

MEMORANDUM OF UNDERSTANDING BETWEEN

Nevada County Superintendent of Schools (NCSOS)

and the

Nevada County Board of Education (NCBOE)

and

Bitney College Preparatory High School

This Agreement or Memorandum of Understanding (“MOU”) is executed by and between the Nevada County Superintendent of Schools (hereinafter referred to as the “NCSOS”) and the Nevada County Board of Education (hereinafter referred to as “NCBOE”) and the Bitney College Preparatory High School (hereinafter referred to as the “Charter School”). The County Superintendent (hereinafter referred to as the “Superintendent”) and the Charter School are collectively referred to as the parties.

RECITALS:

- A. The NCSOS and the Nevada County Board of Education are local educational agencies existing under the laws of the State of California.
- B. 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.
- C. By approving the petition, NCBOE becomes the granting agency of the Charter School. This Agreement is intended to outline the parties’ agreements governing their respective fiscal and administrative responsibilities, their legal relationship and other matters of mutual interest not otherwise addressed or resolved in the terms of the Charter School’s charter.
- D. Written modification of this Agreement may be made by mutual agreement as set forth below.
- E. Charter School will operate as part of a cooperative of other locally funded charter schools sponsored by the NCBOE. This cooperative fosters fiscal prudence through the use of economies of scale while allowing autonomy for each of the charters involved with the cooperative (hereinafter referred to as “Cooperative”).

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, the parties hereby agree as follows:

## **AGREEMENTS:**

### **I. TERM AND RENEWAL**

- A. This agreement shall commence on the date upon which it is fully executed by the parties and shall cover five academic years of the Charter School charter commencing upon execution by the parties. The Agreement is subject to termination during the term or any renewal as set forth in this Agreement.
  
- B. Any modification of this Agreement must be in writing and executed by duly authorized representatives of the parties specifically indicating the intent of the parties to modify this MOU. Unless otherwise agreed, all modification and amendment of the Agreement shall take effect in the school year following the school year of such amendment.
  - 1. The duly authorized representative of the Charter School is the Director/Principal.
  
  - 2. The duly authorized representative of the NCBOE is the Nevada County Superintendent of Schools (“Superintendent”) or designee. For purposes of amendment of the Charter, the Nevada County Board of Education is required to take action.
  
  - 3. The term of this Agreement is for the term of the Charter, which has a five-year term. However, the parties agree to review this Agreement annually. By February 1, of the then current year, beginning in the year 2008, any party may present proposed revisions to the MOU. If there is no agreement by March 30 of the current year then the existing MOU will continue in effect until mutually modified or amended. Notwithstanding the foregoing, the MOU shall expire upon expiration of the Charter or revocation of the Charter, in compliance with the provisions of the Charter School Act.
  
  - 4. Notwithstanding anything in this Agreement to the contrary, the Board of Education reserves the right of approving amendments and/or revoking the Charter as specified in the Charter Schools Act.
  
  - 5. The Charter School may terminate this agreement by providing notice to the NCSOS by March 1 of the school year preceding the school year in which the Charter School wishes to terminate this agreement.
  
- C. Effect of MOU. Education Code Section 47607(a)(2) provides the procedure for a material revision of an existing charter.

## II. DESIGNATION OF SCHOOL

- A. The Charter School formed pursuant to the Charter shall be known as the Bitney College Preparatory High School and shall be referred to as the Charter School. The Charter Council of the Charter School shall be responsible for all functions of the Charter School subject to the terms and conditions set forth in this Agreement, the Charter, and the Bylaws of the Charter School.
- B. Grade Levels: The Charter School shall serve grades 9-12 and shall follow all applicable laws regarding maximum age limitations for charter schools.
- C. The parties recognize and agree that the Charter School shall admit all students regardless of race, religion, sex, sexual orientation, disability or ethnic origin and that such provisions of non-discrimination shall apply to employment.

## III. FUNDING

- A. To the extent that the Charter School is required to submit records or information to NCSOS in order to confirm funding, those records must be prepared by the Charter School in conformance with County procedures and software requirements (see Appendix A).
- B. In addition to the block grant funding specified below, the parties recognize the authority of the Charter School to pursue additional sources of funding.
  - 1. The Charter School shall cooperate fully with the Superintendent in application made by the Superintendent on behalf of the students of the Charter School.
  - 2. The Charter School agrees to comply with all regulations related to expenditures and receipt of such funds.
- C. The parties agree that the block grant funding entitlement per student attending the Charter School shall be calculated in accordance with Education Code Section 47634.
  - 1. The Charter School is also entitled to lottery funds, class size reduction funds, a variety of state and federal application based programs, as well as various grant opportunities. NCSOS agrees to prepare and file the applicable paperwork required to obtain state and federal funds.
- D. The Charter School agrees that all revenue shall only be used for the provision of educational services for students enrolled in and attending the Charter School and shall not be used for purposes other than those set forth in the approved charter and any authorized amendments.

#### IV. LEGAL RELATIONSHIP

- A. The Charter School shall be organized as a dependent charter school under the NCSOS.
- B. The parties recognize that the Charter School is a legal entity under the control and direction of the charter council as outlined in the Charter, the Charter Schools Act and this Agreement. Therefore, NCSOS shall not be liable for the debts and obligations of the Charter School.
- C. The parties agree and understand that all employees of the Charter School shall be employees of NCSOS and that NCSOS shall be the employer for purposes of the Educational Employment Relations Act as provided in Education Code Section 47605.6(b)(5)(M).
- D. With respect to its operations under this Agreement, the Charter School shall, to the fullest extent permitted by law, hold harmless, indemnify, and defend the Board of Education and Superintendent, their respective officers, directors, agents, affiliates and employees from and against any and all claims, demands, actions, suits, losses, liability expenses and costs 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 the willful misconduct, negligent acts, errors or omissions of the Charter School or its officers, employees, agents and consultants under this Agreement, excepting only those claims, demands, actions, suits, losses, liability expenses and costs caused by the sole negligence or willful misconduct of the Board of Education and the Superintendent, or their respective officers, directors, agents, affiliates and employees.
- E. With respect to the operations under this agreement, NCSOS shall, to the fullest extent permitted by law, hold harmless, indemnify and defend the Charter School, its respected officers, directors, agents, affiliates, and employees from and against any and all claims, demands, actions, suits, losses, liability expenses and costs including, without limitation, attorney's fees and costs arising out of injury to any persons, including death or damage to any property caused by, connect with, or attributable to the willful misconduct, negligent acts, errors or omissions of NCSOS, or its officers, employees, agents and consultants under this agreement, excepting only those claims, demands, actions, suits, losses, liability expenses and costs caused by the sole negligence or willful misconduct of the Charter School or their respective officers, directors, agents, affiliates and employees.

#### V. CHARTER SCHOOL MANAGEMENT

- A. Charter Council. The activities and affairs of the Charter School shall be conducted and all powers shall be exercised by or under the direction of the Charter School's Charter Council. The Charter Council may delegate the

activities of the Charter School to any person or persons or committee, provided that the activities and affairs of the Charter School shall be managed and all powers shall be exercised under the ultimate direction of the Charter Council.

- B. Officers. The Charter School may have such officers as the Charter Council may determine necessary.
- C. NCSOS shall have the following oversight rights and duties:
  - 1. The Superintendent will have the authority to add matters to the Charter Council agenda.
  - 2. The Superintendent has a standing invitation to be present during the closed sessions of the Charter Council. The Superintendent may then be present at all closed sessions, but may step out during matters that may present a conflict of interest.
  - 3. The Superintendent will have the right to veto any action taken by the Charter Council of the Charter School that the Superintendent determines in his or her professional judgment not to be in the best interest of the school.
- D. All powers, rights and obligations not otherwise reserved herein to the NCSOS are hereby granted to the Charter School consistent with its Charter, approved policies and procedures, this Agreement, and all applicable laws.

## VI. FISCAL SERVICES

- A. The Charter School agrees that the Superintendent shall act as fiscal agent for the Charter School. It is understood that NCSOS shall be responsible for all fiscal services as outlined in Appendix A. All services not specifically mentioned in this Agreement, or the attachments thereto, shall be the responsibility of the Charter School. The Charter School agrees to pay the NCSOS six percent (6%) of all revenue (excluding donations and CSR) received or due to the Charter School in exchange for these services for each fiscal year of the agreement. This fee is in addition to the oversight fee described in Section XIX. The NCSOS shall be allowed to transfer to its accounts the annual fee in twelve (12) equal payments at the first of the month preceding the month of service delivery.
- B. To the extent that NCSOS is required to submit financial forms on behalf of the Charter School, the Charter School is responsible for providing the necessary information to NCSOS in a timely manner and in a format consistent and compatible with NCSOS' software systems. The Charter School agrees to follow processing schedules and NCSOS business office procedures.
- C. NCSOS, with Charter School input, will establish a system for internal fiscal management and a calendar for fiscal services to include budgeting, payroll, cash flow check points, hiring of auditor, audit timeline and attendance reporting (see Appendix A). This calendar shall be provided to the Charter School in writing by July 1 annually.

- D. In the event that the County Office of Education (defined as the County Board of Education and the County Superintendent of Schools) seeks and receives a voter approved bond, parcel taxes etc., the Charter School shall have no entitlement to any portion of the funds unless otherwise negotiated in advance or unless otherwise required by law. The Charter School agrees that it has no entitlement to funds currently being received, if any, by the County Office of Education under former parcel tax or bond elections.
- E. The Charter School agrees that it shall establish a fiscal plan for repayment of any loans received by the Charter School in advance of receipt of such loans. It is agreed that all loans sought by the Charter School shall be authorized in advance by the Charter Council of the Charter School and shall be the sole responsibility of the Charter School and the County Office of Education shall have no obligation for repayment. The Charter School shall provide advance written notice to the Superintendent specifying its intent to apply for a loan. The Charter School shall also provide advance written notice of deposit of any sums that are loans and the plan for re-payment.
- F. To the extent that Charter School wishes to contract with NCSOS for any services other than those provided herein, a prior written contract with NCSOS shall be required.
- G. It is recognized that the Charter School may apply for private/grant funding. Any application that includes the Board of Education or the Superintendent shall be approved in advance by the appropriate party.

## VII. FISCAL CONTROLS:

The NCSOS and the Charter School shall adopt and apply generally accepted accounting principles and shall adopt policies to ensure the Charter School's funds are used to most effectively support the Charter School's mission and to ensure that funds are budgeted, accounted for, expended, and maintained in an appropriate fashion. Such policies will include, but not be limited to, principles that ensure that: (1) expenditures are authorized by an accord with amounts specified in the Charter Council's Board of Directors 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 County Office of Education or State Department of Education.

The Charter School shall develop and monitor its budget in accordance with the annual budget development and monitoring calendar to be developed by the Charter School, in coordination with NCSOS.

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. All proposed expenditures must be approved by the Director/Principal, or

designee, who will review the proposed expenditure to determine whether it is consistent with the Charter School adopted budget. All transactions will be posted by the NCSOS on an electronic general ledger and will subsequently be submitted by the Charter School to the Charter Council for review and approval at a regularly scheduled meeting.

Banking Arrangements. The Charter School authorizes the NCSOS to maintain its cash accounts in the county treasury. The NCSOS agrees to reconcile the School's ledger(s) with its bank accounts or accounts in the county treasury on a monthly basis and prepare (1) a balance sheet, and (2) a comparison of budgeted to actual revenues and expenditures to date. The Principal/Director and the Charter Council, or their designee, will regularly review these statements. The Charter School will deposit all funds received as soon as practical upon receipt into a bank account established by the NCSOS for this purpose. A petty cash fund, not to exceed \$1,000, may be established with an appropriate ledger to be reconciled monthly by the Charter School site secretary or Business Manager.

Property Inventory. The NCSOS, with assistance from the Charter School, shall establish and maintain an inventory of all non-consumable goods and equipment with the original cost of over \$1,500. This inventory shall include the original purchase price and date, a brief description, vendor name, serial numbers, and other information appropriate for documenting the Charter School's assets. Property will be inventoried by the Charter School on an annual basis and lists of any missing property shall be presented to the Charter Council.

Payroll Services. The Charter School shall contract with NCSOS as outlined in Appendix A to prepare payroll checks, tax and retirement withholdings, prepare and remit tax statements and to perform other payroll support functions. The Charter School will establish and oversee a system to prepare time and absence reports and will submit such reports to the NCSOS on or before agreed-upon deadlines. NCSOS will provide to the Charter School payroll reports after each pay date, sufficient for the Charter School to ensure that (1) the salaries are consistent with staff contracts and personnel policies and (2) the proper tax, retirement, disability, and other withholdings have been deducted and forwarded to the appropriate authority. All staff expense reimbursements will be on checks separate from payroll checks. Upon hiring of staff, a personnel file will be started by charter staff and forwarded to the NCSOS with all appropriate payroll-related documentation including a federal I-9 form, tax withholding forms, retirement data and a description of sick leave or other policies relevant to the new staff member.

Attendance Accounting. NCSOS will provide access to an automated Student Information System. The Charter School will establish and maintain appropriate attendance accounting procedures to record the number of days students are actually in attendance at the 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 Administrative Code sections defining charter school 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 the NCSOS

format and State law and regulations to the NCSOS attendance officer in a timely manner and in a manner that is consistent with Superintendent's process and software.

Reserves. The Charter School shall maintain a minimum state-mandated fund balance reserve of at least 3% of total budgeted expenditures.

Other Fiscal Control Policies. The Charter School shall develop and maintain other fiscal control policies as recommended by independent certified public accountants or the Superintendent.

VIII. SPECIAL EDUCATION SERVICES/504: The following provisions govern the application of special education to Charter School students:

- A. It is understood that all children will have access to the Charter School and no student shall be denied admission due to disability. The Charter School shall be solely responsible for compliance with Section 504.
- B. The Charter School agrees to implement a Student Study Team Process, a regular education function, to monitor and guide referrals for Section 504 and special education services using Nevada County SELPA 504 guidelines.
- C. The Superintendent and the Charter School agree to implement and comply with the IDEA.

IX. INSURANCE AND RISK MANAGEMENT: The Charter School will work in conjunction with the NCSOS to ensure that appropriate insurance coverage is in place prior to commencing instruction to students.

- A. Student Insurance: Charter School students may participate at their own expense in student insurance coverage programs offered by the NCSOS, if any.
- B. Workers' Compensation. The NCSOS shall administer all workers compensation claims and shall assist the Charter School in compliance issues including, among other things, return to work, light duty, and modified work assignment issues. The rate will be set annually by Schools Insurance Group and will be based on the Cooperative workers compensation experience modification factor.
- C. General Liability and Property: The Charter School shall participate in the Schools Insurance Group risk pool through the NCSOS. The Charter School shall comply with all Schools Insurance Group requirements and shall work cooperatively with the Schools Insurance Group. The cost of the premium shall be the responsibility of the Charter School. The initial cost allocation basis for this premium shall be provided by Sierra Self Insurance, and shall be based on two criteria, 1) assessment value of the Charter Schools assets, and 2) prior year ADA.
- D. Health and Welfare Benefits for employees: Health and welfare plans offered to Charter School employees shall be selected by the Charter Council, and agreed to by the NCSOS. The selection of these plans may include, but not be limited to,

health and welfare plans as provided to other NCSOS employees. The Charter Council shall determine the benefit cost contribution cap contributed by the Charter School for all employees. The NCSOS shall administrate any necessary payroll withholdings when there is a difference between the cap and the health and welfare premium.

#### X. HUMAN RESOURCES MANAGEMENT:

- A. All employees of the Charter School shall only be considered NCSOS employees. The Charter School shall have responsibility for employment, management, dismissal and discipline of its employees subject to review and final approval of the NCSOS.
- B. The Charter School and the NCSOS will conform to the laws regarding background checks and fingerprinting as applicable.
- C. The Charter School shall participate in STRS and PERS through the NCSOS.
- D. The Charter School shall use its best efforts to provide authorized entities and persons, access to facilities during normal business hours for the purpose of reviewing student records, including, but not limited to student transcripts and attendance records located within the facility. Authorized entities and persons include the following: the Charter School, the NCSOS, the California Department of Education, auditors, and law enforcement.
- F. All contracts for employment and salary schedules for Charter School employees must receive approval from the Charter Council.

#### XI. FACILITIES

- A. The Charter School will comply with existing health and safety codes with respect to its facilities.
- B. The Charter School recognizes that it must provide facilities that conform with the Americans with Disabilities Act and any other federal or State requirement that may be applicable to charter schools.

#### XII. EVALUATION OF EDUCATIONAL PROGRAMS/CONFORMANCE TO CHARTER

- A. Oversight and monitoring of the Charter School shall be in conformance with the terms of the Charter. In addition, the Charter School shall furnish the Board of Education and Superintendent with an annual Single Plan for Student Achievement.

- B. The Charter School agrees to administer current statewide performance assessment/s. Results from such statewide assessments shall be provided to the Superintendent in the Single Plan for Student Achievement.
- C. The Charter School will comply with all state testing requirements. In addition, the Charter School shall, if applicable, comply with and be covered by the Public Schools Accountability Program. The Charter School shall follow the direction of the California Department of Education regarding the applicability of the Immediate Intervention/Underperforming Schools Program.

### XIII. CHARTER SCHOOL POLICIES AND PROCEDURES:

The Charter School shall provide copies of all policies and procedures applicable to the Charter School to the NCSOS promptly upon adoption by the Charter Council, in so far as they may differ from those contained within the Charter, which was already approved by the NCSOS and Board of Education.

### XIV. FERPA:

Family Educational Rights and Privacy Act. The Charter School hereby designates the Superintendent, or designee as having a legitimate educational interest in educational records 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). The Charter School and Superintendent and its officers and employees shall comply with the Family Educational Rights and Privacy Act at all times. The Charter School shall require that students sign in acknowledgement of this right on student enrollment forms.

### XV. BROWN ACT/PUBLIC RECORDS:

The Charter Council shall comply with the Brown Act. In addition, the Charter School understands and agrees that all of its records that relate in anyway to the operation of the Charter School are public records subject to the requirement of the Public Records Act (Government Code Section 6250 *et. seq.*) as well as Education Code Section 47604.3.

### XVI. PUPIL TRANSPORTATION:

The Charter School shall be responsible for transportation, if any, offered to students who are enrolled in the Charter School when that transportation is solely for purposes of the Charter School.

#### XVII. LEGAL SERVICES/OTHER SERVICES:

The Charter School will be responsible for procuring its own legal counsel and the costs of such service. The Charter School reserves the right to subcontract any and all services specified in this Agreement to the Superintendent and/or to public or private subcontractors as permitted by law.

#### XVIII. OVERSIGHT:

As provided in the Education Code, the Charter School shall pay the Superintendent for its actual costs of supervisory oversight not to exceed 1% of all Charter School General Purpose and Categorical Block Grant revenues, as defined by Education Code Section 47613, on an annual basis. This fee shall be in addition to the fee paid for business services as per this Agreement and Appendix A.

#### XIX. CHARTER EXIT:

The NCSOS is vitally interested in ensuring the Charter School continues to serve its students. If, upon termination of this agreement, the Charter School intends to continue operations through another sponsor, the following elements will be addressed as follows:

1. The Charter School will provide written notification in accordance with section I.B(3) above;
2. The NCSOS will not release the Charter School with existing debt without a mutually agreed upon method and time frame for repayment;
3. The NCSOS will not release the Charter School with a negative fund balance without a mutually agreed upon method and time frame for the repayment of the negative amount;
4. The Charter School will be allowed to retain all of its physical assets, instructional materials, and positive fund balance, less accrual amounts not collected or expended. The NCSOS will provide the Charter School a detailed accounting of all accrual amounts still awaiting collection or expenditure.
5. No later than December 15<sup>th</sup>, in the fiscal year following termination, the NCSOS will provide to the Charter School a reconciliation of revenues and expenditures for the previous year.
6. The NCSOS will provide to the Charter School a detailed general ledger, at the transaction level for the previous year.

#### XIX. 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 thereby and shall remain valid and fully enforceable.

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: Nevada County Superintendent of Schools  
Attn: Superintendent  
112 Nevada City Highway  
Nevada City, CA 95959-3118

To the Charter School at: Bitney College Preparatory High School  
11763 Ridge Road  
Grass Valley, CA 95945

XXI. NO PARTNERSHIP/ENTIRE AGREEMENT

Nothing in this Agreement is intended, or shall be deemed to constitute a partnership or joint venture between any of the parties. 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: \_\_\_\_\_

\_\_\_\_\_  
Bitney College Preparatory High School

Dated: \_\_\_\_\_

\_\_\_\_\_  
Nevada County Superintendent of Schools

Dated: \_\_\_\_\_

\_\_\_\_\_  
Nevada County Board of Education

Attachment: Appendix A (Fiscal Services)

Charter MOU Addendum  
for  
Bitney College Preparatory High School

This charter MOU addendum is between Bitney Springs High School, otherwise known as Bitney College Preparatory High School (Charter), and its sponsoring agency, the Nevada County Board of Education (County).

According to the charter MOU, the Charter shall maintain a minimum state-mandated fund balance reserve of at least 3% of total budgeted expenditures.

During the 2007-08 fiscal year, the Charter is projected to fall below this reserve requirement. Additionally, the Charter is projected to end the fiscal year with a negative fund balance of (\$16,556).

After several meetings, the Charter and County have agreed to the following terms that will act as an addendum to the charter MOU. This addendum shall remain in effect throughout the term of the charter.

- The Charter shall demonstrate either increased ADA or sufficient fundraising revenue by December 31<sup>st</sup> of each year to the extent necessary to sustain a 3% reserve for each school year.
- The County will loan to the Charter an amount equal to the final negative fund balance for 2007-08. Repayment for this loan shall be as follows:
  - No less than 50% by the end of 2009-10
  - The remaining balance by the end of 2010-11
- The Charter shall secure sustainable facilities for each subsequent year.

The Charter shall provide the County with a report by February 1 of each year demonstrating its attainment of these conditions. This report will include a multiple year financial projection for the current and two subsequent years, which consistently demonstrates reserves not less than 3%. Projections of ADA and fundraising shall include increases of no more than 10% based upon current trends, unless the Charter presents and the County agrees separately in writing that larger increases in ADA are both reasonable and likely. The County Board will review the report at its first regular meeting in March to consider acceptance of the report. Both parties agree that the County’s determination of this acceptance is not subject to the dispute resolution clause set forth in the Charter.

If the County rejects the report as submitted by the Charter, both parties agree to the following:

1. Closure of the school for the subsequent school year.
2. All remaining assets will be transferred to the County to cover the outstanding debt balance, if any.
3. If Charter does not comply with closure of the school, this addendum will serve as notice of revocation according to Education Code Section 47607.

The NCSOS reserves the right to revoke the charter pursuant to Education Code Section 47607 for any of the reasons specified therein.

Dated: \_\_\_\_\_  
Bitney College Preparatory High School

Dated: \_\_\_\_\_  
Nevada County Superintendent of Schools

Dated: \_\_\_\_\_  
Nevada County Board of Education

## **Appendix A**

### **Nevada County Superintendent of Schools**

### **Services Provided to Bitney Springs High School**

Accounting: Accounting services provided by the NCSOS will include:

- establishing a chart of accounts, account code structure, and financial ledgers;
- maintenance and posting of all financial transactions to the Charter School's ledgers;
- preparation of financial reports including monthly cash flow statements, statement of revenues/expenditures/fund balance, and balance sheets;
- monthly reconciliation of all balance sheet accounts to bank statements, county treasurer/auditor statements, annual reports and statements, and other documents as applicable;
- review of the Charter School's revolving account reconciliation

The NCSOS will provide server hardware, necessary software licenses, and technical support to the Charter School to maintain continuous access to the electronic accounting system and to assist the Charter School staff in the use of the electronic system. NCSOS will provide continuous access to and periodic training of the electronic financial system so that Charter School staff may pull desired reports at any time. Specialized trainings/workshops needed by any individual staff member will be at the cost of the Charter School.

NCSOS will confirm with the Charter School in writing before posting expenditure entries to the Charter School's ledger, except those entries that have been subject to previous approval, such as payroll and accounts payable processes.

Payroll: Payroll services provided by the NCSOS will include

- preparation and distribution of pay warrants and payroll checks
- administration/execution of direct deposits
- calculation and remittance of all tax, benefit, retirement, and other withholdings
- preparation of and forwarding of tax withholding and related documentation to employees and state and federal tax authorities
- maintenance of sick leave accrual balances for each employee in accordance with Charter School policy and education code guidelines, including transfer of sick leave between employees, and annual reporting to employees of sick leave balances.

NCSOS will provide access to and periodic training of the electronic financial system so that business officials may pull desired reports at any time.

Accounts Receivable and Payable: Accounts payable and receivable services provided by the NCSOS will include:

- processing of all purchase orders and check requests in a timely fashion,
- preparation and deposit of all payments received by NCSOS on behalf of the Charter School to county treasurer and posting relevant information to appropriate ledgers,
- provide summary listing of warrants issued for review and approval by the Charter Council.

- develop procedures to assure proper handling of cash, segregation of duties, etc.

It is fully expected that the Charter School will process their own purchase orders and place orders for goods directly with vendors. This will include the ability to add/revise vendors as needed. Invoices will be sent to the Charter School directly. PO, proof of delivery, and invoice will then be forwarded to NCSOS for payment. As a means of good fiscal controls, the Charter School will utilize a PO system.

Budget Development and Fiscal Planning: NCSOS staff will assist the Charter school in accurately identifying its revenues, comparing estimated revenue with actual revenues, assistance in projecting and monitoring expenditures, and assistance with preparing and revising long-term financial projections. The Charter School will be expected to do their own budget projections (adopted and interims) in the NCSOS approved electronic financial system. The Charter School will be allowed to make budget transfers between account codes, as long as the change does not affect the ending fund balance. NCSOS will provide training and support in the electronic financial system to maximum ease of use. Specialized training/workshops requested of Charter School will be at the expense of the Charter School. The NCSOS will stay abreast of potential funding sources and changes to existing funding sources, and will interpret/communicate such information to the Charter School on a timely basis. The NCSOS will assist the Charter School to the fullest extent allowed by law in its applications for other operational funding. The NCSOS shall cooperate and apply for jointly any and all state or federal categorical funding available to the Charter School.

Personnel Functions: Personnel services provided by the NCSOS will include:

- maintaining accurate and complete employee files such as fingerprint records, I9 and contracts,
- contracting with insurance carriers and administration of employee benefits (health, dental, vision, etc) as selected by the charter school,
- administration of worker's compensation coverage, including assisting the Charter School with compliance issues such as return to work, light duty, etc.
- credential and TB monitoring
- advise and counseling regarding the development of personnel policies, evaluation of employees, employee discipline matters, compensation and benefit comparisons, and other related matters.

Facilities: NCSOS will provide business services facilities. This facility will be open for business from 7:30 a.m. to 4:30 p.m. Monday thru Friday, except as closed for holidays, and emergencies.

Attendance Accounting: The NCSOS, with assistance from the Charter School will complete and file state student enrollment and attendance reports as required by law. The NCSOS will assist the Charter School in complying with applicable law and funding requirements. The NCSOS will establish and maintain a comprehensive electronic student information system; the NCSOS will provide technical support to the Charter School sufficient to maintain Charter School access. The NCSOS will create and distribute an attendance-reporting calendar by July 1 of each year. NCSOS will conduct period attendance audits. Charter School is expected to cooperate and make available any necessary documentation needed to conduct such audits.

Financial Reporting: The NCSOS, with assistance from the Charter School, will prepare and file financial reports in accordance with state and federal reporting requirements.

Annual Audit: The Charter School shall assist, as needed in the annual Superintendent's fiscal audit; auditing firm shall be selected by the NCSOS. The cost of the annual audit shall be paid by the NCSOS.