

High Desert “Partnership in Academic Excellence” Foundation, Inc. dba  
**LEWIS CENTER FOR EDUCATIONAL RESEARCH**

17500 Mana Road, Apple Valley, CA 92307 (760) 946-5414 (760) 946-9193 fax

**Agenda for Regular Meeting of the Lewis Center for Educational Research Board  
April 13, 2020 - Public Meeting – 4:00 p.m.**

**NOTICE: This meeting will be will be conducted pursuant to the provisions of the Governor’s Executive Order N-29-20 Dated March 17, 2020 and will be held TELECONFERENCE ONLY. If you wish to participate in the meeting, please use the link or telephone number and access code set forth below:**

**Join the meeting from your computer, tablet or smartphone at this link:**

<https://global.gotomeeting.com/join/986227533>

**Dial in using your phone:**

**United States: [+1 \(408\) 650-3123](tel:+14086503123) Access Code: 986-227-533**

**If you wish to make a public comment at this meeting, prior to the meeting please complete a “Registration Card to Address the Board” (located on the website) and email it to the Secretary at [lcerboard@lcer.org](mailto:lcerboard@lcer.org). Your comment will be read at the meeting during public comments.**

1. **CALL TO ORDER AND PLEDGE OF ALLEGIENCE:** Chairman
2. **ROLL CALL:** Chairman
3. **PUBLIC COMMENTS:** Members of the public may address the Board on an agenda item before the Board’s consideration of the item, and on any matter not on the agenda that is within the subject matter jurisdiction of the Board at the time provided on the agenda for Public Comments. Please complete a “Registration Card to Address the Board ” (located on the website) and email it to the Secretary at [lcerboard@lcer.org](mailto:lcerboard@lcer.org). Your comment will be read at the meeting during public comments.
4. **SPECIAL PRESENTATIONS:**
  - .01 NSLA Finance Options In Light of the Impact of the Covid-19 Pandemic on the Municipal Bond Market – John Phan
5. **CONSENT AGENDA:**
  - .01 Approve Minutes of March 9, 2020 Regular Meeting – Pg 3
6. **ACTION ITEMS:**
  - .01 Approve Extended School Closures Due to Covid-19 and Update on Operations During Closure
  - .02 Approve BP 9270 - Conflict of Interest Revision – Pg 6
  - .03 Approve LCER Conflict of Interest Code Revision – Pg 12
  - .04 Approve Resolution 2020-03 Conflict of Interest Code Amendment – Pg 18
  - .05 Approve Ground Lease Agreement by and between 230 South Waterman Avenue, LLC and City and County of San Bernardino – Pg 20
  - .06 Approve Improvement Agreement for County Preschool Facility by and between the High Desert “Partnership in Academic Excellence” Foundation, Inc. and the County of San Bernardino – Pg 70
7. **DISCUSSION ITEMS:**
  - .01 Discuss Lewis Center Foundation Update – Jessica Rodriguez
  - .02 Discuss LCER 2021-22 School Calendar – Lisa Lamb – Pg 112

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- .03 Discuss NSLA Recruitment Efforts and Current Waiting List – Fausto Barragan
- .04 Discuss Grading Delay for NSLA Construction Project Due to Covid-19 – Lisa Lamb
- .05 Discuss Upcoming TSK Architect Contract for AAE Project – Larry Rieder
- .06 Discuss Naming the New AAE Multipurpose Room After Bud Biggs – David Rib

**8. INFORMATION INCLUDED IN PACKET:** *(Board members may ask questions on items for clarification.)*

- .01 LCER Financial Reports
  - Checks Over \$10K – Pg 114
  - Budget Comparisons – Pg 118
  - AAE and NSLA 1<sup>st</sup> Interim Reports – Pg 120
- .02 Lewis Center Foundation Financial Report
  - February 2020 – Pg 153
- .03 LCER Board Attendance Log – Pg 154
- .04 LCER Board Give and Get – Pg 155
- .05 AAE AFJROTC Unit Goals Report 2019-20 – Pg 156

**9. BOARD/STAFF COMMENTS:**

- .01 Ask a question for clarification
- .02 Make a brief announcement or report on his or her own activities
- .03 Future agenda items

**10. ADJOURNMENT:** Chairman

**Regular Meeting of the  
Lewis Center for Educational Research Board of Directors**

**Minutes  
March 9, 2020**

**1.0 Call to Order**

Vice Chairman Sharon Page called the meeting to order at 4:03 p.m.

**2.0 Roll Call**

LCER Board Members Torii Gray, Omari Onyango, Sharon Page, David Rib, Jessica Rodriguez and Rick Wolf were present.

LCER Board Members Pat Caldwell, Jim Morris, Kevin Porter and were absent.

Staff members Valli Andreasen, Elizabeth Chronister, Jisela Corona, Ryan Dorcey, Teresa Dowd, Brook Gupta, David Gruber, Lisa Lamb, Stacy Newman and Toni Preciado were also present.

**3.0 Public Comments:** NSLA parent Rita Ayala shared concerns about the music rotation class and an investigation that was done, and provided a written complaint to the Board. Sharon Page asked Lisa Lamb to investigate the situation and report back to the Board.

NSLA parent and PTO President Arwa Hunsucker shared concerns about lack of classroom management during rotation classes, and that there is no Chinese teacher. The plan for this hasn't been communicated. She felt that there was a lack of communication from administration and didn't feel teachers weren't using Love and Logic. Lisa stated we are working on a communication plan.

NSLA parent Lisa Magallanes volunteers at the school and has been volunteering more to see what is going on as her children didn't want to go to school. She felt that there is no communication to parents such as when meetings and events are, the school calendar, and that the website isn't updated. She would like to have a meeting with staff to talk about communication as well as the Corona Virus. We will schedule this meeting. Sharon Page thanked her for bringing her concerns.

**4.0 Special Presentations:**

.01 Toni Preciado presented about the Chile Delegation. We had planned on hosting 2 Chilean teachers and 6-7 students in April, but this may not happen due to the Corona Virus. We are still looking for host families for when it is rescheduled. They would like to experience school life as well as excursions. The Board will be invited to a welcome meal. The process for selecting students to go to Chile next year will begin after spring break.

.02 Wayne Strumpfer, CCSA, presented Brown Act and Conflict of Interest training. The training covered new laws within Ed Code 47604.1.

**5.0 Discussion Items**

.01 David Gruber discussed the AAE and NSLA CARS Reports, which tell how we're spending federal funds we receive. AAE receives Title I, II and IV funds and NSLA received Title I, II, III and IV funds. The LCER can charge indirect costs but does not as they have a management agreement with the schools. The goal is to keep as many dollars with the specific population designated as possible. Sharon Page asked what we provide for homeless services. We provide social/emotional learning, backpacks, shoes, uniforms, bus passes, etc.

- .02 Jessica Rodriguez discussed the 2020 Annual Gala and reported that Marcia Vargas and Duberly Beck are presenting to PTO and PTC about the event to get parents involved.

## **6.0 Action Items**

- .01 AAE Safety Plan – Valli Andreasen shared that the safety plan is reviewed, updated and approved by the Board annually. It is meant to be a public document without tactical information. On a motion by Jessica Rodriguez, seconded by Torii Gray, roll call vote 6-0, the LCER Board of Directors approved the AAE Safety Plan.
- .02 NSLA Safety Plan – Fausto Barragan shared that the safety plan is reviewed, updated and approved by the Board annually. It is meant to be a public document without tactical information. On a motion by Omari Onyango, seconded by Torii Gray, roll call vote 6-0, the LCER Board of Directors approved the NSLA Safety Plan.
- .03 New AAE Graduation Requirements – Valli Andreasen reported that AAE graduation requirements are returning to what they were 5 years ago of 1 year of language or 1 year VPA. We had aligned the requirements with UC and CSU requirements to have 2 years of language and 1 year of VPA. Some students are not successful completing those requirements and would have to receive a Certificate of Completion rather than a diploma. We are the only school in the High Desert with these requirements other than Riverside Prep, and they are changing theirs as well to be in line with other high schools. We can still offer this structure as a path and this will allow for another path for other students. We want to have the same requirements at both AAE and NSLA, with a 3<sup>rd</sup> path for world language distinction with a seal of biliteracy. Marcelo Congo stated that this is a great measure we're taking. On a motion by Jessica Rodriguez, seconded by Rick Wolf, roll call vote 6-0, the LCER Board of Directors approved the New AAE Graduation Requirements.
- .04 Marcelo Congo reported that AR and BP 5141.52 Suicide Prevention were revised to align with Ed Cod 215. On a motion by Jessica Rodriguez, seconded by Omari Onyango, roll call vote 6-0, the LCER Board of Directors approved the NSLA Safety Plan.
- .05 David Gruber reported that the policies follow GAMUT guidelines, which most districts use and have already been vetted through legal. On a motion by Omari Onyango, seconded by David Rib, roll call vote 6-0, the LCER Board of Directors approved BP 3350 Reimbursements, Travel and Other Expenses.
- .06 On a motion by Jessica Rodriguez, seconded by Torii Gray, roll call vote 6-0, the LCER Board of Directors approved BP 3450 Money in School Buildings Revision.

## **7.0 Consent Agenda:**

- .01 Approve Minutes of February 10 Regular Meeting

On a motion by Rick Wolf, seconded by Torii Gray, roll call vote 5-0 with Jessica Rodriguez abstaining as she was not at the meeting, the LCER Board of Directors approved Consent Agenda item 7.01.

## **8.0 Information Included in Packet:**

- .01 President/CEO – Rick Wolf stated that he would like to amend the goals so that the CEO contacts the Chair when issues come up. Sharon Page stated that goals are developed in Strategic Planning and we can address it at that time. Also, this is currently what happens as Lisa discusses any concerns that come up with the Chair and shares next steps with the Board. She will be scheduling one on one time with each Director individually as well. Lisa Lamb reported that under Goal 2.1, the March 10 County Board meeting regarding approval of the ground lease is being pushed back to March 24. The draft is substantially the same and the redline version will be sent out for review. Lisa will proceed with the authorization given to her unless notified otherwise by the Board. Please let Lisa or Sharon know of any comments or concerns.
- .02 LCER Financial Reports

- Checks Over \$10K – It was asked what the Committee for Children was. It is social emotional learning curriculum.
  - Budget Comparisons
- .03 Lewis Center Foundation Financial Report
- January 2019
- .04 LCER Board Attendance Log
- .05 LCER Board Give and Get

**9.0 Board/Staff Comments:**

- .01 Ask a question for clarification or make a brief announcement – Lisa Lamb reported that the AAE construction financing is closed and done. A task force is being developed and construction should start by June/July. We are scheduled to close June 3 for the NSLA project. Bids are due by March 17. Tom and Larry will review the bids and make a selection by March 30 and grading will begin. Dr. Barragan was congratulated for his time in the LA Marathon, as well as the AAE students and staff.
- .02 Make a brief report on his or her own activities
- .03 Future agenda items – David Rib would like to add naming the new Multipurpose Room after Bud Biggs to the next agenda.

**10.0 Adjournment**

Vice Chairman Sharon Page adjourned the meeting at 6:46 p.m.

**Lewis Center for Educational Research  
Board Agenda Item Cover Sheet**

Date of meeting: April 13, 2020

Title: Conflict of Interest Code Revisions per AAE Charter Renewal

Presentation:        Consent:        Action:   x   Discussion:        Information:       

Background:

LCER’s Board of Directors has adopted a Conflict of Interest Code that is reviewed and updated every two years, as required by law. LCER works closely with legal counsel to ensure that updates or amendments comply with legal requirements. LCER’s Code identifies members of the Board of Directors, LCER’s President/CEO, the Director of Financial Services and the LCER’s Financial Consultants as those who manage public investments for LCER, and therefore are subject to the broadest of disclosure requirements as set forth in the Government Code. According to the Fair Political Practices Commission, LCER’s Code should identify those positions as positions that are subject to the disclosure requirements set forth in the Government Code, and they should not be assigned any of the disclosure categories in the locally adopted Code that prescribe more limited reporting requirements. That is the way those positions are addressed in the current Code approved by the County in 2019.

However, Apple Valley Unified School District is requiring LCER’s Code to be amended such that these positions are assigned to the more limited disclosure categories set forth in the locally adopted Code, in addition to referencing the broader disclosure requirements set forth in the Government Code, as a condition of AAE’s Charter Petition Renewal. Although this is contrary to the advice provided by the FPPC, staff is presenting this amendment required by the School District to this Board for adoption, in satisfaction of the School District’s condition for renewal of its charter.

Fiscal Implications (if any):

N/A

Impact on Mission, Vision or Goals (if any):

The approval of AAE Charter’s renewal is required for continued school operation.

Recommendation:

Approve the Conflict of Interest Code Revisions per AAE Charter Renewal.

Submitted by: Lisa Lamb, President/CEO, Lewis Center for Educational Research

## Lewis Center for Educational Research

**BP 9270: BOARD BYLAWS  
CONFLICT OF INTEREST**

**Adopted: February 7, 2002**

**Revised: December 12, 2016  
April 13, 2020**

The Lewis Center for Educational Research (“LCER”) Board (“Board”) members and designated employees shall not engage in any employment or activity which is inconsistent with, or incompatible with the board member’s duties as an officer of the school.

### Political Reform Act

~~Public officials of the Lewis Center for Educational Research (“LCER”) shall comply with the requirements of the Political Reform Act of 1974 as set forth in Government Code 81000 et seq. which is incorporated herein by reference. “Public officials” includes every member, officer, employee or consultant as defined, that makes, or is involved in making, governmental decisions.~~

The Board has adopted ~~and shall maintain~~ a Conflict of Interest Code (the “Code”) pursuant to the requirements of the Political Reform Act of 1974, Government Code ~~section~~ Section 81000 et seq. (the “Act”), ~~which Code is attached as Appendix A and incorporated herein by reference.~~ The ~~Conflict of Interest~~ Code sets forth the required provisions for the disclosure of assets and income, ~~of designated employees, the disqualification of designated employees from acting where a conflict of interests exists, the list of designated employees~~ designates the positions subject to the disclosure provisions of the Code, ~~and establishes~~ the list of disclosure categories specifying the types of assets and income required to be disclosed by each of the designated employees to which they are assigned, and provides for the disqualification of designated employees from acting where a conflict of interest exists.

The requirements of the ~~Conflict of Interest~~ Code are in addition to other requirements of the Political Reform Act and to other state and local laws pertaining to conflicts of interest and have the force and effect of law. Designated positions violating any provision of the Code are subject to the administrative, criminal and civil sanctions provided by the Act. Additionally, a decision in relation to which a violation of the disqualification provisions of the Code or Government Code section 87100 has occurred may be set aside as void pursuant to Government Code section 91003.

All officers and ~~employees~~ designated positions are directed to refer to the ~~Lewis Center’s~~ LCER’s Conflict of Interest Code for these specific requirements. The Conflict of Interest Code is held in the office of the President/CEO Executive Assistant as the LCER’s Filing Officer/Official and is available for review and copying during regular business hours. (Gov. Code § 81008)

~~If a board member or designated employee determines that he or she has a financial interest in a decision, as described in Government Code 87103, and as set forth in the Conflict of Interest Code attached as Appendix A, the board member must refrain from making, or participate in making, any governmental decision in which he or she has the financial interest.~~

## **Financial Interest in Contracts**

A board member, officer, or employee shall not make a contract in which he or she is financially interested. Any participation by a board member, officer, or employee in the process by which such a contract is developed, negotiated and executed is a violation of section 1090. A board member is conclusively presumed to have made any contract executed by the Board or an agency under its jurisdiction, even if the board member has disqualified himself or herself from any and all participation in the making of the contract. (Government Code 1090)

Non-Interests. A board member shall not be deemed to be financially interested in a contract if his/her interest is including, but not limited to, any of the following: (Government Code 1091.5)

1. That of an officer who is being reimbursed for his/her actual and necessary expenses incurred in the performance of an official duty.
2. That of a recipient of public services generally provided by the public body or board of which he/she is a member, on the same terms and conditions as if he or she were not a member of the Board.
3. That of a landlord or tenant of the contracting party if such contracting party is the federal government or any federal department or agency, this state or an adjoining state, any department or agency of this state or an adjoining state, any county or city of this state or an adjoining state, or any public corporation or special, judicial or other public school of this state or an adjoining state unless the subject matter of such contract is the property in which such officer or employee has such interest as landlord or tenant in which event his/her interest shall be deemed a remote interest within the meaning of, and subject to, the provisions of Government Code 1091.
4. That of a spouse of an officer or employee of a public agency if his/her spouse's employment or office holding has existed for at least one year prior to his/her election or appointment.
5. That of a non-salaried member of a nonprofit corporation, provided that such interest is disclosed to the Board at the time of the first consideration of the contract, and provided further that such interest is noted in its official records.
6. That of a non-compensated officer of a nonprofit, tax-exempt corporation which, as one of its primary purposes, supports the functions of the Board or to which the Board has legal obligation to give particular consideration, and provided further that such interest is noted in its official records.



7. That of an attorney of the contracting party or that of an owner, officer, employee or agent of a firm which renders, or has rendered, service to the contracting party in the capacity of stockbroker, insurance agent, insurance broker, real estate agency, or real estate broker if these individuals have not received and will not receive remuneration, consideration, or a commission as a result of the contract and if these individuals have an ownership interest of less than 10 percent in the law practice or firm, stock brokerage firm, insurance firm or real estate firm.
8. In addition, a board member or employee shall not be deemed to be interested in a contract made pursuant to competitive bidding under a procedure established by law if his/her sole interest is that of an officer, director, or employee of a bank or savings and loan association with which a party to the contract has the relationship of borrowers or depositor, debtor or creditor. (Government Code 1091.5)

Remote Interests. A board member shall not be deemed to be financially interested in a contract if he or she has only a remote interest in the contract and if the remote interests is disclosed during a board meeting and noted in the official board minutes. The affected board member shall not vote or discuss the matter or attempt to influence any other board members to enter into the contract. Remote interests include the following: (Government Code 1091)

1. That of an officer or employee of a nonprofit corporation in the contracts, purchases, and sales of the corporation.
2. That of an employee or agent of a private contracting party in its contracts when (1) the private party has 10 or more other employees and (2) the official/employee has been an employee or agent of that party for at least three years.
3. That of a parent in the earnings of his or her minor child for personal services.
4. That of a landlord or tenant of a contracting party in the contracts of that party.
5. That of an attorney of a contracting party or (2) an owner officer, employee, or agent of a firm which renders or has rendered service to the contracting party in the capacity of stockbroker, insurance agent/broker, or real estate agent/broker, under specified conditions set forth in Government Code 1091(b)(6)
6. That of an official in a party that seeks to contract with the official's governmental agency when the official has been a supplier of goods or

services to the contracting party for at least five years prior to the official's election or appointment to office.

7. That of an official who is a director, or holds a 10 percent interest or greater in a bank or savings and loan in the contracts of parties who are depositors or borrowers at the official's institution.
8. That of an engineer, geologist, or architect in a consulting, engineering, or architectural firm if he or she does not serve as an officer, director, or in a primary management capacity.

## **Gifts**

Board members and any employees who manage public investments shall not accept from any single source in any calendar year any gifts in excess of the prevailing gift limitation specified in law ~~and set forth in the Code attached as Appendix A.~~ (Government Code 89503)

Designated employees shall not accept from any single source in any calendar year any gifts in excess of the prevailing gift limitation specified in law, ~~and set forth in the Code attached as Appendix 1,~~ if the employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. (Government Code 89503)

The above limitations on gifts do not apply to wedding gifts and gifts exchanged between individuals on birthdays, holidays and other similar occasions, provided that the gifts exchanged are not substantially disproportionate in value. (Government Code 89503)

Gifts of travel and related lodging and subsistence shall be subject to the above limitations. A gift of travel does not include travel provided by the Lewis Center for board members and designated employees or travel otherwise falling within the exceptions in Government Code 89506. (Government Code 89506)

## **Honoraria**

Board members and any employees who manage public investments shall not accept any honorarium, which is defined as any payment made in consideration for any speech given, article published, or attendance at any public or private gathering. (Government Code 89501, 89502)

Designated employees shall not accept any honorarium which is defined as any payment made in consideration for any speech given, article published, or attendance at any public or private gathering, if the employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. (Government Code 89502)

The term “honorarium” does not include: (Government Code 89501)

1. Earned income for personal services customarily provided in connection with a bona fide business, trade or profession unless the sole or predominant activity of the business, trade or profession is making speeches.
2. Any honorarium which is not used and, within 30 days after receipt, is either returned to the donor or delivered to the school for donation into the general fund without being claimed as a deduction from income for tax purposes.

### **Incompatible Offices**

No board member shall simultaneously occupy another public office where there exists a potential conflict or overlap in the functions or responsibilities of the two offices. To determine whether there is an incompatibility of public offices, the following issues should be addressed: (1) Whether there is a potential for a significant clash of duties or loyalties between the officers; (2) whether considerations of public policy make it improper for one person to hold both offices; and (3) whether either officer exercises a supervisory, auditory, appointive, or removal power over the other.

## **NOTICE OF INTENTION TO AMEND THE CONFLICT OF INTEREST CODE OF THE LEWIS CENTER FOR EDUCATIONAL RESEARCH**

NOTICE IS HEREBY GIVEN that the Board of Directors of the Lewis Center for Educational Research (the "Center") intends to amend the Center's Conflict of Interest Code (the "Code") pursuant to Government Code Section 87306.

The Appendix of the Code designates those employees, members, officers, and consultants who are subject to the Center's Code. The Center's proposed amendment adds a new position that must be designated.

The proposed amended Code will be considered by the Members of the Board of Directors on April 13, 2020, at 4:00 p.m. at 17500 Mana Road, Apple Valley, California. The meeting will be conducted pursuant to the provisions of the Governor's Executive Order N-29-20 Dated March 17, 2020 and will be held telephonically only. Any interested person may be present telephonically and comment at the public meeting or may submit written comments concerning the proposed amendment. Any comments or inquiries should be directed to the attention of Teresa Dowd, Executive Assistant, Lewis Center for Educational Research, 17500 Mana Rd., Apple Valley, CA 92307; (760) 946-5414. Written comments must be submitted no later than April 13, 2020, at 4:00 p.m.

The proposed amended Code may be reviewed at, and copies obtained from, the office of the Executive Assistant.

**LEGISLATIVE VERSION**  
**(SHOWS CHANGES MADE)**

**CONFLICT OF INTEREST CODE**

**OF THE**

**LEWIS CENTER**

**FOR EDUCATIONAL RESEARCH**

## CONFLICT OF INTEREST CODE FOR THE LEWIS CENTER FOR EDUCATIONAL RESEARCH

(Amended ~~September 17, 2018~~ April 13, 2020)

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. § 18730) which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, ~~regulation~~ Regulation 18730 and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Lewis Center For Educational Research** (the "**Center**").

All officials and designated positions required to submit a statement of economic interests shall file their statements with the **President/CEO Executive Assistant** as the Center's Filing Officer. The **President/CEO Executive Assistant** shall retain the original statements filed by all officials and designated positions and make the statements available for public inspection and reproduction during regular business hours. (Gov. Code § 81008.)

# APPENDIX

## CONFLICT OF INTEREST CODE OF THE LEWIS CENTER FOR EDUCATIONAL RESEARCH

(Amended ~~September 17, 2018~~ April 13, 2020)

### PART "A"

#### OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Center Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3, ~~are NOT subject to have been included among the following "Designated Positions" as subject to Disclosure Categories 1 and 2 of the Center's Code, to indicate the broadest of disclosure requirements. However, note that those who manage public investments are subject to even broader but must file disclosure statements requirements~~ under Government Code Section 87200 et seq. [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

~~It has been determined that the positions listed below are officials who manage public investments<sup>1</sup>:~~

Members of the Board of Directors

President/CEO

Director, Financial ~~Officer~~ Services

~~Financial Investment~~ Consultants

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<sup>1</sup> Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

**DESIGNATED POSITIONS**

**GOVERNED BY THE CONFLICT OF INTEREST CODE**

<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
ASB & School Club Accountant	5
Athletics Director	5
<u>Director, Financial Services</u>	<u>1, 2</u>
<u>Director, Human Resources</u>	<u>5</u>
Director, Information Technology	5
Facilities Manager	4
General Counsel	1, 2
<u>Members, Board of Directors</u>	<u>1, 2</u>
<u>President/CEO</u>	<u>1, 2</u>
Principal (ALL)	5
<u>Psychologist, Director, Special Needs Student Support Services</u>	5
Consultants and New Positions <sup>2</sup>	

<sup>2</sup> Individuals providing services as a Consultant defined in Regulation 18700.3 or in a new position created since this Code was last approved that makes or participates in making decisions shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation:

The President may determine that due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.). The President's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)



## PART “B”

### DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned.<sup>3</sup> "Investment" means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in or doing business in the jurisdiction, are planning to do business in the jurisdiction, or have done business during the previous two years in the jurisdiction of the Center.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in, or own real property within the jurisdiction of the Center.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the Center.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the Center.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the Center.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position's department, unit or division.

Category 6: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, or income from a nonprofit organization, if the source is of the type to receive grants or other monies from or through the Center or its subdivisions.

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<sup>3</sup> This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions of the position. (Reg. 18730.1)

**RESOLUTION NO. 2020 – 03**  
**CONFLICT OF INTEREST CODE AMENDMENT**

**Resolution of the Board of Directors of the Lewis Center for Educational Research**  
**Adopting an amended Conflict of Interest Code pursuant to the Political Reform**  
**Act of 1974**

**WHEREAS**, the State of California enacted the Political Reform Act of 1974, Government Code section 81000 et seq. (the “Act”), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the Lewis Center for Educational Research (the “Center”) and requires all public agencies to adopt and promulgate a conflict of interest code; and

**WHEREAS**, the Board of Directors adopted a Conflict of Interest Code (the “Code”) which was last amended September 17, 2018, in compliance with the Act; and

**WHEREAS**, subsequent changed circumstances within the Center have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update the Center’s Code; and

**WHEREAS**, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in the Center being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

**WHEREAS**, notice of the time and place of a public meeting on, and of consideration by the Board of Directors of, the proposed amended Code was provided each affected designated employee and publicly posted for review at the offices of the Center; and

**WHEREAS**, a public meeting was held upon the proposed amended Code at a regular meeting of the Board of Directors on April 13, 2020, at which all present were given an opportunity to be heard on the proposed amended Code.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Lewis Center for Educational Research that the Board of Directors does hereby adopt the proposed amended Conflict of Interest Code, a copy of which is attached hereto and shall be on file with the Executive Assistant and available to the public for inspection and copying;

**BE IT FURTHER RESOLVED** that the said amended Code shall be submitted to the Board of Supervisors of the County of San Bernardino for approval and said Code shall become effective immediately after the Board of Supervisors approves the proposed amended Code as submitted.

**APPROVED AND ADOPTED** this 13th day of April, 2020.

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Chairman, Board of Directors  
Lewis Center for Educational Research

ATTEST:

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Secretary, Board of Directors  
Lewis Center for Educational Research

**Lewis Center for Educational Research Board  
Agenda Item Cover Sheet**

**Date of meeting:** April 13, 2020

**Title:** Ground lease agreement by and between 230 South Waterman Avenue, LLC and City and County of San Bernardino

**Presentation:**         **Consent:**         **Action:**   X      **Discussion:**         **Information:**     

**Background:**

In February 2019, the LCER Board, San Bernardino City Council and San Bernardino Board of Supervisors signed a settlement agreement which contemplated this ground lease agreement. The LCER Board authorized the President/CEO to continue to negotiate with the appropriate parties in coordination with legal counsel. Those negotiations were completed in the past week, which will enable the LCER to seek financing for the project as we prepare to break ground on the construction at 230 Waterman Avenue for the Head Start Facility and new NSLA TK-12 Campus.

The ground lease agreement represents the culmination of several months of negotiations and revisions between all parties, and is presented in final form. However, some language in the lease and in the “Recognition Agreement” (Exhibit C) may be changed slightly from the draft version that was distributed in the board packet. Any such changes to this exhibit or anywhere else within the agreement will be presented to the board at the meeting, and are likely to be minor and would only require slight language changes to a few pages, at most. The board will be asked to approve the agreement in final form.

**Fiscal Implications (if any):**

This ground lease is a financing vehicle to implement the settlement agreement reached between the LCER, San Bernardino County and San Bernardino City. As part of the agreement, LCER is obligated to construct a Head Start Preschool facility for County operations and will be concurrently constructing the NSLA campus with a ground lease of \$1 per year for a term of 50 years. It is contemplated that the project will be financed with revenue bonds or other financing secured by a leasehold mortgage governed by the terms of the ground lease agreement and Recognition Agreement.

**Impact on Mission, Vision or Goals (if any):**

The expansion is providing the facilities for NSLA to finally expand to a TK-12 school as originally chartered in 2007. The secondary academic program will focus on World Language and STEM as a natural progression of our dual language and science emphasis in grades TK-5.

**Recommendation:**

Approve ground lease agreement by and between 230 South Waterman Avenue, LLC and City and County of San Bernardino. The ground lease agreement is scheduled for approval by the San Bernardino City Council on April 15th and San Bernardino Board of Supervisors on April 21st.

Submitted by: Lisa Lamb, President/CEO

**GROUND LEASE AGREEMENT**

COUNTY: COUNTY OF SAN BERNARDINO  
385 N. Arrowhead Avenue  
San Bernardino, CA 92415-0831

CITY: CITY OF SAN BERNARDINO  
290 N. D Street  
San Bernardino, CA 92401

TENANT: 230 SOUTH WATERMAN AVENUE, LLC  
17500 Mana Road  
Apple Valley, CA 92307

GUARANTOR: HIGH DESERT PARTNERSHIP IN ACADEMIC  
EXCELLENCE FOUNDATION, INC.  
17500 Mana Road  
Apple Valley, CA 92307

PROPERTY: Certain real property legally described on Exhibit "A"  
attached hereto and depicted in the plat on Exhibit "B" and  
known as 230 S. Waterman Avenue, San Bernardino,  
California, comprising approximately 15.63 acres

COUNTY CONTRACT NO: \_\_\_\_\_

## RECITALS

A. CITY and COUNTY are the owners of that certain real property legally described on Exhibit "A" attached hereto and depicted in the plat on Exhibit "B" and known as 230 S. Waterman Avenue, San Bernardino, California, comprising approximately 15.63 acres (the "Property"). In its capacity as an owner, the CITY appoints the COUNTY as the CITY's authorized agent to act on behalf of the CITY in the administration of this Lease unless expressly provided otherwise in this Lease and all references to LANDLORD in this Lease shall collectively mean the CITY and COUNTY, provided that unless otherwise expressly provided otherwise in this Lease, the COUNTY shall act as authorized agent for the CITY. For avoidance of doubt, all references to City and County in this Lease shall refer to its respective capacities as the owners of the Property and nothing in this Lease precludes or shall be interpreted to preclude City or County from acting in its respective capacities as regulatory bodies with jurisdiction over the Property.

B. TENANT desires to lease the Property from LANDLORD for use as a public charter school with the intent that TENANT sublease the Property to TENANT's affiliate, High Desert Partnership In Academic Excellence Foundation, Inc., for TENANT's affiliate to construct certain charter school improvements thereon ("Charter School Improvements") and to operate a public charter school facility known as the Norton Science and Language Academy under a charter granted by the San Bernardino County Board of Education. TENANT's affiliate desires to guarantee TENANT's obligations under the Lease and shall be referred to as the "GUARANTOR."

C. As consideration for the Lease of the Property to TENANT and in lieu of TENANT's monetary payment of monthly rent for the duration of the initial term of the Ground Lease, TENANT shall construct or have constructed a new preschool facility and site improvements ("Preschool Improvements") for COUNTY under the state preschool and federal "Head Start" programs in accordance with a separate Improvement Agreement executed by COUNTY and GUARANTOR on even date with this Lease on that certain real property known as 205 Allen Street, San Bernardino, California, comprising approximately 2.23 acres ("Head Start Parcel"), which is owned by the County and the City, which is located adjacent to the Property.

D. TENANT or an affiliate of TENANT intends to obtain tax-exempt financing, which shall be used to construct the Charter School Improvements on the Property and the Preschool Improvements on the Head Start Parcel with TENANT's leasehold interest in the Property to serve as collateral for said financing, provided that, notwithstanding anything to the contrary in this Lease or in any financing documents, this Lease shall not in any way encumber the Head Start Parcel or the Preschool Improvements.

**REFERENCE PAGES**

**COUNTY:** County of San Bernardino

**CITY:** City of San Bernardino

**LANDLORD:** Collectively, the City and the County, provided that for purposes of this Lease, the County shall act as authorized agent for the City unless expressly provided otherwise in this Lease.

**LANDLORD'S NOTICE ADDRESS:** County of San Bernardino  
Attn: Real Estate Services Department  
385 N. Arrowhead Avenue, Third Floor  
San Bernardino, California 92415-0831

and

City of San Bernardino  
Attn: City Manager  
290 N. D. Street  
San Bernardino, CA 92401

**TENANT:** 230 South Waterman Avenue, LLC,  
a California limited liability company

**TENANT'S NOTICE ADDRESS:** 230 South Waterman Avenue, LLC  
17500 Mana Road  
Apple Valley CA 92307

**GUARANTOR** High Desert Partnership in Academic Excellence  
Foundation, Inc.,  
a California nonprofit public benefit corporation

**PROPERTY:** Certain real property legally described on Exhibit "A" attached hereto and depicted in the plat on Exhibit "B" and known as 230 S. Waterman Avenue, San Bernardino, California, comprising approximately 15.63 acres

**USE:** Public charter school serving some combination of grades transitional kindergarten (TK) through 12 operating under a charter granted by the San Bernardino County Board of Education and ancillary administrative office uses and for no other purposes

**LEASE COMMENCEMENT DATE:** On the date that the last of the parties has executed this Lease

**LEASE TERM:** Fifty (50) Years from the Lease Commencement Date unless earlier terminated in accordance with this Lease

**OPTION TO EXTEND LEASE TERM:** One (1) Option for Twenty (20) Years on the terms and conditions set forth in the Lease

### **EXHIBITS**

"A" Property - Legal Description  
"B" Property - Plat  
"C" Form of Subordination and Attornment Agreement  
"D" List of Former County Officials  
"E" Form of Guaranty of Lease  
"F" Form of Sublease for Affiliate Transferees



## LEASE AGREEMENT

By this Lease, LANDLORD, as lessor, leases to TENANT, as lessee, and TENANT leases from LANDLORD, the Property on the terms and conditions set forth in this Lease. The Reference Pages, including all terms defined thereon, and Recitals are incorporated into and made a part of this Lease. The LANDLORD and TENANT shall each be referred to as a "Party" and shall collectively be referred to as the "Parties."

**1. PROPERTY.** LANDLORD, in consideration of covenants and conditions herein set forth, hereby leases to TENANT and TENANT leases from LANDLORD the Property on the terms and conditions set forth in this Lease. The Property is more particularly described in the legal description set forth on Exhibit "A" and depicted in the plat set forth on Exhibit "B" hereto. The Property is leased to TENANT in AS-IS condition, subject to all easements, reservations, restrictions, rights and rights-of-way. For avoidance of doubt, and notwithstanding anything to the contrary in this Lease, the Parties hereby acknowledge and agree that the Head Start Parcel is not part of the Property leased by TENANT under this Lease and is not subject to this Lease.

**2. USE.** The Property shall be used only for the Use set forth on the Reference Pages and for no other purpose. TENANT shall not use or permit the use of the Property in a manner that is unlawful or immoral, creates waste or a nuisance, or causes damage to the Property or neighboring properties. TENANT shall not do or permit anything to be done in, on, under, or about the Property which will in any way obstruct, interfere, injure, annoy, or disturb the rights of occupants or visitors to the Property or the neighboring properties. TENANT shall not sell or permit the sale of any alcoholic beverages from the Property. TENANT agrees that any personal property that is stored outside will be stored in a neat and orderly manner. Unattractive and/or unsightly outside storage shall not be permitted in public view under any circumstances. TENANT shall not place or permit the placement on the Property or maintain or permit the maintenance on the Property of any modular, portable, temporary, prefabricated, or similar structure during the Term of this Lease. TENANT shall comply with all Applicable Laws related to the use and development of the Property, including the requirements of the Federal Aviation Administration, as may be amended. Upon development of the Charter School Improvements and occupancy of the same on the Property by TENANT, the same shall conclusively be deemed to be fit and proper for the purposes for which TENANT shall use the Property.

### **3. TERM.**

**A. Term.** The obligations of the Parties pursuant to this Lease shall commence on the Lease Commencement Date and shall expire upon the expiration or earlier termination of the Lease Term as set forth in the Reference Pages ("Initial Term"), unless extended as provided in Paragraph B of this Section.

**B. Option to Extend Term.** TENANT shall have one (1) option to extend the Initial Term of the Lease for twenty (20) years (the "Lease Term Extension Option") in accordance with the following provisions:

1. TENANT shall have one (1) option to extend the Term as to the Property by twenty (20) years (the "Lease Term Extension Option") on the same terms and conditions as the Lease, except for Monthly Rent for the Property. To exercise the Lease Term Extension Option, TENANT shall provide CITY and COUNTY with concurrent written notice of such exercise no more than eighteen (18) months and no less than twelve (12) months prior to the end of the Initial Term. If the TENANT exercises the Lease Term Extension Option, such term shall be referred to as the "Extended Term."

2. The Monthly Rent for the Property during the initial year of the Extended Term shall be adjusted by good faith negotiation of the Parties to the fair market monthly rental rate then prevailing based on the monthly rental rate of comparable leased properties in the County of San Bernardino. Thereafter, the monthly rental rate for each subsequent year during the Extended Term shall be increased by a market escalation factor (for instance, a percentage or fixed annual increases) then prevailing for comparable leased properties in the County of San Bernardino (the monthly rental rate for the initial year of the Extended Term and the annual escalation factor shall hereinafter be collectively referred to as the "FMV Rent"). If the Parties have been unable to agree on the FMV Rent for the Property within five (5) months of TENANT's exercise of its option, said FMV Rent shall be determined through arbitration conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. If the FMV Rent for the Property is determined by arbitration and TENANT does not, for any reason, agree with such determination, TENANT shall have the right to terminate the Lease by providing LANDLORD with written notice not later than thirty (30) days after TENANT's receipt of the arbitration-determined FMV Rent. In the event TENANT does not so terminate the Lease, TENANT shall commence paying the arbitration-determined FMV Rent on the first day of the Extended Term and on the first day of each calendar month thereafter with the arbitration-determined annual escalations on each anniversary of the first day of the Extended Term for the duration of the Extended Term. Unless individually referred to, the Initial Term and the Extended Term, if any, shall hereinafter be collectively referred to as the "Term."

3. **Effect of Default on Extension Option.** If TENANT is in Default of this Lease at the time of exercise of the Lease Term Extension Option or at any time thereafter up to the commencement date of the Extended Term, LANDLORD agrees to provide written notice to TENANT of any existing Defaults during such period. If TENANT fails to cure such Default to the reasonable satisfaction of LANDLORD on or prior to the later of six (6) months prior to end of the Initial Term or thirty (30) days after notice, then the Extended Term shall not commence and TENANT's exercise of the Lease Term Extension Option shall be deemed null and void and this Lease shall automatically expire at the end of the Initial Term. If TENANT is in Default at any time during the final six (6) months of the Initial Term beyond any applicable notice and cure period, then the Extended Term shall not commence and TENANT's exercise of the Lease Term Extension Option shall be deemed null and void and this Lease shall automatically expire at the end of the Initial Term. For avoidance of doubt, nothing in this paragraph shall limit LANDLORD's rights to pursue any rights and remedies resulting from any Default

occurring at the time of TENANT's exercise of the Lease Term Extension Option and before the commencement of the Extended Term.

#### **4. CONSIDERATION.**

**A. Rent.** In lieu of TENANT's monetary payment of Monthly Rent for the Property during the Initial Term and as a material inducement the willingness of LANDLORD to enter into this Lease, TENANT shall, at no cost to LANDLORD, construct or have constructed the Preschool Improvements on the separate Head Start Parcel in accordance with a separate Improvement Agreement executed by COUNTY and GUARANTOR on the same date as this Lease ("Improvement Agreement") and perform or have performed certain obligations regarding the Preschool Improvements, as more specifically set forth in the Improvement Agreement. The Parties agree that the value of the monetary monthly rent for the Property for the duration of the Initial Lease Term is equivalent to the value of the Preschool Improvements to be constructed and the other obligations to be performed by or on behalf of TENANT under the Improvement Agreement.

**B. Performance by Guarantor.** In accordance with the terms of an Improvement Agreement, GUARANTOR shall, on behalf of TENANT, construct the Preschool Improvements on the separate Head Start Parcel in accordance with the Improvement Agreement and perform certain obligations regarding the Preschool Improvements, as more specifically set forth in the Improvement Agreement. The Parties acknowledge and agree that GUARANTOR's failure to perform GUARANTOR's obligations under the Improvement Agreement shall not relieve TENANT from TENANT's obligations to comply with Section 4.A.

**C. Additional Consideration.** As additional consideration for this Lease, TENANT agrees that any improvements that are permitted under this Lease, including but not limited to the Charter School Improvements and all utilities installed at the Property, shall become the property of LANDLORD at the end of the Term or any earlier termination thereof without compensation to TENANT. TENANT shall execute any documentation necessary to transfer such improvements to LANDLORD without encumbrance at the end of the Term or any earlier termination thereof.

**D. Late Payment Fees and Interest.** If any monthly rent or other monetary sums due under this Lease (collectively, "Rents") are not paid when due and payable, TENANT shall pay to LANDLORD an additional fifty and 00/100 Dollars (\$50.00) for each overdue Rent as an administrative processing charge. The Parties agree that this administrative processing charge represents a fair and reasonable estimate of the costs that LANDLORD will incur by reason of the overdue Rent. Acceptance of any administrative processing charge shall not constitute a waiver of TENANT's default with respect to the overdue Rent or prevent LANDLORD from exercising any of the other rights and remedies available to LANDLORD. Rents not paid when due shall bear simple interest from date due at the rate of one and one-half percent (1½%) per month until fully paid.

## **5. LEASEHOLD ENCUMBRANCES**

**A. Non-Subordination of Landlord Fee Interest and Head Start Parcel.** This Lease and all rights and interests of TENANT or any person claiming through or under TENANT's leasehold interest herein is and shall at all times be subject and subordinate to LANDLORD's fee interest in the Property. In no event shall LANDLORD be required to or be deemed to have subordinated or encumbered any portion of its fee interest in the Property as security for any TENANT financing. In the event of any conflict between any financing and loan documents and this Lease, this Lease shall control and neither TENANT nor any leasehold encumbrance holder shall obtain any greater rights in the Property than the TENANT possesses under this Lease. For avoidance of doubt, and notwithstanding anything to the contrary in this Lease, the Parties hereby acknowledge and agree that, notwithstanding anything to the contrary in this Lease or in any financing documents, this Lease shall not in any way encumber the Head Start Parcel or the Preschool Improvements thereon.

### **B. CONSTRUCTION FINANCING.**

1. To finance or refinance development of the Property and the construction of the Charter School Improvements thereon and the construction of the Preschool Improvements on the Head Start Parcel and for no other purpose, TENANT may encumber its leasehold interest in the Property under this Lease to a lender furnishing construction financing to TENANT (or permanent financing to reimburse TENANT for the costs of said construction), provided that in no event shall the Head Start Parcel or the Preschool Improvements be encumbered in any manner. The Parties hereby acknowledge and agree that TENANT shall not have the right to encumber its leasehold interest in the Property to finance any other charter schools, programs, or foundations operated by TENANT or any of its affiliates. The proposed lender or beneficiary of any encumbrance under this Section 5.B must be reasonably approved by LANDLORD (such approved mortgagee or beneficiary shall be referred to herein as "LENDER"), which approval may be subject to terms and conditions reasonably acceptable to LANDLORD, including but not limited to that TENANT is not in Default at the time of approval, all relevant financing documents shall be delivered to LANDLORD for review at least thirty (30) days prior to closing, the Lease controls in the event of any conflict, and LENDER promptly re-conveys all leasehold interest upon repayment. LANDLORD agrees to promptly and diligently review all financing documents provided by TENANT, and shall provide written notice to TENANT of any objections within fifteen (15) business days after delivery. If the encumbrance is approved by LANDLORD, the Parties and LENDER shall execute an agreement in substantially the form attached as Exhibit "C" hereto with respect to such lien or encumbrance (referred to herein as an "Approved Encumbrance") to confirm the terms of the remainder of this Section B. LANDLORD agrees to execute an estoppel certificate in a form reasonably approved by LANDLORD to certify the status of the Lease and the performance by TENANT of its obligations hereunder. COUNTY's RESD Director shall have the authority to review encumbrance requests, and if approved, to execute on behalf of LANDLORD the form of Exhibit "C" and an estoppel certificate in a form approved by LANDLORD's counsel. The CITY hereby authorizes the COUNTY's RESD Director to execute such documents as an authorized

agent for the CITY, provided that the CITY has been given a minimum of ten (10) days prior written notice of such execution. Any encumbrance without LANDLORD's approval shall be void and shall constitute a default under this Lease. LANDLORD's approval to any one encumbrance shall not constitute a waiver of LANDLORD's right to require approval to any subsequent encumbrance. LANDLORD hereby consents to the encumbrance of TENANT's leasehold interest to Wilmington Trust, as trustee under the Indenture of Trust dated as of June 1, 2020 by and between California Enterprise Development Authority, and Wilmington Trust, National Association, pursuant to which the California Enterprise Development Authority Charter School Revenue Bonds (Norton Science and Language Academy Project) Tax-Exempt Series 2020A and California Enterprise Development Authority Charter School Revenue Bonds will be issued to finance the construction of the Charter School Improvements on the Property and the Preschool Improvements on the Head Start Parcel, subject to the parties and said trustee's execution of a subordination agreement substantially in the form of Exhibit "C".

2. Upon default by TENANT under any of the terms of an Approved Encumbrance, subject to the terms of this Lease, LENDER may exercise any rights provided in such Approved Encumbrance, provided that before any sale of TENANT's leasehold interest, whether under power of sale or foreclosure, LENDER shall give to LANDLORD written notice of the same character and duration as is required to be given to TENANT by the terms of the Approved Encumbrance or the laws of the State of California.

3. If any default under an Approved Encumbrance shall continue after the giving of LENDER's notice, LANDLORD, prior to sale of the leasehold interest, shall have the right to correct such default at TENANT's cost, which shall be reimbursed by TENANT upon demand, and/or exercise LANDLORD's remedies, including but not limited to initiating an action to terminate this Lease.

4. If a sale or foreclosure under an Approved Encumbrance occurs or if the LENDER or its assignee acquires the leasehold interest by assignment in lieu of foreclosure, LENDER or said permitted assignee, as successor in interest to TENANT, will be bound by all the terms of this Lease and will assume all the obligations of TENANT hereunder, including, but not limited to, TENANT's obligations in Paragraph 4.A.

5. As long as the Approved Encumbrance remains in effect, a LENDER shall have the same rights, at any time during the Term, to enter the Property to (A) do any act or thing required of TENANT hereunder, within the time TENANT is required to perform such act or thing hereunder, whenever failure to do such act or thing would constitute a default hereunder, provided that prior to any Default, LENDER shall provide written notice to LANDLORD if LENDER acts on behalf of TENANT; and/or (B) cure any Default as the TENANT has under this Lease; and LANDLORD shall accept such performance or cure by a LENDER as if TENANT had performed. No LENDER shall be required to cure any default of TENANT unless such LENDER has elected to acquire the leasehold interest in writing or via foreclosure or deed in lieu thereof. Any notice to TENANT given pursuant to this Lease, including notice of a default or a

termination of this Lease, shall be delivered simultaneously to any such LENDER if LENDER has provided its notice address to LANDLORD. LANDLORD agrees that if TENANT fails to cure any default under the Lease within the time provided for in the Lease, except for defaults due to TENANT's failure to pay monetary Monthly Rent, TENANT's failure to comply with Section 4.A of the Lease, or GUARANTOR's failure to construct and complete the Preschool Improvements on the Head Start Parcel in accordance with the Improvement Agreement for which no additional time shall be granted to LENDER, LENDER shall have an additional ten (10) business days after LENDER's receipt of written notice of Default within which to cure such default, provided if such Default is of a nature that it cannot reasonably be cured within ten (10) business days then so long as LENDER commences cure within said ten (10) business days and thereafter diligently prosecutes such cure to completion, LENDER shall have a reasonable period to cure such default, not to exceed 30 days from LENDER's receipt of the written notice of Default unless possession of the Property is required in order to cure. If possession of the Property is required to prosecute and complete a cure, LENDER shall have such additional time as reasonably necessary to obtain possession and diligently prosecute and complete the cure, which shall not exceed 180 days from LENDER's receipt of the written notice of Default.

6. LANDLORD shall provide LENDER with notice at the same time that it provides notice to TENANT of any Default, including those that would result in any surrender of the Property or termination of the Lease. No amendment of the Lease that modifies any of its material economic terms or the Term shall be valid without LENDER's prior written consent. TENANT shall be required to obtain such LENDER's prior written consent prior to the execution of such amendment.

7. If any LENDER acquires TENANT's leasehold interest in the Property by deed-in-lieu, at a foreclosure of its Approved Encumbrance, this Lease shall continue in full force on the same terms and conditions. Neither LENDER nor its assignee shall assign this Lease, sublease any portion of the Property or appoint an agent to operate any portion of the Property without obtaining the prior written approval of CITY and COUNTY. Such approval shall not be unreasonably withheld, conditioned or delayed so long as the proposed assignee, subtenant or agent has demonstrated substantial experience in the operation of facilities similar to the Charter School Improvements.

8. LANDLORD acknowledges that all or a portion of the improvements to be constructed on the Property will be financed or refinanced by TENANT with proceeds of obligations ("Tax-Exempt Obligations") issued for the benefit of TENANT the interest on which is intended by TENANT to be excludable from gross income for federal income tax purposes. LANDLORD further acknowledges that, to maintain the federally tax-exempt status of the Tax-Exempt Obligations, TENANT must ensure that the Property (including all improvements thereto) are managed, operated and owned consistent with applicable provisions of the Internal Revenue Code of 1986, as amended (the "Tax Code"), and the Treasury Regulations thereunder (the "Regulations") for the full term of the Tax-Exempt Obligations. TENANT shall have the sole obligation to comply with such provisions of the Tax Code and Regulations, LANDLORD acknowledges the following as it relates to the Tax-Exempt Obligations:

a. LANDLORD and TENANT reasonably expect that the Property (including all improvements thereto) will be used exclusively as a charter school facility that will be managed and operated by TENANT or an affiliate of TENANT for the full term of this Lease. LANDLORD and TENANT further reasonably expect that no third-party manager or service provider will be engaged to manage or operate the Property (including any improvements thereto). LANDLORD and TENANT agree to not change the management, operation or nature of the Use of the Property (including any improvements thereto) prior to 120 days after providing written notice to TENANT of such change in management, operation or nature of the Use.

b. LANDLORD reasonably expects that the Property (including all improvements thereto) will be owned by LANDLORD and leased solely to TENANT for the full term of this Lease. LANDLORD agrees to not sell or otherwise dispose of any portion of the Property (including any improvements thereto) (to the extent otherwise permitted under this Lease) prior to 120 days after providing written notice to TENANT of such sale or other disposition.

c. LANDLORD agrees to cooperate with TENANT, at no cost to LANDLORD, to provide TENANT with such reasonable information concerning the ownership of the Property (including all improvements thereto) as TENANT may reasonably request from time to time during the term of this Lease for TENANT to maintain the federally tax exempt status of interest on the Tax-Exempt Obligations.

## **6. MAINTENANCE OF PROPERTY.**

**A.** TENANT agrees that it shall have the sole responsibility to repair and maintain all aspects of the Property and keep the Charter School Improvements in good working order, condition, and repair for the duration of the Term and in accordance with all Applicable Laws. The term "Applicable Laws" shall refer to all statutes, laws, ordinances, regulations, codes, rules, standards, and other requirements pertaining to construction, use, operation, and management of the Charter School Improvements and the Property as adopted and enforced by the applicable federal, state, local, regulatory, and judicial authorities ("Governmental Authorities"). Applicable Laws shall include, but is not limited to, the California Building Standards Code as adopted and enforced by the applicable Governmental Authorities. In the event that an Applicable Law is changed during the Term of this Lease in a manner that necessitates an alteration of the Charter School Improvements or the Property, TENANT shall bear the sole cost and expense necessary to comply with such change in the Applicable Law.

**B. Utilities.** TENANT agrees that all utilities, including but not limited to electrical, water, gas, telephone, refuse collection, and sewage disposal to Charter School Improvements and the Property and maintenance of any utility lines or connections shall be the sole responsibility of TENANT at its own cost and TENANT shall pay such costs directly to the utility or service provider.

## **7. INSURANCE.**

**A. Basic Insurance Requirements.** Without in any way affecting TENANT's obligation to defend and indemnify CITY and COUNTY as herein provided, and in addition thereto, TENANT shall secure and maintain the following types of insurance with the following minimum limits throughout the Term of this Lease:

i. Workers' Compensation/Employers Liability. A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons providing services on behalf of TENANT and all risks to such persons under this Lease. TENANT agrees that TENANT's volunteers are required to be covered by accident insurance and/or workers' compensation.

ii. Commercial/General Liability Insurance. TENANT shall carry General Liability Insurance covering all operations performed by or on behalf of TENANT providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000) per occurrence. The policy coverage shall include:

1. Operations and mobile equipment.
2. Products and completed operations.
3. Broad form property damage (including completed operations).
4. Explosion, collapse and underground hazards.
5. Personal injury.
6. Contractual liability.
7. \$2,000,000 general aggregate limit.

iii. Commercial Property Insurance providing special form insurance coverage for the buildings, fixtures, equipment and all improvements constituting any part of the Property. Said special form insurance shall provide broad coverage concerning potential risks but shall exclude earthquake liability and shall provide limited coverage for flood risks. Coverage shall be sufficient to insure one hundred percent (100%) of the replacement cost of the Charter School Improvements.

iv. Automobile Liability Insurance. Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles and passenger vehicles. The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

If TENANT owns no autos, a non-owned auto endorsement to the general liability policy described above is acceptable.

v. Environmental Liability Insurance. Environmental liability insurance with a combined single limit of not less than One Million and 00/100 Dollars (\$1,000,000.00) per occurrence.



vi. Umbrella Liability Insurance. An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a “dropdown” provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

vii. If TENANT performs any construction of the Property, TENANT shall also procure and maintain coverages as follows:

1. For construction contracts for projects over One Million Dollars (\$1,000,000) and less than Three Million Dollars (\$3,000,000) require limits of not less than Three Million Dollars in General Liability and Auto Liability coverage.

2. For construction contracts for projects over Three Million Dollars (\$3,000,000) and less than Five Million Dollars (\$5,000,000) require limits of not less than Five Million Dollars (\$5,000,000) in General Liability and Auto Liability coverage.

3. For construction contracts for projects over Five Million Dollars (\$5,000,000) and less than Ten Million Dollars (\$10,000,000) require limits of not less than Ten Million Dollars (10,000,000) in General Liability and Auto Liability coverage.

4. TENANT agrees to require all parties, subcontractors, or others, including, but not limited to, architects, it hires or contracts with in relation to the Lease to provide insurance covering the contracted operations with the requirements in this Section 7 (including, but not limited to, waiver of subrogation rights) and naming COUNTY and CITY as an additional insured. TENANT agrees to monitor and review all such coverage and assumes all responsibility ensuring that such coverage is provided as required here.

5. Course of Construction/Installation (Builder’s Risk) property insurance providing all risk, including theft coverage for all property and materials to be used on the construction project. The insurance policy shall not have any coinsurance penalty.

**B. Required Policy Provisions.** Each of the insurance policies which TENANT is required to procure and maintain as part of this Lease shall include the following provisions:

1. Additional Insured. All policies, except for the Workers’ Compensation, shall contain endorsements naming COUNTY and CITY and their officers, employees, agents and volunteers as additional insureds with respect to liabilities arising out of the TENANT’s use of the Property and TENANT’s performance of its obligations under this Lease. The additional insured endorsements shall not limit the scope of coverage for COUNTY or CITY to vicarious liability but shall allow coverage for

LANDLORD to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

2. Waiver of Subrogation Rights. TENANT shall require the carriers of required coverages to waive all rights of subrogation against COUNTY and CITY and their officers and employees. All general or auto liability insurance coverage provided shall not prohibit TENANT and TENANT'S employees or agents from waiving the right of subrogation prior to a loss or claim. TENANT hereby waives all rights of subrogation against COUNTY and CITY.

3. Policies Primary and Non-Contributory. All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by LANDLORD.

4. Severability of Interests. TENANT agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross-liability exclusions that preclude coverage for suits between TENANT and LANDLORD or between LANDLORD and any other insured or additional insured under the policy.

5. Proof of Coverage. TENANT shall furnish Certificates of Insurance to the COUNTY Real Estate Services Department (RESA), administering the Lease on behalf of LANDLORD, evidencing the insurance coverage, including endorsements, as required, prior to the commencement of performance of any work on or use of the Property, and TENANT shall maintain such insurance from the Lease Commencement Date until this Lease is expired or earlier terminated. TENANT agrees to provide at least thirty (30) days written notice to COUNTY RESA prior to any termination or expiration of said insurance coverage. Within fifteen (15) days of the Lease Commencement Date, TENANT shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

6. Acceptability of Insurance Carrier. Unless otherwise approved by COUNTY'S Department of Risk Management, administering the Lease on behalf of LANDLORD, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A- VII". Insurance provided by a joint powers authority shall be deemed to satisfy the foregoing requirement.

7. Deductibles: Any and all deductibles or self-insured retentions in excess of \$10,000.00 shall be declared to and approved by COUNTY'S Risk Management.

8. Insurance Review. Insurance requirements are subject to periodic review by LANDLORD. COUNTY'S Director of Risk Management or designee

is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever COUNTY'S Department of Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of LANDLORD. In addition, COUNTY'S Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against LANDLORD, inflation, or any other item reasonably related to LANDLORD risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Lease. TENANT agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of LANDLORD or COUNTY's RESD or COUNTY's Department of Risk Management to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of LANDLORD.

9. Failure to Procure Insurance. All insurance required must be maintained in force at all times by TENANT. Failure to maintain said insurance, due to expiration, cancellation, or other reasons shall be cause for LANDLORD to give notice to immediately suspend TENANT'S use of the Property. Failure to reinstate said insurance within thirty (30) days of notice to do so shall be cause for termination and for forfeiture of this Lease, and/or LANDLORD, at their discretion, may procure or renew such insurance and pay any and all premiums in connection therewith, and all monies so paid by LANDLORD shall be repaid by TENANT to LANDLORD upon demand but only for the pro rata period of non-compliance.

10. LANDLORD shall have no liability for any premiums charged for such coverage(s). The inclusion of CITY and COUNTY as additional named insured is not intended to and shall not make a partner or joint venturer with TENANT.

11. TENANT agrees to require all parties or subcontractors, or others it hires or contracts with related to the use of the Property and the performance of TENANT's obligations hereunder to provide insurance covering the contracted operation with the basic requirements in this Section 7 (including waiver of subrogation rights) and naming COUNTY and CITY as an additional insured. TENANT agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided as required herein.

**8. INDEMNIFICATION.** TENANT agrees to indemnify, defend (with counsel reasonably approved by CITY and COUNTY), and hold harmless COUNTY and CITY and their respective authorized officers, employees, agents and volunteers, from any and all claims, actions, losses, damages, and/or liability arising out of this Lease or occurring on, in, under or about the Property from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by COUNTY and CITY on

account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees. The TENANT's indemnification obligation applies to the "active" as well as "passive" negligence of COUNTY or CITY but does not apply to the "sole negligence" or "willful misconduct" of COUNTY or CITY within the meaning of Civil Code Section 2782.

TENANT further agrees to indemnify, defend (with counsel reasonably approved by CITY), and hold harmless CITY and its respective authorized officers, employees, agents and volunteers, from any and all claims, actions, losses, damages, and/or liability arising out TENANT's construction of Preschool Improvements from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by CITY on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees. The TENANT's indemnification obligation applies to the "active" as well as "passive" negligence of CITY but does not apply to the "sole negligence" or "willful misconduct" of CITY within the meaning of Civil Code Section 2782.

County agrees to indemnify, defend (with counsel reasonably approved by CITY ), and hold harmless CITY and its respective authorized officers, employees, agents and volunteers, from any and all claims, actions, losses, damages, and/or liability arising out of the COUNTY's use of Preschool Improvements for any purpose including operation of its federal Head Start programs from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by CITY on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees. The COUNTY's indemnification obligation applies to the "active" as well as "passive" negligence of CITY but does not apply to the "sole negligence" or "willful misconduct" of CITY within the meaning of Civil Code Section 2782.

**9. EXEMPTION FROM LIABILITY.** Neither CITY nor COUNTY shall be liable for any injury or damage to the person or property of TENANT or its employees, contractors, invitees, customers, or any other person on, in, under or about the Charter School Improvements nor the Property, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects in pipes, fire sprinklers, wires, appliances, plumbing systems, fixtures, air conditioning systems or lighting fixtures, or from any other cause, whether said injury or damage results from conditions arising on or from Charter School Improvements or the Property. Neither CITY nor COUNTY shall be liable for any damages arising from any act or neglect of any other tenant, licensee, or other occupant or user at the Property or from LANDLORD's failure to enforce the provisions of any other lease, license, or other occupancy or use agreement at the Property. Notwithstanding anything to the contrary in this Lease, neither CITY nor COUNTY shall be liable for any injury or damages to TENANT or its employees, contractors, invitees, customers, or any other persons' business or any loss of income or profit therefrom, or for any special, incidental, consequential, or punitive damages allegedly sustained by TENANT or its employees, contractors, invitees, customers, or any other person.

**10. TAXES, ASSESSMENTS, LICENSES AND PARCEL LINES.** In the event that TENANT is an entity that qualifies for any tax-exempt status, LANDLORD agrees to cooperate with TENANT to facilitate, at no cost to LANDLORD, TENANT's efforts to apply for the benefits of any tax-exempt status. TENANT shall pay before delinquency any other real property taxes, assessments, fees, or charges, which may be levied or assessed upon the Property, improvements or fixtures installed or belonging to TENANT and located in or on the Property. TENANT shall also pay all license or permit fees necessary or required by law for the conduct of TENANT's business or operation.

**11. CHARTER SCHOOL IMPROVEMENTS**

**A.** The Parties anticipate that TENANT will construct or have constructed, at TENANT's sole cost and expense, the Charter School Improvements, consisting of permanent buildings, improvements and facilities, on the Property, provided however nothing in this Lease requires TENANT to construct or have constructed the Charter School Improvements. For avoidance of doubt, whether the Charter School Improvements are constructed or not, the Lease shall remain in effect on its terms and conditions, including but not limited to TENANT's obligations in Section 4.A as TENANT's consideration under this Lease.

**B.** Reserved.

**C.** LANDLORD agrees that TENANT's construction of the Charter School Improvements shall be determined by TENANT in TENANT's sole discretion, provided that the Parties anticipate that the construction shall be substantially completed in accordance with the specifications shown in the plans prepared by TENANT and submitted to the City with Conditional Use Permit 19-10 (the "Conditional Use Permit"), but subject to approvals by Governmental Authorities and conformance with the utility, road, grading and drainage requirements of Governmental Authorities.

**D.** If TENANT constructs Charter School Improvements on the Property, TENANT agrees to obtain building permits from the applicable Governmental Authorities for Charter School Improvements and to provide suitable security to LANDLORD for performance and payment of the Charter School Improvements, which security may take the form of any one or more of the following, as determined by LANDLORD, in its reasonable discretion: (1) an irrevocable Letter of Credit in an amount of no less than one hundred ten percent (110%) of the total cost of construction, including any increases due to change orders, (2) a policy of contractor default insurance issued by an insurance company lawfully authorized to issue such policies of insurance in the State of California in an amount of no less than one hundred ten percent (110%) of the total cost of construction, including any increases due to change orders, and which names COUNTY and CITY as an additional insured, and/or (3) performance and payment bonds from the contractor. As used in the preceding sentence, each contractor performance and payment bond shall name CITY and COUNTY as beneficiaries and be (A) in a form acceptable to the LANDLORD, (B) in the amount of no less than one hundred ten percent (110%) of the total cost of construction, including any increases due to change orders, (C) issued by a surety qualified to do business in the State of California, and (D) provide

that the surety shall complete the construction in the event that contractor fails to complete the construction of the Charter School Improvements in a reasonably diligent manner. As used in the preceding sentence, "reasonably diligent manner" means construction activity which, after the start of construction, is continued without an interruption of more than sixty (60) consecutive days, or which otherwise allows the TENANT to relocate its operations onto the Property prior to the start of the 2022-2023 school year (provided that construction has commenced before January 1, 2021). The CITY hereby authorizes the COUNTY's RESD Director to execute an acceptance of any bond(s) or other security provided by or on behalf of TENANT under this Lease so long as the form of security and the surety issuer are acceptable to COUNTY.

**E. Compliance with Laws.** TENANT is a California limited liability company, the sole member of which is a nonprofit public benefit corporation operating a nonprofit charter school. LANDLORD makes no representation with respect to the applicability of public bidding procedures or requirements for the payment of prevailing wages hereunder. The Parties acknowledge and agree that any improvement of the Property by TENANT shall be at TENANT's sole discretion, subject to TENANT's obligation to indemnify, defend, and hold harmless CITY and the COUNTY as provided in this Paragraph. In the event TENANT contracts for the construction of the Charter School Improvements or any portion thereof, TENANT agrees to comply with the applicable provisions, if any, of the California Public Contract Code regarding bidding procedure and Labor Code regarding general prevailing wages, as determined by TENANT in TENANT's sole discretion, provided that if TENANT violates any applicable laws, TENANT shall indemnify, defend (with counsel reasonably approved by LANDLORD) and hold harmless COUNTY and CITY and its officers, employees, agents, and volunteers from any claims, actions, losses, damages, and/or liability arising out of the obligations set forth herein. TENANT's indemnity obligation shall survive the TENANT's tenancy and shall not be limited by the existence or availability of insurance. TENANT further agrees to provide LANDLORD with not less than ten (10) days' written notice prior to the commencement of construction of the Charter School Improvements so that LANDLORD, at the option of LANDLORD, may post a Notice of Non-Responsibility as provided by law. TENANT shall perform any construction in such a manner so that no mechanic's liens or materialmen's liens shall be asserted, or purportedly asserted, against the Property or any improvements thereon. If any such lien shall be asserted, TENANT shall indemnify, defend (with counsel reasonably approved by CITY and COUNTY) and hold harmless CITY and COUNTY in accordance with Section 8 of this Agreement for TENANT's failure to fulfil its obligations herein. If such liens are asserted, TENANT shall promptly remove said liens within thirty (30) days after its occurrence and if requested by LANDLORD, in LANDLORD's sole discretion, TENANT shall post a surety bond to release the Property from any mechanic's liens recorded against the Property. Said bond shall be issued by a surety qualified to do business in California and shall be in an amount prescribed by law.

**12. SURRENDER.** TENANT shall surrender the Property at the end of the last day of the Term or any earlier termination date, broom clean and free of debris. TENANT shall further surrender all Charter School Improvements at the end of the last day of the Term or any earlier termination date, clean and free of debris and in good operating order,

condition and state of repair, ordinary wear and tear excepted. Ordinary wear and tear shall not include any damage or deterioration that could have been prevented by good maintenance practice. TENANT's obligation shall include the repair of any damage occasioned by the removal, replacement, or remediation of any soil, material or ground water contaminated by TENANT, all as may then be required by any applicable law, ordinance or regulation and/or good practice.

**13. CIVIC CENTER ACT.** In the event that TENANT constructs Charter School Improvements on the Property, TENANT (or its affiliate) shall comply with the provisions of the Civic Center Act (Education Code section 38131, et seq.) in allowing use of Charter School Improvements by members of the community (e.g., Girl Scouts). For purposes of Civic Center Act compliance, with respect to the Charter School Improvements only, TENANT's Board of Directors shall hold the same powers and obligations applicable to a School District Board of Trustees under Education Code sections 38130-38139 and shall also follow TENANT's Board Policy and administrative procedures allowing use of school facilities by members of the community. LANDLORD shall forward all Civic Center Act requests it receives for use of Charter School Improvements to TENANT. All proceeds derived from the use of Charter School Improvements pursuant to the Civic Center Act shall be the property of TENANT.

**14. CASUALTY.** In the event any of the buildings, structures or improvements erected on the Property are vandalized, burglarized, damaged or destroyed during the term of this Lease, TENANT shall, at its sole cost and expense, repair and restore such buildings, structures or improvements to the original condition prior to said damage or destruction. TENANT shall commence the repair and restoration within forty-five (45) days of the event causing such damage or destruction and shall diligently prosecute such work until completion. TENANT agrees to maintain casualty insurance for the Charter School Improvements in accordance with Section 7, INSURANCE. All proceeds of any property insurance maintained by TENANT pursuant to this Lease shall be used to repair and restore the Charter School Improvements, and for no other purpose, without LANDLORD's express written consent. With respect to the Charter School Improvements, any repair and restoration work shall comply with all the requirements set forth in Section 11, CHARTER SCHOOL IMPROVEMENTS.

**15. CONDUCT OF EMPLOYEES.** TENANT shall be responsible for the conduct of its employees, volunteers, agents, members, invitees, guests, patrons and spectators in the Charter School Improvements and on the Property.

**16. SPECIAL USE COVENANTS AND RESTRICTIONS.**

**A. Hazardous Substances**

**1. Definitions.** The following terms shall have the meanings set forth in this paragraph A of Section 16:

**i. Applicable Requirements** shall mean all laws, rules, regulations, ordinances, directives, covenants, easements and restrictions of record,

permits, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of LANDLORD's engineers and/or consultants, relating in any manner to the subject matter of this Lease now in effect or which may hereafter come into effect.

**ii. Hazardous Substance** shall mean any product, substance, chemical, material or waste whose presence, nature, quantity and/or intensity of existence, use, manufacture, disposal, transportation, spill, release or effect, either by itself or in combination with other materials expected to be on the Property, is either: (i) potentially injurious to the public health, safety or welfare, or the environment, the Property; (ii) regulated or monitored by any governmental authority; or (iii) a basis for potential liability of LANDLORD to any governmental agency or third party under any Applicable requirements or common law theory. Hazardous Substance shall include, but not be limited to fuel, hydrocarbons, petroleum products, gasoline, crude oil or any products or by-products thereof.

**iii. Reportable Use** shall mean the installation or use of any above or below ground (i) storage tank; (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority; and (iii) the presence in, on, under or about the Property of a Hazardous Substance with respect to which any Applicable Requirements require that a notice be given to persons entering or occupying the Property or neighboring properties.

**2. Use of Hazardous Substances by Tenant.** TENANT shall not engage in any activity in, on, under or about the Property which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of LANDLORD, in its sole discretion, and compliance in a timely manner (at TENANT's sole cost and expense) with all Applicable Requirements. Notwithstanding the foregoing, TENANT may, without LANDLORD's prior consent, but upon notice to LANDLORD and in compliance with all Applicable Requirements, use any ordinary and customary materials reasonably required to be used by TENANT in the normal course of the Use set forth on the Reference Pages, so long as such use is not a Reportable Use (other than the Reportable Use of a Hazardous Substance in a science lab facility constructed in compliance with Applicable Requirements) and does not expose the Property, or neighboring properties to any meaningful risk of contamination or damage or expose LANDLORD to any liability therefore. LANDLORD may (but without any obligation to do so) condition its consent to any Reportable Use of any Hazardous Substance by TENANT upon TENANT's giving LANDLORD such additional assurances as LANDLORD, in the reasonable discretion of the COUNTY's Director of Risk Management, deems necessary to protect itself, the public, the Property, and the environment against damage, contamination or injury and/or liability therefore, including, but not limited to, the installation (and, at LANDLORD's option, and TENANT's sole cost and expense) of reasonably necessary protective modifications to the Property. TENANT shall not cause or permit any Hazardous Substance to be spilled or released in, on, under or about the Property (including, without limitation, through the plumbing or sanitary sewer system).



**3. Covenants.** TENANT, at its sole cost, shall comply with any and all the Applicable Requirements with respect to Hazardous Substances, including but not limited to the following:

i. California Health & Safety Code, Division 20, Chapters 6.5, Hazardous Waste Control (inclusive); 6.7, Underground Storage of Hazardous Substances (inclusive); and 6.95, Hazardous Materials Release Response Plans and Inventory (inclusive);

ii. California Code of Regulations Title 22, Division 4.5; Title 23, Division 3, Chapter 16, Underground Storage Tank Regulations; and

iii. Title 2, Division 3, entitled "Fire Protection and Explosives and Hazardous Materials", and Title 3, Division 3, Chapter 8, entitled "Waste Management" of the San Bernardino County Code.

**4. Duties to Inform.**

**A. TENANT's Duty to Inform LANDLORD.** If TENANT knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Property, other than as previously consented to by LANDLORD, TENANT shall immediately give LANDLORD notice thereof, together with a copy of any statement, report, notice, registration, application, permit, business plan, license, claim, action, or proceeding given to, or received from, any governmental authority or private party concerning the presence, spill, release, discharge of, or exposure to, such Hazardous Substance including, but not limited to, all such documents as may be involved in any Reportable Use involving the Property to be followed up in writing within two (2) days. TENANT will provide to LANDLORD, prior to the termination of this Lease, a soil test and a fuel tank test that will indicate if any leakage has occurred from any tank located on or under the Property and used by TENANT. If any leakage is found, TENANT shall repair the tanks and remove any contaminated soil at TENANT's sole cost and expense.

**B. COUNTY's Duty to Inform TENANT and CITY.** If COUNTY knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Property, other than as previously consented to by TENANT or CITY, respectively, shall immediately give CITY and TENANT notice thereof, together with a copy of any statement, report, notice, registration, application, permit, business plan, license, claim, action, or proceeding given to, or received from, any governmental authority or private party concerning the presence, spill, release, discharge of, or exposure to, such Hazardous Substance including, but not limited to, all such documents as may be involved in any Reportable Use involving the Property.

**5. Indemnification.** TENANT shall indemnify, protect, defend (with counsel reasonably approved by LANDLORD) and hold CITY and COUNTY, their officers, agents, employees, and volunteers and the Property, harmless from and against any and all damages, liabilities, judgments, costs, claims, liens, expenses, penalties and

loss of permits (including CITY and COUNTY's attorneys' and consultants' fees) arising out of or involving any Hazardous Substance generated, possessed, stored, used, transported, or disposed in, on, upon, or at the Property by or for TENANT or by anyone under TENANT's control. TENANT's obligations under this paragraph shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by TENANT, and the cost of investigation (including consultants' and attorneys' fees and testing), removal, remediation, restoration and/or abatement thereof, or of any contamination therein involved, and shall survive the expiration or earlier termination of this Lease. No termination, cancellation or release agreement entered into by LANDLORD and TENANT shall release TENANT from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by LANDLORD in writing at the time of such agreement.

**6. Right to Perform Tests.** At any time prior to the expiration of the Term, upon no less than ten (10) days prior written notice, LANDLORD shall have the right to enter upon the Property in order to conduct tests of air, water, and soil.

**7. Soil Removal by TENANT.** LANDLORD and TENANT agree that TENANT shall remove any soil that is determined to have concentrations of lead contamination in excess of 80 mg/kg (the "Remediation Standard") as part of TENANT or GUARANTOR's performance of its obligations under Section 4.A of this Agreement. Upon completion, TENANT shall provide documentation from a third-party consultant demonstrating compliance with the Remediation Standard to the reasonable satisfaction of LANDLORD.

**B. Charter Authorization.** Before commencing its operation of the Charter School Improvements and during the entire Term of this Lease, TENANT shall acquire, provide and maintain a Charter with the San Bernardino County Board of Education, or such other authorizer as permitted under California law, which shall include renewal or appeal determinations by the State Board of Education, if any. Failure to comply with this provision will constitute grounds for Default under Section 18, DEFAULT and subject to Section 19, DISPUTE RESOLUTION.

**C. Rules and Regulations.** TENANT agrees to abide by, keep and observe the conditions imposed by the San Bernardino County Superintendent of Schools, if any, regarding the management, safety, care, cleanliness of the grounds, parking areas, and the preservation of good order, as well as conditions necessary for the convenience of other tenants, occupants, or visitors to the Charter School Improvements and the Property.

**D. Auctions.** Except for an auction that is conducted for charity purposes and which does not involve the sale of any school equipment or trade fixtures, TENANT shall not conduct, nor permit to be conducted, either voluntarily or involuntarily, any auction on the Property without LANDLORD's prior written consent. Notwithstanding Section 22, LANDLORD shall not be obligated to exercise any standard of reasonableness in determining whether to consent to any such auction.

**17. CONDEMNATION.** If the Property or any part thereof are taken under the power of eminent domain, this Lease shall terminate as to the part so taken as of the date the condemning authority takes possession thereof. If more than twenty percent (20%) of the floor area of the Charter School Improvements or more than fifty percent (50%) of the surface area on the Property but not occupied by any building, is taken by condemnation, TENANT may, at TENANT's option, terminate this Lease. If TENANT elects to exercise its option to terminate this Lease pursuant to this paragraph, TENANT shall give written notice of termination to LANDLORD within thirty (30) days after the condemning authority takes such possession and this Lease shall terminate sixty (60) days thereafter. If TENANT does not exercise TENANT's right to terminate this Lease, then this Lease shall remain in full force and effect. Any compensation awarded as damages for the taking of the Property, together with any severance damage, shall be the joint property of the CITY and LANDLORD, except that any compensation awarded for TENANT's Charter School Improvements, trade fixtures, equipment and moving costs shall be paid to TENANT.

**18. DEFAULT.**

**A. Definitions.** A "Default" shall refer to any failure by TENANT to observe, comply with or perform any of the terms, covenants, conditions or rules applicable to TENANT under this Lease. The term "Breach" shall refer to the occurrence of any one or more of the following Defaults, and, where a grace period for cure after notice is specified herein, the failure of TENANT to cure such Default prior to the expiration of the applicable grace period:

**1.** TENANT's failure to comply with Section 4.A of the Lease or any default of GUARANTOR under the Improvement Agreement.

**2.** Other than regular (e.g., summer) break periods, vacating the Property without the evident intention to reoccupy same, an abandonment of the Property, notice of intent to abandon Property expressed in written notice, failing to continuously and uninterruptedly operate the Charter School Improvements for the Use, or TENANT's failure to secure and continuously maintain a charter for the Charter School Improvements in accordance with Section 16.B of this Lease.

**3.** TENANT's failure to make any monetary payment of Monthly Rent or any other monetary payment required to be made by TENANT hereunder as and when due where such failure continues for a period of three (3) days or more after it is due, the failure of TENANT to provide LANDLORD with reasonable evidence of insurance or surety bond required under this Lease where such failure continues for a period of ten (10) days or more, or TENANT's failure to fulfill any obligation under this Lease which poses an immediate threat to life or property, where such failure continues for a period of ten (10) days or more after notice to TENANT, provided, however, that if the nature of the foregoing default is such that additional time is reasonably required to cure such default, except as to the monetary payment of Monthly Rent, an extension of the applicable cure periods in this Section 18.A.3 may be requested by TENANT in writing prior to the expiration of the stated cure period; in which case, LANDLORD may, in its sole and

absolute discretion, extend the applicable cure period for a reasonable time as agreed in writing by LANDLORD. In the event LANDLORD serves TENANT with a Notice to Pay Rent or Quit pursuant to the California Unlawful Detainer statutes, such Notice to Pay Rent or Quit shall also constitute the notice required by this subsection.

4. The failure by TENANT to provide LANDLORD with reasonable written evidence (in duly executed original form, if applicable) (in compliance with such minimum standards as may be promulgated by LANDLORD) of (a) compliance with Applicable Requirements per Paragraph A of Section 16 concerning Hazardous Substances, (b) the rescission of an unauthorized assignment or subletting, (c) an executed guaranty substantially in the form of Exhibit "E" attached hereto and incorporated herein by reference for the performance of TENANT'S obligations under this Lease, if required by the Reference Pages, or (iv) any other documentation or information which LANDLORD may reasonably require under the terms of this Lease, where each of the foregoing failures continues for a period of twenty (20) days or more following written notice by LANDLORD.

5. A Default by TENANT as to any other terms, covenants, conditions or provisions of this Lease, or of the rules applicable to the Charter School Improvements that are to be observed, complied with or performed by TENANT, including but not limited to, the Conditional Use Permit, other than those described in the preceding subparagraphs (1) through (4) inclusive of Paragraph A of this Section 18, where such Default continues for a period of thirty (30) days or more after written notice thereof by LANDLORD to TENANT; provided, however, that if the nature of TENANT'S Default is such that more than thirty (30) days are reasonably required for its cure, then TENANT shall not be deemed to be a Breach of this Lease if TENANT provides written notice along with documentation of the need for an extended cure period to LANDLORD and, if verified by LANDLORD, commences such cure within said thirty (30) day period and thereafter continuously and diligently prosecutes such cure to completion.

6. A Default by TENANT as to the terms of any Approved Encumbrance, where such Default continues for a period of thirty (30) days or more after written notice thereof by LANDLORD;

7. The occurrence of any of the following events: (a) the making by TENANT of an assignment for the benefit of creditors; (b) TENANT'S becoming a "debtor" as defined in 11 U.S. Code Section 101 or any successor statute thereto (unless, in the case of a petition filed against TENANT, the same is dismissed within sixty (60) days); (c) the appointment of a trustee or receiver to take possession of substantially all of TENANT'S assets located at the Property or of TENANT'S leasehold interest in this Lease, where possession is not restored to TENANT within thirty (30) days; or (d) the attachment, execution, or other judicial seizure of substantially all of TENANT'S assets located at the Property or of TENANT'S leasehold interest in this Lease, where such seizure is not discharged within thirty (30) days.

8. If the performance of TENANT'S obligations under this Lease is guaranteed: The discovery by LANDLORD that any financial statement of TENANT or

of any Guarantor, given to LANDLORD by TENANT or GUARANTOR, was materially false when made.

**9.** If the performance of TENANT's obligations under this Lease is guaranteed: (a) the death of a Guarantor, if a person, or the dissolution or cessation of business of a Guarantor, if an entity, (b) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (c) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, or (d) a Guarantor's failure or refusal to execute and/or honor the guaranty, and TENANT'S failure, within sixty (60) days following written notice by LANDLORD to TENANT of any such event, to provide LANDLORD with written alternative assurances of security, which, when coupled with the then existing resources of TENANT, equals or exceeds the combined financial resources of TENANT and the Guarantors that existed at the time of execution of this Lease.

## **B. Remedies.**

**1.** Other than as provided in Paragraph A of this Section 18, if TENANT fails to perform any affirmative duty or obligation of TENANT under this Lease within ten (10) days after written notice to TENANT (or in case of an emergency which endangers life or property, without notice), LANDLORD may at its option (but without obligation to do so), perform such duty or obligation on TENANT's behalf, including, but not limited to, the obtaining of reasonably required insurance policies or governmental licenses, permits, or approvals. The costs and expenses of any such performance by LANDLORD shall be due and payable by TENANT to LANDLORD within ten (10) days of LANDLORD's demand.

**2.** In the event of a Breach of the Lease by TENANT (as defined Paragraph A of Section 18), with or without further notice or demand, and without limiting LANDLORD in the exercise of any right or remedy which LANDLORD may have by reason of such Breach, LANDLORD may:

a. Terminate TENANT's right to possession of the Property by any lawful means, in which case this Lease and the term hereof shall terminate and TENANT shall immediately surrender possession of the Property to LANDLORD. In such event LANDLORD shall be entitled to recover from TENANT: (i) the worth at the time of the award of the unpaid rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the TENANT proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that the TENANT proves could be reasonably avoided; and (iv) any other amount necessary to compensate LANDLORD for all the detriment proximately caused by the TENANT's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including, but not limited to, the cost of recovering possession of the Property, expenses of reletting, including necessary renovation and

alteration of the Property, reasonable attorneys' fees, and that portion of any leasing commission paid by LANDLORD in connection with this Lease and applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco or the Federal Reserve Bank District in which the Property is located at the time of award plus one percent (1%). LANDLORD's attempt to mitigate damages caused by TENANT's Default or Breach of this Lease shall not waive LANDLORD's right to recover damages under this Section 18. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, LANDLORD shall have the right to recover in such proceeding the unpaid rent and damages as are recoverable therein, or LANDLORD may reserve the right to recover all or any part thereof in a separate suit for such rent and/or damages.

b. Continue the Lease and TENANT'S right to possession in effect under California Civil Code Section 1951.4 after TENANT'S Breach and recover the rent as it becomes due, provided TENANT has the right to sublet or assign, subject only to reasonable limitations. LANDLORD and TENANT agree that the limitations on assignment and subletting in this Lease are reasonable. LANDLORD maintenance of the Property or efforts to relet the Property, or the appointment of a receiver to protect the LANDLORD interest under this Lease, shall not constitute a termination of the TENANT'S right to possession.

c. Pursue any other remedy now or hereafter available to LANDLORD under the laws or judicial decisions of the State of California.

**3.** Except for TENANT's failure to pay monetary Monthly Rent during the Extended Term, TENANT's failure to comply with Section 4.A of the Lease, or GUARANTOR's failure to construct and complete the Preschool Improvements in accordance with the Improvement Agreement, for which LANDLORD shall immediately have the remedies available in this Lease or the Improvement Agreement, respectively, without first going through the dispute resolution procedures set forth below, compliance with the Dispute Resolution procedures specified in Section 19 shall be a precondition to the availability of the Remedies of LANDLORD (for TENANT's Breach) specified in the foregoing subparagraph 2 of Paragraph B of this Section 18. For avoidance of doubt, LANDLORD may deliver notices of Default and/or Breach during the pendency of the dispute resolution procedures.

**C. Survival of Indemnity Provisions.** The expiration or termination of this Lease and/or the termination of TENANT's right to possession shall not relieve TENANT from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the Term or by reason of TENANT's use of the Property.

**D. Tenant's Personal Property.** TENANT covenants and agrees that immediately upon termination of this Lease, TENANT shall remove and properly dispose of all of TENANT's personal property, machinery or fixtures from the Property. If TENANT fails to remove any such personal property, LANDLORD may remove such personal

property and place the same in storage at the expense of TENANT and without liability to LANDLORD for losses. TENANT agrees to pay LANDLORD for all expenses incurred by LANDLORD in connection with the removal, and storage charges of TENANT's personal property, including attorney's fees and court costs. Alternatively, LANDLORD may at its option and on not less than ten (10) days written notice to TENANT sell all or any part of said personal property at public or private sale for such prices as LANDLORD may obtain. LANDLORD shall apply the proceeds of any such sale to the amounts due from TENANT under this Lease and to any expense incidental to such sale. Any surplus arising from such sale shall be refunded to TENANT.

**E. No Waiver by Landlord.** Receipt of any rent or of any other amounts of money paid by TENANT after the termination and forfeiture of this Lease, or after the giving by LANDLORD of any notice to effect such termination, shall not waive the Default, reinstate, continue or extend the Term of this Lease, or destroy or impair the efficacy of LANDLORD notice of termination, unless otherwise agreed in writing by LANDLORD.

## **19. DISPUTE RESOLUTION.**

**A. Negotiations Between Designated Representatives.** If required by Section 18.B.3 of this Lease, LANDLORD and TENANT agree to promptly negotiate in good faith to resolve any applicable outstanding default arising out of this Lease (a "Dispute"). In the event of a Dispute, the Parties shall continue to perform their respective obligations in good faith and shall not suspend performance during the Dispute resolution procedure. The Party raising the Dispute shall give written notice to each of the other Parties of such Dispute, provided that any notices of Default or Breach delivered by LANDLORD in accordance with this Lease shall constitute the notice of Dispute required herein. In the event of a Dispute, within five (5) business days after the other Party's receipt of written notice, the Parties agree to meet through their Designated Representatives in good faith in an attempt to resolve the Dispute through informal negotiations. The Designated Representatives shall record the date of the Parties' first in-person meeting. The Designated Representatives for the Parties are as follows: the COUNTY's Director of the Real Estate Services Department (or authorized designee) for COUNTY, the CITY's City Manager (or authorized designee) for CITY, and TENANT's Charter School Executive Director/CEO (or authorized designee) for TENANT. If the Parties are unable to resolve the Dispute within thirty (30) business days from the date of said first in-person meeting, the Parties shall proceed to the dispute resolution method in Section 19.B. Any Dispute resolutions that would amend the Lease shall be set forth in writing and shall be approved by the governing bodies of the Parties.

**B. Mediation.** The Parties agree in the event any Dispute is not resolved after commencement of good faith negotiations under Paragraph A of this Section, the Dispute shall be submitted to a formal mediation process prior to commencing an action or the LANDLORD exercising its remedies under this Agreement. The mediation shall be convened within forty-five (45) business days of the first meeting of the Designated Representatives and shall conclude within sixty (60) business days of the first meeting of said Designated Representatives. The costs of the mediation shall

be shared equally by the Parties. The Parties agree to mediation using then current mediation procedures of JAMS or its successor.

**C. Litigation.** Any Dispute which remains unresolved after participation in the foregoing Dispute resolution procedures may thereafter be submitted to litigation in the main branch of the San Bernardino County Superior Court and shall permit LANDLORD to exercise its remedies under the Lease or at law or in equity (without any further notice requirements).

**20. TIME OF ESSENCE.** Except as otherwise specifically provided in the Lease, time is of the essence for each provision of this Lease which specifies a time within which performance is to occur. In the absence of any specified time for performance, performance may be made within a reasonable time.

**21. PROVISIONS ARE COVENANTS AND CONDITIONS.** All provisions, whether covenants or conditions on the part of either party shall be deemed to be both covenants and conditions.

**22. CONSENT.** Except as otherwise specifically provided in the Lease, whenever consent or approval of either party is required, that party shall not unreasonably withhold such consent or approval.

**23. EXHIBITS.** All exhibits referred to in this Lease or attached to this Lease are incorporated herein by reference.

**24. LAW.** This Lease shall be construed and interpreted in accordance with the laws of the State of California.

**25. ATTORNEYS' FEES AND COSTS.** If any legal action is instituted to enforce or declare any party's rights hereunder, each party, including the prevailing party, must bear its own costs and attorneys' fees. This paragraph shall not apply to those costs and attorneys' fees directly arising from any third party legal action against the CITY or COUNTY, including such costs and attorneys' fees payable under Section 8, INDEMNIFICATION, Sections 11.E and 11.F, CHARTER SCHOOL IMPROVEMENTS, Section 16.A.5, HAZARDOUS SUBSTANCES, and Section 34, PUBLIC RECORDS DISCLOSURE.

**26. VENUE.** The parties acknowledge and agree that this Lease was entered into and intended to be performed in San Bernardino County, California. The parties agree that the venue for any action or claim brought by any party to this Lease will be the main (downtown) branch of the Superior Court of California, County of San Bernardino. Each party hereby waives any law, statute (including but not limited to California Code of Civil Procedure Section 394) or rule of court that would allow it to request or demand a change of venue. If any action or claim concerning this Lease is brought by any third party, the parties hereto agree to use their best efforts to obtain a change of venue to the main (downtown) branch of the Superior Court of California, County of San Bernardino.



**27. COMPLIANCE WITH LAW.** TENANT and its officers, employees, agents, contractor, agents, invitees, and assigns shall be bound by and comply with all applicable federal, state and local laws, statutes, ordinances, administrative orders, rules or regulations relating to its duties, obligations, rights and performance under the terms of this Lease.

**28. CAPTIONS, TABLE OF CONTENTS AND COVER PAGE.** The paragraph captions, table of contents and the cover page of this Lease are for the convenience of the Parties and shall have no effect on its interpretation.

**29. NOTICES.** Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party, including but not limited to, notices required under the California unlawful detainer statutes, or any other person, shall be in writing and either served personally, sent by United States mail, postage prepaid, first-class mail, certified or registered, return receipt requested, or by overnight courier to the other party at the address listed in the Reference Pages. Either party may change its address by notifying the other party of the change of address. Notices shall be deemed delivered and effective upon the earlier of (i) actual receipt if personally delivered on a business day; otherwise on the next business day, or (ii) the date of delivery or refusal of the addressee to accept delivery if delivered on a business day, otherwise on the next business day, if such notice is sent by or United States mail, postage prepaid, certified or registered, return receipt requested, or overnight courier.

**30. RECORDATION OF LEASE.** Any Party may record a short form memorandum of this Lease at its own cost. Upon termination or expiration of this Lease, TENANT shall, within ten (10) days of such termination or expiration, execute and record a quitclaim deed (or any other document required by LANDLORD) as to its leasehold interest.

**31. SEVERANCE.** If any provision of this Lease is determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this Lease and all such other provisions shall remain in full force and effect. It is the intention of the parties hereto that if any provision of this Lease is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

**32. SURVIVAL.** The obligations of the parties, which by their nature continue beyond the term of this Lease, will survive the termination of this Lease.

**33. REPRESENTATIONS AND AUTHORITY.** If TENANT is a corporation, each of the persons executing this Lease on behalf of TENANT represents or warrants that TENANT has been and is qualified to do business in the State of California, that the corporation has full right and authority to enter into this Lease, and that all persons signing on behalf of the corporation were authorized to do so by the appropriate corporate actions. If TENANT is a partnership, limited liability company, trust or other legal entity, each of the persons executing this Lease on behalf of TENANT represents or warrants that

TENANT has complied with all applicable laws, rules and governmental regulations relative to its right to do business in the State of California and that all persons signing on behalf of such entity were authorized to do so by any and all appropriate actions. TENANT agrees to furnish upon LANDLORD's request a corporate resolution, or other appropriate documentation evidencing the authorization of TENANT to enter into this Lease.

**34. PUBLIC RECORDS DISCLOSURE.** All information received by the LANDLORD from TENANT or from any source concerning this Lease, including the Lease itself, may be treated by the LANDLORD as public information subject to disclosure under the provisions of the California Public Records Act, Government Code Sections 6250 et seq. (the "Public Records Act"). TENANT acknowledges and understands that although all materials received by the LANDLORD in connection with this Lease are intended for the exclusive use of the LANDLORD, they are potentially subject to disclosure under the provisions of the Public Records Act. In the event a request for disclosure of any part or all of any information which TENANT has reasonably requested LANDLORD to hold in confidence is made to the LANDLORD, LANDLORD shall endeavor to notify the TENANT of the request and shall thereafter disclose the requested information unless the TENANT, within five (5) days of receiving notice of the disclosure request, requests nondisclosure, provides LANDLORD a legally sound basis for the nondisclosure, and agrees to indemnify, defend (with counsel reasonably approved by LANDLORD), and hold the CITY or COUNTY harmless in any/all actions brought to require disclosure. TENANT waives any and all claims for damages, lost profits, or other injuries of any and all kinds in the event LANDLORD fails to notify TENANT of any such disclosure request and/or releases any information concerning the contract received from the TENANT or any other source.

**35. INTERPRETATIONS.** As this Lease was jointly prepared by the Parties, the language in all parts of this Lease shall be construed, in all cases, according to its fair meaning, and not for or against either party hereto.

**36. ENTIRE AGREEMENT.** This agreement, including recitals, constitutes a single, integrated contract, expressing the entire agreement and understanding of the parties concerning the subject matter of this agreement, and this agreement supersedes and replaces all prior understandings, negotiations, proposed agreements and agreements, whether oral or written, express or implied.

**37. AMENDMENT.** No waiver, modification or amendment of any term condition or provision of this Lease shall be valid or shall have any force or effect unless made in writing and signed by all of the parties hereto.

**38. NO RELIANCE.** LANDLORD makes no warranties or representations of any kind concerning the condition of the Property or the fitness of the Property for the use intended by TENANT, and hereby disclaim any knowledge with respect thereto, it being expressly understood by the parties that TENANT has inspected the Property, knows its condition, finds it fit for TENANT's intended use, accepts the Property AS-IS, and has ascertained that it can be used for the limited purposes specified in the Use section on the Reference Pages. In entering into this agreement, each of the parties acknowledges,

represents and warrants that it has not relied upon any promise, statement or representation, express or implied, of any other party or such other party's agents, employees, or attorneys, not contained in this agreement.

**39. FORMER COUNTY OFFICIALS.** TENANT agrees to provide information on former COUNTY administrative officials (as defined below) who are presently employed by or currently represent TENANT. The information provided includes a list of former COUNTY administrative officials who terminated COUNTY employment within the last five years and who are now officers, principals, partners, associates or members of TENANT. The information also includes the employment with and/or representative capacity and the date those individuals began employment with or representation of TENANT. The information does not include COUNTY administrative officials who served in a volunteer capacity with, represented, or were employed by TENANT prior to January 1, 2019. For purposes of this provision, "COUNTY administrative official" is defined as a member of the Board of Supervisors or such officer's staff, COUNTY Administrative Officer or member of such officer's staff, COUNTY department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit. (See Exhibit "D", List of Former County Officials.)

**40. MATERIAL MISREPRESENTATION.** If during the course of the administration of this Lease, the LANDLORD determines that the TENANT has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the LANDLORD, this Lease may be immediately terminated by LANDLORD. If this Lease is terminated according to this provision, the LANDLORD is entitled to pursue any available remedies at law or in equity.

**41. BROKER'S COMMISSIONS:** Each Party represents and warrants to the other that no real estate broker, agent, commissioned salesperson or other person has represented said Party in the negotiations of this Lease. Each party agrees to indemnify and hold the other harmless from and against any claim, loss, liability or expense, including reasonable attorneys' fees, incurred by the other party as a result of a breach of its respective representations herein.

**42. EASEMENTS.** LANDLORD reserves the right, from time to time, to grant such easements, rights and dedications on the Property that LANDLORD, in its sole discretion, deems necessary or desirable, and to cause the recordation of parcel maps and restrictions, so long as such easements, rights, dedications, maps and restrictions do not materially interfere with the permitted use of the Property by TENANT. TENANT shall sign any of the aforementioned documents upon request of LANDLORD and failure to do so shall constitute a material breach of this Lease.

**43. INDEPENDENT CONTRACTOR.** It is agreed that TENANT shall act and be an independent contractor and not an agent nor employee of LANDLORD.

**44. NON-DISCRIMINATION.** TENANT covenants it shall not discriminate based upon race, color, creed, religion, sex, marital status, age, handicap, national origin or ancestry in any activity pursuant to this Lease.

**45. AUTHORITY.** The Parties represent and warrant that the individuals signing this Lease have the requisite authority to bind their respective organizations to the terms and conditions of this Lease. This Lease has been adopted by noticed public hearings of the Parties hereto and all Parties are fully authorized to enter into this agreement.

**46. ASSIGNMENT AND SUBLETTING BY TENANT.**

1. TENANT shall not voluntarily, by operation of law, or by merger, sale, transfer, or otherwise assign this Lease in its entirety, sublease the Property in whole or in part, or permit any third-party use of the Property in whole or in part without the prior written consent of CITY and COUNTY. Notwithstanding anything to the contrary in the foregoing, TENANT may assign the Lease in its entirety or sublease the Property in whole or in part to (a) the GUARANTOR or (b) any entity which controls, is controlled by, or is under common control with TENANT or the GUARANTOR without CITY and COUNTY consent but with prior notice to LANDLORD ("Affiliate Transferee"), provided that TENANT is not then in default under the Lease and any such subleases to an Affiliate Transferee shall be substantially in the form of Exhibit "F" attached, which shall provide that this Lease controls in the event of conflict, the premises in the sublease does not exceed the Property, the use under the sublease is consistent with the use in this Lease, the term of the sublease does not exceed the Term of this Lease, and if not earlier terminated, the sublease terminates concurrently with the termination of this Lease, TENANT remains responsible for the acts and omissions of its subtenant, and neither TENANT nor GUARANTOR shall be released from any of its obligations under this Lease or the Guaranty, respectively. For any such assignments to an Affiliate Transferee, the assignment shall be on the same terms and conditions, which shall be assumed by the Affiliate Transferee, TENANT remains responsible for the acts and omissions of its assignee and neither TENANT nor GUARANTOR shall be released from its obligations under this Lease or the Guaranty, respectively.

2. If LANDLORD consent is required for any assignment or subletting, other than as provided in Paragraph (1) of this Section 46, such consent shall be on terms and conditions reasonably acceptable to LANDLORD, including but not limited to that TENANT is not in Default at the time of consent, that TENANT shall submit an assignment or sublease agreement in a form acceptable to the LANDLORD, documentation regarding the financial strength of the proposed assignee or subtenant, a current credit report of the assignee or subtenant, including credits reports for each of its principals, and information related to the responsibility and appropriateness, expertise, and expertise of the proposed assignee or subtenant for the Use, which shall be equal to or greater than that of TENANT.

3. Whether LANDLORD consent is required or not, any assignment or sublease shall not: (i) be effective without the express written assumption by such assignee or subtenant of all of TENANT's obligations under this Lease; (ii) release TENANT of any of its obligations hereunder; (iii) alter the primary liability of TENANT for the payment of the monthly rent and other amounts due COUNTY pursuant to this Lease or for the performance of any of TENANT's other obligations under this Lease; nor (iv) alter, discharge or release the liability of any Guarantor on this Lease.

4. Except as provided in Paragraph 1 of Section 46, any assignment or sublease without LANDLORD's consent shall be voidable and, at LANDLORD's election, shall constitute a default under this Lease. LANDLORD's consent to any assignment or sublease shall not constitute a waiver of LANDLORD's right to require consent to any subsequent assignment or sublease. COUNTY's RESD Director and the CITY's City Manager shall have the authority to review assignment and subletting requests for the COUNTY and CITY, respectively and to provide LANDLORD consent, if such assignment or subletting is approved by both the COUNTY and the CITY.

**47. LANDLORD RIGHT OF ENTRY.** TENANT shall permit LANDLORD and its authorized employees, agents, contractors, and representatives to enter the Property and the Charter School Improvements thereon at all reasonable times upon not less than twenty-four (24) hours prior notice (except in the event of an emergency, in which case no prior notice is required) for the purposes of (i) serving or posting or keeping posted thereon notices required or permitted by law, (ii) conducting periodic inspections for compliance with the terms of the Lease, (iii) exercising LANDLORD's rights under this Lease, and (iv) showing the Property to brokers, potential buyers and tenants, and lenders.

**48. HOLDOVER.** If TENANT continues in possession or occupancy of the Property after the expiration or earlier termination of this Lease, and if said possession or occupancy is with the express written consent of the LANDLORD, then TENANT shall be deemed to be holding the Property on a month-to-month tenancy subject to all the provisions of this Lease except the monthly rent and either Party may terminate the Lease at any time during the holdover period by providing not less than thirty (30) days prior written notice to the other Party. The monthly rent payable during such permitted period of holding over after the Initial Term shall be the fair market monthly rental rate then prevailing based on the monthly rental rate of comparable leased properties in the County of San Bernardino, as reasonable determined by LANDLORD. The monthly rent payable during such permitted period of holding over after the Extended Term shall be monthly rent that was payable in the last month of the Extended Term plus the annual escalation applicable during the Extended Term.

**49. GUARANTOR.** If the Reference Pages provide that TENANT's obligations pursuant to this Lease are to be guaranteed by one or more Guarantors, then each Guarantor shall execute the form of the guaranty attached hereto as Exhibit "E" "Guaranty of Lease" and each such Guarantor shall have the same obligations as TENANT under this Lease.

IN WITNESS THEREOF, the parties executed this agreement.

**COUNTY: County of San Bernardino**

**CITY: City of San Bernardino**

By: \_\_\_\_\_  
\_\_\_\_\_, Chair

By: \_\_\_\_\_  
Teri Ledoux, City Manager

Board of Supervisors

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

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

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

**TENANT: 230 SOUTH WATERMAN AVENUE, LLC**

Lynna Monell  
Clerk of the Board of Supervisors of the County of San Bernardino

By: \_\_\_\_\_

Title: \_\_\_\_\_

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

By: \_\_\_\_\_

*Deputy*

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

APPROVED AS TO LEGAL FORM  
MICHELLE D. BLAKEMORE,  
County Counsel,  
San Bernardino County Counsel

By: \_\_\_\_\_

Deputy County Counsel

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

**EXHIBIT A**  
**PROPERTY**  
**Legal Description**

[To Be Attached]

**EXHIBIT B**  
**PROPERTY**  
**Plat**



## EXHIBIT C

### FORM OF CONSENT, RECOGNITION AND ATTORNMENT AGREEMENT

This CONSENT, RECOGNITION AND ATTORNMENT AGREEMENT ("Agreement") is entered into by and among the COUNTY OF SAN BERNARDINO, and the CITY OF SAN BERNARDINO, hereinafter collectively referred to as "LANDLORD", 230 SOUTH WATERMAN AVENUE, LLC, hereinafter referred to as "TENANT", HIGH DESERT PARTNERSHIP IN ACADEMIC EXCELLENCE FOUNDATION, INC., hereinafter referred to as "SUBTENANT", and \_\_\_\_\_ hereinafter referred to as "LENDER."

#### Recitals

A. LANDLORD and TENANT entered into that certain Ground Lease Agreement, Agreement No. \_\_\_\_\_ dated \_\_\_\_\_, 20\_\_, hereinafter referred to as "Ground Lease", whereby LANDLORD agreed to lease to TENANT and TENANT agreed to lease from LANDLORD certain real property legally described on Exhibit "A" attached hereto and known as 230 S. Waterman Avenue, San Bernardino, California, comprising approximately 15.6 acres ("Property") for use as a public charter school.

B. TENANT and SUBTENANT have entered into that Sublease dated \_\_\_\_\_, 20\_\_, hereinafter referred to as "Sublease" whereby TENANT agreed to sublease to SUBTENANT and SUBTENANT agreed to sublease from TENANT the Property for SUBTENANT to construct certain charter school improvements and to operate the public charter school facility known as the Norton Science and Language Academy under a charter granted by the San Bernardino County Board of Education.

C. TENANT has made, executed and delivered, or is about to make, execute and deliver to LENDER a leasehold deed of trust dated substantially contemporaneously herewith ("Leasehold Deed of Trust"), encumbering TENANT's leasehold interest and SUBTENANT's subleasehold interest in the Property created by the Lease and the Sublease, respectively, to secure financing or refinancing for the construction of certain charter school improvements at the Property and certain preschool improvements for the County of San Bernardino on a separate parcel of LANDLORD-owned real property known as 205 Allen Street, San Bernardino, California, comprising approximately 2.23 acres (the "Head Start Parcel").

D. TENANT represents that it is a condition precedent of the loan that the Leasehold Deed of Trust shall be and remain at all times until said loan is repaid a lien upon SUBTENANT's subleasehold interest and TENANT's leasehold interest in the Property created by the Sublease and the Lease, respectively.

## Covenants

In consideration of the recitals set forth above, which are incorporated herein, and the covenants and agreements contained herein, the parties agree as follows:

1. Subject to the terms of this Agreement, LANDLORD hereby consents to TENANT entering into the Leasehold Deed of Trust to encumber TENANT's leasehold interest and SUBTENANT's subleasehold interest in the Property created by the Lease and the Sublease, respectively, provided that the Leasehold Deed of Trust shall be subordinate to LANDLORD's fee interest in the Property. For avoidance of doubt, the parties hereby acknowledge and agree that, notwithstanding anything to the contrary in this Agreement, the Lease, the Sublease, or any financing documents, the Leasehold Deed of Trust does not encumber LANDLORD's fee interest in the Property nor does it in any manner encumber the Head Start Parcel or any improvements thereon even if a portion of the loan proceeds is intended to or shall be used for the construction of certain preschool improvements on the Head Start Parcel.

2. Upon repayment of the loan described in the Leasehold Deed of Trust, LENDER agrees to fully re-convey all of LENDER's interest in the Property created by the Leasehold Deed of Trust (and any rights exerted thereunder), and LENDER shall, at its sole cost and expense, execute such documents as reasonably requested by LANDLORD to release said Leasehold Deed of Trust.

3. In the event of any conflict between the provisions of the Lease and the provisions of this Agreement, the Sublease, the Leasehold Deed of Trust, or any other financing agreements, the terms of such provisions shall be construed to be as consistent as possible, but if such reading is not possible, the provisions of the Lease shall control.

4. Any material additions or modifications to the Leasehold Deed of Trust shall first be approved in writing by the LANDLORD. The approvals described in this Paragraph shall not be unreasonably withheld, delayed or conditioned.

5. No amendment to the Lease that modifies any of its material economic terms or the Term shall be valid without LENDER's prior written consent. TENANT shall be required to obtain LENDER's prior written consent prior to the execution of such amendment.

6. The proceeds of the loan to TENANT shall be used solely for payment of expenses incident to construction of certain charter school improvements for the operation of the Norton Science and Language Academy at the Property and certain preschool improvements for the County of San Bernardino on the separate Head Start Parcel and to pay the costs of the financing. Neither SUBTENANT nor TENANT shall have the right to encumber its subleasehold interest or leasehold interest in the Property created by the Sublease and Sublease, respectively to finance any other charter schools, programs, or foundations operated by SUBTENANT or TENANT or any of its affiliates.

7. Until the loan described in the Leasehold Deed of Trust is repaid in full, LANDLORD shall provide LENDER with notice at the same time that it provides notice to TENANT of any Default, including, without limitation, those that would result in any surrender of the Property or termination of the Lease. LENDER shall have the same rights, at any time during the Term, to enter the Property to (A) do any act or thing required of TENANT hereunder, within the time TENANT is required to perform such act or thing hereunder, whenever failure to do such act or thing would constitute a default hereunder, provided that prior to any Default, LENDER shall provide written notice to LANDLORD if LENDER acts on behalf of TENANT; and/or (B) cure any Default as the TENANT has under this Lease; and LANDLORD shall accept such performance or cure by a LENDER as if TENANT had performed. No LENDER shall be required to cure any default of TENANT unless such LENDER has elected to acquire the leasehold interest in writing or via foreclosure or deed in lieu thereof. LANDLORD agrees that if TENANT fails to cure any default under the Lease within the time provided for in the Lease, except for defaults due to TENANT's failure to pay monetary Monthly Rent, TENANT's failure to comply with Section 4.A of the Lease, or SUBTENANT'S failure to construct and complete the Preschool Improvements on the Head Start Parcel in accordance with the Improvement Agreement for which no additional time shall be granted to LENDER (collectively, "Excluded Defaults"), LENDER shall have an additional ten (10) business days after LENDER's receipt of written notice of Default within which to cure such default that are not Excluded Defaults ("Eligible Default"), provided if such Eligible Default is of a nature that it cannot reasonably be cured within ten (10) business days then so long as LENDER commences cure within said ten (10) business days and thereafter diligently prosecutes such cure of an Eligible Default to completion, LENDER shall have a reasonable period to cure such Eligible Default, not to exceed 30 days from LENDER's receipt of the written notice of Eligible Default unless possession of the Property is required in order to cure such Eligible Default. If possession of the Property is required to prosecute and complete a cure of an Eligible Default, LENDER shall have such additional time as reasonably necessary to obtain possession and diligently prosecute and complete the cure, which shall not exceed 180 days from LENDER's receipt of the written notice of Eligible Default.

8. Upon default by TENANT under any of the terms of the Leasehold Deed of Trust, LENDER may exercise any rights provided in the Leasehold Deed of Trust, provided that before any sale of TENANT's leasehold interest in the Property, whether under power of sale or foreclosure, LENDER shall give to LANDLORD written notice of the same character and duration as is required to be given to TENANT by the terms of the Leasehold Deed of Trust or the laws of the State of California.

9. If any default under the Leasehold Deed of Trust shall continue after the giving of LENDER's notice to LANDLORD pursuant to Paragraph 8 of this Agreement, LANDLORD, prior to sale of the leasehold interest in the Property, shall have the right to correct such default at TENANT's cost, which costs shall be reimbursed by TENANT upon demand and/or exercise LANDLORD's remedies under the Lease.

10. If a sale or foreclosure under the Leasehold Deed of Trust occurs or if the LENDER or its permitted assignee (as defined below) acquires the TENANT's leasehold interest by assignment in lieu of foreclosure, this Lease shall continue in full force on the

same terms and conditions and LENDER or said permitted assignee, as successor in interest to TENANT will be bound by all the terms of this Lease and will assume all the rights and obligations of TENANT under the Lease and LANDLORD shall recognize LENDER or said permitted assignee as TENANT under the Lease with all rights of TENANT thereunder and LANDLORD shall, after such event and upon such condition, have the same rights and remedies against LENDER or its permitted assignee for the default or breach of the Lease that LANDLORD has under the Lease against TENANT if LENDER or its permitted assignee had not succeeded to the interest of TENANT. Neither LENDER nor its permitted assignee shall assign this Lease, sublease any portion of the Property or appoint an agent to operate any portion of the Property without obtaining the prior written approval of CITY and COUNTY, and if approved, a "permitted assignee". Such approval shall not be unreasonably withheld, conditioned or delayed so long as the proposed assignee, subtenant or agent has demonstrated substantial experience in the operation of facilities similar to the Charter School Improvements. Notwithstanding the foregoing, LENDER, or such permitted assignee, shall upon assignment of the Lease in accordance with the terms thereof, be released of any all obligations under the Lease accruing thereafter. Nothing in this Agreement shall be deemed to be a recognition of the Sublease as a direct agreement between LANDLORD and SUBTENANT.

11. Any notice, demand, request, consent, approval or communication that a Party desires or is required to give to another Party or any other person, shall be in writing and either served personally, sent by United States mail, postage prepaid, first-class mail, certified or registered, return receipt requested, or by overnight courier to another Party at the address set forth below. A Party may change its address by notifying the other Parties of the change of address. Notices shall be deemed delivered and effective upon the earlier of (i) actual receipt if personally delivered on a business day; otherwise on the next business day, or (ii) the date of delivery or refusal of the addressee to accept delivery if delivered on a business day, otherwise on the next business day, if such notice is sent by or United States mail, postage prepaid, certified or registered, return receipt requested, or overnight courier.

COUNTY's Notice Address:

CITY's Notice Address:

TENANT's Notice Address:

SUBTENANT's Notice Address:

LENDER Notice Address:

12. This Agreement is binding upon and inures to the benefit of the Parties and their respective successors, assigns, heirs, executors, and administrators.

13. If any legal action is instituted to enforce or declare a party's rights hereunder, each party, including the prevailing party, must bear its own attorneys' fees and costs.

14. This Agreement shall be governed by and construed in accordance with the laws of the State of California. The parties acknowledge and agree that this Agreement was entered into and intended to be performed in the County of San Bernardino, California. The parties agree that the venue for any action or claim brought by any party to this Agreement will be the Superior Court of California, County of San Bernardino. Each party hereby waives any law, statute (including but not limited to Code of Civil Procedure section 394), or rule of court that would allow them to request or demand a change of venue. If any third party brings an action or claim concerning this Agreement, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, County of San Bernardino.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year written below.

**COUNTY: County of San Bernardino**

**CITY: City of San Bernardino**

By: \_\_\_\_\_  
\_\_\_\_\_, Chair  
Board of Supervisors

By: \_\_\_\_\_  
Teri Ledoux, City Manager

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

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

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

**TENANT: 230 SOUTH WATERMAN AVENUE, LLC**

Lynna Monell  
Clerk of the Board of Supervisors of the County of San Bernardino

By: \_\_\_\_\_

Title: \_\_\_\_\_

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

By: \_\_\_\_\_  
*Deputy*

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

APPROVED AS TO LEGAL FORM  
MICHELLE D. BLAKEMORE,  
County Counsel,  
San Bernardino County Counsel

By: \_\_\_\_\_

Deputy County Counsel

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

**LENDER**

By: \_\_\_\_\_  
*(Authorized signature- sign in blue ink)*

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**HIGH DESERT PARTNERSHIP IN  
ACADEMIC EXCELLENCE  
FOUNDATION, INC.**

By: \_\_\_\_\_  
*(Authorized signature- sign in  
blue ink)*

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**EXHIBIT D**

**LIST OF FORMER COUNTY OFFICIALS**

INSTRUCTIONS: List the full name of the former COUNTY Administrative Official, the title/description of the Official's last position with the COUNTY, the date the Official terminated COUNTY employment, the Official's current employment and/or representative capacity with the TENANT, the date the Official entered TENANT's employment and/or representation.

OFFICIAL'S NAME:                      REQUIRED INFORMATION

TENANT certifies that the foregoing information is true and accurate.

**TENANT:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## EXHIBIT E

### FORM OF GUARANTY OF LEASE

This Guaranty of Lease (“Guaranty”) dated as of \_\_\_\_ [date] is executed by High Desert Partnership in Academic Excellence Foundation, Inc., a California nonprofit public benefit corporation (“Guarantor”) in favor of the City of San Bernardino (“City”) and the County of San Bernardino (“County”). The City, County, and Guarantor are the “Parties” to this Guaranty.

#### Recitals

**A.** City and County, collectively as landlord (“Landlord”), and 230 South Waterman Avenue, LLC, a California limited liability company, as tenant (“Tenant”) have entered into a Ground Lease Agreement dated as of \_\_\_\_ [date-identify as Lease referenced date or execution date] (“Lease”), whereby Landlord agreed to lease to Tenant and Tenant agreed to lease certain real property known as 230 S. Waterman Avenue, San Bernardino, California, comprising approximately 15.66 acres (“Property”) for use as a public charter school.

**B.** Guarantor operates two public charter schools, the Norton Science and Language Academy (“NSLA”), which the Guarantor intends to operate on the Property, and the Academy for Academic Excellence (“AAE”), which operates in Apple Valley, California. Guarantor also operates the Goldstone Apple Valley Radio Telescope (“GAVRT”) Radio Astronomy Program, the Apple Valley Center for Innovation (“AVCI”), and the Lewis Center Foundation (the “Foundation”).

**C.** As a condition to entering into the Lease, Landlord has required that Guarantor execute and deliver to Landlord this Guaranty.

**D.** In addition to this Guaranty, as TENANT’s consideration for the Lease, Guarantor has entered into that certain Improvement and Maintenance Agreement with County on even date with the Lease wherein Guarantor shall perform certain obligations as set forth in said agreement.

In consideration of Landlord entering into the Lease of the Property to Tenant, Guarantor covenants and agrees as follows:

#### Section 1. Guaranty.

Guarantor absolutely and unconditionally guarantees to Landlord the full, faithful, and timely performance by Tenant of the Lease, or any extensions, renewals, or modifications of the Lease; provided, however, that Guarantor’s obligations hereunder and under the Improvement Agreement are limited to Guarantor’s revenues, income, receipts, proceeds, and money attributable to the operation of, and the assets related to,



the NSLA (the "NSLA Property") and explicitly excludes any revenue, income, receipts and money attributable to the operations of, and assets related to, AAE, GAVRT, AVCI or the Foundation (the "Excluded Property"). The Parties acknowledge and agree that timely and complete performance of the Improvement Agreement by Guarantor is deemed a material covenant of Tenant under the Lease. If Tenant shall default at any time in the performance of any covenant or obligation under the Lease, then Guarantor, at Guarantor's expense, shall on demand by Landlord fully and promptly perform all covenants and obligations to be performed by Tenant pursuant to the Lease, but such performance shall be limited to the NSLA Property, and Guarantor shall not be obligated to use any Excluded Property in its performance of its obligations under the Improvement Agreement or the Guaranty. In addition, and notwithstanding any contrary language in the Lease, Guarantor shall on demand by Landlord pay to Landlord all amounts due to Landlord, including, without limitation, all interest on past due obligations of Tenant, costs advanced by Landlord, damages, and all expenses (including, without limitation, court costs and reasonable attorney fees) that may arise in consequence of Tenant's default, but solely from the NSLA Property.

## **Section 2. Waivers.**

Guarantor authorizes Landlord, without notice or demand and without affecting Guarantor's liability under this Guaranty, to:

(a) consent to any extensions, accelerations, or other changes in the time for any payment provided for in the Lease, or consent to any other alteration of any covenant, term, or condition of the Lease in any respect, and to consent to any assignment, subletting, or reassignment of the Lease;

(b) take and hold security for the performance of any covenant, term, or condition of the Lease, or exchange, waive, or release any security, but only from the NSLA Property; and

(c) apply this security and direct the order or manner of its sale as LANDLORD may determine. Notwithstanding any termination, renewal, extension or holding over of the Lease, this Guaranty of Lease shall continue until all of the covenants and obligations on the part of Tenant under the Lease to be performed have been fully and completely performed by Tenant and Guarantor shall not be released of any obligation or liability under this Guaranty so long as there is any claim against Tenant arising out of the Lease that has not been settled or discharged in full.

## **Section 3. Independent Obligations.**

The obligations of Guarantor under this Guaranty are independent of, and may exceed, the obligations of Tenant. A separate action may, at Landlord's option, be brought and prosecuted against Guarantor, whether or not any action is first or subsequently brought against Tenant, or whether or not Tenant is joined in any action, and Guarantor may be joined in any action or proceeding commenced by Landlord against Tenant arising out of, in connection with, or based upon the Lease. Guarantor waives any right to

- (a) require Landlord to proceed against Tenant or any other person or entity or pursue any other remedy in Landlord's power;
  - (b) complain of delay in the enforcement of Landlord's rights under the Lease;
- and
- (c) require Landlord to proceed against or exhaust any security held from Tenant or Guarantor. Guarantor waives any defense arising by reason of any disability or other defense of Tenant or by reason of the cessation from any cause of the liability of Tenant. Guarantor waives all demands upon and notices to Tenant and to Guarantor, including, without limitation, demands for performance, notices of nonperformance, notices of non-payment, and notices of acceptance of this Guaranty of Lease.

#### **Section 4. Definition of Tenant; Limitations.**

For purposes of this Guaranty of Lease and the obligations and liabilities of Guarantor, the term "Tenant" shall be deemed to include any and all affiliates, concessionaires, licensees, franchisees, department operators, assignees, subtenants, or others directly or indirectly leasing or occupying the Property leased under the Lease or operating or conducting a business in or from the Property, as permitted by the Lease. Notwithstanding the foregoing or anything to the contrary in this Guaranty, the Parties acknowledge and agree that Guarantor's obligations under this Guarantee shall be satisfied in their entirety by the NSLA Property. The Parties further acknowledge and agree that no revenue of Guarantor derived from its operation of AAE, GAVRT, AVCI, the Foundation or any operations other than NSLA shall be available to satisfy the obligations of Guarantor hereunder or under the Improvement Agreement, and the facilities from which Guarantor operates AAE, GAVRT, AVCI, and the Foundation and other assets related to such operations are not pledged hereunder.

#### **Section 5. No Reporting Duty.**

Guarantor assumes full responsibility for keeping fully informed of the financial condition of Tenant and all other circumstances affecting Tenant's ability to perform Tenant's obligations under the Lease, and agrees that Landlord will have no duty to report to Guarantor any information that Landlord receives about Tenant's financial condition or any circumstances bearing on Tenant's ability to perform such obligations.

#### **Section 6. Continuing Guaranty.**

This Guaranty shall remain in full force notwithstanding the appointment of a receiver to take possession of all or substantially all of the assets of Tenant, or an assignment by Tenant for the benefit of creditors, or any action taken or suffered by Tenant under an insolvency, bankruptcy, reorganization, moratorium, or other debtor relief act or statute, whether now existing or later amended or enacted, or the disaffirmance of the Lease in any action or otherwise.

### **Section 7. Joint and Several Obligations.**

If this Guaranty of Lease is signed, or if the obligations of Tenant are otherwise guaranteed, by more than one party, their obligations shall be joint and several, and the release or limitation of liability of any one or more of the guarantors shall not release or limit the liability of any other guarantors.

### **Section 8. Successors and Assigns.**

This Guaranty of Lease shall be binding upon Guarantor and Guarantor's heirs, administrators, personal and legal representatives, successors, and assigns, and shall inure to the benefit of Landlord and Landlord's successors and assigns. Landlord may, without notice, assign this Guaranty of Lease, the Lease, or the rents and other amounts payable under the Lease, in whole or in part.

### **Section 9. Guaranty of Costs and Fees.**

In addition to the amounts guaranteed, Guarantor agrees to pay reasonable attorney fees and all other costs and expenses incurred by Landlord in enforcing this Guaranty of Lease or in any action or proceeding arising out of, or relating to, this Guaranty of Lease.

### **Section 10. Governing Law**

This Guaranty of Lease shall be deemed to be made under and shall be governed by California law in all respects, including matters of construction, validity, and performance, and the terms and provisions of this Guaranty may not be waived, altered, modified, or amended except in a writing signed by an authorized officer of Landlord and by Guarantor.

### **Section 11. Severance.**

If any of the provisions of this Guaranty of Lease shall contravene or be held invalid under the laws of any jurisdiction, this Guaranty of Lease shall be construed as if it did not contain those provisions, and the rights and obligations of the parties shall be construed and enforced accordingly.

**Section 12. Counterparts.**

This Guaranty of Lease may be executed in any number of counterparts, each of which shall be a valid and binding original, but all of which together shall constitute one and the same instrument.

Guarantor has executed this Guaranty as of the date first written above.

HIGH DESERT PARTNERSHIP IN ACADEMIC EXCELLENCE FOUNDATION, INC.

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Lisa Lamb, Executive Director

**EXHIBIT F**

**FORM OF SUBLEASE FOR AFFILIATE TRANSFEREES**

**Lewis Center for Educational Research Board  
Agenda Item Cover Sheet**

**Date of meeting:** April 13, 2020

**Title:** Improvement Agreement for county preschool facility by and between the High Desert “Partnership in Academic Excellence” Foundation, Inc. and the County of San Bernardino.

**Presentation:**         **Consent:**         **Action:**   X      **Discussion:**         **Information:**     

**Background:**

In February 2019, the LCER Board, San Bernardino City Council and San Bernardino Board of Supervisors signed a settlement agreement in which the LCER agreed to build a new county preschool facility in exchange for a site for its TK-12 NSLA Campus. The LCER Board authorized the President/CEO to continue to negotiate with the appropriate parties in coordination with legal counsel and a developer of charter school facilities. These negotiations were completed in the past week, with the parties agreeing upon the terms of construction and plans and specifications for the preschool facility.

**Fiscal Implications (if any):**

The agreement to build a new preschool facility to be donated to the county is supported by the LCER’s right to use and develop the adjacent 15.63 acre property for the NSLA program under the ground lease. This exchange was contemplated in the settlement agreement reached between the LCER, San Bernardino County and San Bernardino City in February 2019.

**Impact on Mission, Vision or Goals (if any):**

The expansion is providing the facilities for NSLA to finally expand to a TK-12 school as originally chartered in 2007. The secondary academic program will focus on World Language and STEM as a natural progression of our dual language and science emphasis in grades TK-5.

**Recommendation:**

Approve Improvement Agreement for county preschool facility by and between the High Desert “Partnership in Academic Excellence” Foundation, Inc. and the County of San Bernardino.

The improvement agreement is scheduled for approval by the San Bernardino City Council on April 15th and San Bernardino Board of Supervisors on April 21st.

Submitted by: Lisa Lamb, President/CEO

## **IMPROVEMENT AGREEMENT**

This Improvement Agreement (this “Agreement”) is entered into by and between the County of San Bernardino (“County”) and the High Desert Partnership in Academic Excellence Foundation, Inc., a California Nonprofit Public Benefit Corporation (“Developer”). County and Developer are the “Parties” to this Agreement. This Agreement shall take effect on the date that the last of the Parties executes this Agreement (the “Effective Date”).

### **RECITALS**

**A.** County and the City of San Bernardino (“City”) are the owners of that certain real property described as Parcel 2 on Exhibit “A” attached hereto and known as 201 Allen Street, San Bernardino, California, comprising approximately 2.23 acres (the “Head Start Parcel”). County and City intend for County to operate a preschool under state preschool and federal “Head Start” programs on the Head Start Parcel for the benefit of the community. City, in its capacity as a co-owner of the Head Start Parcel, desires to consent to this Agreement between the County and Developer. For avoidance of doubt, all references to City and County in this Agreement refer to its respective capacities as the co-owners of the Head Start Parcel and nothing in this Agreement precludes or shall be interpreted to preclude City or County from acting in its respective capacities as a regulatory body with jurisdiction over the Head Start Parcel.

**B.** City and County are the owners of that certain real property known as 230 S. Waterman Avenue, San Bernardino, California, comprising approximately 15.63 acres (the “Charter School Parcel”) located adjacent to the Head Start Parcel. Developer’s affiliate, 230 South Waterman Avenue, LLC (“Developer Affiliate”), entered into that certain ground lease agreement with the City and County of even date herewith (the “Ground Lease”), wherein Developer Affiliate leases from the City and the County the Charter School Parcel with the intent that Developer Affiliate sublease the Charter School Parcel to Developer for Developer to operate a charter school known as the Norton Science and Language Academy under a charter granted by the San Bernardino County Board of Education thereon.

**C.** Pursuant to the Ground Lease, as consideration for the lease of the Charter School Parcel to Developer Affiliate and in lieu of Developer Affiliate’s payment of monthly rent for the duration of the initial term of the Ground Lease, Developer Affiliate is required to construct a new preschool facility and site improvements for County on the Head Start Parcel in accordance with construction drawings agreed between the Parties and applicable laws. Through this Agreement, Developer intends to perform the foregoing obligations in the Ground Lease on behalf of Developer Affiliate, provided that Developer obtains financing for such construction through the encumbrance of its interest in the Charter School Parcel under the Ground Lease as approved by County, and provided further that Developer acknowledges and agrees that it has no right whatsoever to encumber either the Head Start Parcel or the Preschool Improvements whether for any financing obtained by the Developer or the Developer Affiliate to construct the Preschool Improvements on the Head Start Parcel or otherwise.

## **AGREEMENT**

The Parties now desire to enter into this Agreement on the terms and conditions set forth herein. The foregoing recitals are incorporated into and made a part of this Agreement.

**1. Construction of Preschool Improvements; Approved Construction Drawings.** Developer shall construct or have constructed at its sole cost, expense, and liability the following improvements for the County on the Head Start Parcel: (i) a preschool building of approximately 16,798 square feet, (ii) a playground area of approximately 16,910 square feet, (iii) a parking area with 110 standard parking spaces and four accessible spaces and one van accessible space, and (iv) site improvements, including but not limited to fencing, gates, exterior lighting, grading, roads, paving, curbs and gutters, utilities, drainage facilities, landscaping, and all other required facilities and improvements (subparagraphs (i) through (iv) collectively, the "Preschool Improvements") in accordance with the plans and specifications detailed in the floor plan, site plan, and plans for elevation, landscape and irrigation, architectural, structural, foundation, roof (Factory Mutual Class 1-90 roof), mechanical, heating, ventilation, and air-conditioning, plumbing, electrical, fire protection, and other plans, specifications, and documents, as collectively set forth or referenced in the Head Start Facility Bid Issue prepared by TSK Architects dated February 11, 2020, as shown on Exhibit "B" attached hereto, which have been approved by the Parties as of the Effective Date (the "Approved Construction Drawings"). In the event of any conflict between the Approved Construction Drawings and this Agreement, this Agreement shall control.

**A. Construction Materials.** Developer shall, at no cost, expense or liability to County, provide all equipment, tools, materials, labor, tests, design work, engineering services, and construction services necessary to fully and adequately complete the Preschool Improvements in accordance with this Agreement.

**B. Permits; Compliance with Laws; Public Bidding.** Prior to commencing any work, Developer shall, at its sole cost, expense, and liability, obtain all necessary permits and licenses from all relevant federal, state, and local governmental or regulatory authorities (collectively, "Governmental Authorities") to construct the Preschool Improvement in accordance with the Approved Construction Drawings, Applicable Laws, and this Agreement. Developer shall give all necessary and incidental notices required for the lawful construction of the Preschool Improvements and performance of Developer's obligations under this Agreement. Developer shall conduct the work in full compliance with the regulations, rules, and other requirements contained in any permit or license issued to Developer. The Preschool Improvements shall be completed in accordance with the Approved Construction Drawings, as well as all applicable federal, state, and local statutes, laws, ordinances, regulations, codes, rules, standards, and other requirements, including but not limited to the California Building Code, Title 22 of the California Code of Regulations, and the requirements of the California Department of Social Services Community Care Licensing Division ("Applicable Laws"). At all times during construction of the Preschool Improvements, Developer shall



comply with the applicable provisions of the California Public Contract Code 22000 through 22045 regarding bidding procedure and Labor Code Section 1720.2 and 1170 *et seq.* regarding general prevailing wages, including, but not limited to, the provisions set forth in Exhibit "C" hereto, Prevailing Wage Requirements. Developer shall indemnify, defend (with counsel reasonably approved by County) and hold harmless County and City and their respective officers, employees, agents, and volunteers from any claims, actions, losses, damages, and/or liability arising out of Developer's failure to fulfill its obligations set forth in Paragraph B of this Section 1. Developer's indemnity obligation shall survive the completion of the Preschool Improvements and expiration or earlier termination of this Agreement and shall not be limited by the existence or availability of insurance. All approvals required by County in Paragraph B of this Section 1 shall be granted or denied in County's sole discretion.

**C. Manner of Construction; Change Orders; Early Access.**

Developer shall construct the Preschool Improvements in accordance with the Approved Construction Drawings, the grading and building permits issued by the applicable Governmental Authorities, Applicable Laws, and this Agreement. From and after the Effective Date of this Agreement, Developer shall not modify the Approved Construction Drawings nor the Preschool Improvements without obtaining the prior written consent of the County's Director of the Real Estate Services Department. In the event either Developer or County desire to make any modifications, for each modification, the Party desiring the modification shall, prior to commencing any work, submit a written request to the other party setting forth the details of the desired modification. Developer shall then provide any cost and scheduling impacts for the desired modification. If the Parties agree to the desired modification, for each modification, the authorized agent of the Parties shall execute a written change order detailing the specifications for the modification, any scheduling impacts, and which party is responsible for any cost impacts (each an "Approved Change Order") and the Developer shall complete the agreed modification. Each Approved Change Order shall become part of the "Approved Construction Drawing" at the time the Parties execute the written change order. The County's Director of the Real Estate Services Department or his/her designee shall be the sole authorized agent to execute change orders on behalf of the County. County shall have no liability for any modifications to the Approved Construction Drawings nor the Preschool Improvements made without an Approved Change Order and Developer shall be solely responsible for the cost and delays incurred by Developer to conform the Preschool Improvements to the Approved Construction Drawings. During construction of the Preschool Improvements, Developer shall permit County to have early access to the Preschool Improvements at no cost and at any time prior to the Delivery Date for the purpose of County or its representatives installing communications equipment, modular furniture, Developer-provided shelving in lieu of casework, alarms and such other items that County may reasonably desire. County shall exercise its early access rights at a time and in a manner that will not unreasonably interfere with Developer's construction of the Preschool Improvements and any such early access shall not affect the Delivery Date or Outside Delivery date nor be deemed to be County's acceptance.

**D. Utility Installations.** Developer shall, at its sole cost, expense, and liability, install permanent lines and connections for all electric, natural gas, water, and other utilities at the Head Start Parcel pursuant to the Approved Construction Drawings

and extend said utility lines serving the Preschool Improvements to County-approved points on the Head Start Parcel, as shown in the Approved Construction Drawings. If approved in writing by County and shown in the Approved Construction Drawings, Developer may also install such distribution panels and equipment, meters and other facilities and equipment along with said utilities lines as may be reasonably required to connect to the utilities serving the Charter School Parcel, provided that any utilities that serve the Charter School Parcel shall be separately metered from the Head Start Parcel. Developer agrees that all utility installations (“Utility Installations”) shall be constructed in accordance with provisions of this paragraph and that Developer shall pay all costs associated with such Utility Installations, including but not limited to the extension and connection of said utilities. Neither City nor County shall be required to reimburse Developer for the cost of any of the foregoing work.

**E. Construction Standards.** All construction of the Preschool Improvements will be carried out and completed by Developer in strict compliance with the Approved Construction Drawings, Applicable Laws, and this Agreement. Developer is solely liable for the construction of the Preschool Improvements. Developer is solely responsible for filing plans with the applicable Building and Safety Department, and any other applicable governmental entity, paying applicable fees and securing appropriate inspection(s). All stockpiling of excavated material, construction screening and the storage of materials, tools or equipment shall be to the satisfaction of the County and the applicable Governmental Authorities. Developer agrees that the Preschool Improvements will be constructed in a diligent and workmanlike manner in compliance with the Approved Construction Drawing, Applicable Laws, and this Agreement. Developer shall provide County with not less than ten (10) days’ written notice prior to the commencement of construction of the Preschool Improvements so that County, at the option of County, may post a Notice of Non-Responsibility as provided by law. All work shall be completed by duly licensed and insured contractors, which contractors shall be reasonably acceptable to County, as evidenced by County’s written approval from the County’s Director of the Real Estate Services Department. Developer shall require the contractor selected for the construction of the Preschool Improvements to execute the Certificate regarding Workers Compensation in the form attached as Exhibit “D” hereto and to provide County with certificates of insurance from its contractors evidencing that the insurances requirements of this Agreement are maintained by said contractors and require that the contractors provide the City and the County the same indemnity as required by Developer under this Agreement. Developer shall indemnify, defend (with counsel reasonably approved by County) and hold harmless City and County and their respective officers, employees, agents, and volunteers from any claims, actions, losses, damages, and/or liability arising out of Developer’s failure to fulfill its obligations set forth in this Paragraph E of this Section 1. Developer’s indemnity obligation shall survive completion of the Preschool Improvements and the expiration or earlier termination of this Agreement and shall not be limited by the existence or availability of insurance.

**F. Construction Management.** County agrees to designate one or more representative(s), at no cost to Developer, who will have the right to access the Head Start Parcel and the construction work during the construction process for purposes of coordinating construction with government inspectors and observe, monitor, and inspect the construction of the Preschool Improvements and review all documents and

files related thereto, including but not limited to any tests and inspection reports, provided that nothing herein contained shall be construed as creating an obligation upon COUNTY to observe, monitor, inspect, or review and it is Developer's obligation to insure that the Preschool Improvements are completed in compliance with this Agreement. Upon completion, files and records for the Preschool Improvements shall be maintain for a minimum of five (5) years and the County shall have the right to review, audit, and copy such files and records. Developer understands that this representative's or representatives' presence on the Head Start Parcel in no way constitutes approval of the Preschool Improvements being constructed. Developer must, at the commencement of the construction work, notify the County in writing of the identity, place of business, and telephone number of Developer's on-the-job construction superintendent. Said construction superintendent will be Developer's prime consultant for purposes of communications with the designated representative of the County and government inspectors. Developer shall, prior to the commencement of construction of the Preschool Improvements on the Head Start Parcel, install adequate signage on the Head Start Parcel identifying Developer's contractor as the operator of the construction site to manage site operations and traffic flow, which sign shall also provide a Developer contact (with phone number) to call in case of emergency. The foregoing signage must be approved by County prior to installation.

**G. Preschool Construction Timeline.** Developer and County agree that the Preschool Improvements must be completed by Developer on the Head Start Parcel in accordance with the Approved Construction Drawings, Applicable Laws, and this Agreement with a final Certificate of Occupancy issued by the relevant Governmental Authorities and a license issued to County by the California Department of Social Services Community Care Licensing Division for the Preschool Improvements and the Preschool Improvements accepted by County (collectively, "Required Delivery Condition"), no later than eighteen (18) months from the Effective Date ("Delivery Date"). For purposes of illustration only, if the Effective Date is April 30, 2020, the Delivery Date for the Preschool Improvements in the Required Delivery Condition would be on or before October 31, 2021. In order to meet the Delivery Date, the Parties have agreed upon the following "Preschool Improvement Completion Timeline":

1. Developer shall have up to ninety (90) days after the Effective Date to circulate bid notices, select a contractor that is reasonably acceptable to County, receive grading permit approval from City, and submit application(s) to the applicable Governmental Authorities for building permit(s).

2. Developer shall have up to ten (10) days from issuance of building permit(s) to commence construction.

3. Developer shall deliver the Preschool Improvements in the Required Delivery Condition by no later than the Delivery Date.

**H. Progress Report.** Promptly after the Effective Date, Developer shall provide County a written schedule of completion for the Preschool Improvements in accordance with this Agreement, and during construction, Developer shall further provide written progress report of the construction of the Preschool Improvements within ten (10)

days of written request by County or as otherwise agreed by the Parties in writing. The report shall contain up-to-date information of construction progress and notification of any permit approval. Developer shall within five (5) business days notify County in writing of the completion of every element in the Preschool Improvement Completion Timeline.

**I. Excusable Delay.** Notwithstanding Paragraph G of this Section 1, in the event Developer, after exercising all reasonable diligence, is unable to meet any of the dates in the Preschool Improvement Completion Timeline due to: failure of the County to comply with the timelines or requirements of this Section 1 which is not remedied within the applicable notice and cure period; or other reasons which Developer proves are outside the control of Developer, such reasons include but are not limited to public health directives, quarantine or shelter in place orders, national financial crisis, acts of God, strikes, labor troubles, unavailability of necessary construction materials where comparable materials are not available, third party administrative challenge and/or litigation, unavoidable City delays in application processing, or lack of City inspectors despite reasonable notice of the need for inspection (collectively, "Excusable Delay"); then Developer shall immediately provide written notice to County of such expected delay along with supporting documentation for said delay and an updated construction schedule, and if the delay is verified by the County, which verification shall not be unreasonably withheld, conditioned or delayed, the applicable date(s) in the Preschool Improvement Completion Timeline shall be extended for a period equivalent to the period of such delays. If the delay is not verified by County, then the Preschool Improvement Completion Timeline shall not be extended.

**J. Inexcusable Delay.** Developer agrees that its failure to meet any of the dates set forth in the above Preschool Improvement Completion Timeline may mean that the Preschool Improvements may not be completed by Developer and delivered to County in the Required Delivery Condition by the Delivery Date. County shall be responsible for staffing, furnishing and opening the Preschool Improvements to the public following the Delivery Date. Developer acknowledges that late completion and delivery of the Preschool Improvements in the Required Delivery Condition will cause County to incur costs not otherwise contemplated by the Parties, the exact amount of such costs being extremely difficult and impracticable to fix. Therefore, except as provided in Paragraph I of this Section 1, if Developer does not complete and deliver the Preschool Improvements in the Required Delivery Condition by the Delivery Date, Developer agrees to pay County liquidated damages of FIVE HUNDRED AND 00/100 DOLLARS (\$500.00) for each day's delay from the Delivery Date to the date the Preschool Improvements are completed and delivered to County in the Required Delivery Condition. The Parties agree that this charge represents a fair and reasonable estimate of the costs that County will incur by reason of late completion and delivery of the Preschool Improvements. Acceptance of any charge shall not constitute a waiver of Developer's default or prevent County from exercising any of the other rights and remedies available to County as a result of this Agreement or any other agreements of which County and Developer are parties. Notwithstanding a period of Excusable Delay in Paragraph I of this Section 1, the County, acting as landlord's agent under the Ground Lease, shall have the right to terminate this Agreement and the Ground Lease for the Charter School Parcel if the Preschool Improvements are not completed and delivered in the Required Delivery Condition within thirty-six (36) months from the Effective Date ("Outside Delivery Date")

and to exercise any rights and remedies available under this Agreement and under the Ground Lease. For purposes of illustration only, if the Effective Date is April 30, 2020, the Outside Delivery Date would be on or before April 30, 2023.

**K. Performance and Payment Bonds.** Developer, or the contractor selected to perform the construction, shall furnish a performance bond in the form attached as Exhibit "E" hereto, and a labor and material (payment) bond in the form attached as Exhibit "F" hereto prior to the commencement of construction of the Preschool Improvements. Each bond shall be issued by a surety qualified to do business in the State of California, which surety shall be acceptable to County, and shall be in an amount equal to one hundred percent (100%) of the contract amount for the construction of the Preschool Improvements, including any increases due to Approved Change Orders. The bonds shall name County as a beneficiary and shall provide that in the event Developer does not complete and deliver the Preschool Improvements in the Required Delivery Condition by the Delivery Date, the surety shall complete the construction in accordance with this Agreement, or at County's option and upon County's demand, shall return the Head Start Parcel to grade. The County's Director of the Real Estate Services Department is authorized, but not required, to accept substitute security under such terms and conditions as the Director determines, in lieu of the above performance and labor and material (payment) bonds described in this paragraph.

**L. Cost of Construction.** All costs of construction shall be the sole responsibility of Developer and shall be paid by Developer when due. The Developer shall conduct any construction program in such a manner so that no mechanic's liens or materialmen's liens shall be asserted, or purportedly asserted, against the Head Start Parcel or any improvements thereon. If any such lien shall be asserted, Developer shall indemnify, defend (with counsel reasonably approved by County) of this Section 1. Developer's indemnity obligation shall survive completion of the Preschool Improvements and the expiration or earlier termination of this Agreement and shall not be limited by the existence or availability of insurance. If such liens are asserted, Developer shall promptly remove said liens within thirty (30) days after its occurrence and if requested by County, in County's sole discretion, Developer shall post a surety bond to release the Head Start Parcel from any mechanic's liens recorded against the Head Start Parcel. Said bond shall be issued by a surety qualified to do business in California and shall be in an amount prescribed by law.

**M. As-Built Drawings.** Upon the completion of the construction of the Preschool Improvements in accordance with this Agreement, Developer, at its sole cost, shall prepare as-built plans for the Preschool Improvements and shall give three (3) copies of each as-built plan to County. The as-built plans shall be certified by Developer's engineer-of-record and shall reflect the condition of the Preschool Improvements as constructed, with all approved changes incorporated therein.

**N. No Encumbrances.** Notwithstanding anything to the contrary in this Agreement, the Ground Lease, any financing agreements, or any other agreements executed by the Developer or the Developer Affiliate, Developer acknowledges and agrees that it has no right whatsoever to encumber either the Head Start Parcel or the Preschool Improvements whether for any financing obtained by the Developer or the

Developer Affiliate to construct the Preschool Improvements on the Head Start Parcel or otherwise and the Head Start Parcel and the Preschool Improvements are not nor shall they be subject to nor be deemed to be encumbered by Developer for any purpose.

## **2. Maintenance of the Preschool Improvements.**

**A.** Developer shall be responsible for the maintenance and care of the Preschool Improvements until County accepts them in the Required Delivery Condition. County shall exercise no control over the Preschool Improvements until so accepted by County. Any use by any person of the Preschool Improvements, or any portion thereof, shall be at the sole and exclusive risk of the Developer at all times prior to County's acceptance of the Preschool Improvements. Developer shall maintain all the Preschool Improvements in a state of good repair until they are completed by Developer in accordance with this Agreement and accepted by County in the Required Delivery Condition, and until the security for the performance of this Agreement is released but subject to the warranty periods set forth in this Agreement and the Approved Construction Drawing and Developer's obligation at its sole cost and expense for the duration of the initial term of the Ground Lease for the Charter School Parcel to correct any failure of Developer to deliver the Preschool Improvements in compliance with Applicable Laws in effect as of the actual Delivery Date, including, but not limited to compliance with the Americans with Disabilities Act. Maintenance shall include, but shall not be limited to, repair of the building, playground area, parking area, and site improvements, including but not limited to fencing, gates, exterior lighting, pavement, curbs, gutters, sidewalks, signals, parkways, water mains, and sewers; maintaining all landscaping in a vigorous and thriving condition reasonably acceptable to County; removal of debris from sewers and storm drains; and sweeping, repairing, and maintaining in good and safe condition all streets and street improvements. It shall be Developer's responsibility to initiate all maintenance work, but if it shall fail to do so, it shall promptly perform such maintenance work when notified to do so by County. If Developer fails to properly prosecute its maintenance obligation under this paragraph, County may do all work necessary for such maintenance and the cost thereof shall be the responsibility of Developer and its surety under this Agreement. County shall not be responsible or liable for any damages or injury of any nature in any way related to or caused by the Preschool Improvements or their condition prior to the County's acceptance in the Required Delivery Condition.

**B.** After the County's acceptance of the Preschool Improvements in the Required Delivery Condition, County shall be responsible for the maintenance and care of the Preschool Improvements as County deems necessary, provided that Developer shall remain responsible, at its sole cost and expense, for any maintenance and repairs pursuant to the warranty periods set forth in this Agreement and the Approved Construction Drawings and corrections required during the initial term of the Ground Lease for the Charter School Parcel due to Developer's failure to deliver the Preschool Improvements in compliance with Applicable Laws in effect as of the actual Delivery Date, including, but not limited to compliance with the Americans with Disabilities Act. The foregoing obligations of Developer shall survive termination of this Agreement.

## **3. Default; Notice; Remedies.**

**A. Default Notice.** If either party is in default or violation of any obligation, term, or condition of this Agreement, the non-defaulting party shall give written notice (“Notice”) to the defaulting party of such default or violation and the defaulting party shall remedy the default or violation within ten (10) days of the Notice. If Developer’s default or violation constitutes an immediate threat to the public health, safety, or welfare, whether County provides Notice or not, Developer shall immediately and substantially commence the required remedy within twenty-four (24) hours of its occurrence and thereafter diligently pursue such work to completion within ten (10) days of its occurrence, provided that if such default or violation is of a nature that reasonably requires additional time to complete the remedy; the Developer shall complete such remedy as soon as reasonably possible but within thirty (30) days of its occurrence.

**B. Negotiations Between Designated Representatives.** In the event of a default by a party that is not remedied in accordance with Paragraph A of this Section 3 (other than Developer’s failure to complete and deliver the Preschool Improvements by the Delivery Date or the Outside Delivery Date, which shall be subject to the remedies in Section 1 without application of the process set forth in Paragraphs B and C of this Section 3 and in no event shall the process set forth in Paragraph B and C alter the Delivery Date or the Outside Delivery Date unless otherwise agreed by the Parties in a written amendment to this Agreement executed by the governing bodies of the Parties), Developer and County agree to promptly negotiate in good faith to resolve any such outstanding default arising under of this Agreement (“Dispute”). In the event of a Dispute, the Parties shall continue to perform their respective obligations in good faith and shall not suspend performance during the Dispute resolution procedure. The Party raising the Dispute shall give written notice to the other Party of such Dispute, provided that any Notices delivered by County in accordance with this Agreement shall constitute the notice of Dispute required herein. In the event of a Dispute, within five (5) business days after the other Party’s receipt of written notice, the Parties agree to meet through their Designated Representatives in good faith in an attempt to resolve the Dispute through informal negotiations. The Designated Representatives shall record the date of the Parties’ first in-person meeting. The Designated Representatives for the Parties are as follows: the County’s Director of the Real Estate Services Department (or authorized designee) for County and Developer’s Executive Director/CEO (or authorized designee) for Developer. If the Parties are unable to resolve the Dispute within thirty (30) business days from the date of said first in-person meeting, the Parties shall proceed to the dispute resolution method in Paragraph C of Section 3. Any Dispute resolutions that would amend the Agreement shall be set forth in writing and shall be approved by the governing bodies of the Parties.

**C. Mediation.** The Parties agree in the event any Dispute is not resolved after commencement of good faith negotiations under Paragraph B of this Section 3, the Dispute shall be submitted to a formal mediation process prior to commencing an action or County exercising its remedies under this Agreement. The mediation shall be convened within forty-five (45) business days of the first meeting of the Designated Representatives and shall conclude within sixty (60) business days of the first meeting of said Designated Representatives. The costs of the mediation shall be shared

equally by the Parties. The Parties agree to mediation using then current mediation procedures of JAMS or its successor.

**D. Litigation.** Any Dispute which remains unresolved after participation in the foregoing Dispute resolution procedures in Paragraphs B and C of Section 3 or Developer failure to complete and deliver the Preschool Improvements by the Delivery Date or the Outside Delivery Date may be submitted to litigation in the main branch of the San Bernardino County Superior Court or shall permit either party to terminate this Agreement upon written notice to the other party and exercise its remedies at law or in equity (without any further notice requirements).

**4. Acceptance of Improvements; Termination.** If the Preschool Improvements are properly completed by and delivered to County in the Required Delivery Condition in accordance with this Agreement, the County's Director of the Real Estate Services Department shall be authorized to accept the Preschool Improvements, provided that notwithstanding anything to the contrary in this Agreement, any County acceptance of the Preschool Improvements, as used in this Agreement, is solely for purposes of County's intended use and shall not in any way waive any defects of the Preschool Improvements, any warranties set forth in this Agreement or the Approved Construction Drawings, or any obligations of Developer for the duration of the initial term of the Ground Lease for the Charter School Parcel to correct any failure of Developer to deliver the Preschool Improvements in compliance with Applicable Laws in effect as of the actual Delivery Date, including, but not limited to compliance with the Americans with Disabilities Act. Upon acceptance of the Preschool Improvements by County, Developer shall file with the Recorder's Office of County a notice of completion for the accepted Preschool Improvements in accordance with California Civil Code Section 3093. Upon filing of a notice of completion, this Agreement shall Terminate.

**5. Warranty and Guaranty.** Developer hereby warrants and guarantees the Preschool Improvements against any defective work or labor done, or defective materials furnished in the performance of this Agreement, including the maintenance of all landscaping in a vigorous and thriving condition reasonably acceptable to County for the following periods commencing on the actual Delivery Date in the Required Delivery Condition of the Preschool Improvements: a period of one (1) year for labor; a manufacturer's warranty of twenty (20) years for the Factory Mutual Class 1-90 roof; one (1) year for labor and parts for the HVAC unit(s) and a manufacturer's warranty of five (5) years for the HVAC unit(s) (including, but not limited to, compressors, pumps, and motors); and a manufacturer's warranty of five (5) years each for switchboards, panel boards, interior lighting, exterior lighting, lighting controls, with all manufacturers' warranties to be transferred to County on the actual Delivery Date. During the foregoing warranty periods, Developer shall repair, replace, or reconstruct any defective or otherwise unsatisfactory portion of the Preschool Improvements, in accordance with the current ordinances, resolutions, regulations, codes, standards, or other requirements of County. All repairs, replacements, or reconstruction during the foregoing warranty periods shall be at the sole cost, expense, and liability of Developer and its surety. As to any portions of the Preschool Improvements which have been repaired, replaced, or reconstructed during the foregoing warranty periods, Developer and its surety hereby



agree to extend the applicable warranties for an additional corresponding period following County's acceptance of the repaired, replaced, or reconstructed portion Preschool Improvements. Nothing herein shall relieve Developer from any other liability it may have under federal, state, or local law to repair, replace, or reconstruct any portion of the Preschool Improvements following expiration of the Warranty or any extension thereof. Developer's warranty obligation under this section shall survive the expiration or termination of this Agreement.

**6. Indemnification.** Developer agrees to indemnify, defend (with counsel reasonably approved by County) and hold harmless County and City and their respective authorized officers, employees, agents and volunteers, from any and all claims, actions, losses, damages, and/or liability arising out of this Agreement or the Preschool Improvements or occurring on, in, under or about the Head Start Parcel from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by County or City on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees. The Developer's indemnification obligation applies to the "active" as well as "passive" negligence of County or City but does not apply to the "sole negligence" or "willful misconduct" of County or City within the meaning of Civil Code Section 2782. Developer's indemnity obligation shall survive completion of the Preschool Improvements and the expiration or earlier termination of this Agreement and shall not be limited by the existence or availability of insurance.

**7. Insurance.**

**A. Basic Insurance Requirements.** Without in any way affecting Developer's obligation to defend and indemnify City and County as herein provided, and in addition thereto, Developer shall secure and maintain the following types of insurance with the following minimum limits throughout this Agreement:

i. Workers' Compensation/Employers Liability. A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons providing services on behalf of Developer and all risks to such persons under this Agreement. Developer agrees that Developer's volunteers are required to be covered by accident insurance and/or workers' compensation.

ii. Commercial/General Liability Insurance. Developer shall carry General Liability Insurance covering all operations performed by or on behalf of Developer providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000) per occurrence. The policy coverage shall include:

1. Operations and mobile equipment.
2. Products and completed operations.

3. Broad form property damage (including completed operations).
4. Explosion, collapse and underground hazards.
5. Personal injury.
6. Contractual liability.
7. \$2,000,000 general aggregate limit.

iii. Commercial Property Insurance providing special form insurance coverage for the buildings, fixtures, equipment and all improvements constituting any part of the Head Start Parcel. Said special form insurance shall provide broad coverage concerning potential risks but shall exclude earthquake liability and shall provide limited coverage for flood risks. Coverage shall be sufficient to insure one hundred percent (100%) of the replacement cost of the Preschool Improvements.

iv. Automobile Liability Insurance. Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles and passenger vehicles. The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

If Developer owns no autos, a non-owned auto endorsement to the general liability policy described above is acceptable.

v. Environmental Liability Insurance. Environmental liability insurance with a combined single limit of not less than One Million and 00/100 Dollars (\$1,000,000.00) per occurrence.

vi. Umbrella Liability Insurance. An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a “dropdown” provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

vii. If Developer performs any construction of the Head Start Parcel, Developer shall also procure and maintain coverages as follows:

1. For construction contracts for projects over One Million Dollars (\$1,000,000) and less than Three Million Dollars (\$3,000,000) require limits of not less than Three Million Dollars in General Liability and Auto Liability coverage.

2. For construction contracts for projects over Three Million Dollars (\$3,000,000) and less than Five Million Dollars (\$5,000,000) require limits of not less than Five Million Dollars (\$5,000,000) in General Liability and Auto Liability coverage.

3. For construction contracts for projects over Five Million Dollars (\$5,000,000) and less than Ten Million Dollars (\$10,000,000) require limits of not less than Ten Million Dollars (10,000,000) in General Liability and Auto Liability coverage.

4. Developer agrees to require all parties, subcontractors, or others, including, but not limited to, architects, it hires or contracts with in relation to the Agreement to provide insurance covering the contracted operations with the requirements in this Section 7 (including, but not limited to, waiver of subrogation rights) and naming County and City as an additional insured. Developer agrees to monitor and review all such coverage and assumes all responsibility ensuring that such coverage is provided as required here.

5. Course of Construction/Installation (Builder's Risk) property insurance providing all risk, including theft coverage for all property and materials to be used on the construction project. The insurance policy shall not have any coinsurance penalty.

**B. Required Policy Provisions.** Each of the insurance policies which Developer is required to procure and maintain as part of this Agreement shall include the following provisions:

1. Additional Insured. All policies, except for the Workers' Compensation, shall contain endorsements naming County and City and their officers, employees, agents and volunteers as additional insureds with respect to liabilities arising out of the Developer's use of the Head Start Parcel and Developer's performance of its obligations under this Agreement. The additional insured endorsements shall not limit the scope of coverage for County and City to vicarious liability but shall allow coverage for Developer to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

2. Waiver of Subrogation Rights. Developer shall require the carriers of required coverages to waive all rights of subrogation against County and City, their officers and employees. All general or auto liability insurance coverage provided shall not prohibit Developer and Developer's employees or agents from waiving the right of subrogation prior to a loss or claim. Developer hereby waives all rights of subrogation against County and City.

3. Policies Primary and Non-Contributory. All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by County and City.

4. Severability of Interests. Developer agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross-liability exclusions that preclude coverage for suits between Developer and County and City or between County and City and any other insured or additional insured under the policy.

5. Proof of Coverage. Developer shall furnish Certificates of Insurance to the County Real Estate Services Department (RESA), administering the Agreement on behalf of County, evidencing the insurance coverage, including endorsements, as required, prior to the commencement of performance of any work on or use of the Head Start Parcel, and Developer shall maintain such insurance from the commencement date of this Agreement until this Agreement expires or earlier terminated. Developer agrees to provide at least thirty (30) days written notice to County RESA prior to any termination or expiration of said insurance coverage. Within fifteen (15) days of the commencement date of this Agreement, Developer shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

6. Acceptability of Insurance Carrier. Unless otherwise approved by County's Department of Risk Management, administering the Agreement on behalf of County, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A- VII". Insurance provided by a joint powers authority shall be deemed to satisfy the foregoing requirement.

7. Deductibles: Any and all deductibles or self-insured retentions in excess of \$10,000.00 shall be declared to and approved by County's Risk Management.

8. Insurance Review. Insurance requirements are subject to periodic review by County. County's Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever County's Department of Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of County. In addition, County's Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against County, inflation, or any other item reasonably related to County risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Developer agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of County or County's RESA or County's Department of Risk Management to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of County .

9. Failure to Procure Insurance. All insurance required must be maintained in force at all times by Developer. Failure to maintain said insurance, due to expiration, cancellation, or other reasons shall be cause for County to give notice to

immediately suspend Developer's activities at the Head Start Parcel. Failure to reinstate said insurance within thirty (30) days of notice to do so shall be cause for termination and for forfeiture of this Agreement, and/or County, at their discretion, may procure or renew such insurance and pay any and all premiums in connection therewith, and all monies so paid by County shall be repaid by Developer to County upon demand but only for the pro rata period of non-compliance.

10. County shall have no liability for any premiums charged for such coverage(s). The inclusion of City or County as additional named insured is not intended to and shall not make a partner or joint venturer with Developer.

11. Developer agrees to require all parties or subcontractors, or others it hires or contracts with related to its activities at the Head Start Parcel and the performance of Developer's obligations hereunder to provide insurance covering the contracted operation with the requirements in this Section 7 (including waiver of subrogation rights) and naming County and City as an additional insured. Developer agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided as required herein.

**8. Relationship Between the Parties.** The Parties hereby mutually agree that this Agreement shall not operate to create the relationship of partnership, joint venture, or agency between City and County and Developer. Developer's contractors and subcontractors are exclusively and solely under the control and dominion of Developer. Nothing herein shall be deemed to make Developer or its contractors an agent or contractor of either or both of City and County. Developer is, and shall be, acting at all times in the performance of this Agreement as an independent contractor.

**9. General Provisions.**

**A. Authority to Enter Agreement.** Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority make this Agreement and bind each respective Party.

**B. Cooperation.** The Parties shall fully cooperate with one another, to attain the purposes of this Agreement.

**C. Construction; Captions.** It being agreed the Parties or their agents have participated in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement. Any reference to any Section of this Agreement cited without a decimal includes all Sections following the cited Section. For example, a reference to Section 7 includes 7(A), *et seq.*

**D. Notices.** All notices, demands, invoices, and written communications shall be in writing and delivered to the following addresses or such other addresses as the Parties may designate by written notice:

**COUNTY'S NOTICE ADDRESS:** County of San Bernardino  
Real Estate Services Department  
385 N. Arrowhead Avenue, Third Floor  
San Bernardino, California, 92415-0831

**DEVELOPER'S NOTICE ADDRESS:** High Desert Partnership in Academic  
Excellence Foundation, Inc.  
Lewis Center for Educational Research  
Attn: CEO  
17500 Mana Road  
Apple Valley, California, 92307

Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party or any other person, shall be in writing and either served personally, sent by United States mail, postage prepaid, first-class mail, certified or registered, return receipt requested, or by nationally recognized overnight courier to the other party at the address listed in this paragraph. Either party may change its address by notifying the other parties of the change of address. Notices shall be deemed delivered and effective upon the earlier of (i) actual receipt if personally delivered on a business day; otherwise on the next business day, or (ii) the date of delivery or refusal of the addressee to accept delivery if delivered on a business day, otherwise on the next business day, if such notice is sent by United States mail, postage prepaid, certified or registered, return receipt requested, or by nationally recognized overnight courier.

**E. Amendment; Modification.** No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

**F. Assignment or Transfer of Agreement.** Developer shall not assign, or transfer, either directly or by operation of law, this Agreement or any interest herein without prior written consent of City and County in their sole discretion. Any attempt to do so shall be null and void, and any assignee or transferee shall acquire no right or interest by reason of such attempted assignment or transfer. Unless specifically stated to the contrary in City's and County's written consent, any assignment or transfer shall not release or discharge Developer from any duty or responsibility under this Agreement.

**G. Binding Effect.** Each and all of the covenants and conditions shall be binding on and shall inure to the benefit of the Parties, and their successors, heirs, personal representatives, or assigns. This section shall not be construed as an authorization for any Party to assign any right or obligation.

**H. No Third-Party Beneficiaries.** Except for Developer Affiliate and the City, there are no intended third-party beneficiaries of any right or obligation assumed by the Parties.

**I. Invalidity; Severability.** If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

**J. Consent to Jurisdiction and Venue.** This Agreement shall be construed in accordance with and governed by the laws of the State of California. The parties acknowledge and agree that this Agreement was entered into and intended to be performed in San Bernardino County, California. The parties agree that the venue for any action or claim brought by any party to this Agreement will be the main (downtown) branch of the Superior Court of California, County of San Bernardino. Each party hereby waives any law, statute (including but not limited to California Code of Civil Procedure Section 394) or rule of court that would allow it to request or demand a change of venue. If any action or claim concerning this Agreement is brought by any third party, the parties hereto agree to use their best efforts to obtain a change of venue to the main (downtown) branch of the Superior Court of California, County of San Bernardino.

**K. Attorneys' Fees and Costs.** If any legal action is instituted to enforce or declare any party's rights hereunder, each party, including the prevailing party, must bear its own costs and attorneys' fees. This paragraph shall not apply to those costs and attorneys' fees directly arising from any third party legal action against the City or County, including such costs and attorneys' fees payable under Section 6.

**L. Former County Officials.** Developer agrees to provide information on former County administrative officials (as defined below) who are presently employed by or currently represent Developer. The information provided includes a list of former County administrative officials who terminated County employment within the last five years and who are now officers, principals, partners, associates or members of Developer. The information also includes the employment with and/or representative capacity and the date those individuals began employment with or representation of Developer. The information does not include County administrative officials who served in a volunteer capacity with, represented, or were employed by Developer prior to January 1, 2019. For purposes of this provision, "County administrative official" is defined as a member of the Board of Supervisors or such officer's staff, County Administrative Officer or member of such officer's staff, County department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit. (See Exhibit "G", List of Former County Officials.)

**M. Public Records Disclosure.** All information received by the County from Developer or from any source concerning this Agreement, including the Agreement itself, may be treated by the County as public information subject to disclosure under the provisions of the California Public Records Act, Government Code Sections 6250 et seq. (the "Public Records Act"). Developer acknowledges and understands that although all materials received by the County in connection with this Agreement are intended for the

exclusive use of the County, they are potentially subject to disclosure under the provisions of the Public Records Act. In the event a request for disclosure of any part or all of any information which Developer has reasonably requested County to hold in confidence is made to the County, County shall endeavor to notify the Developer of the request and shall thereafter disclose the requested information unless the Developer, within five (5) days of receiving notice of the disclosure request, requests nondisclosure, provides County a legally sound basis for the nondisclosure, and agrees to indemnify, defend (with counsel reasonably approved by County), and hold the City and County harmless in any/all actions brought to require disclosure. Developer waives any and all claims for damages, lost profits, or other injuries of any and all kinds in the event County fails to notify Developer of any such disclosure request and/or releases any information concerning the contract received from the Developer or any other source.

**N. Counterparts.** This Agreement may be executed in counterpart originals, which taken together, shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement, the day and year first above written.

**COUNTY: County of San Bernardino**

**DEVELOPER: High Desert Partnership  
in Academic Excellence Foundation,  
Inc.**

By: \_\_\_\_\_  
Curt Hagman, Chair  
Board of Supervisors

By: \_\_\_\_\_  
Title: \_\_\_\_\_



SIGNED AND CERTIFIED THAT A  
COPY OF THIS DOCUMENT HAS  
BEEN DELIVERED TO THE  
CHAIRMAN OF THE BOARD

Lynna Monell  
Clerk of the Board of Supervisors of the  
County of San Bernardino

By: \_\_\_\_\_  
*Deputy*

APPROVED AS TO LEGAL FORM  
MICHELLE D. BLAKEMORE,  
County Counsel, San Bernardino  
County Counsel

By: \_\_\_\_\_

With Consent Of:

**CITY: City of San Bernardino**

By: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**  
**HEAD START PARCEL**

**EXHIBIT B**

**APPROVED CONSTRUCTION DRAWINGS**

## EXHIBIT C

### PREVAILING WAGE REQUIREMENTS

A. All or a portion of the Preschool Improvements require the payment of prevailing wages and compliance with the following requirements. As used in this exhibit, the term “Contractor” shall include Developer and Developer’s contractor and/or subcontractors and the term “Project” shall mean the Preschool Improvements made by or on behalf of Developer pursuant to the Agreement.

#### 1. Determination of Prevailing Rates:

Pursuant to Labor Code sections 1770, *et seq.*, the Developer will obtain from the Director of the Department of Industrial Relations (DIR) pursuant to the California Labor Code, the general prevailing rates of per diem wages and the prevailing rates for holiday and overtime work in the locality in which the Project is to be performed. Copies of said rates are on file with the Developer, and will be made available for inspection during regular business hours, may be included elsewhere in the specifications for the Project, and are also available online at [www.dir.ca.gov](http://www.dir.ca.gov). The wage rate for any classification not listed, but which may be required to execute the Project, shall be commensurate and in accord with specified rates for similar or comparable classifications for those performing similar or comparable duties. In accordance with Labor Code section 1773.2, the Contractor shall post, at appropriate and conspicuous locations on the job site, a schedule showing all applicable prevailing wage rates and shall comply with the requirements of Labor Code sections 1773, *et seq.*

#### 2. Payment of Prevailing Rates

Each worker of the Contractor, or any subcontractor, engaged in the Project, shall be paid not less than the general prevailing wage rate, regardless of any contractual relationship which may be alleged to exist between the Contractor or any subcontractor, and such worker.

#### 3. Prevailing Rate Penalty

The Contractor shall, as a penalty, forfeit two hundred dollars (\$200.00) to the County for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of the DIR for such work or craft in which such worker is employed by the Contractor or by any subcontractor in connection with the Project. Pursuant to California Labor Code section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day, or portion thereof, for which each worker was paid less than the prevailing wage rate, shall be paid to each worker by the Contractor.

#### 4. Ineligible Contractors:

Pursuant to the provisions of Labor Code section 1777.1, the Labor Commissioner publishes and distributes a list of contractors ineligible to perform work as a

contractor or subcontractor on a public works project. This list of debarred contractors is available from the DIR website at <http://www.dir.ca.gov/Public-Works/PublicWorks.html>. Any contract entered into between a contractor and a debarred subcontractor is void as a matter of law. A debarred subcontractor may not receive any public money for performing work as a subcontractor on a public works contract, and any public money that may have been paid to a debarred subcontractor by a contractor on the project shall be returned to the County. The Contractor shall be responsible for the payment of wages to workers as a debarred subcontractor who has been allowed to work on the Project.

## **5. Payroll Records:**

- a. Pursuant to California Labor Code section 1776, the Contractor and each subcontractor, shall keep accurate certified payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee employed by them in connection with the Project. The payroll records enumerated herein shall be verified by a written declaration made under penalty of perjury that the information contained in the payroll record is true and correct and that the Contractor or subcontractor has complied with the requirements of the California Labor Code sections 1771, 1811, and 1815 for any Project performed by his or her employees. The payroll records shall be available for inspection at all reasonable hours at the principal office of the Contractor on the following basis:
  - i. A certified copy of an employee's payroll record shall be made available for inspection or furnished to such employee or his/her authorized representative on request;
  - ii. A certified copy of all payroll records shall be made available for inspection or furnished upon request to the County, the Division of Labor Standards Enforcement of the DIR;
  - iii. A certified copy of payroll records shall be made available upon request to the public for inspection or copies thereof made; provided, however, that a request by the public shall be made through either the County or the Division of Labor Standards Enforcement. If the requested payroll records have not been previously provided to the County or the Division of Labor Standards Enforcement, the requesting party shall, prior to being provided the records, reimburse the cost of preparation by the Contractor, subcontractor and the entity through which the request was made; the public shall not be given access to such records at the principal office of the Contractor;
  - iv. The Contractor shall file a certified copy of the payroll records with the entity that requested such records within ten (10) days after receipt of a written request; and

- v. Copies provided to the public, by the County or the Division of Labor Standards Enforcement shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address and social security number. The name and address of the Contractor or any subcontractor, performing a part of the Project shall not be marked or obliterated. The Contractor shall inform the County of the location of payroll records, including the street address, and County shall, within five (5) working days, provide a notice of a change of location and address.
- b. The Contractor shall have ten (10) days from receipt of the written notice specifying in what respects the Contractor must comply with the above requirements. In the event Contractor does not comply with the requirements of this section within the ten (10) day period, the Contractor shall, as a penalty to the County, forfeit one-hundred dollars (\$100.00) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, such penalty shall be withheld from any portion of the payments then due or to become due to the Contractor.

**6. Limits on Hours of Work:**

Pursuant to California Labor Code section 1810, eight (8) hours of labor shall constitute a legal day's work. Pursuant to California Labor Code section 1811, the time of service of any worker employed at any time by the Contractor or by a subcontractor, upon the Project or upon any part of the Project, is limited and restricted to eight (8) hours during any one calendar day and forty (40) hours during any one calendar week, except as provided for under Labor Code section 1815. Notwithstanding the foregoing provisions, work performed by employees of Contractor or any subcontractor, in excess of eight (8) hours per day and forty (40) hours during any one week, shall be permitted upon compensation for all hours worked in excess of eight (8) hours per day at not less than one and one-half (1½) times the basic rate of pay.

**7. Penalty for Excess Hours:**

The Contractor shall pay to the County a penalty of twenty-five dollars (\$25.00) for each worker employed on the Project by the Contractor or any subcontractor, for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any calendar day and forty (40) hours in any one calendar week, in violation of the provisions of the California Labor Code, unless compensation to the worker so employed by the Contractor is not less than one and one-half (1½) times the basic rate of pay for all hours worked in excess of eight (8) hours per day.

**8. Senate Bill 854 (Chapter 28, Statutes of 2014) and Senate Bill 96 (Chapter 28, Statutes of 2017) Requirements:**

- a. Contractor shall comply with Senate Bill 854 and Senate Bill 96. The requirements include, but are not limited to, the following:
  - i. No contractor or subcontractor may be listed on a bid proposal (submitted on or after March 1, 2015) for a public works project unless registered with the DIR pursuant to Labor Code section 1725.5, with limited exceptions from this requirements for bid purposes only as allowed under Labor Code section 1771.1(a).
  - ii. No contractor or subcontractor may be awarded a contract for public work or perform work on a public works project (awarded on or after April 1, 2015) unless registered with the DIR pursuant to Labor Code section 1725.5.
  - iii. This project is subject to compliance monitoring and enforcement by the DIR.
  - iv. As required by the DIR, Contractor is required to post job site notices, as prescribed by regulation, regarding compliance monitoring and enforcement by the DIR.
  - v. Contractors and all subcontractors must submit certified payroll records online to the Labor Commissioner for all new public works projects issued on or after April 1, 2015, and for all public works projects, new or ongoing, on or after January 1, 2016.
    - 1) The certified payroll must be submitted at least monthly to the Labor Commissioner.
    - 2) The County reserves the right to require Contractor and all subcontractors to submit certified payroll records more frequently than monthly to the Labor Commissioner.
    - 3) The certified payroll records must be in a format prescribed by the Labor Commissioner.
  - vi. Registration with the DIR and the submission of certified payroll records to the Labor Commissioner are not required if the public works project is \$25,000 or less when the project is for construction, alteration, demolition, installation or repair work, or if the public works project is \$15,000 or less when the project is for maintenance work.

- b. Labor Code section 1725.5 states the following:

“A contractor shall be registered pursuant to this section to be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any public work contract that is subject to the requirements of this chapter. For

the purposes of this section, "contractor" includes a subcontractor as defined by Section 1722.1.

(a) To qualify for registration under this section, a contractor shall do all of the following:

(1) (A) Register with the Department of Industrial Relations in the manner prescribed by the department and pay an initial nonrefundable application fee of four hundred dollars (\$400) to qualify for registration under this section and an annual renewal fee on or before July 1 of each year thereafter. The annual renewal fee shall be in a uniform amount set by the Director of Industrial Relations, and the initial registration and renewal fees may be adjusted no more than annually by the director to support the costs specified in Section 1771.3.

(B) Beginning June 1, 2019, a contractor may register or renew according to this subdivision in annual increments up to three years from the date of registration. Contractors who wish to do so will be required to prepay the applicable nonrefundable application or renewal fees to qualify for the number of years for which they wish to preregister.

(2) Provide evidence, disclosures, or releases as are necessary to establish all of the following:

(A) Workers' compensation coverage that meets the requirements of Division 4 (commencing with Section 3200) and includes sufficient coverage for any worker whom the contractor employs to perform work that is subject to prevailing wage requirements other than a contractor who is separately registered under this section. Coverage may be evidenced by a current and valid certificate of workers' compensation insurance or certification of self-insurance required under Section 7125 of the Business and Professions Code.

(B) If applicable, the contractor is licensed in accordance with Chapter 9 (commencing with Section 7000) of the Business and Professions Code.

(C) The contractor does not have any delinquent liability to an employee or the state for any assessment of back wages or related damages, interest, fines, or penalties pursuant to any final judgment, order, or determination by a court or any federal, state, or local administrative agency, including a confirmed arbitration award. However, for purposes of this paragraph, the contractor shall not be disqualified for any judgment, order, or determination that is under appeal, provided that the contractor has secured the payment of any amount eventually found due through a bond or other appropriate means.

(D) The contractor is not currently debarred under Section 1777.1 or under any other federal or state law providing for the debarment of contractors from public works.

(E) The contractor has not bid on a public works contract, been listed in a bid proposal, or engaged in the performance of a contract for public works without being lawfully registered in accordance with this section, within the preceding 12 months or since the effective date of the requirements set forth in subdivision (e), whichever is earlier. If a contractor is found to be in



violation of the requirements of this paragraph, the period of disqualification shall be waived if both of the following are true:

(i) The contractor has not previously been found to be in violation of the requirements of this paragraph within the preceding 12 months.

(ii) The contractor pays an additional nonrefundable penalty registration fee of two thousand dollars (\$2,000).

(b) Fees received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

(c) A contractor who fails to pay the renewal fee required under paragraph (1) of subdivision (a) on or before the expiration of any prior period of registration shall be prohibited from bidding on or engaging in the performance of any contract for public work until once again registered pursuant to this section. If the failure to pay the renewal fee was inadvertent, the contractor may renew its registration retroactively by paying an additional nonrefundable penalty renewal fee equal to the amount of the renewal fee within 90 days of the due date of the renewal fee.

(d) If, after a body awarding a contract accepts the contractor's bid or awards the contract, the work covered by the bid or contract is determined to be a public work to which Section 1771 applies, either as the result of a determination by the director pursuant to Section 1773.5 or a court decision, the requirements of this section shall not apply, subject to the following requirements:

(1) The body that awarded the contract failed, in the bid specification or in the contract documents, to identify as a public work that portion of the work that the determination or decision subsequently classifies as a public work.

(2) Within 20 days following service of notice on the awarding body of a determination by the Director of Industrial Relations pursuant to Section 1773.5 or a decision by a court that the contract was for public work as defined in this chapter, the contractor and any subcontractors are registered under this section or are replaced by a contractor or subcontractors who are registered under this section.

(3) The requirements of this section shall apply prospectively only to any subsequent bid, bid proposal, contract, or work performed after the awarding body is served with notice of the determination or decision referred to in paragraph (2).

(e) The requirements of this section shall apply to any bid proposal submitted on or after March 1, 2015, to any contract for public work, as defined in this chapter, executed on or after April 1, 2015, and to any work performed under a contract for public work on or after January 1, 2018, regardless of when the contract for public work was executed.

(f) This section does not apply to work performed on a public works project of twenty-five thousand dollars (\$25,000) or less when the project is for construction, alteration, demolition, installation, or repair work or to work

performed on a public works project of fifteen thousand dollars (\$15,000) or less when the project is for maintenance work.”

c. Labor Code section 1771.1 states the following:

“(a) A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.

(b) Notice of the requirement described in subdivision (a) shall be included in all bid invitations and public works contracts, and a bid shall not be accepted nor any contract or subcontract entered into without proof of the contractor or subcontractor's current registration to perform public work pursuant to Section 1725.5.

(c) An inadvertent error in listing a subcontractor who is not registered pursuant to Section 1725.5 in a bid proposal shall not be grounds for filing a bid protest or grounds for considering the bid nonresponsive, provided that any of the following apply:

(1) The subcontractor is registered prior to the bid opening.

(2) Within 24 hours after the bid opening, the subcontractor is registered and has paid the penalty registration fee specified in subparagraph (E) of paragraph (2) of subdivision (a) of Section 1725.5.

(3) The subcontractor is replaced by another registered subcontractor pursuant to Section 4107 of the Public Contract Code.

(d) Failure by a subcontractor to be registered to perform public work as required by subdivision (a) shall be grounds under Section 4107 of the Public Contract Code for the contractor, with the consent of the awarding authority, to substitute a subcontractor who is registered to perform public work pursuant to Section 1725.5 in place of the unregistered subcontractor.

(e) The department shall maintain on its Internet Web site a list of contractors who are currently registered to perform public work pursuant to Section 1725.5.

(f) A contract entered into with any contractor or subcontractor in violation of subdivision (a) shall be subject to cancellation, provided that a contract for public work shall not be unlawful, void, or voidable solely due to the failure of the awarding body, contractor, or any subcontractor to comply with the requirements of Section 1725.5 or this section.

(g) If the Labor Commissioner or his or her designee determines that a contractor or subcontractor engaged in the performance of any public work contract without having been registered in accordance with this section, the contractor or subcontractor shall forfeit, as a civil penalty to the state, one hundred dollars (\$100) for each day of work performed in violation of the registration requirement, not to exceed an aggregate penalty of eight thousand dollars (\$8,000) in addition to any penalty registration fee assessed pursuant to clause (ii) of subparagraph (E) of paragraph (2) of subdivision (a) of Section 1725.5.

(h)(1) In addition to, or in lieu of, any other penalty or sanction authorized pursuant to this chapter, a higher tiered public works contractor or subcontractor who is found to have entered into a subcontract with an unregistered lower tier subcontractor to perform any public work in violation of the requirements of Section 1725.5 or this section shall be subject to forfeiture, as a civil penalty to the state, of one hundred dollars (\$100) for each day the unregistered lower tier subcontractor performs work in violation of the registration requirement, not to exceed an aggregate penalty of ten thousand dollars (\$10,000).

(2) The Labor Commissioner shall use the same standards specified in subparagraph (A) of paragraph (2) of subdivision (a) of Section 1775 when determining the severity of the violation and what penalty to assess, and may waive the penalty for a first time violation that was unintentional and did not hinder the Labor Commissioner's ability to monitor and enforce compliance with the requirements of this chapter.

(3) A higher tiered public works contractor or subcontractor shall not be liable for penalties assessed pursuant to paragraph (1) if the lower tier subcontractor's performance is in violation of the requirements of Section 1725.5 due to the revocation of a previously approved registration.

(4) A subcontractor shall not be liable for any penalties assessed against a higher tiered public works contractor or subcontractor pursuant to paragraph (1). A higher tiered public works contractor or subcontractor may not require a lower tiered subcontractor to indemnify or otherwise be liable for any penalties pursuant to paragraph (1).

(i) The Labor Commissioner or his or her designee shall issue a civil wage and penalty assessment, in accordance with the provisions of Section 1741, upon determination of penalties pursuant to subdivision (g) and subparagraph (B) of paragraph (1) of subdivision (h). Review of a civil wage and penalty assessment issued under this subdivision may be requested in accordance with the provisions of Section 1742. The regulations of the Director of Industrial Relations, which govern proceedings for review of civil wage and penalty assessments and the withholding of contract payments

under Article 1 (commencing with Section 1720) and Article 2 (commencing with Section 1770), shall apply.

(j)(1) Where a contractor or subcontractor engages in the performance of any public work contract without having been registered in violation of the requirements of Section 1725.5 or this section, the Labor Commissioner shall issue and serve a stop order prohibiting the use of the unregistered contractor or the unregistered subcontractor on all public works until the unregistered contractor or unregistered subcontractor is registered. The stop order shall not apply to work by registered contractors or subcontractors on the public work.

(2) A stop order may be personally served upon the contractor or subcontractor by either of the following methods:

(A) Manual delivery of the order to the contractor or subcontractor personally.

(B) Leaving signed copies of the order with the person who is apparently in charge at the site of the public work and by thereafter mailing copies of the order by first class mail, postage prepaid to the contractor or subcontractor at one of the following:

(i) The address of the contractor or subcontractor on file with either the Secretary of State or the Contractors' State License Board.

(ii) If the contractor or subcontractor has no address on file with the Secretary of State or the Contractors' State License Board, the address of the site of the public work.

(3) The stop order shall be effective immediately upon service and shall be subject to appeal by the party contracting with the unregistered contractor or subcontractor, by the unregistered contractor or subcontractor, or both. The appeal, hearing, and any further review of the hearing decision shall be governed by the procedures, time limits, and other requirements specified in subdivision (a) of Section 238.1.

(4) Any employee of an unregistered contractor or subcontractor who is affected by a work stoppage ordered by the commissioner pursuant to this subdivision shall be paid at his or her regular hourly prevailing wage rate by that employer for any hours the employee would have worked but for the work stoppage, not to exceed 10 days.

(k) Failure of a contractor or subcontractor, owner, director, officer, or managing agent of the contractor or subcontractor to observe a stop order issued and served upon him or her pursuant to subdivision (j) is guilty of a misdemeanor punishable by imprisonment in county jail not exceeding 60 days or by a fine not exceeding ten thousand dollars (\$10,000), or both.

(l) This section shall apply to any bid proposal submitted on or after March 1, 2015, and any contract for public work entered into on or after April 1, 2015. This section shall also apply to the performance of any public work,

as defined in this chapter, on or after January 1, 2018, regardless of when the contract for public work was entered.

(m) Penalties received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

(n) This section shall not apply to work performed on a public works project of twenty-five thousand dollars (\$25,000) or less when the project is for construction, alteration, demolition, installation, or repair work or to work performed on a public works project of fifteen thousand dollars (\$15,000) or less when the project is for maintenance work.”

d. Labor Code section 1771.4 states the following:

“a) All of the following are applicable to all public works projects that are otherwise subject to the requirements of this chapter:

(1) The call for bids and contract documents shall specify that the project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

(2) The awarding body shall post or require the prime contractor to post job site notices, as prescribed by regulation.

(3) Each contractor and subcontractor shall furnish the records specified in Section 1776 directly to the Labor Commissioner, in the following manner:

(A) At least monthly or more frequently if specified in the contract with the awarding body.

(B) In a format prescribed by the Labor Commissioner.

(4) If the contractor or subcontractor is not registered pursuant to Section 1725.5 and is performing work on a project for which registration is not required because of subdivision (f) of Section 1725.5, the unregistered contractor or subcontractor is not required to furnish the records specified in Section 1776 directly to the Labor Commissioner but shall retain the records specified in Section 1776 for at least three years after completion of the work.

(5) The department shall undertake those activities it deems necessary to monitor and enforce compliance with prevailing wage requirements.

(b) The Labor Commissioner may exempt a public works project from compliance with all or part of the requirements of subdivision (a) if either of the following occurs:

(1) The awarding body has enforced an approved labor compliance program, as defined in Section 1771.5, on all public works projects under its authority, except those deemed exempt pursuant to subdivision (a) of Section 1771.5, continuously since December 31, 2011.

(2) The awarding body has entered into a collective bargaining agreement that binds all contractors performing work on the project and that includes a mechanism for resolving disputes about the payment of wages.

(c) The requirements of paragraph (1) of subdivision (a) shall only apply to contracts for public works projects awarded on or after January 1, 2015.

(d) The requirements of paragraph (3) of subdivision (a) shall apply to all contracts for public work, whether new or ongoing, on or after January 1, 2016.”

## **B. STATE PUBLIC WORKS APPRENTICESHIP REQUIREMENTS**

### **1. State Public Works Apprenticeship Requirements:**

- a. The Contractor is responsible for compliance with Labor Code section 1777.5 and the California Code of Regulations, title 8, sections 230 – 230.2 for all apprenticeable occupations (denoted with “#” symbol next to craft name in DIR Prevailing Wage Determination), whether employed by the Contractor, subcontractor, vendor or consultant. Included in these requirements is (1) the Contractor’s requirement to provide notification (i.e. DAS-140) to the appropriate apprenticeship committees; (2) pay training fund contributions for each apprenticeable hour employed on the Contract; and (3) utilize apprentices in a minimum ratio of not less than one apprentice hour for each five journeyman hours by completion of Contract work (unless an exception is granted in accordance with Labor Code section 1777.5) or request for the dispatch of apprentices.
- b. Any apprentices employed to perform any of the Project shall be paid the standard wage to apprentices under the regulations of the craft or trade for which such apprentice is employed, and such individual shall be employed only for the work of the craft or trade to which such individual is registered. Only apprentices, as defined in California Labor Code section 3077, who are in training under apprenticeship standards and written apprenticeship agreements under California Labor Code sections 3070 et seq. are eligible to be employed for the Project. The employment and training of each apprentice shall be in accordance with the provisions of the apprenticeship standards and apprentice agreements under which such apprentice is training.

### **2. Compliance with California Labor Code section 1777.5 requires all public works contractors to:**

- a. Submit Contract Award Information (DAS-140):
  - i. Although there are a few exemptions (identified below), all Contractors, regardless of union affiliation, must submit contract award information when performing on a California public works project.
  - ii. The DAS-140 is a notification “announcement” of the Contractor’s participation on a public works project—*it is not a request for the dispatch of an apprentice.*

- iii. Contractors shall submit the contract award information (you may use form DAS 140) within 10 days of the execution of the prime contract or subcontract, but in no event later than the first day in which the Contractor has workers employed on the public work.
- iv. Contractors who are already approved to train apprentices (i.e. check “Box 1” on the DAS-140) shall only be required to submit the form to their approved program.
- v. Contractors who are NOT approved to train apprentices (i.e. those that check either “Box 2” or “Box 3” on the DAS-140) shall submit the DAS-140 TO EACH of the apprenticeship program sponsors in the area of your public works project. For a listing of apprenticeship programs see  
<http://www.dir.ca.gov/Databases/das/pwaddrstart.asp>.

b. Employ Registered Apprentices

- i. Labor Code section 1777.5 requires that a contractor performing work in an “apprenticeable” craft must employ one (1) hour of apprentice work for every five (5) hours performed by a journeyman. This ratio shall be met prior to the Contractor’s completion of work on the project. “Apprenticeable” crafts are denoted with a pound symbol “#” in front of the craft name on the prevailing wage determination.
- ii. All Contractors who do not fall within an exemption category (see below) must request for dispatch of an apprentice from an apprenticeship program (for each apprenticeable craft or trade) by giving the program actual notice of at least 72 hours (business days only) before the date on which apprentices are required.
- iii. Contractors may use the “DAS-142” form for making a request for the dispatch of an apprentice.
- iv. Contractors who are participating in an approved apprenticeship training program and who did not receive sufficient number of apprentices from their initial request must request dispatch of apprentices from ALL OTHER apprenticeship committees in the project area in order to fulfill this requirement.
- v. Contractor should maintain and submit proof (when requested) of its DAS-142 submittal to the apprenticeship committees (e.g. fax transmittal confirmation). A Contractor has met its requirement to employ apprentices only after it has successfully made a dispatch request to all apprenticeship programs in the project area.

- vi. Only “registered” apprentices may be paid the prevailing apprentice rates and must, at all times work under the supervision of a Journeyman (Cal. Code Regs., tit 8, § 230.1).
- c. Make Training Fund Contributions
- i. Contractors performing in apprenticeable crafts on public works projects, must make training fund contributions in the amount established in the prevailing wage rate publication for journeymen and apprentices.
  - ii. Contractors may use the “CAC-2” form for submittal of their training fund contributions.
  - iii. Contractors who do not submit their training fund contributions to an approved apprenticeship training program must submit their contributions to the California Apprenticeship Council (CAC), PO Box 420603, San Francisco, CA 94142-0603.
  - iv. Training fund contributions to the CAC are due and payable on the 15th day of the month for work performed during the preceding month.
  - v. The “training” contribution amount identified on the prevailing wage determination shall not be paid to the worker, unless the worker falls within one of the exemption categories listed below.

### **3. Exemptions to Apprenticeship Requirements:**

- a. The following are exempt from having to comply with California apprenticeship requirements. These types of contractors do not need to submit a DAS-140, DAS-142, make training fund contributions, or utilize apprentices:
  - i. When the Contractor holds a sole proprietor license (“Owner-Operator”) and no workers were employed by the Contractor. In other words, the contractor performed the entire work from start to finish and worked alone.
  - ii. Contractors performing in non-apprenticeable crafts. “Apprenticeable” crafts are denoted with a pound symbol “#” in front of the craft name on the prevailing wage determination.
  - iii. When the Contractor has a direct contract with the Public Agency that is under \$30,000.
  - iv. When the project is 100% federally-funded and the funding of the project does not contain any city, county, and/or state monies (unless the project is administered by a state agency in which case the apprenticeship requirements apply).



- v. When the project is a private project not covered by the definition of public works as found in Labor Code section 1720.

#### **4. Exemption from Apprenticeship Ratios:**

- a. The Joint Apprenticeship Committee shall have the discretion to grant a certificate, which shall be subject to the approval of the Administrator of Apprenticeship, exempting the Contractor from the 1-to-5 ratio set forth in this Section when it finds that any one of the following conditions are met:
  - i. Unemployment for the previous three-month period in such area exceeds an average of fifteen percent (15%); or
  - ii. The number of apprentices in training in such area exceeds a ratio of 1-to-5 in relation to journeymen; or
  - iii. The Apprenticeable Craft or Trade is replacing at least one-thirtieth (1/30) of its journeymen annually through apprenticeship training, either on a statewide basis or on a local basis; or
  - iv. If assignment of an apprentice to any work performed under the Contract Documents would create a condition which would jeopardize such apprentice's life or the life, safety or property of fellow employees or the public at large, or if the specific task to which the apprentice is to be assigned is of such a nature that training cannot be provided by a journeyman.
- b. When such exemptions from the 1-to-5 ratio between apprentices and journeymen are granted to an organization which represents contractors in a specific trade on a local or statewide basis, the member contractors will not be required to submit individual applications for approval to local Joint Apprenticeship Committees, provided they are already covered by the local apprenticeship standards.

#### **5. Contractor's Compliance:**

- a. The responsibility of compliance with this Section for all Apprenticeable Trades or Crafts is solely and exclusively that of the Contractor. All decisions of the Joint Apprenticeship Committee(s) under this Section are subject to the provisions of California Labor Code section 3081 and penalties are pursuant to Labor Code section 1777.7 and the determination of the Labor Commissioner.

**EXHIBIT D**

**CERTIFICATE REGARDING WORKERS' COMPENSATION**

**Labor Code Section 3700**

"Every employee except the state shall secure the payment of compensation in one or more of the following ways:

(a) By being insured against liability to pay compensation in one or more insurers duly authorized to write compensation insurance in this state.

(b) By securing from the Director of Industrial Relations a certificate of consent to self-insure, either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to his or her employees."

I am aware of the provisions of Section 3700 of the Labor Code which require every employee to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the code, and I will comply with such provisions before commencing the performance of the work of this contract.

Contractor: \_\_\_\_\_

\_\_\_\_\_

By:

Its:

In accordance with Article 5 (commencing at Section 1860), Chapter 1, Part 7, Division 2 of the Labor Code, the above certificate must be signed and filed with the awarding body prior to performing any work under the contract.

**EXHIBIT E**

**FORM OF PERFORMANCE BOND**

WHEREAS, County OF SAN BERNARDINO (“County”) has authorized \_\_\_\_\_ (“Principal”) to perform the following project (“Project”):

Head Start Preschool Improvements at 201 Allen Street, San Bernardino, California.

WHEREAS, the Principal is required under the terms of the Agreement to furnish a bond to County as obligee ensuring its full and faithful performance of the Contract Documents, which are fully incorporated herein by this reference,

NOW, THEREFORE, we, the Principal and \_\_\_\_\_, as Surety, hereby guarantee the Principal’s full, faithful and complete performance of the Contract Document requirements in the penal sum of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_) for the payment of which sum will and truly be made, we bind ourselves, our heirs, executors, administrators and successors, jointly, severally, and firmly by this agreement to perform or have performed all of the work and activities required to complete the Project pursuant to the Contract Documents and to pay to County all damages County incurs as a result of the Principal’s failure to fully perform in accordance with the Contract Documents.

The condition of the obligation is such that if the Principal, its heirs, executors, administrators, successors or assigns shall in all things abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any amendment thereof made as therein provided, on its or their parts to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall insure and indemnify and save harmless County, its officers and agents, as therein stipulated, then this obligation shall become null and void. Otherwise, it shall be and remain in full force and effect.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the Contract Documents shall in any way affect its obligations on this bond and it does hereby waive notice of any such change, extension of time, alteration or addition.

Principal and Surety further agree to pay all costs incurred by County in connection with enforcement of this bond, including, but not limited to County’s reasonable attorney’s fees and costs incurred, with or without suit, in addition to any other sum required by this bond. Surety further agrees that death, dissolution, or bankruptcy of the Principal shall not relieve the Surety of its obligations hereunder.

In witness whereof, five (5) identical counterparts of this instrument, each of which shall for all purposes be deemed an original thereof, have been duly executed by the Principal and Surety on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

To be signed by  
Principal and Surety

and acknowledgment

and notarial seal to

be attached.

\_\_\_\_\_  
PRINCIPAL

By: \_\_\_\_\_

TITLE \_\_\_\_\_

\_\_\_\_\_  
SURETY

By: \_\_\_\_\_

TITLE \_\_\_\_\_

The above bond is accepted and approved this \_\_\_\_\_ day of  
\_\_\_\_\_, 20\_\_.

By: \_\_\_\_\_  
County OF SAN BERNARDINO

**EXHIBIT F**

**FORM OF PAYMENT BOND**

WHEREAS, County OF SAN BERNARDINO ("County") has authorized: \_\_\_\_\_ ("Principal") to perform the following project ("Project"):

Head Start Preschool Improvements at 201 Allen Street, San Bernardino, California;

AND WHEREAS, the Principal is required to furnish a bond in connection with said contract to secure the payment of claims of laborers, mechanics or material suppliers employed on work under said contract as provided by law;

NOW, THEREFORE, We, the Principal and \_\_\_\_\_, as Surety, are held and firmly bound unto Owner in the sum of

\_\_\_\_\_ DOLLARS

(\$ \_\_\_\_\_), said sum being one hundred percent (100%) of the estimated amount of the contract, for which for the payment of which payment well and truly to be made we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly and by these presents.

THE CONDITION of this obligation is such that if the Principal, its heirs, executors, administrators, successors, assigns or subcontractors shall fail to pay any of the persons referred to in Section 9100 of the Civil Code or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant, that the Surety herein will pay for the same, in an amount not exceeding the sum specified in this bond, otherwise, the above obligation shall be void. In case suit is brought upon this bond, the said Surety will pay a reasonable attorney's fee to be fixed by the court.

This bond shall insure to the benefit of any of the persons referred to in Section 9100 of the Civil Code, so as to give a right of action to such persons or their assigns in any suit brought upon this bond. Any such right of action shall be subject to the provisions of Sections 8608 and 9566 of the Civil Code.

IN WITNESS WHEREOF, we have hereunto set our hands and seals on this \_\_\_\_\_ day of

\_\_\_\_\_, 20\_\_.

To be signed by

*Principal and Surety  
and acknowledgment  
and notarial seal to  
be attached.*

\_\_\_\_\_  
PRINCIPAL

By: \_\_\_\_\_

Its: \_\_\_\_\_

\_\_\_\_\_  
SURETY

By: \_\_\_\_\_

Its: \_\_\_\_\_

The above bond is accepted and approved this \_\_\_\_\_ day of  
\_\_\_\_\_, 20\_\_.

By: \_\_\_\_\_

**EXHIBIT G**

**LIST OF FORMER COUNTY OFFICIALS**

INSTRUCTIONS: List the full name of the former County Administrative Official, the title/description of the Official's last position with the County, the date the Official terminated County employment, the Official's current employment and/or representative capacity with the Developer, the date the Official entered Developer's employment and/or representation.

OFFICIAL'S NAME:                      REQUIRED INFORMATION

Developer certifies that the foregoing information is true and accurate.

**DEVELOPER:**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Lewis Center for Educational Research **2021-2022** SCHOOL YEAR

**STUDENT CALENDAR**

180 School Days

**Grading Periods 6-12**

August 4-October 1 1st quarter  
 August 4-December 16 1st semester  
 January 10-March 18 3rd quarter  
 January 10-June 3 2nd semester

**Grading Periods TK-5**

August 4-November 5 1st Trimester  
 November 8-February 25 2nd Trimester  
 February 28-June 3 3rd Trimester

**Ceremonies**

Kindergarten Recognition May 31  
 5th Grade Recognition June 1  
 8th Grade Recognition June 2  
 HS Graduation June 3

No School
  Holiday
  Teacher In-Service, No Sch
  Early Release
  Min Days
  Elem Min Days

Gr 6-12 ~ 1st Semester Finals, December 15-16

2nd Semester Finals, June 8-9

Elementary Parent Conference November 8, 9, 10, 12

**July-21**

M	T	W	TH	F
			1	2
5	6	7	8	9
12	13	14	15	16
19	20	21	22	23
26	27	28	29	30

School Days (0)

**August-21**

M	T	W	TH	F
2	3	4	5	6
9	10	11	12	13
16	17	18	19	20
23	24	25	26	27
30	31			

School Days (20)

**September-21**

M	T	W	TH	F
		1	2	3
6	7	8	9	10
13	14	15	16	17
20	21	22	23	24
27	28	29	30	

School Days (21)

**October-21**

M	T	W	TH	F
				1
4	5	6	7	8
11	12	13	14	15
18	19	20	21	22
25	26	27	28	29

School Days (16)

**November-21**

M	T	W	TH	F
1	2	3	4	5
8	9	10	11	12
15	16	17	18	19
22	23	24	25	26
29	30			

School Days (16)

**December-21**

M	T	W	TH	F
		1	2	3
6	7	8	9	10
13	14	15	16	17
20	21	22	23	24
27	28	29	30	31

School Days (12)

**85 Day Semester**

**January-22**

M	T	W	TH	F
3	4	5	6	7
10	11	12	13	14
17	18	19	20	21
24	25	26	27	28
31				

School Days (15)

**February-22**

M	T	W	TH	F
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28				

School Days (18)

**March-22**

M	T	W	TH	F
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28	29	30	31	

School Days (18)

**April-22**

	T	W	TH	F
				1
4	5	6	7	8
11	12	13	14	15
18	19	20	21	22
25	26	27	28	29

School Days (21)

**May-22**

M	T	W		
2	3	4	5	6
9	10	11	12	13
16	17	18	19	20
23	24	25	26	27
30	31			

School Days (21)

**June-22**

M	T	W	TH	F
		1	2	3
6	7	8	9	10
13	14	15	16	17
20	21	22	23	24
27	28	29	30	

School Days (3)

Draft



Lewis Center for Educational Research **2021-2022** SCHOOL YEAR

**STUDENT CALENDAR**

**180 School Days**

Grading Periods 6-12

August 4-October 1	1st quarter
August 4-December 16	1st semester
January 10-March 18	3rd quarter
January 10-June 9	2nd semester

Grading Periods TK-5

August 4-November 5	1st Trimester
November 8-February 25	2nd Trimester
February 28-June 9	3rd Trimester

Ceremonies

Kindergarten Recognition	June 7
5th Grade Recognition	June 8
8th Grade Recognition	June 9
HS Graduation	June 10

No School	Holiday	Teacher In-Service, No Sch	Early Release	Min Days	Elem Min Days
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Gr 6-12 ~ 1st Semester Finals, December 15-16

2nd Semester Finals, June 8-9

Elementary Parent Conference November 8, 9, 10, 12

**July-21**

M	T	W	TH	F
			1	2
5	6	7	8	9
12	13	14	15	16
19	20	21	22	23
26	27	28	29	30 <i>All Staff</i>

School Days (0)

**August-21**

M	T	W	TH	F
2	3	4	5	6
9	10	11	12	13
16	17	18	19	20
23	24	25	26	27
30	31			

School Days (20)

**September-21**

M	T	W	TH	F
		1	2	3
6	7	8	9	10
13	14	15	16	17
20	21	22	23	24
27	28	29	30	

School Days (21)

**October-21**

M	T	W	TH	F
				1
4	5	6	7	8
11	12	13	14	15 <i>AVUSD</i>
18	19	20	21	22
25	26	27	28	29

School Days (16)

**November-21**

M	T	W	TH	F
1	2	3	4	5
8	9	10	11	12
15	16	17	18	19
22	23	24	25	26 <i>AVUSD &amp; SBCUSD</i>
29	30			

School Days (16)

**December-21**

M	T	W	TH	F
		1	2	3
6	7	8	9	10
13	14	15	16	17
20	21	22	23	24 <i>AVUSD &amp; SBCUSD</i>
27	28	29	30	31 <i>AVUSD &amp; SBCUSD</i>

School Days (12)  
**85 Day Semester**

**January-22**

M	T	W	TH	F
3	4	5	6	7
10	11	12	13	14 <i>SBCUSD</i>
17	18	19	20	21
24	25	26	27	28
31				

School Days (15)

**February-22**

M	T	W	TH	F
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25
28				

School Days (18)

**March-22**

M	T	W	TH	F
	1	2	3	4
7	8	9	10	11
14	15	16	17	18
21	22	23	24	25 <i>AVUSD &amp; SBCUSD</i>
28	29	30	31	<i>SBCUSD</i>

School Days (14)

**April-22**

	T	W	TH	F
				1
4	5	6	7	8
11	12	13	14	15
18	19	20	21	22
25	26	27	28	29

School Days (20)

**May-22**

M	T	W		
2	3	4	5	6
9	10	11	12	13
16	17	18	19	20
23	24	25	26	27
30	31			

School Days (21)

**June-22**

M	T	W	TH	F
		1	2	3
6	7	8	9	10
13	14	15	16	17
20	21	22	23	24
27	28	29	30	

School Days (7)  
**95 Day Semester**

Draft

The High Desert Partnership in Academic Excellence Foundation, Inc.  
 Check/Voucher Register - Board Report - 10K  
 From 1/30/2019 Through 4/1/2020

Effective D...	Check Nu...	Vendor Name	Check Amount	Transaction Description
1/31/2019	394		363,290.59	Group: Payroll; Pay Date: 1/31/2019
2/1/2019	42134	CharterSAFE	24,470.00	Insurance premium pymt for January
2/1/2019	42137	SBCSS	64,291.39	NSAA STRS contributions for January
2/1/2019		SBCSS	123,063.90	LCER/AAE - STRS contributions for January
2/1/2019	42140	SBCSS	21,166.33	NSAA PERS contributions for January
2/1/2019		SBCSS	49,105.76	LCER/AAE - PERS contributions for January
2/4/2019	25591	Lewis Center for Ed Re...	425,000.00	Transter Funds From DCB Checking to Union Checking
2/12/2019	42229	Wiltshire Urethane Foa...	15,486.00	New Roof for TBC Observatory
2/12/2019	42230	Xerox Financial Services	11,453.91	Contract # 020-0036039-001
2/12/2019	42231	Preferred Meal System...	15,856.73	NSLA Cafeteria Food 2/4/19
2/14/2019	42237	SISC	177,410.50	Health Coverage for February 2019
2/15/2019	395		376,127.76	Group: Payroll; Pay Date: 2/15/2019
2/19/2019	42272	SBCSS	21,132.86	Reimbursement of Sub Costs for NSLA 7/1/18-10/29/18
2/19/2019		SBCSS	27,460.64	Reimbursement of Sub Costs at NSLA 10/12/18-1/10/19
2/28/2019	396		383,297.82	Group: Payroll; Pay Date: 2/28/2019
3/5/2019	42307	CharterSAFE	24,470.00	Insurance premium pymt for February
3/5/2019	42311	SBCSS	64,138.50	NSAA STRS contributions for February
3/5/2019		SBCSS	126,975.90	LCER/AAE - STRS contributions for February
3/5/2019	42312	SchoolsFirst Federal C...	10,814.09	Employee TSA contributions - February 28, 2019
3/5/2019	42314	SBCSS	22,305.63	NSAA PERS contributions for February
3/5/2019		SBCSS	50,406.52	LCER/AAE - PERS contributions for February
3/11/2019	42331	Disneyland Resort	16,680.00	Grad Night for AAe June 7, 2019
3/15/2019	397		368,692.58	Group: Payroll; Pay Date: 3/15/2019
3/20/2019	42339	SISC	178,547.00	Health Coverage for March 2019
3/21/2019	42396	YMCA - Metropolitan L...	17,175.00	2019 ROTC Leadership Camp 3/24/19-3/29/19
3/27/2019	42442	San Bernardino City S...	28,350.00	Security for NSLA per MOU 2nd Half
3/29/2019	398		373,629.13	Group: Payroll; Pay Date: 3/29/2019
4/3/2019	42480	SBCSS	64,113.38	NSAA STRS contributions for March
4/3/2019		SBCSS	126,873.17	LCER/AAE - STRS contributions for March
4/3/2019	42484	SBCSS	21,972.98	NSAA PERS contributions for March
4/3/2019		SBCSS	49,844.06	LCER/AAE - PERS contributions for March 19
4/10/2019	42496	Snapology	11,200.00	PO# 1819-0925-AAE - 5 Day Spring Camp
4/10/2019	42497	Swun Math, LLC	27,500.00	PO# 1819-0985-NSLA
4/15/2019	399		356,963.16	Group: Payroll; Pay Date: 4/15/2019
4/17/2019	42550	Riverside Co. Office of ...	19,800.00	Induction Program 2018/2019
4/17/2019	42558	SISC	178,501.05	Health Coverage for April 2019
4/30/2019	400		369,440.69	Group: Payroll; Pay Date: 4/30/2019
5/2/2019	42601	CharterSAFE	24,470.00	Insurance premium pymt for Aoril 2019
5/2/2019	42607	SBCSS	64,158.90	NSAA STRS contributions for April
5/2/2019		SBCSS	125,266.33	LCER/AAE - STRS contributions for April
5/2/2019	42609	SBCSS	21,310.09	NSAA PERS contributions for April 19
5/2/2019		SBCSS	49,657.66	LCER/AAE - PERS contributions for April
5/9/2019	42611	Law Office of Abraham...	37,500.00	James Foley Settlement Payment Case # CIVDS1828914
5/9/2019	42672	SBCSS	23,449.53	Reimbursement for Sub Costs for Substitute Teachers 1/11-4/9
5/9/2019	42673	Southern California Edi...	12,484.95	Acct# 2-21-356-3786 Mana Road
5/15/2019	401		378,005.81	Group: Payroll; Pay Date: 5/15/2019
5/16/2019	42703	SISC	178,529.55	Health Coverage for May 2019
5/20/2019	42705	Irvine Ranch Outdoor ...	23,528.00	PO# 1819-1129-AAE 6th Grade Science Camp
5/29/2019	42711	Dana Myers	10,400.00	Purchase of 2006 Chevrolet Silverado 2500 HD Crew Cab
5/31/2019	403		377,857.61	Group: Payroll; Pay Date: 5/31/2019
6/4/2019	42786	SBCSS	63,623.39	NSAA STRS contributions for May
6/4/2019		SBCSS	128,110.18	LCER/AAE - STRS contributions for May
6/4/2019	42812	SBCSS	22,910.20	NSAA PERS contributions for May
6/4/2019		SBCSS	50,308.22	LCER/AAE - PERS contributions for May
6/6/2019	42818	AP Exams	15,529.00	AP Testing for AAE
6/14/2019	405		377,028.20	Group: Payroll; Pay Date: 6/14/2019

The High Desert Partnership in Academic Excellence Foundation, Inc.  
 Check/Voucher Register - Board Report - 10K  
 From 1/30/2019 Through 4/1/2020

Effective D...	Check Nu...	Vendor Name	Check Amount	Transaction Description
6/17/2019	42830	SISC	177,225.25	Health Coverage for June 2019
6/20/2019	42831	CharterSAFE	78,029.00	Insurance Deposit for 2019/20 School Year
6/28/2019	409		355,035.81	Group: Payroll; Pay Date: 6/28/2019
6/28/2019	42849	Dean Howard Heat & A...	13,105.00	Replacement of 2 Eubanks AC /Heat Pump Units
6/28/2019	42894	SBCSS	16,500.00	PO# 1819-0611-AAE
7/1/2019	42930	SBCSS	21,034.74	NSAA PERS contributions for June
7/1/2019		SBCSS	49,639.04	LCER/AAE - PERS contributions for June
7/1/2019	42933	SBCSS	64,381.22	NSAA STRS contributions for June
7/1/2019		SBCSS	126,246.17	LCER/AAE - STRS contributions for June
7/9/2019	42939	Abila	12,067.00	Account # 13850 - MIP FA foe the 2019/2020 School Year
7/11/2019	25592	Lewis Center for Ed Re...	212,000.00	Transfer funds from DCB Checking to Union Checking
7/12/2019	42943	Liberty Utilities	10,501.98	Acct# 084800 - Elem Playfield
7/12/2019	42957	SISC	178,204.70	Health Coverage for July 2019
7/12/2019	42960	Xerox Financial Services	54,604.48	Contract # 020-0036039-001 - Buyout for the Xerox Contract
7/15/2019	411		352,526.16	Group: Payroll; Pay Date: 7/15/2019
7/30/2019	42999	JAMF Software	24,150.00	PO# 20-00005-IT-S EDU JAMF pro
7/30/2019	43001	Jostens	11,096.83	PO# 1819-1185-AAE - High School Yearbook for AAE
7/30/2019	43031	SBCSS	76,073.13	2018/2019 Charter School Oversight Fees
7/30/2019	43051	Wells Fargo Vendor Fi...	54,787.81	PO# 20-1003-IT-O
7/31/2019	413		345,769.88	Group: Payroll; Pay Date: 7/31/2019
8/1/2019	43058	SBCSS	20,667.14	NSAA/PERS 07312019 Contributions for July
8/1/2019		SBCSS	58,812.66	AV/PERS 07312019 Contributions for July
8/1/2019	43060	SBCSS	66,369.14	NSAA/STRS 073119 Contributions for July
8/1/2019		SBCSS	122,989.27	AV/STRS 073119 Contributions for July
8/6/2019	43068	CharterSAFE	26,010.00	Insurance premium pymt for July 2019
8/7/2019	43075	Kimley-Horn & Associa...	19,839.96	NSLA CEQA Services for June 2019
8/7/2019		Kimley-Horn & Associa...	49,782.62	NSLA CEQA Services through July 2019
8/7/2019		Kimley-Horn & Associa...	50,250.91	NSLA Construction Project CEQA Services through 4/30/19
8/7/2019		Kimley-Horn & Associa...	69,625.43	NSLA CEQA Services for May 2019
8/13/2019	43082	SISC	181,859.65	Health Coverage for August 2019
8/15/2019	416		364,409.44	Group: Payroll; Pay Date: 8/15/2019
8/15/2019	43094	SBCSS	13,322.36	Reimbursement for Sub Costs for NSLA 4/10-6/30/19 4th quarte
8/20/2019	43137	Illuminate Education, Inc	22,826.75	PO# 20-0011-IT-S Software License
8/20/2019	43163	Southern California Edi...	14,865.66	Acct# 2-35-953-2850 - AAE
8/20/2019		Southern California Edi...	17,355.91	Acct# 2-21-356-3786 - AAE
8/28/2019	43195	HighMark School Deve...	35,242.91	NSLA Construction Costs
8/30/2019	417		373,659.23	Group: Payroll; Pay Date: 8/30/2019
9/3/2019	43208	CharterSAFE	26,010.00	Insurance premium pymt for January
9/3/2019	43211	SBCSS	68,935.15	NSAA STRS contributions for August
9/3/2019		SBCSS	129,495.97	LCER/AAE - STRS contributions for August
9/3/2019	43214	SBCSS	21,476.00	NSAA PERS contributions for August
9/3/2019		SBCSS	58,677.97	LCER/AAE - PERS contributions for August
9/13/2019	420		382,217.95	Group: Payroll; Pay Date: 9/13/2019
9/16/2019	43229	Liberty Utilities	10,208.45	Acct# 084800 - Elem Playfield
9/16/2019	43250	Curriculum Associates,...	17,970.85	PO# 1920-0088-AAE -
9/16/2019	43269	IXL Learning	13,594.00	PO# 20-0015-IT-S
9/16/2019	43285	Preferred Meal System...	13,111.04	NSLA Cafeteria Food 8/26/19
9/16/2019	43296	SISC	184,467.30	Health Coverage for September 2019
9/16/2019	43305	Virtual Graffiti	23,120.48	PO# 20-0014-IT-S Barracuda 1 year plan
9/26/2019	43345	Hayes Software Syste...	13,775.00	PO# 20-0003-IT-S GetHelp Software Package
9/26/2019	43349	Illuminate Education, Inc	13,896.00	PO# 20-0001-IT-S CoHort Package
9/26/2019	43352	KDC Technologies	18,390.39	PO# 20-1003-IT-H
9/26/2019		KDC Technologies	55,470.27	PO# 20-1002-IT-H Access Point
9/26/2019	43366	Southern California Edi...	11,198.69	Acct# 2-30-619-9621 NSLA
9/26/2019		Southern California Edi...	21,443.55	Acct# 2-21-356-3786 - MRC Campus
9/26/2019		Southern California Edi...	22,525.39	Acct# 2-35-953-2850 - MRC Campus

The High Desert Partnership in Academic Excellence Foundation, Inc.  
 Check/Voucher Register - Board Report - 10K  
 From 1/30/2019 Through 4/1/2020

Effective D...	Check Nu...	Vendor Name	Check Amount	Transaction Description
9/30/2019	422		390,169.48	Group: Payroll; Pay Date: 9/30/2019
10/1/2019	43385	CharterSAFE	26,010.00	Insurance premium pymt for September
10/1/2019	43388	SBCSS	73,420.66	NSAA STRS contributions for September
10/1/2019		SBCSS	131,541.05	LCER/AE - STRS contributions for September 2019
10/1/2019	43391	SBCSS	21,267.36	NSAA PERS contributions for September
10/1/2019		SBCSS	59,369.07	LCER/AE - PERS contributions for September 2019
10/15/2019	424		387,862.45	Group: Payroll; Pay Date: 10/15/2019
10/16/2019	43402	American Express	18,183.21	Acct# XXXX-XXXXX0-71001
10/17/2019	43409	YM & C	11,745.30	Legal Services through 9/30/19
10/18/2019	43439	Institute for Multi-Sens...	10,232.22	PO# 1920-0330-AAE - Readers
10/18/2019	43460	San Bernardino City S...	27,755.00	School Police Services at NSLA
10/18/2019	43464	SISC	190,843.15	Health Coverage for October 2019
10/18/2019	43469	Swun Math, LLC	18,333.33	PO# 1920-0398-NSLA Professional Development for 2019/20
10/30/2019	43492	American Express	17,065.68	Acct# XXXX-XXXXX0-71001
10/31/2019	426		382,336.54	Group: Payroll; Pay Date: 10/31/2019
11/4/2019	43504	CharterSAFE	26,010.00	Insurance premium pymt for October
11/4/2019	43507	SBCSS	73,785.79	NSAA STRS contributions for October
11/4/2019		SBCSS	132,302.90	LCER/AE - STRS contributions for October
11/4/2019	43510	SBCSS	21,732.29	NSAA PERS contributions for October
11/4/2019		SBCSS	58,473.83	LCER/AE - PERS contributions for October
11/14/2019	43573	Preferred Meal System...	11,235.36	NSLA Cafeteria Food 11/4/19
11/14/2019	43576	Renaissance Learning,...	15,462.00	PO#20-0017-IT-S Accelerated Reader 360 Subscription
11/14/2019	43583	SBCSS	13,649.61	Reimbursement for Costs of sub Teachers 7/1/19-10/10/19 NSLA
11/15/2019	428		391,438.45	Group: Payroll; Pay Date: 11/15/2019
11/18/2019	43606	SISC	188,219.80	Health Coverage for November 2019
11/29/2019	432		386,988.31	Group: Payroll; Pay Date: 11/29/2019
12/3/2019	43674	CharterSAFE	26,010.00	Insurance premium pymt for November
12/3/2019	43678	SBCSS	75,156.30	NSAA STRS contributions for November 2019
12/3/2019		SBCSS	134,459.28	LCER/AE - STRS contributions for November
12/3/2019	43682	SBCSS	21,581.87	NSAA PERS contributions for November 2019
12/3/2019		SBCSS	57,299.92	LCER/AE - PERS contributions for November 2019
12/12/2019	43707	Calif Charter School A...	22,460.00	CCSA Membership 2020
12/13/2019	435		372,344.03	Group: Payroll; Pay Date: 12/13/2019
12/16/2019	43778	SISC	185,096.80	Health Coverage for December 2019
12/19/2019	43784	CDE	263,093.00	PO# 1819-1187-LCER RePayment of Unused Prop 39 Funds
12/19/2019	43804	Kimley-Horn & Associa...	28,113.30	For Services Rendered Through 10/31/19
12/19/2019		Kimley-Horn & Associa...	57,140.10	For Services Rendered Through September 30, 2019
12/19/2019	43826	YM & C	24,346.14	Services through 10/31/19
12/20/2019	43844	SBCSS	69,771.20	NSAA STRS contributions for December
12/20/2019		SBCSS	133,607.82	LCER/AE - STRS contributions for December
12/31/2019	437		388,469.14	Group: Payroll; Pay Date: 12/31/2019
12/31/2019	43838	SBCSS	21,635.25	NSAA PERS contributions for December
12/31/2019		SBCSS	56,408.62	LCER/AE - PERS contributions for December
1/8/2020	25593	Lewis Center for Ed Re...	328,000.00	Transfer Funds from DCB Checking to Union Checking
1/8/2020	43850	KDC Technologies	127,441.11	PO# 20-1012-it-H Access Point Cable, License, Switch
1/13/2020	43867	CharterSAFE	26,009.00	Insurance premium pymt for January 2020
1/13/2020	43909	SISC	185,104.05	Health Coverage for January 2020
1/15/2020	438		359,680.41	Group: Payroll; Pay Date: 1/15/2020
1/24/2020	43926	City of San Bernardino	32,905.59	Plan Check for NSLA Structures
1/24/2020	43927	City of San Bernardino	23,282.40	Plan Check for Civil Engineering Offsite
1/24/2020		City of San Bernardino	32,905.59	Plan Check for NSLA Structures
1/24/2020		City of San Bernardino	34,401.52	Plan Check for Onsite NSLA Engineering
1/24/2020	43929	Webstaurant Store	14,021.66	Kold Locker Outdoor Walk in Freezer for AAE Cafeteria
1/31/2020	440		376,320.88	Group: Payroll; Pay Date: 1/31/2020

The High Desert Partnership in Academic Excellence Foundation, Inc.  
 Check/Voucher Register - Board Report - 10K  
 From 1/30/2019 Through 4/1/2020

Effective D...	Check Nu...	Vendor Name	Check Amount	Transaction Description
2/3/2020	43942	CharterSAFE	26,009.00	Insurance premium pymt for January 2020
2/3/2020	43945	SBCSS	21,133.57	NSAA PERS contributions for January 2020
2/3/2020		SBCSS	58,469.92	LCER/AAE - PERS contributions for January 20
2/3/2020	43950	SBCSS	68,893.14	NSAA STRS contributions for January 20
2/3/2020		SBCSS	130,857.60	LCER/AAE - STRS contributions for January
2/7/2020	43971	Committee for Children	14,584.64	PO# 1920-0341-AAE
2/7/2020	43988	Ground Down Enginee...	24,002.00	1920-0144-AAE Trash Removal
2/7/2020	44039	Wells Fargo Vendor Fi...	18,308.90	Acct# 3690900333
2/12/2020	44049	Geocon West Inc.	18,127.69	NSLA for Professional Services from 9/9/2019-10/6/2019
2/12/2020	44051	Kimley-Horn & Associa...	50,483.02	For Services rendered through November 30, 2019
2/12/2020	44053	SISC	181,970.65	Health Coverage for February 2020
2/14/2020	443		391,931.69	Group: Payroll; Pay Date: 2/14/2020
2/28/2020	444		400,939.10	Group: Payroll; Pay Date: 2/28/2020
3/2/2020	44097	Kimley-Horn & Associa...	82,973.33	Services Rendered through Jan 31, 2020
3/2/2020	44118	SBCSS	11,550.00	PO# 1920-0273-AAE - IMSE Comp
3/2/2020	44122	SchoolsFirst Federal C...	10,217.29	Employee TSA contributions - February 15, 2020
3/2/2020	44140	YM & C	11,114.00	Legal Services Through 12/31/2019
3/3/2020	44152	CharterSAFE	26,010.00	Insurance premium pymt for February
3/3/2020	44156	SBCSS	71,354.04	NSAA STRS contributions for February
3/3/2020		SBCSS	135,345.45	LCER/AAE - STRS contributions for February
3/3/2020	44157	SchoolsFirst Federal C...	10,267.29	Employee TSA contributions - February 28, 2020
3/3/2020	44159	TSK Architects	94,825.00	NSLA - Head Start Period of Service 8/1/19-12/31/19
3/3/2020		TSK Architects	599,337.50	NSLA Period of Service 8/1/19-12/31/19
3/3/2020	44163	SBCSS	22,063.66	NSAA PERS contributions for February
3/3/2020		SBCSS	57,806.00	LCER/AAE - PERS contributions for February
3/12/2020	44173	Kimley-Horn & Associa...	93,400.92	For Services Rendered through December 31, 2019
3/12/2020	44175	Moody's Investors Serv...	31,000.00	Bond Costs for AAE
3/12/2020	44176	SISC	183,856.75	Health Coverage for March 2020
3/13/2020	446		387,821.49	Group: Payroll; Pay Date: 3/13/2020
3/16/2020	44177	SchoolsFirst Federal C...	10,267.29	Employee TSA contributions - March 13, 2020
3/20/2020	44221	Kimley-Horn & Associa...	12,003.55	NSLA Swervices through Feb 29, 2020
3/20/2020	44238	Riverside Co. Office of ...	24,200.00	Induction for 2019-2020 Program
3/20/2020	44265	YM & C	24,872.01	Services through 1/31/20
3/31/2020	451		389,854.75	Group: Payroll; Pay Date: 3/31/2020
Report Total			21,696,335.40	

**All Funds - Budget Comparison 2018/19 to 2019/20**

**2018-2019**

Note - Revenue Reported is % of Budgeted Revenue Earned

	Current Period			Percent Remaining
	Total Budget \$ - Revised	Actual thru March	Remaining Budget	
Revenue		Annual Budgeted Revenue		
Revenue	23,394,181	17,545,636	5,848,545	25.00%
Expense				
Certificated Salaries	9,573,430	7,081,827	2,491,603	26.03%
Classified Salaries	3,162,047	2,350,260	811,787	25.67%
Benefits	4,694,848	3,178,660	1,516,188	32.29%
Books and Supplies	1,634,067	1,173,435	460,632	28.19%
Services & Other	2,335,445	1,446,760	888,685	38.05%
Capital Outlay	217,500	85,241	132,259	60.81%
Other Outgo	977,044	769,533	207,511	21.24%
Share of LCER	0	0	0	N/A
<b>Total Expense</b>	<b>22,594,381</b>	<b>16,085,716</b>	<b>6,508,665</b>	<b>28.81%</b>
Add (Subtract) to Reserves	799,800	1,459,920	(660,120)	
<b>Total Revenue</b>	<b>23,394,181</b>	<b>17,545,636</b>	<b>5,848,545</b>	<b>75.00%</b>
<b>Total Expense</b>	<b>22,594,381</b>	<b>16,085,716</b>	<b>6,508,665</b>	<b>71.19%</b>
Add (Subtract) to Reserves	799,800	1,459,920	-660,120	

**2019-2020**

Note - Revenue Reported is % of Budgeted Revenue Earned

	Current Period			Percent Remaining
	Total Budget \$ - Original	Actual thru March	Remaining Budget	
Revenue		Annual Budgeted Revenue		
Revenue	24,219,500	18,164,625	6,054,875	25.00%
Expense				
Certificated Salaries	9,918,476	7,227,149	2,691,327	27.13%
Classified Salaries	3,463,235	2,417,265	1,045,970	30.20%
Benefits	4,860,713	3,441,318	1,419,395	29.20%
Books and Supplies	1,445,252	1,258,113	187,139	12.95%
Services & Other	2,277,763	1,419,360	858,403	37.69%
Capital Outlay	227,500	1,401,943	(1,174,443)	-516.24%
Other Outgo	947,000	604,818	342,182	36.13%
Share of LCER	0	0	0	N/A
<b>Total Expense</b>	<b>23,139,939</b>	<b>17,769,966</b>	<b>5,369,973</b>	<b>23.21%</b>
Add (Subtract) to Reserves	1,079,561	394,659	684,902	
<b>Total Revenue</b>	<b>24,219,500</b>	<b>18,164,625</b>	<b>6,054,875</b>	<b>75.00%</b>
<b>Total Expense</b>	<b>23,139,939</b>	<b>17,769,966</b>	<b>5,369,973</b>	<b>76.79%</b>
Add (Subtract) to Reserves	1,079,561	394,659	684,902	

**AAE - Budget Comparison 2017/18 to 2018/19**

**2018-2019**

Note - Revenue Reported is % of Budgeted Revenue Earned

	Current Period			Percent Remaining
	Total Budget \$ - Revised	Actual thru March	Remaining Budget	
Revenue		Annual Budgeted Revenue		
Revenue	14,150,329	10,074,765	4,075,564	28.80%
Expense				
Certificated Salaries	5,704,026	4,240,011	1,464,015	25.67%
Classified Salaries	1,151,280	872,825	278,455	24.19%
Benefits	2,493,290	1,701,082	792,208	31.77%
Books and Supplies	829,630	582,446	247,184	29.79%
Services & Other	1,004,066	513,579	490,487	48.85%
Capital Outlay	137,500	41,142	96,358	70.08%
Other Outgo	977,044	764,108	212,936	21.79%
Share of LCER	1,605,370	1,178,080	427,291	26.62%
<b>Total Expense</b>	<b>13,902,206</b>	<b>9,893,273</b>	<b>4,008,934</b>	<b>28.84%</b>
Add (Subtract) to Reserves	248,123	181,493	66,631	
<b>Total Revenue</b>	<b>14,150,329</b>	<b>10,074,765</b>	<b>4,075,564</b>	<b>71.20%</b>
<b>Total Expense</b>	<b>13,902,206</b>	<b>9,893,273</b>	<b>4,008,934</b>	<b>71.16%</b>
Add (Subtract) to Reserves	248,123	181,493	66,631	

**2019-2020**

Note - Revenue Reported is % of Budgeted Revenue Earned

	Current Period			Percent Remaining
	Total Budget \$ - Original	Actual thru March	Remaining Budget	
Revenue		Annual Budgeted Revenue		
Revenue	14,591,131	10,943,348	3,647,783	25.00%
Expense				
Certificated Salaries	5,916,706	4,313,010	1,603,696	27.10%
Classified Salaries	1,287,916	901,392	386,524	30.01%
Benefits	2,550,273	1,834,407	715,866	28.07%
Books and Supplies	752,885	680,333	72,552	9.64%
Services & Other	892,887	595,379	297,508	33.32%
Capital Outlay	177,500	118,254	59,246	33.38%
Other Outgo	947,000	602,818	344,182	36.34%
Share of LCER	1,741,438	1,246,235	495,203	28.44%
<b>Total Expense</b>	<b>14,266,605</b>	<b>10,291,828</b>	<b>3,974,777</b>	<b>27.86%</b>
Add (Subtract) to Reserves	324,527	651,521	(326,994)	
<b>Total Revenue</b>	<b>14,591,131</b>	<b>10,943,348</b>	<b>3,647,783</b>	<b>75.00%</b>
<b>Total Expense</b>	<b>14,266,605</b>	<b>10,291,828</b>	<b>3,974,777</b>	<b>72.14%</b>
Add (Subtract) to Reserves	324,527	651,521	-326,994	

**NSLA - Budget Comparison 2017/18 to 2018/19**

**2018-2019**

Note - Revenue Reported is % of Budgeted Revenue Earned

	Current Period			Percent Remaining
	Total Budget \$ - Revised	Actual thru March	Remaining Budget	
Revenue		Annual Budgeted Revenue		
Revenue	9,138,352	6,853,764	2,284,588	25.00%
Expense				
Certificated Salaries	3,400,458	2,429,717	970,741	28.55%
Classified Salaries	875,892	609,087	266,805	30.46%
Benefits	1,497,928	947,915	550,013	36.72%
Books and Supplies	770,364	502,595	267,769	34.76%
Services & Other	933,201	497,475	435,726	46.69%
Capital Outlay	10,000	27,575	(17,575)	-175.75%
Other Outgo	0	0	0	N/A
Share of LCER	1,098,832	1,178,080	(79,248)	-7.21%
<b>Total Expense</b>	<b>8,586,675</b>	<b>6,192,444</b>	<b>2,394,232</b>	<b>27.88%</b>
Add (Subtract) to Reserves	551,677	661,320	(109,644)	
<b>Total Revenue</b>	<b>9,138,352</b>	<b>6,853,764</b>	<b>2,284,588</b>	<b>75.00%</b>
<b>Total Expense</b>	<b>8,586,675</b>	<b>6,192,444</b>	<b>2,394,232</b>	<b>72.12%</b>
Add (Subtract) to Reserves	551,677	661,320	-109,644	

**2019-2020**

Note - Revenue Reported is % of Budgeted Revenue Earned

	Current Period			Percent Remaining
	Total Budget \$ - Original	Actual thru March	Remaining Budget	
Revenue		Annual Budgeted Revenue		
Revenue	9,497,369	7,123,027	2,374,342	25.00%
Expense				
Certificated Salaries	3,516,967	2,557,587	959,380	27.28%
Classified Salaries	924,674	618,764	305,910	33.08%
Benefits	1,520,878	1,048,668	472,210	31.05%
Books and Supplies	617,939	505,411	112,528	18.21%
Services & Other	983,686	479,123	504,563	51.29%
Capital Outlay	20,000	1,271,117	(1,251,117)	-6255.59%
Other Outgo	0	2,000	(2,000)	N/A
Share of LCER	1,158,191	828,842	329,348	28.44%
<b>Total Expense</b>	<b>8,742,335</b>	<b>7,311,512</b>	<b>1,430,822</b>	<b>16.37%</b>
Add (Subtract) to Reserves	755,035	(188,486)	943,520	
<b>Total Revenue</b>	<b>9,497,369</b>	<b>7,123,027</b>	<b>2,374,342</b>	<b>75.00%</b>
<b>Total Expense</b>	<b>8,742,335</b>	<b>7,311,512</b>	<b>1,430,822</b>	<b>83.63%</b>
Add (Subtract) to Reserves	755,035	-188,486	943,520	

**LCER - Budget Comparison 2017/18 to 2018/19**

**2018-2019**

Note - Revenue Reported is % of Budgeted Revenue Earned

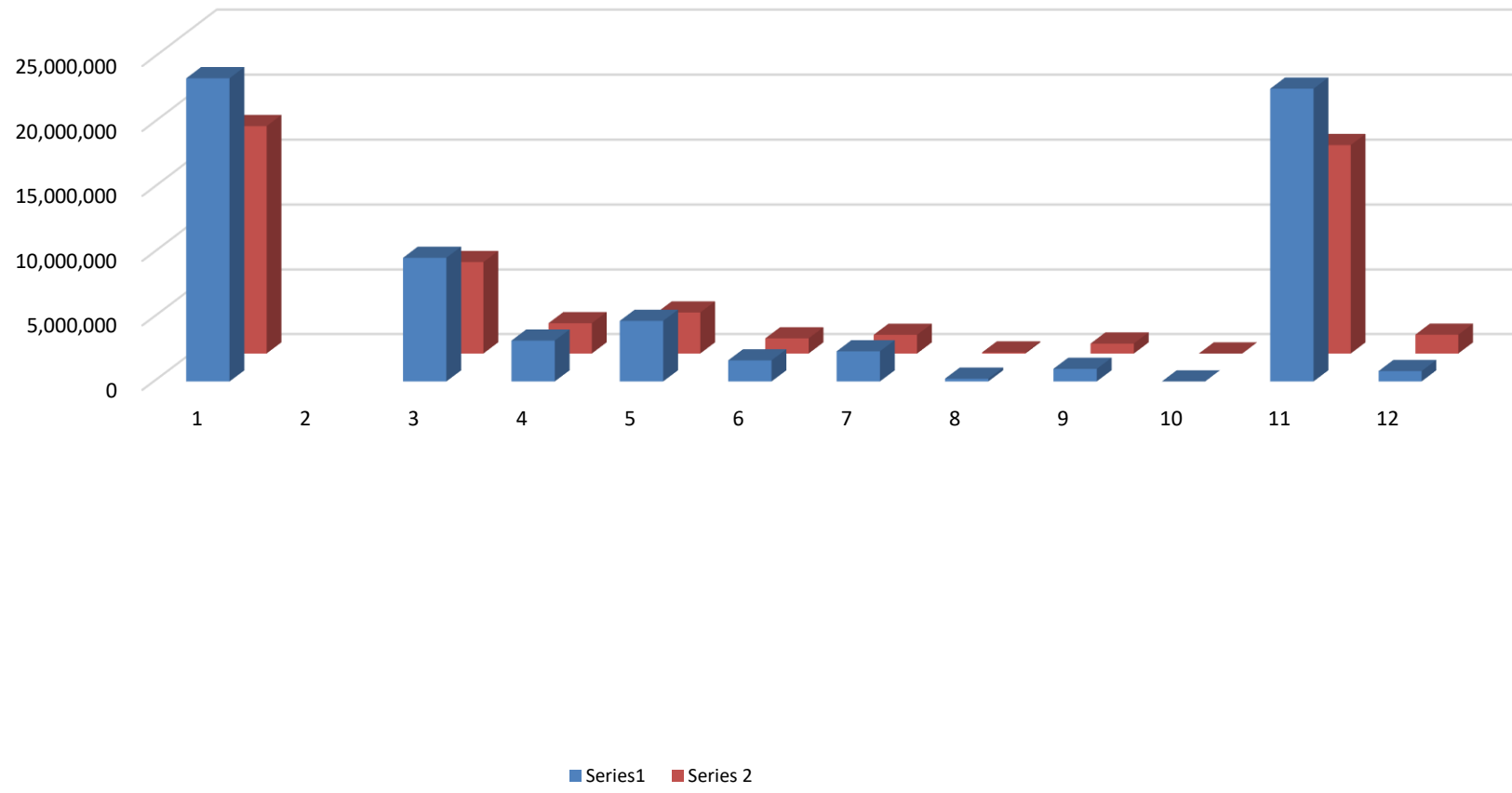
	Current Period			Percent Remaining
	Total Budget \$ - Revised	Actual thru March	Remaining Budget	
Revenue		Annual Budgeted Revenue		
Revenue	105,500	122,142	(16,642)	-15.77%
Expense				
Certificated Salaries	468,946	412,099	56,847	12.12%
Classified Salaries	1,134,875	868,348	266,527	23.49%
Benefits	703,630	529,663	173,967	24.72%
Books and Supplies	34,073	88,394	(54,321)	-159.43%
Services & Other	398,178	435,706	(37,528)	-9.42%
Capital Outlay	70,000	16,524	53,476	76.39%
Other Outgo	0	5,425	(5,425)	N/A
Share of LCER	(2,704,202)	(2,356,159)	(348,043)	
<b>Total Expense</b>	<b>105,500</b>	<b>0</b>	<b>105,500</b>	<b>100.00%</b>
Add (Subtract) to Reserves	0	122,142	(122,142)	
<b>Total Revenue</b>	<b>105,500</b>	<b>122,142</b>	<b>-16,642</b>	<b>115.77%</b>
<b>Total Expense</b>	<b>105,500</b>	<b>0</b>	<b>105,500</b>	<b>0.00%</b>
Add (Subtract) to Reserves	0	122,142	-122,142	

**2019-2020**

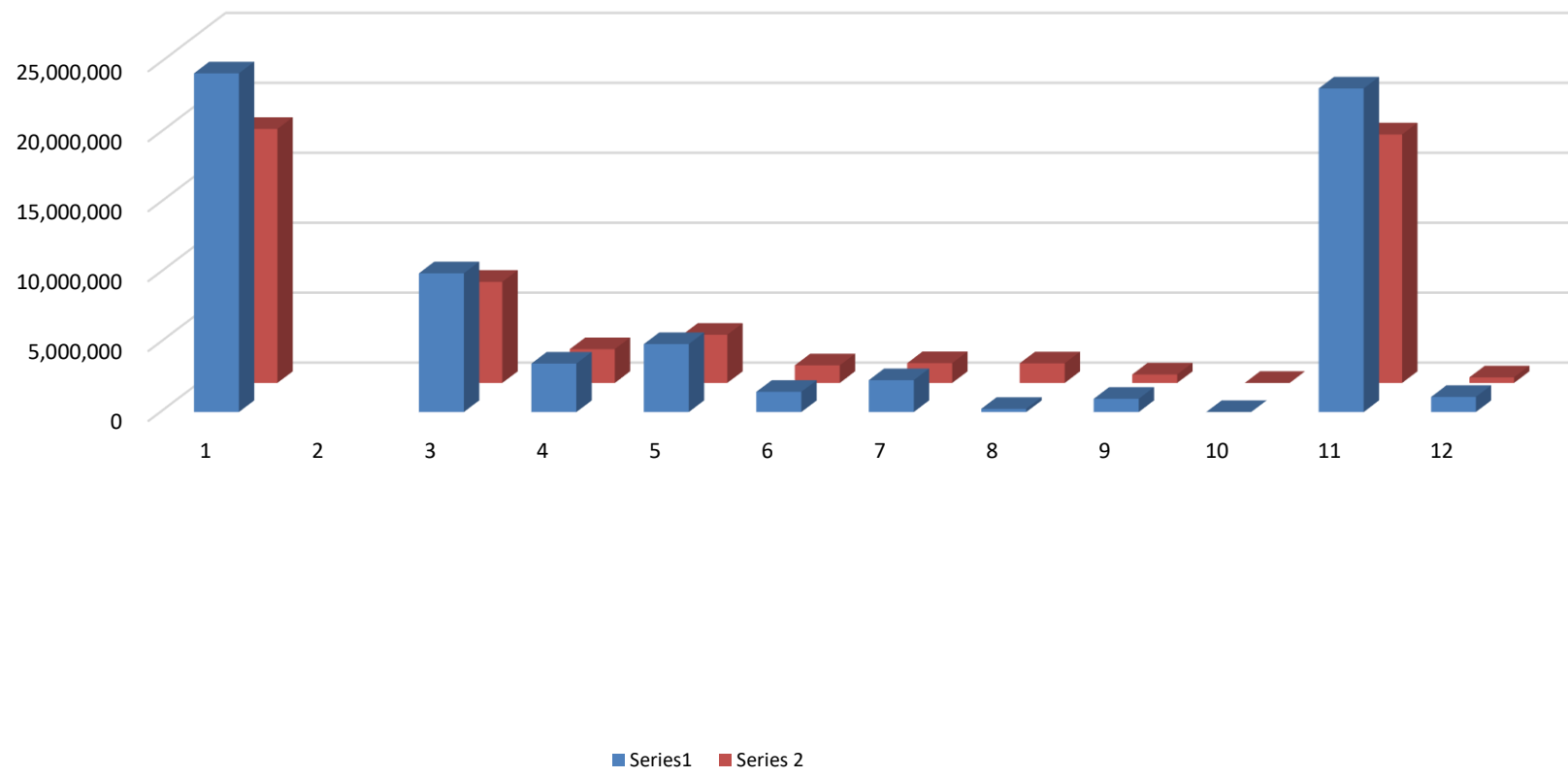
Note - Revenue Reported is % of Budgeted Revenue Earned

	Current Period			Percent Remaining
	Total Budget \$ - Original	Actual thru March	Remaining Budget	
Revenue		Annual Budgeted Revenue		
Revenue	131,000	166,626	(35,626)	-27.20%
Expense				
Certificated Salaries	484,803	356,552	128,251	26.45%
Classified Salaries	1,250,645	897,109	353,536	28.27%
Benefits	789,562	558,243	231,319	29.30%
Books and Supplies	74,428	72,369	2,059	2.77%
Services & Other	401,190	344,858	56,332	14.04%
Capital Outlay	30,000	12,572	17,428	58.09%
Other Outgo	0	0	0	N/A
Share of LCER	(2,899,628)	(2,075,077)	(824,551)	28.44%
<b>Total Expense</b>	<b>131,000</b>	<b>166,626</b>	<b>(35,626)</b>	<b>-27.20%</b>
Add (Subtract) to Reserves	0	0	0	
<b>Total Revenue</b>	<b>131,000</b>	<b>166,626</b>	<b>-35,626</b>	<b>127.20%</b>
<b>Total Expense</b>	<b>131,000</b>	<b>166,626</b>	<b>-35,626</b>	<b>127.20%</b>
Add (Subtract) to Reserves	0	0	0	

2018-19



2019-20



**Lewis Center for Educational Research  
Board Agenda Item Cover Sheet**

Date of meeting: April 13, 2020

Title: 2019/2020 2<sup>nd</sup> Interim Reports for AAE & NSLA

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Presentation:  Consent:  Action:  Discussion:  Information:   
Background:

To review and provide detailed information about the 2019/2020 Fiscal Year as of January 31, 2019. This will allow the Board of Directors the opportunity to review and interpret organizational growth in funding and how our operating costs are at the current time and anticipated throughout the 2019/2020 Fiscal Year for Academy for Academic Excellence and Norton Science and Language Academy.

Fiscal Implications (if any):

N/A

Impact on Mission, Vision or Goals (if any):

Recommendation:

Submitted by: David Gruber, Director of Finance



**Charter School Attendance** CHARTER NAME: Academy for Academic Excellence  
CHARTER #: 968

Fiscal Year 2019-20 Second Interim Report  
Projected ADA as of January 31, 2020

Rev. 4/26/19

Charter Approving Entity: Apple Valley Unified School District		2018-19		2019-20 Adopted Budget			2019-20 Second Interim			2020-21 Second Interim			2021-22 Second Interim		
		Actual ADA P-2	Funded ADA *	Projected ADA P-2	Funded ADA *	% Change over Prior Year	Projected ADA P-2	Funded ADA *	% Change over Prior Period	Projected ADA P-2	Funded ADA *	% Change over Prior Year	Projected ADA P-2	Funded ADA *	% Change over Prior Year
Line															
<b>Non Classroom Funding Determination Rate*</b>		<b>100%</b>													
<b>TK/K-3:</b>															
Regular ADA	A-1	418.82		418.82		0.00%	422.70		0.93%	421.45		-0.30%	420.99		-0.11%
Classroom-based ADA included in A-1	A-2	418.82		418.82		0.00%	422.70		0.93%	421.45		-0.30%	420.99		-0.11%
Extended Year Special Ed	A-3	-		-											
Classroom-based ADA included in A-3	A-4	-		-											
Special Ed - NPS	A-5	-		-											
Classroom-based ADA included in A-5	A-6	-		-											
Extended Year Special Ed - NPS	A-7	-		-											
Classroom-based ADA included in A-7	A-8	-		-											
ADA Totals (A-1, A3, A5, A7)	A-9	418.82	-	418.82	-	0.00%	422.70		0.93%	421.45		-0.30%	420.99		-0.11%
Classroom-based ADA Totals (A-2, A-4, A-6, A-8)	A-10	418.82	418.82	418.82	418.82	0.00%	422.70	422.70	0.93%	421.45	421.45	-0.30%	420.99	420.99	-0.11%
Non classroom-based ADA Totals (Difference of A-9 and A-10)	A-11	-	-	-	-		-	-		-	-		-	-	
ADA for Students in Transitional Kindergarten (Lines A-1, A-3, A-5, and A-7, TK/K-3 Column, First Year ADA Only)	B-1	-		-											
<b>Grades 4-6</b>															
Regular ADA	A-1	338.29		338.29		0.00%	336.51		-0.53%	338.68		0.64%	338.46		-0.06%
Classroom-based ADA included in A-1	A-2	338.29		338.29		0.00%	336.51		-0.53%	338.68		0.64%	338.46		-0.06%
Extended Year Special Ed	A-3	-		-											
Classroom-based ADA included in A-3	A-4	-		-											
Special Ed - NPS	A-5	-		-											
Classroom-based ADA included in A-5	A-6	-		-											
Extended Year Special Ed - NPS	A-7	-		-											
Classroom-based ADA included in A-7	A-8	-		-											
ADA Totals (A-1, A3, A5, A7)	A-9	338.29	-	338.29	-	0.00%	336.51		-0.53%	338.68		0.64%	338.46		-0.06%
Classroom-based ADA Totals (A-2, A-4, A-6, A-8)	A-10	338.29	338.29	338.29	338.29	0.00%	336.51	336.51	-0.53%	338.68	338.68	0.64%	338.46	338.46	-0.06%
Non classroom-based ADA Totals (Difference of A-9 and A-10)	A-11	-	-	-	-		-	-		-	-		-	-	
<b>Grades 7-8</b>															
Regular ADA	A-1	239.85		239.85		0.00%	241.79		0.81%	243.69		0.79%	244.57		0.36%
Classroom-based ADA included in A-1	A-2	239.85		239.85		0.00%	241.79		0.81%	243.69		0.79%	244.57		0.36%
Extended Year Special Ed	A-3	-		-											
Classroom-based ADA included in A-3	A-4	-		-											
Special Ed - NPS	A-5	-		-											
Classroom-based ADA included in A-5	A-6	-		-											
Extended Year Special Ed - NPS	A-7	-		-											
Classroom-based ADA included in A-7	A-8	-		-											
ADA Totals (A-1, A3, A5, A7)	A-9	239.85	-	239.85	-	0.00%	241.79		0.81%	243.69		0.79%	244.57		0.36%
Classroom-based ADA Totals (A-2, A-4, A-6, A-8)	A-10	239.85	239.85	239.85	239.85	0.00%	241.79	241.79	0.81%	243.69	243.69	0.79%	244.57	244.57	0.36%
Non classroom-based ADA Totals (Difference of A-9 and A-10)	A-11	-	-	-	-		-	-		-	-		-	-	

Charter School Attendance		CHARTER NAME: Academy for Academic Excellence CHARTER #: 968													
		Fiscal Year 2019-20 Second Interim Report Projected ADA as of January 31, 2020													
Charter Approving Entity: Apple Valley Unified School District		2018-19		2019-20 Adopted Budget			2019-20 Second Interim			2020-21 Second Interim			2021-22 Second Interim		
Line		Actual ADA P-2	Funded ADA *	Projected ADA P-2	Funded ADA *	% Change over Prior Year	Projected ADA P-2	Funded ADA *	% Change over Prior Period	Projected ADA P-2	Funded ADA *	% Change over Prior Year	Projected ADA P-2	Funded ADA *	% Change over Prior Year
Grades 9-12															
	Regular ADA	A-1	397.24		397.24	0.00%	384.44		-3.22%	398.78		3.73%	399.92		0.29%
	Classroom-based ADA included in A-1	A-2	397.24		397.24	0.00%	384.44		-3.22%	398.78		3.73%	399.92		0.29%
	Extended Year Special Ed	A-3	-		-										
	Classroom-based ADA included in A-3	A-4	-		-										
	Special Ed - NPS	A-5	-		-										
	Classroom-based ADA included in A-5	A-6	-		-										
	Extended Year Special Ed - NPS	A-7	-		-										
	Classroom-based ADA included in A-7	A-8	-		-										
	ADA Totals (A-1, A3, A5, A7)	A-9	397.24	-	397.24	0.00%	384.44		-3.22%	398.78		3.73%	399.92		0.29%
	Classroom-based ADA Totals (A-2, A-4, A-6, A-8)	A-10	397.24	397.24	397.24	0.00%	384.44	384.44	-3.22%	398.78	398.78	3.73%	399.92	399.92	0.29%
	Non classroom-based ADA Totals (Difference of A-9 and A-10)	A-11	-	-	-		-	-		-	-		-	-	
Totals															
	Regular ADA	A-1	1,394.20		1,394.20	0.00%	1,385.44		-0.63%	1,402.60		1.24%	1,403.94		0.10%
	Classroom-based ADA included in A-1	A-2	1,394.20		1,394.20	0.00%	1,385.44		-0.63%	1,402.60		1.24%	1,403.94		0.10%
	Extended Year Special Ed	A-3	-		-		-			-			-		
	Classroom-based ADA included in A-3	A-4	-		-		-			-			-		
	Special Ed - NPS	A-5	-		-		-			-			-		
	Classroom-based ADA included in A-5	A-6	-		-		-			-			-		
	Extended Year Special Ed - NPS	A-7	-		-		-			-			-		
	Classroom-based ADA included in A-7	A-8	-		-		-			-			-		
	ADA Totals (A-1, A3, A5, A7)	A-9	1,394.20	-	1,394.20	0.00%	1,385.44		-0.63%	1,402.60		1.24%	1,403.94		0.10%
	Classroom-based ADA Totals (A-2, A-4, A-6, A-8)	A-10	1,394.20	1,394.20	1,394.20	0.00%	1,385.44	1,385.44	-0.63%	1,402.60	1,402.60	1.24%	1,403.94	1,403.94	0.10%
	Non classroom-based ADA Totals (Difference of A-9 and A-10)	A-11	-	-	-		-	-		-	-		-	-	
	<b>Total Funded ADA</b>		-	1,394.20	-	1,394.20		1,385.44			1,402.60			1,403.94	

\* For non-classroom, P-2 ADA multiplied by Funding Determination %. Use this amount in the LCFF calculator and any other ADA based revenue calculations.

CHARTER NAME: Academy for Academic Excellence  
 CDS #: 36750773631207  
 CHARTER #: 968

Fiscal Year 2019-20 Second Interim Report

Rev. 4/26/19

ASSUMPTIONS:	2019-20	2020-21	Change	2021-22	Change
<b>Local Control Funding (LCFF) - BAS/FCMAT Calculator:</b>					
COLA (on Base)	3.26%	2.29%	-0.97%	2.71%	0.42%
Gap Funding Rate	100.00%	100.00%	0.00%	100.00%	0.00%
LCFF before COE tfr, Choice, & Charter supp. (FCMAT Calc, Calculator tab)	\$ 12,715,284	\$ 13,187,213	3.71%	\$ 13,595,450	3.10%
LCAP: Public Hearing Date (mm/dd/yyyy) (If applicable)					
Board Approval Date (mm/dd/yyyy)					
<b>Lottery Allocation Amount Per ADA:</b>					
Unrestricted	\$ 153	\$ 153	\$ -	\$ 153	\$ -
Restricted	\$ 54	\$ 54	\$ -	\$ 54	\$ -
<b>ADA/Enrollment:</b>					
Total Non-Classroom Based (Independent Study) ADA	0.00	0.00	0.00	0.00	0.00
Total Funded Non-Classroom Based (Independent Study) ADA	0.00	0.00	0.00	0.00	0.00
Total Classroom Based ADA	1,385.44	1,402.60	17.16	1,403.94	1.34
Total Funded P-2 Attendance	1,385.44	1,402.60	17.16	1,403.94	1.34
Estimated Enrollment PY CBEDS Certified Enrollment	1,433	1,446	13.00	1,452	6.00
Enrollment Growth Over Prior Year	0.00%	0.91%		0.41%	
ADA to Enrollment Ratio 2018-19	97.29%	96.68%		96.69%	
Estimated Unduplicated Count PY CBEDS Certified Unduplicated Count	545	554	9.00	555	1.00
Unduplicated Pupil % (one year, not rolling) PY	38.03%	38.03%		38.22%	
<b>Certificated Salaries and Benefits:</b>					
Number of Teachers (FTE)	68.00	68.00	0.00	68.00	0.00
Classroom Staffing Ratio - Students per FTE	21.07	21.26	0.19	21.35	0.09
Teachers Increased/(Decreased) for projected Enrollment change	0.00	0.00	0.00	0.00	0.00
Average Teacher Cost (Salary and Benefits)	103020.00	106625.70	3.50%	110357.60	3.50%
Step and Column Increase (Total Annual Cost)	275000.00	275000.00	0.00%	275000.00	0.00%
Health and Welfare Cost per Employee	11671.04	12196.20	4.50%	12745.03	4.50%
Retirement Cost per Employee	12915.68	13303.15	3.00%	13702.25	3.00%
<b>Facilities:</b>					
Rent	178827.36	573150.00	220.50%	573200.00	0.01%
Electricity	185000.00	190000.00	2.70%	195000.00	2.63%
Heating (gas)	12000.00	12300.00	2.50%	12650.00	2.85%
Other	0.00	0.00		0.00	
<b>Administrative Service Agreements:</b>					
0.11% Oversight Fees to Sponsor	\$ 14,490	\$ 15,028	3.71%	\$ 15,493	3.10%
Administrative Service Contract					
Other Contracted Costs					
<b>List Noteworthy Assumptions for other 1st Interim line items: (Books, Supplies, Services, Capital Outlay, Debt, etc.)</b>					

Fiscal Year 2019-20 Second Interim Report  
 Unrestricted MYP

Rev. 4/26/19

DESCRIPTION		Adopted Budget 2019-20	First Interim Projected Budget 2019-20	Second Interim Actual thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change
<b>REVENUES</b>										
LCFF Sources										
LCFF	8011	9,171,021	9,029,189	4,058,708	8,943,223	-2.48%	9,386,382	4.96%	9,792,373	4.33%
EPA	8012	2,188,664	2,332,907	1,202,423	2,323,035	6.14%	2,351,805	1.24%	2,354,051	0.10%
State Aid - Prior Year	8019	-	-	-	-					
In Lieu Property Taxes	8096	1,416,639	1,416,639	831,153	1,449,026	2.29%	1,449,026	0.00%	1,449,026	0.00%
Federal	8100-8299	-	-	-	-		-		-	
State										
Lottery - Unrestricted	8560	219,884	219,431	75,504	221,397	0.69%	224,139	1.24%	224,353	0.10%
Lottery - Prop 20 - Restricted	8560	-	-	-	-		-		-	
Other State Revenue	8300-8599	65,427	57,125	56,975	56,975	-12.92%	65,337	14.68%	65,486	0.23%
Local										
Interest	8660	-	-	-	-		-		-	
AB602 Local Special Education Transfer	8792	-	-	-	-		-		-	
Other Local Revenues	8600-8799	109,213	259,213	187,679	303,572	177.96%	80,000	-73.65%	80,000	0.00%
<b>Total Revenues</b>		<b>\$ 13,170,848</b>	<b>\$ 13,314,504</b>	<b>\$ 6,412,442</b>	<b>\$ 13,297,228</b>	<b>0.96%</b>	<b>\$ 13,556,689</b>	<b>1.95%</b>	<b>\$ 13,965,289</b>	<b>3.01%</b>
<b>EXPENDITURES</b>										
Certificated Salaries	1000-1999	5,283,556	5,283,556	2,980,311	5,283,556	0.00%	5,521,316	4.50%	5,769,775	4.50%
Classified Salaries	2000-2999	949,731	949,731	504,778	949,731	0.00%	975,849	2.75%	1,002,685	2.75%
Benefits	3000-3999	2,264,431	2,264,431	1,262,764	2,264,431	0.00%	2,336,893	3.20%	2,411,673	3.20%
Books & Supplies	4000-4999	540,781	540,781	363,955	540,781	0.00%	666,987	23.34%	690,262	3.49%
Contracts & Services	5000-5999	854,119	854,119	394,900	846,328	-0.91%	969,637	14.57%	975,164	0.57%
Capital Outlay	6000-6599	1,124,500	1,124,500	526,663	1,124,500	0.00%	623,150	-44.58%	653,200	4.82%
Other Outgo	7100-7299	1,625,322	1,625,322	-	1,611,140	-0.87%	1,698,625	5.43%	1,753,685	3.24%
Debt Service (see Debt Form)	7400-7499	-	-	-	-		-		-	
<b>Total Expenditures</b>		<b>\$ 12,642,440</b>	<b>\$ 12,642,440</b>	<b>\$ 6,033,371</b>	<b>\$ 12,620,467</b>	<b>-0.17%</b>	<b>\$ 12,792,457</b>	<b>1.36%</b>	<b>\$ 13,256,444</b>	<b>3.63%</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>		<b>\$ 528,408</b>	<b>\$ 672,064</b>	<b>\$ 379,071</b>	<b>\$ 676,761</b>	<b>28.08%</b>	<b>\$ 764,232</b>	<b>12.92%</b>	<b>\$ 708,845</b>	<b>-7.25%</b>
<b>OTHER SOURCES &amp; USES</b>										
Other Sources/Contributions to Restricted Programs	8900	(203,881)	(203,881)	-	(203,881)		(252,968)		(305,625)	
Other Uses	7600	-	-	-	-		-		-	
<b>Net Sources &amp; Uses</b>		<b>\$ (203,881)</b>	<b>\$ (203,881)</b>	<b>\$ -</b>	<b>\$ (203,881)</b>		<b>\$ (252,968)</b>		<b>\$ (305,625)</b>	
<b>NET INCREASE (DECREASE) IN FUND BALANCE</b>		<b>\$ 324,527</b>	<b>\$ 468,183</b>	<b>\$ 379,071</b>	<b>\$ 472,880</b>	<b>45.71%</b>	<b>\$ 511,264</b>	<b>8.12%</b>	<b>\$ 403,220</b>	<b>-21.13%</b>
<b>FUND BALANCE, RESERVES</b>										
Beginning Balance at Adopted Budget	9791	3,068,915	3,068,915	3,068,915	3,068,915					
Adjustments for Unaudited Actuals	9792	-	(180,548)	(180,548)	(180,548)					
Beg Fund Balance at Unaudited Actuals		-	2,888,367	2,888,367	2,888,367					
Adjustments for Audit	9793	-	366,887	366,887	366,887					
Adjustments for Restatements	9795	-	217,540	217,540	217,540					
Beginning Fund Balance as per Audit Report +/- Restatements		-	3,472,794	3,472,794	3,472,794		3,945,673		4,456,937	
<b>Ending Balance</b>	<b>9790</b>	<b>\$ 3,393,442</b>	<b>\$ 3,940,977</b>	<b>\$ 3,851,865</b>	<b>\$ 3,945,673</b>	<b>16.27%</b>	<b>\$ 4,456,937</b>	<b>12.96%</b>	<b>\$ 4,860,157</b>	<b>9.05%</b>

Fiscal Year 2019-20 Second Interim Report  
 Unrestricted MYP

Rev. 4/26/19

DESCRIPTION	Adopted Budget 2019-20	First Interim Projected Budget 2019-20	Second Interim <b>Actual</b> thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change
<b>Components of Ending Fund Balance (Budget):</b>									
<b>a. Nonspendable</b>									
Revolving Cash	9711	-	-						
Stores	9712	-	-						
Prepaid Expenditures	9713	-	-						
All Others	9719	-	-						
<b>b. Restricted</b>	<b>9740</b>								
<b>c. Committed</b>									
Committed - Stabilization Arrangements	9750	-	-						
Committed - Other	9760	-	-						
<b>d. Assignments</b>	<b>9780</b>								
<b>e. Unassigned</b>									
Reserve for Economic Uncertainties	9789	324,527	324,527	317,882	-2.05%	395,616	24.45%	407,864	3.10%
Undesignated / Unappropriated Amount / Unrestricted Net Position	9790	3,068,915	3,616,450	3,851,865	18.21%	4,061,321	11.95%	4,452,293	9.63%

Fiscal Year 2019-20 Second Interim Report  
 Unrestricted MYP

Rev. 4/26/19

DESCRIPTION	Adopted Budget 2019-20	First Interim Projected Budget 2019-20	Second Interim Actual thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change
<b>ASSUMPTIONS FOR UNRESTRICTED PROGRAMS:</b>									
LIST FEDERAL UNRESTRICTED REVENUES (MOST FEDERAL PROGRAM REVENUES ARE RESTRICTED AND SHOULD BE ON RESTRICTED SHEET)									
1 Ex. Erate	-	-							
2	-	-							
3	-	-							
4	-	-							
5	-	-							
6	-	-							
7	-	-							
8	-	-							
9	-	-							
<b>Total Federal Awards Budgeted:</b>	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -	
Lottery Unrestricted Allocation per ADA	\$ 151.00	\$ 151.00		\$ 153.00		\$ 153.00		\$ 153.00	
Lottery Unrestricted Estimated Award	\$ 219,884	\$ 219,431		\$ 221,397	0.69%	\$ 224,139	1.24%	\$ 224,353	0.10%
LIST UNRESTRICTED STATE FUNDS BUDGETED IN OTHER STATE									
1	-	-							
2 MAA	30,000	21,698	21,698	21,698	-27.67%	30,000	38.26%	30,000	0.00%
3 Mandated Block Grant	35,427	35,427	35,277	35,277	-0.42%	35,337	0.17%	35,486	0.42%
4	-	-							
5	-	-							
6	-	-							
7	-	-							
8	-	-							
9	-	-							
10	-	-							
11	-	-							
12	-	-							
13	-	-							
14	-	-							
15	-	-							
16	-	-							
17	-	-							
18	-	-							
<b>Total Other State Revenue Funds Budgeted:</b>	\$ 65,427	\$ 57,125	\$ 56,975	\$ 56,975	-12.92%	\$ 65,337	14.68%	\$ 65,486	0.23%
LIST OTHER UNRESTRICTED LOCAL REVENUES BUDGETED in "Other Local Revenues"									
1 Ex. Services Reimbursed by District	-	-							
2 ROTC	79,213	79,213	112,637	153,572	93.87%	80,000	-47.91%	80,000	0.00%
3 Athletics	30,000	30,000	-	-		-		-	
4 Local Donations/Grade Level	-	150,000	75,042	150,000		-		-	
5	-	-							
6	-	-							
<b>Total Other Local Revenue Funds Budgeted:</b>	\$ 109,213	\$ 259,213	\$ 187,679	\$ 303,572	177.96%	\$ 80,000	-73.65%	\$ 80,000	0.00%



Fiscal Year 2019-20 Second Interim Report  
 Restricted MYP

DESCRIPTION	Adopted Budget 2019-20	First Interim Projected Budget 2019-20	Second Interim Actual thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change	
<b>REVENUES</b>										
LCFF Sources										
LCFF	8011									
EPA	8012									
State Aid - Prior Year	8019									
In Lieu Property Taxes	8096									
Federal	8100-8299	549,837	549,837	213,759	743,512	35.22%	605,392	-18.58%	617,612	2.02%
State										
Lottery - Unrestricted	8560									
Lottery - Prop 20 - Restricted	8560	77,178	77,019	6,873	78,140	1.25%	79,108	1.24%	79,183	0.10%
Other State Revenue	8300-8599	14,050	14,050	8,772	18,645	32.70%	-		-	
Local										
Interest	8660	-	-							
AB602 Local Special Education Transfer	8792	706,868	706,868	344,716	705,074	-0.25%	705,074	0.00%	705,074	0.00%
Other Local Revenues	8600-8799	72,350	72,350	46,739	71,560	-1.09%	72,350	1.10%	72,350	0.00%
<b>Total Revenues</b>		<b>\$ 1,420,283</b>	<b>\$ 1,420,124</b>	<b>\$ 620,859</b>	<b>\$ 1,616,931</b>	<b>13.85%</b>	<b>\$ 1,461,924</b>	<b>-9.59%</b>	<b>\$ 1,474,219</b>	<b>0.84%</b>
<b>EXPENDITURES</b>										
Certificated Salaries	1000-1999	633,150	633,150	349,532	633,150	0.00%	652,144	3.00%	671,709	3.00%
Classified Salaries	2000-2999	338,185	338,185	179,016	338,185	0.00%	347,485	2.75%	357,041	2.75%
Benefits	3000-3999	285,842	285,842	156,618	285,842	0.00%	294,417	3.00%	303,250	3.00%
Books & Supplies	4000-4999	212,104	212,104	171,724	222,404	4.86%	222,912	0.23%	232,943	4.50%
Contracts & Services	5000-5999	38,768	38,768	43,901	102,000	163.10%	39,874	-60.91%	41,668	4.50%
Capital Outlay	6000-6599	-	-	14,022	15,000		-			
Other Outgo	7100-7299	116,115	116,115	-	116,115	0.00%	120,760	4.00%	125,590	4.00%
Debt Service (see Debt Form)	7400-7499	-	-							
<b>Total Expenditures</b>		<b>\$ 1,624,164</b>	<b>\$ 1,624,164</b>	<b>\$ 914,813</b>	<b>\$ 1,712,696</b>	<b>5.45%</b>	<b>\$ 1,677,592</b>	<b>-2.05%</b>	<b>\$ 1,732,201</b>	<b>3.26%</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>										
		<b>\$ (203,881)</b>	<b>\$ (204,040)</b>	<b>\$ (293,955)</b>	<b>\$ (95,765)</b>		<b>\$ (215,668)</b>		<b>\$ (257,982)</b>	
<b>OTHER SOURCES &amp; USES</b>										
Other Sources/Contributions to Restricted Programs	8900	203,881	203,881		203,881	0.00%	252,968	24.08%	305,625	20.82%
Other Uses	7600	-	-							
<b>Net Sources &amp; Uses</b>		<b>\$ 203,881</b>	<b>\$ 203,881</b>	<b>\$ -</b>	<b>\$ 203,881</b>	<b>0.00%</b>	<b>\$ 252,968</b>	<b>24.08%</b>	<b>\$ 305,625</b>	<b>20.82%</b>
<b>NET INCREASE (DECREASE) IN FUND BALANCE</b>										
		<b>\$ (0)</b>	<b>\$ (159)</b>	<b>\$ (293,955)</b>	<b>\$ 108,116</b>		<b>\$ 37,300</b>	<b>-65.50%</b>	<b>\$ 47,643</b>	<b>27.73%</b>
<b>FUND BALANCE, RESERVES</b>										
Beginning Balance at Adopted Budget	9791	346,345	346,345	346,345	346,345					
Adjustments for Unaudited Actuals	9792		7,147	7,147	7,147					
Beg Fund Balance at Unaudited Actuals			353,492	353,492	353,492					
Adjustments for Audit	9793		-							
Adjustments for Restatements	9795		-							
Beginning Fund Balance as per Audit Report +/- Restatements			353,492	353,492	353,492		461,607.73		498,907.55	
<b>Ending Balance</b>		<b>\$ 346,345</b>	<b>\$ 353,333</b>	<b>\$ 59,537</b>	<b>\$ 461,608</b>	<b>33.28%</b>	<b>\$ 498,908</b>	<b>8.08%</b>	<b>\$ 546,551</b>	<b>9.55%</b>

Fiscal Year 2019-20 Second Interim Report  
 Restricted MYP

DESCRIPTION	Adopted Budget 2019-20	First Interim Projected Budget 2019-20	Second Interim Actual thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change
Rev. 4/26/19									
<b>Components of Ending Fund Balance (Budget):</b>									
<b>a. Nonspendable</b>									
Revolving Cash	9711								
Stores	9712								
Prepaid Expenditures	9713								
All Others	9719								
<b>b. Restricted</b>	9740	346,345	353,333	59,537	33.28%	498,908	8.08%	546,551	9.55%
<b>c. Committed</b>									
Committed - Stabilization Arrangements	9750								
Committed - Other	9760								
<b>d. Assignments</b>	9780								
<b>e. Unassigned</b>									
Reserve for Economic Uncertainties	9789								
Undesignated / Unappropriated Amount / Unrestricted Net Position	9790								



Fiscal Year 2019-20 Second Interim Report  
 Restricted MYP

DESCRIPTION	Adopted Budget 2019-20	First Interim Projected Budget 2019-20	Second Interim Actual thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change
<b>ASSUMPTIONS RESTRICTED PROGRAMS:</b>									
LIST FEDERAL RESTRICTED REVENUES									
1 EX. Title I	-	-	-	-		-		-	
2 Title I	160,795	160,795	116,493	300,074		162,659	-45.79%	162,659	0.00%
3 Title II	34,100	34,100	-	44,904		31,445	-29.97%	31,445	0.00%
4 Special Education IDEA Funds	154,942	154,942	-	154,942		154,942	0.00%	154,942	0.00%
5 Cafeteria - Federal	200,000	200,000	83,766	216,643		244,397	12.81%	256,617	5.00%
6 Title IV	-	-	-	11,949		11,949	0.00%	11,949	0.00%
7 Food Services-New Equipment Grant	-	-	13,500	15,000		-		-	
8	-	-	-	-		-		-	
9	-	-	-	-		-		-	
<b>Total Federal Awards Budgeted:</b>	<b>\$ 549,837</b>	<b>\$ 549,837</b>	<b>\$ 213,759</b>	<b>\$ 743,512</b>		<b>\$ 605,392</b>	<b>-18.58%</b>	<b>\$ 617,612</b>	<b>2.02%</b>
Lottery Prop 20 Restricted Allocation per ADA	\$ 151.00	\$ 151.00	-	\$ 54.00		\$ 54.00		\$ 54.00	
Lottery Estimated Prop 20 Restricted Award	\$ 219,884	\$ 219,431	-	\$ 78,140	-64.39%	\$ 79,108	1.24%	\$ 79,183	0.10%
LIST RESTRICTED STATE FUNDS BUDGETED IN "Other State Revenue"									
1 Cafeteria-State	14,050	14,050	6,243	16,116		-		-	
2 Low Performing Student Block Grant	-	-	2,529	2,529		-		-	
3	-	-	-	-		-		-	
4	-	-	-	-		-		-	
5	-	-	-	-		-		-	
6	-	-	-	-		-		-	
7	-	-	-	-		-		-	
8	-	-	-	-		-		-	
9	-	-	-	-		-		-	
10	-	-	-	-		-		-	
11	-	-	-	-		-		-	
12	-	-	-	-		-		-	
13	-	-	-	-		-		-	
14	-	-	-	-		-		-	
15	-	-	-	-		-		-	
16	-	-	-	-		-		-	
17	-	-	-	-		-		-	
18	-	-	-	-		-		-	
<b>Total Other State Revenue Funds Budgeted:</b>	<b>\$ 14,050</b>	<b>\$ 14,050</b>	<b>\$ 8,772</b>	<b>\$ 18,645</b>		<b>\$ -</b>		<b>\$ -</b>	
LIST OTHER RESTRICTED LOCAL REVENUES BUDGETED IN "Other Local Revenues"									
1 Cafeteria-Local	72,350	72,350	46,739	71,560		72,350	1.10%	72,350	0.00%
2	-	-	-	-		-		-	
3	-	-	-	-		-		-	
4	-	-	-	-		-		-	
5	-	-	-	-		-		-	
6	-	-	-	-		-		-	
<b>Total Other Local Revenue Funds Budgeted:</b>	<b>\$ 72,350</b>	<b>\$ 72,350</b>	<b>\$ 46,739</b>	<b>\$ 71,560</b>		<b>\$ 72,350</b>	<b>1.10%</b>	<b>\$ 72,350</b>	<b>0.00%</b>

Fiscal Year 2019-20 Second Interim Report  
 Summary MYP

DESCRIPTION	Adopted Budget 2019-20	Latest Revised Budget 2019-20	Second Interim Actual thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change	
<b>REVENUES</b>										
LCFF Sources										
LCFF	8011	9,171,021	9,029,189	4,058,708	8,943,223	-2.48%	9,386,382	4.96%	9,792,373	4.33%
EPA	8012	2,188,664	2,332,907	1,202,423	2,323,035	6.14%	2,351,805	1.24%	2,354,051	0.10%
State Aid - Prior Year	8019	-	-	-	-		-	-	-	
In Lieu Property Taxes	8096	1,416,639	1,416,639	831,153	1,449,026	2.29%	1,449,026	0.00%	1,449,026	0.00%
Federal	8100-8299	549,837	549,837	213,759	743,512	35.22%	605,392	-18.58%	617,612	2.02%
State										
Lottery - Unrestricted	8560	219,884	219,431	75,504	221,397	0.69%	224,139	1.24%	224,353	0.10%
Lottery - Prop 20 - Restricted	8560	77,178	77,019	6,873	78,140	1.25%	79,108	1.24%	79,183	0.10%
Other State Revenue	8300-8599	79,477	71,175	65,747	75,620	-4.85%	65,337	-13.60%	65,486	0.23%
Local										
Interest	8660	-	-	-	-		-	-	-	
AB602 Local Special Education Transfer	8792	706,868	706,868	344,716	705,074	-0.25%	705,074	0.00%	705,074	0.00%
Other Local Revenues	8600-8799	181,563	331,563	234,418	375,132	106.61%	152,350	-59.39%	152,350	0.00%
<b>Total Revenues</b>		<b>\$14,591,131.34</b>	<b>\$14,734,628.43</b>	<b>\$ 7,033,300.81</b>	<b>\$ 14,914,159</b>	<b>2.21%</b>	<b>\$ 15,018,613</b>	<b>0.70%</b>	<b>\$ 15,439,508</b>	<b>2.80%</b>
<b>EXPENDITURES</b>										
Certificated Salaries	1000-1999	5,916,706	5,916,706	3,329,843	5,916,706	0.00%	6,173,460	4.34%	6,441,484	4.34%
Classified Salaries	2000-2999	1,287,916	1,287,916	683,794	1,287,916	0.00%	1,323,334	2.75%	1,359,726	2.75%
Benefits	3000-3999	2,550,273	2,550,273	1,419,382	2,550,273	0.00%	2,631,310	3.18%	2,714,923	3.18%
Books & Supplies	4000-4999	752,885	752,885	535,679	763,185	1.37%	889,899	16.60%	923,205	3.74%
Contracts & Services	5000-5999	892,887	892,887	438,801	948,328	6.21%	1,009,511	6.45%	1,016,832	0.73%
Capital Outlay	6000-6599	1,124,500	1,124,500	540,685	1,139,500	1.33%	623,150	-45.31%	653,200	4.82%
Other Outgo	7100-7299	1,741,437	1,741,437	-	1,727,255	-0.81%	1,819,385	5.33%	1,879,275	3.29%
Debt Service (see Debt Form)	7400-7499	-	-	-	-		-	-	-	
<b>Total Expenditures</b>		<b>\$ 14,266,604</b>	<b>\$ 14,266,604</b>	<b>\$ 6,948,184</b>	<b>\$ 14,333,163</b>	<b>0.47%</b>	<b>\$ 14,470,049</b>	<b>0.96%</b>	<b>\$ 14,988,645</b>	<b>3.58%</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>		<b>\$ 324,527</b>	<b>\$ 468,024</b>	<b>\$ 85,117</b>	<b>\$ 580,996</b>	<b>79.03%</b>	<b>\$ 548,564</b>	<b>-5.58%</b>	<b>\$ 450,863</b>	<b>-17.81%</b>
<b>OTHER SOURCES &amp; USES</b>										
Other Sources/Contributions to Restricted Programs	8900	-	-	-	-		-	-	-	
Other Uses	7600	-	-	-	-		-	-	-	
<b>Net Sources &amp; Uses</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>	
<b>NET INCREASE (DECREASE) IN FUND BALANCE</b>		<b>\$ 324,527</b>	<b>\$ 468,024</b>	<b>\$ 85,117</b>	<b>\$ 580,996</b>	<b>79.03%</b>	<b>\$ 548,564</b>	<b>-5.58%</b>	<b>\$ 450,863</b>	<b>-17.81%</b>
<b>FUND BALANCE, RESERVES</b>										
Beginning Balance at Adopted Budget	9791	3,415,260	3,415,260	3,415,260	3,415,260	0.00%				
Adjustments for Unaudited Actuals	9792		(173,401)	(173,401)	(173,401)					
Beg Fund Balance at Unaudited Actuals			3,241,859	3,241,859	3,241,859					
Adjustments for Audit	9793		366,887	366,887	366,887					
Adjustments for Restatements	9795		217,540	217,540	217,540					
Beginning Fund Balance as per Audit Report +/- Restatements		-	3,826,286	3,826,286	3,826,286		4,407,281		4,955,845	12.45%
<b>Ending Balance</b>	<b>9790</b>	<b>\$ 3,739,787</b>	<b>\$ 4,294,310</b>	<b>\$ 3,911,402</b>	<b>\$ 4,407,281</b>	<b>17.85%</b>	<b>\$ 4,955,845</b>	<b>12.45%</b>	<b>\$ 5,406,708</b>	<b>9.10%</b>

Fiscal Year 2019-20 Second Interim Report  
 Summary MYP

DESCRIPTION	Adopted Budget 2019-20	Latest Revised Budget 2019-20	Second Interim Actual thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change
Rev. 4/26/19									
<b>Components of Ending Fund Balance (Budget):</b>									
<b>a. Nonspendable</b>									
Revolving Cash	9711	-	-	-		-		-	
Stores	9712	-	-	-		-		-	
Prepaid Expenditures	9713	-	-	-		-		-	
All Others	9719	-	-	-		-		-	
<b>b. Restricted</b>	9740	346,345	353,333	59,537	33.28%	498,908	8.08%	546,551	9.55%
<b>c. Committed</b>									
Committed - Stabilization Arrangements	9750	-	-	-		-		-	
Committed - Other	9760	-	-	-		-		-	
<b>d. Assignments</b>	9780	-	-	-		-		-	
<b>e. Unassigned</b>									
Reserve for Economic Uncertainties	9789	324,527	324,527	-	-2.05%	395,616	24.45%	407,864	3.10%
Undesignated / Unappropriated Amount / Unrestricted Net Position	9790	3,068,915	3,616,450	3,851,865	18.21%	4,061,321	11.95%	4,452,293	9.63%
Economic Uncertainty and Unappropriated Reserve Percentage (9789+9790)/(Total Expenditures + Other Uses)		23.79%	\$ 0.28	\$ 0.55		\$ 0.28		\$ 0.31	
								\$ 0.32	

## DEBT - Multiyear Commitments

Fiscal Year 2019-20 Second Interim Report

CHARTER NAME: Academy for Academic Excellence

Rev. 4/26/19

Complete the following table for all significant multiyear commitments for the budget year and the following two years. Clearly identify the number of years remaining and the total remaining principal amount of the commitment, the amount of principal and interest budgeted for the current fiscal year and the following two years.

**Under the Comment Section, provide a brief statement identifying the funding source for repayment of each obligation.**

**NO DEBT** (if no debt, X)

Type of Commitment	# of Years Remaining	July 1, 2019 Principal Balance	2019-20 Payment		2020-21 Payment		2021-22 Payment		Object Code(s)
			Principle	Interest	Principle	Interest	Principle	Interest	
State School Building Loans									
Charter School Start-up Loans									
Other Post Employment Benefits									
Compensated Absences									
Bank Line of Credit Loans									
Municipal Lease									
Capital Leases									
1									
2									
3									
Other									
Other Commitments:									
Comments:									

CHARTER NAME: Academy for Academic Excellence  
2019-20 Second Interim Cash Flow

DATE PREPARED: 2/27/2020

Rev. 4/26/19

			July	%	August	%	September	%	October	%	November	%	December	%	January	%
			Actual	Bud	Actual	Bud	Actual	Bud	Actual	Bud	Actual	Bud	Actual	Bud	Estimated	Bud
<b>Beginning Cash Balance</b>	July 1 Cash =		1,175,224		2,230,806		1,827,352		1,327,825		2,015,836		2,478,795		2,500,169	
<b>Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals</b>																
<b>REVENUE</b>																
LCFF Sources																
LCFF	8011		-		441,164	4.93%	441,164	4.93%	794,095	8.88%	794,095	8.88%	794,095	8.88%	794,095	8.88%
EPA	8012		4,268	0.18%	-		-		599,078	25.79%	-		-		599,077	25.79%
State Aid - Prior Year	8019		-		-		-		-		-		-		-	
In Lieu Property Taxes	8096		-		87,257	6.02%	-		290,858	20.07%	232,686	16.06%	76,426	5.27%	143,925	9.93%
Federal	8100-8299		-		-		-		-		115,212	15.50%	-		104,789	14.09%
State																
Lottery - Unrestricted	8560		-		-		-		0		-		-		75,504	34.10%
Lottery - Prop 20 - Restricted	8560		-		-		-		5,471	7.00%	-		1,402	1.79%	-	
Other State Revenue	8300-8599		-		2,529	3.34%	-		-		15,648	20.69%	41,327	54.65%	-	
Local																
Interest	8660		-		-		-		-		-		-		-	
AB602 Local Special Education Transfer	8792		-		-		82,096	11.64%	-		65,655	9.31%	65,655	9.31%	131,310	18.62%
Other Local Revenues	8600-8799		14,560	3.88%	11,328	3.02%	33,682	8.98%	7,733	2.06%	108,463	28.91%	27,537	7.34%	31,114	8.29%
<b>Total Revenues</b>			\$ 18,828	0.13%	\$ 542,279	3.64%	\$ 556,942	3.73%	\$ 1,697,235	11.38%	\$ 1,331,759	8.93%	\$ 1,006,442	6.75%	\$ 1,879,814	12.60%
<b>EXPENDITURES</b>																
Certificated Salaries	1000-1999		451,935	7.64%	468,920	7.93%	485,824	8.21%	483,942	8.18%	486,629	8.22%	483,579	8.17%	469,013	7.93%
Classified Salaries	2000-2999		90,522	7.03%	93,066	7.23%	99,143	7.70%	96,206	7.47%	104,236	8.09%	100,342	7.79%	100,279	7.79%
Benefits	3000-3999		194,032	7.61%	199,108	7.81%	202,816	7.95%	206,244	8.09%	206,151	8.08%	206,535	8.10%	204,496	8.02%
Books & Supplies	4000-4999		74,937	9.82%	57,257	7.50%	98,948	12.97%	57,819	7.58%	50,615	6.63%	55,419	7.26%	140,684	18.43%
Contracts & Services	5000-5999		23,735	2.50%	57,060	6.02%	103,228	10.89%	59,069	6.23%	71,638	7.55%	75,373	7.95%	48,697	5.14%
Capital Outlay	6000-6599		84,276	7.40%	70,322	6.17%	66,511	5.84%	105,945	9.30%	52,820	4.64%	63,818	5.60%	96,994	8.51%
Other Outgo	7100-7299		-		-		-		-		-		-		-	
Debt Service (see Debt Form)	7400-7499		-		-		-		-		-		-		-	
<b>Total Expenditures</b>			\$ 919,438	6.41%	\$ 945,733	6.60%	\$ 1,056,469	7.37%	\$ 1,009,225	7.04%	\$ 972,090	6.78%	\$ 985,067	6.87%	\$ 1,060,162	7.40%
<b>OTHER SOURCES/USES</b>																
Other Sources/Contributions to Restricted Programs	8900		-		-		-		-		-		-		-	
Other Uses	7600		-		-		-		-		-		-		-	
<b>Net Sources &amp; Uses</b>			\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
<b>PRIOR YEAR TRANSACTIONS</b>																
		July 1 - Beginning Balances		% Beg Bal		% Beg Bal		% Beg Bal		% Beg Bal		% Beg Bal		% Beg Bal		% Beg Bal
Accounts Receivable	9210	2,226,383	2,008,849	90.23%	-		-		-		103,290	4.64%	-		-	
Prepaid Expenditures	9330	-	-		-		-		-		-		-		-	
Accounts Payable	9510	-	-		-		-		-		-		-		-	
Line of Credit Payments	9640	-	-		-		-		-		-		-		-	
Deferred Revenue	9650	52,658	52,658	100.00%	-		-		-		-		-		-	
<b>NET PRIOR YEAR TRANSACTIONS</b>		\$ 2,173,725	\$ 1,956,191		\$ -		\$ -		\$ -		\$ 103,290		\$ -		\$ -	
<b>OTHER ADJUSTMENTS (LIST)</b>																
<b>TOTAL MISC. ADJUSTMENTS</b>			\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
<b>NET REVENUES LESS EXPENDITURES</b>			\$ 1,055,582		\$ (403,454)		\$ (499,527)		\$ 688,011		\$ 462,959		\$ 21,375		\$ 819,652	
<b>ENDING CASH BALANCE</b>			\$ 2,230,806		\$ 1,827,352		\$ 1,327,825		\$ 2,015,836		\$ 2,478,795		\$ 2,500,169		\$ 3,319,822	

DATE PREPARED: 2/27/2020

CHARTER NAME: Academy for Academic Excellence  
2019-20 Second Interim Cash Flow

Rev. 4/26/19

		February	%	March	%	April	%	May	%	June	%	Estimated	Total	Projected	Difference
		Estimated	Bud	Estimated	Bud	Estimated	Bud	Estimated	Bud	Estimated	Bud	Accrual	3,929,946	Budget	
<b>Beginning Cash Balance</b>		3,319,822		3,179,146		3,038,471		3,896,082		3,755,405		1,887,470	3,929,946		
<b>REVENUE</b>															
LCFF Sources															
LCFF	8011	794,095	8.88%	794,095	8.88%	794,095	8.88%	794,095	8.88%	794,095	8.88%	914,040	8,943,223	8,943,223	-
EPA	8012					599,077	25.79%					521,535	2,323,035	2,323,035	-
State Aid - Prior Year	8019												-	-	-
In Lieu Property Taxes	8096	102,975	7.11%	102,975	7.11%	102,975	7.11%	102,975	7.11%	102,975	7.11%	102,998	1,449,026	1,449,026	0
Federal	8100-8299					173,511	23.34%					350,000	743,512	743,512	-
State															
Lottery - Unrestricted	8560					68,500	30.94%					77,393	221,397	221,397	(0)
Lottery - Prop 20 - Restricted	8560					34,900	44.66%					36,367	78,140	78,140	(0)
Other State Revenue	8300-8599					8,056	10.65%					8,060	75,620	75,620	0
Local															
Interest	8660														
AB602 Local Special Education Transfer	8792	65,655	9.31%	65,655	9.31%	65,655	9.31%	65,655	9.31%	65,655	9.31%	32,083	705,074	705,074	-
Other Local Revenues	8600-8799	28,142	7.50%	28,143	7.50%	28,143	7.50%	28,143	7.50%	28,143	7.50%		375,132	375,132	0
<b>Total Revenues</b>		<b>\$ 990,867</b>	<b>6.64%</b>	<b>\$ 990,868</b>	<b>6.64%</b>	<b>\$ 1,874,912</b>	<b>12.57%</b>	<b>\$ 990,868</b>	<b>6.64%</b>	<b>\$ 990,868</b>	<b>6.64%</b>	<b>\$ 2,042,476</b>	<b>\$ 14,914,159</b>	<b>\$ 14,914,159</b>	<b>\$ (0)</b>
<b>EXPENDITURES</b>															
Certificated Salaries	1000-1999	517,372	8.74%	517,372	8.74%	517,373	8.74%	517,373	8.74%	517,373	8.74%		5,916,706	5,916,706	0
Classified Salaries	2000-2999	120,824	9.38%	120,824	9.38%	120,824	9.38%	120,824	9.38%	120,825	9.38%		1,287,916	1,287,916	0
Benefits	3000-3999	226,178	8.87%	226,178	8.87%	226,178	8.87%	226,178	8.87%	226,179	8.87%		2,550,273	2,550,273	0
Books & Supplies	4000-4999	45,501	5.96%	45,501	5.96%	45,501	5.96%	45,501	5.96%	45,502	5.96%		763,185	763,185	-
Contracts & Services	5000-5999	101,905	10.75%	101,905	10.75%	101,905	10.75%	101,906	10.75%	101,906	10.75%		948,328	948,328	0
Capital Outlay	6000-6599	119,763	10.51%	119,763	10.51%	119,763	10.51%	119,763	10.51%	119,763	10.51%		1,139,500	1,139,500	(0)
Other Outgo	7100-7299									1,727,255	100.00%		1,727,255	1,727,255	-
Debt Service (see Debt Form)	7400-7499												-	-	-
<b>Total Expenditures</b>		<b>\$ 1,131,543</b>	<b>7.89%</b>	<b>\$ 1,131,543</b>	<b>7.89%</b>	<b>\$ 1,131,544</b>	<b>7.89%</b>	<b>\$ 1,131,545</b>	<b>7.89%</b>	<b>\$ 2,858,803</b>	<b>19.95%</b>	<b>\$ -</b>	<b>\$ 14,333,162</b>	<b>\$ 14,333,163</b>	<b>\$ 1</b>
<b>OTHER SOURCES/USES</b>															
Other Sources/Contributions to Restricted Programs	8900												-	-	-
Other Uses	7600												-	-	-
<b>Net Sources &amp; Uses</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>PRIOR YEAR TRANSACTIONS</b>															
			%		%		%		%		%			Remaining	
			Beg Bal		Beg Bal		Beg Bal		Beg Bal		Beg Bal			Balance	
Accounts Receivable	9210					114,244	5.13%						2,226,383	0	
Prepaid Expenditures	9330												-	-	
Accounts Payable	9510												-	-	
Line of Credit Payments	9640												-	-	
Deferred Revenue	9650												52,658	-	
<b>NET PRIOR YEAR TRANSACTIONS</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ 114,244</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>	<b>\$ 2,173,725</b>	<b>\$ 0</b>	
<b>OTHER ADJUSTMENTS (LIST)</b>															
													-		
													-		
													-		
													-		
<b>TOTAL MISC. ADJUSTMENTS</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>		
<b>NET REVENUES LESS EXPENDITURES</b>		<b>\$ (140,676)</b>		<b>\$ (140,675)</b>		<b>\$ 857,612</b>		<b>\$ (140,677)</b>		<b>\$ (1,867,935)</b>		<b>\$ 2,042,476</b>	<b>\$ 2,754,722</b>		
<b>ENDING CASH BALANCE</b>		<b>\$ 3,179,146</b>		<b>\$ 3,038,471</b>		<b>\$ 3,896,082</b>		<b>\$ 3,755,405</b>		<b>\$ 1,887,470</b>		<b>\$ 3,929,946</b>			

CHARTER NAME: Academy for Academic Excellence

2020-21 Second Interim Cash Flow

DATE PREPARED:

2/27/2020

Rev. 4/26/19

			July	%	August	%	September	%	October	%	November	%	December	%	January	%	
			Estimated	Bud	Estimated	Bud	Estimated	Bud	Estimated	Bud	Estimated	Bud	Estimated	Bud	Estimated	Bud	
<b>Beginning Cash Balance</b>			July 1 Cash =	1,887,470		2,416,465		1,903,015		1,556,056		2,300,303		2,328,799		2,607,295	
<b>REVENUE</b>																	
LCFF Sources																	
LCFF	8011				469,319	5.00%	469,319	5.00%	844,774	9.00%	844,774	9.00%	844,774	9.00%	844,774	9.00%	
EPA	8012								587,951	25.00%					587,951	25.00%	
State Aid - Prior Year	8019																
In Lieu Property Taxes	8096						111,463	7.69%	222,929	15.38%	111,463	7.69%	111,463	7.69%	111,463	7.69%	
Federal	8100-8299						55,030	9.09%	55,030	9.09%	55,030	9.09%	55,030	9.09%	55,030	9.09%	
State																	
Lottery - Unrestricted	8560														56,401	25.16%	
Lottery - Prop 20 - Restricted	8560														19,410	24.54%	
Other State Revenue	8300-8599								16,334	25.00%					16,334	25.00%	
Local																	
Interest	8660																
AB602 Local Special Education Transfer	8792		58,756	8.33%	58,756	8.33%	58,756	8.33%	58,756	8.33%	58,756	8.33%	58,756	8.33%	58,756	8.33%	
Other Local Revenues	8600-8799				12,695	8.33%	12,695	8.33%	12,695	8.33%	12,695	8.33%	12,695	8.33%	12,695	8.33%	
<b>Total Revenues</b>			\$	58,756	0.39%	\$	540,770	3.60%	\$	707,263	4.71%	\$	1,798,469	11.97%	\$	1,082,718	7.21%
<b>EXPENDITURES</b>																	
Certificated Salaries	1000-1999		514,455	8.33%	514,455	8.33%	514,455	8.33%	514,455	8.33%	514,455	8.33%	514,455	8.33%	514,455	8.33%	
Classified Salaries	2000-2999		110,277	8.33%	110,277	8.33%	110,278	8.33%	110,278	8.33%	110,278	8.33%	110,278	8.33%	110,278	8.33%	
Benefits	3000-3999		219,275	8.33%	219,275	8.33%	219,276	8.33%	219,276	8.33%	219,276	8.33%	219,276	8.33%	219,276	8.33%	
Books & Supplies	4000-4999		74,158	8.33%	74,158	8.33%	74,158	8.33%	74,158	8.33%	74,158	8.33%	74,158	8.33%	74,158	8.33%	
Contracts & Services	5000-5999		84,125	8.33%	84,126	8.33%	84,126	8.33%	84,126	8.33%	84,126	8.33%	84,126	8.33%	84,126	8.33%	
Capital Outlay	6000-6599		51,929	8.33%	51,929	8.33%	51,929	8.33%	51,929	8.33%	51,929	8.33%	51,929	8.33%	51,929	8.33%	
Other Outgo	7100-7299																
Debt Service (see Debt Form)	7400-7499																
<b>Total Expenditures</b>			\$	1,054,219	7.29%	\$	1,054,220	7.29%	\$	1,054,222	7.29%	\$	1,054,222	7.29%	\$	1,054,222	7.29%
<b>OTHER SOURCES/USES</b>																	
Other Sources/Contributions to Restricted Programs	8900																
Other Uses	7600																
<b>Net Sources &amp; Uses</b>					\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	
<b>PRIOR YEAR TRANSACTIONS</b>																	
			July 1 -	%	%	%	%	%	%	%	%	%	%	%	%	%	
			Beginning	Beg Bal	Beg Bal	Beg Bal	Beg Bal	Beg Bal	Beg Bal	Beg Bal	Beg Bal	Beg Bal	Beg Bal	Beg Bal	Beg Bal	Beg Bal	
			Balances														
Accounts Receivable	9210	2,042,475	1,524,458	74.64%									250,000	12.24%			
Prepaid Expenditures	9330																
Accounts Payable	9510																
Line of Credit Payments	9640																
Deferred Revenue	9650																
<b>NET PRIOR YEAR TRANSACTIONS</b>			\$	2,042,475	\$	1,524,458	\$	-	\$	-	\$	-	\$	250,000	\$	-	
<b>OTHER ADJUSTMENTS (LIST)</b>																	
<b>TOTAL MISC. ADJUSTMENTS</b>			\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	
<b>NET REVENUES LESS EXPENDITURES</b>			\$	528,995	\$	(513,450)	\$	(346,959)	\$	744,247	\$	28,496	\$	278,496	\$	708,592	
<b>ENDING CASH BALANCE</b>			\$	2,416,465	\$	1,903,015	\$	1,556,056	\$	2,300,303	\$	2,328,799	\$	2,607,295	\$	3,315,887	



**CHARTER NAME: Academy for Academic Excellence**  
**2020-21 Second Interim Cash Flow**

DATE PREPARED:

**2/27/2020**

Rev. 4/26/19

		February Estimated	% Bud	March Estimated	% Bud	April Estimated	% Bud	May Estimated	% Bud	June Estimated	% Bud	Estimated Accrual	Total	Projected Budget	Difference
<b>Beginning Cash Balance</b>		3,315,887		3,344,383		3,372,879		4,349,487		4,377,981		2,587,092	4,478,509		
<b>REVENUE</b>															
LCFF Sources															
LCFF	8011	844,774	9.00%	844,774	9.00%	844,774	9.00%	844,774	9.00%	844,774	9.00%	844,778	9,386,382	9,386,382	-
EPA	8012					587,951	25.00%					587,952	2,351,805	2,351,805	-
State Aid - Prior Year	8019												-	-	-
In Lieu Property Taxes	8096	111,463	7.69%	111,463	7.69%	111,463	7.69%	111,463	7.69%	111,463	7.69%	222,930	1,449,026	1,449,026	-
Federal	8100-8299	55,030	9.09%	55,030	9.09%	55,030	9.09%	55,030	9.09%	55,030	9.09%	55,092	605,392	605,392	-
State															
Lottery - Unrestricted	8560					56,401	25.16%					111,337	224,139	224,139	(0)
Lottery - Prop 20 - Restricted	8560					19,410	24.54%					40,288	79,108	79,108	(0)
Other State Revenue	8300-8599					16,334	25.00%					16,335	65,337	65,337	-
Local															
Interest	8660												-	-	-
AB602 Local Special Education Transfer	8792	58,756	8.33%	58,756	8.33%	58,756	8.33%	58,756	8.33%	58,758	8.33%		705,074	705,074	-
Other Local Revenues	8600-8799	12,695	8.33%	12,695	8.33%	12,695	8.33%	12,695	8.33%	12,695	8.33%	12,705	152,350	152,350	-
<b>Total Revenues</b>		\$ 1,082,718	7.21%	\$ 1,082,718	7.21%	\$ 1,762,814	11.74%	\$ 1,082,718	7.21%	\$ 1,082,720	7.21%	\$ 1,891,417	\$ 15,018,613	\$ 15,018,613	\$ (0)
<b>EXPENDITURES</b>															
Certificated Salaries	1000-1999	514,455	8.33%	514,455	8.33%	514,455	8.33%	514,455	8.33%	514,455	8.33%		6,173,460	6,173,460	-
Classified Salaries	2000-2999	110,278	8.33%	110,278	8.33%	110,278	8.33%	110,278	8.33%	110,278	8.33%		1,323,334	1,323,334	-
Benefits	3000-3999	219,276	8.33%	219,276	8.33%	219,276	8.33%	219,276	8.33%	219,276	8.33%		2,631,310	2,631,310	-
Books & Supplies	4000-4999	74,158	8.33%	74,158	8.33%	74,159	8.33%	74,159	8.33%	74,159	8.33%		889,899	889,899	-
Contracts & Services	5000-5999	84,126	8.33%	84,126	8.33%	84,126	8.33%	84,126	8.33%	84,126	8.33%		1,009,511	1,009,511	-
Capital Outlay	6000-6599	51,929	8.33%	51,929	8.33%	51,929	8.33%	51,930	8.33%	51,930	8.33%		623,150	623,150	-
Other Outgo	7100-7299									1,819,385	100.00%		1,819,385	1,819,385	-
Debt Service (see Debt Form)	7400-7499												-	-	-
<b>Total Expenditures</b>		\$ 1,054,222	7.29%	\$ 1,054,222	7.29%	\$ 1,054,223	7.29%	\$ 1,054,224	7.29%	\$ 2,873,609	19.86%	\$ -	\$ 14,470,049	\$ 14,470,049	\$ -
<b>OTHER SOURCES/USES</b>															
Other Sources/Contributions to Restricted Programs	8900												-	-	-
Other Uses	7600												-	-	-
<b>Net Sources &amp; Uses</b>		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -	\$ -
<b>PRIOR YEAR TRANSACTIONS</b>															
			% Beg Bal		% Beg Bal		% Beg Bal		% Beg Bal		% Beg Bal			Remaining Balance	
Accounts Receivable	9210					268,017	13.12%						2,042,475	-	
Prepaid Expenditures	9330												-	-	
Accounts Payable	9510												-	-	
Line of Credit Payments	9640												-	-	
Deferred Revenue	9650												-	-	
<b>NET PRIOR YEAR TRANSACTIONS</b>		\$ -		\$ -		\$ 268,017		\$ -		\$ -		\$ -	\$ 2,042,475	\$ -	
<b>OTHER ADJUSTMENTS (LIST)</b>															
													-		
													-		
													-		
													-		
<b>TOTAL MISC. ADJUSTMENTS</b>		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ -		
<b>NET REVENUES LESS EXPENDITURES</b>		\$ 28,496		\$ 28,496		\$ 976,608		\$ 28,494		\$ (1,790,889)		\$ 1,891,417	\$ 2,591,039		
<b>ENDING CASH BALANCE</b>		\$ 3,344,383		\$ 3,372,879		\$ 4,349,487		\$ 4,377,981		\$ 2,587,092		\$ 4,478,509			



**Charter School Attendance** **CHARTER NAME: Norton Science and Language Academy**  
**CHARTER #: 903**

**Fiscal Year 2019-20 Second Interim Report**  
**Projected ADA as of January 31, 2020**

Rev. 4/26/19

Charter Approving Entity: San Bernardino County Superintendent of Schools	Line	2018-19		2019-20 Adopted Budget			2019-20 Second Interim			2020-21 Second Interim			2021-22 Second Interim		
		Actual ADA P-2	Funded ADA *	Projected ADA P-2	Funded ADA *	% Change over Prior Year	Projected ADA P-2	Funded ADA *	% Change over Prior Period	Projected ADA P-2	Funded ADA *	% Change over Prior Year	Projected ADA P-2	Funded ADA *	% Change over Prior Year

**Non Classroom Funding Determination Rate\*** 100%

<b>TK/K-3:</b>															
Regular ADA	A-1	429.86		415.22		-3.41%	435.94		4.99%	440.51		1.05%	473.45		7.48%
Classroom-based ADA included in A-1	A-2	429.86		415.22		-3.41%	435.94		4.99%	440.51		1.05%	473.45		7.48%
Extended Year Special Ed	A-3	-		-											
Classroom-based ADA included in A-3	A-4	-		-											
Special Ed - NPS	A-5	-		-											
Classroom-based ADA included in A-5	A-6	-		-											
Extended Year Special Ed - NPS	A-7	-		-											
Classroom-based ADA included in A-7	A-8	-		-											
<b>ADA Totals (A-1, A3, A5, A7)</b>	<b>A-9</b>	<b>429.86</b>	<b>-</b>	<b>415.22</b>	<b>-</b>	<b>-3.41%</b>	<b>435.94</b>	<b>-</b>	<b>4.99%</b>	<b>440.51</b>	<b>-</b>	<b>1.05%</b>	<b>473.45</b>	<b>-</b>	<b>7.48%</b>
<b>Classroom-based ADA Totals (A-2, A-4, A-6, A-8)</b>	<b>A-10</b>	<b>429.86</b>	<b>429.86</b>	<b>415.22</b>	<b>415.22</b>	<b>-3.41%</b>	<b>435.94</b>	<b>435.94</b>	<b>4.99%</b>	<b>440.51</b>	<b>440.51</b>	<b>1.05%</b>	<b>473.45</b>	<b>473.45</b>	<b>7.48%</b>
Non classroom-based ADA Totals (Difference of A-9 and A-10)	A-11	-	-	-	-		-	-		-	-		-	-	
ADA for Students in Transitional Kindergarten (Lines A-1, A-3, A-5, and A-7, TK/K-3 Column, First Year ADA Only)	B-1	-		-											

<b>Grades 4-6</b>															
Regular ADA	A-1	220.49		243.32		10.35%	240.91		-0.99%	258.40		7.26%	283.14		9.57%
Classroom-based ADA included in A-1	A-2	220.49		243.32		10.35%	240.91		-0.99%	258.40		7.26%	283.14		9.57%
Extended Year Special Ed	A-3	-		-											
Classroom-based ADA included in A-3	A-4	-		-											
Special Ed - NPS	A-5	-		-											
Classroom-based ADA included in A-5	A-6	-		-											
Extended Year Special Ed - NPS	A-7	-		-											
Classroom-based ADA included in A-7	A-8	-		-											
<b>ADA Totals (A-1, A3, A5, A7)</b>	<b>A-9</b>	<b>220.49</b>	<b>-</b>	<b>243.32</b>	<b>-</b>	<b>10.35%</b>	<b>240.91</b>	<b>-</b>	<b>-0.99%</b>	<b>258.40</b>	<b>-</b>	<b>7.26%</b>	<b>283.14</b>	<b>-</b>	<b>9.57%</b>
<b>Classroom-based ADA Totals (A-2, A-4, A-6, A-8)</b>	<b>A-10</b>	<b>220.49</b>	<b>220.49</b>	<b>243.32</b>	<b>243.32</b>	<b>10.35%</b>	<b>240.91</b>	<b>240.91</b>	<b>-0.99%</b>	<b>258.40</b>	<b>258.40</b>	<b>7.26%</b>	<b>283.14</b>	<b>283.14</b>	<b>9.57%</b>
Non classroom-based ADA Totals (Difference of A-9 and A-10)	A-11	-	-	-	-		-	-		-	-		-	-	

<b>Grades 7-8</b>															
Regular ADA	A-1	109.56		110.42		0.78%	108.03		-2.16%	106.38		-1.53%	186.47		75.29%
Classroom-based ADA included in A-1	A-2	109.56		110.42		0.78%	108.03		-2.16%	106.38		-1.53%	186.47		75.29%
Extended Year Special Ed	A-3	-		-											
Classroom-based ADA included in A-3	A-4	-		-											
Special Ed - NPS	A-5	-		-											
Classroom-based ADA included in A-5	A-6	-		-											
Extended Year Special Ed - NPS	A-7	-		-											
Classroom-based ADA included in A-7	A-8	-		-											
<b>ADA Totals (A-1, A3, A5, A7)</b>	<b>A-9</b>	<b>109.56</b>	<b>-</b>	<b>110.42</b>	<b>-</b>	<b>0.78%</b>	<b>108.03</b>	<b>-</b>	<b>-2.16%</b>	<b>106.38</b>	<b>-</b>	<b>-1.53%</b>	<b>186.47</b>	<b>-</b>	<b>75.29%</b>
<b>Classroom-based ADA Totals (A-2, A-4, A-6, A-8)</b>	<b>A-10</b>	<b>109.56</b>	<b>109.56</b>	<b>110.42</b>	<b>110.42</b>	<b>0.78%</b>	<b>108.03</b>	<b>108.03</b>	<b>-2.16%</b>	<b>106.38</b>	<b>106.38</b>	<b>-1.53%</b>	<b>186.47</b>	<b>186.47</b>	<b>75.29%</b>
Non classroom-based ADA Totals (Difference of A-9 and A-10)	A-11	-	-	-	-		-	-		-	-		-	-	

Charter School Attendance		CHARTER NAME: Norton Science and Language Academy CHARTER #: 903													
		Fiscal Year 2019-20 Second Interim Report Projected ADA as of January 31, 2020													
Charter Approving Entity: San Bernardino County Superintendent of Schools		2018-19		2019-20 Adopted Budget			2019-20 Second Interim			2020-21 Second Interim			2021-22 Second Interim		
Line		Actual ADA P-2	Funded ADA *	Projected ADA P-2	Funded ADA *	% Change over Prior Year	Projected ADA P-2	Funded ADA *	% Change over Prior Period	Projected ADA P-2	Funded ADA *	% Change over Prior Year	Projected ADA P-2	Funded ADA *	% Change over Prior Year
Grades 9-12															
Regular ADA	A-1	-	-	-	-		-	-		-	-		90.82	-	
Classroom-based ADA included in A-1	A-2	-	-	-	-		-	-		-	-		90.82	-	
Extended Year Special Ed	A-3	-	-	-	-		-	-		-	-		-	-	
Classroom-based ADA included in A-3	A-4	-	-	-	-		-	-		-	-		-	-	
Special Ed - NPS	A-5	-	-	-	-		-	-		-	-		-	-	
Classroom-based ADA included in A-5	A-6	-	-	-	-		-	-		-	-		-	-	
Extended Year Special Ed - NPS	A-7	-	-	-	-		-	-		-	-		-	-	
Classroom-based ADA included in A-7	A-8	-	-	-	-		-	-		-	-		-	-	
ADA Totals (A-1, A3, A5, A7)	A-9	-	-	-	-		-	-		-	-		90.82	-	
Classroom-based ADA Totals (A-2, A-4, A-6, A-8)	A-10	-	-	-	-		-	-		-	-		90.82	90.82	
Non classroom-based ADA Totals (Difference of A-9 and A-10)	A-11	-	-	-	-		-	-		-	-		-	-	
Totals															
Regular ADA	A-1	759.91	-	768.96	-	1.19%	784.88	-	2.07%	805.29	-	2.60%	1,033.88	-	28.39%
Classroom-based ADA included in A-1	A-2	759.91	-	768.96	-	1.19%	784.88	-	2.07%	805.29	-	2.60%	1,033.88	-	28.39%
Extended Year Special Ed	A-3	-	-	-	-		-	-		-	-		-	-	
Classroom-based ADA included in A-3	A-4	-	-	-	-		-	-		-	-		-	-	
Special Ed - NPS	A-5	-	-	-	-		-	-		-	-		-	-	
Classroom-based ADA included in A-5	A-6	-	-	-	-		-	-		-	-		-	-	
Extended Year Special Ed - NPS	A-7	-	-	-	-		-	-		-	-		-	-	
Classroom-based ADA included in A-7	A-8	-	-	-	-		-	-		-	-		-	-	
ADA Totals (A-1, A3, A5, A7)	A-9	759.91	-	768.96	-	1.19%	784.88	-	2.07%	805.29	-	2.60%	1,033.88	-	28.39%
Classroom-based ADA Totals (A-2, A-4, A-6, A-8)	A-10	759.91	759.91	768.96	768.96	1.19%	784.88	784.88	2.07%	805.29	805.29	2.60%	1,033.88	1,033.88	28.39%
Non classroom-based ADA Totals (Difference of A-9 and A-10)	A-11	-	-	-	-		-	-		-	-		-	-	
<b>Total Funded ADA</b>		-	759.91	-	768.96		-	784.88		-	805.29		-	1,033.88	

\* For non-classroom, P-2 ADA multiplied by Funding Determination %. Use this amount in the LCFF calculator and any other ADA based revenue calculations.

CHARTER NAME: Norton Science and Language Academy  
 CDS #: 361036301155808  
 CHARTER #: 903

Fiscal Year 2019-20 Second Interim Report

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ASSUMPTIONS:	2019-20	2020-21	Change	2021-22	Change
<b>Local Control Funding (LCFF) - BAS/FCMAT Calculator:</b>					
COLA (on Base)	3.26%	2.29%	-0.97%	2.71%	0.42%
Gap Funding Rate	100.00%	100.00%	0.00%	100.00%	0.00%
LCFF before COE tfr, Choice, & Charter supp. (FCMAT Calc, Calculator tab)	\$ 8,235,778	\$ 8,623,258	4.70%	\$ 11,477,734	33.10%
LCAP: Public Hearing Date (mm/dd/yyyy) (If applicable)					
Board Approval Date (mm/dd/yyyy)					
<b>Lottery Allocation Amount Per ADA:</b>					
Unrestricted	\$ 154	\$ 154	\$ -	\$ 154	\$ -
Restricted	\$ 53	\$ 53	\$ -	\$ 53	\$ -
<b>ADA/Enrollment:</b>					
Total Non-Classroom Based (Independent Study) ADA	0.00	0.00	0.00	0.00	0.00
Total Funded Non-Classroom Based (Independent Study) ADA	0.00	0.00	0.00	0.00	0.00
Total Classroom Based ADA	784.88	805.29	20.41	1,033.88	228.59
Total Funded P-2 Attendance	784.88	805.29	20.41	1,033.88	228.59
Estimated Enrollment PY CBEDS Certified Enrollment	821	835	14.00	1,081	246.00
Enrollment Growth Over Prior Year	0.00%	1.71%		29.46%	
ADA to Enrollment Ratio 2018-19	92.56%	96.44%		95.64%	
Estimated Unduplicated Count PY CBEDS Certified Unduplicated Count	628	644	4.00	843	199.00
Unduplicated Pupil % (one year, not rolling) PY	76.49%	77.13%		77.98%	
<b>Certificated Salaries and Benefits:</b>					
Number of Teachers (FTE)	36.00	36.00	0.00	46.00	10.00
Classroom Staffing Ratio - Students per FTE	22.81	23.19	0.39	23.50	0.31
Teachers Increased/(Decreased) for projected Enrollment change			0.00	10.00	10.00
Average Teacher Cost (Salary and Benefits)	\$ 100,409	\$ 103,923	3.50%	\$ 107,561	3.50%
Step and Column Increase (Total Annual Cost)	\$ 120,000	\$ 120,000	0.00%	\$ 120,000	0.00%
Health and Welfare Cost per Employee	\$ 11,604	\$ 12,126	4.50%	\$ 12,672	4.50%
Retirement Cost per Employee	\$ 12,568	\$ 12,945	3.00%	\$ 13,334	3.01%
<b>Facilities:</b>					
Rent	\$ 190,000	\$ 690,000	263.16%	\$ -	
Electricity	\$ 92,500	\$ 95,000	2.70%	\$ 150,000	57.89%
Heating (gas)					
Other					
<b>Administrative Service Agreements:</b>					
1.00% Oversight Fees to Sponsor	\$ 82,358	\$ 86,233	4.70%	\$ 114,777	33.10%
Administrative Service Contract					
Other Contracted Costs					
<b>List Noteworthy Assumptions for other 1st Interim line items: (Books, Supplies, Services, Capital Outlay, Debt, etc.)</b>					

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DESCRIPTION		Adopted Budget 2019-20	First Interim Projected Budget 2019-20	Second Interim Actual thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change
<b>REVENUES</b>										
LCFF Sources										
LCFF	8011	6,953,790	7,008,270	3,058,208	7,007,818	0.78%	7,363,368	5.07%	9,860,201	33.91%
EPA	8012	1,126,354	1,227,960	605,658	1,227,960	9.02%	1,259,890	2.60%	1,617,533	28.39%
State Aid - Prior Year	8019	-	-	-	-					
In Lieu Property Taxes	8096	-	-	-	-					
Federal	8100-8299	-	-	-	-					
State										
Lottery - Unrestricted	8560	121,275	123,786	42,550	126,245	4.10%	129,528	2.60%	166,296	28.39%
Lottery - Prop 20 - Restricted	8560									
Other State Revenue	8300-8599	28,145	232,711	188,257	232,390	725.69%	362,965	56.19%	1,242,505	242.32%
Local										
Interest	8660	-	-	-	-					
AB602 Local Special Education Transfer	8792									
Other Local Revenues	8600-8799	75,000	125,000	101,702	1,130,000	1406.67%	80,000	-92.92%	80,000	0.00%
<b>Total Revenues</b>		<b>\$ 8,304,564</b>	<b>\$ 8,717,728</b>	<b>\$ 3,996,375</b>	<b>\$ 9,724,413</b>	<b>17.10%</b>	<b>\$ 9,195,751</b>	<b>-5.44%</b>	<b>\$ 12,966,535</b>	<b>41.01%</b>
<b>EXPENDITURES</b>										
Certificated Salaries	1000-1999	3,086,051	3,086,051	1,733,710	3,086,051	0.00%	3,194,063	3.50%	4,060,265	27.12%
Classified Salaries	2000-2999	658,650	658,650	335,357	658,650	0.00%	681,703	3.50%	785,968	15.29%
Benefits	3000-3999	1,297,998	1,297,998	696,481	1,297,998	0.00%	1,349,918	4.00%	1,588,449	17.67%
Books & Supplies	4000-4999	312,460	312,460	260,068	319,145	2.14%	321,055	0.60%	402,186	25.27%
Contracts & Services	5000-5999	945,012	945,012	336,261	945,012	0.00%	1,396,563	47.78%	1,550,000	10.99%
Capital Outlay	6000-6599	20,000	270,000	278,777	1,000,000	4900.00%	300,000	-70.00%	-	
Other Outgo	7100-7299	1,042,075	1,061,900	-	1,062,151	1.93%	1,106,980	4.22%	1,375,042	24.22%
Debt Service (see Debt Form)	7400-7499	-	-	-	-				2,100,000	
<b>Total Expenditures</b>		<b>\$ 7,362,246</b>	<b>\$ 7,632,071</b>	<b>\$ 3,640,654</b>	<b>\$ 8,369,007</b>	<b>13.67%</b>	<b>\$ 8,350,282</b>	<b>-0.22%</b>	<b>\$ 11,861,910</b>	<b>42.05%</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>		<b>\$ 942,318</b>	<b>\$ 1,085,657</b>	<b>\$ 355,721</b>	<b>\$ 1,355,406</b>	<b>43.84%</b>	<b>\$ 845,469</b>	<b>-37.62%</b>	<b>\$ 1,104,625</b>	<b>30.65%</b>
<b>OTHER SOURCES &amp; USES</b>										
Other Sources/Contributions to Restricted Programs	8900	(187,284)	(262,264)	-	(262,264)		(367,749)		(560,224)	
Other Uses	7600	-	-	-	-					
<b>Net Sources &amp; Uses</b>		<b>\$ (187,284)</b>	<b>\$ (262,264)</b>	<b>\$ -</b>	<b>\$ (262,264)</b>		<b>\$ (367,749)</b>		<b>\$ (560,224)</b>	
<b>NET INCREASE (DECREASE) IN FUND BALANCE</b>		<b>\$ 755,035</b>	<b>\$ 823,393</b>	<b>\$ 355,721</b>	<b>\$ 1,093,142</b>	<b>44.78%</b>	<b>\$ 477,720</b>	<b>-56.30%</b>	<b>\$ 544,401</b>	<b>13.96%</b>
<b>FUND BALANCE, RESERVES</b>										
Beginning Balance at Adopted Budget	9791	3,224,615	3,224,615	3,224,615	3,224,615					
Adjustments for Unaudited Actuals	9792	-	(439,013)	(439,013)	(439,013)					
Beg Fund Balance at Unaudited Actuals		-	2,785,602	2,785,602	2,785,602					
Adjustments for Audit	9793	-	93,595	93,595	93,595					
Adjustments for Restatements	9795	-	134,260	134,260	134,260					
Beginning Fund Balance as per Audit Report +/- Restatements		-	3,013,457	3,013,457	3,013,457		4,106,599		4,584,320	
<b>Ending Balance</b>	<b>9790</b>	<b>\$ 3,979,650</b>	<b>\$ 3,836,850</b>	<b>\$ 3,369,178</b>	<b>\$ 4,106,599</b>	<b>3.19%</b>	<b>\$ 4,584,320</b>	<b>11.63%</b>	<b>\$ 5,128,721</b>	<b>11.88%</b>

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DESCRIPTION	Adopted Budget 2019-20	First Interim Projected Budget 2019-20	Second Interim <b>Actual</b> thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change	
<b>Components of Ending Fund Balance (Budget):</b>										
<b>a. Nonspendable</b>										
Revolving Cash	9711	-	-							
Stores	9712	-	-							
Prepaid Expenditures	9713	-	-							
All Others	9719	-	-							
<b>b. Restricted</b>	<b>9740</b>									
<b>c. Committed</b>										
Committed - Stabilization Arrangements	9750	-	-							
Committed - Other	9760	550,000	300,000	-	300,000	-45.45%	350,000	16.67%	-	
<b>d. Assignments</b>	<b>9780</b>									
<b>e. Unassigned</b>										
Reserve for Economic Uncertainties	9789	205,035	209,000	-	209,051	1.96%	262,584	25.61%	349,321	33.03%
Undesignated / Unappropriated Amount / Unrestricted Net Position	9790	3,224,615	3,327,850	3,369,178	3,597,548	11.57%	3,971,736	10.40%	4,779,400	20.34%

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DESCRIPTION	Adopted Budget 2019-20	First Interim Projected Budget 2019-20	Second Interim Actual thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change
<b>ASSUMPTIONS FOR UNRESTRICTED PROGRAMS:</b>									
LIST FEDERAL UNRESTRICTED REVENUES (MOST FEDERAL PROGRAM REVENUES ARE RESTRICTED AND SHOULD BE ON RESTRICTED SHEET)									
1 Ex. Erate	-	-							
2	-	-							
3	-	-							
4	-	-							
5	-	-							
6	-	-							
7	-	-							
8	-	-							
9	-	-							
<b>Total Federal Awards Budgeted:</b>	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -	
Lottery Unrestricted Allocation per ADA	\$ 151.00	\$ 151.00		\$ 154.00		\$ 154.00		\$ 154.00	
Lottery Unrestricted Estimated Award	\$ 121,275	\$ 123,786		\$ 126,245	4.10%	\$ 129,528	2.60%	\$ 166,296	28.39%
LIST UNRESTRICTED STATE FUNDS BUDGETED IN OTHER STATE									
1	-	-							
2 Mandated Block Grant	12,965	12,965	12,643	12,643	-2.48%	12,965	2.55%	16,645	28.38%
3 MAA	15,180	29,746	29,747	29,747	95.96%	30,000	0.85%	40,000	33.33%
4 SB-740 Facilities Offset	-	190,000	145,867	190,000		320,000	68.42%	1,185,860	270.58%
5	-	-							
6	-	-							
7	-	-							
8	-	-							
9	-	-							
10	-	-							
11	-	-							
12	-	-							
13	-	-							
14	-	-							
15	-	-							
16	-	-							
17	-	-							
18	-	-							
<b>Total Other State Revenue Funds Budgeted:</b>	\$ 28,145	\$ 232,711	\$ 188,257	\$ 232,390	725.69%	\$ 362,965	56.19%	\$ 1,242,505	242.32%
LIST OTHER UNRESTRICTED LOCAL REVENUES BUDGETED in "Other Local Revenues"									
1 Ex. Services Reimbursed by District	-	-							
2 Before and After School Program	75,000	75,000	66,017	80,000	6.67%	80,000	0.00%	80,000	0.00%
3 School Donations	-	50,000	35,686	50,000		-		-	
4 Bond Reimbursement of Predevelopment Expenditures	-	-	-	1,000,000		-		-	
5	-	-							
6	-	-							
<b>Total Other Local Revenue Funds Budgeted:</b>	\$ 75,000	\$ 125,000	\$ 101,702	\$ 1,130,000	1406.67%	\$ 80,000	-92.92%	\$ 80,000	0.00%



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DESCRIPTION	Adopted Budget 2019-20	First Interim Projected Budget 2019-20	Second Interim Actual thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change
<b>REVENUES</b>									
LCFF Sources									
LCFF	8011								
EPA	8012								
State Aid - Prior Year	8019								
In Lieu Property Taxes	8096								
Federal	8100-8299	738,559	8,354	176,354	24.27%	917,822	-12.02%	1,009,350	25.00%
State									
Lottery - Unrestricted	8560								
Lottery - Prop 20 - Restricted	8560	42,567	3,577	43,448	2.07%	44,578	2.60%	57,232	28.39%
Other State Revenue	8300-8599	125,525	-	836	-99.33%	-		-	
Local									
Interest	8660	-	-						
AB602 Local Special Education Transfer	8792	267,954	35,003	143,375	14.61%	307,097	0.00%	307,097	0.00%
Other Local Revenues	8600-8799	18,200	8,678	15,209	1.65%	18,500	2.70%	23,750	25.00%
<b>Total Revenues</b>		<b>\$ 1,192,805</b>	<b>\$ 55,612</b>	<b>\$ 340,132</b>	<b>7.96%</b>	<b>\$ 1,287,703</b>	<b>-8.51%</b>	<b>\$ 1,397,429</b>	<b>18.61%</b>
<b>EXPENDITURES</b>									
Certificated Salaries	1000-1999	430,916	139,706	244,777	4.77%	471,782	4.50%	571,608	21.16%
Classified Salaries	2000-2999	266,024	79,591	136,239	0.00%	274,005	3.00%	324,259	18.34%
Benefits	3000-3999	222,880	66,939	116,492	2.57%	239,411	4.73%	294,874	23.17%
Books & Supplies	4000-4999	305,479	77,528	168,468	32.74%	405,479	-5.92%	538,689	41.22%
Contracts & Services	5000-5999	38,674	7,983	27,524	303.15%	155,914	-62.39%	102,968	75.58%
Capital Outlay	6000-6599	-	-	-		-		-	
Other Outgo	7100-7299	116,116	-	-	0.00%	116,116	3.86%	125,255	3.86%
Debt Service (see Debt Form)	7400-7499	-	-	-		-		-	
<b>Total Expenditures</b>		<b>\$ 1,380,088</b>	<b>\$ 371,747</b>	<b>\$ 693,500</b>	<b>17.64%</b>	<b>\$ 1,623,600</b>	<b>-4.79%</b>	<b>\$ 1,957,653</b>	<b>26.63%</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>		<b>\$ (187,283)</b>	<b>\$ (316,135)</b>	<b>\$ (353,368)</b>		<b>\$ (335,897)</b>		<b>\$ (367,749)</b>	<b>\$ (560,224)</b>
<b>OTHER SOURCES &amp; USES</b>									
Other Sources/Contributions to Restricted Programs	8900	187,284	-	262,264	40.04%	367,749	40.22%	560,224	52.34%
Other Uses	7600	-	-	-		-		-	
<b>Net Sources &amp; Uses</b>		<b>\$ 187,284</b>	<b>\$ -</b>	<b>\$ -</b>	<b>40.04%</b>	<b>\$ 367,749</b>	<b>40.22%</b>	<b>\$ 560,224</b>	<b>52.34%</b>
<b>NET INCREASE (DECREASE) IN FUND BALANCE</b>		<b>\$ 0</b>	<b>\$ (316,135)</b>	<b>\$ (353,368)</b>		<b>\$ (73,633)</b>		<b>\$ (0)</b>	<b>\$ (0)</b>
<b>FUND BALANCE, RESERVES</b>									
Beginning Balance at Adopted Budget	9791	212,656	212,656	212,656		212,656			
Adjustments for Unaudited Actuals	9792		158,412	158,412		158,412			
Beg Fund Balance at Unaudited Actuals			371,068	371,068		371,068			
Adjustments for Audit	9793		-	-		-			
Adjustments for Restatements	9795		-	-		-			
Beginning Fund Balance as per Audit Report +/- Restatements			371,068	371,068		371,068		297,435.12	297,435.05
<b>Ending Balance</b>		<b>\$ 212,656</b>	<b>\$ 54,933</b>	<b>\$ 17,700</b>	<b>39.87%</b>	<b>\$ 297,435</b>	<b>0.00%</b>	<b>\$ 297,435</b>	<b>0.00%</b>

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DESCRIPTION	Adopted Budget 2019-20	First Interim Projected Budget 2019-20	Second Interim Actual thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change	
Rev. 4/26/19										
<b>Components of Ending Fund Balance (Budget):</b>										
<b>a. Nonspendable</b>										
Revolving Cash	9711									
Stores	9712									
Prepaid Expenditures	9713									
All Others	9719									
<b>b. Restricted</b>	9740	212,656	54,933	17,700	297,435	39.87%	297,435	0.00%	297,435	0.00%
<b>c. Committed</b>										
Committed - Stabilization Arrangements	9750									
Committed - Other	9760									
<b>d. Assignments</b>										
	9780									
<b>e. Unassigned</b>										
Reserve for Economic Uncertainties	9789									
Undesignated / Unappropriated Amount / Unrestricted Net Position	9790									



Fiscal Year 2019-20 Second Interim Report  
 Restricted MYP

DESCRIPTION	Adopted Budget 2019-20	First Interim Projected Budget 2019-20	Second Interim Actual thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change
<b>ASSUMPTIONS RESTRICTED PROGRAMS:</b>									
LIST FEDERAL RESTRICTED REVENUES									
1 EX. Title I	-	-	-	-		-		-	
2 Title I	235,010	234,923	10,577	313,479		236,801	-24.46%	296,001	25.00%
3 Title II	30,850	33,466	-	48,795		33,448	-31.45%	41,810	25.00%
4 Title III	22,682	30,733	-	50,567		30,733	-39.22%	38,416	25.00%
5 Title IV	16,708	25,749	8,354	34,557		17,395	-49.66%	21,744	25.00%
6 Cafeteria - Federal	336,470	336,470	157,423	373,585		392,264	5.00%	490,330	25.00%
7 Special Education IDEA Funds	96,839	96,839	-	96,839		96,839	0.00%	121,049	25.00%
8	-	-	-	-		-		-	
9	-	-	-	-		-		-	
<b>Total Federal Awards Budgeted:</b>	<b>\$ 738,559</b>	<b>\$ 758,180</b>	<b>\$ 176,354</b>	<b>\$ 917,822</b>		<b>\$ 807,480</b>	<b>-12.02%</b>	<b>\$ 1,009,350</b>	<b>25.00%</b>
Lottery Prop 20 Restricted Allocation per ADA	\$ 53.00	\$ 53.00		\$ 53.00		\$ 53.00		\$ 53.00	
Lottery Estimated Prop 20 Restricted Award	\$ 42,567	\$ 43,448		\$ 43,448	0.00%	\$ 44,578	2.60%	\$ 57,232	28.39%
LIST RESTRICTED STATE FUNDS BUDGETED IN "Other State Revenue"									
1	25,525	25,525							
2	100,000	-							
3 Low Performing Student Block Grant	-	-	836	836					
4	-	-							
5	-	-							
6	-	-							
7	-	-							
8	-	-							
9	-	-							
10	-	-							
11	-	-							
12	-	-							
13	-	-							
14	-	-							
15	-	-							
16	-	-							
17	-	-							
18	-	-							
<b>Total Other State Revenue Funds Budgeted:</b>	<b>\$ 125,525</b>	<b>\$ 25,525</b>	<b>\$ 836</b>	<b>\$ 836</b>		<b>\$ -</b>		<b>\$ -</b>	
LIST OTHER RESTRICTED LOCAL REVENUES BUDGETED IN "Other Local Revenues"									
1 Cafeteria - Local	18,200	18,200	15,209	18,500		19,000	2.70%	23,750	25.00%
2	-	-							
3	-	-							
4	-	-							
5	-	-							
6	-	-							
<b>Total Other Local Revenue Funds Budgeted:</b>	<b>\$ 18,200</b>	<b>\$ 18,200</b>	<b>\$ 15,209</b>	<b>\$ 18,500</b>		<b>\$ 19,000</b>	<b>2.70%</b>	<b>\$ 23,750</b>	<b>25.00%</b>

Fiscal Year 2019-20 Second Interim Report  
 Summary MYP

DESCRIPTION	Adopted Budget 2019-20	Latest Revised Budget 2019-20	Second Interim Actual thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change	
<b>REVENUES</b>										
LCFF Sources										
LCFF	8011	6,953,790	7,008,270	3,058,208	7,007,818	0.78%	7,363,368	5.07%	9,860,201	33.91%
EPA	8012	1,126,354	1,227,960	605,658	1,227,960	9.02%	1,259,890	2.60%	1,617,533	28.39%
State Aid - Prior Year	8019	-	-	-	-		-	-	-	
In Lieu Property Taxes	8096	-	-	-	-		-	-	-	
Federal	8100-8299	738,559	8,354	176,354	917,822	24.27%	807,480	-12.02%	1,009,350	25.00%
State										
Lottery - Unrestricted	8560	121,275	123,786	42,550	126,245	4.10%	129,528	2.60%	166,296	28.39%
Lottery - Prop 20 - Restricted	8560	42,567	3,577	4,357	43,448	2.07%	44,578	2.60%	57,232	28.39%
Other State Revenue	8300-8599	153,670	232,711	189,093	233,226	51.77%	362,965	55.63%	1,242,505	242.32%
Local										
Interest	8660	-	-	-	-		-	-	-	
AB602 Local Special Education Transfer	8792	267,954	35,003	143,375	307,097	14.61%	307,097	0.00%	307,097	0.00%
Other Local Revenues	8600-8799	93,200	133,678	116,911	1,148,500	1132.30%	99,000	-91.38%	103,750	4.80%
<b>Total Revenues</b>		<b>\$ 9,497,369.18</b>	<b>\$ 8,773,339.32</b>	<b>\$ 4,336,506.23</b>	<b>\$ 11,012,117</b>	<b>15.95%</b>	<b>\$ 10,373,906</b>	<b>-5.80%</b>	<b>\$ 14,363,964</b>	<b>38.46%</b>
<b>EXPENDITURES</b>										
Certificated Salaries	1000-1999	3,516,967	3,225,757	1,978,487	3,537,517	0.58%	3,665,845	3.63%	4,631,873	26.35%
Classified Salaries	2000-2999	924,674	738,241	471,596	924,674	0.00%	955,708	3.36%	1,110,227	16.17%
Benefits	3000-3999	1,520,878	1,364,937	812,973	1,526,599	0.38%	1,589,329	4.11%	1,883,323	18.50%
Books & Supplies	4000-4999	617,939	389,988	428,536	724,624	17.26%	702,516	-3.05%	940,875	33.93%
Contracts & Services	5000-5999	983,686	952,995	363,785	1,100,926	11.92%	1,455,208	32.18%	1,652,968	13.59%
Capital Outlay	6000-6599	20,000	270,000	278,777	1,000,000	4900.00%	300,000	-70.00%	-	
Other Outgo	7100-7299	1,158,191	1,061,900	-	1,178,267	1.73%	1,227,580	4.19%	1,500,297	22.22%
Debt Service (see Debt Form)	7400-7499	-	-	-	-		-	2,100,000		
<b>Total Expenditures</b>		<b>\$ 8,742,334</b>	<b>\$ 8,003,818</b>	<b>\$ 4,334,154</b>	<b>\$ 9,992,607</b>	<b>14.30%</b>	<b>\$ 9,896,186</b>	<b>-0.96%</b>	<b>\$ 13,819,563</b>	<b>39.65%</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>		<b>\$ 755,035</b>	<b>\$ 769,521</b>	<b>\$ 2,352</b>	<b>\$ 1,019,510</b>	<b>35.03%</b>	<b>\$ 477,720</b>	<b>-53.14%</b>	<b>\$ 544,401</b>	<b>13.96%</b>
<b>OTHER SOURCES &amp; USES</b>										
Other Sources/Contributions to Restricted Programs	8900	-	(262,264)	-	-		-	-	-	
Other Uses	7600	-	-	-	-		-	-	-	
<b>Net Sources &amp; Uses</b>		<b>\$ -</b>	<b>\$ (262,264)</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>NET INCREASE (DECREASE) IN FUND BALANCE</b>		<b>\$ 755,035</b>	<b>\$ 507,257</b>	<b>\$ 2,352</b>	<b>\$ 1,019,510</b>	<b>35.03%</b>	<b>\$ 477,720</b>	<b>-53.14%</b>	<b>\$ 544,401</b>	<b>13.96%</b>
<b>FUND BALANCE, RESERVES</b>										
Beginning Balance at Adopted Budget	9791	3,437,271	3,437,271	3,437,271	3,437,271	0.00%				
Adjustments for Unaudited Actuals	9792		(280,601)	(280,601)	(280,601)					
Beg Fund Balance at Unaudited Actuals			3,156,670	3,156,670	3,156,670					
Adjustments for Audit	9793		93,595	93,595	93,595					
Adjustments for Restatements	9795		134,260	134,260	134,260					
Beginning Fund Balance as per Audit Report +/- Restatements		-	3,384,525	3,384,525	3,384,525		4,404,035		4,881,755	10.85%
<b>Ending Balance</b>	<b>9790</b>	<b>\$ 4,192,306</b>	<b>\$ 3,891,782</b>	<b>\$ 3,386,877</b>	<b>\$ 4,404,035</b>	<b>5.05%</b>	<b>\$ 4,881,755</b>	<b>10.85%</b>	<b>\$ 5,426,156</b>	<b>11.15%</b>

Fiscal Year 2019-20 Second Interim Report  
 Summary MYP

DESCRIPTION	Adopted Budget 2019-20	Latest Revised Budget 2019-20	Second Interim Actual thru January 31, 2020	Second Interim Projected Budget 2019-20	Percent Change	Second Interim Projected Budget 2020-21	Percent Change	Second Interim Projected Budget 2021-22	Percent Change
Rev. 4/26/19									
<b>Components of Ending Fund Balance (Budget):</b>									
<b>a. Nonspendable</b>									
Revolving Cash	9711	-	-	-		-		-	
Stores	9712	-	-	-		-		-	
Prepaid Expenditures	9713	-	-	-		-		-	
All Others	9719	-	-	-		-		-	
<b>b. Restricted</b>	9740	212,656	54,933	17,700	39.87%	297,435	0.00%	297,435	0.00%
<b>c. Committed</b>									
Committed - Stabilization Arrangements	9750	-	-	-		-		-	
Committed - Other	9760	550,000	300,000	-	-45.45%	350,000	16.67%	-	
<b>d. Assignments</b>	9780	-	-	-		-		-	
<b>e. Unassigned</b>									
Reserve for Economic Uncertainties	9789	205,035	209,000	-	1.96%	262,584	25.61%	349,321	33.03%
Undesignated / Unappropriated Amount / Unrestricted Net Position	9790	3,224,615	3,327,850	3,369,178	11.57%	3,971,736	10.40%	4,779,400	20.34%
Economic Uncertainty and Unappropriated Reserve Percentage (9789+9790)/(Total Expenditures + Other Uses)		39.23%	\$ 0.44	\$ 0.78		\$ 0.38		\$ 0.43	

## DEBT - Multiyear Commitments

Fiscal Year 2019-20 Second Interim Report

CHARTER NAME: Norton Science and Language Academy

Rev. 4/26/19

Complete the following table for all significant multiyear commitments for the budget year and the following two years. Clearly identify the number of years remaining and the total remaining principal amount of the commitment, the amount of principal and interest budgeted for the current fiscal year and the following two years.

**Under the Comment Section, provide a brief statement identifying the funding source for repayment of each obligation.**

**NO DEBT** (if no debt, X)

Type of Commitment	# of Years Remaining	July 1, 2019 Principal Balance	2019-20 Payment		2020-21 Payment		2021-22 Payment		Object Code(s)
			Principle	Interest	Principle	Interest	Principle	Interest	
State School Building Loans									
Charter School Start-up Loans									
Other Post Employment Benefits									
Compensated Absences									
Bank Line of Credit Loans									
Municipal Lease									
Capital Leases									
1									
2									
3									
Other	37							2,100,000	
Other Commitments:									
Comments:									
<p>We have created the 230 S. Waterman,an Avenue LLC for the anticipated bond issuance to construct a new campus at 230 South Waterman at the corner of Waterman and Valley in San Bernardino, CA. We are working with a team to support the Bond issuance are being projected to be for 37 years at a rate of sub 5%. We are still working on receiving a GMP from a General Contractor which will provide us with the final costs and resulting in the total debt issued for the development of the new campus. As we expect to close our Bond issuance around June 3rd, our Bond documents are being structured to have the Bond pay the first year and while we build the school and expand our enrollment at the new campus. As such, the school will not be liable for any Bond payments until July 1, 2021. Once the Bond is priced at the end of May, we will be able to update the true payment schedule for the 2021-22 Fiscal Year.</p> <p>**During the Current Fiscal Year, I have budgeted funds for Capital Expenditures, these expenditures are for the predevelopment expenses that will be reimbursed to the organization from the Bond Issuance, but are being budgeted as a security to the timing of the Bond Closing.</p>									

**CHARTER NAME: Norton Science and Language Academy**  
**2019-20 Second Interim Cash Flow**

DATE PREPARED: **2/27/2020**

Rev. 4/26/19

			July	%	August	%	September	%	October	%	November	%	December	%	January	%
			Actual	Bud	Actual	Bud	Actual	Bud	Actual	Bud	Actual	Bud	Actual	Bud	Estimated	Bud
<b>Beginning Cash Balance</b>	July 1 Cash =		2,505,955		3,175,830		2,936,437		2,634,622		2,923,910		3,196,378		2,931,543	
<b>Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals - Actuals</b>																
<b>REVENUE</b>																
LCFF Sources																
LCFF	8011		-		332,414	4.74%	332,414	4.74%	598,345	8.54%	598,345	8.54%	598,345	8.54%	598,345	8.54%
EPA	8012		2,143	0.17%	-		-		301,757	24.57%	-		-		301,758	24.57%
State Aid - Prior Year	8019		-		-		-		-		-		-		-	
In Lieu Property Taxes	8096		-		-		-		-		-		-		-	
Federal	8100-8299		8,354	0.91%	-		-		-		81,279	8.86%	-		86,721	9.45%
State																
Lottery - Unrestricted	8560		-		-		-		1,565	1.24%	-		-		40,985	32.46%
Lottery - Prop 20 - Restricted	8560		-		-		-		3,577	8.23%	-		-		781	1.80%
Other State Revenue	8300-8599		-		836	0.36%	-		-		168,082	72.07%	12,643	5.42%	7,531	3.23%
Local																
Interest	8660		-		-		-		-		-		-		-	
AB602 Local Special Education Transfer	8792		-		-		35,003	11.40%	-		27,093	8.82%	27,093	8.82%	54,186	17.64%
Other Local Revenues	8600-8799		5,628	0.49%	16,814	1.46%	27,879	2.43%	17,867	1.56%	24,404	2.12%	10,009	0.87%	14,312	1.25%
<b>Total Revenues</b>			\$ 16,125	0.15%	\$ 350,064	3.18%	\$ 395,296	3.59%	\$ 923,110	8.38%	\$ 899,204	8.17%	\$ 648,090	5.89%	\$ 1,104,619	10.03%
<b>EXPENDITURES</b>																
Certificated Salaries	1000-1999		260,242	7.36%	271,476	7.67%	290,673	8.22%	295,426	8.35%	303,698	8.59%	282,330	7.98%	274,642	7.76%
Classified Salaries	2000-2999		59,431	6.43%	67,029	7.25%	69,571	7.52%	73,697	7.97%	71,148	7.69%	66,929	7.24%	63,790	6.90%
Benefits	3000-3999		109,505	7.17%	114,423	7.50%	117,896	7.72%	120,675	7.90%	121,585	7.96%	115,227	7.55%	113,661	7.45%
Books & Supplies	4000-4999		58,719	8.10%	38,104	5.26%	152,244	21.01%	40,109	5.54%	54,161	7.47%	50,071	6.91%	35,128	4.85%
Contracts & Services	5000-5999		22,706	2.06%	46,888	4.26%	52,498	4.77%	89,936	8.17%	64,097	5.82%	51,620	4.69%	36,040	3.27%
Capital Outlay	6000-6599		-		51,535	5.15%	14,227	1.42%	13,980	1.40%	12,048	1.20%	83,653	8.37%	103,334	10.33%
Other Outgo	7100-7299		-		-		-		-		-		-		-	
Debt Service (see Debt Form)	7400-7499		-		-		-		-		-		-		-	
<b>Total Expenditures</b>			\$ 510,603	5.11%	\$ 589,457	5.90%	\$ 697,111	6.98%	\$ 633,822	6.34%	\$ 626,735	6.27%	\$ 649,831	6.50%	\$ 626,595	6.27%
<b>OTHER SOURCES/USES</b>																
Other Sources/Contributions to Restricted Programs	8900		-		-		-		-		-		-		-	
Other Uses	7600		-		-		-		-		-		-		-	
<b>Net Sources &amp; Uses</b>			\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
<b>PRIOR YEAR TRANSACTIONS</b>																
		July 1 - Beginning Balances		% Beg Bal		% Beg Bal		% Beg Bal		% Beg Bal		% Beg Bal		% Beg Bal		% Beg Bal
Accounts Receivable	9210	1,403,282	1,172,707	83.57%	-		-		-		-		-		123,889	8.83%
Prepaid Expenditures	9330	-	-		-		-		-		-		-		-	
Accounts Payable	9510	263,114	-		-		-		-		-		263,093	99.99%	-	
Line of Credit Payments	9640	-	-		-		-		-		-		-		-	
Deferred Revenue	9650	8,354	8,354	100.00%	-		-		-		-		-		-	
<b>NET PRIOR YEAR TRANSACTIONS</b>		\$ 1,131,815	\$ 1,164,353		\$ -		\$ -		\$ -		\$ -		\$ (263,093)		\$ 123,889	
<b>OTHER ADJUSTMENTS (LIST)</b>																
			-		-		-		-		-		-		-	
			-		-		-		-		-		-		-	
			-		-		-		-		-		-		-	
			-		-		-		-		-		-		-	
<b>TOTAL MISC. ADJUSTMENTS</b>			\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
<b>NET REVENUES LESS EXPENDITURES</b>			\$ 669,875		\$ (239,393)		\$ (301,815)		\$ 289,288		\$ 272,468		\$ (264,835)		\$ 601,913	
<b>ENDING CASH BALANCE</b>			\$ 3,175,830		\$ 2,936,437		\$ 2,634,622		\$ 2,923,910		\$ 3,196,378		\$ 2,931,543		\$ 3,533,456	

**CHARTER NAME: Norton Science and Language Academy**  
**2019-20 Second Interim Cash Flow**

DATE PREPARED: **2/27/2020**

Rev. 4/26/19

		February	%	March	%	April	%	May	%	June	%	Estimated	Total	Projected	Difference
		Estimated	Bud	Estimated	Bud	Estimated	Bud	Estimated	Bud	Estimated	Bud	Accrual	4,657,279	Budget	
<b>Beginning Cash Balance</b>		3,533,456		3,269,176		3,004,895		3,473,984		3,209,702		2,767,132	4,657,279		
<b>REVENUE</b>															
<b>LCFF Sources</b>															
LCFF	8011	598,345	8.54%	598,345	8.54%	598,345	8.54%	598,345	8.54%	598,345	8.54%	957,885	7,007,818	7,007,818	-
EPA	8012					301,758	24.57%					320,544	1,227,960	1,227,960	-
State Aid - Prior Year	8019												-	-	-
In Lieu Property Taxes	8096												-	-	-
Federal	8100-8299	-		-		241,468	26.31%	-		-		500,000	917,822	917,822	(0)
<b>State</b>															
Lottery - Unrestricted	8560	-		-		41,848	33.15%	-		-		41,848	126,246	126,245	(0)
Lottery - Prop 20 - Restricted	8560	-		-		19,545	44.98%	-		-		19,546	43,448	43,448	0
Other State Revenue	8300-8599					22,066	9.46%			-		22,067	233,226	233,226	0
<b>Local</b>															
Interest	8660												-	-	-
AB602 Local Special Education Transfer	8792	27,093	8.82%	27,093	8.82%	27,093	8.82%	27,093	8.82%	27,093	8.82%	28,257	307,097	307,097	-
Other Local Revenues	8600-8799	6,317	0.55%	6,317	0.55%	6,317	0.55%	6,317	0.55%	1,006,321	87.62%		1,148,500	1,148,500	(0)
<b>Total Revenues</b>		<b>\$ 631,755</b>	<b>5.74%</b>	<b>\$ 631,755</b>	<b>5.74%</b>	<b>\$ 1,258,440</b>	<b>11.43%</b>	<b>\$ 631,755</b>	<b>5.74%</b>	<b>\$ 1,631,759</b>	<b>14.82%</b>	<b>\$ 1,890,147</b>	<b>\$ 11,012,117</b>	<b>\$ 11,012,117</b>	<b>\$ (0)</b>
<b>EXPENDITURES</b>															
Certificated Salaries	1000-1999	311,806	8.81%	311,806	8.81%	311,806	8.81%	311,806	8.81%	311,806	8.81%		3,537,517	3,537,517	0
Classified Salaries	2000-2999	90,615	9.80%	90,616	9.80%	90,616	9.80%	90,616	9.80%	90,615	9.80%		924,674	924,674	0
Benefits	3000-3999	142,725	9.35%	142,725	9.35%	142,725	9.35%	142,725	9.35%	142,726	9.35%		1,526,599	1,526,599	(0)
Books & Supplies	4000-4999	59,217	8.17%	59,217	8.17%	59,218	8.17%	59,218	8.17%	59,218	8.17%		724,624	724,624	0
Contracts & Services	5000-5999	147,428	13.39%	147,428	13.39%	147,428	13.39%	147,428	13.39%	147,429	13.39%		1,100,926	1,100,926	(0)
Capital Outlay	6000-6599	144,244	14.42%	144,244	14.42%	144,244	14.42%	144,244	14.42%	144,247	14.42%		1,000,000	1,000,000	(0)
Other Outgo	7100-7299									1,178,267	100.00%		1,178,267	1,178,267	-
Debt Service (see Debt Form)	7400-7499												-	-	-
<b>Total Expenditures</b>		<b>\$ 896,035</b>	<b>8.97%</b>	<b>\$ 896,036</b>	<b>8.97%</b>	<b>\$ 896,037</b>	<b>8.97%</b>	<b>\$ 896,037</b>	<b>8.97%</b>	<b>\$ 2,074,308</b>	<b>20.76%</b>	<b>\$ -</b>	<b>\$ 9,992,607</b>	<b>\$ 9,992,607</b>	<b>\$ (0)</b>
<b>OTHER SOURCES/USES</b>															
Other Sources/Contributions to Restricted Programs	8900												-	-	-
Other Uses	7600												-	-	-
<b>Net Sources &amp; Uses</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>PRIOR YEAR TRANSACTIONS</b>															
			%		%		%		%		%			Remaining	
			Beg Bal		Beg Bal		Beg Bal		Beg Bal		Beg Bal			Balance	
Accounts Receivable	9210	-		-		106,686	7.60%	-		-		-	1,403,282	-	
Prepaid Expenditures	9330	-		-		-		-		-		-	-	-	
Accounts Payable	9510	-		-		-		-		21	0.01%	-	263,114	(0)	
Line of Credit Payments	9640	-		-		-		-		-		-	-	-	
Deferred Revenue	9650	-		-		-		-		-		-	8,354	-	
<b>NET PRIOR YEAR TRANSACTIONS</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ 106,686</b>		<b>\$ -</b>		<b>\$ (21)</b>		<b>\$ -</b>	<b>\$ 1,131,814</b>	<b>\$ 0</b>	
<b>OTHER ADJUSTMENTS (LIST)</b>															
<b>TOTAL MISC. ADJUSTMENTS</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET REVENUES LESS EXPENDITURES</b>		<b>\$ (264,280)</b>		<b>\$ (264,281)</b>		<b>\$ 469,089</b>		<b>\$ (264,282)</b>		<b>\$ (442,570)</b>		<b>\$ 1,890,147</b>	<b>\$ 2,151,324</b>		
<b>ENDING CASH BALANCE</b>		<b>\$ 3,269,176</b>		<b>\$ 3,004,895</b>		<b>\$ 3,473,984</b>		<b>\$ 3,209,702</b>		<b>\$ 2,767,132</b>		<b>\$ 4,657,279</b>			



**CHARTER NAME: Norton Science and Language Academy**  
**2020-21 Second Interim Cash Flow**

DATE PREPARED:

**2/27/2020**

Rev. 4/26/19

			July	%	August	%	September	%	October	%	November	%	December	%	January	%
			Estimated	Bud	Estimated	Bud	Estimated	Bud	Estimated	Bud	Estimated	Bud	Estimated	Bud	Estimated	Bud
<b>Beginning Cash Balance</b>	July 1 Cash =		2,767,132		2,070,340		2,779,838		2,532,864		2,937,547		2,985,108		3,032,669	
<b>REVENUE</b>																
LCFF Sources																
LCFF	8011				368,168	5.00%	368,168	5.00%	662,703	9.00%	662,703	9.00%	662,703	9.00%	662,703	9.00%
EPA	8012								314,972	25.00%					314,972	25.00%
State Aid - Prior Year	8019															
In Lieu Property Taxes	8096															
Federal	8100-8299						73,400	9.09%	73,400	9.09%	73,400	9.09%	73,400	9.09%	73,400	9.09%
State																
Lottery - Unrestricted	8560														32,382	25.00%
Lottery - Prop 20 - Restricted	8560														11,144	25.00%
Other State Revenue	8300-8599								42,150	11.61%					42,150	11.61%
Local																
Interest	8660															
AB602 Local Special Education Transfer	8792		25,591	8.33%	25,591	8.33%	25,591	8.33%	25,591	8.33%	25,591	8.33%	25,591	8.33%	25,591	8.33%
Other Local Revenues	8600-8799				8,250	8.33%	8,250	8.33%	8,250	8.33%	8,250	8.33%	8,250	8.33%	8,250	8.33%
<b>Total Revenues</b>			\$ 25,591	0.25%	\$ 402,009	3.88%	\$ 475,409	4.58%	\$ 1,127,066	10.86%	\$ 769,944	7.42%	\$ 769,944	7.42%	\$ 1,170,592	11.28%
<b>EXPENDITURES</b>																
Certificated Salaries	1000-1999		305,487	8.33%	305,487	8.33%	305,487	8.33%	305,487	8.33%	305,487	8.33%	305,487	8.33%	305,487	8.33%
Classified Salaries	2000-2999		79,642	8.33%	79,642	8.33%	79,642	8.33%	79,642	8.33%	79,642	8.33%	79,642	8.33%	79,642	8.33%
Benefits	3000-3999		132,444	8.33%	132,444	8.33%	132,444	8.33%	132,444	8.33%	132,444	8.33%	132,444	8.33%	132,444	8.33%
Books & Supplies	4000-4999		58,543	8.33%	58,543	8.33%	58,543	8.33%	58,543	8.33%	58,543	8.33%	58,543	8.33%	58,543	8.33%
Contracts & Services	5000-5999		121,267	8.33%	121,267	8.33%	121,267	8.33%	121,267	8.33%	121,267	8.33%	121,267	8.33%	121,267	8.33%
Capital Outlay	6000-6599		25,000	8.33%	25,000	8.33%	25,000	8.33%	25,000	8.33%	25,000	8.33%	25,000	8.33%	25,000	8.33%
Other Outgo	7100-7299															
Debt Service (see Debt Form)	7400-7499															
<b>Total Expenditures</b>			\$ 722,383	7.30%	\$ 722,383	7.30%	\$ 722,383	7.30%	\$ 722,383	7.30%	\$ 722,383	7.30%	\$ 722,383	7.30%	\$ 722,383	7.30%
<b>OTHER SOURCES/USES</b>																
Other Sources/Contributions to Restricted Programs	8900															
Other Uses	7600															
<b>Net Sources &amp; Uses</b>					\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
<b>PRIOR YEAR TRANSACTIONS</b>																
		July 1 -		%		%		%		%		%		%		%
		Beginning		Beg Bal		Beg Bal		Beg Bal		Beg Bal		Beg Bal		Beg Bal		Beg Bal
		Balances														
Accounts Receivable	9210	1,890,147			1,029,872	54.49%									460,275	24.35%
Prepaid Expenditures	9330															
Accounts Payable	9510															
Line of Credit Payments	9640															
Deferred Revenue	9650															
<b>NET PRIOR YEAR TRANSACTIONS</b>		\$ 1,890,147		\$ -	\$ 1,029,872		\$ -		\$ -		\$ -		\$ -		\$ 460,275	
<b>OTHER ADJUSTMENTS (LIST)</b>																
<b>TOTAL MISC. ADJUSTMENTS</b>			\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	
<b>NET REVENUES LESS EXPENDITURES</b>			\$ (696,792)		\$ 709,498		\$ (246,974)		\$ 404,683		\$ 47,561		\$ 47,561		\$ 908,484	
<b>ENDING CASH BALANCE</b>			\$ 2,070,340		\$ 2,779,838		\$ 2,532,864		\$ 2,937,547		\$ 2,985,108		\$ 3,032,669		\$ 3,941,153	

**CHARTER NAME: Norton Science and Language Academy**  
**2020-21 Second Interim Cash Flow**

DATE PREPARED:

**2/27/2020**

Rev. 4/26/19

		February Estimated	% Bud	March Estimated	% Bud	April Estimated	% Bud	May Estimated	% Bud	June Estimated	% Bud	Estimated Accrual	Total	Projected Budget	Difference
<b>Beginning Cash Balance</b>		3,941,153		3,988,715		4,036,275		4,884,484		4,932,044		3,794,172	5,134,999		
<b>REVENUE</b>															
<b>LCFF Sources</b>															
LCFF	8011	662,703	9.00%	662,703	9.00%	662,703	9.00%	662,703	9.00%	662,703	9.00%	662,705	7,363,368	7,363,368	-
EPA	8012					314,973	25.00%					314,973	1,259,890	1,259,890	-
State Aid - Prior Year	8019												-	-	-
In Lieu Property Taxes	8096												-	-	-
Federal	8100-8299	73,400	9.09%	73,400	9.09%	73,400	9.09%	73,400	9.09%	73,400	9.09%	73,480	807,480	807,480	-
<b>State</b>															
Lottery - Unrestricted	8560					32,382	25.00%					64,764	129,528	129,528	0
Lottery - Prop 20 - Restricted	8560					11,144	25.00%					22,290	44,578	44,578	(0)
Other State Revenue	8300-8599					42,150	11.61%			42,150	11.61%	194,365	362,965	362,965	-
<b>Local</b>															
Interest	8660												-	-	-
AB602 Local Special Education Transfer	8792	25,592	8.33%	25,592	8.33%	25,592	8.33%	25,592	8.33%	25,592	8.33%		307,097	307,097	-
Other Local Revenues	8600-8799	8,250	8.33%	8,250	8.33%	8,250	8.33%	8,250	8.33%	8,250	8.33%	8,250	99,000	99,000	-
<b>Total Revenues</b>		\$ 769,945	7.42%	\$ 769,945	7.42%	\$ 1,170,594	11.28%	\$ 769,945	7.42%	\$ 812,095	7.83%	\$ 1,340,827	\$ 10,373,906	\$ 10,373,906	\$ 0
<b>EXPENDITURES</b>															
Certificated Salaries	1000-1999	305,487	8.33%	305,487	8.33%	305,487	8.33%	305,487	8.33%	305,488	8.33%		3,665,845	3,665,845	-
Classified Salaries	2000-2999	79,642	8.33%	79,643	8.33%	79,643	8.33%	79,643	8.33%	79,643	8.33%		955,708	955,708	-
Benefits	3000-3999	132,444	8.33%	132,444	8.33%	132,444	8.33%	132,444	8.33%	132,445	8.33%		1,589,329	1,589,329	-
Books & Supplies	4000-4999	58,543	8.33%	58,543	8.33%	58,543	8.33%	58,543	8.33%	58,543	8.33%		702,516	702,516	-
Contracts & Services	5000-5999	121,267	8.33%	121,268	8.33%	121,268	8.33%	121,268	8.33%	121,268	8.33%		1,455,208	1,455,208	-
Capital Outlay	6000-6599	25,000	8.33%	25,000	8.33%	25,000	8.33%	25,000	8.33%	25,000	8.33%		300,000	300,000	-
Other Outgo	7100-7299									1,227,580	100.00%		1,227,580	1,227,580	-
Debt Service (see Debt Form)	7400-7499												-	-	-
<b>Total Expenditures</b>		\$ 722,383	7.30%	\$ 722,385	7.30%	\$ 722,385	7.30%	\$ 722,385	7.30%	\$ 1,949,967	19.70%	\$ -	\$ 9,896,186	\$ 9,896,186	\$ -
<b>OTHER SOURCES/USES</b>															
Other Sources/Contributions to Restricted Programs	8900												-	-	-
Other Uses	7600												-	-	-
<b>Net Sources &amp; Uses</b>		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ -	\$ -	\$ -
<b>PRIOR YEAR TRANSACTIONS</b>															
			% Beg Bal		% Beg Bal		% Beg Bal		% Beg Bal		% Beg Bal			Remaining Balance	
Accounts Receivable	9210					400,000	21.16%						1,890,147	-	
Prepaid Expenditures	9330												-	-	
Accounts Payable	9510												-	-	
Line of Credit Payments	9640												-	-	
Deferred Revenue	9650												-	-	
<b>NET PRIOR YEAR TRANSACTIONS</b>		\$ -		\$ -		\$ 400,000		\$ -		\$ -		\$ -	\$ 1,890,147	\$ -	
<b>OTHER ADJUSTMENTS (LIST)</b>															
													-		
													-		
													-		
													-		
<b>TOTAL MISC. ADJUSTMENTS</b>		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -	\$ -		
<b>NET REVENUES LESS EXPENDITURES</b>		\$ 47,562		\$ 47,560		\$ 848,209		\$ 47,560		\$ (1,137,872)		\$ 1,340,827	\$ 2,367,867		
<b>ENDING CASH BALANCE</b>		\$ 3,988,715		\$ 4,036,275		\$ 4,884,484		\$ 4,932,044		\$ 3,794,172		\$ 5,134,999			



**LEWIS CENTER FOUNDATION  
COMBINED BALANCE SHEET AND INCOME STATEMENT  
February 1 - February 27, 2020**

**CHECKING (LEWIS CENTER FOUNDATION)**

<b>Beginning Balance</b>		<b>\$6,559.28</b>
<b>Revenue</b>		
2020 Annual Gala Sponsorships	\$1,969.01	
SOS Teacher Professional Development	\$2,000.00	
<i>Total</i>	\$3,969.01	
<b>Expenditures</b>		
Notary for Grant Deed and Bond Documents	\$70.00	
2020 Annual Gala Expenses	\$850.00	
<i>Total</i>	\$920.00	
<b>Ending Balance</b>	<i>Total</i>	<b>\$9,608.29</b>

**SAVINGS (LEWIS CENTER FOUNDATION)**

<b>Beginning Balance</b>		
Restricted Funds - AAE Capital Campaign		\$97,614.42
Restricted Funds- NSLA Capital Campaign		\$33,773.61
Restricted Funds - Davis Endowment		\$12,027.38
Restricted Funds - Global Exchange Programs		\$12,948.28
Restricted Funds - HiDAS Endowment		\$63,809.95
Restricted Funds - Scholarships		\$33,618.42
Unrestricted Funds		\$78,306.17
		<b>\$332,098.23</b>
<b>Revenue</b>		
Wells Fargo Community Donation	\$105.00	
Interest	\$25.40	
<i>Total</i>	\$130.40	
<b>Expenditures</b>		
<i>Total</i>	\$0.00	
<b>Ending Balance</b>		
Restricted Funds - AAE Capital Campaign		\$97,623.57
Restricted Funds - NSLA Capital Campaign		\$33,775.64
Restricted Funds - Davis Endowment		\$12,028.40
Restricted Funds - Global Exchange Programs		\$12,948.28
Restricted Funds - HiDAS Endowment		\$63,816.04
Restricted Funds - Scholarships		\$33,621.46
Unrestricted Funds		\$78,415.23
	<i>Total</i>	<b>\$332,228.63</b>

<b>Total Checking and Savings</b>		<b>\$341,836.92</b>
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**LCER Board Meetings  
Attendance Log 2019**

	<b>February Regular</b>	<b>March Regular</b>	<b>April Regular</b>	<b>May Regular</b>	<b>June Regular</b>	<b>August Regular</b>	<b>Sept. Regular</b>	<b>Oct Regular</b>	<b>Nov Regular</b>	<b>Dec Regular</b>	<b>TOTAL REGULAR</b>
Torii Gray	Present	Present									100%
Omari Onyango	Present	Present									100%
Sharon Page	Present	Present									100%
David Rib	Present	Present									100%
Rick Wolf	Present	Present									100%
Pat Caldwell	Present	Absent									50%
Jessica Rodriguez	Absent	Present									50%
Jim Morris	Absent	Absent									0%
Kevin Porter	Leave	Leave									

	<b>Jan. 29 Special</b>						<b>TOTAL SPECIAL</b>
Pat Caldwell	Present						100%
Torii Gray	Present						100%
Jim Morris	Absent						0%
Omari Onyango	Present						100%
Sharon Page	Present						100%
Kevin Porter	Absent						0%
David Rib	Present						100%
Jessica Rodriguez	Present						100%
Rick Wolf	Absent						0%

**LCER Board Give and Get  
Current Fiscal Year 2019 /2020**

<b>Member</b>	<b>Give</b>	<b>Get</b>	<b>In-kind</b>	<b>Total</b>
Duberly Beck	\$ 500			\$ 500
Pat Caldwell		\$ 1,103		\$ 1,103
Torii Gray				\$ -
James Morris				\$ -
Omari Onyango	\$ 1,400			\$ 1,400
Sharon Page	\$ 150			\$ 150
Kevin Porter		\$ 150		\$ 150
Jessica Rodriguez	\$ 150			\$ 150
David Rib		\$ 1,500		\$ 1,500
Marcia Vargas	\$ 1,930			\$ 1,930
Rick Wolf				\$ -
<b>Total</b>	<b>\$ 4,130</b>	<b>\$ 2,753</b>	<b>\$ -</b>	<b>\$ 6,883</b>

## **CA-20068 The Academy for Academic Excellence**

### **GOALS FOR ACADEMIC YEAR 2019-2020**

**SASI: Colonel George Armstrong**

**ASI: Master Sergeant Harold Padua**

#### **Cadet Impact Goals #1:**

- Improve culture of unit CA-20068 by addressing behavioral traits, language, and mutual respect among cadets.
- Every cadet memorizes and knows the overall group goal: "No failing grade for any cadet in any class." Reaching this goal ensures that 100% of cadets enrolled in JROTC graduate.
- At least 2 cadets, former or active, earn salutatorian or valedictorian status.
- 25% of active cadets or 25 active cadets earn at least 5 or more "A" semester grades or a 4.0 GPA to become AAE AFJROTC Academic Aces.
- Overall, cadets at this school will score higher than non-cadets on common core evaluations, challenging cadets to succeed academically.

#### **Cadet's efforts and overall effects achieved:**

- As of 5 March 2020, no cadets are failing.
- Here at AAE, it is normal to have a cadet as Valedictorian and/or Salutatorian and the leading candidate for the Class of 2020 Valedictorian is our current cadet group commander. The #1 academic student at each high school grade level is a cadet. Moreover, five of the top ten at each grade level are cadets.
- Cadet Mathew Burgnon was Class of 2018 Salutatorian and a former cadet was Class of 2019 Valedictorian.
- 34 cadets earned at least 5 or more "A" semester grades and became AAE AFJROTC Academic "Aces" in June 2019 and 12 of them earned straight "A" grades. 31 more cadets became "Aces" on 20 December 2019 and 12 cadets earned straight "A" grades.
- 172 cadets earned the Academic Ribbon this school year (up from 156 last year), 76 cadets on 13 June 2019 and another 96 cadets on 20 December 2019.
- All cadets scored higher than non-cadets on this year's Common Core Evaluations.
- Cumulative cadet grade point average this semester is higher than non-cadets at AAE.
- 51 cadets made the Principal's Honor Roll and 14 cadets made the Honor Roll.
- AFJROTC was cited on nearly every other page of the WASC accreditation report.
- Cadets Austin Reeves and Edwin Uglum earned 2018 AFJROTC Chief of Staff Flight Academy Private Pilot Scholarships. Cadet Maxx Martyn earned the 2020 scholarship. Cadet Matthew Burgnon earned a Type I AFROTC scholarship which he is using to attend the University of Southern California. Cadet Edwin Uglum earned a Type VII AFROTC scholarship which he is using to attend California State University San Bernardino.

#### **Cadet Impact Goals #2**

- 30% of active cadets or 30 active cadets earn the Good Conduct Ribbon.
- 60% of active cadets or 60 active cadets earn the Dress and Appearance Ribbon.
- 35% of active cadets or 35 active cadets earn the Health and Wellness Ribbon.
- Provide career guidance through recruiter visits, frequent guest speakers, hands on activities, etc.

- 90% of active cadets or 90 active cadets attend one or more CIA (Curriculum in Action) events.
- All sophomore cadets take the ASVAB.
- Place in one or more Special Teams Competition events.

**Cadet's efforts and overall effects achieved:**

- 41 cadets earned the Good Conduct Ribbon on 1 May 2019; an additional 120 cadets earned the ribbon on 14 December 2019.
- 60 cadets earned the Dress and Appearance Ribbon on 1 May 2019. 92 more cadets earned the Dress and Appearance Ribbon on 14 December 2019.
- 40 cadets earned the Health and Wellness Ribbon on 1 May 2019. One cadet earned the Health and Wellness Ribbon with Bronze Star Device and one cadet earned the Health and Wellness Ribbon with Silver Star Device on 14 December 2019.
- We average one guest speaker per week; In fact, every Tuesday is guest speaker day; we had a Desert Storm veteran guest speaker on 24 January 2019 and a Naval Academy Midshipman guest speaker on 26 November 2019.
- All 130 cadets participated in one or more AFJROTC extracurricular activities.
- All 130 cadets attended at least one CIA event this school year.
- 100% of eligible cadets took the ASVAB on 20 February 2019 and 13 November 2019.
- Armed Drill Team and Color Guard Team placed second in their competitions. Raider Team earned first, third, and fourth place awards at JROTC Sports Day in November 2019.

**School Impact Goals #1**

- 98% of eligible cadets graduate from the AAE. Ensures cadets contribute significantly to the school's overall academic performance.
- Perform at least 25 color guards and/or flag ceremonies for the Academy for Academic Excellence.
- 12% of active cadets or 12 active cadets are members of Kitty Hawk Air Society.
- 20% of active cadets or 20 active cadets are members of Academy for Academic Excellence National Honor Society.
- Cadets offer intervention and tutoring well before any cadet gets into academic difficulty.
- Cadets make tutoring available school-wide.
- 85% of active cadets or 85 active cadets participate in a school sport, school program or school club.
- Cadets will involve non-cadets in cadet activities.
- Cadets will plan at least 3 events working jointly with the school's Associated Student Body.

**Cadet's efforts and overall effects achieved:**

- School API is the highest on the High Desert. We also were voted the #2 high school on the High Desert. Cadets at this school consistently test higher than non cadets on the CST and other standardized testing.
- All the daily public address announcers have been cadets for the last 13 years.
- 3 of the 20 Mock Trial members are cadets.
- 100% of eligible cadets graduated in the class of 2019. Same forecast for the class of 2020.
- Performed 35 color guards for the Academy for Academic Excellence this school year.
- 25 cadets are active of Kitty Hawk Air Society (KHAS).

- 29 cadets are National Honor Society (NHS) members. One cadet is an NHS officer.
- 13 cadets are members of both KHAS and NHS.
- Cadet tutoring available daily and school wide for grades K-12. It's one of the most successful programs we offer.
- 54 cadets participate in every school sport or school program/club outside of AFJROTC, such as HOSA, Ambassadors, ASB, Band and Mock Trial. HOSA president and Mock Trial leaders are cadets
- Our RC Modelers Club is an example of cadets involving non-cadets in cadet activities.
- The annual Middle School Halloween Dance and "Drive in" movie night held jointly with Associated Student Body (ASB) were huge well attended successes.
- Our APT Team presented two well received anti vaping assemblies to the entire high school.
- Cadets are in the starting lineup of every varsity team.
- 6 AAE AFJROTC cadets attended USMC "Devil Pups" training in July 2019.
- 4 AAE HOSA students assisted at our Operation Blackout Leadership Camp this year and will do so again next year.

### **School Impact Goals #2**

- Make AFJROTC an attractive course for all high school students by promoting health, geography, physical education, special elective, honors, and applied math credits for AFJROTC enrollment.
- Enroll 30% of the ninth grade class or 30 ninth grade students in AFJROTC next school year. Reaching this goal results in a larger number of high quality cadets.

### **Cadet's efforts and overall effects achieved:**

- Over one fourth of the high school is enrolled in AFJROTC!
- Moved into new AFJROTC classroom in January 2014. Our school gave us an additional 228 square feet of climate controlled storage space in November 2017.
- 53 ninth grade cadets are enrolled; planning for 60+ ninth grade cadets in Fall 2020.
- We are the only school department that offers a period 7 class so that we can allow students the opportunity to join AFJROTC Special Teams and receive academic credit for being on a team.
- We offer Honors credit for the past three years in selected AFJROTC courses.
- We are pursuing California UC "g" credit (general elective) for our special teams' period 7 class.
- For the last 8 years, each cadet performed 8 hours of community service at the Apple Valley air show.

### **Community Impact Goal #1**

- Perform daily community service events such as: hall monitor and daily announcements. This ensures that each of our active cadets perform at least 12 hours of community service this school year.
- 85% of active cadets or 85 active cadets earn the Service Ribbon in order to reach 7,500 community service hours by 10 April 2020. Achieving this goal qualifies unit CA-20068 to earn the Silver Star Community Service with Excellence Award for the 6th consecutive year.

### **Cadet's efforts and overall effects achieved:**

- All our active cadets performed 14+ community service hours this school year. Over two thirds of our cadet corps has 25+ hours of community service.
- 220 cadets earned the Service Ribbon this school year.

-We have earned 6,381 hours of community service as of 5 March 2020 on the way to breaking last year's amount.

-This qualifies CA-20068 to earn the "Silver Star" Community Service with Excellence Award for the sixth consecutive year!

### **Community Impact Goal #2**

-Continue as the JROTC Community Service Leader in the High Desert; partner with the Apple Valley, Hesperia, Adelanto, and Victorville Chambers of Commerce and Mayor's Offices on community service.

-Actively Participate in Major Community Service Projects such as: 30 Hour Famine, Relay for Life and school-wide tutoring.

-For the 11th consecutive year, volunteer at the Apple Valley Airshow with 35+ cadets.

-Perform 20+ Color Guards and/or flag ceremonies for the community this year.

-Plan and execute at least two joint events with another JROTC Unit.

-Have at least 5 cadets from another JROTC Unit participate in any of our camps. Achieving these goals ensures that we are giving back to the community by coming together as a unit and serving others.

### **Cadet's efforts and overall effects achieved:**

-We led the participation in all major community service projects this school year.

-50+ cadets participated in 30 Hour Famine 2019.

-We supported the 2019 Apple Valley Airshow with 64 cadets this year and flawlessly coordinated our activities with 30+ California Cadet Corps Cadets.

-We performed 36 Color Guards for the community this year.

-We just had our highly successful Sixth Annual Joint Military Ball with all the area AFJROTC units participating. Our CEO was the guest speaker.

-A total of 10 cadets from CA-945 and CA-956 Units participated in our Cadet Officer Training Camp, Fall ALTS and Winter ALTS.

-7 cadets from CA-945 signed up for our Cadet Officer Candidate Leadership School.

-15 cadets from CA-945 and CA-956 participated in our Operation Everest Leadership Camp. 22 more will participate in Operation Apollo. 19 cadets from CA-945, CA-956 and for the first time CA-20012.

-We post 70 American flags every holiday for the Town of Apple Valley.