

# AGENDA

Method Schools Regular Meeting of the Board of Directors

**Tuesday, September 21, 2021, 6:00 PM**

24620 Jefferson Ave, Murrieta, California

[https://methodschoools.zoom.us/webinar/register/WN\\_ulPyJWY1TL-WEW77TtsRnA](https://methodschoools.zoom.us/webinar/register/WN_ulPyJWY1TL-WEW77TtsRnA)

## **Instructions for Presentations to the Board by Parents and Citizens**

Method Schools ("School") welcomes your participation at the School's Board meetings. The purpose of a public meeting of the Board of Directors ("Board") is to conduct the affairs of the School in public. Your participation assures us of continuing community interest in our School. To assist you in the ease of speaking/participating in our meetings, the following guidelines are provided:

Agendas and "Submit a Public Comment" forms are available via the link on our website on the Board Page. If you wish to speak, please fill out the form and specify the agenda item on which you wish to speak. When addressing the Board, speakers are requested to state their name and address and adhere to the time limits set forth.

**Public Communication on Non-Agenda Issues:** This is an opportunity for members of the audience to raise issues that are not specifically on the agenda. You will be given an opportunity to speak for a maximum of three (3) minutes and total time allotted to non-agenda items will not exceed fifteen (15) minutes. Non-English speakers requiring translation are allotted a maximum of six (6) minutes. Due to public meeting laws, the Board can only listen to your issue and not respond or take action. The Board may give direction to staff to respond to your concern or you may be offered the option of returning with a citizen-requested item

**Agenda items:** To address the Board on agenda items, please specify the item on which you wish to speak on your "Public Comment". You will be given an opportunity to speak for up to three (3) minutes when the Board discusses that item.

**3. Public Records:** Any public records relating to an agenda item for an open session of the Board that are distributed to the Board members shall be available for public inspection at the School office. Minutes of each Board meeting will also be available at the School office.

**Americans with Disabilities Act (ADA):** Upon request, the School will furnish reasonable auxiliary aids and services to qualified individuals with disabilities. Individuals who require appropriate assistance in order to participate in Board meetings are invited to contact Method Board Secretary Gloria Vargas at [gvargas@methodschoools.org](mailto:gvargas@methodschoools.org) by noon of the business day preceding the board meeting.

**Translation services:** Translation services are available by notifying the above school office by noon of the business day preceding the board meeting.

# **AGENDA**

Method Schools Regular Meeting of the Board of Directors

**1.0 Call to Order:**

**2.0 Roll Call**

**Present:**

**Absent:**

**Method Staff:**

**3.0 Public Communication on Non-Agenda Items**

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**4.0 Reports**

- **CEO Updates:**
  - **2021-22 Start of School Year Update: Academics & Events**
  - **AB 167**
- **CBO Update:**

**5.0 Action: Board Responsibilities**

**Discussion:**

**6.0 Action: Board Stipend Increase**

**Discussion:**

**7.0 Action: Acton-Agua Dulce Unified School District MOU**

**Discussion:**

**8.0 Action: Revised Independent Study Policy**

**Discussion:**

**9.0 Action: 2020-21 Unaudited Actuals for Method Schools and Method Schools, LA**

**Discussion:**

**10.0 Consent Items: All matters listed under the consent agenda are considered by the Board to be routine and will be approved/enacted by the Board in one motion in the form listed below. Unless specifically requested by a Board member for further discussion or removed from the agenda, there will be no discussion of these items prior to the Board's votes on them.**

- **Approval of August 10, 2021 Meeting Minutes**
- **August 2021 Check Register**

**11.0 Information/ Discussion Items:**

- **Schedule In-Person Meeting**

# **AGENDA**

Method Schools Regular Meeting of the Board of Directors

## **12.0 Upcoming Agenda Items**

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## **13.0 Board Member Reports:**

## **14.0 Action: Motion to Adjourn the Meeting**

## **Board of Directors Expectations and Duties**

The Board will meet on a regular basis in accordance with the Brown Act. Method Schools will provide a means and opportunity for parents and the public in which to participate, attend or view the meetings in each county where the organization operates schools.

The responsibilities include but are not limited to:

- Strategic planning
- Uphold the mission of the School
- Oversee the implementation of the charter
- Approve and monitor the school budget, fiscal reports and the School's fiscal practices
- Adhere to the established bylaws of the School
- Receive and review the annual school budget, fiscal reports and the School's fiscal practices
- Approve and monitor the School's facility arrangements and plans
- Approve Board policies
- Take an active role in discussions and planning
- Attend Brown Act training once each school year
- Submit Form 700 once per school year
- Attend a minimum of 75% of Board meetings per year

Method Schools Board of Directors aims to maintain a high level of commitment and participation from all of its members. These responsibilities are reflected in the Board approved Bylaws for Method Schools. Those members that demonstrate an inability to adhere to the approved responsibilities will be voted to be removed from the Board for the duration of the established term. Refer to the Method Schools bylaws for additional policies regarding the Board of Directors.

Date of Board Approval



## Board Stipend Increase

In light of the additional responsibilities and increased expectations of board members due to the growth of the corporation – in enrollment, revenues, and complexity – monthly stipends will be increased to \$500 per month, effective October 1<sup>st</sup>, 2021. In the spirit of transparency, the stipend amount will be revisited each fiscal year to ensure the amount is fair and commensurate with board member output, personal costs incurred, and organizational expectations.



**BYLAWS  
OF  
METHOD SCHOOLS CORPORATION**

**ARTICLE I  
Purposes**

The corporation is organized for the public purposes as specified in its Articles of Incorporation.

**ARTICLE II**

Section 1. Principal Office.

The corporation's principal office shall be located at such place within the County of San Diego, California as the Board of Trustees ("Board") shall determine. The Board has full power and authority to change the principal office from one location to another within the attendance boundaries in the County of San Diego, California or an adjacent Southern California County.

Section 2. Other Offices.

Branch or subordinate offices may at any time be established by the Board at any place or places where the corporation is qualified to do business.

**ARTICLE III  
Membership**

Section 1. No Members.

The Corporation shall have no members as that term is defined in Section 5056 of the California Nonprofit Corporation Law.

Section 2. Associates.

Nothing in this Article shall be construed to limit the corporation's right to refer to persons associated with it as "members" even though such persons are not members, and no such reference by the corporation shall render anyone a member within the meaning of Section 5056 of the California Nonprofit Corporation Law. Such individuals may originate and take part in the discussion of any subject that may properly come before any meeting of the

Board, but may not vote. The corporation may confer, by amendment of its Articles of Incorporation or of these Bylaws, some or all of a member's rights, set forth in the California Nonprofit Corporation Law, upon any person who does not have the right to vote for the election of trustees/directors, on a disposition of substantially all of the assets of the corporation, on a merger, on a dissolution, or on changes to the corporation's Articles of Incorporation or Bylaws, but no such person shall be a member within the meaning of Section 5056.

#### ARTICLE IV Board of Trustees

##### Section 1. Powers.

Subject to the limitations of the California Nonprofit Public Benefit Corporation Law, the corporation's Articles of Incorporation and these Bylaws, and such California local public agency laws of general application as may be applicable to the corporation, the activities and affairs of the corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the corporation's activities to any person(s), management company or committees, however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. No assignment, referral or delegation of authority by the Board or anyone acting under such delegation shall preclude the Board from exercising full authority over the conduct of the corporation's activities, and the Board may rescind any such assignment, referral or delegation at any time.

Without prejudice to its general powers, but subject to the same limitations set forth above, the Board shall have the following powers in addition to any other powers enumerated in these Bylaws and permitted by law:

- i. To select and remove all of the officers, agents and employees of the corporation; to prescribe powers and duties for them which are not inconsistent with law, the corporation's Articles of Incorporation or these Bylaws; to fix their compensation; and to require security from them for faithful service;
- ii. To conduct the affairs and activities of the corporation and to make such rules and regulations therefore which are not inconsistent with law, the corporation's Articles of Incorporation or these Bylaws;
- iii. To adopt, make and use a corporate seal and to alter the form of the seal from time to time;
- iv. To borrow money and incur indebtedness for the purposes of the corporation, and to cause to be executed and delivered therefore, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations and other evidences of debt and securities therefore;

v. To carry on a business and apply any revenues in excess of expenses that results from the business activity to any activity in which it may lawfully engage;

vi. To act as trustee under any trust incidental to the principal object of the corporation, and receive, hold, administer, exchange and expend funds and property subject to such trust;

vii. To acquire by purchase, exchange, lease, gift, devise, bequest, or otherwise, and to hold, improve, lease, sublease, mortgage, transfer in trust, encumber, convey or otherwise dispose of real and personal property; and

viii. To assume any obligations, enter into any contracts or other instruments, and do any and all other things incidental or expedient to the attainment of any corporate purpose.

ix. To carry out such other duties as are described in the Charter of the Method Schools ("School") as approved by the Dehesa School District and any other school districts who legally approve a charter presented by the School.

#### Section 2. Number of Trustees.

The number of trustees of the corporation shall be five (5) unless and until changed by amendment of the Articles of Incorporation or by amendment of these bylaws.

#### Section 3. Appointment and Election.

a. The Board shall appoint five (5) trustees, (i) at least one of whom may be a parent of one or more children who are actively enrolled in the School during such parent's entire term as a trustee, provided that such parent shall not be an employee of the corporation or the School ("Parent Trustee"); (ii) The remainder may be individuals living in the community and/or a business person in the community served by the board. A vacancy due to death, resignation, removal, disqualification, or any other cause shall be posted to Method's website, distributed by email to parents, and shared within the communities in which Method serves. Qualified parties will be interviewed and brought to the Board for consideration.

#### Section 4. Terms of Office of Trustees.

a. In accordance with Section 5220(d) of the California Nonprofit Public Benefit Corporation Law, all trustees appointed under Section 3.a of this Article shall hold office for three (3) years, unless such trustee resigns or is earlier removed as provided herein.

As seats become vacant, the incoming Board Trustees' terms of office will be for three (3) years.



#### Section 5. Resignation and Removal.

Subject to the provisions of Section 5226 of the California Nonprofit Public Benefit Corporation Law, any trustee may resign effective upon giving written notice to the chairman, the president, the secretary, or the Board, unless the notice specifies a later effective time. If the resignation is effective at a future time, a successor may be selected before such time, to take office when the resignation becomes effective. If a trustee is appointed, such trustee may be removed only by the person entitled to appoint the trustee. All other trustees may be removed only upon the vote of a majority of the trustees then in office.

#### Section 6. Vacancies.

i. A Board vacancy or vacancies shall be deemed to exist if any trustee dies, resigns, or is removed, or if the authorized number of trustees is increased.

ii. Notwithstanding Section 5, the Board may declare vacant the office of any trustee who has been convicted of a felony, or has been found to have breached any duty arising under Article 3 of Chapter 2 of the California Nonprofit Public Benefit Corporation Law or to be of unsound mind by any court of competent jurisdiction.

iii. A vacancy on the Board shall be filled only by the person entitled to appoint the trustee; provided that a vacancy on the Board to which the trustee is elected may only be filled by a vote of a majority of the trustees then in office. Each trustee so elected, appointed, or designated shall hold office until the expiration of the term of the replaced trustee and continue to hold office until a qualified successor has been elected, appointed, or designated.

iv. No reduction of the authorized number of trustees shall have the effect of removing any trustee prior to the expiration of the trustee's term of office.

#### Section 7. Place of Meeting.

As a governing body of a nonclassroom-based charter school that does not currently operate one or more resource centers shall meet within the physical boundaries of the county in which the greatest number of pupils who are enrolled in that charter school reside, pursuant Education Code § 47604.1.

#### Section 8. Meetings; Annual Meeting.

Notwithstanding any other provision of these bylaws, all meetings of the Board and its committees shall be called, noticed, and held in compliance with the provisions of the Ralph M. Brown Act ("Brown Act") to the extent required by law.

Annually the Board shall meet for the purpose of organization, appointment of officers and the transaction of such other business as may properly be brought before the

meeting. This meeting shall be held at a time, date and place as may be specified and noticed by resolution of the Board and pursuant to Education Code § 47604.1.

Section 9. Regular Meetings.

Regular meetings of the Board, including annual meetings, shall be held at such times and places as noted in Section 7 as may from time to time be fixed by the Board. Agendas for such meetings, to include time and place, shall be posted for public notice no later than 72 hours prior to meeting.

Section 10. Special Meetings.

Special meetings of the Board for any purpose may be called at any time by the chairman of the Board, if there is such an officer, the president, the secretary or any two trustees. The party calling such special meeting shall determine the place, date and time thereof.

Section 11. Notice of Special Meetings.

i. Special meetings of the Board may be held only after each trustee has received four (4) days' prior notice by first-class mail or forty-eight (48) hours' notice given personally or by telephone, telegraph, facsimile, telex or other similar means of communication.

ii. Any such notice shall be addressed or delivered to each trustee at the trustee's address as it is shown on the records of the corporation or as may have been given to the corporation by the trustee for purposes of notice or, if an address is not shown on the corporation's records or is not readily ascertainable, at the place at which the meetings of the trustees are regularly held.

iii. Notice by mail shall be deemed received at the time a properly addressed written notice is deposited in the United States mail, postage prepaid. Any other written notice shall be deemed received at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or is actually transmitted by the person giving the notice by electronic means to the recipient. Oral notice shall be deemed received at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient whom the person giving the notice has reason to believe will promptly communicate it to the receiver.

iv. The notice of special meeting shall state the time of the meeting, and the place if the place is other than the principal office of the corporation, and the general nature of the business proposed to be transacted at the meeting. No business, other than the business the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

v. Agendas for special meetings will be posted twenty-four (24) hours prior to the meeting in location accessible to the public, such as the website of the Corporation.

#### Section 12. Quorum.

A majority of the voting trustees then in office shall constitute a quorum. Every act or decision done or made by a majority of the trustees present at a meeting duly held at which a quorum is present is an act of the Board. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of trustees, if any action taken is approved by at least a majority of the required quorum for such meeting. Trustees may not vote by proxy.

#### Section 13. Telephonic and Electronic Video Meetings.

Except as otherwise provided in the Brown Act, members of the Board may participate in a meeting through the use of conference telephone, electronic video screen communication, or other communications equipment, to the extent permitted by applicable open meeting laws, if any. Participation in a meeting through use of conference telephone constitutes presence in person at that meeting as long as all members participating in the meeting are able to hear one another. Participation in a meeting through use of electronic video screen communication or other communications equipment (other than conference telephone) constitutes presence in person at that meeting if (i) each member participating can communicate with all other members concurrently, (ii) each member is provided the means of participating in all matters before the Board including, without limitation, the capacity to propose, or to interpose an objection to, specific action to be taken, and (iii) the corporation has adopted and implemented some means of verifying both that the person participating in the meeting is a trustee or other person entitled to participate in the meeting and that all actions of, or votes by, the Board are taken or cast only by the trustees and not by persons who are not trustees. In accordance with Education Code § 47604.1 The governing body of the entity managing the charter schools shall audio record, video record, or both, all the governing board meetings and post the recordings on each charter school's internet website.

#### Section 14. Adjournment.

A majority of the trustees present, whether or not a quorum is present, may adjourn any trustees meeting to another time or place. If a meeting is adjourned for more than twenty-four (24) hours, notice of such adjournment to another time or place shall be given, prior to the time schedule for the continuation of the meeting, to the trustees who were not present at the time of the adjournment, and to the public in the manner prescribed by any applicable public open meeting law.

#### Section 15. Rights of Inspection.

Every trustee has the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation, to the full extent permitted under applicable federal and state laws regarding pupil confidentiality.

#### Section 16. Board Committees.

The Board may appoint an executive committee and one or more other committees each consisting of two (2) or more trustees to serve at the pleasure of the Board, and delegate to such committee any of the authority of the Board, except with respect to:

- a. The approval of any action for which the California Nonprofit Public Benefit corporation Law requires the approval of the Board;
- b. The filling of vacancies on the Board or on any committee which has the authority of the Board;
- c. The fixing of compensation of the trustees for serving on the Board or on any committee;
- d. The amendment or repeal of bylaws or the adoption of new bylaws;
- e. The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;
- f. The appointment of other committees having the authority of the Board;
- g. The expenditure of corporate funds to support a nominee for trustee after there are more people nominated for trustee than can be elected; or
- h. The approval of any self-dealing transaction as such transactions are defined in Section 5233(a) of the California Nonprofit Public Benefit corporation Law, except as permitted under Section 24 of this Article.

Any such committee must be created, and the members thereof appointed, by resolution adopted by a majority of the number of trustees then in office, and any such committee may be designated as an executive committee or by such other name as the Board shall specify. The Board may appoint, in the same manner, alternate members to a committee who may replace any absent member at any meeting of the committee. The Board shall have the power to prescribe the manner in which proceedings of any such committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board, such committee, or these bylaws shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provisions of this Article applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee.

#### Section 17. Other Committees.

- a. The president, subject to the limitations imposed by the Board, or the Board, may create other committees, either standing or special, to serve the Board which do not

have the powers of the Board. The president, with the approval of the Board, shall appoint members to serve on such committees, and shall designate the committee chairman. If a trustee is on a committee, he or she shall be the chairman. Each member of a committee shall continue as such until the next annual election of officers and until his or her successor is appointed, unless the member sooner resigns or is removed from the committee.

b. Meetings of a committee may be called by the chairman of the Board (if there is such a position), the chairman of the committee or a majority of the committee's voting members. Each committee shall meet as often as is necessary to perform its duties. Notice of a meeting of a committee may be given at any time and in any manner reasonably designed to inform the committee members of the time and place of the meeting. A majority of the voting members of a committee shall constitute a quorum for the transaction of business at any meeting of the committee. Each committee may keep minutes of its proceedings and shall report periodically to the Board. A committee may take action by majority vote.

c. Any member of a committee may resign at any time by giving written notice to the chairman of the committee or to the president. Such resignation, which may or may not be made contingent upon formal acceptance, shall take effect upon the date of receipt or at any later time specified in the notice. The chairman may, with prior approval of the Board, remove any appointed member of a committee. The president, with the Board's approval, shall appoint a member to fill a vacancy in any committee or any position created by an increase in the membership for the unexpired portion of the term.

#### Section 18. Fees and Compensation.

Trustees and members of committees shall be eligible to receive a stipend for their services; additionally, the Board may approve reimbursement of a trustee's actual and necessary expenses incurred in the conduct of the corporation's business.

#### Section 19. Nonliability of Trustees.

No trustee shall be personally liable for the debts, liabilities or other obligations of this corporation.

#### Section 20. Interested Persons.

No one serving on the Board may be "interested persons." An "interested person" is (i) any person compensated by the corporation for services rendered to it within the previous twelve (12) months whether as a full- or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a trustee as trustee, and (ii) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law or father-in-law of any such person.

#### Section 21. Standard of Care.

A trustee shall perform the duties of a trustee, including duties as a member of any committee of the Board upon which the trustee may serve, in good faith, in a manner such trustee believes to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties of a trustee, a trustee shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

- i. One or more officers or employees of the corporation whom the trustee believes to be reliable and competent in the matters presented;
- ii. Counsel, independent accountants or other persons as to matters which the trustee believes to be within such person's professional or expert competence; or
- iii. A committee of the Board upon which the trustee does not serve as to matters within its designated authority, provided the trustee believes merits confidence and the trustee acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

#### Section 22. Corporate Loans and Advances.

The corporation shall not make any loan of money or property to or guarantee the obligation of any trustee or officer, unless approved by the Attorney General; provided, however, that the corporation may advance money to a trustee or officer of the corporation or any subsidiary for expenses reasonably anticipated to be incurred in the performance of the duties of such officer or trustee, if, in the absence of such advance, such trustee or officer would be entitled to be reimbursed for such expenses by the corporation, its parent or any subsidiary.

#### Section 23. Annual Report.

Pursuant to Section 6321 of the California Nonprofit Public Benefit Corporation Law, the Business Manager shall cause an annual report to be prepared and sent to each trustee not later than 120 days after the close of the fiscal or calendar year. Such annual report shall be prepared in conformity with the requirements of the California Nonprofit Public Benefit Corporation Law as it may be in effect from time to time.

#### Section 24. Annual Statement of Certain Transactions and Indemnifications.

Pursuant to Section 6322 of the California Nonprofit Public Benefit Corporation Law, the corporation shall furnish an annual statement of certain transactions and indemnifications to each of the trustees no later than 120 days after the close of the fiscal year. If the corporation issues an annual report as set forth in Section 28 of this Article above, this

requirement shall be satisfied by including the required information, as set forth below, in such report. Such annual statement shall describe:

i. Any “covered transaction” (defined below) during the previous fiscal year of the corporation involving (a) more than Fifty Thousand Dollars (\$50,000) or, (b) which was one of a number of “covered transactions” in which the same “interested person” (defined below) had a direct or indirect material financial interest, and which transactions in the aggregate involved more than Fifty Thousand Dollars (\$50,000). The statement shall describe the names of any “interested persons” involved in such covered transactions, including such “interested persons” relationship to the transaction, and, where practicable, the amount of such interest; provided, that in the case of a transaction with a partnership of which the “interested person” is only a partner, only the interest of the partnership need be stated.

ii. For the purposes of this Section, a “covered transaction” is a transaction in which the corporation, its parent or its subsidiary, was a party, and in which either of the following had a direct or indirect material financial interest:

(1) Any trustee or officer of the corporation, or its parent or subsidiary; or

(2) Any holder of more than ten percent (10%) of the voting power of the corporation, its parent or its subsidiary.

iii. The amount and circumstances of any indemnifications or advances aggregating more than Ten Thousand Dollars (\$10,000) paid during the fiscal year of the corporation to any officer or trustee of the corporation.

For purposes of this Section, any person described in either paragraph (1) or (2) of subsection ii. above is an “interested person.”

## ARTICLE V Officers

### Section 1. Officers.

The officers of this corporation shall be a president, one or more vice presidents, Secretary/Director and a Chief Financial Officer/Treasurer. The corporation may also have, at the discretion of the Board, a chairman of the Board, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be elected or appointed by the Board. Any number of offices may be held by the same person, except that neither the secretary nor the treasurer may serve concurrently as the president or chairman of the Board.

### Section 2. Appointment of Officers.

Except as otherwise specified in Sections 3 and 10 of this Article, the officers of the corporation shall be chosen annually by the Board and each shall hold office until he or

she shall resign or shall be removed or otherwise disqualified to serve, or his or her successor shall be elected and qualified.

Section 3. Subordinate Officers.

The Board may appoint and may empower the president to appoint such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in the bylaws or as the Board may from time to time determine.

Section 4. President.

The President shall act with impartiality and tact and shall preserve order and decorum at all times. In addition to the duties required to be performed, the President of the Board shall preside at all regular and special meetings at which the President is present.

The board President shall also perform other duties as directed by law, California Department of Education regulations, and the Board.

Section 5. Vice President.

The Vice-President of the Board shall act as President of the Board in the absence of the President.

Section 6. Secretary.

The secretary shall be the Director of the School and, shall keep or cause to be kept, at the principal office of the corporation the State of California, the original or a copy of the corporation's Articles of Incorporation and bylaws, as amended to date, and a register showing the names of all trustees and their respective addresses. The secretary shall keep the seal of the corporation and shall affix the same on such papers and instruments as may be required in the regular course of business, but failure to affix it shall not affect the validity of any instrument. The secretary also shall keep or cause to be kept at the principal office, or at such other place as the Board may order, a book of minutes of all meetings of the Board and its committees, with the time and place of holding; whether regular or special; if special how authorized; the notice thereof given; the names of those present and absent; and the proceedings thereof. The secretary shall give or cause to be given notice of all the meetings of the Board required by these bylaws or by law to be given; shall keep the seal of the corporation in safe custody; shall see that all reports, statements and other documents required by law are properly kept or filed, except to the extent the same are to be kept or filed by the treasurer; and shall have such other powers and perform such other duties as may be prescribed from time to time by the Board.

The School Director is hereby authorized to purchase supplies, services and equipment necessary or convenient for the operations of the school, provided that:



- A. The expenditure is consistent with the adopted budget of the corporation.
- B. If the expenditure is not reflected in the adopted budget of the corporation, the expenditure does not exceed \$1,000 and is reported to the Board.
- C. In the event of an emergency affecting the safety, health or continued operations of the corporation, the School Director obtains the prior consent of President or Vice President (if the President is unavailable), and the expenditure does not exceed \$5,000.
- D. The School Director shall, from time to time, develop policies for the procurement of supplies, services and equipment on a competitive or other basis designed to ensure that the Corporation's procurements reflect a competitive cost, consistent with quality and timely delivery to meet the needs of the Corporation, for review and approval of the Board.

1. The School Director shall be responsible for the selection, hiring, and evaluation of the staff of the Corporation, in a manner consistent with adopted budget, the Charter and contracts entered into by the Corporation and the personnel policies adopted by the Board. The Director shall report personnel actions at meeting of the Board. Pursuant to the Charter, the Board retains responsibility for hiring and evaluating the School Director.

2. Any authority delegated to the School Director may be, further delegated by the School Director.

3. Nothing in this resolution is intended to limit the authority granted to the School Director by the Charter, By-Laws, or any prior resolution or directive of the Board.

#### Section 7. Chief Financial Officer.

The Chief Financial Officer/Treasurer hereinafter referred to as the Business Manager shall keep and maintain or cause to be kept and maintained adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The books of account shall at all times be open to inspection by any trustee. The Business Manager shall deposit or cause to be deposited all monies and other valuables in the name and to the credit of the corporation in such depositories as may be designated by the Board. The Business Manager shall disburse the funds of the corporation as shall be ordered by the Board, shall render to the president and the trustees, upon request, an account of all transactions as Business Manager. The Business Manager will make regular financial reports to the board as required by law.

The Board hires the Business Manager on recommendation of the Director.

#### Section 8. Removal and Resignation.

Any officer may be removed, either with or without cause, by the Board at any time. Any such removal shall be without prejudice to the rights, if any, of the officer under any contract of employment. Any officer may resign at any time by giving written notice to the corporation, but without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

#### Section 9. Vacancies.

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause, shall be filled in the manner prescribed in the by-laws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

### ARTICLE VI Indemnification

#### Section 1. Definitions.

For the purposes of this Article, “agent” means any person who is or was a trustee, director, officer, or employee of this corporation, or is or was serving at the request of the corporation as a trustee, director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a trustee, director, officer, employee or agent of a foreign or domestic corporation which was a predecessor corporation of this corporation or of another enterprise at the request of such predecessor corporation; and “proceeding” means any threatened, pending completed action or proceeding, whether civil, criminal, administrative or investigative; and “expenses” includes, without limitation, attorneys’ fees and any expenses of establishing a right to indemnification under Sections 4 or 5.b. of this Article.

#### Section 2. Indemnification in Actions by Third Parties.

This corporation may indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of this corporation to procure a judgment in its favor, an action brought under Section 5233 of the California Nonprofit Public Benefit corporation Law, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an agent of this corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of this corporation, and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person

was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of this corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

### Section 3. Indemnification in Actions by or in the Right of the Corporation.

This corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action by or in the right of this corporation, or brought under Section 5233 of the California Nonprofit Public Benefit corporation Law, or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an agent of the corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section:

i. In respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to this corporation in the performance of such person's duty to the corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

ii. Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

iii. Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval, unless it is settled with the approval of the Attorney General.

### Section 4. Indemnification Against Expenses.

To the extent that an agent of this corporation has been successful on the merits in defense of any proceeding referred to in Sections 2 or 3 of this Article or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

### Section 5. Required Determinations.

Except as provided in Section 4 of this Article, any indemnification under this Article shall be made by this corporation only if authorized in the specific case, upon a

determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Sections 2 or 3 of this Article by:

a. A majority vote of a quorum consisting of trustees who are not parties to such proceeding; or

b. The court in which such proceeding is or was pending upon application made by this corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by this corporation.

#### Section 6. Advance of Expenses.

Expenses incurred in defending any proceeding may be advanced by this corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

#### Section 7. Other Indemnification.

No provision made by this corporation to indemnify its or its subsidiary's trustees, directors or officers for the defense of any proceeding, whether contained in the Articles of Incorporation, bylaws, a resolution of trustees/directors, an agreement, or otherwise, shall be valid unless consistent with this Article. Nothing contained in this Article shall affect any right to indemnification to which (i) persons other than such trustees/directors and officers may be entitled by contract or under the provisions of the California Tort Claims Act, or (ii) such trustees/directors may be entitled under the provisions of the California Tort Claims Act, or (iii) either may otherwise be entitled.

#### Section 8. Forms of Indemnification Not Permitted.

No indemnification or advance shall be made under this Article, except as provided in Sections 4 or 5.b., in any circumstances where it appears:

a. That it would be inconsistent with a provision of the Articles of Incorporation, these bylaws, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

b. That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

#### Section 9. Insurance.

The corporation shall have the power to purchase and maintain insurance on behalf of any agent of this corporation against any liability asserted against or incurred by the

agent in such capacity or arising out of the agent's status as such whether or not this corporation would have the power to indemnify the agent against such liability under the provisions of this Article; provided, however, that this corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the corporation for a violation of Section 5233 of the California Nonprofit Public Benefit corporation Law.

Section 10. Nonapplicability to Fiduciaries of Employee Benefit Plans.

This Article does not apply to any proceeding against any trustee, investment manager or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent of the corporation as defined in Section 1 of this Article. The corporation shall have power to indemnify such trustee, investment manager or other fiduciary to the extent permitted by subdivision (f) of Section 207 of the California General Corporation Law.

ARTICLE VII  
Miscellaneous

Section 1. Fiscal Year.

The fiscal year end of the corporation shall be June 30th.

Section 2. Checks, Drafts, Etc.

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to the corporation and any and all securities owned by or held by the corporation requiring signature for transfer shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by the Board or the executive committee, if any, or by the president and the chairman of the Board.

Section 3. Endorsement or Execution of Documents and Contracts.

Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance or other instrument in writing and any assignment or endorsement thereof executed or entered into between the corporation and any other person, when signed by the chairman of the Board, the president, certain designated vice-presidents, the secretary or the chief financial officer of the corporation, shall be valid and binding on the corporation in the absence of actual knowledge on the part of the other person that the signing officer(s) had no authority to execute the same. Additionally, by resolution of the Board, general signatory authority may be granted and delegated to other persons on behalf of the corporation. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by the Board, or the chairman of the Board, or the president. Unless so authorized, no officer, agent or employee shall have any power or authority to bind the

corporation to any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

#### ARTICLE VIII Amendments

These bylaws shall be reviewed at least once every four (4) years and such review shall be documented in the minutes of the Board meetings. These bylaws may be amended or repealed and/or new bylaws adopted only by approval of a majority of the number of trustees then in office.

## **CERTIFICATE OF ADOPTION**

I, the undersigned, do hereby certify:

1. That I am the Secretary of Method Schools School.
2. That the foregoing Bylaws constitute the Bylaws of the corporation as duly adopted by the Board of Trustees on \_\_\_\_\_, 2020.

\_\_\_\_\_  
\_\_\_\_\_

Secretary

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## **OPERATIONAL MEMORANDUM OF UNDERSTANDING BETWEEN**

### **METHOD SCHOOLS CHARTER SCHOOL AND ACTON-AGUA DULCE UNIFIED SCHOOL DISTRICT**

THIS OPERATIONAL MEMORANDUM OF UNDERSTANDING (hereinafter “MOU” or “Agreement”) is made and entered into as of this 1 day of July, 2021, by and between the Board of Trustees of the Acton-Agua Dulce Unified School District (hereinafter “AADUSD” or “District”), a public school district organized and existing under the laws of the State of California, and Method Schools Charter School (hereinafter “Charter School”), a nonprofit public benefit corporation duly organized under the laws of the State of California (collectively, “the Parties”).

#### **RECITALS**

WHEREAS, the District and the Charter School desire to enter into this MOU to document the arrangement and agreement between the parties regarding the Charter School’s funding and programs, and the District’s statutorily prescribed supervisory oversight of the Charter School, and the provision of administrative and/or special education services to the Charter School; and

WHEREAS, the Charter School has developed and submitted a Charter Petition to establish a charter school to the District; and

WHEREAS, by approving the Charter Petition, the District shall be the authorizing agency of the Charter School; and

WHEREAS, guidelines regarding the Charter School’s program, operation, structure, and obligations in operating the school, are set forth in the Charter Petition, attached hereto as Exhibit A, and incorporated herein by reference; and

WHEREAS, the establishment and operation of the Charter School shall be in compliance with the laws and regulations of the State of California and the California Department of Education as they pertain to charter schools; and

WHEREAS, upon execution of this Agreement by the Parties and upon approval by the District, this Agreement shall be considered a material revision of the charter and shall become a fully incorporated part of the charter; and

WHEREAS, the terms of this MOU shall prevail over any inconsistent terms of the charter.

#### **AGREEMENT**

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

1. Term: This MOU shall be for the following term, to commence on 1<sup>st</sup> day of July 2021 and ending on the termination date of the Charter School’s charter. This MOU is subject to termination for cause, as specified in Paragraph 48, below, including revocation of the charter as specified in Paragraph 47, below.

2. Renewal: This MOU shall be automatically renewed for an additional fiscal year on July 1 thereafter, unless written notice of intent to terminate or renegotiate is given by either party prior to May 1 in that year, preceding. In no event shall any renewal term extend beyond the maximum term of the Charter granted to the Charter School as determined by action of the AADUSD Board of Trustees pursuant to Education Code section 47607. Examples:

Compliance with required reporting and other state mandates for charter schools

Unqualified annual financial audits that do not include material weaknesses, scope limitations or any other type of limitation that would prevent ongoing fiscal stability as demonstrated through the submission of quarterly financial statements

AB 1505

Academic performance as determined by criteria established by the California State Board of Education, in addition to data criteria and adopted indicators established by the California Department of Education.

All subject to the determination and assessment of the authorizer (AADUSD).

3. Designation of Charter School.: The Charter School shall be responsible for all functions that relate to the educational services, management, and operation of the Charter School, subject to the terms and conditions set forth in this MOU, the Charter, the Charter Schools Act of 1992, and any other applicable federal and/or State laws. The Charter School agrees that all publications of every kind by or for the Charter School shall prominently identify the name of the Charter School as follows: Method Schools Charter School. The Charter School shall ensure that its name is correctly spelled in all notifications to the State and in its corporate documents.

4. Charter School Authority: The Charter School, in performing its duties and obligations under this MOU and Charter, shall have the power and authority, consistent with federal and State law and subject to other terms and conditions of this MOU to: (1) contract for goods and services with the District and/or any qualified third party; (2) prepare a budget; (3) perform personnel services not otherwise provided by the District pursuant to this MOU; (4) procure insurance; (5) lease or otherwise contract with any qualified third party for the use of facilities for school purposes and the operation and maintenance thereof; (6) purchase, lease, or rent furniture, equipment and supplies; (7) accept gifts, donations or grants of any kind in accordance with such conditions prescribed by the donor as are consistent with law and are not contrary to any of the terms of this MOU; (8) perform the business administration of the school; (9) establish and conduct an educational program and curriculum for the Charter School as provided in the Charter; (10) conduct extra and co-curricular activities and programs; (11) conduct professional development for all personnel; (12) select and acquire instructional materials, equipment and supplies; (13) exercise such other powers as are provided for elsewhere in this MOU to the extent consistent with this MOU; and (14) generally, take such other actions as may be necessary and desirable to operate the Charter School.

5. Third Party Contracts: Third party contracts over \$100,000 shall be disclosed to the District. The contract will not violate applicable conflict of interest laws or the Charter School's own conflict of interest policy. The Charter School will use its best efforts to ensure that the third-party contractor complies with all reasonable requests by the District for financial records and inquires regarding financial records, and that failure of the contractor to promptly provide financial records upon

request and respond to inquiries regarding financial records may be considered a breach of the charter and grounds for revocation. Disclosure will include:

- A. A copy of the contract specifying the exact services that will be provided and the cost, the term of the contract.
- B. A description of the third-party contractor's roles and responsibilities for the operation of the Charter School.

Additional services may be contracted by the Charter School from the District if available pursuant to a separate written agreement between the Parties.

6. Procurement Procedures: The Charter School agrees to follow all applicable state and federal guidelines regarding procurement procedures.

7. Charter School Governance: The Charter School will be governed by the Charter School's Board of Directors pursuant to its Charter and bylaws. At its election, the District's Board of Trustees may appoint a representative, to be determined by the District, to serve as a voting or nonvoting member of the Board of Directors and/or as the District's contact person with the Charter School.

8. Board of Directors Meetings: The Board of Directors of the Charter School shall conduct public meetings at such intervals as are necessary to ensure that the board is providing sufficient direction to the Charter School through implementation of effective board policies and procedures. Board of Directors meetings shall be conducted pursuant to the requirements of the Ralph M. Brown Act (Government Code § 54950-54962). Board of Directors adopted policies, meeting agendas, and minutes shall be maintained and available for public inspection and during site visits. For all regular and special meetings of the Board of Directors and all standing committee meetings, the Charter School will give a copy of the board annual meeting dates to the District and shall post the agenda, no less than 72 hours prior to a regular meeting and no less than 24 hours prior to a special meeting. The posted agenda shall contain a description of where the agenda was posted and that the meeting is held in compliance with the Americans with Disabilities Act. Once approved by the Charter School's Board of Directors, the Charter School shall post the Board Minutes to the school website. The Board Agendas and Minutes can be provided to the District upon request.

9. Facilities: If the Charter School leases facilities for any purpose during the school year, they shall provide a copy of that lease and certificate of occupancy, as well as, any conditional use permits issued by the local jurisdiction to the District no later than 10 business days prior to the first day on which students will be in attendance. The Charter School recognizes that its facilities must conform with any federal or State requirements that may be applicable to charter schools.

The Charter School intends to secure and provide facilities for administration and classroom use at no cost to the District. The Charter School shall also be responsible for the maintenance, operations, and insurance of its facilities. The Charter School waives any right to facilities, furniture, fixtures or equipment it might be eligible for Proposition 39, codified at Education Code 47614, or its implementing regulations or any related laws enacted in the future.

10. Equipment and Materials: All equipment and materials purchased by the Charter School with Average Daily Attendance ("ADA") funding generated by students enrolled in the Charter School shall remain the property of the Charter School while the Charter School is operational and until closure of the Charter School. If the Charter School is required to liquidate such equipment or materials to

repay or return State funds upon closure of the Charter School, or to repay creditors, all remaining net assets of the Charter School (after payment of all creditors), including equipment and materials purchased with ADA funding generated by students enrolled in the Charter School, shall be distributed following the dissolution procedures outlined in the Charter under "Closure Protocol" to another public educational entity for the benefit of public education, where the "public educational entity" shall be located within Los Angeles County and may be a California school district, county office of education, or charter school as selected by the Charter School. The Charter School shall be solely responsible for maintaining such equipment and/or materials in good working order and may not use such equipment and/or materials for any personal or private use. The Charter School shall mark and identify, and maintain a written inventory of all such equipment and materials with a purchase value of five hundred dollars (\$500.00) or more. The written inventory can be provided upon request. The written inventory shall include the original purchase price and date, a brief description, serial numbers and other information appropriate for documenting the Charter School's assets. Property shall be inventoried on an annual basis and lists of any missing property or other dispositions shall be presented to the Charter School's Board. The Charter School shall account for all assets obtained in its financial reports.

11. Transportation: The Charter School shall be solely responsible for the direct cost of all transportation services if provided, including field trips, provided by the Charter School for its pupils. The Charter School shall ensure that Charter School fieldtrip consent and medical insurance forms are consistent with the requirements set forth in Acton-Agua Dulce District forms. The District shall not be responsible for providing or paying any costs in connection with transporting any Charter School students at any time.

12. Food Services: The Charter School shall be solely responsible for the direct cost of all food services provided by the Charter School for its pupils if provided. The District shall not be responsible for providing or paying any costs in connection with food service to Charter School students at any time. Any additional costs not covered by federal and State nutritional grants shall be borne by the Charter School.

13. Administrative Services: The Charter School may contract with the District or County Office of Education or a reputable, bonded, and insured payroll contractor ("Vendor"), to prepare payroll checks, tax and retirement withholdings, tax statements, and to perform other payroll support functions. This provision of the MOU applies to administrative services including but not limited to payroll, State Teachers Retirement System ("STRS") and/or Public Employees Retirement System ("PERS") report and contributions, accounting and fiscal services including accounts payable, billing, accounts receivable, and other duties as set forth in the Charter. The Charter School shall provide the District a copy of its agreement upon request. The Charter School shall be solely responsible for the direct cost of all other administrative services provided by the District to the Charter School, including but not limited to the following: STRS and/or PERS county-wide reporting as set forth in Paragraph 37 below; Special Education Administrative Oversight; Staff Development; Fiscal Services (beyond oversight); and the District's Annual fees.

The Charter School will establish and oversee a system to prepare attendance reports and submit payroll check requests per district guidelines. The Charter School will review payroll statements monthly to ensure that (1) the salaries are consistent with staff contracts and personnel policies, and (2) the correct tax, retirement, disability, and the withholding have been deducted and forwarded to the appropriate authority. All staff expense reimbursements will be on documented checks that are separate from payroll checks. Upon hiring of staff, a personnel file will be established with all appropriate payroll-related documentation including a federal I-9 form, tax withholding forms, retirement data and use of sick and vacation leave.

14. Fiscal Services: The District and the Charter School agree that the District shall not act as a fiscal agent for the Charter School. It is understood that the Charter School shall be responsible for all fiscal services such as payroll, purchase orders, attendance reporting, and state budget forms, but may contract with the District for services by way of a separate mutually exclusive written agreement. To the extent that the District is required to submit financial forms on behalf of the Charter School, the Charter School is responsible for providing the necessary information to the District in a timely manner and in a format acceptable to the District and in accordance with this MOU. The Charter School agrees to follow processing schedules and any other District business office procedures.

15. Pupil Records: The Charter School shall at all times maintain Charter School pupil records, including but not limited to cumulative files, student work portfolios, immunization records, special education files, and/or attendance verification at the school site located within Los Angeles County. Notwithstanding Education Code section 47610, the Charter School shall comply with Education Code sections 49060 through 49079. Charter School pupil records maintained by the Charter School shall be made available for inspection by the District at any time for purposes of verifying that the Charter School is in compliance with all State and federal laws, its charter, and this MOU.

16. Notice to Parents/Guardians: Annually, the Charter School shall provide to the District a copy of the annual notice sent to all parents/guardians regarding their rights under the Family Educational Rights and Privacy Act ("FERPA"). If the Charter School receives Title I funding, parent notice shall provide information regarding the federal Every Student succeeds Act, including the right to request and receive essential information about the professional and educational background of the teacher(s) instructing their child and notification when their child is taught for four or more weeks by a teacher who is not "highly qualified" as contemplated by the Every Student Succeeds Act.

17. Complaint Procedure: Any complaints/concerns received by the District about any aspect of the operation of the Charter School or about the Charter School shall be forwarded by the District to the Charter School in a timely manner. To the extent that such concerns/complaints may involve issues related to possible revocation or non-renewal of the charter, the District may request that the Charter School inform the District of how such concerns/complaints have been addressed and the Charter School agree to provide such information.

18. Family Educational Rights and Privacy Act ("FERPA"). Employees of the Charter School who have a legitimate educational interest are entitled to access students' education records under 20 U.S.C. section 1232g, the Family Educational Rights and Privacy Act ("FERPA") and Education Code section 49076(b)(6). The Charter School, its officers, and employees shall comply with FERPA at all times. In addition, it is agreed that the District has an educational interest in the educational records of the Charter School such that the District shall have access to those records for reasons that include, but are not limited to, records requests, complaints, and school closure. Records, at a minimum, shall include emergency contact information, health and immunization date, attendance summaries, and academic performance data from the statewide student assessments required pursuant to Education Code sections 60605 and 60851.

19. Fingerprint and Criminal Record Summary Services: The Charter School, at its sole cost and expense, shall obtain fingerprint, criminal record summaries and subsequent arrest information for all Charter School employees in positions requiring contact with minor children in accordance with the requirements of Education Code section 44237. The Charter School shall require all subcontractors and vendors whose duties require contact with Charter School students to submit fingerprints in accordance with Education Code section 45125.1. The Charter School shall certify with the District that it is in

compliance with this paragraph. The Charter School shall make Charter School employee fingerprint verification information available to the District upon request.

20. Indemnity: Except for claims arising from the District's sole or separate negligence, recklessness or willful misconduct, the Charter School will defend and indemnify the District and its respective directors, officers, employees, agents, and volunteers, from and against any and all actions, suits, claims, demands, losses, costs, or liabilities that actually or allegedly arise in any manner from the Charter School's operations, or use and occupancy of the Site. The District, in turn, will defend and indemnify the Charter School and its respective directors, officers, employees, agents, and volunteers, from and against any and all actions, suits, claims, demands, losses, costs, or liabilities that actually or allegedly arise from the District's contractual or legal obligations under this MOU or its sole and separate negligence. It is the express intent of the Parties to provide the District the broadest indemnity protection available, consistent with applicable laws, and any doubts shall be resolved in favor of indemnifying the District. The indemnity provisions of this MOU shall survive the expiration or termination of this MOU.

The Charter School agrees to pay any attorneys' fees and costs incurred by the District, or the District's insurer that provides liability or property coverage to the District, which are incurred in any successful effort by the District or the insurer to invoke or enforce the indemnification and insurance provisions of this Agreement. Any successful effort includes, but is not limited to: (1) the District prevailing in any litigation against the Charter School, or its insurance providers, seeking to invoke or enforce the indemnification and insurance provisions of this Agreement, and (2) voluntary acceptance of the indemnification and insurance provisions of this Agreement by the Charter School or its insurance providers. All fees and costs incurred by the District or the insurer, after the District or the insurer has requested in writing, that the Charter School or its insurance provider comply with the indemnification and insurance provisions of this Agreement, shall be paid to the District, or the insurer, whichever has paid the fees and costs.

21. Insurance Coverage: No later than July 1st, proceeding the charters first operational year or such earlier time as the Charter School may employ individuals or acquire or lease property or facilities, the Charter School shall procure from an insurance carrier licensed to do business in the State of California, and maintain in full force during the term of the charter, at its own expense, at least the following insurance coverage:

- A. Property Insurance: Property insurance shall cover replacement costs, if offered by the insurance carrier, including coverage for all assets listed in the Charter School's property inventory and consumables. If full replacement value coverage is not available, the Charter School shall procure property insurance in amounts as close to replacement value as possible.
- B. General Liability: General liability insurance shall be no less than \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate for bodily injury, personal injury, civil rights claims (including employment discrimination), and property damage.
- C. Workers' Compensation: Workers' compensation insurance adequate to protect the Charter School from claims under Workers' Compensation laws and within statutory limits.
- D. Directors and Officers Liability Insurance: Directors' and officers' liability insurance, including employment practices liability insurance, shall be obtained and kept in force at



all times and shall be no less than \$50,000.00 per occurrence and \$500,000.00 general aggregate.

- E. Automobile Liability: Automobile liability insurance to the extent necessary and in amounts appropriate for the type and use of the automobile(s).

The Charter School will also institute risk management policies and practices to address reasonably foreseeable occurrences and provide the District with a copy of the policies and a certification that such policies and practices have been instituted.

The Charter School shall not issue enrollment packages to prospective students, enter into employment contracts, or otherwise engage in activities related to instruction under the Charter until all required insurance certificates have been set in place.

The Charter School's insurance policies shall include the following (1) a statement that the District and its officers, employees and agents are named as additional insured by way of endorsement to the policy described and that such insurance policy shall be primary to any insurance or self-insurance maintained by the District. The certificates shall also include a provision that the coverage will be primary and will not participate with nor be excess over any valid and collectible insurance program or self-insurance carried or maintained by the District or its Governing Board. Each insurance company shall be an insurer admitted to do business in California with a "VIII" or better rating according to the current edition of Best's Insurance Reports.

The certificates shall provide for thirty (30) days written notice to the District of any modification, change, or cancellation of any of the above insurance coverage. The District may request to see evidence of insurance coverage. It shall be expressly understood that the coverage and limits referenced herein shall not in any way limit the liability of the Charter School.

The foregoing requirements as to the types and limits of insurance coverage to be maintained by the Charter School, and any approval of said insurance by the District, or its insurance consultant(s), are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Charter School pursuant to this MOU, including but not limited to, the provisions concerning indemnification.

22. Special Education Services and Section 504:

- A. The Charter School is expected to pursue Local Education Agency ("LEA") status and may join the SELPA of their choosing for the sole purpose of receiving special education funding. If a letter from the SELPA approving the Charter School's status as an LEA is not received by July 1<sup>st</sup> of the preceding year, the Charter School will operate as a public school of the District for the following school year for purposes of special education. Should the Charter School operate as a public school of the District, both parties agree that funding for special education at the Charter School will be allocated by the Antelope Valley SELPA and that the responsibilities and obligations of the District and the Charter School regarding the provision of special education and related services for students enrolled in the Charter School shall be set forth in a separate memorandum of understanding between the Parties. Such memorandum of understanding shall be in place prior to the opening of the Charter School.

- B. The Charter School shall be solely responsible for the Charter School's compliance with the Individuals with Disabilities and Education Improvement Act (20 U.S.C. sections 1400, et seq.) (hereinafter "IDEIA"), including but not limited to any and all costs to provide special education and related services to the Charter School's students including transportation and contracting with qualified service providers. As such, the parties understand and agree that the Charter School shall at all times be solely responsible for compliance with the IDEIA in all aspects and for providing students with exceptional needs who attend the Charter School a free and appropriate public education in compliance with the IDEIA. The Charter School shall comply with all policies and procedures adopted by the SELPA. The Charter School shall defend and indemnify the District and its respective directors, officers, employees, agents, and volunteers, from and against any and all actions, suits, claims, demands, and losses, and shall pay all costs, including the District's attorneys' fees, associated with any due process hearing or legal action arising out of the Charter School's provision of special education and/or related services to former students of the Charter School, students attending the Charter School, or students seeking to enroll in the Charter School.
- C. The Charter School shall be solely responsible for complying with all requirements of Section 504 of the Rehabilitation Act, including but not limited to, holding Student Study Team meetings, developing and implementing Section 504 Accommodation Plans, and responding to complaints filed with the Office of Civil Rights as a function of the general education program.
- D. Any potential funding from Assembly Bill 602 for special education shall be based on the SELPA's funding allocation plan and be passed through in the same manner as any LEA within the SELPA.
- E. Charter Schools must pay an equitable share of encroachment. Paying encroachment is a statutory requirement. (E.C. 47646)

23. Oversight Monitoring: Oversight monitoring of Charter School shall be in compliance with applicable law, District Board policy, and the terms of the approved charter. At the District's request, the Charter School and District personnel shall meet monthly to discuss areas of concern, review and monitor records and student progress.

24. Supervisory Oversight Fee: In consideration for the actual costs of supervisory oversight by the District, the Charter School shall pay an amount not to exceed one percent (1%) of the revenue of the Charter School (hereinafter, the "Oversight Fee") pursuant to Education Code section 47613. "Supervisory oversight" for purposes of this section shall be limited to those duties listed in Education Code section 47604.32(a) through (e), only. For purposes of this section, "revenue of the charter school" means the amount received in the current fiscal year from the local control funding formula calculated pursuant to Section 42238.02, as implemented by Section 42238.03. "Revenue" for purposes of this calculation shall not include Charter School fund-raising activities, private donations, other public grants, or any other source of income developed by the Charter School. Payment by the Charter School shall be made in accordance with the provisions of Paragraph 26 below. These costs are in addition to, and not in lieu of, other costs set forth herein.

25. Direct Funding, Use of Funds, and Reserves.

- A. To the extent that Charter School is required to submit records or information to the District or to the Los Angeles County Office of Education in order to confirm funding, those records must be prepared by the Charter School in a format acceptable to the recipient and in accordance with the law.
- B. The Charter School shall elect to receive the state aid portion of charter school general-purpose entitlement and categorical block grant funds directly in accordance with Education Code section 47651(a)(1). These funds shall be forwarded to an account established for the Charter School at a federally-insured commercial bank or credit union. The Charter School's bookkeeper will reconcile the Charter School's ledger(s) with its accounts in the County treasury on a monthly basis and prepare (1) a balance sheet, (2) a comparison of budgeted to actual revenues and expenditures to date, and (3) a cash flow statement. The chief financial officer and/or finance committee of the Charter School Board will regularly review these statements, and a copy of the monthly statements will be provided to the District. The Charter School will deposit all funds received as soon as practicable upon receipt. A petty cash fund at each learning site may not exceed \$500.00, may be established with an appropriate ledger to be reconciled twice monthly by a Charter School administrator, who shall not be authorized to expend petty cash. If the Charter School contemplates incurring debt, including loans from the State Treasury, it will provide notice to the District in accordance with this MOU. The parties specifically agree that it is not the responsibility of the District to provide advance funding for in lieu of property tax receipts to the Charter School, in accordance with Education Code section 47635. The Charter School recognizes that the District shall have no responsibilities for funding the Charter School beyond the actual funding received for the Charter School.
- C. The Charter School agrees that all funding received for the Charter School, from any and all sources, including but not limited to all funding sources set forth in the Charter or this MOU, or other agreement with the District, shall be used exclusively to operate the Charter School, and shall not be used, either directly or indirectly, or by loan or gift, to fund, assist, pay for the debts of, or towards the operation of, any other school or establishment managed, controlled, or operated by the nonprofit public benefit corporation or Charter School, or operated by its members, officers, agents, servants, and employers, or for any other purpose whatsoever.
- D. To safeguard the Charter School's financial stability, the Charter School shall maintain annual reserves of no less than three percent (3%) of the total expenditures and uses of the Charter School's most recent adopted budget for the fiscal year. An explanation of any projected drop in reserves below the five percent level must be included in the Budget Assumptions and Narrative.
- E. SELPA payments, if any, to the Charter School shall follow the SELPA's funding allocation plan. The Charter School understands that any delay in state or federal special education funding shall not delay services provided by the Charter School in any way. The Charter School agrees to provide funding above and beyond state and federal special education funding should it be necessary and not depend on the District for any advanced payments, reimbursements or other costs towards the Charter School's Special Education services in any manner.

26. Payment Schedule: The Charter School shall pay the administrative services fees (Paragraph 13), supervisorial oversight fees (Paragraph 24), and all other fees in quarterly

installments due, respectively, for each school year. The Charter School authorizes the District to deduct such fees or payments from apportionments received by the District prior to disbursement to the Charter School and/or the District may elect to offset and deduct any such fees or payments from in-lieu property tax revenues next payable to the Charter School, in which case the District shall provide the Charter School with a detailed statement showing the amount to be deducted thirty (30) days prior to any such offset.

27. Mandated Costs: The Charter School shall obtain its claiming number from the State Controller's Office and shall complete and file its own mandated cost reimbursement claims. Monies received from mandated cost reimbursements shall not be included in the definition of "revenue" for purposes of calculating any fee in this MOU.

28. Additional Funding Sources: The Charter School may also receive funding from new or "one-time" funding sources made available to schools or school districts by the State of California to the extent that the Charter School and/or its pupils establish entitlement to any such funds. In the event that such additional funds are misdirected to the District, the District agrees to pass through all such funds to the Charter School within thirty (30) days of receipt, provided that the Charter School has complied with all requirements, restrictions, and/or conditions attached to those funds by the funding source or agency, if any. The Charter School shall hold harmless, indemnification, bond, and/or other mutually acceptable security arrangement with the District reflective of the level of risk to the District for any repayment of any grants and/or additional funding.

29. Grants: The Charter School and the District may cooperate to identify and apply for grants that meet the Charter School for development of the Charter School. This provision shall not be construed to limit or otherwise prohibit the exercise of discretion by the District or the Charter School.

30. Charter School Budget, Expenditures, Reports, and Audits: The Charter School shall adopt and meet generally accepted accounting principles and shall adopt policies to ensure the Charter School's funds are used to most effectively support the Charter School's mission and to ensure that funds are budgeted, accounted for, expended and maintained in an appropriate fashion. Such policies will include, but are not limited to, principles that ensure that: (1) expenditures are authorized by an accord with amounts specified in the Board-adopted budget; (2) the Charter School's funds are managed and held in a manner that provide a high degree of protection of the Charter School's assets; and (3) all transactions are recorded and documented in an appropriate manner that allows reporting to the State as required by the District, the County Office of Education, or Department of Education.

The Charter School shall develop and monitor its budget in accordance with the annual budget development and monitoring calendar to be developed by the Charter School. State required financial reports shall be forwarded to the District by the dates specified in this MOU.

The Charter School shall develop and maintain other fiscal control policies as recommended by independent certified public accountants retained by the Charter School to advise it on fiscal control policy matters.

The Charter School shall prepare and submit to the District the following financial information reports using the state software (SACS 20-ALL) or the Charter School Alternative Reporting Form, according to the following schedule:

A. On or before July 1 of each year, a preliminary budget.

- B. On or before December 15, an interim financial report that reflects changes through October 31.
- C. On or before March 15, a second interim financial report that reflects changes through January 31.
- D. On or before September 15, a final unaudited report for the full prior year.
- E. Interim financial reports will be submitted to the District on or before deadlines listed above. Such reports shall display budgeted revenues and expenditures as compared with actual figures to date and projected year-end figures, by major category of revenue and expenditure. The reports shall also include disclosure of any and all new debts assumed by the Charter School.
- F. The Charter School shall carefully monitor its financial budget and agrees to report any potentially significant operating deficit to the District within thirty (30) days of initial discovery or knowledge of such deficit.
- G. The Charter School shall be solely responsible for all costs associated with auditing and accounting services in addition to those services not provided by the District to the Charter School as set forth in this MOU.
- H. The Charter School shall utilize the services of an accounting/auditing firm experienced with school and educational accounting requirements and practices.
- I. For the reports listed under A through C above, the Charter School shall also provide with each financial report supporting and/or back up information including but not limited to: MYP for current and two subsequent years; Assumptions used for two subsequent years; Explanation for major variances by category between reporting periods; Enrollment projection; ADA P2 projection by grade level; COLA & Deficit percentage; Calculation used for determining general purpose funding; List of statutory benefit rates; List of H&W rates and number of participants; and Number of FTEs for certificated and classified employees for each year.

The Charter School will develop and maintain simple check requests and purchase order forms to document the authorization of all non-budgeted expenditures. All proposed expenditures must be reviewed and approved by the Charter School's Director to determine whether the proposed expenditure is consistent with the Board-adopted budget and sign the check request form. All transactions will be posted on an electronic general ledger. The transactions will be posted on the ledger by someone at the school site or by a contracted bookkeeper. To ensure segregation of record recording and authorization, the bookkeeper may not co-sign check requests or purchase orders.

31. Bonds: In the event that the District seeks and receives voter-approved bond(s), parcel taxes, etc., the Charter School shall have no entitlement to any portion of the funds unless otherwise negotiated in advance or unless otherwise required by law. The Charter School agrees that it has no entitlement to funds being currently received, if any, by the District under former parcel tax or bond elections.

32. Loans: The Charter School agrees that it shall establish a fiscal plan for repayment of any loans received by the Charter School in advance of receipt of such loans. It is agreed that the Charter School will provide loan payment information upon request and will regularly report

loan payments in the interim financial reports. Loan payments shall be the sole responsibility of the Charter School. The District shall have no obligation for repayment.

33. Cash Flow: By mutual agreement and separate MOU that outlines conditions, term, and rates, the District may enter into arrangements to advance funds to the Charter School, or may, provide a line of credit for the Charter School as long as such agreements do not reduce or delay the resources assigned to the student of the District.

34. Personnel and STRS/PERS Reporting Requirements:

- A. All applicants for positions with the Charter School will be considered through an open process, and if hired, will enter into an employment agreement with the Charter School. The Charter School is independent from the District and any AADUSD employees who choose to work at the Charter School shall resign their status as employees of the District and all of their rights and benefits thereof. All persons employed by the Charter School shall not be deemed to be employees of AADUSD for any purpose whatsoever. The Charter School's employees shall have no employment rights of any kind with the District.
- B. The Charter School will develop and maintain an Employee Handbook detailing the rights and responsibilities of all Charter School employees and shall comply with all anti-discrimination and sexual harassment employment laws applicable to public agencies. On or before the first day of operation in the 2021-2022 school year, and by July 1 of each subsequent year, the Charter School shall provide the District an electronic copy of the Employee Handbook. The Charter School shall annually update and revise the Employee Handbook to reflect changes in the law and/or policies. The Charter School shall be solely responsible for the hiring and compensation of Charter School employees, including but not limited to, salary, health benefits, sick leave, vacation, and retirement benefits. The District shall have no obligation to provide beginning teacher support or assessment to any Charter School teacher or employee. The Charter School shall notify all applicants for non-certificated positions with the Charter School that accepting employment at the Charter School may exclude the applicant from further coverage in the applicant's current retirement system depending on the retirement options offered by the Charter School.
- C. No later than October 10<sup>th</sup>, of each subsequent year, the Charter School shall provide the District proof of employment of appropriately credentialed, full-time teachers at the Charter School for that school year consistent with the qualification requirements for "Teachers" set forth in the Charter. The Charter School agrees to employ teachers according to the applicable criteria in federal and State law. The District reserves the right to review Charter School hiring decisions to ensure compliance with applicable federal and State mandates regarding teachers and to determine whether a teacher is deemed to be appropriately credentialed. Flexibility will be given to the Charter School as permitted by Education Code section 47605(l).
- D. If the Charter School elects to participate in the STRS or PERS programs, the Charter School shall enter into a contract with STRS, and/or PERS if applicable in the future, and provide the District written notification and a copy of such agreements, prior to the hiring of any Charter School employee. The District shall receive the Charter School's STRS (and PERS, if applicable in the future) school-level reporting, and create any final

county-wide reports required by STRS and/or PERS and submit such final reports to the retirement system on behalf of the Charter School. The Charter School shall pay the District the actual costs for these reporting services, as set forth in Paragraph 26 above, pursuant to Education Code section 47611.3. The Charter School shall timely upload their preliminary STRS and/or PERS payroll file and/or information required by the STRS and/or PERS systems, making corrections as indicated by the respective systems, and thereafter shall submit to the District all such necessary information to file final county-wide reports with STRS and/or PERS. The Charter School shall be solely responsible for the content and accuracy of the information provided to the District. The Charter School accepts and assumes sole financial responsibility for any and all STRS and/or PERS reporting fines and/or penalties resulting from incomplete, inaccurate, or late reports and/or inadequate or late deposits from any cause whatsoever, except if such fines and/or penalties result from the sole negligence of the District. This section, however, does not require the charter school to participate in either the STRS or PERS retirement programs.

35. Suspensions and Expulsions: In addition to the procedures set forth in the Charter, the Charter School shall ensure that pupils suspended from the Charter School are provided with an appropriate alternative educational program (class work and homework assignments, etc) during the period of the pupil's suspension from school. Whenever a pupil is expelled from the Charter School, the Charter School shall notify the pupil and the pupil's parents or guardians in writing of the pupil's duty to attend the public school district in which the residency of either the parent or legal guardian is established. The Charter School shall also notify the public school district in which the residency of either the parent or legal guardian is established whenever a pupil is expelled from the Charter School.

36. AADUSD Reports: The District agrees to file all reports specifically required by law to be filed with the California Department of Education or any other State or federal agency by a local educational agency on behalf of the District and/or Charter School. The Charter School shall promptly provide the District with any information, data, or documentation necessary for the District to timely file such reports in accordance with law. The Charter School shall be solely responsible for the accuracy of all data submitted to the District. The Charter School shall be responsible for filing all other reports as may be required by law.

37. Attendance Reporting, School Calendar, and Other Data:

The Charter School shall provide the District with the following:

- A. Descriptions of outreach and recruitment activities that have been conducted to reach target populations as described in the charter.
- B. Procedures for application or enrollment wait listing and lotteries for placement (enrollment preferences) as described in the charter.
- C. Evidence of enrollment preferences consistent with the charter and with District conditions of operation.
- D. Copy of enrollment forms and information provided to prospective families.

- E. Documentation, where applicable, that start-up enrollment is consistent with enrollment numbers described in the charter.
- F. Evidence that each student is a resident of California in accordance with Education Code section 47612.
- G. For students over 18, evidence that each student has been continuously enrolled (no break in enrollment greater than 20 school days) in an educational program and is making satisfactory progress toward completion of a high school diploma.
- H. Charter School's annual attendance calendar no later than July 1, 2021, and by July 1 of each subsequent year shall submit its annual calendar for the upcoming school year for which it is in existence. The Charter School shall maintain no less than the minimum number of instructional days and minutes required by the Education Code for each grade level served.

The Charter School shall establish and maintain an attendance reporting system to record and account for the Charter School's ADA, as defined in Title V California Code of Regulations section 11960. The Charter School shall submit enrollment and attendance data one week prior to the CDE's principal apportionment reporting deadlines to the District as necessary to enable the school to receive the funding specified in this MOU. The Charter School shall provide the District with a monthly enrollment report, no later than the 15<sup>th</sup> calendar day of the following attendance month. The Charter School shall provide all data and reports required by the District in hard copy and electronic data files. Electronic data files shall be in the CDE required Principal Apportionment software format (currently PASR) and signed certifications will accompany hard copies of documents by given due dates.

In addition to submission of the electronic data files, the Charter School shall submit to the District hard copies of attendance documents three times per P1, P2, and P Annual, and P3 if necessary. AADUSD staff will review and certify the accuracy of attendance data submitted by the Charter School. Attendance data submitted without the requisite detail will not be processed and may result in a delay of funding to the Charter School. The Charter School is responsible for assuring that all reports are accurate and timely in order to receive timely apportionment payments. The Charter School shall also maintain weekly attendance sheets, attested to by acceptable electronic means signed and dated by teachers, and documentation evidencing contacts made by the Charter School to parents/guardians when students are absent from school (e.g., parent contact log, absence log, etc).

The Charter School shall submit enrollment and demographic information to the California Education Data System (CBEDS), or its successor, the California Student Information System (CSIS), to the extent and in the manner specifically required by law or regulations applicable to charter schools. Upon request, the Charter School shall provide the District with documentation of the teacher/student ratio for the Charter School.

38. Educational Program: The Charter School shall comply with all applicable state and federal laws pertaining to the Charter School, including but not limited to, California Education Code sections 47600 et seq. and Title 5 of the California Code of Regulations, sections 11960 et seq., as these laws and regulations may be amended periodically during the term of this Agreement. At all times that it is operational, the Charter School shall have available the information listed below. The information shall be submitted to The District prior to opening, whenever updated, and upon request:



A. Scope and sequence for all subjects to be offered by the Charter School during the school year and during any supplemental instruction offering.

B. The complete educational program for students to be served including, but not limited to:

1. A description of the curriculum and identification of the basic instructional materials to be used.
2. Plans for professional development, including agendas, topics to be covered, and speakers.
3. Results of interim assessments used to evaluate student specific progress during the school year in addition to the results of the CAASPP Assessment in evaluation of student progress.
4. The University of California course descriptions submitted to UC Doorway.
5. The Charter School's annual calendar for the school year that includes the number of instructional days (minimum 175 days or as required by law), minimum or early release days, holidays, board recess days, and professional development days.
6. Daily bell schedule for site-based programs that includes any passing time, breaks or recess, lunch breaks, before or after school activities.
7. Designation of any non-classroom based instructional days.
8. Sample student contracts, description of frequency of contact with teachers, pupil/teacher ratios, and description of how student work will be evaluated for time value for non-classroom based programs (if applicable).
9. Initial and mid-term Western Association of Schools and Colleges ("WASC") accreditation self-study and visiting committee reports.

39. Assessments and CAASPP Testing: The Charter School shall establish guidelines and expectations for all student achievement at each grade level and implement assessments that promote successful transition to a traditional school program, or to continue in the Charter School's program. The Charter School shall develop a system of assessment procedures and measurement tools that provide objective, comparable written assessments in order to determine student comprehension of State and AADUSD curricular competencies as required by law.

The Charter School shall create a plan annually detailing the date and location of CAASPP testing, and the total number of CAASPP tests to be administered to Charter School pupils. The Charter School shall provide the District with school-wide CAASPP test results by subgroups upon request. The Charter School shall institute measures to ensure the security of all testing materials.

40. Program Audit: After receipt of standardized testing scores, the Charter School administrator will compile and provide to the District an annual performance audit documenting whether or not students are achieving the measurable outcomes defined in the charter and such other information requested by the District relating to the Charter School's performance. This provision does not limit the District's statutory authority to make reasonable requests for

information related to the educational program and student performance at any time during the year.

41. Curriculum Council: The District and Charter School may jointly establish a Curriculum Council to assist in the ongoing improvement of Charter School's curriculum and implementation of its education program.

- A. The Curriculum Council shall serve an advisory function only. Its members shall include, at a minimum, the District Superintendent or designee, the District's Director of Student Services, and the Charter School Director and/or Charter School Director Designee. The chairperson of the Curriculum Council shall be the District's Director of Student Services.
- B. The Curriculum Council may meet on at least monthly and/or quarterly basis to review, discuss, and/or make recommendations to the Charter School's Board of Overseers regarding instructional materials and other teaching resources, standardized testing requirements, school improvement tools and processes, professional development for teachers and administrators, technology integration, and other curriculum-related topics.

42. Annual Report: Beginning with the second year of operation, by February 1 each year, the Charter School shall submit a written "Annual Report/School Accountability Report Card" ("SARC") and by July 1<sup>st</sup> of each year the annual LCAP update to their website. These documents will be provided to the District. These documents will include for the prior year that examines the following:

- A. CAASPP results as listed above.
- B. Progress made on test scores, graduation rates and other measures of student success using the California School Dashboard
- C. Progress made toward each of the educational goals and student outcomes identified in the charter.
- D. Evidence that the Charter School is systematically examining student data and using it to drive decisions regarding curriculum and instruction.
- E. Names of any additional internal assessments used by the Charter School not identified in the charter.
- F. Plans to address areas identified as needing improvement by the Charter School.
- G. Evidence that the Charter School is financially sound.
- H. Other relevant information as determined by the District, its Board of Trustees, or the Los Angeles County Board of Education.

43. Financial Records: Upon request, the Charter School shall provide the District with documentation of any financial records pursuant to Education Code section 47604.3 and as stipulated in the MOU.

44. Compliance with Other External Source Funding Requirements: The District and Charter School shall comply with all terms and conditions of any other external source funding

requirements applicable to funding received by the District on behalf of the Charter School, if any. Upon reasonable advance written request by the District, the Charter School shall provide evidence to the District that the Charter School is in compliance with all such requirements, and shall provide the District, with all reports, data, and information reasonably necessary for the District to meet any reporting, certification, or other requirements for such funding.

45. Dispute Resolution Procedure: In the event of any dispute between the Charter School and AADUSD, excluding revocation of the Charter but including audit exceptions and deficiencies, the complaining party shall prepare a written statement of the dispute which shall be simultaneously submitted to the District Superintendent or designee, and the Charter School's Executive Director. The Executive Director and the Superintendent or designee, shall meet and confer within five (5) business days from the date of receipt of the written statement and attempt to resolve the dispute. If this meeting fails to resolve the dispute, either party shall, within five (5) business days following the meeting, submit the matter to a mutually agreeable mediator, for resolution in accordance with any procedure determined and prescribed by the mediator and agreed to by the Parties. If no mediator is agreed upon within two weeks, the right to mediation is deemed waived unless otherwise agreed by the parties in writing. Unless agreed otherwise, the mediator shall not make findings or recommendations. Review by the mediator shall be held no later than forty-five (45) business days of receipt of the initial dispute statement. If mediation does not resolve the dispute, either party may pursue any other remedy available under the law. In addition, the District is not required to be referred to mediation in those cases where the District determines that the violation constitutes a severe and imminent threat to the health and safety of the Charter School's students.

The Charter School shall timely notify the District of any and all complaints filed against the Charter School by its employees, students, parents, and vendors involving violations of the Charter, this MOU, State or federal law, or alleged financial mismanagement. It is also expected that the Charter School certify that all employees have had training as mandated reporters and have undergone sexual harassment training.

46. Legal Services/Other Services: The Charter School will be responsible for procuring its legal counsel and the costs of such service. The Charter School reserves the right to subcontract any and all services specified in this Agreement to the District and/or to public or private subcontractors as permitted by law and as available from the District.

47. Revocation and Closure Protocol: The District and the Charter School agree that the dispute resolution procedure set forth in Paragraph 50 shall not apply to any matter that could lead to revocation of the Charter. Prior to revocation of the Charter, the District shall provide the Charter School with written notice of its intention and an opportunity to meet with and respond to the District within a reasonable time, which shall be not less than five (5) business days, prior to issuing a written notice to "cure and correct," unless the District determines in writing that the violation constitutes a severe and imminent threat to the health or safety of the pupils in accordance with Education Code section 47607(d). Thereafter, if the District determines that revocation is warranted, it shall comply with the procedures set forth in Education Code section 47607.

In the event of revocation or school closure, the Charter School shall ensure that the person(s) responsible for implementing the Charter School's closure protocol shall be experienced in dissolution and closure of public educational programs and such person(s) shall comply with all legal requirements regarding the confidentiality of student records. The Charter School's Executive Director shall serve as

the official contact for purposes of implementing the closure protocol set forth in the Charter and its plan for maintaining and transferring student records, and payment of debts and liabilities and distribution of remaining net assets. At a minimum, the closure protocol shall contain the following:

- A. Identification of the Executive Director who will oversee and conduct the closure process; this provision shall include a process to ensure that it is updated no less than annually or when any change is made.
- B. Notification of students and families of the Charter School closure.
- C. Security of student and business records.
- D. Identification of all assets and liabilities and plan for transfer as detailed in the charter.
- E. Final close-out audit to be paid for by the Charter School.
- F. Identification of a source of funding to be used for closeout expenses including final audit.
- G. Dissolution of the Charter School and/or nonprofit corporation.

The Charter School's procedures shall also satisfy the definition of "closure procedures" in Title 5, California Code of Regulations section 11962, to the extent that Section imposes, or is amended to impose, additional requirements.

Closure procedures will not begin until appeal rights (if applicable) have been exhausted. If the Charter School is to close permanently for any reason (i.e., voluntary surrender, non-renewal, or revocation), the District shall serve written notice on the Charter School that the closure procedures have been invoked. The Charter School shall immediately identify the specific individual who is responsible for coordinating the Charter School's close out activities and shall notify the District. The District shall identify a staff person who shall work with the Charter School to accomplish all close out activities.

The Charter School expressly acknowledges the right of the District, on behalf of the County Superintendent of Schools (pursuant to Education Code section 47604.3), to take immediate and direct control of all of the Charter School's student and business records at any time after the District gives written notice that it is invoking closure procedures.

48. Termination for Cause: The District may terminate any services provided pursuant to this MOU upon failure of the Charter School to pay any amount due under this MOU within sixty (60) days after receipt by Charter School of a District demand for payment and notice of intent to terminate services. Any failure by the Charter School to pay an amount due under this MOU, or other material violation of the terms of this MOU by the Charter School, may constitute grounds for revocation of the Charter in accordance with the provisions of the charter and the Charter Schools Act, and any such termination or revocation shall be consistent with such provisions, including with respect to notice and an opportunity to cure. In the event of revocation of the charter, this MOU shall be deemed null and void. Charter School may suspend performance under or terminate this MOU for cause upon sixty (60) days advance written notice to the District of a material violation by the District of the terms of this MOU.

49. Dispute Resolution: In the event of any dispute, claim, question, or disagreement arising from or relating to this MOU or breach thereof, the parties hereto shall act in good faith to settle

the dispute, claim, question, or disagreement in accordance with the dispute resolution process prescribed in Paragraph 45, above.

50. Annual Review and Miscellaneous: The Charter School shall participate in an annual review conducted by the District, if any, of all programs offered at the Charter School, including their effectiveness and student achievement. The review may, at AADUSD discretion, require changes to the Charter School's programs to ensure compliance with the educational curriculum outlined in the Charter.

The annual review will be based upon objective criteria and incorporated by reference. As part of the annual review, the Charter School shall update its charter to reflect any new requirements of charter schools enacted into law after the charter was originally granted or last renewed, and any programmatic updates. On an annual basis, if the Charter School meets substantial achievement of and compliance with the District's criteria, as attested to by the AADUSD Superintendent, the Charter will be deemed renewed for a term of five (5) years. If the Charter is deemed not to have met or complied with a significant portion of the District's criteria but is progressing towards achievement of the criteria, the charter School's term will continue as originally granted or last renewed. However, if the District finds that the Charter School's financial, academic, compliance, or safety performance fails to meet agreed upon criteria, the District has the responsibility to prescribe warrants corrective action or closure of the Charter School.

The Charter School shall provide all services not expressly indicated herein to be provided by the District. Nothing herein shall preclude the parties from negotiating or amending this MOU to include additional services not contemplated by this MOU.

51. Independent Contractor Status: The parties to this MOU intend that the relationship between them created by this MOU is that of an independent contractor, and not an employer/employee. The District shall deem no agent, employee, or servant of the Charter School to be an employee, agent or servant of the District, except as expressly acknowledged in writing. No agent, employee, or servant of the District shall be deemed to be an employee, agent or servant of the Charter School, except as expressly acknowledged in writing by the Charter School.

52. Collective Bargaining: The Parties agree and understand that all employees of the Charter School shall be employees of the Charter School and that the Charter School shall be the exclusive public employer for the purposes of collective bargaining as provided in Education Code section 47605(b)(5)(O).

53. Construction and Enforcement: This MOU shall be construed and enforced in accordance with the laws of the State of California. Any litigation filed by the Parties regarding this Agreement shall be filed and heard in a court of competent jurisdiction for the County of Los Angeles, State of California.

54. Entire MOU: This MOU and any attachments hereto shall constitute the full and complete agreement between the parties hereto. All prior representations and understandings regarding the Charter and Charter School are merged herein and are superseded by this MOU.

55. Annual Review of MOU: The Parties agree to review this Agreement annually. By June 1<sup>st</sup> of the then-current year, both parties will present proposed revisions to the MOU. If there is no agreement to the proposed revision(s) by June 30 of the current year, then the existing MOU

will continue in effect until mutually modified, except that the MOU shall expire upon the expiration, rescission, or revocation of the charter.

56. Amendments: This MOU may be altered, amended, changed, or modified only by agreement in writing executed by the Charter School and the District's duly authorized representative. The writing shall indicate the intent of the parties to alter the MOU and contain specific reference to the Charter and to this MOU which it alters, amends or modifies. The Agreement may be amended by the Parties at any time during the school year.

57. Representatives.” The duly authorized representative of the Charter School is California Pacific Charter – Los Angeles Charter School's CEO or its designee. The duly authorized representatives of the District are the AADUSD Board of Trustees and the AADUSD Superintendent or his/her designee.

58. Material Revision to Charter: Changes to the charter deemed to be material revisions may not be made without prior approval by the District's Superintendent. Revisions to the charter considered to be material changes include, but are not limited to the following:

- A. Substantial changes to the educational program (including the addition or deletion of an educational program), mission, or vision.
- B. Adding a non-classroom based program.
- C. Proposed changes in enrollment that increases or decreases by more than 20 percent +/- of the enrollment originally projected in the charter petition in any given year.
- D. Addition or deletion of grades or grade levels to be served.
- E. Changes to location of facilities or lease agreements for the Charter School sites, resource centers, meeting space, or other satellite facility including the opening of a new facility; temporary locations rented for annual student testing purposes shall be exempted from this provision.
- F. Admissions requirements and procedures.
- G. Governance structure, including but not limited to: substantial changes in number of board members, method by which new board members are selected, and/or changes in majority/quorum or other provisions relating to resolution approval

59. Invalidity of Provisions of this MOU: If, for any reason, any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

60. Nondiscrimination: The Charter School covenants and agrees that it shall not discriminate against any person or group thereof upon the basis of the characteristics, whether actual or perceived, as listed in Education Code section 220 including but not limited to race, color, religion, gender, ancestry, physical and/or mental disability, marital status or national origin, nationality or ethnicity, sexual orientation, perceived sexual orientation, and/or association with individuals with one or more of the above characteristics in the operation of the Charter School.

61. Assignment: Neither this MOU nor the establishment or operation of the Charter School shall be assigned by the Charter School to any other person or entity without the prior written notice to and consent of the District.

62. No Waiver: No waiver of any provision of this MOU shall be deemed or shall constitute a waiver of any other provision, nor shall such waiver constitute a continuing waiver unless otherwise expressly stated.

63. Survival: All representations, warranties and indemnities made herein shall survive termination of this MOU.

64. Notices: All notices, consents, demands, or other communications for one party or the other required or permitted in this MOU shall be in writing and shall be either personally delivered or sent by a nationally recognized overnight courier, telecopier or by registered or certified U.S. mail, postage prepaid, addressed as set forth below (except that a party may, from time to time, give notice changing the address for this purpose). A notice shall be effective on the date personally delivered, on the date delivered by a nationally recognized overnight courier, on the date set forth on the receipt of a telecopy or a facsimile, or upon the earlier of the dates set forth on the receipt of registered or certified mail, or on the fifth (5<sup>th</sup>) day after mailing.

65. Communication Policy: AADUSD will assign one employee within the district to be an authorized Charter School's direct person of contact. This person will respond to the Charter School's question or concerns in a timely manner. AADUSD will provide initial trainings on the district approved core values, oversight matrix and communication expectations annually. AADUSD will organize and conduct PLC meetings and provide professional development days annually. Site visitations will occur regularly to ensure compliance with the approved petition, MOU's and review the progress towards oversight annual matrix completion. The AADUSD Office of School Choice will report weekly to the AADUSD Superintendent about current events as it pertains to the authorized charter schools and provide the AADUSD Board of Trustees, through executive summaries, about the successes and challenges our charter schools are facing. The AADUSD Office of School Choice will complete a thorough annual charter review using the approved Charter School Oversight Matrix, with the optional support of third party experts, and provide both the board of education and the authorized charter with a written report outlining specific recommendations for continued authorization or revocation.

Authorized Charter Schools will provide the AADUSD Office of School Choice with the name, phone number, and business address of all key administrative employees within your charter, as well as, addresses of all school site facilities. The Charter School will designate one employee to be in direct contact with the AADUSD Office of School Choice for any and all questions and concerns. This person should respond to the district within 3 business days. The Charter School will abide by the District's Core Values and remain focused on fostering positive open relationships with not only AADUSD, but, any district in which your program resides. The Charter School will provide updates to AADUSD Office of School Choice, in the framework of the districts six essentials, in order to keep an open dialogue about the successes and challenges that your charter is facing. Annually a list of proposed marketing plans will be provided to the District. The Charter School will assign a key administrative employee to be a member of the AADUSD PLC and attend meetings and professional development. Understand that AADUSD personnel will be on your campus at any time to complete quarterly visits and/or annual audits. The Charter School will complete and submit all documents in a timely manner. Ensure that AADUSD Office of School Choice is provided copies of all correspondence with state entities.

66. LCAP Requirements: The LCFF accountability system requires that Charter School develop a three-year LCAP and annually update it.

The LCAP must:

- Be adopted by July 1, of each year.
- Identify goals based on state priorities for all students, “numerically significant subgroups”, students with disabilities, and eligible students,
- List annual actions that the charter school will implement in accomplishing the goal,
- Describe expenditures in support of the annual actions and where they can be found in the charter schools budget.
- The updates must use the template adopted by the SBE and include:
  - A review of the progress towards the goals included in the charter,
  - An assessment of the effectiveness of the actions described in the charter towards achieving the goals,
  - A description of changes to be implemented as a result of the review and assessment.

To the Charter School:

\_\_\_\_\_  
Charter School Representative

To AADUSD:

Acton-Agua Dulce Unified School District  
c/o Superintendent  
32248 Crown Valley Road  
Acton, California 93510  
Telephone: (661) 269-0750

IN WITNESS WHEREOF, the parties hereto have executed this MOU as of the date and year first above written.

FOR CHARTER SCHOOL

FOR AADUSD

By: \_\_\_\_\_  
CEO  
Charter School

\_\_\_\_\_  
Superintendent  
AADUSD



## **METHOD SCHOOLS BOARD POLICY 6060**

### **INDEPENDENT STUDY POLICY**

Method Schools (the “Charter School”) shall offer independent study to meet the educational needs of pupils enrolled in the Charter School. Independent study is an optional educational alternative in which no pupil may be required to participate and is designed to teach the knowledge and skills of the core curriculum. The Charter School shall provide appropriate existing services and resources to enable pupils to complete their independent study successfully. The following written policies have been adopted by the Method Schools Board of Directors for implementation at Charter School:

1. For pupils in all grade levels and programs offered by the Charter School, the maximum length of time that may elapse between the time an assignment is made and the date by which the pupil must complete the assigned work shall be last day of each learning period (20 days) in which the learning samples are collected. Students must have two (2) work samples per subject per learning period in which they are enrolled.
2. The CEO, Co-Founder, the Homeroom Teacher and the Grade Level Lead under the guidance of the Tiered Reengagement Strategy will conduct an evaluation to determine whether it is in the best interests of the pupil to remain in independent study upon the following triggers:
  - a. When any pupil fails to complete the minimum of two (2) work samples per subject per learning period in which they are enrolled.
  - b. In the event Student’s educational progress falls below satisfactory levels as determined by the Charter School’s Tiered Reengagement Policy which considers ALL of the following indicators:
    - i. The pupil’s achievement and engagement in the independent study program, as indicated by the pupil’s performance on applicable pupil-level measures of pupil achievement and pupil engagement set forth in Education Code Section 52060(d) paragraphs (4) and (5).
    - ii. The completion of assignments, assessments, or other indicators that evidence that the pupil is working on assignments.
    - iii. Learning required concepts, as determined by the supervising teacher.
    - iv. Progressing toward successful completion of the course of study or individual course, as determined by the supervising teacher.
  - c. When the student fails to participate in 60% of assigned live instructional sessions over the course of a month.

A written record of the findings of any evaluation conducted pursuant to this policy shall be treated as a mandatory interim pupil record. The record shall be maintained for a period

of three years from the date of the evaluation and, if the pupil transfers to another California public school, the record shall be forwarded to that school.

3. The Charter School shall provide content aligned to grade level standards that is provided at a level of quality and intellectual challenge substantially equivalent to in-person instruction. For high school grade levels this shall include access to all courses offered by the Charter School for graduation and approved by the UC or CSU as creditable under the A-G admissions criteria.
4. The Charter School has adopted tiered reengagement strategies for all pupils who are not generating attendance for more than three (3) school days or 60% of the instructional days in a school week, or who are in violation of the written agreement pursuant to Education Code Section 51747(g). These procedures are as follows:
  - a. Verification of current contact information for each enrolled pupil;
  - b. Notification to parents or guardians of lack of participation within one school day of the absence or lack of participation;
  - c. Outreach from the Charter School to determine pupil needs including connection with health and social services as necessary;
  - d. When the evaluation described above under paragraph 2.b.iv. is triggered to consider whether remaining in independent study is in the best interest of the pupil, a pupil-parent-education conference shall be required to review a pupil's written agreement and reconsider the independent study program's impact on the pupil's achievement and well-being. This conference shall be a meeting involving, at a minimum, all parties who signed the pupil's written independent study agreement.
5. The following plan shall be in place in accordance with Education Code Section 51747(e) for synchronous instruction and live interaction:
  - a. For pupils in transitional kindergarten through grade 3, inclusive, the plan to provide opportunities for daily synchronous instruction for all pupils throughout the school year by each pupil's assigned supervising teacher shall be as follows:
    - i. Daily instructional opportunities via videoconferencing provided by the supervising teacher
    - ii. Weekly 1:1 meetings via videoconferencing provided by the supervising teacher
    - iii. (3<sup>rd</sup> grade) Assigned Targeted Direct Instruction via videoconferencing for individualized instructional needs.
  - b. For pupils in grades 4-8, inclusive, the plan to provide opportunities for daily live interaction between the pupil and a certificated or non-certificated employee of the Charter School and at least weekly synchronous instruction for all pupils throughout the school year by each pupil's assigned supervising teacher shall be as follows:
    - i. Weekly 1:1 meeting with the supervising teacher
    - ii. Weekly homeroom instructional session

- iii. Daily instructional opportunities via subject specific lessons, Targeted Direct Instruction, Study Hall, and teacher office hours via videoconferencing
  - c. For pupils in grades 9-12, inclusive, the plan to provide opportunities for at least weekly synchronous instruction for all pupils throughout the school year by each pupil's assigned supervising teacher shall be as follows:
    - i. Weekly 1:1 meeting with the supervising teacher
    - ii. Weekly homeroom instructional session
6. The following plan shall be utilized to transition pupils whose families wish to return to in-person instruction from independent study expeditiously, and, in no case, later than five instructional days: Supervising teacher and department lead and/or High School Counselor, where applicable, will complete a final parent conference closing out the student, recommending local educational alternatives, and withdrawing process.
7. A current written agreement shall be maintained on file for each independent study pupil, including but not limited to, all of the following:
- a. The manner, time, frequency, and place for submitting a pupil's assignments, for reporting the pupil's academic progress, and for communicating with a pupil's parent or guardian regarding a pupil's academic progress.
  - b. The objectives and methods of study for the pupil's work, and the methods used to evaluate that work.
  - c. The specific resources, including materials and personnel, that will be made available to the pupil. These resources shall include confirming or providing access to all pupils to the connectivity and devices adequate to participate in the educational program and complete assigned work.
  - d. A statement of the policies adopted pursuant to Education Code Section 51747, subdivisions (a) and (b) regarding the maximum length of time allowed between the assignment and the completion of a pupil's assigned work, the level of satisfactory educational progress, and the number of missed assignments allowed before an evaluation of whether or not the pupil should be allowed to continue in independent study.
  - e. The duration of the independent study agreement, including the beginning and ending dates for the pupil's participation in independent study under the agreement. No independent study agreement shall be valid for any period longer than one school year.
  - f. A statement of the number of course credits or, for the elementary grades, other measures of academic accomplishment appropriate to the agreement, to be earned by the pupil upon completion.
  - g. A statement detailing the academic and other supports that will be provided to address the needs of pupils who are not performing at grade level, or need support in other areas, such as English learners, individuals with exceptional needs in order to be consistent with the pupil's individualized education program or plan pursuant to Section 504 of the federal Rehabilitation Act of 1973 (29 U.S.C. Sec. 794), pupils

in foster care or experiencing homelessness, and pupils requiring mental health supports.

- h. The inclusion of a statement in each independent study agreement that independent study is an optional educational alternative in which no pupil may be required to participate. In the case of a pupil who is referred or assigned to any school, class, or program pursuant to Section 48915 or 48917, the agreement also shall include the statement that instruction may be provided to the pupil through independent study only if the pupil is offered the alternative of classroom instruction.
  - i. Each written agreement shall be signed, before the commencement of independent study, by the pupil, the pupil's parent, legal guardian, or caregiver, if the pupil is less than 18 years of age, the certificated employee who has been designated as having responsibility for the general supervision of independent study, and all persons who have direct responsibility for providing assistance to the pupil. For purposes of this paragraph "caregiver" means a person who has met the requirements of Part 1.5 (commencing with Section 6550) of Division 11 of the Family Code.
8. The Charter School shall require a newly signed Independent Study Master Agreement in the event that the teacher of record is on leave for 60 or more instructional days. A long-term substitute teaching for a length of 1-59 days will maintain the initial Independent Study Master Agreement.
9. The Charter School shall comply with the Education Code sections 51745 through 51749.3 and the provisions of the Charter Schools Act of 1992 and the State Board of Education regulations adopted there under.
10. The CEO, Co-Founder shall establish regulations to implement these policies in accordance with the law.



**CHARTER SCHOOL UNAUDITED ACTUALS  
FINANCIAL REPORT -- ALTERNATIVE FORM**  
July 1, 2020 to June 30, 2021

**CHARTER SCHOOL CERTIFICATION**

**Charter School Name:** Method Schools  
**CDS #:** 37680490129221  
**Charter Approving Entity:** Dehesa Elementary  
**County:** San Diego  
**Charter #:** 1617

**NOTE: An Alternative Form submitted to the California Department of Education will not be considered a valid submission if the following information is missing:**

For information regarding this report, please contact:

For County Fiscal Contact:

Roxanna Travers  
Name

Accounting and Data Support Specialist  
Title

858-295-6700  
Telephone

roxanna.travers@sdcoe.net  
Email address

For Approving Entity:

Bradley Johnson  
Name

Superintendent /CBO  
Title

619-444-2161  
Telephone

bradley.johnson@dehesasd.net  
Email address

For Charter School:

Jessica Spallino  
Name

CEO  
Title

760-224-0758  
Telephone

jessica@methodschools.org  
Email address

To the entity that approved the charter school:

(  X ) 2020-21 CHARTER SCHOOL UNAUDITED ACTUALS FINANCIAL REPORT -- ALTERNATIVE FORM: This report has been approved, and is hereby filed by the charter school pursuant to *Education Code* Section 42100(b).

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Charter School Official  
(Original signature required)

Printed Name: Jessica Spallino Title: CEO

To the County Superintendent of Schools:

(  X ) 2020-21 CHARTER SCHOOL UNAUDITED ACTUALS FINANCIAL REPORT -- ALTERNATIVE FORM: This report is hereby filed with the County Superintendent pursuant to *Education Code* Section 42100(a).

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Authorized Representative of  
Charter Approving Entity  
(Original signature required)

Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_

To the Superintendent of Public Instruction:

(  X ) 2020-21 CHARTER SCHOOL UNAUDITED ACTUALS FINANCIAL REPORT -- ALTERNATIVE FORM: This report has been verified for mathematical accuracy by the County Superintendent of Schools pursuant to *Education Code* Section 42100(a).

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
County Superintendent/Designee  
(Original signature required)

**CHARTER SCHOOL UNAUDITED ACTUALS  
FINANCIAL REPORT -- ALTERNATIVE FORM**

July 1, 2020 to June 30, 2021

Charter School Name: Method Schools

CDS #: 37680490129221

Charter Approving Entity: Dehesa Elementary

County: San Diego

Charter #: 1617

This charter school uses the following basis of accounting:

(Please enter an "X" in the applicable box below; check only one box)

☒ **Accrual Basis** (Applicable Capital Assets/Interest on Long-Term Debt/Long-Term Liabilities/Net Position objects are 6900, 7438, 9400-9489, 9660-9669, 9796, and 9797)

☐ **Modified Accrual Basis** (Applicable Capital Outlay/Debt Service/Fund Balance objects are 6100-6170, 6200-6500, 7438, 7439, and 9711-9789)

| Description                                               | Object Code     | Unrestricted | Restricted | Total        |
|-----------------------------------------------------------|-----------------|--------------|------------|--------------|
| <b>A. REVENUES</b>                                        |                 |              |            |              |
| 1. LCFF Sources                                           |                 |              |            |              |
| State Aid - Current Year                                  | 8011            | 5,745,539.00 |            | 5,745,539.00 |
| Education Protection Account State Aid - Current Year     | 8012            | 117,714.00   |            | 117,714.00   |
| State Aid - Prior Years                                   | 8019            | (345,923.00) |            | (345,923.00) |
| Transfers to Charter Schools in Lieu of Property Taxes    | 8096            | 127,973.00   |            | 127,973.00   |
| Other LCFF Transfers                                      | 8091, 8097      |              |            | 0.00         |
| Total, LCFF Sources                                       |                 | 5,645,303.00 | 0.00       | 5,645,303.00 |
| 2. Federal Revenues (see NOTE in Section L)               |                 |              |            |              |
| No Child Left Behind/Every Student Succeeds Act           | 8290            |              |            | 0.00         |
| Special Education - Federal                               | 8181, 8182      |              | 28,751.64  | 28,751.64    |
| Child Nutrition - Federal                                 | 8220            |              |            | 0.00         |
| Donated Food Commodities                                  | 8221            |              |            | 0.00         |
| Other Federal Revenues                                    | 8110, 8260-8299 |              | 45,051.00  | 45,051.00    |
| Total, Federal Revenues                                   |                 | 0.00         | 73,802.64  | 73,802.64    |
| 3. Other State Revenues                                   |                 |              |            |              |
| Special Education - State                                 | StateRevSE      |              | 338,427.75 | 338,427.75   |
| All Other State Revenues                                  | StateRevAO      | 456,614.37   | 45,059.34  | 501,673.71   |
| Total, Other State Revenues                               |                 | 456,614.37   | 383,487.09 | 840,101.46   |
| 4. Other Local Revenues                                   |                 |              |            |              |
| All Other Local Revenues                                  | LocalRevAO      | 175,588.74   |            | 175,588.74   |
| Total, Local Revenues                                     |                 | 175,588.74   | 0.00       | 175,588.74   |
| 5. TOTAL REVENUES                                         |                 | 6,277,506.11 | 457,289.73 | 6,734,795.84 |
| <b>B. EXPENDITURES (see NOTE in Section L)</b>            |                 |              |            |              |
| 1. Certificated Salaries                                  |                 |              |            |              |
| Certificated Teachers' Salaries                           | 1100            | 1,421,353.94 | 106,105.89 | 1,527,459.83 |
| Certificated Pupil Support Salaries                       | 1200            |              |            | 0.00         |
| Certificated Supervisors' and Administrators' Salaries    | 1300            | 113,934.69   |            | 113,934.69   |
| Other Certificated Salaries                               | 1900            |              |            | 0.00         |
| Total, Certificated Salaries                              |                 | 1,535,288.63 | 106,105.89 | 1,641,394.52 |
| 2. Noncertificated Salaries                               |                 |              |            |              |
| Noncertificated Instructional Salaries                    | 2100            | 149,717.34   |            | 149,717.34   |
| Noncertificated Support Salaries                          | 2200            |              |            | 0.00         |
| Noncertificated Supervisors' and Administrators' Salaries | 2300            | 66,524.33    |            | 66,524.33    |
| Clerical, Technical and Office Salaries                   | 2400            | 227,577.65   |            | 227,577.65   |
| Other Noncertificated Salaries                            | 2900            |              |            | 0.00         |
| Total, Noncertificated Salaries                           |                 | 443,819.32   | 0.00       | 443,819.32   |

**CHARTER SCHOOL UNAUDITED ACTUALS  
FINANCIAL REPORT -- ALTERNATIVE FORM**

**July 1, 2020 to June 30, 2021**

**Charter School Name:** Method Schools

**CDS #:** 37680490129221

| Description                                                                     | Object Code | Unrestricted | Restricted | Total        |
|---------------------------------------------------------------------------------|-------------|--------------|------------|--------------|
| <b>3. Employee Benefits</b>                                                     |             |              |            |              |
| STRS                                                                            | 3101-3102   |              |            | 0.00         |
| PERS                                                                            | 3201-3202   |              |            | 0.00         |
| OASDI / Medicare / Alternative                                                  | 3301-3302   | 148,335.07   | 6,899.54   | 155,234.61   |
| Health and Welfare Benefits                                                     | 3401-3402   | 133,548.68   | 7,734.31   | 141,282.99   |
| Unemployment Insurance                                                          | 3501-3502   | 26,243.61    | 1,352.85   | 27,596.46    |
| Workers' Compensation Insurance                                                 | 3601-3602   | 51,964.52    | 1,803.80   | 53,768.32    |
| OPEB, Allocated                                                                 | 3701-3702   |              |            | 0.00         |
| OPEB, Active Employees                                                          | 3751-3752   |              |            | 0.00         |
| Other Employee Benefits                                                         | 3901-3902   | 25,836.10    | 2,932.51   | 28,768.61    |
| Total, Employee Benefits                                                        |             | 385,927.98   | 20,723.01  | 406,650.99   |
| <b>4. Books and Supplies</b>                                                    |             |              |            |              |
| Approved Textbooks and Core Curricula Materials                                 | 4100        | 199,000.39   | 48,488.75  | 247,489.14   |
| Books and Other Reference Materials                                             | 4200        | 284,226.97   |            | 284,226.97   |
| Materials and Supplies                                                          | 4300        |              | 39,822.97  | 39,822.97    |
| Noncapitalized Equipment                                                        | 4400        | 41,216.22    |            | 41,216.22    |
| Food                                                                            | 4700        |              |            | 0.00         |
| Total, Books and Supplies                                                       |             | 524,443.58   | 88,311.72  | 612,755.30   |
| <b>5. Services and Other Operating Expenditures</b>                             |             |              |            |              |
| Subagreements for Services                                                      | 5100        |              |            | 0.00         |
| Travel and Conferences                                                          | 5200        | 33,558.98    |            | 33,558.98    |
| Dues and Memberships                                                            | 5300        | 6,329.77     |            | 6,329.77     |
| Insurance                                                                       | 5400        | 13,119.92    |            | 13,119.92    |
| Operations and Housekeeping Services                                            | 5500        | 3,330.42     |            | 3,330.42     |
| Rentals, Leases, Repairs, and Noncap. Improvements                              | 5600        | 110,044.58   |            | 110,044.58   |
| Transfers of Direct Costs                                                       | 5700-5799   |              |            | 0.00         |
| Professional/Consulting Services and Operating Expend.                          | 5800        | 284,517.55   | 95,307.31  | 379,824.86   |
| Communications                                                                  | 5900        | 29,554.72    |            | 29,554.72    |
| Total, Services and Other Operating Expenditures                                |             | 480,455.94   | 95,307.31  | 575,763.25   |
| <b>6. Capital Outlay</b>                                                        |             |              |            |              |
| (Objects 6100-6170, 6200-6500 modified accrual basis only)                      |             |              |            |              |
| Land and Land Improvements                                                      | 6100-6170   |              |            | 0.00         |
| Buildings and Improvements of Buildings                                         | 6200        |              |            | 0.00         |
| Books and Media for New School Libraries or Major Expansion of School Libraries | 6300        |              |            | 0.00         |
| Equipment                                                                       | 6400        |              |            | 0.00         |
| Equipment Replacement                                                           | 6500        |              |            | 0.00         |
| Depreciation Expense (accrual basis only)                                       | 6900        | 29,602.83    |            | 29,602.83    |
| Total, Capital Outlay                                                           |             | 29,602.83    | 0.00       | 29,602.83    |
| <b>7. Other Outgo</b>                                                           |             |              |            |              |
| Tuition to Other Schools                                                        | 7110-7143   |              |            | 0.00         |
| Transfers of Pass-Through Revenues to Other LEAs                                | 7211-7213   |              |            | 0.00         |
| Transfers of Apportionments to Other LEAs - Spec. Ed.                           | 7221-7223SE |              |            | 0.00         |
| Transfers of Apportionments to Other LEAs - All Other                           | 7221-7223AO |              |            | 0.00         |
| All Other Transfers                                                             | 7281-7299   |              |            | 0.00         |
| Transfers of Indirect Costs                                                     | 7300-7399   |              |            | 0.00         |
| Debt Service:                                                                   |             |              |            |              |
| Interest                                                                        | 7438        |              |            | 0.00         |
| Principal (for modified accrual basis only)                                     | 7439        |              |            | 0.00         |
| Total Debt Service                                                              |             | 0.00         | 0.00       | 0.00         |
| Total, Other Outgo                                                              |             | 0.00         | 0.00       | 0.00         |
| <b>8. TOTAL EXPENDITURES</b>                                                    |             | 3,399,538.28 | 310,447.93 | 3,709,986.21 |

**CHARTER SCHOOL UNAUDITED ACTUALS  
FINANCIAL REPORT -- ALTERNATIVE FORM**

July 1, 2020 to June 30, 2021

Charter School Name: Method Schools

CDS #: 37680490129221

| Description                                                                                                 | Object Code | Unrestricted | Restricted   | Total        |
|-------------------------------------------------------------------------------------------------------------|-------------|--------------|--------------|--------------|
| <b>C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)</b> |             | 2,877,967.83 | 146,841.80   | 3,024,809.63 |
| <b>D. OTHER FINANCING SOURCES / USES</b>                                                                    |             |              |              |              |
| 1. Other Sources                                                                                            | 8930-8979   |              |              | 0.00         |
| 2. Less: Other Uses                                                                                         | 7630-7699   |              |              | 0.00         |
| 3. Contributions Between Unrestricted and Restricted Accounts (must net to zero)                            | 8980-8999   |              |              | 0.00         |
| 4. TOTAL OTHER FINANCING SOURCES / USES                                                                     |             | 0.00         | 0.00         | 0.00         |
| <b>E. NET INCREASE (DECREASE) IN FUND BALANCE /NET POSITION (C+D4)</b>                                      |             | 2,877,967.83 | 146,841.80   | 3,024,809.63 |
| <b>F. FUND BALANCE / NET POSITION</b>                                                                       |             |              |              |              |
| 1. Beginning Fund Balance/Net Position                                                                      |             |              |              |              |
| a. As of July 1                                                                                             | 9791        | 6,373,361.95 | 449,920.23   | 6,823,282.18 |
| b. Adjustments/Restatements                                                                                 | 9793, 9795  | 490,920.23   | (449,920.23) | 41,000.00    |
| c. Adjusted Beginning Fund Balance /Net Position                                                            |             | 6,864,282.18 | 0.00         | 6,864,282.18 |
| 2. Ending Fund Balance /Net Position, June 30 (E+F1c)                                                       |             | 9,742,250.01 | 146,841.80   | 9,889,091.81 |
| <b>Components of Ending Fund Balance (Modified Accrual Basis only)</b>                                      |             |              |              |              |
| a. Nonspendable                                                                                             |             |              |              |              |
| 1. Revolving Cash (equals Object 9130)                                                                      | 9711        |              |              | 0.00         |
| 2. Stores (equals Object 9320)                                                                              | 9712        |              |              | 0.00         |
| 3. Prepaid Expenditures (equals Object 9330)                                                                | 9713        |              |              | 0.00         |
| 4. All Others                                                                                               | 9719        |              |              | 0.00         |
| b. Restricted                                                                                               | 9740        |              |              | 0.00         |
| c. Committed                                                                                                |             |              |              |              |
| 1. Stabilization Arrangements                                                                               | 9750        |              |              | 0.00         |
| 2. Other Commitments                                                                                        | 9760        |              |              | 0.00         |
| d. Assigned                                                                                                 | 9780        |              |              | 0.00         |
| e. Unassigned/Unappropriated                                                                                |             |              |              |              |
| 1. Reserve for Economic Uncertainties                                                                       | 9789        |              |              | 0.00         |
| 2. Unassigned/Unappropriated Amount                                                                         | 9790M       |              |              | 0.00         |
| <b>3. Components of Ending Net Position (Accrual Basis only)</b>                                            |             |              |              |              |
| a. Net Investment in Capital Assets                                                                         | 9796        | 140,043.77   | 146,841.80   | 286,885.57   |
| b. Restricted Net Position                                                                                  | 9797        |              |              | 0.00         |
| c. Unrestricted Net Position                                                                                | 9790A       | 9,602,206.24 | 0.00         | 9,602,206.24 |



**CHARTER SCHOOL UNAUDITED ACTUALS  
FINANCIAL REPORT -- ALTERNATIVE FORM**

July 1, 2020 to June 30, 2021

Charter School Name: Method Schools

CDS #: 37680490129221

| Description                                                                                   | Object Code | Unrestricted  | Restricted   | Total         |
|-----------------------------------------------------------------------------------------------|-------------|---------------|--------------|---------------|
| <b>G. ASSETS</b>                                                                              |             |               |              |               |
| 1. Cash                                                                                       |             |               |              |               |
| In County Treasury                                                                            | 9110        | 10,523,523.95 | (220,336.20) | 10,303,187.75 |
| Fair Value Adjustment to Cash in County Treasury                                              | 9111        |               |              | 0.00          |
| In Banks                                                                                      | 9120        |               |              | 0.00          |
| In Revolving Fund                                                                             | 9130        |               |              | 0.00          |
| With Fiscal Agent/Trustee                                                                     | 9135        |               |              | 0.00          |
| Collections Awaiting Deposit                                                                  | 9140        |               |              | 0.00          |
| 2. Investments                                                                                | 9150        |               |              | 0.00          |
| 3. Accounts Receivable                                                                        | 9200        | 1,710,988.20  | 367,178.00   | 2,078,166.20  |
| 4. Due from Grantor Governments                                                               | 9290        |               |              | 0.00          |
| 5. Stores                                                                                     | 9320        |               |              | 0.00          |
| 6. Prepaid Expenditures (Expenses)                                                            | 9330        | 26,818.88     |              | 26,818.88     |
| 7. Other Current Assets                                                                       | 9340        | 18,158.00     |              | 18,158.00     |
| 8. Capital Assets (accrual basis only)                                                        | 9400-9489   | 140,043.77    |              | 140,043.77    |
| 9. TOTAL ASSETS                                                                               |             | 12,419,532.80 | 146,841.80   | 12,566,374.60 |
| <b>H. DEFERRED OUTFLOWS OF RESOURCES</b>                                                      |             |               |              |               |
| 1. Deferred Outflows of Resources                                                             | 9490        |               |              | 0.00          |
| 2. TOTAL DEFERRED OUTFLOWS                                                                    |             | 0.00          | 0.00         | 0.00          |
| <b>I. LIABILITIES</b>                                                                         |             |               |              |               |
| 1. Accounts Payable                                                                           | 9500        | 117,021.13    |              | 117,021.13    |
| 2. Due to Grantor Governments                                                                 | 9590        | 92,805.00     |              | 92,805.00     |
| 3. Current Loans                                                                              | 9640        | 2,220,002.07  |              | 2,220,002.07  |
| 4. Unearned Revenue                                                                           | 9650        | 217,949.00    |              | 217,949.00    |
| 5. Long-Term Liabilities (accrual basis only)                                                 | 9660-9669   | 29,505.00     |              | 29,505.00     |
| 6. TOTAL LIABILITIES                                                                          |             | 2,677,282.20  | 0.00         | 2,677,282.20  |
| <b>J. DEFERRED INFLOWS OF RESOURCES</b>                                                       |             |               |              |               |
| 1. Deferred Inflows of Resources                                                              | 9690        |               |              | 0.00          |
| 2. TOTAL DEFERRED INFLOWS                                                                     |             | 0.00          | 0.00         | 0.00          |
| <b>K. FUND BALANCE /NET POSITION</b>                                                          |             |               |              |               |
| Ending Fund Balance /Net Position, June 30 (G9 + H2) - (I6 + J2)<br>(must agree with Line F2) |             | 9,742,250.60  | 146,841.80   | 9,889,092.40  |

**CHARTER SCHOOL UNAUDITED ACTUALS  
FINANCIAL REPORT -- ALTERNATIVE FORM**

July 1, 2020 to June 30, 2021

Charter School Name: Method Schools

CDS #: 37680490129221

**L. FEDERAL EVERY STUDENT SUCCEEDS ACT (ESSA) MAINTENANCE OF EFFORT REQUIREMENT**

**NOTE: IF YOUR CHARTER SCHOOL RECEIVED FEDERAL FUNDING, AS REPORTED IN SECTION A2, THE FOLLOWING ADDITIONAL INFORMATION MUST BE PROVIDED IN ORDER FOR THE CDE TO CALCULATE COMPLIANCE WITH THE FEDERAL EVERY STUDENT SUCCEEDS ACT (ESSA) MAINTENANCE OF EFFORT REQUIREMENT:**

**1. Federal Revenue Used for Capital Outlay and Debt Service**

Included in the Capital Outlay and Debt Service expenditures reported in sections B6 and B7 are the following amounts paid out of federal funds:

| Federal Program Name (If no amounts, indicate "NONE")           | Capital Outlay | Debt Service | Total |
|-----------------------------------------------------------------|----------------|--------------|-------|
| a. <u>None</u>                                                  | \$             |              | 0.00  |
| b. _____                                                        |                |              | 0.00  |
| c. _____                                                        |                |              | 0.00  |
| d. _____                                                        |                |              | 0.00  |
| e. _____                                                        |                |              | 0.00  |
| f. _____                                                        |                |              | 0.00  |
| g. _____                                                        |                |              | 0.00  |
| h. _____                                                        |                |              | 0.00  |
| i. _____                                                        |                |              | 0.00  |
| j. _____                                                        |                |              | 0.00  |
| TOTAL FEDERAL REVENUES USED FOR CAPITAL OUTLAY AND DEBT SERVICE | 0.00           | 0.00         | 0.00  |

**2. Community Services Expenditures**

Provide the amount of State and Local funds reported in Section B that were expended for Community Services Activities:

| Objects of Expenditures                      |           | Amount<br>(Enter "0.00" if none) |
|----------------------------------------------|-----------|----------------------------------|
| a. Certificated Salaries                     | 1000-1999 | 0.00                             |
| b. Noncertificated Salaries                  | 2000-2999 | 0.00                             |
| c. Employee Benefits                         | 3000-3999 | 0.00                             |
| d. Books and Supplies                        | 4000-4999 | 0.00                             |
| e. Services and Other Operating Expenditures | 5000-5999 | 0.00                             |
| TOTAL COMMUNITY SERVICES EXPENDITURES        |           | 0.00                             |

**CHARTER SCHOOL UNAUDITED ACTUALS  
FINANCIAL REPORT -- ALTERNATIVE FORM**

July 1, 2020 to June 30, 2021

Charter School Name: Method Schools

CDS #: 37680490129221

**3. State and Local Expenditures to be Used for ESSA Annual Maintenance of Effort Calculation:**

Results of this calculation will be used for comparison with 2019-20 expenditures. Failure to maintain the required 90 percent expenditure level on either an aggregate or per capita expenditure basis may result in reduction to allocations for covered programs in 2022-23.

|                                                                                                                                                                                                           |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| a. Total Expenditures (B8)                                                                                                                                                                                | 3,709,986.21    |
| b. Less Federal Expenditures (Total A2)<br>[Revenues are used as proxy for expenditures because most federal revenues<br>are normally recognized in the period that qualifying expenditures are incurred] | 73,802.64       |
| c. Subtotal of State & Local Expenditures<br>[a minus b]                                                                                                                                                  | 3,636,183.57    |
| d. Less Community Services<br>[L2 Total]                                                                                                                                                                  | 0.00            |
| e. Less Capital Outlay & Debt Service<br>[Total B6 plus objects 7438 and 7439, less L1 Total]                                                                                                             | 29,602.83       |
| TOTAL STATE & LOCAL EXPENDITURES SUBJECT TO MOE<br>[c minus d minus e]                                                                                                                                    | \$ 3,606,580.74 |

**CHARTER SCHOOL UNAUDITED ACTUALS  
FINANCIAL REPORT -- ALTERNATIVE FORM**  
July 1, 2020 to June 30, 2021

**CHARTER SCHOOL CERTIFICATION**

**Charter School Name:** Method Schools, LA  
**CDS #:** 19753090137703  
**Charter Approving Entity:** Acton Agua Dulce Unified School District  
**County:** Los Angeles  
**Charter #:** 1697

**NOTE: An Alternative Form submitted to the California Department of Education will not be considered a valid submission if the following information is missing:**

For information regarding this report, please contact:

| <u>For County Fiscal Contact:</u>                      | <u>For Approving Entity:</u>                               | <u>For Charter School:</u>                         |
|--------------------------------------------------------|------------------------------------------------------------|----------------------------------------------------|
| <u>Jeff Young</u><br>Name                              | <u>Agha Mirza</u><br>Name                                  | <u>Jessica Spallino</u><br>Name                    |
| <u>Assistant Director - Business Advisory</u><br>Title | <u>Assistant Superintendent Business Services</u><br>Title | <u>CEO</u><br>Title                                |
| <u>562-922-6419</u><br>Telephone                       | <u>661-269-0750</u><br>Telephone                           | <u>760-224-0758</u><br>Telephone                   |
| <u>young_jeff@laoe.edu</u><br>Email address            | <u>amirza@aadusd.k12.ca.us</u><br>Email address            | <u>jessica@methodschoools.org</u><br>Email address |

To the entity that approved the charter school:

(  X ) 2020-21 CHARTER SCHOOL UNAUDITED ACTUALS FINANCIAL REPORT -- ALTERNATIVE FORM: This report has been approved, and is hereby filed by the charter school pursuant to *Education Code* Section 42100(b).

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Charter School Official  
(Original signature required)

Printed Name: Jessica Spallino Title: CEO

To the County Superintendent of Schools:

(  X ) 2020-21 CHARTER SCHOOL UNAUDITED ACTUALS FINANCIAL REPORT -- ALTERNATIVE FORM: This report is hereby filed with the County Superintendent pursuant to *Education Code* Section 42100(a).

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
Authorized Representative of  
Charter Approving Entity  
(Original signature required)

Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_

To the Superintendent of Public Instruction:

(  X ) 2020-21 CHARTER SCHOOL UNAUDITED ACTUALS FINANCIAL REPORT -- ALTERNATIVE FORM: This report has been verified for mathematical accuracy by the County Superintendent of Schools pursuant to *Education Code* Section 42100(a).

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
County Superintendent/Designee  
(Original signature required)

**CHARTER SCHOOL UNAUDITED ACTUALS  
FINANCIAL REPORT -- ALTERNATIVE FORM**

July 1, 2020 to June 30, 2021

Charter School Name: Method Schools, LA

CDS #: 19753090137703

Charter Approving Entity: Acton Agua Dulce Unified School District

County: Los Angeles

Charter #: 1697

This charter school uses the following basis of accounting:

(Please enter an "X" in the applicable box below; check only one box)

☒ **Accrual Basis** (Applicable Capital Assets/Interest on Long-Term Debt/Long-Term Liabilities/Net Position objects are 6900, 7438, 9400-9489, 9660-9669, 9796, and 9797)

☐ **Modified Accrual Basis** (Applicable Capital Outlay/Debt Service/Fund Balance objects are 6100-6170, 6200-6500, 7438, 7439, and 9711-9789)

| Description                                               | Object Code     | Unrestricted  | Restricted | Total         |
|-----------------------------------------------------------|-----------------|---------------|------------|---------------|
| <b>A. REVENUES</b>                                        |                 |               |            |               |
| 1. LCFF Sources                                           |                 |               |            |               |
| State Aid - Current Year                                  | 8011            | 12,285,033.00 |            | 12,285,033.00 |
| Education Protection Account State Aid - Current Year     | 8012            | 258,032.00    |            | 258,032.00    |
| State Aid - Prior Years                                   | 8019            | (12,422.00)   |            | (12,422.00)   |
| Transfers to Charter Schools in Lieu of Property Taxes    | 8096            | 602,518.00    |            | 602,518.00    |
| Other LCFF Transfers                                      | 8091, 8097      |               |            | 0.00          |
| Total, LCFF Sources                                       |                 | 13,133,161.00 | 0.00       | 13,133,161.00 |
| 2. Federal Revenues (see NOTE in Section L)               |                 |               |            |               |
| No Child Left Behind/Every Student Succeeds Act           | 8290            |               |            | 0.00          |
| Special Education - Federal                               | 8181, 8182      |               |            | 0.00          |
| Child Nutrition - Federal                                 | 8220            |               |            | 0.00          |
| Donated Food Commodities                                  | 8221            |               |            | 0.00          |
| Other Federal Revenues                                    | 8110, 8260-8299 |               | 93,134.00  | 93,134.00     |
| Total, Federal Revenues                                   |                 | 0.00          | 93,134.00  | 93,134.00     |
| 3. Other State Revenues                                   |                 |               |            |               |
| Special Education - State                                 | StateRevSE      |               | 375,629.00 | 375,629.00    |
| All Other State Revenues                                  | StateRevAO      | 232,398.41    | 213,280.74 | 445,679.15    |
| Total, Other State Revenues                               |                 | 232,398.41    | 588,909.74 | 821,308.15    |
| 4. Other Local Revenues                                   |                 |               |            |               |
| All Other Local Revenues                                  | LocalRevAO      | 51,376.11     |            | 51,376.11     |
| Total, Local Revenues                                     |                 | 51,376.11     | 0.00       | 51,376.11     |
| 5. TOTAL REVENUES                                         |                 | 13,416,935.52 | 682,043.74 | 14,098,979.26 |
| <b>B. EXPENDITURES (see NOTE in Section L)</b>            |                 |               |            |               |
| 1. Certificated Salaries                                  |                 |               |            |               |
| Certificated Teachers' Salaries                           | 1100            | 2,805,910.26  | 159,158.83 | 2,965,069.09  |
| Certificated Pupil Support Salaries                       | 1200            |               |            | 0.00          |
| Certificated Supervisors' and Administrators' Salaries    | 1300            | 221,167.31    |            | 221,167.31    |
| Other Certificated Salaries                               | 1900            |               |            | 0.00          |
| Total, Certificated Salaries                              |                 | 3,027,077.57  | 159,158.83 | 3,186,236.40  |
| 2. Noncertificated Salaries                               |                 |               |            |               |
| Noncertificated Instructional Salaries                    | 2100            | 290,627.80    |            | 290,627.80    |
| Noncertificated Support Salaries                          | 2200            |               |            | 0.00          |
| Noncertificated Supervisors' and Administrators' Salaries | 2300            | 129,135.49    |            | 129,135.49    |
| Clerical, Technical and Office Salaries                   | 2400            | 441,768.36    |            | 441,768.36    |
| Other Noncertificated Salaries                            | 2900            |               |            | 0.00          |
| Total, Noncertificated Salaries                           |                 | 861,531.65    | 0.00       | 861,531.65    |

**CHARTER SCHOOL UNAUDITED ACTUALS  
FINANCIAL REPORT -- ALTERNATIVE FORM**

**July 1, 2020 to June 30, 2021**

Charter School Name: Method Schools, LA

CDS #: 19753090137703

| Description                                                                     | Object Code | Unrestricted | Restricted | Total        |
|---------------------------------------------------------------------------------|-------------|--------------|------------|--------------|
| <b>3. Employee Benefits</b>                                                     |             |              |            |              |
| STRS                                                                            | 3101-3102   |              |            | 0.00         |
| PERS                                                                            | 3201-3202   |              |            | 0.00         |
| OASDI / Medicare / Alternative                                                  | 3301-3302   | 289,736.33   | 11,601.47  | 301,337.80   |
| Health and Welfare Benefits                                                     | 3401-3402   | 261,427.07   | 12,828.13  | 274,255.20   |
| Unemployment Insurance                                                          | 3501-3502   | 50,943.50    | 2,626.12   | 53,569.62    |
| Workers' Compensation Insurance                                                 | 3601-3602   | 100,872.31   | 3,501.49   | 104,373.80   |
| OPEB, Allocated                                                                 | 3701-3702   | 0.00         |            | 0.00         |
| OPEB, Active Employees                                                          | 3751-3752   |              |            | 0.00         |
| Other Employee Benefits                                                         | 3901-3902   | 51,446.19    | 4,398.76   | 55,844.95    |
| Total, Employee Benefits                                                        |             | 754,425.40   | 34,955.97  | 789,381.37   |
| <b>4. Books and Supplies</b>                                                    |             |              |            |              |
| Approved Textbooks and Core Curricula Materials                                 | 4100        | 416,429.79   | 102,191.33 | 518,621.12   |
| Books and Other Reference Materials                                             | 4200        | 551,734.69   |            | 551,734.69   |
| Materials and Supplies                                                          | 4300        |              | 81,469.27  | 81,469.27    |
| Noncapitalized Equipment                                                        | 4400        |              | 122,754.14 | 122,754.14   |
| Food                                                                            | 4700        |              |            | 0.00         |
| Total, Books and Supplies                                                       |             | 968,164.48   | 306,414.74 | 1,274,579.22 |
| <b>5. Services and Other Operating Expenditures</b>                             |             |              |            |              |
| Subagreements for Services                                                      | 5100        |              |            | 0.00         |
| Travel and Conferences                                                          | 5200        | 65,143.90    |            | 65,143.90    |
| Dues and Memberships                                                            | 5300        | 12,287.20    |            | 12,287.20    |
| Insurance                                                                       | 5400        | 25,468.08    |            | 25,468.08    |
| Operations and Housekeeping Services                                            | 5500        | 6,464.96     |            | 6,464.96     |
| Rentals, Leases, Repairs, and Noncap. Improvements                              | 5600        | 213,615.96   |            | 213,615.96   |
| Transfers of Direct Costs                                                       | 5700-5799   |              |            | 0.00         |
| Professional/Consulting Services and Operating Expend.                          | 5800        | 576,481.78   | 181,514.20 | 757,995.98   |
| Communications                                                                  | 5900        | 70,420.93    |            | 70,420.93    |
| Total, Services and Other Operating Expenditures                                |             | 969,882.81   | 181,514.20 | 1,151,397.01 |
| <b>6. Capital Outlay</b>                                                        |             |              |            |              |
| (Objects 6100-6170, 6200-6500 modified accrual basis only)                      |             |              |            |              |
| Land and Land Improvements                                                      | 6100-6170   |              |            | 0.00         |
| Buildings and Improvements of Buildings                                         | 6200        |              |            | 0.00         |
| Books and Media for New School Libraries or Major Expansion of School Libraries | 6300        |              |            | 0.00         |
| Equipment                                                                       | 6400        |              |            | 0.00         |
| Equipment Replacement                                                           | 6500        |              |            | 0.00         |
| Depreciation Expense (accrual basis only)                                       | 6900        |              |            | 0.00         |
| Total, Capital Outlay                                                           |             | 0.00         | 0.00       | 0.00         |
| <b>7. Other Outgo</b>                                                           |             |              |            |              |
| Tuition to Other Schools                                                        | 7110-7143   |              |            | 0.00         |
| Transfers of Pass-Through Revenues to Other LEAs                                | 7211-7213   |              |            | 0.00         |
| Transfers of Apportionments to Other LEAs - Spec. Ed.                           | 7221-7223SE |              |            | 0.00         |
| Transfers of Apportionments to Other LEAs - All Other                           | 7221-7223AO |              |            | 0.00         |
| All Other Transfers                                                             | 7281-7299   |              |            | 0.00         |
| Transfers of Indirect Costs                                                     | 7300-7399   |              |            | 0.00         |
| Debt Service:                                                                   |             |              |            |              |
| Interest                                                                        | 7438        |              |            | 0.00         |
| Principal (for modified accrual basis only)                                     | 7439        |              |            | 0.00         |
| Total Debt Service                                                              |             | 0.00         | 0.00       | 0.00         |
| Total, Other Outgo                                                              |             | 0.00         | 0.00       | 0.00         |
| <b>8. TOTAL EXPENDITURES</b>                                                    |             | 6,581,081.91 | 682,043.74 | 7,263,125.65 |

**CHARTER SCHOOL UNAUDITED ACTUALS  
FINANCIAL REPORT -- ALTERNATIVE FORM**

July 1, 2020 to June 30, 2021

Charter School Name: Method Schools, LA

CDS #: 19753090137703

| Description                                                                                                     | Object Code | Unrestricted  | Restricted | Total         |
|-----------------------------------------------------------------------------------------------------------------|-------------|---------------|------------|---------------|
| <b>C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES<br/>BEFORE OTHER FINANCING SOURCES AND USES (A5-B8)</b> |             | 6,835,853.61  | 0.00       | 6,835,853.61  |
| <b>D. OTHER FINANCING SOURCES / USES</b>                                                                        |             |               |            |               |
| 1. Other Sources                                                                                                | 8930-8979   |               |            | 0.00          |
| 2. Less: Other Uses                                                                                             | 7630-7699   |               |            | 0.00          |
| 3. Contributions Between Unrestricted and Restricted Accounts<br>(must net to zero)                             | 8980-8999   |               |            | 0.00          |
| 4. TOTAL OTHER FINANCING SOURCES / USES                                                                         |             | 0.00          | 0.00       | 0.00          |
| <b>E. NET INCREASE (DECREASE) IN FUND BALANCE /NET POSITION (C+D4)</b>                                          |             | 6,835,853.61  | 0.00       | 6,835,853.61  |
| <b>F. FUND BALANCE / NET POSITION</b>                                                                           |             |               |            |               |
| 1. Beginning Fund Balance/Net Position                                                                          |             |               |            |               |
| a. As of July 1                                                                                                 | 9791        | 9,490,010.51  |            | 9,490,010.51  |
| b. Adjustments/Restatements                                                                                     | 9793, 9795  | 302,184.49    |            | 302,184.49    |
| c. Adjusted Beginning Fund Balance /Net Position                                                                |             | 9,792,195.00  | 0.00       | 9,792,195.00  |
| 2. Ending Fund Balance /Net Position, June 30 (E+F1c)                                                           |             | 16,628,048.61 | 0.00       | 16,628,048.61 |
| <b>Components of Ending Fund Balance (Modified Accrual Basis only)</b>                                          |             |               |            |               |
| a. Nonspendable                                                                                                 |             |               |            |               |
| 1. Revolving Cash (equals Object 9130)                                                                          | 9711        |               |            | 0.00          |
| 2. Stores (equals Object 9320)                                                                                  | 9712        |               |            | 0.00          |
| 3. Prepaid Expenditures (equals Object 9330)                                                                    | 9713        |               |            | 0.00          |
| 4. All Others                                                                                                   | 9719        |               |            | 0.00          |
| b. Restricted                                                                                                   | 9740        |               |            | 0.00          |
| c. Committed                                                                                                    |             |               |            |               |
| 1. Stabilization Arrangements                                                                                   | 9750        |               |            | 0.00          |
| 2. Other Commitments                                                                                            | 9760        |               |            | 0.00          |
| d. Assigned                                                                                                     | 9780        |               |            | 0.00          |
| e. Unassigned/Unappropriated                                                                                    |             |               |            |               |
| 1. Reserve for Economic Uncertainties                                                                           | 9789        |               |            | 0.00          |
| 2. Unassigned/Unappropriated Amount                                                                             | 9790M       |               |            | 0.00          |
| <b>3. Components of Ending Net Position (Accrual Basis only)</b>                                                |             |               |            |               |
| a. Net Investment in Capital Assets                                                                             | 9796        |               |            | 0.00          |
| b. Restricted Net Position                                                                                      | 9797        |               |            | 0.00          |
| c. Unrestricted Net Position                                                                                    | 9790A       | 16,628,048.61 | 0.00       | 16,628,048.61 |

**CHARTER SCHOOL UNAUDITED ACTUALS  
FINANCIAL REPORT -- ALTERNATIVE FORM**

July 1, 2020 to June 30, 2021

Charter School Name: Method Schools, LA

CDS #: 19753090137703

| Description                                                                                   | Object Code | Unrestricted  | Restricted | Total         |
|-----------------------------------------------------------------------------------------------|-------------|---------------|------------|---------------|
| <b>G. ASSETS</b>                                                                              |             |               |            |               |
| 1. Cash                                                                                       |             |               |            |               |
| In County Treasury                                                                            | 9110        |               |            | 0.00          |
| Fair Value Adjustment to Cash in County Treasury                                              | 9111        |               |            | 0.00          |
| In Banks                                                                                      | 9120        | 10,024,037.65 |            | 10,024,037.65 |
| In Revolving Fund                                                                             | 9130        |               |            | 0.00          |
| With Fiscal Agent/Trustee                                                                     | 9135        |               |            | 0.00          |
| Collections Awaiting Deposit                                                                  | 9140        |               |            | 0.00          |
| 2. Investments                                                                                | 9150        |               |            | 0.00          |
| 3. Accounts Receivable                                                                        | 9200        | 4,892,869.14  |            | 4,892,869.14  |
| 4. Due from Grantor Governments                                                               | 9290        |               |            | 0.00          |
| 5. Stores                                                                                     | 9320        |               |            | 0.00          |
| 6. Prepaid Expenditures (Expenses)                                                            | 9330        | 52,060.17     |            | 52,060.17     |
| 7. Other Current Assets                                                                       | 9340        | 2,220,002.07  |            | 2,220,002.07  |
| 8. Capital Assets (accrual basis only)                                                        | 9400-9489   |               |            | 0.00          |
| 9. TOTAL ASSETS                                                                               |             | 17,188,969.03 | 0.00       | 17,188,969.03 |
| <b>H. DEFERRED OUTFLOWS OF RESOURCES</b>                                                      |             |               |            |               |
| 1. Deferred Outflows of Resources                                                             | 9490        |               |            | 0.00          |
| 2. TOTAL DEFERRED OUTFLOWS                                                                    |             | 0.00          | 0.00       | 0.00          |
| <b>I. LIABILITIES</b>                                                                         |             |               |            |               |
| 1. Accounts Payable                                                                           | 9500        | 110,859.54    |            | 110,859.54    |
| 2. Due to Grantor Governments                                                                 | 9590        |               |            | 0.00          |
| 3. Current Loans                                                                              | 9640        |               |            | 0.00          |
| 4. Unearned Revenue                                                                           | 9650        | 450,062.00    |            | 450,062.00    |
| 5. Long-Term Liabilities (accrual basis only)                                                 | 9660-9669   |               |            | 0.00          |
| 6. TOTAL LIABILITIES                                                                          |             | 560,921.54    | 0.00       | 560,921.54    |
| <b>J. DEFERRED INFLOWS OF RESOURCES</b>                                                       |             |               |            |               |
| 1. Deferred Inflows of Resources                                                              | 9690        |               |            | 0.00          |
| 2. TOTAL DEFERRED INFLOWS                                                                     |             | 0.00          | 0.00       | 0.00          |
| <b>K. FUND BALANCE /NET POSITION</b>                                                          |             |               |            |               |
| Ending Fund Balance /Net Position, June 30 (G9 + H2) - (I6 + J2)<br>(must agree with Line F2) |             | 16,628,047.49 | 0.00       | 16,628,047.49 |



**CHARTER SCHOOL UNAUDITED ACTUALS  
FINANCIAL REPORT -- ALTERNATIVE FORM**

July 1, 2020 to June 30, 2021

Charter School Name: Method Schools, LA

CDS #: 19753090137703

**L. FEDERAL EVERY STUDENT SUCCEEDS ACT (ESSA) MAINTENANCE OF EFFORT REQUIREMENT**

**NOTE: IF YOUR CHARTER SCHOOL RECEIVED FEDERAL FUNDING, AS REPORTED IN SECTION A2, THE FOLLOWING ADDITIONAL INFORMATION MUST BE PROVIDED IN ORDER FOR THE CDE TO CALCULATE COMPLIANCE WITH THE FEDERAL EVERY STUDENT SUCCEEDS ACT (ESSA) MAINTENANCE OF EFFORT REQUIREMENT:**

**1. Federal Revenue Used for Capital Outlay and Debt Service**

Included in the Capital Outlay and Debt Service expenditures reported in sections B6 and B7 are the following amounts paid out of federal funds:

| Federal Program Name (If no amounts, indicate "NONE")           | Capital Outlay | Debt Service | Total |
|-----------------------------------------------------------------|----------------|--------------|-------|
| a. <u>None</u>                                                  | \$ 0.00        | 0.00         | 0.00  |
| b. _____                                                        |                |              | 0.00  |
| c. _____                                                        |                |              | 0.00  |
| d. _____                                                        |                |              | 0.00  |
| e. _____                                                        |                |              | 0.00  |
| f. _____                                                        |                |              | 0.00  |
| g. _____                                                        |                |              | 0.00  |
| h. _____                                                        |                |              | 0.00  |
| i. _____                                                        |                |              | 0.00  |
| j. _____                                                        |                |              | 0.00  |
| TOTAL FEDERAL REVENUES USED FOR CAPITAL OUTLAY AND DEBT SERVICE | 0.00           | 0.00         | 0.00  |

**2. Community Services Expenditures**

Provide the amount of State and Local funds reported in Section B that were expended for Community Services Activities:

| Objects of Expenditures                                | Amount<br>(Enter "0.00" if none) |
|--------------------------------------------------------|----------------------------------|
| a. Certificated Salaries 1000-1999                     | 0.00                             |
| b. Noncertificated Salaries 2000-2999                  | 0.00                             |
| c. Employee Benefits 3000-3999                         | 0.00                             |
| d. Books and Supplies 4000-4999                        | 0.00                             |
| e. Services and Other Operating Expenditures 5000-5999 | 0.00                             |
| TOTAL COMMUNITY SERVICES EXPENDITURES                  | 0.00                             |

**CHARTER SCHOOL UNAUDITED ACTUALS  
FINANCIAL REPORT -- ALTERNATIVE FORM**

July 1, 2020 to June 30, 2021

Charter School Name: Method Schools, LA

CDS #: 19753090137703

**3. State and Local Expenditures to be Used for ESSA Annual Maintenance of Effort Calculation:**

Results of this calculation will be used for comparison with 2019-20 expenditures. Failure to maintain the required 90 percent expenditure level on either an aggregate or per capita expenditure basis may result in reduction to allocations for covered programs in 2022-23.

|                                                                                                                                                                                                        |                 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| a. Total Expenditures (B8)                                                                                                                                                                             | 7,263,125.65    |
| b. Less Federal Expenditures (Total A2)<br>[Revenues are used as proxy for expenditures because most federal revenues are normally recognized in the period that qualifying expenditures are incurred] | 93,134.00       |
| c. Subtotal of State & Local Expenditures<br>[a minus b]                                                                                                                                               | 7,169,991.65    |
| d. Less Community Services<br>[L2 Total]                                                                                                                                                               | 0.00            |
| e. Less Capital Outlay & Debt Service<br>[Total B6 plus objects 7438 and 7439, less L1 Total]                                                                                                          | 0.00            |
| TOTAL STATE & LOCAL EXPENDITURES SUBJECT TO MOE<br>[c minus d minus e]                                                                                                                                 | \$ 7,169,991.65 |

## **2020-21 Unaudited Actuals Summary – Method Schools**

### **Revenues**

- Method San Diego: \$6,734,796 *(Based on 2019-20 Hold Harmless of 578 ADA)*
- Method Los Angeles: \$14,098,979 *(Based on 2019-20 Hold Harmless of 1290 ADA)*
  - Total Revenues: \$20,833,775

### **Expenditures**

- Method San Diego: \$3,709,986
- Method Los Angeles: \$7,263,125
  - Total Expenditures: \$10,976,111

### **Operating Revenue**

- Method San Diego Operating Revenue: \$3,024,809
- Method Los Angeles Operating Revenue: \$6,835,853
  - Total Operating Revenue: \$9,857,663

### **Ending Fund Balances**

#### **San Diego**

- Method San Diego Beginning Fund Balance: \$6,864,282
- Year End Operating: \$3,024,809
- Method San Diego Ending Funding Balance: \$9,898,091

#### **Los Angeles**

- Method Los Angeles Beginning Fund Balance: \$9,792,195
- Year End Operating: \$6,835,853
- Method Los Angeles Ending Funding Balance: \$16,628,048

#### *Miscellaneous Ending Fund Balance Notes*

- *Fixed Assets: \$140,043*
- *Accounts Receivable: \$6,971,035*



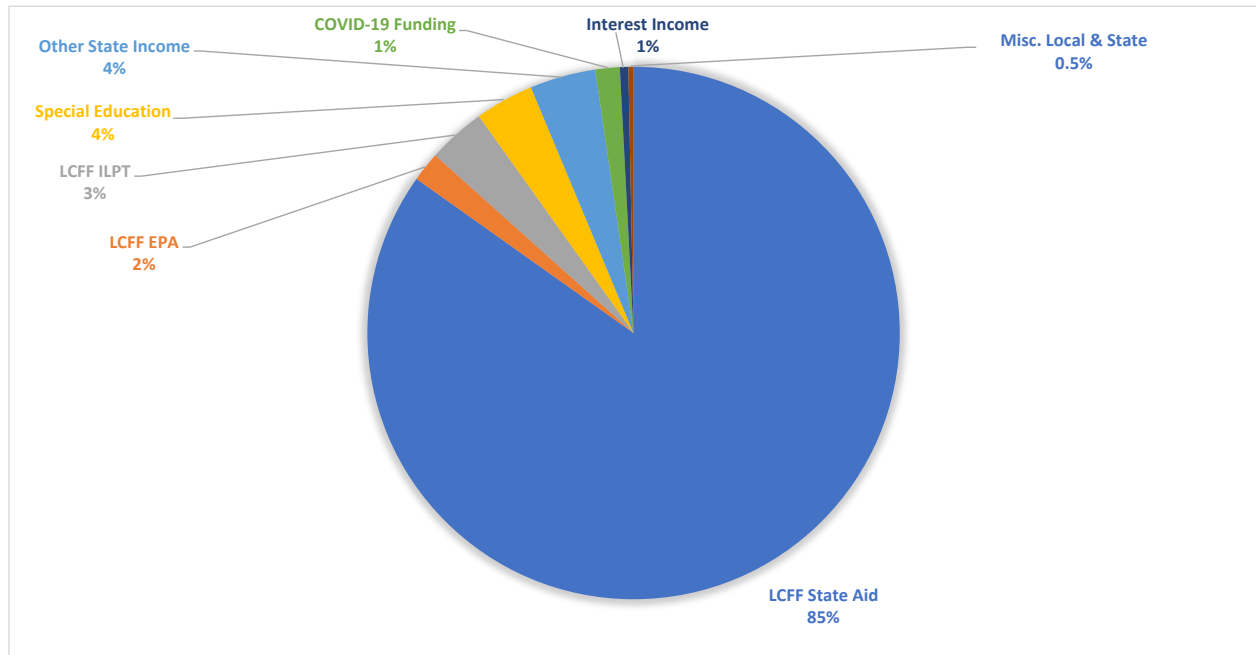
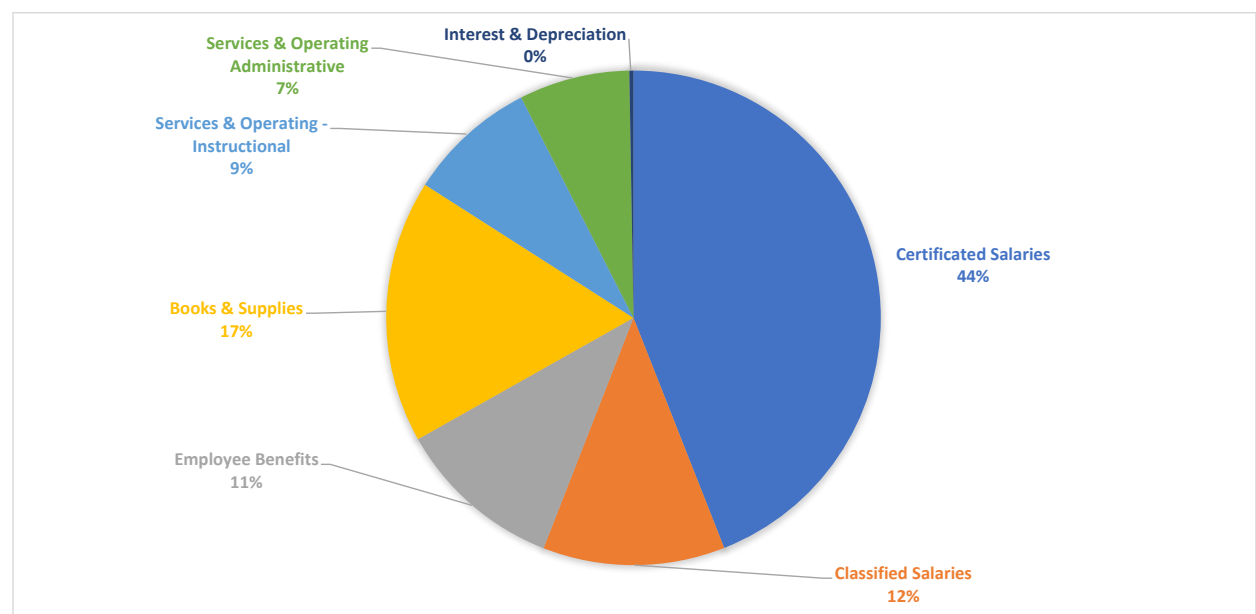
**Expenditures by Category – Combined for both Method Schools**

- 1000 Certificated Staff: \$4,827,630
- 2000 Classified Staff: \$1,305,350
- 3000 Employee Benefits: \$1,196,032
- 4000 Books & Supplies: \$1,887,335
- 5000 Services & Operating Instructional Services: \$927,074
- 5000 Services & Operating Administrative Services: \$792,932
- 6900 Depreciation: \$29,603
- 7000 Interest: \$0.00

**Key Expenditure Metrics**

- 85% of Expenditures Spent on Direct Student Instruction
- Approximately \$2,5000 spent per student on direct curriculum, materials, and equipment
- \$0.00 of interest expense or new debt during a fiscal year with \$5.8 million of deferrals



**2020-21 Unaudited Actuals Revenue Breakdown****2020-21 Unaudited Actuals Expenditure Breakdown**

# AGENDA

Method Schools Regular Meeting of the Board of Directors

**Tuesday, August 10, 2021 @ 6:00 PM**

24620 Jefferson Ave, Murrieta, California

<https://methodschools.zoom.us/j/9807801621>

Meeting ID: 980 780 1621

## **Instructions for Presentations to the Board by Parents and Citizens**

Method Schools ("School") welcomes your participation at the School's Board meetings. The purpose of a public meeting of the Board of Directors ("Board") is to conduct the affairs of the School in public. Your participation assures us of continuing community interest in our School. To assist you in the ease of speaking/participating in our meetings, the following guidelines are provided:

Agendas and "Submit a Public Comment" forms are available via the link on our website on the Board Page. If you wish to speak, please fill out the form and specify the agenda item on which you wish to speak. When addressing the Board, speakers are requested to state their name and address and adhere to the time limits set forth.

**Public Communication on Non-Agenda Issues:** This is an opportunity for members of the audience to raise issues that are not specifically on the agenda. You will be given an opportunity to speak for a maximum of three (3) minutes and total time allotted to non-agenda items will not exceed fifteen (15) minutes. Non-English speakers requiring translation are allotted a maximum of six (6) minutes. Due to public meeting laws, the Board can only listen to your issue and not respond or take action. The Board may give direction to staff to respond to your concern or you may be offered the option of returning with a citizen-requested item

**Agenda items:** To address the Board on agenda items, please specify the item on which you wish to speak on your "Public Comment". You will be given an opportunity to speak for up to three (3) minutes when the Board discusses that item.

**3. Public Records:** Any public records relating to an agenda item for an open session of the Board that are distributed to the Board members shall be available for public inspection at the School office. Minutes of each Board meeting will also be available at the School office.

**Americans with Disabilities Act (ADA):** Upon request, the School will furnish reasonable auxiliary aids and services to qualified individuals with disabilities. Individuals who require appropriate assistance in order to participate in Board meetings are invited to contact Method Board Secretary Gloria Vargas at [gvargas@methodschools.org](mailto:gvargas@methodschools.org) by noon of the business day preceding the board meeting.

**Translation services:** Translation services are available by notifying the above school office by noon of the business day preceding the board meeting.

# AGENDA

Method Schools Regular Meeting of the Board of Directors

**1.0 Call to Order:** Jessica Spallino, CEO called Board Meeting to order at 6:02 P.M.

## **2.0 Roll Call**

**Present:** Carolyn Andrews, Steven Dorsey, Tyler Roberts

**Absent:** Gloria Vargas, Shannon Clark

**Method Staff:** Jana Sosnowski, Rebecca Ricci, Yvette Rios, Mark Holley, Jessica Spallino, Stefanie Bryant, Jade Fernandez, Tracy Robertson, Method Representative- Cory Cavanah

Jessica: We have one change we would like to propose.

Tracy: We would like to propose action item 11 and 12, the Operations MOU for Acton-Agua Dulce Unified School District and SPED MOU for Acton-Agua Dulce Unified School District should actually be the Dehesa School District MOUs.

Jessica: Within the packet are MOUs for Dehesa, they were just mislabeled. We only received Acton's operational MOU today, not SPED, so we'll do that next time.

Motion: Tyler Roberts

Second: Carolyn Andrews

Ayes: Steve Dorsey, Tyler Roberts, Carolyn Andrews

Noes: 0

Action: Passed

## **3.0 Public Communication on Non-Agenda Items**

- None

## **4.0 Reports**

### **• CEO:**

#### **- 20-21 End of Year Update**

- Jessica Spallino: Our Student Academic Growth OKR for last year was to develop a tool to measure student academic growth more effectively, to hit these percentages on our iReady tiers, and have an iReady participation rate of 98%. Our goal was to hit green at 40%, yellow at 40%, and red at 20%. For ELA we landed at 47% at green, 22% at yellow, and 31% at red. For math we landed at 45% at green, 24% at yellow, and 31% at red. We definitely hit students performing at their grade level, we surpassed that goal, and we're a little off on the yellow and red. We've identified some areas for additional intervention work. We've identified a lot of key areas to work on for next year. As far as iReady participation rate at 98%, we landed at 96% for ELA and about 95% in math. We'll be able to get to that number next year. For the Customer Retention OKR, the goal was to retain 80% of students from 20-21 to 21-22, develop 3-5 new onboarding steps, 2-3 enhanced interventions, refine the SSM role, and create new special interest offerings. Our Retention was 58.3%, and it was an estimation based on a lot of fluidity based on students coming and going during a COVID year. It was a very complex year enrollment wise, and it was a tough year to find solid trends. We implemented a lot of new onboarding steps, streamlined orientation. A lot of great things we've done and we're looking to do. The OKR of Enhancing Synchronization is about ensuring we're all on the same page and that our initiatives are across all departments. We're looking at the MPI which is the Method Project Initiative, and Eloomi which is a new performance management system this year. Our goal was to enroll 1,200 students this year and enrollment peaked at 1,503. Regarding the legislative updates, this is the update we shared with you last time as far as AB1316 dying and AB79 giving us that two year extension. I kept it here because the MOUs that are on the agenda tonight will reflect the extension here. We survey our staff

# AGENDA

## Method Schools Regular Meeting of the Board of Directors

regularly, and at the end of the year we survey just to get a feel of the culture. This is some of the feedback we received. Some struggle with getting students and parents invested, others would like even more clarified leadership, and we got some regarding students struggling with the adaptability to the online modality.

### - 21-22 OKRs

- Jessica Spallino: For the 2021-22 OKRs we're looking at ensuring academic growth, every student demonstrating academic growth in both reading and math and 80% of students meet iReady identified expected growth in reading and math. We'll have reports ready to share out with you each quarter. We're looking at 95% participation rate on iReady and the CAASP. We're also implementing benchmark assessments, refining our testing cycle, and enhancing our data analysis this year. Secondly, Grow Enrollment and Develop Loyal Customers. We're looking to enroll 1,200 students this year. We dropped many at the end of last year and we're looking to build that back up. We're looking to retain 80% from 21-22 to 22-23. The third OKR, Becoming an Information Hub for K-12 Education, we're working to become experts in this space. We feel we already are but there are so many things we think we can do better for our students, a lot of competency based learning, refining our evaluation process.

Mark: On the growth, a reminder that we didn't do summer. Last year, we had almost 9,000 students. It is going to be an interesting year as far as what enrollment looks like.

Question: Tyler Roberts: What's the difference between customer and student retention?

Mark: Customer retention is the business term, a student who returns to us year after year. Student retention is a student who is held back.

Jessica: That's right. We clarified it because we get a lot of requests to retain students. Our staff is familiar with this. We needed to differentiate it as it is a highly used term from the instructional side of things.

### - 25 by 25

- Jessica Spallino: The whole organization has a 5 year plan and then each department as well. We compiled the top 25, we pulled about 5 from each department, and plan to have them implemented by 2025. We've broken it down by areas. Marketing: Growth Expansion and Brand- Grow Method SD and LA to 2,500 ADA by 2025, secure out-of-state online charter authorization, secure seat-based California charter authorization, build and live by multi-channel marketing playbook, and become the SoCal leader in online reviews for charter schools.

Mark: We've made a lot of progress on that last one. Mr. Roberts has mentioned the importance of online reviews. Customers these days are going to go online to check reviews.

Question: Steve Dorsey: What are the ideas for the seat based charter?

Jessica: Our online charter is about ready to submit out-of-state. We've had so much to do to ensure we launch our school year well, we have a lot of education ideas we'd like to integrate. As far as ideas of where, we'd ideally need a larger school district but we are considering submitting to our current authorizers as well. We have a couple of relationships with school districts, especially one in LA county.

Mark: For an ease of making it happen quicker, I think a more redundant geography makes more sense, but we're open to others. We've been pretty careful about spreading too much about it. We learned that once you get denied you get a reputation, so we're trying to make sure that by the time we submit a petition we've built a relationship with them as much as possible first.

Jessica Spallino: We have a very good relationship with Charter Oak and would really like to approach them. I don't think we're ready yet but we're definitely exploring that as an option. The next area is Finance- financial resiliency, remain debt-free, build an internal finance team, annual zero-based, goal-driven budgets per department, no audit findings, increased transparency using website, enhance



# AGENDA

## Method Schools Regular Meeting of the Board of Directors

internal controls, further develop financial portal, and automate repetitive processes. Next is Academics- implement competency based learning, schoolwide literacy program, comprehensive teacher evaluation program, teacher leaders program, and comprehensive academic data evaluation program. The final areas are Support Services and SmartFox.

### - 21-22 Board Organization

- Jessica Spallino: We wanted to propose a stipend increase to \$500 a month.  
Mark: As a board we don't want to direct the board on what to do. Based on what we've required in the past, the meetings have been on the low end and have talked about adding more meetings, and meet what others are doing. A stipend of \$500 makes sense with the caveat that it seems like a few are always here and some are not. We thought making 6 of the 8 annual meetings was good. As we've grown, the board's exposure is different. If I were on the board, I'd like the expectation that everyone would be pulling their weight. That's the recommendation on my end.  
Jessica Spallino: We would like to reward you for your work as well as defining expectations to go with that. We included the bylaws and sample board responsibilities for you to take a look at. We thought this would be something you could come up with and agree upon as a board. We need it to be a little more official as far as the level of commitment. It's not an action item this time but we would like to make it an action item next time.  
Tyler Roberts: I like the idea.  
Jessica Spallino: Would you prefer to discuss this before the next meeting?  
Steve Dorsey: I like your sample board responsibilities.  
Tyler Roberts: I like the other recommendation you put out as well. I would clarify the participation requirement, if you say you are going to be on this board then we need you here. I would make it very clear so that it's known in advance.  
Question: Jessica Spallino: I think it's fair. It needs to be what you think is right and what is going to work for you. Would you like us to draft in a Google doc. and send it out so you can modify it?  
Carolyn Andrews: Yes

### - Founders Surveys

- Tracy Robertson: We had three responses for each. For CEO- outstanding on operation plans, and across the board she had very good feedback. For CBO- This was pretty much on the same lines, everything is great, outstanding. The questions were the same on both surveys.

### - AB 130 Charter Extension

- Jessica Spallino: AB 130 did pass. We're being required to revise our independent study policies, revise our written agreement, that's our Master Agreement, provide opportunities for live interaction and synchronous instruction. Both policies will reflect the required changes per AB130.

#### ● CBO:

### - Smartfox

- Mark Holley: We've run into a lot of issues with SmartFox in the past and solely because of the programming language and architecture. We brought on a developer named Jay, and he is doing a great job as far as cleaning things up. We have a developer team that has expanded into 5 total. We're rebuilding the entire product from the ground up. It will be called 2.0 I think by the next board meeting we'll have more to share on that. I think we'll have this live maybe by Thanksgiving.

### - CFO

- Mark Holley: Cory is going to continue to work with us on an external audit point of view and we've brought on a CFO, Stefanie Bryant. She is a CPA, has 15 plus years as a business administrator in school districts. Cory has done a really good job and will continue to work with us on projects.

# AGENDA

## Method Schools Regular Meeting of the Board of Directors

### 5.0 **Action: Concurrent Employment Policy**

**Discussion:** Jessica Spallino: This was drafted out of lead in response to everyone working online, we discovered an employee or two that were trying to carry a double load. In some scenarios that wasn't going to work. All staff have signed and will do so annually, to ensure they will be available during certain hours to support students.

Motion: Tyler Roberts

Second: Carolyn Andrews

Ayes: Steve Dorsey, Tyler Roberts, Carolyn Andrews

Noes: 0

Action: Passed

### 6.0 **Action: Probationary Period Agreement**

**Discussion:** Jana Sosnowski: We've implemented an extensive coaching system. In cases where we have staff that push above and beyond the limit, they get parameters to improve, and work to get out of probation or will be asked to serve elsewhere.

Jessica Spallino: We've never been the type of organization to write people up, we're getting big enough to where we needed some sort of policy. It will probably be rare that we have to use it, but I'm sure we'll need it from time to time.

Motion: Carolyn Andrews

Second: Tyler Roberts

Ayes: Steve Dorsey, Tyler Roberts, Carolyn Andrews

Noes: 0

Action: Passed

### 7.0 **Action: Master Agreement**

**Discussion:** Jessica Spallino: The Master Agreement and 8.0, the Independent Study Policy, are the two we are required to revise per AB130. The next Independent study policy will reflect a lot of the live interaction and some of the things that we're being required to track. We sent our original Master Agreement to our attorneys, we reworded it, and had them re approve it.

Motion: Tyler Roberts

Second: Carolyn Andrews

Ayes: Steve Dorsey, Tyler Roberts, Carolyn Andrews

Noes: 0

Action: Passed

### 8.0 **Action: Independent Study Policy**

**Discussion:** Jana Sosnowski: They divided the live instruction into two pieces- daily instruction for K-3 and weekly for 4th-12th graders. Live interaction opportunities are for everyone and that could be with any staff member, such as tutoring. It doesn't affect attendance in any way. This feeds into the tiered re-engagement policy. They're requiring us to take attendance based on daily login. Tier 1 is a warning, Tier 2 is check if they need mental or emotional health services, and Tiers 3 and 4 are pushing the students out of independent study and back into a brick-and-mortar option. We're working on how to keep students from reaching Tier 1 with our internal interventions.

Motion: Carolyn Andrews

Second: Tyler Roberts

Ayes: Steve Dorsey, Tyler Roberts, Carolyn Andrews

Noes: 0

Action: Passed

### 9.0 **Action: Requests for Grade Retention**

**Discussion:** Jana Sosnowski: We have to offer students a consultation and we're not required to retain them, but within 30 days of the request we have to sit down with the parents to discuss.

# AGENDA

## Method Schools Regular Meeting of the Board of Directors

Motion: Tyler Robetrs  
Second: Carolyn Andrews  
Ayes: Steve Dorsey, Tyler Roberts, Carolyn Andrews  
Noes: 0  
Action: Passed

### 10.0 **Action: Tiered Re-engagement Policy**

**Discussion:** Jessica Spallino: This is a big part of AB130. It is what Jana had just outlined, requiring a tiered process for students who aren't participating or re-engaging.

Motion: Carolyn Andrews  
Second: Tyler Roberts  
Ayes: Steve Dorsey, Tyler Roberts, Carolyn Andrews  
Noes: 0  
Action: Passed

### 11.0 **Action: Operations MOU for Dehesa Elementary School District**

**Discussion:** Jessica Spallino: Usually we sign per year but sometimes we don't. We requested an updated MOU from both of our authorizers to ensure it reflects the two year extension. Acton is working on theirs and it will be on the next board meeting.

Motion: Tyler Roberts  
Second: Carolyn Andrews  
Ayes: Steve Dorsey, Tyler Roberts, Carolyn Andrews  
Noes: 0  
Action: Passed

### 12.0 **Action: SPED MOU for Dehesa Elementary School District**

**Discussion:** Jessica Spallino: This will be our last year under Dehesa and Acton SELPAs. We will be moving independently next year. You have to give a full year's notice before leaving.

Motion: Carolyn Andrews  
Second: Tyler Roberts  
Ayes: Steve Dorsey, Tyler Roberts, Carolyn Andrews  
Noes: 0  
Action: Passed

### 13.0 **Consent Items: All matters listed under the consent agenda are considered by the Board to be routine and will be approved/enacted by the Board in one motion in the form listed below. Unless specifically requested by a Board member for further discussion or removed from the agenda, there will be no discussion of these items prior to the Board's votes on them.**

- **Approval of June 8, 2021 Meeting Minutes**
- **Check Register, June 2021-July 2021**

Motion: Tyler Roberts  
Second: Carolyn Andrews  
Ayes: Steve Dorsey, Tyler Roberts, Carolyn Andrews  
Noes: 0  
Action: Passed

# **AGENDA**

Method Schools Regular Meeting of the Board of Directors

**14.0 Information/ Discussion Items:**

- None

**15.0 Upcoming Agenda Items**

- Acton-Agua Dulce Unified School District MOUs
- Board Stipend Increase

**16.0 Board Member Reports:** No Comments

**17.0 Action: Motion to Adjourn the Meeting**

Jessica Spallino, CEO motioned to adjourn the meeting at 7:26 P.M.

**Method Schools Corporation**  
**Check Detail**  
August 2021

|          | Date       | Transaction Type     | Num               | Name                                    | Memo/Description                                                                                                       | Clr | Amount     |
|----------|------------|----------------------|-------------------|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------|-----|------------|
| Checking | 08/02/2021 | Bill Payment (Check) | 3897              | Antonio Ovalles                         |                                                                                                                        | C   | -156.00    |
|          |            |                      |                   |                                         |                                                                                                                        |     | -156.00    |
|          | 08/02/2021 | Bill Payment (Check) | 3898              | Creative Back Office                    |                                                                                                                        | C   | -8,000.00  |
|          |            |                      |                   |                                         |                                                                                                                        |     | -8,000.00  |
|          | 08/02/2021 | Bill Payment (Check) | 3899              | Josh Holley                             |                                                                                                                        | C   | -216.00    |
|          |            |                      |                   |                                         |                                                                                                                        |     | -216.00    |
|          | 08/02/2021 | Bill Payment (Check) | 3900              | MetLife Small Business Center           |                                                                                                                        | C   | -1,904.83  |
|          |            |                      |                   |                                         |                                                                                                                        |     | -1,904.83  |
|          | 08/02/2021 | Expenditure          |                   |                                         | PAYROLL SERVICE DES:FEE ID:3516973 INDN:HOLLEY, MARK CO ID:XXXXX45425 CCD                                              | C   | -74.00     |
|          |            |                      |                   |                                         |                                                                                                                        |     | 74.00      |
|          | 08/02/2021 | Expenditure          |                   |                                         | SO CAL EDISON CO DES:DIRECTPAY ID:XXXXX7849710 INDN:METHOD SCHOOLS CO ID:XXXXX78600 CCD                                | C   | -720.99    |
|          |            |                      |                   |                                         |                                                                                                                        |     | 720.99     |
|          | 08/02/2021 | Expenditure          | Anthem Blue Cross |                                         | ANTHEM BLUE I010 DES:CORP PYMT ID:FL00071617 INDN:METHOD SCHOOLS CORP CO ID:CP35214571 CCD                             | C   | -29,609.96 |
|          |            |                      |                   |                                         |                                                                                                                        |     | 29,609.96  |
|          | 08/03/2021 | Expenditure          | UPWorkEscrow      |                                         | Upwork Escrow In DES:EDI PYMNTS ID:ACH402353815 INDN:Jessica Spallino CO ID:XXXXX51996 CCD                             | C   | -9,431.71  |
|          |            |                      |                   |                                         |                                                                                                                        |     | 9,431.71   |
|          | 08/04/2021 | Expenditure          | Microsoft         |                                         | CHECKCARD 0803 MICROSOFT*ADVERTISING MSBILL.INFO NV 24430991215400999003935 RECURRING CKCD 7311<br>XXXXXXXXXXXX3553    | C   | -44.91     |
|          |            |                      |                   |                                         |                                                                                                                        |     | 44.91      |
|          | 08/05/2021 | Expenditure          | Adobe             |                                         | CHECKCARD 0804 ADOBE CREATIVE CLOUD 408-536-6000 CA 24943001216700845688277 RECURRING CKCD 5734<br>XXXXXXXXXXXX3561    | C   | -29.99     |
|          |            |                      |                   |                                         |                                                                                                                        |     | 29.99      |
|          | 08/06/2021 | Bill Payment (Check) | 4000              | Derrick Bangle                          |                                                                                                                        | C   | -1,854.13  |
|          |            |                      |                   |                                         |                                                                                                                        |     | -1,854.13  |
|          | 08/06/2021 | Expenditure          | Trello.com        |                                         | CHECKCARD 0805 TRELLO.COM* ATLIASSIAN ATLIASSIAN.COMNY 24011341217000031883451 RECURRING CKCD 5734<br>XXXXXXXXXXXX3553 | C   | -2.92      |
|          |            |                      |                   |                                         |                                                                                                                        |     | 2.92       |
|          | 08/09/2021 | Bill Payment (Check) | 3901              | Illuminate Education, Inc.              |                                                                                                                        | C   | -16,620.00 |
|          |            |                      |                   |                                         |                                                                                                                        |     | -16,620.00 |
|          | 08/09/2021 | Bill Payment (Check) | 3902              | Law Offices of Young, Minney & Corr LLP |                                                                                                                        | C   | -280.25    |
|          |            |                      |                   |                                         |                                                                                                                        |     | -280.25    |
|          | 08/09/2021 | Bill Payment (Check) | 3903              | Your Favorite Cleaners                  |                                                                                                                        | C   | -320.00    |
|          |            |                      |                   |                                         |                                                                                                                        |     | -320.00    |
|          | 08/09/2021 | Bill Payment (Check) | 3904              | Zoom                                    |                                                                                                                        | C   | -2,228.00  |
|          |            |                      |                   |                                         |                                                                                                                        |     | -2,228.00  |
|          | 08/09/2021 | Expenditure          | Fedex             |                                         | CHECKCARD 0806 FEDEX OFFICE 00000828 214-5507000 TX 24164071218069212725788 CKCD 7338<br>XXXXXXXXXXXX3553              | C   | -173.99    |
|          |            |                      |                   |                                         |                                                                                                                        |     | 173.99     |
|          | 08/13/2021 | Bill Payment (Check) | 3905              | Alpha Therapy Center Inc.               |                                                                                                                        | C   | -8,497.50  |
|          |            |                      |                   |                                         |                                                                                                                        |     | -8,497.50  |
|          | 08/13/2021 | Bill Payment (Check) | 3906              | APA Benefits Inc.                       |                                                                                                                        | C   | -39,500.00 |
|          |            |                      |                   |                                         |                                                                                                                        |     | -39,500.00 |
|          | 08/13/2021 | Bill Payment (Check) | 3907              | Dylan Darnley                           |                                                                                                                        | C   | -57.00     |
|          |            |                      |                   |                                         |                                                                                                                        |     | -57.00     |
|          | 08/13/2021 | Bill Payment (Check) | 3908              | eDynamic Learning                       |                                                                                                                        | C   | -3,575.00  |
|          |            |                      |                   |                                         |                                                                                                                        |     | -3,575.00  |
|          | 08/13/2021 | Bill Payment (Check) | 3910              | School of Education                     |                                                                                                                        | C   | -1,500.00  |
|          |            |                      |                   |                                         |                                                                                                                        |     | -1,500.00  |
|          | 08/13/2021 | Bill Payment (Check) | 3911              | USA Pump Track Championships            |                                                                                                                        |     | -200.00    |
|          |            |                      |                   |                                         |                                                                                                                        |     | -200.00    |
|          | 08/13/2021 | Bill Payment (Check) | 3912              | APA Benefits Inc.                       |                                                                                                                        | C   | -364.50    |
|          |            |                      |                   |                                         |                                                                                                                        |     | -364.50    |
|          | 08/13/2021 | Expenditure          | Bank of America   |                                         | Stop Payment Fee                                                                                                       | C   | -30.00     |
|          |            |                      |                   |                                         |                                                                                                                        |     | 30.00      |
|          | 08/16/2021 | Expenditure          | Trello.com        |                                         | CHECKCARD 0813 TRELLO.COM* ATLIASSIAN ATLIASSIAN.COMNY 24011341225000042819916 RECURRING CKCD 5734<br>XXXXXXXXXXXX3553 | C   | -112.50    |
|          |            |                      |                   |                                         |                                                                                                                        |     | 112.50     |
|          | 08/17/2021 | Bill Payment (Check) | 3913              | Michael Darnley                         |                                                                                                                        | C   | -57.00     |
|          |            |                      |                   |                                         |                                                                                                                        |     | -57.00     |
|          | 08/17/2021 | Bill Payment (Check) | 3914              | UMB Bank - FBO PlanMember Services      |                                                                                                                        | C   | -17,183.49 |

