the County Board to assure the safety and well being of the students, staff, and community. Such immediate action as deemed appropriate by the County Board in its reasonable discretion, may include but is not limited to closure of PCS and/or revocation of its Charter in accordance with EC 47607(d) and/or (e).
- c) During the period prior to revocation, PCS shall have the opportunity to work collaboratively with the Santa Cruz COE or its designee to address the concerns and develop a plan to remediate all areas to the reasonable satisfaction of the Santa Cruz COE. During this period PCS shall attempt to resolve the concerns and complete remediation. This provision may also require a charter amendment to be discussed.

4.6 Closure Procedures

- a) PCS shall provide Santa Cruz COE updates as are reasonably necessary from time to time to the description of the procedures to be used in the event PCS

closes as described in the renewed Charter. The categories that must be addressed in such procedures are each of the following:

- i. Identification of a responsible person(s) –This provision shall include a process to ensure that it is updated no less than annually or when any change is made.
 - ii. Notification of students and families of school closure.
 - iii. Security of student and business records.
 - iv. Processing of final employee payroll and benefits.
 - v. Identification of all assets and liabilities and plan for transfer as detailed in the renewed Charter.
 - vi. Final PCS close-out audit to be paid for by PCS.
 - vii. Identification of a source of funding to be used for closeout expenses including the final audit.
 - viii. If applicable, dissolution of the nonprofit corporation for PCS.
- b) If PCS is to close permanently for any reason (i.e., voluntary surrender, non-renewal, or revocation), the Santa Cruz COE on behalf of the County Board shall serve written notice on PCS that the closure procedures have been invoked. PCS will immediately identify to the Santa Cruz COE the specific individual who is responsible for coordinating the close out activities for PCS. Santa Cruz COE will identify a staff person PCS can report to regarding the close out activities concerning PCS. PCS expressly acknowledges the right of the Santa Cruz COE, on behalf of the County Superintendent of Schools (pursuant to EC Section 47604.4), to gain full access and copies of all student and business records concerning PCS at any time after the County Board gives written notice that it is invoking the closure procedures.

SECTION 5: MEDIATION

In the event that a dispute between PCS and the Santa Cruz COE and/or the County Board relating to the renewed Charter or this MOU which does not involve revocation and is not resolved through the procedures contained in the renewed Charter's "Dispute Resolution" section within 90 calendar days of the date notice is given by the complaining party to the other parties, prior to commencing legal action or arbitration, the parties shall undertake a process of non-binding mediation, according to the following timeline:

- A. No later than ten calendar days from and after the request for mediation unless agreed otherwise by the parties in writing, the parties shall choose a mutually acceptable mediator from a list obtained from the State Mediation and Conciliation Service.
- B. Within ten calendar days after the mediator is selected, the parties shall choose a mutually agreeable date and site for the mediation.
- C. The costs of the mediator shall be borne 50-50 by the County Board and PCS.

SECTION 6: SEVERABILITY

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

SECTION 7: NON-ASSIGNMENT

No portion of this MOU or the renewed Charter petition approved by the County Board may be assigned to another entity without the prior written approval of the Santa Cruz COE and PCS.

SECTION 8: WAIVER

A waiver of any provision or term of this MOU must be in writing and signed by all parties. Any such waiver shall not constitute a waiver of any other provision of this MOU. All parties agree that no party to this MOU waives any of the rights, responsibilities, and privileges established by the Charter Schools Act of 1992 as may be amended from time to time.

SECTION 9: PUPIL TRANSPORTATION

PCS shall be responsible for any and all transportation offered by PCS to students who enroll in PCS, including but not limited to any and all transportation required in any student IEP.

SECTION 10: NOTIFICATION

All notices, requests, and other communications under this MOU shall be in writing and mailed to the proper addresses as follows:

To the County Board at:

Santa Cruz County Board of Education
400 Encinal Street
Santa Cruz CA, 95060
Attn: Vic Marani, Board President

To the Santa Cruz COE at:

Charter Schools Office
Santa Cruz County Office of Education
400 Encinal Street
Santa Cruz, CA 95060
Attn: Michael Watkins, Superintendent

To Charter School at:

Pacific Collegiate School
255 Swift Street
Santa Cruz, CA 95060
Attn: Andrew Townsend, Board President


This document contains the entire Memorandum of Understanding of the parties with respect to the matters covered hereby, and supersedes any oral or written understandings, agreements or MOUs between the parties with respect to the subject matter of this MOU (with the exception of the Charter). No person or party is authorized to make any representations or warranties except as set forth herein, and no MOU, statement, representation or promise by any party hereto which is not contained herein shall be valid or binding. The undersigned acknowledges that she/he has not relied upon any warranties, representations, statements or promises by any of the parties herein or any of their agents or consultants except as may be expressly set forth in this MOU. The parties further recognize that this MOU shall only be modified in writing by the mutual agreement of the parties indicating intent to modify this MOU.

1/26/11
Date



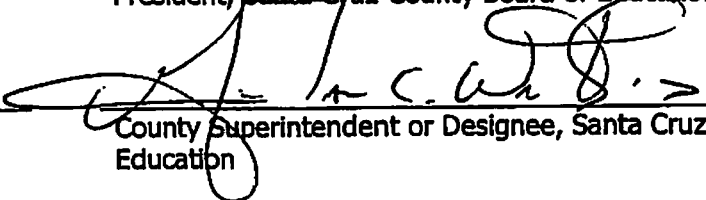
President or Designee, Charter School

1/20/11
Date



President, Santa Cruz County Board of Education

1/20/11
Date



County Superintendent or Designee, Santa Cruz County Office of Education

Attachment A: Additional Services

In accordance with Section 3.2 of the Memorandum of Understanding, PCS may opt to contract with SCCOE for specified services, at a mutually agreed-upon method of compensation to SCCOE.

A. Fee Determination

PCS agrees to reimburse the SCCOE for all costs associated with providing required services under this Memorandum of Understanding. The SCCOE shall notify PCS of the expected fees for the next fiscal year on or before June 1. The SCCOE may opt to charge PCS a fixed percentage of the estimated PCS gross revenues from public sources, or on a time and materials basis.

In the case that the SCCOE sets a percentage reimbursement fee schedule, the fee shall be paid on a quarterly basis, with adjustments due to reconciling to actual revenues from public sources no later than September 30 following the close of the most recent fiscal year.

In the case that the SCCOE requires PCS to pay for services on a time and material basis, the SCCOE shall provide PCS with a fee schedule in advance of the fiscal year, and submit monthly billings to PCS. All billings shall be paid within thirty (30) days. Any disputes in billing will be resolved via the Dispute Resolution Process as prescribed in the charter.

B. Optional Services Provided

Annual Minimal Requirements. Minimal Service Requirements shall include but not be limited to the following, except as otherwise agreed to by the SCCOE during the term of this agreement.

- a. Payroll Services
 - Payroll Processing/Retirement Reporting (PERS/STRS/Social Security)
 - Wage Garnishments
 - TSA Processing
 - Deferred Compensation
 - Payroll Tax Report Preparation of W-2's
- b. Accounting and Financial Monitoring Services
 - Review Annual Budget
 - Review Annual Audit
 - Review year-to-date Budget/expenses with Treasurer (monthly)
 - Apportion funds to PCS accounts
 - Provide Accounts Payable Services
- c. General Services
 - Assist PCS in procuring insurance (liability, property), etc. as needed.

Consult with legal counsel on an as-needed and available basis to provide guidelines to PCS in matters related to the operations of the school, except in such cases that doing so would put the SCCOE and/or the County Board of Education in conflict with other required duties.

Assist PCS in issues relative to facility needs.

Permit Staff of PCS to attend SCCOE workshops/meetings on the same basis as staff from any other school and/or district in the county.

Make available SCCOE staff person to be direct point of contact to assist PCS in coordinating requests for services to be provided by the SCCOE

Assist PCS in preparation of required reports.

PCS agrees to not terminate such services during the fiscal year. PCS may agree to terminate any optional service agreements with the SCCOE by giving notice prior to May 1 that the optional services provided will not be requested for the next fiscal year.

Discontinuing payroll services would require a separate negotiation with the SCCOE due to the STRS and PERS reporting requirements and additional costs associated with those processes.

Attachment B: Charter Petition