



Agreement, District policy, and applicable law.

3. Designation of School. The Charter School shall be known as “Aspire Capitol Heights Academy”. The Charter School may not change its name, nor operate under any other name, without the prior express written approval of the District, which consent shall not unreasonably withheld. The Non-Profit shall be responsible for all functions of the Charter School pursuant to the terms and conditions set forth in this Agreement and its charter. The Charter School shall not be located at more than one school site without the prior express written approval of the District. The Charter School shall not change locations without the prior express written approval of the District. Any change of location shall be considered a material revision of the charter petition under Education Code sections 47605 and 47607.

4. Programmatic Audit. The Charter School will compile and provide to the District an annual performance audit. The annual performance audit shall be submitted to the District within sixty (60) days of the last day of instruction for the regular school year or by September 1, or within 30 days after state assessment results and APIs are published by state agencies, whichever date is latest. This audit will, at a minimum, include the following data:

(a) Summary data showing student progress toward the goals and outcomes specified in the charter from assessment instruments and techniques listed in the charter or otherwise required by the District.

(b) Information regarding the number of students taking and passage rate of the California High School Exit Exam (“CAHSEE”), if applicable.

(c) An analysis of whether student performance is meeting the goals specified in the charter. This data will be displayed on a school-wide basis and also disaggregated by major racial and ethnic categories and shall include analysis based on the Standardized Testing and Reporting (“STAR”) and CAHSEE programs of the State of California.

(d) The Charter School’s progress towards meeting its Academic Performance Index (“API”) and Adequate Yearly Progress (“AYP”) targets.

(e) Results of any additional internal assessments used by the Charter School.

(f) A summary of the Non-Profit governing board’s self-evaluation on prior-year management performance, including summary of major decisions and policies established during the year, and upcoming year goals, concerning Charter School.

(g) Data on the level of parent involvement in the Charter School’s governance (and other aspects of the Charter School, if applicable) and summary data from an annual parent and student satisfaction survey.

(h) Data regarding the number of staff working at the Charter School and their qualifications.

(i) A copy of the Charter School's policies, including health and safety policies, and a summary of any major changes to those policies during the year.

(j) Information demonstrating the Charter School's implementation of the means stated in the charter to achieve a racially and ethnically balanced student population.

(k) An overview of the Charter School's admissions practices during the year and data regarding the numbers of students enrolled and the number on waiting lists.

(l) Analysis of the effectiveness of the Charter School's internal and external dispute mechanisms and data on the number and resolution of disputes and complaints.

(m) A report on student discipline, including the number of students suspended or expelled from the Charter School; and

(n) Any other information regarding the educational program and the administrative, legal and governance operations of the Charter School requested by the District and in compliance with the Charter School Act of 1992.

5. Funding.

(a) Basic Funding. The Charter School has elected to receive funding from the State directly, pursuant to Education Code section 47651. The District shall comply with Education Code section 47635 in providing the Charter School with its share of local funding. However, the Parties understand that in the event that such funds are not timely received by the District due to processing delays at either the state or county level, such funds shall be provided to the Charter School as soon as practicable after such funds are made available to the District. Except as otherwise noted in this Agreement, it shall be the responsibility of the Charter School to apply for funding beyond the basic statutory entitlements set forth in Education Code section 47633 and Education Code section 47634.1. The District recognizes the authority of the Charter School to pursue additional sources of funding. Any application for funding by the Charter School that depends on the support or creditworthiness of the District shall be presented to the District for its prior written approval.

(b) District Applications for Funding. When the District directly applies for additional sources of funding in the form of grants and/or categorical funding at the request of and for the benefit of the Charter School, the District will receive one percent (1%) of such funds at the time they are paid to the Charter School. Such funds shall not be considered revenue for

than those set forth in the Charter School's charter and any authorized amendments. The Charter School will provide the District with written monthly notice when the Charter School withdraws funds deposited by the Sacramento County Superintendent of Schools in the Sacramento County Treasury for the account of the Charter School and re-deposits those funds in a financial institution selected by the Charter School. Such notice is provided when the Charter School provides the District with monthly bank statements from the banks where all Charter Schools accounts are held. Within fifteen calendar da

District's then-calculated rates, and the rates stated by each such revision shall apply to services the Charter School is purchasing fr

The Charter School shall complete its audit and submit it to the District no later than December 15 of the fiscal year following the fiscal year for which the audit was performed. The Nonprofit agrees to implement all audit recommendations regarding audit exceptions or deficiencies as related to the Charter School subject to standard accounting practices.

(d) Financial Reports. In addition to the foregoing requirements, the Charter School shall annually prepare and submit the following reports to the District and the County Superintendent of Schools:

- (1) On or before July 1, an adopted budget;
- (2) On or before December 15, a first interim financial report, reflecting

included in the Charter School's assumptions in the adopted budget for the fiscal year.

(i) Third Party Debts and Liabilities. Subject to accounting principles applicable to California nonprofits, assets or funds allocated or held by the Charter School for provision of its educational services shall not be used to satisfy any third party debts or liabilities, including those of the Non-Profit. Without limitation to the foregoing, no Charter School monies shall be allocated or spent on the debts or liabilities of any party or organization that is associated with founding this Charter School.

(j) Banking Arrangements. In addition to those obligations set forth in section 5(c) above, the Charter School's business manager will reconcile the Charter School's ledger(s) with its bank accounts or accounts in the County Treasury on a monthly basis and prepare (1) a balance sheet, (2) a comparison of budgeted to actual revenues and expenditures to date, and (3) a cash flow statement, which will be submitted with the reports listed above in section 9(d). The Charter School will deposit all funds received as soon as practical upon receipt. A petty cash fund, not to exceed two hundred dollars (\$200), may be established with an appropriate ledger to be reconciled twice monthly by the Non-Profit Business Manger, who shall not be authorized to expend petty cash.

(k) Purchasing Procedures. With respect to all purchases of services or physical assets over five thousand dollars (\$5,000), the Charter School must maintain documentation for a five (5) year period of a good faith effort to secure the lowest possible cost for comparable goods or services. Charter School's

forms, retirement data and use of sick leave.

(n) Fiscal Control Policies. The Charter School shall develop and maintain fiscal control policies as recommended by independent certified public accountants retained by the Charter School to advise it on fiscal control policy matters.

10. Reporting to the District.

(a) Enrollment.

1. Annual enrollment reporting. The Char

(f) Performance Assessments. The Charter School shall forward results from statewide assessments to the District promptly upon receipt by the Charter School, but in no event later than thirty (30) days after such receipt.

(g) Student Records. The Charter School hereby designates the employees of the District as having a legitimate educational interest such that they are entitled upon request access to the Charter School's education records under the Federal Educational Rights and Privacy Act ("FERPA") and related state laws regarding student records. At a minimum, such records include emergency contact information, health and immunization data, attendance summaries, and academic performance data from all statewide student assessments pursuant to Education Code sections 60605 and 60851. The Charter School and the District, and their respective officers and employees, shall comply with FERPA and state laws regarding student records at all times.

11. Special Education and Related Services; English Learners. The Parties have concurrently herewith entered into a Special Education Memorandum Of Understanding between Sacramento City Unified School District and Aspire Public Schools Regarding Capitol Heights Academy (Special Education MOU). In addition to the terms thereof, the following terms govern the provision of special education and related services to Charter School students:

12. Human Resources Management.

(a) Charter School Exclusive Employer. All employees of the Charter School are employees of the Non-Profit and shall have no right to employment by the District. The Non-Profit shall have sole responsibility for employment, management, dismissal and discipline of employees of the Charter School.

(b) Compliance with Fingerprinting Requirements. Throughout the term of the Charter and this Agreement, all employees of the Charter School, parent volunteers who will be performing services that are not under the direct supervision of a certificated teacher, and onsite vendors having unsupervised contact with students, will submit to background checks and fingerprinting in accordance with the provisions of Education Code sections 44237 and 45125.1. The Charter School will provide certification to the District that all employees and volunteers or vendors have clear criminal records summaries prior to their having any unsupervised contact with students. The Charter School will maintain on file and have available for inspection, during District site visits, evidence that the Charter School has performed criminal background checks for all employees and documentation that vendors have conducted required criminal background checks for their employees prior to any unsupervised contact with students.

(c) STRS/PERS. If the Charter School decides to offer existing or new employees of the Charter School the opportunity to participate in the State Teachers' Retirement System

In the event of a third party claim or potential claim covered by these provisions, the Parties agree to take all steps reasonable or necessary to cooperate in defending and protecting their joint interests, and in expediting all reasonable or necessary efforts to gain coverage for the Parties under any liability policy or indemnity agreement issued in favor of the Non-Profit and/or District, including indemnity rights or agreements existing in contracts between the Non-Profit and/or District and any third party (such as contract with a supplier of goods or services), and further including efforts to reduce defense costs (through joint representation whenever possible), expenses and potential liability exposures.

14. Insurance and Risk Management. The Non-Profit shall, for itself and the Charter School, and at its sole cost and expense, purchase and maintain during the entirety of this Agreement, insurance or indemnity protection as follows, as well as any additional insurance as may be required by law:

- (a) Liability Insurance. Occurrence-based liability indemnity protection, having a combined limit of liability of no less than five million dollars (\$5,000,000) per claim and in the aggregate, and a per occurrence deductible of no greater than five thousand dollars (\$5,000), whether purchased in the form of a

In the event of changes in laws, the District and the Charter School agree to negotiate modifications to this Agreement as required by applicable law.

19. Dispute Resolution. Any and all disputes arising out of the interpretation or performance of this Agreement shall be subject to the following procedure until a resolution is reached. Once the Parties have exhausted the procedures stated in (a)-(c), below, each may pursue a remedy as entitled to them by law. Notwithstanding the foregoing, if any such dispute concerns facts or circumstances that may be cause for revocation of the Charter, the District shall not be obligated by the terms of this section as a precondition to revocation.

(a) The disputing party shall provide written notice of the dispute to the other party. Thereafter, the Charter School's CEO or designee shall meet with the District's Superintendent or designee within thirty (30) days to attempt informal resolution of the dispute.

(b) In the event this informal meeting fails to resolve the dispute, both Parties or their designees, within sixty (60) days counting from the initial informal meeting date, shall identify two governing board members from their respective boards who shall jointly meet with the Charter School's CEO or designee and the District's Superintendent or designee and attempt to resolve the dispute.

(c) If this joint meeting fails to resolve the dispute, the District and the Charter School or Nonprofit shall enter into non-binding mediation before a mutually agreed upon mediator, with the costs of the non-binding mediation to be split evenly between the Parties. The format of the mediation shall be developed jointly by the District and the Charter School or Nonprofit, and shall incorporate informal rules of evidence and procedure, unless both Parties agree otherwise. Notwithstanding the foregoing, the findings or recommendations of the mediator shall be non-binding, unless the governing boards of the Non-Profit and the District jointly agree to bind themselves.

Exercise of any dispute mechanism authorized by this Agreement shall not, in and of itself, constitute a material violation of the charter or otherwise be grounds for revocation.

20. Severability. If any provision or any part of this Agreement is for any reason held to be invalid or unenforceable or contrary to law, the remainder of this Agreement shall not be affected thereby and shall remain valid and fully enforceable.

21. Venue. The Parties agree that any legal action to enforce the terms of this Agreement shall be brought in the appropriate court in Sacramento County, California.

22. Notices. All notices, requests, and other communications under this Agreement shall be in writing and submitted in writing to the addresses set forth below. Notice shall be deemed given on the second day following the mailing of notice by certified mail.

To the District at: Sacramento City Unified School District
Attn: Chief Accountability Officer
5735 47th Ave.
Sacramento, CA 95824
Facsimile: (916) 643-2190

To the Charter School at: Kristin Murphy
Principal
Aspire Capitol Heights Academy
2520 33rd Street
Sacramento, CA 95817
Facsimile: (916) 739-8529

To the Non-Profit at: Delphine Sherman
Aspire Public Schools
1001 – 22nd Avenue
Oakland, CA 94606
Facsimile: (510) 434-5010

23. Entire Agreement; Counterparts. 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