

**Memorandum of Understanding By and Between
Plumas Unified School District (PUSD)
And
Plumas Charter School (PCS)**

PURPOSE OF THIS MEMORANDUM OF UNDERSTANDING (MOU):

1. This MOU outlines the specific funding sources available to the Plumas Charter School (School) and terms under which the School will be entitled to these funding sources.
2. Identifies those support services provided to the School.
3. Defines business-related statements of compliance.
4. This MOU is not part of the charter document and may be renegotiated each year, prior to July 1.

AGREEMENT TERM:

This agreement is for the fiscal year 7/1/20 to 6/30/21 and represents the 3rd year of a fifth five-year PUSD approved charter. The mediator shall be advisory only.

DISPUTES:

PUSD and PCS shall make every effort to mutually resolve any disputes regarding this MOU. Absent resolution, the dispute(s) shall be referred to a mediator.

MATERIAL REVISION OF CHARTER:

Any material revisions to the Charter require approval of the authorizer and are governed by the petition standards and criteria. A material revision is defined as “any change to the charter’s program or structure that is significant enough that it would alter the original description of charter elements or could be grounds for revocation”. Examples of material revisions include, but are not limited to:

- Adding new grade levels
- Growing school population beyond petition description significantly enough to affect charter’s facility needs, finances, and/or staffing
- Reconfiguration of board structure (any change that could lead to a potential change in doing business such as quorum, voting, or process regarding selection of new members)
- Dropping or adding key curriculum components.

DEFINITIONS:

AVERAGE DAILY ATTENDANCE (ADA):

For the 2020/21 school year, due to COVID-19, 2019/20 ADA will be used.

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FUNDING SOURCES:

1. CHARTER SCHOOL FUNDING MODEL: Ed Code 47651 (a) identifies that a Charter School may receive the state aid portion of the charter school's total general-purpose entitlement and categorical block grant directly or through the local educational agency that either grants the charter or was designated by the State Board of Education. PCS has established itself as a "Direct" funded entity. As established by Education Code Section 47630 et. seq., the Charter School shall receive funding under the charter school-funding model as follows:
 - a. A general purpose entitlement pursuant to Education Code Section 47633, which includes in-lieu property taxes and state aid.
 - b. A categorical block grant amount pursuant to Education Code Section 47634.
 - c. PUSD will transfer PCS's in lieu property tax funding by the 15th of each month as delineated in the state's monthly property tax cash flow schedule, Education Code Section 47635. Funding from July 1 through P1 shall be based upon prior year P2 counts, with an adjustment made at P1 and finally at P2 thereafter. If any errors in allocation are made, PUSD will request that the Plumas County Treasurer will adjust the interest apportionment back to the effective date of the error.
2. STATE AND FEDERAL CATEGORICAL PROGRAMS: PCS will be responsible for applying for any other categorical programs in which it wishes to participate; assuming said categorical funding is available to PCS.
3. FEDERAL FOREST RESERVE RECEIPTS: PCS will participate in the receipt of this 2019/20 P-2 ADA for Plumas County Students. (*Estimated* amount is equal to \$5.68 (estimated) per ADA, reduced by the 19/20 proportionate annual reduction of PUSD Secure Rural School revenue.) Students who are not residents of Plumas County are not eligible for Forest Reserve funds. Eighty percent of the anticipated allocation 19/20 ADA x .80) x [amount to be determined]) will be available to PCS within 30 days of actual receipt by PUSD to the extent that associated revenues are available. An adjustment, up or down, will be calculated upon completion of the "Second Period Attendance Report" and funds will be made available to PCS or reimbursement to PUSD within 30 days of the report completion. Any subsequent corrections to the P2 ADA will result in further adjustments, up or down, as necessary.

Subsequent annual funding rates shall be reduced on the same percentage as the annual funding reduction to PUSD.
4. LOTTERY FUNDS: The State Controller's Office will distribute Lottery funds directly to the Charter School pursuant to Education Code Section 47638.

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5. NEW FUNDING: PCS may participate in all State and Federal program dollars to which it is specifically entitled. PUSD and PCOE will endeavor to notify the school of additional funding available to the Charter School.
6. MANDATED COST REIMBURSEMENTS: PCS will apply for those Mandated Cost Reimbursements for which it is specifically eligible. Eligible expenses which PUSD may incur as a result of the charter school law (SB1448) or other subsequent charter school legislation or CDE interpretations of these laws, are not the responsibility of PCS and should be addressed by PUSD and or PCOE through the mandated cost reimbursement program.
7. INTEREST EARNED: PCS's interest bearing fund (#57) will have its own balance sheet with a cash balance, therefore all interest will be calculated by the County Treasurer and applied to said fund independent of any other fund.
8. OTHER FUNDING: PCS shall receive a "per ADA" share of:
 - a. Sales and Use taxes, to the extent that the associated revenues are available for non-capital expenses of public schools.
 - b. PCS is not entitled to PUSD funds (e.g., parcel tax, bonds, etc.). Any such potential sharing of revenue would strictly be based upon negotiations between the parties.
 - c. Ad Valorem property taxes received by the school district, which exceed its revenue limit entitlement, except Bond funding.
9. LOANS OR OTHER SHORT TERM FUNDING: PCS must notify PUSD in advance if PCS moves to secure loans or other short term funding apart from normal state subventions for charter schools. The potential lenders must be notified, in writing, with a copy to PUSD, that Plumas Unified School District is not responsible for the repayment of the loan.
10. LEGAL RELATIONSHIP: The Parties recognize that the Charter School is a separate legal entity. The Charter School shall be operated as a nonprofit 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.

DIRECT SERVICES:

1. DATA REPORTING: Charter School CALPADS and OPUS-CBEDS data reporting options are (a) the Charter School reports data independent of its authorizing agency directly to CALPADS and OPUS-CBEDS, or (b) the authorizing agency reports the Charter School data to CALPADS and OPUS-CBEDS. The Charter School reporting method will be the same for both CALPADS and OPUS-CBEDS. Reporting status does

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not impact or have any relation to the Charter School funding. Responsibilities relative to each option are outlined:

- a. Charter Schools electing to report CALPADS and OPUS-CBEDS data independent of the authorizing agency will be responsible for:
 - Obtaining and maintaining Statewide Student Identifiers (SSID) in CALPADS for all enrolling and exiting students
 - Maintaining and submitting Fall CALPADS data (individual student data and staff assignment data)
 - Maintaining and submitting Spring CALPADS data (individual student data)
 - Maintaining and submitting Year-end CALPADS data (individual student, teacher, and course data)
 - Submitting Fall aggregate school and course data to OPUS-CBEDS

- b. Charter schools electing to have the authorizing agency (PUSD) report CALPADS and OPUS-CBEDS data on their behalf: Authorizing agencies will be responsible for:
 - Obtaining and maintaining Statewide Student Identifiers (SSIDs) in CALPADS for all enrolling and exiting students
 - Maintaining and submitting Fall CALPADS data (individual student data and staff assignment data)
 - Maintaining and submitting Spring CALPADS data (individual student data)
 - Maintaining and submitting Year-end CALPADS data (individual student, teacher, and course data)
 - Submitting Fall aggregate school and course data to OPUS-CBEDS

In the event that PCS elects to have the authorizing agency report on their behalf, PUSD and PCS shall enter into a separate agreement for services as provided under “Cost of Services” below. Additionally, PCS shall meet the following PUSD reporting requirements:

- PCS shall purchase a site license for Aeries® student information system (SIS) from Eagle software and keep that license current.
- PCS shall be responsible for any and all initial and on-going costs incurred related to the licensing of their “school site”.
- PCS shall keep all student, staff and course data up-to-date and current with no more than 5 working days between the occurrence of a reportable event and its data entry into the SIS.
- PCS shall meet all data standards associated with CALPADS, OPUS-CBEDS, and standardized state testing requirements as well as meeting any local data requirements.

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- PCS shall maintain and keep current appropriate hardware for Aeries® student information system that meets at least minimum requirements.
- PCS shall be responsible for any costs related to appropriate hardware and its upkeep.
- PCS shall be responsible for any technology support and associated costs related to implementation, data conversion and ongoing support from PUSD and/or Eagle software.
- PCS shall be responsible for any training and associated costs related to said training.

PCS has obtained California Department of Education approval to independently report for CALPADS, and OPUS-CBEDS. Should PCS desire to contract with PUSD to provide future reporting services, PCS agrees to provide at least 90 days' notice and fulfill all CDE notification requirements.

If any new reporting requirements become necessary during the term of this contract, responsibility for such reporting will be negotiated separately.

2. **ATTENDANCE REPORTING:** PCS will keep accurate attendance records, providing the information in the prescribed format necessary for PUSD to submit the state approved J20/21 forms at P1, P2 and Annual reporting periods. PCS will provide a copy of their school calendar to PUSD for review no later than June 10 prior to the beginning of the new fiscal year. PUSD will review to ensure compliance with attendance reporting requirements and will notify PCS within 10 days of receipt if there are any areas of non-compliance. PCS will notify and provide a copy to PUSD if there are subsequent changes to the school calendar; this should be done prior to the completion of any attendance-reporting period, which may be impacted. PCS will advise PUSD if during any month, actual ADA falls more than ten-percent (10%) below estimated ADA.
3. **ANNUAL AUDIT:** PCS shall cause an independent financial audit to be conducted annually. A copy of the audit report will be filed with the sponsoring district's superintendent. Negative findings on the charter school's audit that fiscally impact PUSD shall be reimbursed by PCS, to include but not limited to, the cost of revising State reports.
4. **LEGAL:** PCS will retain independent counsel at its own expense.
5. **CONFLICT OF INTEREST:** The by-laws of PCS shall include a written Conflict of Interest policy. Form 700 shall be completed annually by all designated employees and board members, and shall be forwarded by April 1 to PUSD for retention.
6. **INSURANCE:** PCS will obtain at its own cost: property and liability, auto, workers comp, errors and omissions, and any other areas of insurance coverage required by law. PCS shall maintain a minimum of \$10,000,000 general liability insurance coverage. PCS will be responsible for property coverage of all PCS-owned items located at premises owned by PUSD. In addition, PCS will provide a Certificate of Insurance to PUSD as proof of such

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insurance mentioned above. PUSD shall be named as an additional insured under all insurance carried on behalf of the Charter School.

7. PUPIL TESTING: For the purpose of this MOU, the School is treated as a school site independent of PUSD and will be responsible for ordering their own testing materials and seeing them securely returned. The School will conduct student testing and return materials to the various testing organizations. PCS shall provide PUSD the results of all student testing, API and AYP or other federal and state reporting measures on an annual basis.
8. FINANCIAL OVERSIGHT, BUDGET AND SOLVENCY: PCS shall prepare and submit the following financial information to the District's Director of Business:

A proposed budget for the upcoming fiscal year showing estimated revenues and expenditures based on identifiable and reasonable assumptions prior to the beginning of the fiscal year.

PCS shall provide two interim budget reports (First Interim & Second Interim) and one end-of-year (Unaudited Actuals) financial report displaying the financial status of PCS. Such reports shall be provided on December 15th, March 15th and September 15th respectively. These reports shall include budgeted revenues and expenditures as compared with actual figures to date, along with projected year-end figures by major category of revenue and expenditure. PCS shall also include a three-year multi-year projection with the interim reports.

The primary factors in determining whether an entity is fiscally sound are meeting a required level of reserves and sufficient available cash. PCS shall identify a board-approved level of reserves that it shall maintain and shall provide PUSD with supporting documentation.

PCS shall provide PUSD with a copy of any negative finding or failure identified in the scope of SB740 as it affects the Charter's fiscal status, including a corrective plan of action.

PCS shall adopt and meet generally accepted accounting principles and shall ensure that: (1) expenditures are authorized by an accord with amounts specified in the PCS Board-adopted budget; (2) the Charter School's funds are managed and held in a manner that provide a high degree of protection of the Charter School's assets; and (3) all transactions are recorded and documented in an appropriate manner that allow reporting to the State as required by the District, the County Office of Education or Department of Education.

PCS will maintain and process their own records in Human Resources, Accounts Payable, Accounts Receivable, and General Ledger. PCS shall make these records available for review upon request by PUSD. This request shall be based on concerns identified in PUSD's fiscal review and analysis.

9. SECTION 504 OF THE REHABILITATION ACT: Pursuant to this agreement PUSD shall assist the Charter School in the identification of students requiring accommodation

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under Section 504 of the Rehabilitation Act (“Section 504”) and the formulation and administration of accommodation with respect to eligible students in the same manner as any other school of PUSD.

SPECIAL EDUCATION SERVICES: The following provisions govern the application of special education to Charter School students:

1. It is understood that all children will have access to the Charter School and no student shall be denied admission due to disability.
2. A charter school that includes in its charter petition verifiable written assurances that the charter school will participate as a local educational agency in a special education plan approved by the State Board of Education shall be deemed a local educational agency for the purposes of compliance with federal law, Individuals with Disabilities Education Act (“IDEA”) (20 U.S.C. Sec. 1400, et seq.) and for eligibility for federal and state special education funds. A charter school that does not provide such verifiable written assurances shall be deemed a public school of the local educational agency that granted the charter (Education Code Section 47641) for the purposes of special education.
3. The Charter School has provided verifiable written assurances that the Charter School will participate as a local educational agency in a special education plan approved by the State Board of Education.
4. Services
 - a. The Charter School will have the option to contract with PUSD for related services, if available. The contracted service options and their average hourly costs are as follows:
 - Speech: \$105 per hour
 - Occupational Therapy: \$105 per hour *caseload is at maximum
 - Behavior Specialist: \$150 per hour
 - Physical Therapy: \$115 per hour
 - Vocational Education: \$35 per hour
 - b. Low Incidence Services
The Charter School will be responsible for providing all low incidence services that a student’s IEP prescribes. The Charter School will have the option of contracting with PUSD for these services at \$105 per hour.
 - c. The Charter School shall be invoiced quarterly. The Charter School shall have 10 business days from the date of receipt of the invoice to dispute an invoice or the documentation contained therein. After 10 business days, the invoice and documentation therein shall be deemed accepted by the Charter School.

COST OF SERVICES:

1. In accordance with Education Code Section 47613, PUSD may charge for the actual costs of supervisory oversight not to exceed 1 percent of the revenue of the charter school. “Revenue” is defined in accordance with Education Code Section 47613(f) as the general purpose entitlement and categorical block grant, as defined in Education Code Section 47632(a) and (b). In the event of a change in the basis of state funding, “Revenue” shall be deemed to mean the amount received in the current fiscal year from the local control funding formula calculated pursuant to Section 42238.02, as implemented by Section 42238.03. PUSD shall invoice for current year annual billing by June based on P2 ADA revenue projections. Billing shall include any adjustments, up or down, to reflect changes to prior year billing based on actual revenues received.

2. Charter School and PUSD agree that “supervisory oversight,” as used in Education Code Section 47613 and Education Code Section 47604.32, shall include the following:
 - All activities related to the Charter revocation and renewal and processes as described in Section 47607.
 - 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.
 - Participating in the dispute resolution process described in the Charter.
 - Review and timely response to the Charter School’s Annual Independent Fiscal and Performance Audit.
 - Identify at least one Staff member as a contact person for the Charter School.
 - Visit the Charter School at least annually.
 - Monitor the fiscal condition of the Charter School.
 - Provide timely notification to the California Department of Education if any of the following circumstances occur:
 - A renewal of the charter is granted or denied.
 - The charter is revoked.
 - The Charter School will cease operation for any reason.

3. Additional services may be contracted by the Charter School from the District if available pursuant to a separate written agreement between the Parties. In addition to the supervisory oversight responsibilities described above, the District shall also provide the Charter School with the following services:

Description of Service	Estimated Fee	Description of How Fee Shall Be Calculated
Supplemental training and support	\$65.00 per hour	Hourly rate

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- 4. The Charter School shall retain the authority to contract with third parties for any services required to operate the charter in the accordance with the law, this MOU, and the approved charter.
- 5. Charges for services provided under this agreement will be invoiced by PUSD at the end of each quarter and paid by PCS within thirty (30) days from receipt of invoice.

CHILD NUTRITION SERVICES:

Due to the extension of USDA waivers, PUSD will make meals available to all youth ages 1-18 in Plumas County through June 30, 2021 or until such waivers are no longer applicable, whichever occurs first. As PUSD maintains staffing to accommodate PCS meal service, the cost of one Cafeteria Manager FTE shall be billed to PCS. The actual cost billed will be based on the average cafeteria manager employee costs.


AMENDMENTS:

This agreement may be amended or modified in whole or part, in writing and must be signed by both parties. This agreement may be terminated by either part with 60 days written notice. Written notification will be presented through the U.S. Mail and be addressed as follows:

PUSD
 Terry R. Oestreich
 Superintendent, PUSD
 50 Church Street
 Quincy, CA 95971


PCS
 Taletha Washburn
 Director, PCS
 80 Main Street
 Quincy, CA 95971

In Agreement:

DocuSigned by:

 95211EAB04E54F6...
 Terry Oestreich, Superintendent

12/28/2020

 Date

DocuSigned by:

 36C448ED4E4744D...
 Taletha Washburn, Director

12/28/2020

 Date