



**SPECIAL MEETING NOTICE OF THE BOARD OF DIRECTORS**

Location: **Sherwood Montessori Room No. 3**  
**1071 E. 16<sup>th</sup> St., Chico, California**  
Date/Time: **Monday, June 26, 2017 – 5:30 p.m.**

**AGENDA**

- 1. CALL TO ORDER**
  - 1.1 Roll Call** Kristy Cowell, Heather Fox, Nili Yudice, Monica Woodward, Tanya King, Dillon Chik-McNeal, Melissa Struyf
- 2. CONSENT AGENDA**

**None**
- 3. REPORTS AND COMMUNICATION**

**None**
- 4. NOTICED PUBLIC HEARINGS**

**None**
- 5. REGULAR BUSINESS**
  - 5.1 Memorandum of Understanding (MOU) between Sherwood and CUSD**

The Board will be asked to approve an MOU between Sherwood and its authorizer, Chico Unified School District (CUSD) to cover the next five years of its Charter.
- 6. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA**

**Any person may address the Board during the “Public Comment” item by stating their name for the record and reason for comment. The Board may not act on any matter unless duly agendized for a future meeting.**
- 7. ADJOURNMENT (Est. 6:00 p.m.)**

As a 501(c)3 non-profit public benefit corporation, the meetings of the Sherwood Montessori Board of Directors are open to the public. An individual who requires disability-related accommodations or modifications, including auxiliary aids and services, in order to participate in the Board meeting should notify the board in writing at least 48 hours prior to the meeting. All meetings of the Board of Directors will be advertised on the school website and recorded in accordance with the Brown Act.



**MEMORANDUM**

**To:** Board of Directors

**From:** Michelle Yezbick, School Director

**Subject:** **Agenda Item 5.1: Memorandum of Understanding (MOU) between Sherwood and CUSD**

**Date:** June 23, 2017 for the meeting of June 26, 2017

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**SUMMARY**

The Board of Education of Chico Unified School District (CUSD) would like to have the approval of the MOU for the next five years of our Charter from Sherwood Montessori Board before their consideration of the MOU at their upcoming meeting.

**DISCUSSION**

After the successful renewal of our Charter at the March 22, 2017 meeting of the CUSD Board of Education, CUSD staff drafted the MOU that will cover the next five years. After reviewing and revising, the MOU is now ready for approval by the boards of both organizations.

There is nothing unusual or objectionable in the MOU and I recommend, without reservations, that it be approved.

**ACTION REQUESTED**

Approve MOU.

Attachment: Proposed MOU between Sherwood Montessori and CUSD.

**Memorandum of Understanding  
Annual Operational Agreement between  
Chico Unified School District and Sherwood Montessori  
For the Term of the Charter Renewal (Years 2017-2022)**

**1. Recitals**

**Charter Granted to Sherwood Montessori**

The Governing Board of the Chico Unified School District (CUSD) granted a charter to the Sherwood Montessori ("SHERWOOD" or "Charter School") pursuant to the terms of the Charter Schools Act of 1992 as amended. CUSD and SHERWOOD deem it in the best interests of both parties to enter into a mutually agreeable agreement to set forth operational expectations and requirements

CUSD supports the underlying intent of the Charter School law which consists of improving student learning, increasing learning opportunities for all students with special emphasis on expanded learning experiences for students who are identified as academically low achieving, encouraging the use of different and innovative teaching methods, creating new professional opportunities for teachers and expanding choices for students and parents or guardians in the types of educational opportunities available within CUSD.

**Purpose of the Agreement**

This agreement (the "MOU") defines the specific operational relationship between SHERWOOD and the CUSD and resolves other matters of mutual interest not otherwise resolved within the terms of the SHERWOOD charter. The following topics are covered in this MOU:

- a. The amount of the apportioned public funds due to SHERWOOD based upon average daily attendance (ADA) and under the State's Local Control Funding Formula (LCFF).
- b. The method and timing of payments of the apportioned public funds to SHERWOOD by CUSD.
- c. A process that assures CUSD of proper fiscal management at SHERWOOD.

**Term**

This agreement covers the term of the renewal of the charter (2017-2022) and terminates on June 30, 2022 unless amended or renewed by mutual agreement of the Parties. Should alterations to this agreement be needed during the term above, both parties agree to meet and discuss any needed changes and those changes shall be mutually agreed upon and this agreement shall be amended. SHERWOOD and CUSD intend to use this agreement as the basis for developing similar understandings in future fiscal years, and both parties agree to meet and discuss the terms of this and future agreements in good faith and in a timely fashion, and as stated in the SHERWOOD Charter.

**2. Definitions**

- a. "Average Daily Attendance" shall mean the attendance of charter school pupils while engaged in educational activities required of them by the charter school, as defined in Education Code Section 47612, and in Section 11960, of Title 5, of the California Administrative Code of Regulations.
- b. Fiscal Year (FY) is the period beginning on July 1 and ending on June 30.

- c. Term of the Charter Renewal is the period beginning on July 1, 2017 and ending on June 30, 2022.

### **3. Governance of Sherwood Montessori**

It is SHERWOOD's sole responsibility as an independent charter school and its own 501 (c) (3) non-profit public benefit corporation at SHERWOOD expense and under the direction of the SHERWOOD Board of Directors to manage, operate, and administer SHERWOOD. SHERWOOD remains accountable and subject to the oversight of CUSD as provided for in the Charter Schools Act, the Charter, and this MOU.

The daily operations of SHERWOOD shall be conducted by the SHERWOOD Governing Board of Directors and its designees. All powers and rights not otherwise stated in this MOU, or in the charter, or in Charter Law, are held by SHERWOOD. SHERWOOD may initiate and carry on any program, activity, or act in any manner that is not in conflict with or inconsistent with any law, the purposes for which charter schools are established or the charter approved by CUSD.

All employees of SHERWOOD are employees of SHERWOOD and not the employees of CUSD. All teachers employed by SHERWOOD are required to be credentialed according to the Charter Schools Act.

### **4. Financial Matters**

#### **Determination, Payment, and Accounting for Apportioned Funds**

Pursuant to Education Code Section 47651, SHERWOOD has opted to receive funds directly in FY 2017-2018 and, thereafter, according to the direct funded model.

CUSD agrees to transfer, in a timely manner, to SHERWOOD any additional funding to which SHERWOOD is entitled and in accordance with the Charter Schools Act and detail that with a monthly spreadsheet provided by Business Services. CUSD and SHERWOOD agree that the funding entitlement per student attending SHERWOOD will be a combination of in lieu of property taxes, specified in Education Code Section 47635, and State aid in the amount of the LCFF as set forth under Education Code Section 47632(a) on an annual basis. The State aid portion of the general purpose entitlement shall be allocated according to the same schedule as revenue limit funds apportioned to CUSD under Education Code Section 14041 and provides for monthly payments based upon fixed percentages of the annual entitlement. Funding is based upon ADA reports and is adjusted throughout the school year to reflect current enrollment and attendance. The local aid, or "in lieu of property taxes", shall be allocated as specified in Education Code Section 47635, and CUSD will pay funding in lieu of property taxes pursuant to Education Code Section 47635 to SHERWOOD in a timely manner.

In case CUSD receives funding due to SHERWOOD, CUSD will transfer all funds that SHERWOOD is entitled to within thirty (30) business days of CUSD receipt of the funding. The actual amount of all apportioned funds for SHERWOOD will depend on changes to SHERWOOD's ADA. SHERWOOD will provide "P-1" and "P-2" reports to the District prior to the deadline for submission to the State.

SHERWOOD will receive the funding to which it is entitled under applicable law.

SHERWOOD shall provide the following fiscal reports to CUSD each fiscal year, consistent with Education Code Section 47604.33 (a) 1-4. A preliminary budget due on June 30 for the following fiscal year; a first interim report, due on December 15, covering operations through October 31 of the then-current fiscal year; a second interim report, due on March 15, covering operations through January 31 of the then-current fiscal year; unaudited actuals, due on September 15,

covering the period July 1 through June 30 of the previous fiscal year. SHERWOOD will also conduct an annual independent financial audit, consistent with Education Code Section 47605(m), and submitted no later than December 15 for the previous fiscal year. SHERWOOD shall request the auditor to conduct an exit interview to discuss any findings and will invite the following CUSD employees to participate: the Director of Fiscal Services. SHERWOOD agrees to submit, in addition to the above financial reports, monthly financial statements to the Director of Fiscal Services for CUSD. These will be submitted by the 15<sup>th</sup> of every month. SHERWOOD shall make every effort to comply fully with Education Code Section 47604.3. SHERWOOD shall provide a multi-year projection (current year plus two fiscal years out) for the following periods: Adopted Budget, First Interim, Second Interim. Reports will be submitted in the spreadsheet format commonly referred to as the "alternative form".

SHERWOOD will offer, at a minimum, the same number of instructional minutes for instructional grade levels, set forth by Education Code Section 46201(a)(3) and 47612.5(a). Additionally, SHERWOOD will maintain records of pupil attendance pursuant to Education Code Section 47612.5(a)(2).

SHERWOOD will administer all State mandated assessments and SHERWOOD will certify that students have participated in the State testing program pursuant to Education Code Section 47612.5(a)(3). SHERWOOD will pay for all costs and fees that are associated with the administration of the standardized testing that is not reimbursed by the State.

SHERWOOD agrees to pay CUSD for all services rendered within thirty (30) days of receipt of invoice. Should any costs exceed any previously agreed upon formulas or costs, CUSD and SHERWOOD agree that CUSD shall present all appropriate documentation of such additional costs.

### **Loans**

Charter School agrees that it shall establish a fiscal plan for repayment of any loans received by Charter School in advance of approving receipt of such loans. It is agreed that all loans sought by Charter School shall be authorized in advance by the Charter School Board and shall be the sole responsibility of Charter School. Charter School agrees that the District shall have no obligation for repayment. Charter School shall provide advance written notice with details of terms and repayment plan to District specifying its intent to apply for/seek a loan. Charter School shall also provide to District written notice of deposit of any sums which are loans and the plan for re-payment. It is not the intent of CUSD to approve or disapprove any prospective loans.

## **5. Supervisorial Oversight**

SHERWOOD and CUSD agree that "supervisorial oversight", as used in Education Code Section 47613 shall include, but not be limited to, the following:

- All activities related to the charter revocation and renewal process, as described in Section 47607.
- Review of all SHERWOOD financial reports pursuant to Education Code 47604.33.
- Activities relating to monitoring the performance and compliance of the charter school with respect to the terms of its charter, related agreements and applicable fees.
- Review of and timely response to the annual school performance report and related processes as outlined in Element 9 of the SHERWOOD Charter.
- Participating in the dispute resolution process as described in Element 14 of the SHERWOOD Charter.

Pursuant to Education Code Section 47613, SHERWOOD shall pay CUSD 3% of its revenue for

the then-current fiscal year for supervisory oversight. SHERWOOD agrees to pay CUSD the 3% oversight fee set forth above and waives the right to documentation of the amount of staff time and other costs reasonably necessary to fulfill the supervisory oversight activities. Revenues used to calculate the supervisory oversight fee shall be only the LCFF rate as defined in Education Code Section 47632.

## 6. Special Education

SHERWOOD is its own Local Educational Agency ("LEA") and a member of a Special Education Local Plan Area ("SELPA") for purposes of special education. As an LEA, SHERWOOD shall be solely responsible for all aspects of compliance with State and Federal special education laws, including but not limited to the Individuals with Disabilities in Education Act, 20 U.S.C. section 1400 *et seq.*, as amended (hereafter "I.D.E.A."), Education Code Sections 56000 *et seq.*, and their respective implementing regulations, subject to the oversight of its authorizing agency.

- a. It is understood that all children will have access to SHERWOOD, and no student shall be denied admission due to disability.
- b. SHERWOOD shall comply with SELPA policies, procedures and other requirements. SHERWOOD shall obtain from the SELPA and use all Policies, Procedures and Forms regarding special education, and update the Policies, Procedures and Forms as needed. SHERWOOD administrative staff will attend SELPA administrative training, and, at least annually, SHERWOOD shall review pertinent information with all Charter School staff at a staff meeting. SHERWOOD shall maintain copies of sign in sheets from staff meetings where SELPA policies, procedures and forms are reviewed, and shall provide the District Director of Student Services upon request under Education Code section 47604.3.
- c. SHERWOOD agrees to implement a Student Study Team Process (SST) or a School Based Intervention Team (SBIT), a regular education function, to monitor and guide referrals for Special Education services. SHERWOOD agrees that the SST and any interventions prior to referrals for Special Education services shall be the sole responsibility of SHERWOOD.
- d. SHERWOOD shall assume exclusive responsibility for the provision of services (including but not limited to identification, evaluation, Individualized Education Program (IEP), development and modification, and educational services) SHERWOOD will be responsible for providing said staff and programming.
- e. Identification and Referral. SHERWOOD shall assume responsibility for identifying and referring students who have or may have exceptional needs that qualify them to receive Special Education services. SHERWOOD will develop, maintain, and implement policies and procedures to ensure identification and referral of students who have, or may have, such exceptional needs. These policies and procedures will be in accordance with federal California law, and SELPA policy. SHERWOOD shall be solely responsible for obtaining the cumulative files, prior and/or current IEPs and other Special Education information on any student enrolling from a non-District school.
- f. The District will ensure that SHERWOOD is provided with notification and relevant files of all students transferring to SHERWOOD from a District school, who have an existing IEP. If required, the signed permission of the parent/guardian shall be obtained prior to release of student records and files.
- g. SHERWOOD shall make the determination as to what assessments are necessary, including assessments for all referred students, annual assessments and tri-annual assessments, in accordance with the SELPA policies, procedures and applicable law.

- h. Responsibility for arranging necessary IEP meetings shall be allocated in accordance with the SELPA policies, procedures and applicable law. SHERWOOD shall be responsible for having a designated Charter School administrator and Charter School general education teacher(s) who is/are knowledgeable about the student's regular education program at SHERWOOD in attendance at all IEP meetings.
- i. Decisions regarding eligibility, goals/objectives, program, placement and exit from Special Education shall be the decision of the IEP team. Team membership shall be in compliance with state and federal law and shall include the designated representative of SHERWOOD. Services and placements shall be provided to all eligible Charter School students in accordance with the policies, procedures and requirements of the SELPA and state and federal law.
- j. SHERWOOD acknowledges that under the I.D.E.A., a child shall not be determined to be a child with a disability eligible for Special Education if the determinant factor for such determination is: (a) lack of appropriate instruction in reading, including in the essential components of reading instruction as referenced in the I.D.E.A.; (b) lack of instruction in math; or (c) limited English proficiency.
- k. Complaints: Charter School shall address/respond/investigate all complaints received under the Uniform Complaint Procedure involving Special Education, and shall provide copies of all complaints, responses, and related documentation to the District Director of Student Services upon request under Education Code section 47604.3.
- l. Due Process Hearings: SHERWOOD may initiate a due process hearing on behalf of a student enrolled in Charter School as SHERWOOD determines is legally necessary to meet responsibilities under federal and state law. SHERWOOD shall prepare, file and prosecute the case. SHERWOOD shall be responsible for the selection and costs of its legal counsel.

**7. Section 504 Services**

SHERWOOD agrees to implement a Student Study Team, a regular education function, to monitor and guide referrals for Section 504 Services. SHERWOOD will develop, maintain and implement policies and procedures to ensure identification of students who may require Section 504 accommodation(s). Unless otherwise agreed between the parties, all aspects of Section 504 compliance will be the sole responsibility of SHERWOOD.

**8. Matriculations, Articulation and Credit Transfer**

It is the intent of this section of the agreement that CUSD and SHERWOOD shall recognize academic credits made by students in one-another's schools. The awarding of academic credit from SHERWOOD shall be easily translatable to CUSD since all entities are engaged in standards-based instruction. SHERWOOD shall use standards-based report cards for elementary grades.

**9. Data Reporting**

**Average Daily Attendance**

SHERWOOD will develop an attendance-reporting calendar and maintain a system to contemporaneously record and account for average daily attendance (ADA). These records shall be auditable and will be included in SHERWOOD's annual audit. SHERWOOD will report ADA

figures to the District, County Office of Education, or the California Department of Education as appropriate, and on a timely basis. SHERWOOD shall notify the Chief Financial Officer of CUSD if, during any month, actual ADA falls more than 10 percent below estimated ADA.

**California Basic Education Data System (Enrollment)**

SHERWOOD will complete and submit enrollment and other necessary demographic information, if necessary, to the District or County Office of Education, to the California Basic Education Data System (CBEDS), and to the California Longitudinal Pupil Achievement Data System (CALPADS).

**Annual Employment Audit**

SHERWOOD shall provide the following reports to CUSD no later than October 31 each year:

1. List of all employees verifying TB clearance.
2. List of certificated employees verifying credentials held, as well as the expiration date for each credential.
3. Verification that all employees have submitted fingerprints, and prior to employment, were found eligible to work for a public school.
4. Master Schedule listing all teaching assignments.

**Other Data**

SHERWOOD shall also obtain and work cooperatively to supply to CUSD in a timely and accurate fashion any other information necessary to enable the District to calculate the School's entitlement to all available funding sources.

**10. Insurance**

**General & Excess Liability**

The Charter School, at its expense, shall procure and maintain throughout the term of this Agreement General Liability insurance with a minimum per occurrence limit of \$15,000,000 and the deductible/self-insurance retention shall not exceed \$10,000. Insurance shall include coverage for claims against the Charter School, its elected or appointed officials, employees, agents, volunteers and students (interns while acting on behalf of the Charter School) arising out of errors and omissions, abuse and molestation, and employment practices liability. The policy or policies shall name as additional insured/additional covered party the District, its elected or appointed officials, employees, agents and volunteers. The policy or policies shall provide that this insurance shall be primary with respect to any liability or claimed liability arising out of the performance or activities by the Charter School under this Agreement or the Charter School's use of the Premises, and that any insurance procured by the District, its elected or appointed officials, employees, agents and volunteers shall be excess and shall not be called upon to contribute until the limits of the insurance provided hereunder shall be exhausted. District is not responsible for personal property losses suffered by the Charter School, its elected or appointed officials, employees, agents, volunteers or students.

**Automobile Liability**

Charter School shall maintain automobile liability insurance, including non-owned and hired coverage with a minimum per accident limit of \$15,000,000 for any injuries to persons (including death therefrom) and property damage in connection with the Charter School's activities under this Agreement.



### **Property Insurance**

District shall maintain, for the duration of this Agreement, all-risk real property coverage adequate to cover the replacement cost of all buildings on the Premises and those other facilities to which the Charter School may have access under this Agreement. Charter School shall be solely responsible for obtaining adequate personal property or contents insurance for Charter School's personal property located on the Premises or elsewhere. In addition, Charter School is solely responsible for its building improvements. District shall be solely responsible for obtaining adequate personal property or contents insurance for District's personal property located on the Premises or elsewhere.

### **Workers' Compensation**

Charter School is to procure and maintain, for the duration of this Agreement, Workers' Compensation insurance against claims for injuries to the Charter School's employees in accordance with such insurance as required by the State of California Labor Code and Employers Liability coverage.

### **Proof of Insurance**

Charter School shall furnish the District with original certificates and amendatory endorsements affecting coverage required by this Agreement and naming the District as an additional insured on all policies. All certificates and endorsements are to be received and approved by the District before commencement of any activities under this Agreement. However, failure to do so shall not operate as a waiver of these insurance requirements. The District reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by this Agreement at any time.

### **Risk Management**

The Charter School shall establish and institute risk management policies and practices to address reasonably foreseeable occurrences.

A report of the risk management program operation shall be submitted to CUSD no later than October 31 each year. The components of the report should include the Designated Safety Officer and establish that the following are in place:

1. Injury Illness Prevention Plan
2. Blood borne Pathogen Training
3. Hazard Communication Program
4. Emergency Plan
5. Documentation of Employee Safety Training
6. Annual Safety Inspections
7. Documentation on Child Abuse Reporting training
8. Policy on administration of mediation.

## **12. Minimum Reserve Level**

SHERWOOD agrees to maintain an unrestricted general fund "target" reserve for unexpected expenses as recommended by the CDE. This reserve would be, at the minimum, 5% of the total expenditures. SHERWOOD recognizes the importance of operating a school with a reserve. This target reserve may be met in full or in part with a line of credit equal to the preceding amount.

**13. Administrative Services Provided by CUSD**

CUSD will not be responsible for providing any administrative services to SHERWOOD.

**14. Partnership Agreement for Grants**

CUSD will partner with SHERWOOD in grant proposals when required to do so by law or when the grant application requires the partnership of the charter granting agency of SHERWOOD if CUSD agrees that it has the ability to act as a partner in the grant proposal and that it is in the best interest of CUSD to pursue the grant with SHERWOOD. Unless mutually agreed upon and documented in writing, there shall be no cost or fiscal responsibility on the part of CUSD to partner with SHERWOOD on a grant proposal. Should a grant proposal depend on the signature and cooperation of the charter granting agency and CUSD determines it is not in the best interest of CUSD to pursue grant funding with SHERWOOD, the Dispute Resolution Process outlined in Element 14 of the charter for SHERWOOD shall be utilized.

**15. Indemnification.**

Charter School shall indemnify, hold harmless, and defend the District, its elected or appointed officials, employees, agents and volunteers against and from any and all claims, demands, actions, suits, losses, liability, expenses and costs for any injury, death or damage to any person or property occurring on the Site after District delivers possession of the Site to the Charter School, arising from the Charter School's use of the Site or from the conduct of its business or from any activity, work, or other things done, permitted or suffered by Charter School on the Site; provided, however, that Charter School shall not have any obligation to indemnify, hold harmless or defend the District, its elected or appointed officials, employees, agents and volunteers against and from any and all claims, demands, actions, suits, losses, liability, expenses and costs for any injury, death or damage to any person or property occurring on the Site after District delivers possession of the Site to the Charter School, resulting from or arising out of the sole negligence or malfeasance of the District, its elected or appointed officials, employees, agents and volunteers.

The District shall indemnify, hold harmless, and defend the Charter School, its elected or appointed officials, employees, agents and volunteers against and from any and all claims, demands, actions, suits, losses, liability, expenses and costs for any injury, death or damage to any person or property occurring on the Site after District delivers possession of the Site to the Charter School, arising from the District's prior or current use of the Site or from the conduct of its business or from any activity, work, or other things done, permitted or suffered by the District on the Site; provided, however, that District shall not have any obligation to indemnify, hold harmless or defend the Charter School, its elected or appointed officials, employees, agents and volunteers against and from any and all claims, demands, actions, suits, losses, liability, expenses and costs for any injury, death or damage to any person or property occurring on the Site after District delivers possession of the Site to the Charter School, resulting from or arising out of the negligence or malfeasance of the Charter School, its elected or appointed officials, employees, agents and volunteers or any person or entity not subject to the District's control and supervision.

**16. Construction and Severability**

**Amendments**

This agreement may be amended or modified, in whole or in part, only by an agreement in writing developed in the same manner as this agreement and approved by the respective governing bodies.

**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.

**Dispute Resolution**

In the event that either party disputes the meaning of the terms of this agreement, both parties shall attempt to resolve the dispute in good faith through the dispute resolution process contained within Element 14 of the Charter for SHERWOOD

**Construction of Agreement**

SHERWOOD and CUSD have reviewed and revised or had the opportunity to review and revise this Memorandum of Understanding.

**Authority and Competency**

SHERWOOD and CUSD agree that the person executing this Memorandum of Understanding on their or its behalf is legally competent to and is authorized to enter into this memorandum of Understanding and to bind said party to the terms and conditions of the Agreement.

**Notifications**

All notices, requests, and other communications under this agreement shall be in writing and mailed to the proper addresses as follows:

To the District:                   Chico Unified School District  
  1163 E. 7<sup>th</sup> Street  
  Chico, CA 95928  
  Attention: John Bohannon, Director of State and Federal Programs

To the School:                    Sherwood Montessori  
  1010 Cleveland Ave  
  Chico, CA 95928  
  Attention: Board Chair

In Witness Whereof, the parties to this agreement have duly executed it on the day and year set forth below.

On behalf of:

Chico Unified School District

\_\_\_\_\_  
John Bohannon, Director of State and  
Federal Programs Chico Unified School District

\_\_\_\_\_  
Date

\_\_\_\_\_  
Monica Woodward, Board Chair  
Sherwood Montessori

\_\_\_\_\_  
Date

