



MEMORANDUM OF UNDERSTANDING

Measure N Oversight, Financial, and Operational Memorandum of Understanding Between Oakland Unified School District and [Charter School]

1. PURPOSE OF MEMORANDUM OF UNDERSTANDING

1.1 The Oakland Unified School District (OUSD) and _____ [Charter School] (“Charter School”) (collectively “Parties”) enter into this MOU to ensure that revenues from the Measure N College and Career Readiness for All Act (“Measure N”) are spent in strict accordance with Measure N.

This Memorandum of Understanding (MOU) is an Oversight and Operational agreement that outlines and defines the Parties’ respective operational and reporting responsibilities for Measure N.

1.2 This MOU is aligned with the letter and intent of Measure N.

1.3 By approving the Charter School’s Measure N Education Improvement Plan (“SPSA”), OUSD is responsible for overseeing the Charter School’s expenditures of Measure N and the Charter School’s adherence to the accountability measures of Measure N.

1.4 OUSD and Charter School recognize that not all requirements governing charter-charter authorizer relations, reporting, and oversight are memorialized herein, and therefore, the parties to this Agreement agree that they are bound by and will comply with the Education Code, and all other applicable statutes, rules, and regulations in addressing any matters not specifically addressed in this MOU.

2. TERM OF THE MEMORANDUM OF UNDERSTANDING

2.1 This MOU shall commence on the date upon which it is fully executed by the duly authorized representatives of the Parties and shall stay in effect until June 30, 2020, unless terminated earlier by OUSD. OUSD may terminate this MOU upon 30 days written notice to Charter School..

2.2 This MOU may be reviewed annually, and may be amended or augmented by addendum at any time upon mutual written agreement.



2.3 The MOU will automatically expire upon the end of Measure N and in the case of no reauthorization of the measure. The MOU will automatically expire upon the expiration, withdrawal, or revocation of Charter School's Charter. The MOU will automatically expire upon the Charter no longer receiving Measure N funds.

2.4 The MOU is subject to early termination only as set forth in this MOU. Renewal of this MOU shall be based, in part, on compliance with terms set forth in this Agreement, OUSD board policy, and applicable law.

3. REQUIRED DOCUMENTATION

3.1 Charter School shall provide OUSD with the up-to-date versions of the documents listed and described in Schedule A, attached and incorporated herein by reference, by the dates specified therein.

3.2 Charter School shall promptly respond to all reasonable inquiries by OUSD and the Measure N Commission, their respective designees or agents and any other authorized agency, including but not limited to financial inquiries relating to the Charter School.

3.3 The Charter School shall maintain all documentation that demonstrates the supplemental and permissible nature of expenditures funded by Measure N.

4. FUNDING

4.1 OUSD will reimburse Charter School's approved Measure N expenditures on a quarterly basis as long as the Measure N funds are being collected during the fiscal year by Alameda County, the Charter School is in compliance with this MOU and Measure N, and there are no outstanding findings of unauthorized expenditures of Charter School as outlined by the Measure N Permissible Expenditures for that year. Schools will not be reimbursed for expenses that are determined to be supplanting, non-permissible or non pre-approved.

4.2 Charter School will use all revenue received from Measure N only for approved supplemental expenditures that benefit the 9th-12th grade students enrolled in and attending the Charter School. Funding must be used in accordance with the letter and intent of Measure N, Measure N Permissible Expenditures for that academic year, and must follow the Measure N Education Improvement Plan (SPSA).



4.3 Charter School will use all revenue received from Measure N only for the educational services that are supplemental (increase the level of services) and not supplant (replace) funds from any governmental funding sources. Any program activity required by state law, State Board of Education (SBE) rules, or local board policy may not be paid with these funds. State or local funds may not be decreased or diverted for other uses merely because of the availability of these funds. Charter School must maintain standard documentation (Duty statements, invoices, receipts, general ledger using the state approved chart of accounts, master schedule, etc) that clearly demonstrates the supplementary nature of these funds as required by law, generally accepted accounting practices, reasonable business standards, and/or as stated in this MOU.

5. QUARTERLY FINANCIAL REPORTING

5.1 The Charter School shall treat Measure N as a restricted funding source and will use a chart of accounts to reflect the restricted nature of this funding.

5.2 The Charter School shall provide OUSD with the documents listed and described in Schedule A every quarter as stated in Section 3.1 by the designated date.

5.3 The Charter School shall allow a minimum of 2 weeks for the review of quarterly financial report with supporting documentation submitted to OUSD.

6. ANNUAL AUDIT

6.1 Charter School shall request that its annual independent internal audit include an audit, pursuant to generally accepted accounting practices, that Measure N receipts and expenditures are within the permissible use of Measure N, comply with the SPSA, and supplement rather than supplant Charter School's program.

6.2 As specified in Schedule A, the Charter School shall submit its annual independent financial audit to OUSD.

6.3 The Charter School shall fulfill all requests made by auditors completing the annual Measure N audit.

7. MONITORING AND OVERSIGHT



7.1 In the event the Charter School is evaluated and it is determined that purpose of the measure is not being met, the Charter School will be designated as a “Probationary School” with the potential of a reduced funding allocation.

7.2 In the event the Charter School is unable to complete audit requests and/or there is an audit finding, the new fiscal year of Measure N funding allocation will be used to address financial corrective action if one is determined.

8. CHARTER REVOCATION OR CHARTER SCHOOL CLOSURE

8.1 In the event that a charter is revoked, Charter School closes, or the Charter School no longer receives Measure N funds, all tangible assets purchased with Measure N funds will be returned to OUSD.

8.2 In the event that a charter is revoked, Charter School closes, or the Charter School no longer receives Measure N funds, any Measure N funds that were not expended by Charter School will be returned to OUSD and moved to the Measure N Contingency Fund.

9. ENTIRE AGREEMENT; COUNTERPARTS

9.1 This MOU and attached schedules contain the entire agreement of the Parties with respect to the matters covered herein, and supersedes any oral and written understandings or agreements between the Parties with respect to the subject matter of this MOU. This MOU may be executed in counterparts, each of which shall constitute an original.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be executed by duly authorized officers or representatives set forth below and to be effective as of the Effective date.

Date

Title

Date

Title



Date

Title

Approved and ratified this ___ day of _____, 2019 by Oakland Unified School District Board of Education by the following vote:



OAKLAND UNIFIED SCHOOL DISTRICT
SCHEDULE A
MEASURE N CHARTER SCHOOL REPORTING AND MONITORING ACTIVITY

All information and documents listed below are to be provided to the Oakland Unified School District by the date shown, unless another date is specified. Annual updates are required by the dates noted on the schedule.

Item	Description	Due Date
2019-20 Charter School Unaudited Actuals Quarterly Expenditure Report	Report on Measure N expenditures per quarter	Quarter 1: October 31, 2019 Quarter 2: January 31, 2020 Quarter 3: April 30, 2020 Quarter 4: July 31, 2020
Supporting Documentation for Charter School Unaudited Actuals Quarterly Expenditure Report	Please review the Measure N Permissible Expenses	Quarter 1: October 31, 2019 Quarter 2: January 31, 2020 Quarter 3: April 30, 2020 Quarter 4: July 31, 2020
Charter School Independent Financial Audit		Completion of audit
Preliminary 2019-20 Budget	Budget for projected Measure N allocation for new fiscal year; completed using Measure N Education Improvement Plan (SPSA) template, with additional information as requested	March - April 2019 <i>*Specific date subject to change, budget submitted to Measure N Commission as part of Measure N Education Improvement Plan (SPSA)</i>
2019-20 Charter Management Organization Meeting	CMO leader must attend quarterly meetings	Dates to be determined