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**MEMORANDUM OF UNDERSTANDING BETWEEN  
THE PARADISE UNIFIED SCHOOL DISTRICT  
AND  
CHILDREN’S COMMUNITY CHARTER SCHOOL**

This Agreement (or “Memorandum of Understanding” or “MOU”) is executed by and between the Board of Trustees of the Paradise Unified School District (“District”) on one hand and Children’s Community Charter School (“CCCS” or “Charter School”) on the other.

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**RECITALS:**

- A. The Paradise Unified School District is a school district existing under the laws of the State of California.
- B. CCCS is a legally incorporated charter school through the State of California.
- C. The parties to this agreement recognize that the laws of the State of California authorize the formation of charter schools for the purpose, among others, of developing new, innovative and more flexible ways of educating children within the public school system.
- D. This agreement shall not negate the operational independence of Charter School from District as otherwise established by the Charter or laws of the State of California that authorize the formation of charter schools.
- E. The District is the sponsoring educational agency of the Charter School. This Agreement is intended to outline the parties' agreements governing their respective fiscal and administrative responsibilities and their legal relationship and other matters of mutual interest not otherwise addressed or resolved in the terms of the Charter School's charter.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein set forth, the Charter School and the District do hereby agree as follows:

**AGREEMENTS:**

**I. TERM AND RENEWAL**

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- A. This agreement shall commence on the date upon which it is fully executed by both parties and shall run concurrently with the charter.
  - B. Any modification of this Agreement must be in writing and executed by duly authorized representatives of both parties specifically indicating the intent of the parties to modify this MOU.
  - C. The duly authorized representative of the Charter School is the Charter School administrator, or the Governing Board of the Charter School. For purposes of amendment of this MOU, the Governing Board is required to take action.
  - D. The duly authorized representatives of the District are the District Board of Trustees or Superintendent, or designee. For purposes of amendment of this MOU, the Board of Trustees is required to take action.
  - E. This MOU will continue in effect until mutually modified in writing, and shall terminate upon revocation or non-renewal of the charter, and upon the exhaustion of the charter's administrative, non-judicial remedies. Amendments to the MOU may be made upon written agreement of both Parties as set forth in Article VI below.
  - F. 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, and both Parties shall meet to amend the Agreement to achieve consistency.
  - G. The terms set forth in this MOU are hereby incorporated by reference into the charter and its terms shall have the same force and effect as if they were contained in the charter.

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## II. DESIGNATION AND REAFFIRMATIONS OF CHARTER SCHOOL

- A. The Charter School is known as Children’s Community Charter School. The Charter School is operated as a direct-funded charter school.
- B. CCCS is deemed the exclusive employer of the employees of the Charter School for the purposes of the Educational Employee Relations Act (EERA) under *Government Code* Section 3540, et. seq.
- C. Grade Levels and Staffing: It is recognized that the Charter School serves students in kindergarten through eighth grade. Employees at the Charter School include credentialed core teachers, an onsite administrator, a classified office manager, a maintenance director, a business manager, and instructional aides. If there are vacancies in staffing positions the CCCS Governing Board will follow guidelines set forth in the Employee Handbook and Collective Bargaining Agreement to fill those vacancies. The CCCS Hiring Committee will participate in all processes in order to fill those vacancies in keeping with the CCCS established contractual agreements.

## III. FISCAL REPORTING

- A. BUDGET: The Charter School shall annually prepare budget reports consistent with State Law and District policies; these presented to the PUSD under the following timeline:
- On or before July 1, an original budget.
  - On or before December 15, a first interim financial report.  
This report shall reflect changes through October 31.
  - On or before March 15, a second interim financial report.  
This report shall reflect changes through January 31.
  - On or before September 15, a final unaudited report for the

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full prior year.

The chartering authority shall use any financial information it obtains from the charter school, including, but not limited to, the reports required by this section, to assess the fiscal condition of the charter school pursuant to subdivision (d) of Section 47604.32.

- B. **AVERAGE DAILY ATTENDANCE:** The Charter School will be responsible for its daily and monthly attendance accounting. The Charter School will submit the attendance reports in accordance with State requirements to the District in a timely manner; this report generated through the Student Information System, which is consistent with the District's attendance reporting format.
- C. **ANNUAL FISCAL AUDIT:** Charter School shall be annually audited in accordance with the terms of the Charter. A copy of the final unaudited report will be submitted to the district.

#### **IV. FISCAL OPERATIONS**

- A. **BANKING ARRANGEMENTS:** The Charter School shall develop and maintain generally accepted accounting principles. The Charter School will maintain its own accounts either in a federally-insured commercial bank or credit union. Funds will be deposited in non-speculative accounts including federally insured savings or checking accounts. The Charter School's Business Manager will reconcile the Charter School's ledger(s) with its bank accounts on a monthly basis and will prepare: (1) A balance sheet, (2) a comparison of budgeted to actual revenues, and (3) a cash flow statement. The CCCS Governing Board will regularly review these statements, and shall make this information available to PUSD if requested.

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- B. FISCAL COMMITTEE: The Charter School may establish a fiscal committee to monitor all fiscal operations of the Charter School program.
  
  - C. SEGREGATION OF DUTIES: The Charter School will develop and maintain simple check requests and purchase order forms to document the authorization of all non-payroll expenditures.
  
  - D. PURCHASING PROCEDURES: All purchases over \$5,000 must include documentation of a good faith effort to secure the lowest reasonable cost for comparable goods or services. The CCCS Board shall not approve purchase orders or check requests lacking such documentation. Documentation shall be attached to all check and purchase order requests showing that at least three (3) vendors were consulted and such documentation shall be maintained for three (3) years.
  
  - E. ATTENDANCE ACCOUNTING: The Administrator of the Charter School will establish and maintain an appropriate attendance accounting system to record the number of days students are actually in attendance at the Charter School and engaged in activities required of them by the Charter School. The annual audit will review actual attendance accounting records and practices to ensure compliance. The attendance accounting practices will be in conformance with the Charter Schools Act and the California Code of Regulations sections defining charter school average daily attendance.
  
  - F. PERSONAL USE OF SCHOOL FUNDS: Use of Charter School funds for personal use is absolutely prohibited.
  
  - G. OTHER FISCAL CONTROL POLICIES: The Charter School shall develop and maintain other fiscal control policies as deemed necessary.

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**V. SITUS**

- A. The school site shall be located at 6830 Pentz Road, Paradise, California. The Charter School will continue to pay to District biannually loan payments in satisfaction of the debt incurred to develop such site and subsequent improvements (science building modular). On closure of CCCS, all assets of CCCS, including but not limited to all leaseholds, personal property, intellectual property and all ADA apportionments and other revenues generated by students attending CCCS, remain the sole property of CCCS and, upon the dissolution of the non-profit public benefit corporation, shall be distributed in accordance with the Articles of Incorporation, with the exception of the [Building] and Science building that CCCS built and that were financed through loans from the District. In the event of closure of CCCS, CCCS agrees that it will convey all right, title and interest in the [Building] and Science building to the District, free of any encumbrances in favor of any party other than the District that exist at the time of transfer. CCCS agrees that the District may impose any liens or other encumbrances to title to these two structures that are necessary to carry out this provision, and not to seek to expunge or otherwise remove or impair said liens or other encumbrances.
- B. It is the sole responsibility of CCCS to procure necessary loans to facilitate site improvements. Further, all outstanding loans currently assumed by CCCS are deemed the sole responsibility of CCCS, and will not be a PUSD-assumed financial obligation under any conditions.
- C. All third-party contracts shall be deemed a transaction solely between the Charter School and the appropriate vendor, with PUSD acting as neither a consenting party to the said contract(s) nor responsible for fiscal liability of the same.

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**VI. DISTRICT OVERSIGHT/SERVICES**

A. 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:

- 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 respond 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.
- Ensure that the Charter School complies with all reports required of charter schools by law.
- 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.



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- The charter is revoked.
  - The Charter School will cease operation for any reason.

- B. In addition to the supervisory oversight responsibilities described above, the District shall also provide the Charter School with the following services:

At the discretion of the District, the Charter School may procure operating services from the District at prices to be determined by the District and Charter School. Services may be contracted by the Charter School from the District if available pursuant to a separate written agreement between the Parties.

- C. In accordance with the provisions of the California Charter Schools Act of 1992, Education Code Sections 47610, 47605 et seq., the Charter School reserves the right to contract with third parties outside the District for goods and services required or deemed necessary to support Charter School facilities and programs through agencies and/or independent contractors which are independently bonded and insured.

## **VII. SPECIAL EDUCATION SERVICES/504**

- A. It is understood that no student shall be denied admission to CCCS, or denied services, due to disability.
- B. Children with disabilities attending the Charter School shall receive special educational instruction or designated instruction and services, or both, in the same manner as a child with disabilities who attends another public school of that district. The agency that granted the charter shall ensure that all children with disabilities enrolled in the Charter School receive

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special education and designated instruction and services in a manner that is consistent with their individualized education program and in compliance with the Individuals with Disabilities Act (“IDEA”).

- C. It is understood that CCCS will contract through the Paradise Unified School District for all special education services. The charter shall owe the district a pro-rata share of the PUSD’s unfunded special education costs or encroachment.

### **VIII. EVALUATION OF THE EDUCATIONAL PROGRAM**

Upon request, the Charter School shall furnish to the District an annual written report and evaluation of its educational program in accordance with the charter and the Education Code. The annual report shall include an evaluation of the fulfillment of the charter’s purposes and goals and will include the following:

- Review of each component of Charter for compliance.
  
- Analysis of whether goals included in the approved charter are being met; review of all state and federal student assessment data and reports.
  
- Summary of major decisions made/policies established by the board in prior year.
  
- Data on level of parent involvement in governance and operation of The School.
  
- Summary data from annual student/parent satisfaction survey.
  
- Data regarding number of staff, their qualifications and verification of

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credentials for the prior year.

- Copy of health/safety procedures and summary of any major changes.
- Report on the suitability of the facility in terms of health and safety.
- Report on the suitability of the facility in terms of educational utility.
- Review copies of all requested documentation (e.g. budget reports, financial projections, leases, insurance, etc.).
- An overview of admission practices including:
  - Number of students actually enrolled.
  - Waiting lists.
- Report on expulsions and suspensions during prior year.
- Review of any internal/external dispute resolutions during prior year.

## **IX. INSURANCE**

- A. The Charter School will maintain, at its own expense, its own insurance policies for the operation of the Charter School, including but not limited to general liability, property, and errors and omission policies. Policy types and amounts will be commensurate with amounts and types by the District's insurer for a school of similar type and size in the area. Additional insurance may also be obtained by the Charter School as necessary or required by law. The Charter School and the District shall agree upon appropriate insurance amounts and types.

## **X. INDEMNIFICATION CLAUSE**

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**MEMORANDUM OF UNDERSTANDING**

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A. To the fullest extent permitted by law CCCS does hereby agree, at its own expense, to indemnify, defend and hold harmless the PUSD and the Board of Trustees and their members, officers, directors, agents, representatives, employees, and volunteers from and against any and all claims, damages, losses and expenses including but not limited to attorney's fees, brought by any person or entity whatsoever, arising out of, or relating to this charter agreement, except for any such claims, damages, losses and expenses including but not limited to attorney's fees, which result from the actions or omission of actions of CCCS. Moreover, CCCS agrees to indemnify and hold harmless the PUSD for any contractual liability resulting from third party contracts between the Charter School and Charter School vendors, independent contractors, agencies, partners or sponsors.

**XI. SPECIAL PROGRAM/SERVICES AND/OR ACTIVITIES**

In the event that either party to this Agreement wishes to have its students and or staff participate in a program/service/activity offered by the other party, advance approval and arrangements must be made. It is fully recognized that expenses for such participation may be charged.

**XII. FERPA: FAMILY EDUCATIONAL RIGHTS AND PRIVACY ACT**

The District hereby designates employees of the Charter School as having 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 and California Education Code §49076(b)(6) ("FERPA") as to District pupils who are enrolled in the Charter School. The Charter School hereby designates the employees of the District as having a legitimate educational interest such that they are entitled to access to education records under FERPA. The Charter School, its officers and employees shall comply with FERPA at all times.

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**XIII. BROWN ACT/PUBLIC RECORDS ACT**

The Charter School shall conduct its Governing Board meetings regarding the Charter School according to the Brown Act and Charter School Bylaws. In addition, the Charter School understands and agrees to comply with the Public Records Act (Government Code Section 6250 et seq.) as well as Education Code Section 47604.3.

**XIV. GENERAL REPORTING REQUIREMENTS**

In addition to providing the reports specific in this agreement, Charter School agrees to provide any further reports that may be required by the District to comply with statutory obligations.

**XV. PUPIL TRANSPORTATION**

The district shall not be responsible for any transportation offered to students who enroll in the Charter School.

**XVI. GOVERNANCE**

Governance of Charter School will be as set forth in the CCCS Charter and Bylaws.

**XVII. LEGAL SERVICES**

The Charter School will be responsible for procuring its own, separate legal counsel through the attorney group(s) of its choice, and shall be responsible for the costs of such services. Should the Charter School retain the legal services through any private law firm that also is retained by the District, the Charter School agrees that, in the event legal disputes arise between the parties, the Charter School will move to retain legal representation by a separate firm.

**XVIII. SEVERABILITY**

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The terms of this Agreement are severable. In the event that any of the provisions are determined to be unenforceable or invalid for any reason, the remainder of this Agreement shall remain in effect, unless mutually agreed otherwise by the District and the Charter School. The District and the Charter School agree to meet to discuss and resolve any issues or differences relating to provisions in a timely, good faith fashion.

**XIX. AMENDMENTS**

Amendments to this Agreement may be made upon written agreement of both Parties. Designated representatives of the District and the Charter School will meet as necessary to implement this Agreement and to discuss necessary amendments. Amendments dictated by changes in statute, regulation and/or controlling court decisions shall automatically become part of this agreement. Otherwise, any modification of this Agreement must be in writing and is subject to mutual ratification.

**XX. NOTIFICATION**

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:

Paradise Unified School District  
6696 Clark Road  
Paradise CA 95969

To the Charter School at:

Children's Community Charter School  
6830 Pentz Road  
Paradise, CA 95969

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**XXI. ENTIRE AGREEMENT**

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

Dated: \_\_\_\_\_, 2014 \_\_\_\_\_  
Children's Community Charter School

Dated: \_\_\_\_\_, 2014 \_\_\_\_\_  
Paradise Unified School District

Approved and ratified this \_\_\_\_\_ day of \_\_\_\_\_, 2014 by the Board of Trustees of the Paradise Unified School District by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSTAINS: \_\_\_\_\_

Certification by the Superintendent.

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