

SERVICES AGREEMENT

This Agreement is entered into on February 28, 2018 by and between William S. Hart Union High School District ("Client") and Capitol Advisors Group, LLC ("Contractor"), a California limited liability company.

RECITALS

WHEREAS, Contractor has experience and expertise in assisting school districts and county offices with compliance matters in general and has developed services specifically related to demonstrating compliance with the mandate block grant, and is willing and able to perform services desired by Client; and

WHEREAS, Client desires services and consulting related to compliance with the mandate block grant program and the mandate claim reimbursement process.

NOW, THEREFORE, the parties agree as follows:

AGREEMENT

1. Term of Agreement. The initial period of this Agreement shall be July 1, 2018 through June 30, 2021. At the end of this term the Agreement shall be automatically renewed annually unless terminated by either party pursuant to section 4 below. This Agreement may be modified (including modification of the scope of work and/or compensation) by the parties through mutual written agreement.
2. Description of Services. Contractor agrees to provide services to Client as identified in Exhibit A, "Description of Services," attached to this Agreement and incorporated by reference.
3. Compensation.
 - a. Total compensation to Contractor shall be \$12,900, paid in quarterly installments of \$3,225 on the first day of each quarter for the contract period; July 1 through September 30; October 1 through December 31; January 1 through March 31; April 1 through June 30.
4. Termination. Either party may terminate this Agreement, with or without cause, effective upon thirty (30) days prior written notice to the other party. In case of termination, the Client shall be liable for all fees described under section 3 above, including approved travel expenses, up to the termination date.
5. Independent Contractor. The parties agree that Contractor is an independent contractor. This Agreement shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture, association or any other relationship except that of independent contractor.

6. Limitation on Liability; Indemnification.

- a. IN NO EVENT SHALL CONTRACTOR'S LIABILITY TO CLIENT, FOR ANY REASON ARISING OUT OF THIS AGREEMENT, EXCEED THE AMOUNT OF THE COMPENSATION ACTUALLY RECEIVED BY CONTRACTOR UNDER THIS AGREEMENT. NEITHER PARTY SHALL BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT.
- b. Each party shall defend, indemnify and hold harmless the other party, and all of its agents, directors, officers and employees from and against any and all claims, liabilities, losses, damages, judgments, costs and expenses and threats thereof (collectively, "Claims") arising out of or in connection with this Agreement, except that a party need not defend, indemnify and hold harmless the other party against Claims finally determined to have arisen solely from the other party's gross negligence or willful misconduct.

7. Notices to the Parties. All notices required or permitted under this Agreement shall be in writing and delivered by reliable and common methods as follows:

To Capitol Advisors Group, LLC:

Kevin Gordon, President
925 L Street, Suite 1200
Sacramento, California 95814
916-557-9745
kevin@capitoladvisors.org


To William S. Hart Union High School District:

Ralph Peschek, Chief Financial Officer
21380 Centre Pointe Parkway
Santa Clarita, CA 91350
661-259-0033
rpeschek@hartdistrict.org

8. Waiver. No failure to exercise and no delay in exercising any right, remedy, or power, under this Agreement or by law, shall operate as a waiver of such right, remedy or power.
9. Legal Costs. If any party to this Agreement shall take any action or proceeding to enforce this Agreement, the losing party shall pay to the prevailing party a reasonable sum for all fees, costs and expenses (including attorneys' fees) incurred in bringing such suit and/or enforcing any judgment granted.
10. Governing Law. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California.
11. Entire Agreement. The terms of this Agreement are intended by the parties to be in the final expression of their agreement and may not be contradicted by evidence of any prior or contemporaneous agreement. No change or waiver of any provision of this Agreement shall valid unless made in writing and executed in the same manner as this Agreement.

12. Severability. If any term or provision of this Agreement shall be found illegal or unenforceable, such term or provision shall be deemed stricken and the remaining elements of this Agreement shall remain in full force and effect.

This Agreement is duly executed as of the date written above:

A handwritten signature in blue ink, appearing to read "Kevin Gordon", is written over a horizontal line.

Kevin Gordon, President
Capitol Advisors Group, LLC

Date: _____

Ralph Peschek, Chief Financial Officer
William S. Hart Union High School District

Date: _____

EXHIBIT A
Description of Services

- Joseph Rombold, Compliance Services Manager, will lead and coordinate delivery of the following;
- Review Client application of California education code and regulations for all programs identified by the California Department of Education (CDE) as being included in the Mandate Block Grant (MBG) for the applicable fiscal year. Includes providing Client with comprehensive report regarding client's application of code and regulations for all MBG programs. Report shall include breakdown of statutory requirements, assessment of compliance and applicable supporting documentation for each program. Report to be provided in hard copy and electronic form.
- Advise, assist and prepare Client annual, late or amended mandated cost claims on programs outside the Mandate Block Grant for which the filing deadline falls within the agreement period.
- Advise, assist and prepare Client initial (test) mandated cost claims on programs outside the Mandate Block Grant for which the filing deadline falls within the agreement period.
- Advise and assist Client in establishing cost-tracking methodologies for initial (test) claims on programs outside the Mandate Block Grant, which were introduced within the agreement period but for which a filing deadline has not been established.
- Conduct Client visit(s) and interviews, in-district and remotely (phone/internet), for purposes of documenting and understanding client application of codes and regulations contained in the Mandate Block Grant, assess compliance, and identify and gather supporting documentation.
- Conduct Client visit(s) in order to provide training as necessary or as requested.
- Advise and assist District in the event of a California state agency inquiry and/or audit of any program contained within the Mandate Block Grant for the applicable Fiscal Year.
- Advise and assist District in the event of State Controller's Office inquiry and/or audit of any mandated cost claim(s) filed outside the Mandate Block Grant without respect to whether the claim(s) were filed with Contractor assistance or not.
- Advise and assist District in the amendment of any claim(s) filed with the State Controllers Office, for which the period to amend the claim remains open.
- Provide Client update(s) on relevant legislative issues and proposals related to pension and retirement costs. Report(s) will analyze recent CalSTRS and CalPERS decisions and previews forthcoming retirement issues that will impact school employers.
- Provide Client updates on relevant legislative issues and proposals related to the Mandate Block Grant Program and the Mandated Cost Claim filing program.