

CAPISTRANO UNIFIED SCHOOL DISTRICT
33122 Valle Road
San Juan Capistrano, CA 92675
BOARD OF TRUSTEES
Special Meeting

February 13, 2019

Closed Session 5:00 p.m.
Open Session 5:30 p.m.

AGENDA

CLOSED SESSION AT 5:00 P.M.

1. **CALL TO ORDER**
2. **CLOSED SESSION COMMENTS**
3. **CLOSED SESSION** (as authorized by law)

A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Susan Holliday
Attorney – Sara Young
Significant Exposure to Litigation – One Case
(Pursuant to Government Code § 54956.9(d)(2))

EXHIBIT A-1

B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Kirsten M. Vital and Clark Hampton
Attorney – Stan Barankiewicz
Capistrano Unified School District v. County of Orange
(OCSC #: 30-2017-00963064-CU-TT-CXC)
(Pursuant to Government Code section 54956.9(a))

C. PUBLIC EMPLOYEE EMPLOYMENT/APPOINTMENT

Tim Brooks
Chief Technology Officer
(Pursuant to Government Code § 54957)

EXHIBIT C-1

D. CONFERENCE WITH LABOR NEGOTIATORS

District Negotiators: Kirsten M. Vital/Tim Brooks/Clark Hampton
Employee Organizations:
1) Capistrano Unified Education Association (CUEA)
2) California School Employees Association (CSEA)
3) Teamsters
4) Capistrano Unified Management Association (CUMA)
(Pursuant to Government Code § 54957.6)

RECORDING OF SCHOOL BOARD MEETINGS

In accordance with Board Policy 9324, Board Minutes, all Regular School Board Meetings will be audio recorded.

OPEN SESSION AT 5:30 P.M.

CALL TO ORDER – ROLL CALL

PLEDGE OF ALLEGIANCE

ADOPTION OF THE AGENDA

REPORT ON CLOSED SESSION ACTION

PUBLIC HEARING

1. PUBLIC HEARING: PRESENTATION OF RENEWAL PETITION FOR COMMUNITY ROOTS ACADEMY CHARTER SCHOOL: Page 1 EXHIBIT 1

A Public Hearing is scheduled before the Board of Trustees which necessitates this Board item. Community Roots Academy charter school has presented a renewal petition for a charter school within the District. Due to the size of the exhibit, the information can be viewed by clicking [here](#).

CUSD WIG 1: Teaching and Learning – Engage students in meaningful, challenging, and innovative educational experiences to increase post-secondary options for all students.

Contact: Susan Holliday, Associate Superintendent, Education Services

Staff Recommendation

It is recommended the Board President open the public hearing, determine if members of the public have submitted requests to speak on this item, and after hearing any speakers, formally close the hearing.

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered by the Board to be routine and will be enacted by the Board in one motion in the form listed below. There will be no discussion of these items prior to the time the Board votes on the motion unless members of the Board or staff request specific items to be discussed and/or removed from the Consent Calendar. The Superintendent and the staff recommend approval of all Consent Calendar items.

GENERAL FUNCTIONS

2. SCHOOL BOARD MINUTES: Page 3 EXHIBIT 2

Approval of the January 24, 2019 Regular Board meeting minutes.

Contact: Colleen Hayes, Manager II, Board Operations/Superintendent's Office

DISCUSSION/ACTION ITEMS

3. RESOLUTION NO. 1819-32 OF THE GOVERNING BOARD OF THE CAPISTRANO UNIFIED SCHOOL DISTRICT DECLINING TO REVOKE THE CHARTER OF THE OXFORD PREPARATORY ACADEMY CHARTER SCHOOL- SOUTH ORANGE COUNTY AND AUTHORIZING SUBMISSION OF CHARTER RENEWAL PETITION (FINAL DECISION): DISCUSSION/ ACTION Page 13 EXHIBIT 3

On July 25, 2018, Trustees approved a Memorandum of Understanding (MOU) with Oxford Preparatory Academy (OPA). In the MOU, the District and OPA (Parties) agreed to extend the timeframe established in Education Code § 47607, subdivision (e) and California Code of Regulations, title 5, § 11968.5.2, subdivision (f) to provide OPA until December 31, 2018 to take the actions identified in Section 3 "A" through "P" of the MOU. The Parties agreed that California Code of Regulations, title 5, § 11968.5.2, subdivision (h), which states that "[i]f the chartering authority does not act to issue a Final Decision within the timeframe specified in subdivision (f), the revocation process is terminated and the Notice of Intent to Revoke is void," would be inapplicable and that they would instead adhere exclusively to the timeframe detailed in the MOU. OPA submitted evidence confirming completion of all required actions by December 18, 2018. Staff verified all documents submitted and recommends that Trustees vote not to revoke OPA's charter and to authorize OPA to submit a charter renewal petition. Pending approval from Trustees, OPA will submit their renewal petition at the February 27, 2019 Board meeting.

CUSD WIG 1: Teaching and Learning – Engage students in meaningful, challenging, and innovative educational experiences to increase post-secondary options for all students.

Contact: Susan Holliday, Associate Superintendent, Education Services

Staff Recommendation

It is recommended the Board President recognize Susan Holliday, Associate Superintendent, Education Services, to present this item.

Following discussion, it is recommended the Board of Trustees vote to approve Resolution No. 1819-32 of the Governing Board of the Capistrano Unified School District Declining to Revoke the Charter of Oxford Preparatory Academy Charter School – South Orange County and Authorizing Submission of Charter Renewal Petition (Final Decision).

Motion by _____ Seconded by _____

ADJOURNMENT

Motion by _____ Seconded by _____

**THE NEXT REGULAR MEETING OF THE BOARD OF TRUSTEES IS
WEDNESDAY, FEBRUARY 27, 2019, 7:00 P.M.
AT THE CAPISTRANO UNIFIED SCHOOL DISTRICT OFFICE BOARD ROOM
33122 VALLE ROAD, SAN JUAN CAPISTRANO, CALIFORNIA**

For information regarding Capistrano Unified School District, please visit our website:

www.capousd.org

INSTRUCTIONS FOR PRESENTATIONS TO THE BOARD BY PARENTS AND CITIZENS PRESENT AT THIS MEETING

We are pleased you can be with us at this meeting, and we hope you will return often. Your visit assures us of continuing community interest in our schools.

The members of the Board of Trustees of this District are locally elected state officials, who serve four-year terms of office, and who are responsible for the educational program of our community from grades kindergarten through twelve. They are required to conduct programs of the schools in accordance with the State of California Constitution, the State Education Code, and other laws relating to schools enacted by the Legislature, and policies and procedures which this Board adopts.

The Board is a policy-making body whose actions are guided by the school district's Mission and Goals. Administration of the District is delegated to a professional administrative staff headed by the Superintendent.

The agenda and its extensive background material are studied by each member of the Board for at least two days preceding the meeting. Board Members can call the administrative staff for clarification on any item, and many of the items on the agenda were discussed by the Board during previous meetings. These procedures enable the Board to act more effectively on agenda items than would otherwise be possible.

WHAT TO DO IF YOU WISH TO ADDRESS THE BOARD OF TRUSTEES

CLOSED SESSION: In accordance with Education Code § 35146 and Government Code § 54957, the Board may recess to Closed Session to discuss personnel matters which they consider inadvisable to take up in a public meeting.

Members of the public shall have an opportunity to address the Board regarding items on the agenda to be considered during Closed Session prior to the Board adjourning the meeting to Closed Session. Individual presentations are limited to a maximum of three minutes; however, the time assigned for individual presentations could be fewer than three minutes depending upon the total number of speakers who wish to address a specific agenda topic.

ORAL COMMUNICATIONS (Non-Agenda Items): Regular, scheduled meetings of the Board shall have a portion of each meeting devoted to Oral Communications. Oral Communications, will take place following Special Recognitions. The total time for the Oral Communications portion of regular meetings shall be twenty minutes. Individual presentations are limited to a maximum of three minutes per individual but could be less if there are a large number of Oral Communication speakers. Legally, the Board may not take action on items raised by speakers under Oral Communications. The Board may, however, at its discretion, refer items to the administration for follow-up or place topics on a future Board agenda.

ORAL COMMUNICATIONS (Agenda Items): Members of the public shall also have an opportunity to address the Board on Open Session agenda items before their consideration by the Board. Individual presentations for the Consent Calendar are limited to a maximum of five minutes for all Consent Calendar items. Individual presentations for Discussion/Action agenda items are limited to a maximum of three minutes however; the time assigned for individual presentations could be fewer than three minutes depending upon the total number of speakers, who wish to address a specific agenda topic. The total time for presentations shall be limited to twenty minutes per agenda topic, unless the Board grants additional time. The Board shall hear all presentations after any staff comments but prior to the formal discussion by Board members of the agenda topic under consideration.

Once an agenda item has been opened for public comment, no additional "Request to Address the Board of Trustees" cards shall be accepted for that topic unless otherwise approved by the Board. When addressing a specific item on the agenda, the Board may vote to allow additional public speaker time for an individual Discussion/Action item.

PUBLIC HEARINGS: Any time the Board schedules a separate public hearing on a given topic, it shall not hear speakers on that topic before the public hearing, except as to the scheduling of the hearing, nor shall it hear speakers after the hearing, except as to changes in the recommended action at the time of the hearing.

REASONABLE ACCOMMODATION

In order to help ensure participation in the meeting of disabled individuals, appropriate disability-related accommodations or modifications shall be provided by the Board, upon request, in accordance with the Americans with Disabilities Act (ADA). Persons with a disability who require a disability-related accommodation or modification, including auxiliary aids and services in order to participate in a Board meeting, shall contact the Superintendent or designee in writing by noon on the Friday before the scheduled meeting. Such notification shall provide school district personnel time to make reasonable arrangements to assure accessibility to the meeting.

CAPISTRANO UNIFIED SCHOOL DISTRICT
San Juan Capistrano, California

February 13, 2019

**PUBLIC HEARING: PRESENTATION OF RENEWAL PETITION FOR COMMUNITY
ROOTS ACADEMY CHARTER SCHOOL:**

Community Roots Academy's Charter School Renewal Petition may be inspected at 33122 Valle Road, San Juan Capistrano, CA 92675 until February 13, 2019, between the hours of 8:30 a.m. and 4:30 p.m. Due to the size of the exhibit, the information can be viewed by clicking [here](#):

CAPISTRANO UNIFIED SCHOOL DISTRICT

NOTICE OF PUBLIC HEARING

The Capistrano Unified School District Board of Trustees hereby gives notice that a Public Hearing will be held as follows:

TOPIC OF HEARING

During the Board meeting of February 13, 2019, the Capistrano Unified School District Board of Trustees will hold a hearing to accept comments from members of the public on the Renewal of the Community Roots Academy Charter School Petition. Copies of Community Roots Academy's Charter School Renewal Petition may be inspected at 33122 Valle Road, San Juan Capistrano, CA 92675 until February 13, 2019, between the hours of 8:30 a.m. and 4:30 p.m.

HEARING DATE: February 13, 2019
TIME: 5:30 p.m.
LOCATION: CUSD Education Center
33122 Valle Road
San Juan Capistrano, CA
949-234-9200

CAPISTRANO UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
MINUTES OF REGULAR MEETING
January 24, 2019
EDUCATION CENTER – BOARD ROOM

President Jones called the meeting to order at 4:34 p.m.

**Call to Order/
Adjourn to Closed
Session**

The following speaker addressed the Board:

The Board recessed to closed session to discuss: Conference with Legal Counsel – Anticipated Litigation; Conference with Legal Counsel – Existing Litigation; Student Readmissions and Student Expulsions.

The Board heard Student Expulsion Case 2019-029 in Open Session.

The Board recessed to closed session to discuss Student Expulsion Case 2019-029.

The regular meeting of the Board of Trustees reconvened to open session and was called to order by President Gila Jones at 7:10 p.m.

ROLL CALL:

Present: Trustees Bullockus, Hanacek, Holloway, Jones, McNicholas, Pritchard, Reardon and Student Advisor Amirseyedian

Absent: None

The Pledge of Allegiance was led by Joy Schnapper, CUEA President.

**Pledge of
Allegiance
Permanent Record**

The Board meeting discussion related to each of the items on the public agenda is on file in the Superintendent's office as a matter of the permanent record. An audio recording of the meeting is available on the District website: www.capousd.org

It was moved by Trustee McNicholas, seconded by Trustee Reardon and motion carried by a 7-0 vote to adopt the Board agenda.

**Adoption of the
Board Agenda**

AYES: Trustees Bullockus, Hanacek, Holloway, Jones, McNicholas, Pritchard, and Reardon

NOES: None

ABSENT: None

President Jones asked Colleen Hayes, Manager II - Board Operations/Superintendent's Office to read the report out of closed session:

**President's Report
from Closed
Session Meeting**

Agenda Item #3A– Conference with Legal Counsel – Anticipated Litigation
Significant Exposure to Litigation – Four Cases

Trustees voted 5-0-1-1 to approve the staff recommendation on the following cases:

ADR Case Number 20180524

ADR Case Number 20181031

Trustee Reardon recused himself.

Trustees voted 7-0 to approve the staff recommendation on the following cases:

ADR Case Number 20181114

ADR Case Number 20181116

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Agenda Item #3B – Conference with Legal Counsel – Existing Litigation

Significant Exposure to Litigation – Four Cases

Trustees voted 7-0 to approve the staff recommendation on the following cases:

OAH Case Number 2018090139

OAH Case Number 2018100676

Trustees voted 5-0-1-1 to approve the staff recommendation on the following case:

OAH Case Number 2018110162

Federal Case 8:17-1460-JLS-KES

Trustee Reardon recused himself.

Item #3B– One Case

Capistrano Unified School District v. County of Orange (OCSC #: 30-2017-00963064-CU-TT-CXC)

No reportable action.

Agenda Item #3C – Student Readmissions

One Case

Trustees voted 7-0 to approve staff recommendation on:

Case # 2018-002

Agenda Item #3D – Student Expulsions

Sixteen Cases

Trustees voted 7-0 to approve staff recommendation on:

Case # 2019-013

Case # 2019-014

Case # 2019-022

Case # 2019-023

Case # 2019-024

Case # 2019-025

Case # 2019-026

Case # 2019-027

Case # 2019-028

Case # 2019-030

Case # 2019-031

Case # 2019-032

Case # 2019-033

Case # 2019-034

Case # 2019-035

Trustees voted 7-0 to approve staff recommendation on:

Case # 2019-029

Associated Student Body

Dana Hills High School

Josh Porter, *Principal*

Ken Nedler, *Activities Director*

Gianna Marietti, *Associated Student Body President*

Special

Recognitions

Extra Miler

Micah Ohlen, Athletic Trainer, for his significant role in San Juan Hills High School earning the National Athletic Trainers' Association (NATA) Safe Sports School Award.

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Orange County Business Council will present a certificate commemorating Capistrano Unified School District and Rancho Mission Viejo's nomination in Orange County Business Council's Eighth Annual Turning Red Tape into Red Carpet Awards.

President Jones presented Trustee McNicholas a plaque for her services as president of the Board for the 2018 calendar year.

**Board and
Superintendent
Comments**

Trustee McNicholas spoke regarding her pride in the work of the District.

Superintendent Vital reported on the various activities at our sites in the past weeks.

Trustee Bullockus spoke regarding the work at Hankey K-8 and the newly awarded tennis equipment grant. She also shared the City of Mission Viejo is offering an after school program at Hankey four days a week for the Hankey students. She commended the work of the principal, Dana Aguilera in partnership with the City of Mission Viejo.

The following speakers addressed the Board:

**Oral
Communications**

- *Tram Vo-Kumamoto spoke representing Saddleback College in the CCA Partnership*
- *Jeremy Cavallaro spoke regarding Community Roots Academy*
- *Eve Fein spoke regarding Community Roots Academy*
- *Kristen Okura spoke regarding Physical Education*
- *Cindy Vallone spoke regarding GATE/Accelerated Program*
- *Dawn Urbanek spoke regarding Quit Claim Deed*

At 7:57 p.m., President Jones opened the Public Hearing on the College and Career Access Pathways agreement with South Orange County Community College District (SOCCCD). Tram Vo-Kumamoto spoke during Oral Communications in regards to the partnership with Saddleback College. There were no other public comments. President Jones closed the public hearing at 7:59 p.m.

**Public Hearing
College and
Career Access
Pathways
Partnership
Agreement 2019
with South
Orange County
Community
College District
Agenda Item 1**

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered by the Board to be routine and will be enacted by the Board in one motion in the form listed below. There will be no discussion of these items prior to the time the Board votes on the motion unless members of the Board, staff, or the public request specific items to be discussed and/or removed from the Consent Calendar. The Superintendent and the staff recommend approval of all Consent Calendar items.

President Gila Jones asked Trustees for items they wished to pull from the Consent Calendar.

It was moved by Trustee McNicholas, seconded by Trustee Bullockus, motion carried by a 7-0 Roll Call vote to approve the following Consent Calendar with the addition of the Board of Trustee Committee Assignments for 2019 to Exhibit 29 Board Meeting Minutes.

CAPISTRANO UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
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AYES: Trustees Bullockus, Hanacek, Holloway, Jones,
McNicholas, Pritchard, and Reardon
NOES: None
ABSENT: None

Approval of donations of funds and equipment.

Approval of purchase orders (Attachment 1) and commercial warrants (Attachment 2).

Approval of the District standardized Independent Contractor, Professional Services, Field Service and Master Contract agreements

Approval of Amendment No. 2 to Lease Agreement with SchoolsFirst Federal Credit Union, formerly Orange County Teachers Federal Credit Union, a non-profit financial institution.

Approval of the ratification of the Aliso Viejo Community Association Limited Use and Maintenance Agreement (LUMA) for Fall 2018.

Approval of the ratification of the Aliso Viejo Community Association Limited Use and Maintenance Agreement (LUMA) for Winter/Spring 2019.

Approval of Award of Bid No. 1819-07, Paper and Plastic Products for Food and Nutrition Services to P & R Paper Supply Company, Incorporated.

**Donation of Funds
and Equipment
Agenda Item 2
Purchase Orders,
Commercial
Warrants and
Previously Board-
Approved Bids
and Contracts
Agenda Item 3
Independent
Contractor,
Professional
Services, Field
Service, and
Master Contract
Agreements
Agenda Item 4
Second
Amendment to
Lease Agreement
– SchoolsFirst
Federal Credit
Union Agenda
Item 5
Aliso Viejo
Community
Association
Limited Use and
Maintenance
Agreement for
Fall 2018
Agenda Item 6
Aliso Viejo
Community
Association
Limited Use and
Maintenance
Agreement for
Winter/Spring
2019
Agenda Item 7
Award of Bid No.
1819-07, Paper
and Plastic
Products for Food
and Nutrition
Services – P & R**

**CAPISTRANO UNIFIED SCHOOL DISTRICT
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Approval of the contract for participation in the Summer Food Service Program maintained by Food and Nutrition Services and Orange County Public Libraries, in partnership with San Juan Capistrano Library.

Approval of First Extension of Bid No. 1718-22, Child Safety Alert Systems Product and Installation awarded to A-Z Bus Sales, Incorporated.

Approval of Second Extension of Bid No. 1617-07, Electrical, Fire Protection and Low Voltage Systems Services with Gilbert & Stearns, Incorporated.

Approval to utilize the State of California Multiple Award Schedule (CMAS) Contract Nos. 3-15-84-0042A, 3-15-84-0042C, 3-15-84-0042D, 3-16-70-2382B, 3-18-70-3176C, 3-18-84-0042E, and 4-17-84-042E, General Services Administration Schedule Nos. GS-07F-0298J, GS-07F-0200W, GS-07F-206CA, GS-35F-183DA, GS-35F-0499N, 47QSWA18D0022, and GS-07F-0326T, and any subsequent revisions, amendments, and extensions awarded to various vendors and authorized resellers, for the purchase of information and non-information technology goods and services, as needed by the District.

**Paper Supply
Company,
Incorporated
Agenda Item 8
Contract for
Summer Food
Service Program –
Orange County
Public Libraries
Agenda Item 9
First Extension of
Bid No. 1718-22,
Child Safety Alert
Systems Product
and Installation –
A-Z Bus Sales,
Incorporated
Agenda Item 10
Second Extension
of Bid No. 1617-
07, Electrical, Fire
Protection and
Low Voltage
Systems Services –
Gilbert & Stearns,
Incorporated
Agenda Item 11
State of California
Multiple Award
Schedule Contract
Nos. 3-15-84-
0042A, 3-15-84-
0042C, 3-15-84-
0042D, 3-16-70-
2382B, 3-18-70-
3176C, 3-18-84-
0042E, and 4-17-
84-042E, General
Services
Administration
Schedule Nos. GS-
07F-0298J, GS-
07F-0200W, GS-
07F-206CA, GS-
35F-183DA, GS-
35F-0499N,
47QSWA18D0022,
and GS-07F-
0326T ,
Information and
Non-Information
Technology Goods
and Services –**

**CAPISTRANO UNIFIED SCHOOL DISTRICT
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Approval of Resolution No. 1819-31, Authorization to Renew a Community Service Program (SP) Certification through the Department of Resources Recycling and Recovery (CalRecycle).

**Various Vendors
Agenda Item 12
Resolution No.
1819-31,
Authorization to
Renew a
Community
Service Program
Certification
Through the
Department of
Resources
Recycling and
Recovery**

The District's property and liability claims are insured by the Alliance of Schools for Cooperative Insurance Program (ASCIP).

**Agenda Item 13
Resolution No.
1819-30,
Authorizing an
Increase to the
Property and
Liability
Revolving Cash
Account**

Approval of Memorandum of Understanding (MOU) with California Connections Academy Southern California (CalCA Socal).

**Agenda Item 14
Memorandum of
Understanding
with California
Connections
Academy
Southern
California**

Approval of Addendum No. 01 to Statement of Work under the Agreement for Use of Emerald Cove Outdoor Science Institute, Facilities, Supplies, Equipment, and Services Public School Districts School Year 2018-2019.

**Agenda Item 15
Addendum No. 01
to Statement of
Work Under the
Agreement for
Use of Emerald
Cove Outdoor
Science Institute,
Facilities,
Supplies,
Equipment, and
Services, Public
School Districts,
School Year 2018-
2019**

Approval of Income Agreement No. 47604 with Orange County Department of Education (OCDE) for California Healthy Kids Survey (CHKS) Infographic.

**Agenda Item 16
Income
Agreement No.
47604 with
Orange County
Department of
Education for**

**CAPISTRANO UNIFIED SCHOOL DISTRICT
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Approval of Addendum to the Agreement for Participation with Inside the Outdoors School Programs for 2018-2019 Agreement Numbers S11046-7, S11046-8, S11046-9 and S11046-10.

**California Healthy
Kids Survey
Infographics
Agenda Item 17
Addendum to the
Agreement for
Participation with
Inside the
Outdoors School
Programs for
2018-2019
Agreement
Numbers S11046-
7, S11046-8,
S11046-9 and
S11046-10**

Approval of the Agreement with Kid Healthy/One OC from January 7, 2019 through May 30, 2019 for Marblehead Elementary School.

**Agenda Item 18
Agreement with
Kid Healthy/One
OC**

Approval of Agreement for Participation with the YMCA of Orange County Laguna Niguel, to provide Physical Education (P.E.) Programs for Students at Castille Elementary School for the remainder of the 2018-2019 school year.

**Agenda Item 19
Agreement for
Participation with
the YMCA of
Orange County
Laguna Niguel to
Provide a Physical
Education
Program for
Students at Castille
Elementary School
for the Remainder
of the 2018-2019
School Year**

Approval of Annual Report – Employment of Relatives 2018-2019 School Year.

**Agenda Item 20
Annual Report –
Employment of
Relatives**

Approval of College of Education Tuition Discount Program MOU with Hope International University, effective January 25, 2019 and expiring June 30, 2021.

**Agenda Item 21
College of
Education Tuition
Discount Program
MOU with Hope
International
University**

Approval of Internship Contract Agreement with Brandman University, effective January 2, 2019 and continuing until January 1, 2021.

**Agenda Item 22
Internship
Contract
Agreement with
Brandman
University
Agenda Item 23**

CAPISTRANO UNIFIED SCHOOL DISTRICT
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Acceptance of Williams Settlement Legislation Uniform Complaint Second Quarter Report.	Second Quarter Report – Williams Settlement Legislation Uniform Complaint
Approval of Student Teaching Agreement with San Diego State University, effective January 1, 2019 and expiring June 30, 2023	Agenda Item 24 Student Teaching Agreement with San Diego State University
Approval of the activity list for employment, separation and additional assignments of certificated employees.	Agenda Item 25 Resignations/ Retirements/ Employment - Certificated Employees
Approval of the activity list for employment, separation and additional assignments of classified employees.	Agenda Item 26 Resignations/ Retirements/ Employment – Classified Employees
Approval of the Board meeting dates 2019-2020.	Agenda Item 27 Board Meeting Dates 2019 – 2020
Approval of the December 12, 2018 Regular Board meeting minutes.	Agenda Item 28 School Board Minutes
President Jones recognized Clark Hampton, Deputy Superintendent, Business and Support to present this item.	Agenda Item 29 Presentation and Receipt of the District and Community Facilities Districts Annual Financial Reports for the Fiscal Year Ending June 30, 2018
It was moved by Trustee Pritchard and seconded by Trustee McNicholas to approve the Receipt of the District and Community Facilities Districts Annual Financial Reports for the Fiscal Year Ending June 30, 2018. The motion carried 7-0.	Agenda Item 30
<p>AYES: Trustees Bullockus, Hanacek, Holloway, Jones, McNicholas, Pritchard, and Reardon</p> <p>NOES: None</p> <p>ABSENT: None</p>	
President Jones recognized Clark Hampton, Deputy Superintendent, Business and Support to present this item.	Presentation on School Impacts from State Route 241 Toll Road Extension Alternatives
<p><i>The following people addressed the Board:</i></p> <ul style="list-style-type: none"> • Kathy Ward spoke regarding the Toll Road. • Mark McGuire spoke regarding the Toll Road. <p>This was an information item only and no Trustee action was necessary.</p>	Agenda Item 31
President Jones recognized Clark Hampton, Deputy Superintendent, Business and Support to present this item.	Governor’s January Budget Proposal for

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This was an information item only and no Trustee action was necessary.

Fiscal Year 2019-2020

President Jones recognized Clark Hampton, Deputy Superintendent, Business and Support to present this item.

**Agenda Item 32
First Reading –
Board Policy 3553,
Free and Reduced
Price Meals
Agenda Item 33**

It was moved by Trustee Reardon and seconded by Trustee Hanacek to waive the First Reading and approve Board Policy 3553, *Free and Reduced Price Meals*. The motion carried 7-0.

AYES: Trustees Bullockus, Hanacek, Holloway, Jones,
McNicholas, Pritchard, and Reardon
NOES: None
ABSENT: None

President Jones recognized Susan Holliday, Associate Superintendent, Education Services, to present this item.

**First Reading –
Board Policy
5111.5, Language
Immersion and
International
Baccalaureate
Admissions
Agenda Item 34**

It was moved by Trustee Hanacek and seconded by Trustee McNicholas to waive the First Reading and approve Board Policy 5111.5, *Language Immersion and International Baccalaureate Admissions*. The motion carried 7-0.

AYES: Trustees Bullockus, Hanacek, Holloway, Jones,
McNicholas, Pritchard, and Reardon
NOES: None
ABSENT: None

President Jones recognized Clark Hampton, Deputy Superintendent, Business and Support to present this item.

**First Reading –
Board Policy 5030,
Student Wellness
Agenda Item 35**

It was moved by Trustee McNicholas and seconded by Trustee Hanacek to waive the First Reading and approve Board Policy 5030, *Student Wellness*. The motion carried 7-0.

AYES: Trustees Bullockus, Hanacek, Holloway, Jones,
McNicholas, Pritchard, and Reardon
NOES: None
ABSENT: None

President Jones recognized Susan Holliday, Associate Superintendent, Education Services, to present this item.

**First Reading –
Board Policy 5141,
Conduct
Agenda Item 36**

It was moved by Trustee Holloway and seconded by Trustee Hanacek to waive the First Reading and approve Board Policy 5141, *Conduct*. The motion carried 7-0.

AYES: Trustees Bullockus, Hanacek, Holloway, Jones,
McNicholas, Pritchard, and Reardon
NOES: None
ABSENT: None

President Jones recognized Susan Holliday, Associate Superintendent, Education Services, to present this item.

**First Reading -
Board Policy
5131.2, Bullying
Agenda Item 37**

Trustees gave direction to staff to bring this policy back for a Second Reading February 27, 2019.

CAPISTRANO UNIFIED SCHOOL DISTRICT
BOARD OF TRUSTEES
MINUTES OF REGULAR MEETING
January 24, 2019
EDUCATION CENTER – BOARD ROOM

President Jones recognized Clark Hampton, Deputy Superintendent, Business and Support to present this item.

**Second Reading –
Board Policy 3515,
School Safety and
Security
Agenda Item 38**

It was moved by Trustee McNicholas and seconded by Trustee Holloway to approve Board Policy 3515, *School Safety and Security*. The motion carried 7-0.

AYES: Trustees Bullockus, Hanacek, Holloway, Jones,
McNicholas, Pritchard, and Reardon
NOES: None
ABSENT: None

President Jones recognized Clark Hampton, Deputy Superintendent, Business and Support to present this item.

**Right of Entry
Agreement –
Mission Resource
Conservation
District
Agenda Item 39**

The following speaker addressed the Board.

- Michelle Schumacher spoke against spraying near Ambuehl Elementary.

It was moved by Trustee McNicholas and seconded by Trustee Reardon to approve the Right of Entry Agreement – Mission Resource Conservation District, with stipulations. The motion carried 4-2-1.

AYES: Trustees, Jones, McNicholas, Pritchard, and Reardon
NOES: Trustee Bullockus and Holloway
ABSTAIN: Trustee Hanacek
ABSENT: None

It was moved by Trustee Reardon and seconded by Trustee McNicholas to adjourn the meeting, motion carried 7-0.

Adjournment

AYES: Trustees Bullockus, Hanacek, Holloway, Jones,
McNicholas, Pritchard, and Reardon
NOES: None
ABSENT: None

President Jones announced the meeting adjourned at 10:55 p.m.

Board Clerk

Secretary, Board of Trustees

Minutes submitted by Colleen Hayes, Manager II, Board Operations/Superintendent's Office

**CAPISTRANO UNIFIED SCHOOL DISTRICT
BOARD REPORT**

To: Board of Trustees

From: Susan Holliday, Associate Superintendent, Education Services

Prepared by: Heidi Crowley, Coordinator Charter Schools and Strategic Initiatives

Date: February 13, 2019

Board Item: Resolution No. 1819-32 of the Governing Board of the Capistrano Unified School District Declining to Revoke the Charter of Oxford Preparatory Academy Charter School – South Orange County and Authorizing Submission of Charter Renewal Petition (Final Decision)

HISTORY

OPA – South Orange County has operated as a charter school since the 2011-2012 school year. On April 23, 2014 the District Board granted a petition to renew OPA – South Orange County’s charter for a five-year term beginning on July 1, 2014 and ending on June 30, 2019; On June 20, 2018 staff presented information on the District’s Notice of Intent to Revoke and Notice of Facts in Support of Revocation to Oxford Preparatory Academy (OPA) Pursuant to Education Code § 47607(e). At that meeting, Trustees voted 5-1-1, to issue OPA the Notice of Intent to Revoke. On the July 11, 2018 agenda for Discussion/Action was an item entitled “Development of Memorandum of Understanding (MOU) with OPA.” Trustees voted 7-0 directing staff to work with OPA to create a mutually agreed upon MOU. The MOU contained conditions and timelines to assure the District that the charter school would be properly governed and financially viable. On July 25, 2018, Trustees voted 7-0 to approve the MOU. OPA submitted evidence confirming completion of all required elements of the MOU by December 18, 2018. Staff verified all documents submitted and recommends Trustees vote to decline to revoke OPA’s charter and to authorize OPA to submit a charter renewal petition.

BACKGROUND INFORMATION

On November 22, 2016, the Fiscal Crisis and Management Assistance Team (FCMAT) Extraordinary Audit, ordered by the San Bernardino County Superintendent of Schools regarding OPA was published. Following the release of the FCMAT report, the District took the following steps to address concerns in the FCMAT report and additional concerns raised in OPA’s responses to these notices:

- December 15, 2016 Notice of Violations
 - FCMAT Audit
- January 30, 2017 Letter
 - Response to Deficiencies in OPA’s January 17, 2017 Response
 - December 15, 2016 Vicenti, Lloyd & Stutzman Independent Auditor’s Report
 - OPA’s Governance

- Efforts to collect misappropriated public funds
- March 3, 2017 Letter
 - Further Response to Deficiencies in OPA's February 14, 2017 Response
- April 24, 2017 Letter
 - Request for Additional Information in Response to OPA's March 17, 2017 Response
- July 11, 2017 Notice of Concern
 - Withholding of Accrediting Commission for Schools (ACS) Western Association of Schools and Colleges (WASC) Accreditation
- September 15, 2017 Notice of Concern
 - OPA's fiscal management and stability
 - Notice of intent to audit
 - Demand to hold and retain all documents
- October 24, 2017 Letter
 - Follow-up to OPA's September 28, 2017 Response
 - Shared employees
 - Accounting errors
 - Funding for OPA Rise Petition
 - Revised budget
- December 15, 2017 Letter
 - Continuing document request related to District audit
- January 23, 2018 Letter
 - Missing documents necessary for District audit

On March 14, 2018, the District issued a Notice of Violation (NOV) to OPA pursuant to Education Code § 47607(d) and Title 5 of the California Code of Regulations, §§ 11965(f) and 11968.5.2. In the NOV, the District identified OPA's violations and provided OPA with a reasonable opportunity to respond to and/or remedy the violations by April 13, 2018. The NOV documented specific factual findings and provided evidence to support each of the legal grounds for revocation.

On June 20, 2018, the District issued a Notice of Intent to Revoke and Notice of Facts in Support of Revocation to OPA Pursuant to Education Code § 47607(e). OPA's response and supporting evidence to the Notice of Violation identified remedial actions taken or proposed but did not successfully remedy the material violations.

On July 11, 2018, the Board conducted a public hearing on the issue of whether evidence exists to revoke OPA's charter in accordance with Education Code § 47607(e).

On July 11, 2018, Trustees voted 7-0 directing staff to work with OPA to create a mutually agreed upon MOU.

On July 25, 2018, Trustees voted 7-0 to approve the mutually agreed upon MOU.

All MOU documents were to be completed and submitted by December 31, 2018, and OPA staff submitted all necessary MOU documents by December 18, 2018.

CURRENT CONSIDERATIONS

On July 25, 2018, Trustees approved an MOU with Oxford Preparatory Academy (OPA). In the MOU, the District and OPA (Parties) agreed to extend the timeframe established in Education Code § 47607, subdivision (e) and California Code of Regulations, title 5, § 11968.5.2, subdivision (f) to provide OPA until December 31, 2018 to take the actions identified in Section 3 “A” through “P” of the MOU. The Parties agreed that California Code of Regulations, title 5, § 11968.5.2, subdivision (h), which states that “*if the chartering authority does not act to issue a Final Decision within the timeframe specified in subdivision (f), the revocation process is terminated and the Notice of Intent to Revoke is void,*” would be inapplicable and that they would instead adhere exclusively to the timeframe detailed in the MOU. OPA submitted evidence confirming completion of all required actions by December 18, 2018. Staff verified all documents submitted and recommends that Trustees vote to decline to revoke OPA’s charter and to authorize OPA to submit a charter renewal petition.

FINANCIAL IMPLICATIONS

None

STAFF RECOMMENDATION

It is recommended the Board of Trustees recognize Susan Holliday, Associate Superintendent, Education Services, to present this item.

Following discussion, it is recommended the Board of Trustees approve Resolution No. 1819-32 of the Governing Board of the Capistrano Unified School District Declining to Revoke the Charter of Oxford Preparatory Academy Charter School – South Orange County and Authorizing Submission of Charter Renewal Petition (Final Decision).

PREPARED BY: Heidi Crowley, Coordinator Charter Schools and Strategic Initiatives

APPROVED BY: Susan Holliday, Associate Superintendent, Education Services

**CAPISTRANO UNIFIED SCHOOL DISTRICT
RESOLUTION NO. 1819-32**

**Resolution of the Governing Board of the Capistrano Unified School District Declining to
Revoke the Charter of Oxford Preparatory Academy Charter School – South Orange
County and Authorizing Submission of Charter Renewal Petition
(Final Decision)**

WHEREAS, the Governing Board of the Capistrano Unified School District (“District Board”) granted a petition for the establishment of Oxford Preparatory Academy Charter School – South Orange County (“OPA – South Orange County”);

WHEREAS, OPA – South Orange County has operated as a charter school since the 2011-12 school year;

WHEREAS, OPA – South Orange County is operated by Oxford Preparatory Academy, a California nonprofit public benefit corporation (“OPA”);

WHEREAS, on April 23, 2014, the District Board granted a petition to renew OPA – South Orange County’s charter for a five-year term beginning on July 1, 2014 and ending on June 30, 2019;

WHEREAS, on December 15, 2016, the Capistrano Unified School District (“District”) issued a Notice of Violations Pursuant to Education Code section 47607, subdivision (d) (“December 15, 2016 Notice of Concern”) to OPA with regard to the findings of an audit of OPA conducted by the Fiscal Crisis & Management Assistance Team;

WHEREAS, on January 17, 2017, OPA responded to the District’s December 15, 2016 Notice of Concern;

WHEREAS, on January 30, 2017, the District requested that OPA provide a further written response to the District’s December 15, 2016 Notice of Concern no later than February 14, 2017;

WHEREAS, on February 14, 2017, OPA provided a supplemental response to the District’s December 15, 2016 Notice of Concern;

WHEREAS, on March 3, 2017, the District expressed concern regarding inconsistencies and contradictions expressed by OPA, and requested that OPA address various issues by providing a further written response to the District’s December 15, 2016 Notice of Concern no later than March 17, 2017;

WHEREAS, on March 17, 2017, OPA provided a further supplemental response to the District’s December 15, 2016 Notice of Concern;

WHEREAS, on April 24, 2017, the District requested that OPA provide additional information no later than May 22, 2017;

WHEREAS, on September 15, 2017, the District issued a Notice of Concern regarding OPA's Fiscal Management and Stability ("September 15, 2017 Notice of Concern"), a Notice of Intent to Audit Pursuant to Oversight Authority and a Demand to Hold and Retain All Documents, and requested a response from OPA by September 28, 2017, with supporting documentation as necessary;

WHEREAS, on September 28, 2017, OPA responded to the District's September 15, 2017 Notice of Concern;

WHEREAS, on December 15, 2017, the District notified OPA that it had received the documents OPA provided in response to the District's request for documents required to conduct its financial audit of OPA, but that the District had discovered that either OPA had not completed the document requests as claimed or that there were still outstanding documents that the District had not received;

WHEREAS, on January 23, 2018, the District notified OPA that it was in receipt of OPA's January 8, 2018 letter, together with additional documents in response to the District's request for documents required to conduct its financial audit of OPA, but that there were still outstanding documents, such as certain general ledger reports from 2012, accounts receivable aging schedules, check registers and bank statements;

WHEREAS, on March 14, 2018, the District issued a Notice of Violation to OPA Pursuant to Education Code Section 47607(c) and (d) and Requesting Remedy by April 15, 2018 to address the District's concerns regarding OPA's fiscal management and stability;

WHEREAS, on April 25, 2018, OPA issued a Preliminary Response to Notice of Violation Issued on March 14, 2018;

WHEREAS, on May 14, 2018, OPA issued a Response to the District's March 14, 2018 Notice of Violation;

WHEREAS, OPA failed to refute to the District's satisfaction or remedy the violations identified in the March 14, 2018 Notice of Violation;

WHEREAS, on June 20, 2018, the District issued a Notice of Intent to Revoke OPA – South Orange County's Charter;

WHEREAS, on July 11, 2018, the District held a public hearing concerning revocation of OPA – South Orange County's Charter;

WHEREAS, OPA expressed a desire to effect further substantive changes to its practices and to provide the information requested by the District in an effort to avoid revocation of OPA – South Orange County's Charter;

WHEREAS, on July 25, 2018, in order to enable OPA to effect these changes, the District and OPA (collectively the “Parties”) entered into a Memorandum of Understanding (“MOU”) to extend the time established in Education Code section 47607, subdivision (e) and California Code of Regulations, title 5, section 11968.5.2, subdivision (f) within which the District was required to issue a Final Decision on the revocation. The MOU is attached hereto as Exhibit “A”;

WHEREAS, the MOU clearly delineated, in Sections 3 “A” through “P,” the remedies OPA was required to implement, and the results that OPA was required to achieve by December 31, 2018, to avoid revocation of OPA – South Orange County’s Charter;

WHEREAS, the Parties further agreed that California Code of Regulations, title 5, section 11968.5.2, subdivision (h), which states that “[i]f the chartering authority does not act to issue a Final Decision within the timeframe specified in subdivision (f), the revocation process is terminated and the Notice of Intent to Revoke is void,” would be inapplicable. The Parties instead agreed to adhere exclusively to the timeframe detailed in the MOU;

WHEREAS, OPA submitted evidence confirming completion of all required actions by December 18, 2018;

WHEREAS, the District has verified all documents OPA submitted and has confirmed that OPA has satisfied all of the requirements set forth in the MOU;

WHEREAS, term of OPA – South Orange County’s Charter Renewal Petition (“Charter”) is set to expire on June 30, 2019; and

WHEREAS, for the reasons set forth below, in accordance with Education Code section 47607, subdivision (e), the District hereby issues this Final Decision declining to revoke OPA’s Charter and authorizing OPA – South Orange County to submit a Charter Renewal Petition.

FINDINGS OF FACT IN SUPPORT OF FINAL DECISION TO DECLINE TO REVOKE OPA’S CHARTER

The factual bases for issuance of this Final Decision are set forth below.

A. OPA provided the requisite information and documentation to confirm that it satisfied the MOU requirements identified in i through xiii below:

- i. Revised 2018-19 budget with detailed explanations as to why the budget changed;
- ii. New salary chart for all administrative positions competitive with surrounding school districts and charter schools, including the 2 additional columns;

- iii. New classified salary chart competitive with surrounding school districts, charter schools and positions, including the 2 additional columns;
- iv. Revised Conflict of Interest Code to ensure active enforcement (Milestone – OPA Board of Directors agenda item and new Conflict of Interest Code approved by OPA Board of Directors and submitted to Orange County Board of Supervisors for approval);
- v. Plan to reverse the trend of declining enrollment or show detailed information as to how the organization has decreased staff or other expenses to support the current enrollment;
 - (a) Monthly attendance reports broken down by grade level and school district of residence due by the 15th of each month beginning September 2018.
- vi. Current teacher salary schedule and actual salaries including stipends, bonuses, allowances, etc. that are equal to or less than total compensation expected to be paid for 2018-19 as identified in the revised budget in i, above;
- vii. Analysis of administrative needs at management level with a listing of all administrative positions (site and organization) and their total compensation;
- viii. Unaudited actuals due – detailed Executive Summary to support the discrepancies between the adopted budget and the unaudited actuals;
- ix. Retain broker and sign listing agreement to sublet or assign the leasehold interest in the Corona offices;
- x. Relocate Administrative Offices to Orange County with close proximity to schools
- xi. Provide monthly updates on litigation;
- xii. Provide non-privileged documents requested by the District Attorneys or police investigators that are within OPA's known possession or control that will support the District Attorney advancing charges against Sue Roche, Edlighten and other related entities (Milestone: monthly updates sent to District); and
- xiii. First Interim – shows positive cash balance and does not vary more than 5% without an explanation.

B. OPA was required to provide an updated 90-day plan for its Chief Business Officer, Oswaldo Diaz, which clearly detailed the fiscal and organizational initiatives that resulted from his hiring. The plan was to include the following:

- i. Listing of all new fiscal initiatives;

- ii. Listing of all activities to support completion of the terms of the MOU;
 - iii. Multi-year cash flow projection;
 - iv. Listing of current contracts, amounts and expiration dates; and
 - v. Copies of new financial policies
- (a) Dates/times trainings will be held for staff

The District met with OPA staff and OPA's back office provider and was satisfied that OPA had provided the requisite information.

C. OPA was to either explain how it plans to reverse OPA – South Orange County's declining enrollment trend or, alternatively, if OPA – South Orange County would prefer to operate as a smaller school, it was required to provide the District with a financial plan demonstrating the actions it has taken to "right size" the organization. OPA provided the District with a plan to reverse OPA – South Orange County's declining enrollment, and the District was satisfied with the plan provided.

D. OPA was to provide the District with a listing of proposed expense reductions with the benefits anticipated to derive from those reductions. OPA was also to provide evidence of implementation of those reductions and the impact to the budget, including an explanation as to how the significant reductions in OPA's back office staff proposed in OPA's 2018-19 budget approved at its June 28, 2018 Board of Directors meeting ("2018-19 Budget") will enable OPA to implement and maintain the necessary controls to "right size" the organization and to remain a viable entity. OPA provided the District with a listing of proposed expense reductions as well as the impact to its budget. The District was satisfied with the information OPA provided.

E. OPA was to provide the District with substantive explanations as to the following relating to its 2018-19 Budget:

- i. The balance of funds remaining for Oxford Preparatory Academy Chino Valley, including evidence of any current balance and anticipated liabilities/expenses. If there was a remaining balance, OPA must explain how the balance would be distributed;
- ii. Why Champion Village revenue and expenses are not accounted for, and whether those amounts are budgeted on a cash basis;
- iii. Why certificated salaries increased by 16%;
- iv. Why California State Teachers' Retirement System ("STRS") contributions increased by only 10% if overall certificated salaries are increasing by 16%;

- v. Why classified administrator salaries are increasing by 16%;
- vi. Why one-time revenue is so high and whether it reduces OPA's revenue;
- vii. Why special education "sub agreement" costs are decreasing, and whether they are in fact for special education or another program;
- viii. Why insurance costs are increasing by 24%;
- ix. Whether all students eligible for free and reduced meals will be provided all meals to which they are entitled; and
- x. Why the health and welfare assumptions on the assumptions tab do not equal the multi-year projection in any year.

OPA provided the District with the requisite substantive explanations.

F. OPA agreed to provide a revised five-year budget projection. OPA also agreed to provide an explanation as to why its budget reductions and projections continue to change. OPA provided a revised projection together with the explanation the District requested.

G. OPA was to provide an explanation as to why its three-year budget cash flow reflects a substantial increase in administrators' and classified administrators' salaries. OPA provided the requested explanation.

H. OPA agreed to provide the District with documentary evidence that OPA adopted revised fiscal policies on May 24, 2018. OPA provided sufficient documentation to establish that it has adopted revised fiscal policies.

I. OPA agreed that it would hire a permanent Executive Director, chancellor and dean who understand OPA and its culture. OPA promised to provide the District with evidence of signed contracts for those positions and documentation explaining each position's role in implementing the recovery plan. OPA has provided evidence that it has hired the appropriate personnel.

J. On June 28, 2018, OPA's Board of Education (the "OPA Board") approved a Classified/Confidential and Administrative Salary Schedule, with job descriptions. The OPA Board directed staff to add two additional columns and Y-Rate all employees who would receive a reduction in salary. The MOU required OPA to provide evidence of how this new salary schedule will impact OPA's budget, and specifically how it will support a balanced budget and OPA's fiscal recovery plan, and how it will result in any savings for OPA. OPA has provided the District with the requisite evidence.

K. OPA agreed to provide the District with documentary evidence that all management or supervisory employees connected to Sue Roche and her administrative team no longer work for OPA. OPA has provided the District with evidence to establish that Sue Roche and her administrative team no longer work for OPA.

L. OPA agreed to provide a completed Governance Handbook and Agreements that identify OPA's priorities, core values and goals, together with evidence of their implementation. OPA has provided the District with these documents.

M. OPA agreed to provide documentation to establish that its storage facility rental for Oxford Preparatory Academy Chino Valley was closed out by July 9, 2018. OPA established that the storage facility was closed out.

N. The MOU required OPA to provide documentary evidence to confirm that it has no further liabilities relating to Oxford Preparatory Academy Chino Valley. This evidence was to include, but not be limited to, proof that all STRS payments have been made for Oxford Preparatory Academy Chino Valley, that there are no outstanding penalties or interest owing and a close-out letter from the Chino Unified School District. OPA provided evidence to establish that it took all requested actions within its control within the timeframe detailed in the MOU. OPA submitted all STRS documentation to the San Bernardino County Office of Education. Litigation against Chino Valley Unified School District is ongoing.

O. OPA agreed to provide documentary evidence that the employee who hid thumb drives and boxes of documents in her garage is no longer employed by OPA. OPA also agreed to provide the District with a detailed analysis of the material contained in the documents and thumb drives discovered in OPA's storage facility and in the garage of OPA's employee, together with a listing of persons or entities that OPA shared the contents of the documents and thumb drives with since discovery. OPA has provided the District with the requisite information.

P. OPA agreed to provide the District with updates every 30 days as to the status of litigation relating to Oxford Preparatory Academy Chino Hills and dealings with law enforcement. OPA has provided the District with monthly litigation updates.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the District Board that:

1. Because OPA has satisfied the conditions set forth in the MOU, the District hereby resolves to conclude its revocation action by issuing this Final Decision declining to revoke OPA's Charter;

2. OPA may submit a Charter Renewal Petition on February 27, 2019;

3. The District will hold a public hearing on the renewal in accordance with the terms of the MOU; and

4. The District Board will issue its decision as to whether to grant or deny the renewal of OPA's Charter in accordance with the terms of the MOU.

PASSED AND ADOPTED this 13th day of February 2019 by the District Board by the following vote:

AYES: _____
NOES: _____
ABSENT: _____

**MEMORANDUM OF UNDERSTANDING BETWEEN
CAPISTRANO UNIFIED SCHOOL DISTRICT
AND
OXFORD PREPARATORY ACADEMY**

This Memorandum of Understanding ("Agreement") is executed by and between the Capistrano Unified School District ("District"), a school district existing under the laws of the State of California, and Oxford Preparatory Academy ("OPA"), a California nonprofit public benefit corporation (collectively referred to as the "Parties").

RECITALS

WHEREAS, OPA currently operates two charter schools: OPA – South Orange County and OPA – Saddleback Valley;

WHEREAS, OPA previously operated another charter school, OPA – Chino Valley, which closed in July 2017;

WHEREAS, the District is the authorizing agency of OPA – South Orange County. The term of OPA – South Orange County's Charter Renewal Petition ("Charter") is set to expire on June 30, 2019;

WHEREAS, on December 15, 2016, the District issued a Notice of Violations Pursuant to Education Code section 47607, subdivision (d) ("December 15, 2016 Notice of Concern") to OPA with regard to the findings of an audit of OPA conducted by the Fiscal Crisis & Management Assistance Team;

WHEREAS, on January 17, 2017, OPA responded to the District's December 15, 2016 Notice of Concern;

WHEREAS, on January 30, 2017, the District requested that OPA provide a further written response to the District's December 15, 2016 Notice of Concern no later than February 14, 2017;

WHEREAS, on February 14, 2017, OPA provided a supplemental response to the District's December 15, 2016 Notice of Concern;

WHEREAS, on March 3, 2017, the District expressed concern regarding inconsistencies and contradictions expressed by OPA, and requested that OPA address various issues by providing a further written response to the District's December 15, 2016 Notice of Concern no later than March 17, 2017;

WHEREAS, on March 17, 2017, OPA provided a further supplemental response to the District's December 15, 2016 Notice of Concern;

WHEREAS, on April 24, 2017, the District requested that OPA provide additional information no later than May 22, 2017;

WHEREAS, on July 11, 2017, the District issued a Notice of Concern re Withholding of ACS Western Association of Schools and Colleges (“WASC”) Accreditation to OPA (“July 11, 2017 Notice of Concern”);

WHEREAS, on August 9, 2017, OPA responded to the District’s July 11, 2017 Notice of Concern, advising the District that it would begin the process of re-applying for WASC accreditation;

WHEREAS, on September 15, 2017, the District issued a Notice of Concern regarding OPA’s Fiscal Management and Stability (“September 15, 2017 Notice of Concern”), a Notice of Intent to Audit Pursuant to Oversight Authority and a Demand to Hold and Retain All Documents, and requested a response from OPA by September 28, 2017, with supporting documentation as necessary;

WHEREAS, on September 28, 2017, OPA responded to the District’s September 15, 2017 Notice of Concern;

WHEREAS, on December 15, 2017, the District notified OPA that it had received the documents OPA provided in response to the District’s request for documents required to conduct its financial audit of OPA, but that the District had discovered that either OPA had not completed the document requests as claimed or that there were still outstanding documents that the District had not received;

WHEREAS, on January 23, 2018, the District notified OPA that it was in receipt of OPA’s January 8, 2018 letter, together with additional documents in response to the District’s request for documents required to conduct its financial audit of OPA, but that there were still outstanding documents, such as certain general ledger reports from 2012, accounts receivable aging schedules, check registers and bank statements;

WHEREAS, on March 14, 2018, the District issued a Notice of Violation to OPA Pursuant to Education Code Section 47607(c) and (d) and Requesting Remedy by April 15, 2018 to address the District’s concerns regarding OPA’s fiscal management and stability;

WHEREAS, on April 25, 2018, OPA issued a Preliminary Response to Notice of Violation Issued on March 14, 2018;

WHEREAS, on May 14, 2018, OPA issued a Response to the District’s March 14, 2018 Notice of Violation;

WHEREAS, OPA failed to refute to the District’s satisfaction or remedy the violations identified in the March 14, 2018 Notice of Violation;

WHEREAS, on June 20, 2018, the District issued a Notice of Intent to Revoke OPA – South Orange County’s Charter;

WHEREAS, on July 11, 2018, the District held a public hearing concerning revocation of OPA – South Orange County’s Charter;

WHEREAS, pursuant to Education Code section 47607, subdivision (e) and California Code of Regulations, title 5, section 11968.5.2, subdivision (f), the District must issue a final decision on the revocation no more than 30 calendar days after the July 11, 2018 public hearing (or 60 calendar days by written mutual agreement with OPA);

WHEREAS, OPA has expressed a desire to effect further substantive changes to its practices and to provide the information requested by the District in an effort to avoid revocation of its Charter;

WHEREAS, the Parties enter into this Agreement to extend the time within which the District must issue a final decision on the revocation and to clearly delineate the remedies OPA must implement, and the results that OPA must achieve, within that time frame to avoid revocation of its Charter; and

WHEREAS, all references in this Agreement are to OPA’s South Orange County campus unless otherwise indicated.

AGREEMENTS

1. The Parties agree to extend the timeframe established in Education Code section 47607, subdivision (e) and California Code of Regulations, title 5, section 11968.5.2, subdivision (f) as set forth herein. The Parties further agree that California Code of Regulations, title 5, section 11968.5.2, subdivision (h), which states that “[i]f the chartering authority does not act to issue a Final Decision within the timeframe specified in subdivision (f), the revocation process is terminated and the Notice of Intent to Revoke is void,” shall be inapplicable. The parties instead agree to adhere exclusively to the timeframe detailed in this Agreement.

2. OPA acknowledges and agrees that by signing this Agreement, it is waiving the timeframes identified in Education Code section 47607, subdivision (e) and California Code of Regulations, title 5, section 11968.5.2, subdivisions (f) and (h) and any rights it might have to challenge the District’s performance in accordance with those timeframes.

3. OPA agrees to take the actions identified as “A” through “P” below by December 31, 2018, unless otherwise specified. The District will provide OPA with written confirmation of completion of each action within 30 days of receiving confirmation from OPA that the action has been completed.

A. OPA will provide the District with the information identified in i through xiii below:

- i. September 1, 2018 – Revised 2018-19 budget with detailed explanations as to why the budget changed;

- ii. September 1, 2018 – New salary chart for all administrative positions competitive with surrounding school districts and charter schools, including the 2 additional columns;
- iii. September 1, 2018 – New classified salary chart competitive with surrounding school districts, charter schools and positions, including the 2 additional columns;
- iv. August 24, 2018 – Revised Conflict of Interest Code to ensure active enforcement (Milestone – OPA Board of Directors agenda item and new Conflict of Interest Code approved by OPA Board of Directors and submitted to Orange County Board of Supervisors for approval);
- v. September 1, 2018 – Plan to reverse the trend of declining enrollment or show detailed information as to how the organization has decreased staff or other expenses to support the current enrollment;
 - (a) Monthly attendance reports broken down by grade level and school district of residence due by the 15th of each month beginning September 2018.
- vi. September 28, 2018 – Current teacher salary schedule and actual salaries including stipends, bonuses, allowances, etc. that are equal to or less than total compensation expected to be paid for 2018-19 as identified in the revised budget in i, above;
- vii. September 28, 2018 – Analysis of administrative needs at management level with a listing of all administrative positions (site and organization) and their total compensation;
- viii. September 15, 2018 – Unaudited actuals due – detailed Executive Summary to support the discrepancies between the adopted budget and the unaudited actuals;
- ix. August 15, 2018 – Retain broker and sign listing agreement to sublet or assign the leasehold interest in the Corona offices;
- x. Relocate Administrative Offices to Orange County with close proximity to schools
- xi. Provide monthly updates on litigation);
- xii. Provide non-privileged documents requested by the District Attorneys or police investigators that are within OPA’s known possession or control that will support the District Attorney advancing charges against Sue Roche, Edlighten and other related entities (Milestone: monthly updates sent to District); and
- xiii. December 15, 2018 – First Interim – shows positive cash balance and does not vary more than 5% without an explanation.

It is the intent of the parties with regard to subdivision i through xiii that OPA be able to demonstrate that it is solvent both in the current and subsequent three fiscal years; it is not the intent of the District to direct what specific revenues should be increased or expenses decreased to accomplish this goal.

B. OPA will provide an updated 90-day plan from the date of this Agreement for its Chief Business Officer, Oswaldo Diaz, which clearly details the fiscal and organizational initiatives that result from his hiring. The plan will include the following:

- i. Listing of all new fiscal initiatives;
- ii. Listing of all activities to support completion of the terms of this Agreement;
- iii. Multi-year cash flow projection;
- iv. Listing of current contracts, amounts and expiration dates; and
- v. Copies of new financial policies
 - (a) Dates/times trainings will be held for staff

C. OPA must either explain how it will reverse its declining enrollment trend or, alternatively, if OPA determines that it wishes to operate as a smaller school, it must provide the District with a financial plan demonstrating the actions it has taken to “right size” the organization.

D. OPA will provide the District with a listing of proposed expense reductions with the benefits anticipated to derive from those reductions. OPA will provide evidence of implementation of those reductions and the impact to the budget. Included in that discussion will be an explanation as to how the significant reductions in OPA’s back office staff proposed in OPA’s 2018-19 budget approved at its June 28, 2018 Board of Directors meeting (“2018-19 Budget”) will enable OPA to implement and maintain the necessary controls to “right size” the organization and to remain a viable entity.

E. OPA will provide the District with substantive explanations as to the following relating to the 2018-19 Budget:

- i. The balance of funds remaining for OPA-Chino Valley, including evidence of the current balance and any anticipated liabilities/expenses. If there is a remaining balance, OPA must explain how the balance will be distributed;
- ii. Why Champion Village revenue and expenses are not accounted for, and whether those amounts are budgeted on a cash basis;

- iii. Why certificated salaries increased by 16%;
- iv. Why California State Teachers' Retirement System ("STRS") contributions increased by only 10% if overall certificated salaries are increasing by 16%;
- v. Why classified administrator salaries are increasing by 16%;
- vi. Why one-time revenue is so high and whether it reduces OPA's revenue;
- vii. Why special education "sub agreement" costs are decreasing, and whether they are in fact for special education or another program;
- viii. Why insurance costs are increasing by 24%;
- ix. Whether all students eligible for free and reduced meals will be provided all meals to which they are entitled; and
- x. Why the health and welfare assumptions on the assumptions tab do not equal the multi-year projection in any year.

F. OPA will provide a revised five-year budget projection. OPA will also provide an explanation as to why the budget reductions and projections continue to change, which suggests to the District that OPA's initial three-year budget was inaccurate or OPA no longer stands by those numbers.

G. OPA will provide an explanation as to why its three-year budget cash flow reflects a substantial increase in administrators' and classified administrators' salaries.

H. OPA will provide the District with documentary evidence that OPA adopted revised fiscal policies on May 24, 2018.

I. OPA will hire a permanent Executive Director, chancellor and dean who understand OPA and its culture. OPA will provide the District with evidence of signed contracts for those positions and provide documentation explaining each position's role in implementing the recovery plan.

J. On June 28, 2018, OPA's Board of Education (the "OPA Board") approved a Classified/Confidential and Administrative Salary Schedule, with job descriptions. The OPA Board directed staff to add two additional columns and Y-Rate all employees who would receive a reduction in salary. OPA must provide evidence of how this new salary schedule will impact OPA's budget, and specifically how it will support a balanced budget and OPA's fiscal recovery plan, and how it will result in any savings for OPA.

K. OPA will provide the District with documentary evidence that all management or supervisory employees connected to Sue Roche and her administrative team no longer work for OPA.

L. OPA will provide a completed Governance Handbook and Agreements that identify OPA's priorities, core values and goals, together with evidence of their implementation.

M. OPA will provide documentation to establish that its storage facility rental for OPA – Chino Valley was closed out by July 9, 2018.

N. OPA will provide documentary evidence to confirm that it has no further liabilities relating to OPA – Chino Valley. This evidence will include, but shall not be limited to, proof that all STRS payments have been made for OPA – Chino Valley, that there are no outstanding penalties or interest owing and a close-out letter from the Chino Unified School District.

O. OPA will provide documentary evidence that the employee who hid thumb drives and boxes of documents in her garage is no longer employed by OPA. OPA will also provide the District with a detailed analysis of the material contained in the documents and thumb drives discovered in OPA's storage facility and in the garage of OPA's employee, together with a listing of persons or entities that OPA shared the contents of the documents and thumb drives with since discovery.

P. OPA will provide the District with updates every 30 days as to the status of litigation relating to OPA – Chino Valley and dealings with law enforcement.

4. The District will have until January 31, 2019 to assess OPA's progress and compliance with the terms of this Agreement and to determine whether OPA has remedied the violations identified in the March 14, 2018 Notice of Violation.

5. The District will present its findings to the Board on February 27, 2019, the next regularly scheduled Board meeting after conclusion of the District's assessment period. The Board will then, at that February 27, 2019 meeting, vote on the issuance of a final decision on the revocation.

6. Subject to the rights reserved in Number 8, if the Board votes to issue a final decision revoking OPA's Charter, the District will transmit a copy of the final decision to the California Department of Education and the Orange County Department of Education within 10 calendar days of its issuance. OPA – South Orange County will then be precluded from proceeding with a renewal of its Charter and the school will close at the conclusion of the 2018-19 school year.

7. The Parties acknowledge and agree that the July 11, 2018 public hearing will be the final public hearing the District holds regarding the possible revocation of OPA's Charter. OPA waives any rights it may have to a further public hearing on the revocation.

8. The Parties agree that the Board's decision regarding revocation may only be reviewed in accordance with the protocol established in Education Code section 47607, subdivision (f). Specifically, should the District issue a final decision revoking OPA – South Orange County's Charter, OPA's remedy, should it choose to challenge the decision, is to appeal the revocation to the county board of education within 30 days following the District's final decision. OPA acknowledges and agrees that neither Education Code section 47607 nor California Code of Regulations, title 5, section 11968.5.2 enables a charter school to appeal a charter revocation directly to the superior court.

9. If, alternatively, the District determines that OPA has completed the actions identified in Section 3A through P above to its satisfaction and the Board decides at its February 27, 2019 meeting not to revoke OPA – South Orange County's Charter, OPA will submit a Charter Renewal Petition ("2019 Renewal Petition") to the District at the Board's March 13, 2019 meeting. OPA agrees that it will not submit a 2019 Renewal Petition prior to March 13, 2019. The District will then hold a public hearing on the renewal on March 27, 2019. OPA agrees that the District will have a 30-day extension of time within which to grant or deny the Charter renewal request. Accordingly, the District's Board will have until June 11, 2019 to issue its decision on OPA's 2019 Renewal Petition.


10. The Parties agree that if OPA completes all of the actions identified in Section 3A through P above in advance of the December 31, 2018 deadline, the timeline detailed above may be revised as follows: The District will have 30 days from the date OPA notifies the District that it has completed its final action and/or provides the District with the remaining documentary support for its actions, as applicable, to assess OPA's progress and compliance with the terms of this Agreement and to determine whether OPA has remedied the violations identified in the March 14, 2018 Notice of Violation. The District will then present its findings to the Board at the next regularly scheduled Board meeting after conclusion of that 30-day period, so long as the timing enables the District to meet the submission timeline for Board items. If there is insufficient time for the District to meet its submission timeline for Board items, the District will present its findings to the Board at the following regularly scheduled Board meeting. At the Board meeting, the Board will vote on the issuance of a final decision on the revocation. If the District decides at that meeting not to revoke OPA – South Orange County's Charter, OPA may submit a 2019 Renewal Petition to the District at the next regularly scheduled Board meeting following the Board's decision. OPA agrees that the District will have a 30-day extension of time within which to grant or deny the Charter renewal request.

11. OPA shall submit any Proposition 39 facilities request to the District for the 2019-20 school year in accordance with California Code of Regulations, title 5, section 11969.9, subdivision (b).

12. Neither Party shall assign its rights, duties or privileges under this Agreement, nor shall either Party attempt to confer any of its rights, duties or privileges under this Agreement on any third party, without the written consent of the other Party.

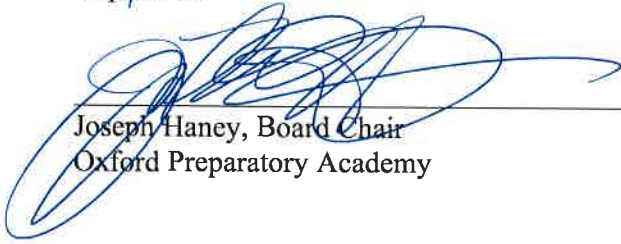
13. This represents the full and final Agreement between OPA and the District and shall only be modified in writing by the mutual agreement of the Parties.

Dated: July 25, 2018








Kirsten M. Vital, Superintendent
Capistrano Unified School District





Dated: July 18, 2018








Joseph Haney, Board Chair
Oxford Preparatory Academy





**MEMORANDUM OF UNDERSTANDING BETWEEN CAPISTRANO UNIFIED SCHOOL DISTRICT
AND
OXFORD PREPARATORY ACADEMY
MOU CHECKLIST**








Agreement OPA will provide the District with the information identified below:	Due Date	Date Submitted to District	Submitted By	Name of Document(s)	Reviewed By	Comments And Date Feedback Provided Shared	District Verification and Completion Date
Retain broker and sign listing agreement to sublet or assign the leasehold interest in the Corona offices	August 15, 2018	8/15/18 Hand Delivery	Kathleen Daugherty	Exclusive Listing Agreement	CSO & Legal	8/17/18 requested more detail – received from Oswaldo Diaz	8/24/18 
Revised Conflict of Interest Code to ensure active enforcement (Milestone – OPA Board of Directors agenda item and new Conflict of Interest Code approved by OPA Board of Directors and submitted to Orange County Board of Supervisors for approval)	August 24, 2018	8/18/18 Via Email	Jill Marks	OPA – Conflict of Interest	CSO & Legal	Received verification of submission to OC Board of Supervisors	8/24/18 
Provide monthly updates on litigation	September 1, 2018	8/28/18 Via Email	Jill Marks	2018-8-21 Litigation Update	CSO & Legal	11/5/18 OPA to provide District with summary of meeting Received via email from Jill Marks on 11/27/18	8/29/18 
	October 1, 2018	9/28/18 Via Email	Jill Marks	2018.09.27 Litigation Update	CSO & Legal		10/1/18 
	November 15, 2018 – staff approved date change	11/15/18 Mtg held at District office	Jill Marks, Joseph Haney, Matthew Fletcher, SH, HC and District legal counsel via phone	2018.11.21 Litigation Update	CSO & Legal		11/28/18 



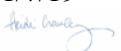

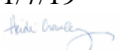

	December 15, 2018 - staff approved date change	12/14/18 Via email	Jill Marks	2018.12.15 Litigation Update	CSO & Legal		12/14/18 
Provide non-privileged documents requested by the District Attorneys or police investigators that are within OPA's known possession or control that will support the District Attorney advancing charges against Sue Roche, Edlighten and other related entities (Milestone: monthly updates sent to District)	September 15, 2018	10/1/18 Via email	Jill Marks			On 10/1/18 District was informed by Jill Marks, "There was nothing to forward to you for the timeframe. I will forward future documentation as we agreed."	
	October 15, 2018	10/14/18 Via email	Jill Marks			This month there were no non-privileged documents requested by the District Attorney or police investigators that are within OPA's non-possession or control that will support the DA advancing charges against Sue Roche, Edlighten and other related entities	10/15/18 
	November 15, 2018	11/15/18 Mtg held at District office	Jill Marks, Joseph Haney, Matthew Fletcher, SH, HC and District legal counsel via phone	2018.11.21 Litigation Update	CSO & Legal	OPA to provide District with summary of meeting – Received vial email from Jill Marks on 11/27/18	11/27/18 
	December 15, 2018	12/14/18 Via email	Jill Marks	2018.12.15 Litigation Update	CSO and Legal		12/14/18 



OPA will provide the District with updates every 30 days as to the status of litigation relating to OPA – Chino Valley and dealings with law enforcement	September 15, 2018	8/28/18 Via Email	Jill Marks	2018-8-21 Litigation Update	CSO & Legal	OPA to provide District with summary of meeting Received vial email from Jill Marks on 11/27/18	8/29/18 
	October 15, 2018	10/14/18	Jill Marks	2018.10.10	CSO & Legal		10/15/18 
	November 15, 2018	11/15/18 Mtg held at District office	Jill Marks, Joseph Haney, Matthew Fletcher, SH, HC and District legal counsel via phone	2018.11.21 Litigation Update	CSO & Legal		11/27/18 
	December 15, 2018	12/14/18 Via email	Jill Marks	2018.12.15 Litigation Update	CSO and Legal		12/14/18 
Revised 2018-19 budget with detailed explanations as to why the budget changed	September 1, 2018	9/1/18 Via Email	Jill Marks	Revised Budget and Explanations	CSO & Fiscal Services	9/11/18 Requested the revised multi-year projections – the explanations alone don't provide a complete picture. Also, what are your enrollment projections that go with your out year projections? 9/17/18 Received Response and requested additional information: We would like more of an explanation of why your insurance increase by 50%, as that seems excessive. Was that a result of the Turner-Agassi settlement? Secondly, we would like details of your STRS audit findings.	10/17/18 






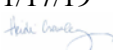
						<p>Also, we didn't see the enrollment projections that go with their out year projections. Did we miss it?</p> <p>And the full report for multiyear projections (2019-20 through 2022-23) including projected ADA</p> <p>CSO was told we would receive response on 9/26/18 and then 10/1/18</p> <p>Email response received on 10/3/18 from Oswaldo Diaz Staff is satisfied with response</p> <p>New Questions/Comments sent on 10/4/18: The amount for State unemployment looks off in year 4. Not necessary to revise but take a look.</p> <p>Please update CUSD on any new notifications from STRS regarding the findings. Has the possibility of any financial penalties been discussed with OPA?</p> <p>What is the Additional Rent line for? What about the property taxes line?</p> <p>What is OPA paying under the heading of other taxes</p>	
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						<p>and fees?</p> <p>Why is the depreciation expense so much lower than 17-18 and 18-19?</p> <p>Response received 10/10/18 – Staff is evaluating</p> <p>10/17/18 Staff satisfied with response</p>	
New salary chart for all administrative positions competitive with surrounding school districts and charter schools, including the 2 additional columns	September 1, 2018	8/31/18 Via Email	Jill Marks	2018 OPA Salary Admin/Classified	CSO & Fiscal Services	Observation: The CBO's salary remains the same and the chancellor and director positions very quickly surpass CBO's salary	9/10/18 
New classified salary chart competitive with surrounding school districts, charter schools and positions, including the 2 additional columns	September 1, 2018	8/31/18 Via Email	Jill Marks	2018 OPA Admin and Classified Salary Comp	CSO & Fiscal Services		9/10/18 
Plan to reverse the trend of declining enrollment or show detailed information as to how the organization has decreased staff or other expenses to support current enrollment	September 1, 2018	9/1/18 Via Email	Jill Marks	MOU Declining Enrollment	CSO & Fiscal Services	Is OPA conducting an exit interview with families to determine why they are leaving the charter school?	9/10/18 
Unaudited actuals due – detailed Executive Summary to support the discrepancies between the adopted budget and the unaudited actuals;	September 15, 2018	8/27/18 Via Email	Oswaldo Diaz		CSO & Fiscal Services		9/10/18 




Monthly attendance reports broken down by grade level and school district of residence due by the 15th of each month beginning September 2018.	September 15, 2018	9/14/18 Via email	Amy Kernan		CSO & Fiscal Services		9/17/18 
	October 15, 2018	10/14/18 Via Email	Jill Marks & Amy Kernan	SOC Month 2	CSO & Fiscal Services		10/15/18 
	November 15, 2018	11/13/18 Via Email	Amy Kernan	Month 3 Attendance Report	CSO & Fiscal Services		11/14/18 
	December 15, 2018	12/14/18 Via email	Amy Kernan	Month 4 Attendance	CSO & Fiscal Services		12/14/18 
Current teacher salary schedule and actual salaries including stipends, bonuses, allowances, etc. that are equal to or less than total compensation expected to be paid for 2018-19	September 28, 2018	10/4/18 Via email Correction: Received 10/3/18	Oswaldo Diaz	2018-19 Salary Schedule and Expected Compensation	CSO & Fiscal Services		10/10/18 
Analysis of administrative needs at management level with a listing of all administrative positions (site and organization) and their total compensation	September 28, 2018	10/4/18 Via email	Jill Marks	OPA - 2018-19 Analysis of Administrative Positions at Management Level	CSO & Fiscal Services		10/10/18 
First Interim – shows positive cash balance and does not vary more than 5% without an explanation.	December 15, 2018	12/14/18 Via email	Jill Marks	First Interim Report 2018-19 OPA SOC certification page signed Oxford SOC First Interim 18-19 OPA -1st Interim Positive Cash	CSO & Fiscal Services	Mtg with OPA staff and Ex Ed on 12/21/18 to discuss	1/7/19 





				Balance and Does Not Vary More Than 5%			
Relocate Administrative Offices to Orange County with close proximity to schools	December 15, 2018	12/5/18 Via email	Jill Marks	OPA and PPP Sublease Agreement	CSO and Legal		12/7/18 
OPA will provide an updated 90-day plan from the date of this Agreement for its Chief Business Officer, Oswaldo Diaz, which clearly details the fiscal and organizational initiatives that result from his hiring. The plan will include the following:	December 31, 2018						
<ul style="list-style-type: none"> Listing of all new fiscal initiatives 	December 31, 2018	12/18/18 Via email	Jill Marks	Oswaldo Diaz – OPA – 90 Day Plan	CSO and Fiscal Services	Mtg with OPA staff and Ex Ed on 12/21/18 to discuss	1/7/19 
<ul style="list-style-type: none"> Listing of all activities to support completion of the terms of this Agreement 	December 31, 2018	12/18/18 Via email	Jill Marks	Oswaldo Diaz – OPA – 90 Day Plan	CSO and Fiscal Services	Mtg with OPA staff and Ex Ed on 12/21/18 to discuss	1/7/19 
<ul style="list-style-type: none"> Multi-year cash flow projection 	December 31, 2018	12/18/18 Via email	Jill Marks	Oswaldo Diaz – OPA – 90 Day Plan	CSO and Fiscal Services	Mtg with OPA staff and Ex Ed on 12/21/18 to discuss	1/7/19 
<ul style="list-style-type: none"> Listing of current contracts, amounts and expiration dates 	December 31, 2018	12/18/18 Via email	Jill Marks	Oswaldo Diaz – OPA – 90 Day Plan	CSO and Fiscal Services	OPA requested clarification on this item. Staff responded on 12/11/18 Mtg with OPA staff and Ex Ed on 12/21/18 to discuss	1/7/19 
<ul style="list-style-type: none"> Copies of new financial policies with dates/times trainings will be held 	December 31, 2018	12/18/18 Via email	Jill Marks	Oswaldo Diaz – OPA – 90 Day Plan	CSO and Fiscal Services	Mtg with OPA staff and Ex Ed on 12/21/18 to discuss	1/7/19 


for staff							
OPA must either explain how it will reverse its declining enrollment trend or, alternatively, if OPA determines that it wishes to operate as a smaller school, it must provide the District with a financial plan demonstrating the actions it has taken to “right size” the organization	December 31, 2018	12/11/18 Vial email	Jill Marks	Declining Enrollment Plan 12-11-18	CSO & Fiscal Services		12/18/18 
OPA will provide the District with a listing of proposed expense reductions with the benefits anticipated to derive from those reductions. OPA will provide evidence of implementation of those reductions and the impact to the budget. Included in that discussion will be an explanation as to how the significant reductions in OPA’s back office staff proposed in OPA’s 2018-19 budget approved at its June 28, 2018 Board of Directors meeting (“2018-19 Budget”) will enable OPA to implement and maintain the necessary controls to “right size” the organization and to remain a viable entity	December 31, 2018	12/10/18 Via email	Jill Marks	OPA – List of Expense Reductions and Impact to Budget	CSO & Fiscal Services		12/11/18 
OPA will provide the District with substantive explanations as to the following relating to the 2018-19 Budget:	December 31, 2018						

<ul style="list-style-type: none"> The balance of funds remaining for OPA-Chino Valley, including evidence of the current balance and any anticipated liabilities/expenses. If there is a remaining balance, OPA must explain how the balance will be distributed 	December 31, 2018	12/6/18 Via email	Jill Marks	OPA Remaining Funds OPA –Chino Valley	CSO & Fiscal Services	Please note: the remaining Chino STRS payment is unknown – OPA submitted all their documentation to the San Bernardino Office of Education on December 12, 2018 and should have final number in January. Litigation against Chino Valley Unified is ongoing	12/11/18 
<ul style="list-style-type: none"> Why Champion Village revenue and expenses are not accounted for, and whether those amounts are budgeted on a cash basis 	December 31, 2018	11/27/17 Via email	Jill Marks	OPA – MOU – Free and Reduce Lunch	CSO and Fiscal Services		11/30/18 
<ul style="list-style-type: none"> Why certificated salaries increased by 16% 	December 31, 2018	12/18/18 Via email	Jill Marks	OPA Substantive Explanations Relating to 2018-19 Budget	CSO and Fiscal Services	Mtg with OPA staff and Ex Ed on 12/21/18 to discuss	1/17/19 
<ul style="list-style-type: none"> Why California State Teachers' Retirement System ("STRS") contributions increased by only 10% if overall certificated salaries are increasing by 16% 	December 31, 2018	12/18/18 Via email	Jill Marks	OPA Substantive Explanations Relating to 2018-19 Budget	CSO and Fiscal Services	Mtg with OPA staff and Ex Ed on 12/21/18 to discuss Final Chino STRS number should be determined in January	1/17/19 
<ul style="list-style-type: none"> Why classified administrator salaries are increasing by 16% 	December 31, 2018	12/18/18 Via email	Jill Marks	OPA Substantive Explanations Relating to 2018-19 Budget	CSO and Fiscal Services	Mtg with OPA staff and Ex Ed on 12/21/18 to discuss	1/17/19 
<ul style="list-style-type: none"> Why one-time revenue is so high and whether it reduces OPA's revenue 	December 31, 2018	12/18/18 Via email	Jill Marks	OPA Substantive Explanations Relating to 2018-19 Budget	CSO and Fiscal Services	Mtg with OPA staff and Ex Ed on 12/21/18 to discuss	1/17/19 

<ul style="list-style-type: none"> Why special education “sub agreement” costs are decreasing, and whether they are in fact for special education or another program 	December 31, 2018	12/18/18 Via email	Jill Marks	OPA Substantive Explanations Relating to 2018-19 Budget	CSO and Fiscal Services	Mtg with OPA staff and Ex Ed on 12/21/18 to discuss	1/7/19 
<ul style="list-style-type: none"> Why insurance costs are increasing by 24% 	December 31, 2018	12/18/18 Via email	Jill Marks	OPA Substantive Explanations Relating to 2018-19 Budget	CSO and Fiscal Services	Mtg with OPA staff and Ex Ed on 12/21/18 to discuss	1/7/18 
<ul style="list-style-type: none"> Whether all students eligible for free and reduced meals will be provided all meals to which they are entitled 	December 31, 2018	11/27/18 via email	Jill Marks	OPA – MOU – Free and Reduce Lunch	CSO and Fiscal Services		11/30/18 
<ul style="list-style-type: none"> Why the health and welfare assumptions on the assumptions tab do not equal the multi-year projection in any year. 	December 31, 2018	12/18/18 Via email	Jill Marks	OPA Substantive Explanations Relating to 2018-19 Budget	CSO and Fiscal Services	Mtg with OPA staff and Ex Ed on 12/21/18 to discuss	1/7/19 
OPA will provide a revised five-year budget projection. OPA will also provide an explanation as to why the budget reductions and projections continue to change, which suggests to the District that OPA’s initial three-year budget was inaccurate or OPA no longer stands by those numbers.	December 31, 2018	12/18/18 Via email	Jill Marks	OPA 5 Year Revised Budget Projections	CSO and Fiscal Services	OPA requested clarification on this item – Staff responded on 12/11/18 Mtg with OPA staff and Ex Ed on 12/21/18 to discuss	1/7/19 
OPA will provide an explanation as to why its three-year budget cash flow reflects a substantial increase in administrators’ and	December 31, 2018	12/6/18 Via email	Jill Marks	OPA 3 Year Budget Cash Flow	CSO and Fiscal Services	Observations: The Executive Director and CBO have no step increases. There are six management	12/11/18 

classified administrators' salaries						positions categorized as confidential. The longevity Bonus earned after only 5 years is \$583.33 per year for the HR Manager and \$3500.00 for everyone else Part time hourly get the same \$3500.00 annual longevity bonus as full time 12-month positions	
OPA will provide the District with documentary evidence that OPA adopted revised fiscal policies on May 24, 2018.	December 31, 2018	11/9/18 via MOU Committee Google folder	Jill Marks	OPA MOU Revised Fiscal Policies and Procedures	CSO		11/14/18 
OPA will hire a permanent Executive Director, chancellor and dean who understand OPA and its culture. OPA will provide the District with evidence of signed contracts for those positions and provide documentation explaining each position's role in implementing the recovery plan.	December 31, 2018	11/27/18 via email	Jill Marks	OPA MOU hire a Permanent Director, Chancellor and Dean	CSO		11/27/18 
On June 28, 2018, OPA's Board of Education (the "OPA Board") approved a Classified/Confidential and Administrative Salary Schedule, with job descriptions. The OPA Board directed staff to add two	December 31, 2018	12/3/18 Via email	Jill Marks	OPA – How New Salary Schedule will Impact on Budget	CSO and Fiscal Services		12/11/18 

additional columns and Y-Rate all employees who would receive a reduction in salary. OPA must provide evidence of how this new salary schedule will impact OPA's budget, and specifically how it will support a balanced budget and OPA's fiscal recovery plan, and how it will result in any savings for OPA.							
OPA will provide the District with documentary evidence that all management or supervisory employees connected to Sue Roche and her administrative team no longer work for OPA	December 31, 2018	11/9/18 Via MOU Committee Google folder	Jill Marks	OPA – MOU Employees no longer working at OPA	CSO & Fiscal Services	11/14/18 -Sent question to JM regarding one employee listed on the District's October 24, 2017 Notice of Concern 11/14/18 Received supporting documentation that employee is no longer employed by OPA	11/14/18 
OPA will provide a completed Governance Handbook and Agreements that identify OPA's priorities, core values and goals, together with evidence of their implementation.	December 31, 2018	12/14/18 Via email	Jill Marks	OPA Governance Team Handbook	CSO		1/7/19 
OPA will provide documentation to establish that its storage facility rental for OPA – Chino Valley was closed out by July 9, 2018.	December 31, 2018	12/3/18 Via email	Jill Marks	MOU Item – Chino Storage Closeout	CSO & Fiscal Services	The storage facility was closed out on July 9, 2018, however a settlement agreement for the release and final fees wasn't completed until November 15, 2018	12/11/18 
OPA will provide documentary evidence to confirm that it has no further liabilities relating to OPA – Chino Valley. This evidence will include, but shall not be limited to, proof that all	December 31, 2018	12/13/18 Via email	Jill Marks	OPA- Liabilities Related to OPA Chino Valley	CSO & Fiscal Services	Questions: Separation agreement with employee– what is the total amount? <i>It's a monthly insurance payment, and the total is unknown at this time.</i>	1/7/18 

STRS payments have been made for OPA – Chino Valley, that there are no outstanding penalties or interest owing and a close-out letter from the Chino Unified School District						<p>STRS – we need clarification? What are the fees/penalties? <i>Not at this time</i></p> <p>When will you have a final answer? <i>January 2019</i></p> <p>Please Note: This item is ongoing, as a result of the conditions of a separation agreement, ongoing litigation with Chino Valley Unified, and that the final STRS payment has not been finalized. OPA staff has to wait for STRS to respond and should have an answer by January 2019</p>	
OPA will provide documentary evidence that the employee who hid thumb drives and boxes of documents in her garage is no longer employed by OPA. OPA will also provide the District with a detailed analysis of the material contained in the documents and thumb drives discovered in OPA’s storage facility and in the garage of OPA’s employee, together with a listing of persons or entities that OPA shared the contents of the documents and thumb drives with since discovery.	December 31, 2018	12/6/18 Via email	Jill Marks	Analysis of Documents and Media Devices – confidential document	CSO and Legal	<p>Evidence that the employee is no longer employed by OPA was submitted on 11/9/18 and verified by staff on 11/14/18</p>	<p>12/11/18</p> 

CSO= Charter School Office