

**MEMORANDUM OF UNDERSTANDING BETWEEN THE
WILLIAM S. HART UNION HIGH SCHOOL DISTRICT AND MISSION VIEW
PUBLIC CHARTER**

Effective 7/1/2017-6/30/2022

The governing board of the William S. Hart Union High School District ("District") granted a charter petition ("Charter") to the Mission View Public Charter ("Charter School") pursuant to the terms of the Charter Schools Act of 1992, as amended. This Charter, among other matters, calls for the District and Charter School to enter into a mutually agreeable memorandum of understanding ("Agreement") regarding the funding entitlements of the Charter School pursuant to the Charter Schools Act. The Charter School and District intend to use this Agreement as the basis for developing similar understandings in future fiscal years.

This Agreement shall serve to clarify the status of the Charter School and define the responsibilities of the parties. This Agreement provides for oversight, direct and indirect services to be provided by the District to Charter School and the remuneration to be paid by Charter School to the District. Education Code Section 47607(a)(2) provides the procedure for a material revision of an existing charter. This Agreement is intended to implement the terms of the Charter and, to the extent that this Agreement is inconsistent with any of the terms of the Charter, the Charter shall supersede the terms of this Agreement. Failure to comply with the terms of this Agreement may subject Charter School to termination of the Charter under Education Code Section 47607(c). Both Parties agree to meet in good faith to negotiate necessary changes to align the Charter and the Agreement.

I. PURPOSE OF THIS MEMORANDUM OF UNDERSTANDING

- A. Outline specific funding sources anticipated to be available to the Charter School;
- B. Define the oversight responsibility and services the District will provide to the Charter School; and
- C. Clarify responsibilities of each party.

II. TERM

This Agreement is valid for the term of the Charter granted to Charter School, from July 1, 2017 through June 30, 2022. It may be modified or terminated with the written mutual consent of the governing bodies of both the District and the Charter School.

This Agreement is automatically terminated if the Charter School's charter is revoked or non-renewed by the District in compliance with Education Code Section 47604.5 or 47607, or rescinded by the Charter School.

III. LEGAL RELATIONSHIP

- A. The Parties recognize that the Charter School is a separate legal entity. The Charter School shall be operated by Mission View Public Charter, Inc. 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.

- B. The Charter School is authorized to serve students in grades 8-12.
- C. 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, its officers, trustees, directors, and employees from and against any and all claims, demands, actions, suits, losses, liability expenses and costs related to or arising under the Charter and/or this Agreement including, without limitation, 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 their misconduct, negligent acts, errors or omissions of their directors, trustees, officers, employees, agents and consultants under this Agreement. The District shall be named as an additional insured under general liability insurance carried on behalf of the Charter School.

IV. DISTRICT OVERSIGHT

- A. In accordance with Education Code Section 47613(b), the District shall charge for the actual costs of supervisory oversight not to exceed one percent (1%) of the revenue of the Charter School. "Revenue" is defined in accordance with Education Code Section 47613(f) as the amount received in the current fiscal year from the local control funding formula calculated pursuant to Education Code Section 42238.02, as implemented by Education Code Section 42238.03.
- B. Charter School and the District agree that "supervisory oversight," as used in Education Code Section 47613 and Education Code Section 47604.32, shall include 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. Participate in the dispute resolution process described in the Charter.
 - 4. Review and respond to the Charter School's Annual Independent Fiscal and Performance Audit.
 - 5. Select a representative to act as a liaison to the Charter School.
 - 6. Visit the Charter School at least annually.
 - 7. Monitor the fiscal condition of the Charter School.
 - 8. Provide timely notification to the California Department of Education if any of the following circumstances occur:
 - (a) A renewal of the charter is granted or denied.
 - (b) The charter is revoked.
 - (c) The Charter School will cease operation for any reason.

V. SERVICES

In addition to the supervisory oversight described above, the District shall provide additional services to the Charter School as described in the chart below for fees as described therein. The timing of payment shall be agreed upon annually by the Parties.

| Description of Service | Description of How Fee Shall Be Calculated |
|--|--|
| A. STRS/PERS, Reporting (if applicable) | Actual Costs (Education Code Section 47611.3) |
| B. The District and Charter School will work together to identify services that the District will provide to the Charter School for the following school year, which may be adjusted throughout the school year as necessary to support the Charter School. Such services may include, but not be limited to professional development, in-service training, legal and transportation services. | 1% of the revenue of the Charter School. For this purpose, "revenue" is defined as the amount received in the current fiscal year from the local control funding formula calculated pursuant to Education Code Section 42238.02, as implemented by Education Code Section 42238.03. The timing of payment for these services will be agreed upon by both parties by written agreement to be incorporated herein. This fee is in addition to the 1% oversight fee discussed above under Section IV, "District Oversight," subsection (A). |

VI. DATA REPORTING

- A. Average Daily Attendance. The Charter School will develop an attendance-reporting calendar and maintain a system to record and account for ADA in the manner above specified. The Charter School will report ADA figures to the District on a monthly basis.
- B. California Basic Education Data System (Enrollment). The Charter School shall complete and submit enrollment and other necessary demographic information to the California Basic Education Data System (CBEDS).
- C. Other Data. The District and Charter School shall work cooperatively to supply any other information necessary to enable the Charter School and District to calculate entitlement to all available funding sources.
- D. State Testing. The Charter School shall submit as required all data related to the mandated State testing programs.

VII. BUDGET AND FINANCE

- A. Financial Reporting. The Charter School shall prepare and submit the following financial information to the District and County Superintendent of Schools:

1. On or before July 1, a preliminary budget.
 2. On or before July 1, 2017, and annually thereafter, an annual update (Local Control Accountability Plan) required pursuant to Education Code Section 47606.5.
 3. On or before December 15, an interim financial report. This report shall reflect changes through October 31.
 4. On or before March 15, a second interim financial report. This report shall reflect changes through January 31.
 5. On or before September 15, a final unaudited report for the full prior year.
- B. Written contemporaneous records that document all revenues received by the Charter School, from all sources.
- C. The District shall provide all necessary back up data in its possession.
- D. Response to Inquiries. The Charter School shall promptly respond to all reasonable inquiries regarding its financial records (Education Code Section 47604.3).
- E. Basic Funding. The Charter School is direct funded from the State, pursuant to Education Code Section 47651.
- F. Lottery Funding. The Charter School will receive lottery funding directly from the State.
- G. In Lieu Property Taxes. The District shall transfer funding in lieu of property taxes to the Charter School in monthly installments by no later than the fifteenth of each month in accordance with Education Code Section 47635.

VIII. AUDIT

- A. The Charter School will contract and pay for an independent annual audit of the Charter School's financial affairs. The audit will verify the accuracy of Charter School's financial statements, reporting practices and amounts paid to the District. The audit will be conducted in accordance with generally accepted accounting principles applicable to public schools and in compliance with the audit provisions of the Charter.
- B. The Charter School Board of Directors will review any audit exceptions or deficiencies and determine the means for resolving any such exceptions or deficiencies. Audit exceptions must be resolved to the satisfaction of the District governing board and in accordance with the procedures detailed in the Charter and Education Code Section 47605(b)(5)(I).

IX. RESOURCE CENTERS

As the Charter School is a non-classroom based/independent study charter school, the District and Charter School understand and agree that the Charter School may serve students throughout Los Angeles County and adjacent counties pursuant to Education Code Section 51747.3 subject to the requirements of Education Code Section 47605 and 47605.1

Charter School may not operate any location/resource center that is not expressly identified in the Charter.

On March 9, 2017, the State Board of Education (“SBE”) adopted a policy on the waiver of state law governing the geographic boundary requirements for nonclassroom-based charter schools (“SBE Waiver Policy”). Pursuant to the SBE Waiver Policy, the District governing board has agreed to submit on behalf of the Charter School such waiver request to the SBE for approval. Upon approval of the waiver, the SBE Waiver Policy, among other things, gives Charter School until June 30, 2018 to implement a transition plan for its Los Angeles County Resource Centers to come into compliance with the Charter Schools Act as interpreted by the Third District Court of Appeals ruling in *Anderson Union High School District v. Shasta Secondary Home School* (“*Anderson*”). More information on the SBE Waiver Policy may be found on the SBE website at: <http://www.cde.ca.gov/re/lr/wr/waiverpolicies.asp>.

The Charter School’s operation of the Los Angeles County Resource Centers is contingent upon compliance with all requirements of the SBE Waiver Policy and its conditions, as specified below:

1. The Charter School’s governing body shall approve a transition plan that details how the Los Angeles County Resource Centers will come into compliance with the *Anderson* court decision.
2. Pursuant to *Education Code* Section 33051(b), the waiver shall expire on June 30, 2018 and shall not be retroactive.
3. The Charter School shall submit the transition plan to the District and to all school districts where the Los Angeles County Resource Centers are located within 30 days after approval of the waiver.
4. The Charter School shall provide a status update to parents.
5. If the District has not visited the Los Angeles County Resource Centers pursuant to *Education Code* Section 47604.32(a)(2), the District shall visit the resource centers within a reasonable time frame.

The District and Charter School understand and agree that the addition of operations in additional locations and/or facilities shall only occur with prior approval of the District Board through a material revision.

The Charter School utilizes resource centers to facilitate its independent study program and offer services to students including, but not limited to, testing, tutoring, and teacher-student meetings.

The Charter School shall locate and operate within District boundaries at the following locations:

26334 Citrus Street
Santa Clarita, CA 91355

24909 Newhall Avenue
Santa Clarita, CA 91355
(future relocation: Canyon Country, CA)

In addition, the parties acknowledge that if they obtain a waiver from the SBE they are permitted to operate the following resource centers located within Los Angeles County ("Los Angeles County Resource Centers") until June 30, 2018 or any other date announced on the waiver.

12510 Van Nuys Boulevard
Pacoima, CA 91331

14355 Roscoe Boulevard
Panorama City, CA 91402

411 South Brand Boulevard
San Fernando, CA 91340

11844 Glenoaks Boulevard
San Fernando, CA 91340

444 South Brand Boulevard (Temporary Facility Location)
San Fernando, CA 91340

(444 S. Brand Blvd is a temporary Facility Location for 11844 Glenoaks Blvd, San Fernando, CA 91340 currently under renovation)

X. INSURANCE AND RISK MANAGEMENT

The Charter School shall purchase, pay for and maintain in full force and effect at all times during the term of the Charter and/or any MOU or other agreement between the parties insurance in amounts and types as specified below.

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

COMMERCIAL GENERAL LIABILITY insurance and/or coverage, which shall include coverage for: "bodily injury," "property damage," "advertising injury," and "personal injury," including, but not limited to, coverage for products and completed operations, with combined single limits of not less than \$5,000,000 per occurrence. This coverage will be on an occurrence basis. Additionally, Excess Liability coverage shall be procured in the amount of not less than \$10,000,000 aggregate.

A. General Liability Insurance Endorsement Negligence Related to **Sexual Abuse or Molestation** providing coverage for allegations of wrongful acts or negligence should an injury occur as a result of sexual abuse with liability coverage.

B. General Liability Insurance Endorsement Negligence Related to **Corporal**

Punishment providing coverage for allegations of wrongful acts or negligence should an injury occur as a result of corporal punishment.

EMPLOYEE BENEFITS LIABILITY insurance and/or coverage which shall include coverage for errors and omissions in the administration of an employee benefit program. Such coverage shall be in an amount not less than \$1,000,000 per occurrence and \$3,000,000 in the aggregate.

PROPERTY insurance and/or coverage, which shall include: Fire Legal Liability, to protect against liability for portions of premises leased or rented, and Business Personal Property, to protect on a Broad Form, named peril basis, for all furniture, equipment and supplies of the Charter School. If any District property is leased, rented or borrowed, it shall also be insured by the Charter School in the same manner as above.

COMMERCIAL AUTO LIABILITY insurance and/or coverage, which shall include coverage for owned, non-owned, and hired autos, with bodily injury and property damage liability limits not less than \$1,000,000 per occurrence and \$3,000,000 in the aggregate.

PROFESSIONAL LIABILITY insurance and/or coverage, in an amount not less than \$1,000,000 per "claim" with an aggregate policy limit of \$3,000,000. This Professional Liability insurance and/or coverage must be "by occurrence" and not "claims made and reported."

WORKER' S COMPENSATION insurance and/or coverage, as required by applicable law, with not less than statutory limits.

ERRORS AND OMISSIONS insurance and/or coverage providing coverage for educators' legal liability and error and omissions in an amount not less than \$1,000,000 per "claim" with an aggregate policy limit of \$3,000,000.

All of the insurance and/or coverage required by the foregoing provisions of this Agreement other than workers compensation shall: (a) be endorsed to name the District, as additional insureds; (b) shall be primary insurance, and any insurance and/or self-insurance or coverage maintained by the District shall be in excess of the Charter School's insurance and/or coverage required by the foregoing provisions of this Agreement and shall not contribute with the primary insurance and/or coverage to be provided by the Charter School.

Each policy of insurance and/or memorandum of coverage required by the foregoing provisions of this Agreement shall state that coverage shall not be suspended, rescinded, voided, cancelled, reduced in coverage or in limits, or non-renewed, or materially changed for any reason, without ten (10) days' prior written notice thereof given by the insurer to the District by U.S. Mail or Electronic Delivery.

XI. INDEMNITY AND HOLD HARMLESS AGREEMENT PROVISION

In the event that any third party shall initiate litigation, as defined by the Ralph M. Brown Act, Government Code section 54956.9(c), against the District as a result of Charter School's locations and/or operations resource centers located in alleged violation of Education Code §§ 47605 and 47605.1, Charter School hereby agrees to defend, with counsel of the District's choice (and pay all attorneys' fees and costs associated therewith), indemnify and hold harmless District from any loss or liability resulting therefrom, provided, however, that Charter School's obligations hereunder shall not apply to a defense or liability arising as a result of the District's own negligence or other misconduct (with sole exception of any claim made against the District that the geographic locations of Charter School's learning centers are illegal).

XII. MISCELLANEOUS

- A. Amendments, Modification and Supplements. Amendments, modifications, and supplements to this Agreement are allowed and will be binding on the parties after the effective date provided such amendments, modification and supplements (1) are in writing, signed by an authorized representative of both parties, and (2) by reference incorporate this Agreement and identify the specific sections or clauses contained herein which are amended, modified and supplemented or indicate that the material is new. The term, "this Agreement" shall be deemed to include any future amendments, modifications and supplements.
- B. Assignment. Neither party may assign or delegate its obligations under this Agreement without the prior written consent of the other.
- C. Compliance with Laws and Regulations. The parties shall comply with all federal, state and local laws and regulations applicable to their performance as described in this Agreement.
- D. Consent. Where consent, approval or mutual agreement is required of a party, it shall not be unreasonably withheld or delayed.
- E. Default. If either party refuses or fails in any material respect properly to perform its obligations under this Agreement, or violates any of the material terms or conditions of the Agreement, such refusal, failure or violation shall constitute default. In such event, the non-defaulting party may so notify the other party in writing of the default and allow that party a period of thirty (30) calendar days to cure such default. If the defaulting party does not cure such default within said thirty (30) calendar days; the non-defaulting party shall have the right to terminate this Agreement upon written notice to the other party. Termination of this Agreement shall not equate to revocation of the charter which may only be accomplished in accordance with Education Code Section 47607 and its implementing regulations. However, nothing in this Agreement shall interfere with the District's rights and obligations with regard to revocation under Education Code section 47607. Notwithstanding rights provided through this clause, all service fees for current month and previously certified student attendance shall still be due and payable per the terms of this

Agreement. If such default is for failure of the District to pay service fees that have already been transferred to the District from State or other granting entity, then the District shall only be granted a period of ten (10) working days to cure such default.

- F. Dispute Resolution. Any and all disputes arising out of the interpretation or performance of this Agreement shall be subject to the dispute resolution procedure set forth in the Charter to the extent such disputes are not material violations of the charter subject to the revocation process.
- G. Entire Agreement. Except for written amendments, supplements or modifications made after the execution of this Agreement, this Agreement and its attachments represent the entire agreement between the parties hereto with respect to the subject matter of this Agreement and supersedes all prior renegotiations, representations and agreements, either oral or written.
- H. Forces Outside the Control of the Parties (Force Majeure). In the event performance of this Agreement, or any obligations hereunder, is prevented, restricted or interfered with by reason of acts of God, wars, revolution, civil commotion, acts of public enemy, embargo, acts of the government in its sovereign capacity, labor difficulties, including without limitation, strikes, slowdowns, picketing or boycotts, unavailability of equipment from vendors, or any other circumstances beyond the reasonable control and without the fault or negligence of the party affected, the party affected, upon giving prompt notice to the other party, shall be excused from such performance on a day-to-day basis to the extent of such prevention restriction, or interference (and the other party shall be excused from such performance on a day-to-day basis until the delay, restriction or interference has ceased), provided, however, that the party so affected shall use its best reasonable efforts to avoid and remove such cause of nonperformance and both parties shall proceed whenever such causes are removed or cease.
- I. 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 and shall remain valid and fully enforceable.
- J. Governing Law. This Agreement shall be governed by and interpreted or construed in accordance with the laws of the State of California, County of Los Angeles.
- K. Headings. The headings in this Agreement are inserted for convenience and identification only and are in no way intended to define or limit the scope, extend or intents of this Agreement or any of the provisions hereof.
- L. Independent Contractor Relationship. Each party shall remain an independent contractor with respect to the other and shall be responsible for compliance with all laws, rules and regulations involving, but not limited to, employment of labor, hours of labor, health and safety, working conditions and payment of wages. The persons provided by each party shall be solely that party's employees and shall be under the sole and exclusive direction

and control of that party. They shall not be considered employees of the other party for any purpose.

- M. Taxes and Assessments. Each party shall be responsible for payment of taxes, including federal, state and municipal taxes, chargeable or assessed with respect to its employees, such as Social Security, unemployment, worker's compensation, disability insurance, and federal and state withholding.
- N. Insolvency. Either party may terminate this Agreement by notice, in writing, if the other party admits insolvency, makes an assignment for the benefit of creditors, or has a trustee or receiver appointed over all or any substantial part of its assets.
- O. Successors. This Agreement shall be binding on and inure to the benefit of the respective successors and permitted assigns of the parties.
- P. Notifications. All notices, requests, and other communications under this Agreement shall be in writing and mailed to the proper addresses as follows:

To the District at:

William S. Hart Union High
School District
21380 Centre Point Parkway
Santa Clarita, CA 91350

To the Charter School at:

Mission View Public Charter School
177 Holston Drive
Lancaster CA, 93535

IN WITNESS WHEREOF, the parties hereto execute this Agreement.

WILLIAM S. HART UNION HIGH
SCHOOL DISTRICT

MISSION VIEW PUBLIC CHARTER
SCHOOL

By _____

By _____

Date _____

Date _____