

File ID Number	13-0624
Introduction Date	4-10-13
Enactment Number	13-0624
Enactment Date	4/18/13
By	O.S.



OAKLAND UNIFIED
SCHOOL DISTRICT

Community Schools, Thriving Students

Memo

To Board of Education

From Tony Smith, Ph.D., Superintendent
Vernon Hal, Deputy Superintendent Business and Operations *H. Santos*
Maria Santos, Deputy Superintendent, Instruction, Leadership & Equity-in-Action

Board Meeting Date April 10, 2013

Subject **AUTHORIZATION TO SUBCONTRACT WITH SALVATION ARMY, A NOT-FOR-PROFIT CHILD DEVELOPMENT AGENCY, A PORTION OF THE DISTRICT'S FISCAL YEAR 2012-13 CHILD DEVELOPMENT FUNDING AND APPROVAL OF SUBCONTRACT AGREEMENTS**

ACTION REQUESTED Approval of Resolution Authorizing the District to Subcontract with Salvation Army a portion of the District's FY 2012-13 Child Development Funds and Approval of the Subcontracts with both entities.

BACKGROUND The District has under earned the State grant for several reasons, including, 1) the District has demolished several centers (Yuk Yau Annex and Centro Annex) which the District is in the process of replacing, 2) portions of the Stonehurst Center are currently unusable, and State regulations authorize the District to subcontract with other entities that are recipients of State early childhood education funds. The District has identified Salvation Army, a nonprofit public benefit corporation, with locations throughout Alameda County, as qualified subcontractors. The District seeks to subcontract an amount not to exceed \$199,000 of the District's State funding for Child Development Centers for the period of July 1, 2012 to June 30, 2013, to the Salvation Army. In addition, State regulations authorize the District as the administrator of the Subcontracts to recover from the Salvation Army an administrative contract management fee which will be approximately 7.5% of the subcontract amount.

DISCUSSION Although the District has under earned its State child development contract for Five consecutive years, approval of Resolution authorizing the District to Subcontract with the Salvation Army a portion of the District's FY 2012-13 child development funds and approval of the Subcontracts will hope to protect the District's State Funding from reductions in future years.

FISCAL IMPACT Child Development Fiscal Year 2012-13 Grant will be reduced due to under earnings an amount not to exceed \$199,000.00.

The District will earn an administrative fee for this subcontracts of approximately \$14,925.00.

RECOMMENDATION

Approval of Resolution Authorizing the District to Subcontract with the Salvation Army a portion of the District's FY 2012-13 Child Development Funds and Approval of the Subcontracts with both entities

ATTACHMENTS

- Resolution
- Subcontract with Salvation Army

**RESOLUTION
OF THE
BOARD OF EDUCATION
OF THE
OAKLAND UNIFIED SCHOOL DISTRICT
Resolution No. 1213 - 0127**

RESOLUTION AUTHORIZING SUBCONTRACTING TO SALVATION ARMY, NOT-FOR-PROFIT CHILD DEVELOPMENT AGENCY, A PORTION OF THE OAKLAND UNIFIED SCHOOL DISTRICT'S FISCAL YEAR 2012-13 CHILD DEVELOPMENT FUNDING.

WHEREAS, Oakland Unified School District ('the District') is under earning its State child development contract for the 2012-13 fiscal year; and

WHEREAS, the 2012-13 fiscal year is the fifth fiscal year of under earning of the contract; and

WHEREAS, the District has under earned the State contract for several reasons, including, but not limited to: 1) the District has demolished several centers (Yuk Yau Annex, and Centro Annex) and which the District is in the process of replacing, 2) portions of the Stonehurst and Arroyo Centers are currently under construction; and

WHEREAS, subcontracting a portion of the District's State contract funding is authorized and permissible under State regulations; and

WHEREAS, subcontracting will not prevent the District from continuing to enroll families or to open new classrooms in the District's ECE program; and

WHEREAS, absent subcontracting, the unearned amounts due to closed centers would not be earned; and

WHEREAS, subcontracting will not result in a reduction in children served or staff employed by the District to serve children in the ECE program; and

WHEREAS, the District has identified Salvation Army, a nonprofit public benefit corporation, with locations throughout Alameda County, as a qualified subcontractor; and

WHEREAS, Salvation Army has children outside of the attendance areas of the District, but within Alameda County which may be served under the District's contract; and

WHEREAS, Salvation Army has many years of experience in providing quality and comprehensive child care and education, have experience in administering subcontracts from Local Education Agencies, such as the District, and have no audit, performance or fiscal exceptions that would make them ineligible; and

WHEREAS, the District's ECE program, as the subcontracting entity, may recover from Salvation Army a fifteen percent (7.5%) administrative contract management fee; and

WHEREAS, Salvation Army has the facility capacity to earn the funds the District will subcontract; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Education of the Oakland Unified School District authorizes the District, subject to the requirement that the Salvation Army comply with all the terms and conditions in the original funding to the District, to subcontract an amount, not to exceed \$199,000 of the District's State funding for Child Development Centers for the period of July 1, 2012 to June 30, 2013 to the Salvation Army.

PASSED BY THE FOLLOWING VOTE:

AYES: James Harris, Roseann Torres, Christopher Dobbins, Jody London
Vice President Jumoke Hinton Hodge, President David Kakishiba

NAYS: None

ABSTAINED: None

ABSENT: Gary Yee

I hereby certify that the foregoing is a full, true and correct copy of a Resolution adopted at a Regular Meeting of the Governing Board of the Oakland Unified School District held on April 10, 2013.



Edgar Rakestraw, Jr. Secretary
Board of Education

Subcontract
Between
The Oakland Unified School District
And
The Salvation Army

This Subcontract ("Subcontract") is entered into by the Oakland Unified School District (the "District") and The Salvation Army. The Salvation Army offers comprehensive child care and development programs in Oakland for infants, toddlers and preschoolers.

RECITALS

WHEREAS, the Board of Education of the District on September 27, 2012 in Board Enactments 12-2472 and 12-2465 accepted funding from the California Department of Education for the District's Early Childhood Education programs for the 2012-13 fiscal year; and

WHEREAS, the District is under earning its State Child Development contract for the 2012-13 fiscal year; and

WHEREAS, the 2012-13 fiscal year is the fifth fiscal year of under earning of the contract;

WHEREAS, the District has under earned the State contract for several reasons, including, but not limited to: 1) the District has demolished several centers (Yuk Yau Annex, Arroyo and Centro Annex) which were deemed unusable and which the District is in the process of replacing, 2) portions of the Stonehurst Center are currently under construction,

WHEREAS, subcontracting a portion of the District's State contract is authorized and permissible under State regulations;

WHEREAS, subcontracting will not prevent the District from continuing to enroll families or to open new classrooms in the District's ECE program;

WHEREAS, the District has identified the Salvation Army as a qualified subcontractor;

WHEREAS, the Salvation Army has many years of experience in providing quality and comprehensive Infant, toddler and preschool education services to Oakland families.

WHEREAS, under State regulations, the District's ECE program, as the subcontracting entity responsible for managing and administering the subcontract with Salvation Army may recover from the Salvation Army a 7.5% percent (7.5%) administrative contract management fee; and

WHEREAS, Salvation Army has the facility capacity to earn the funds the District will subcontract;

RESOLVED, that the District and The Salvation Army agree to enter into this Subcontract and agree to the following terms and conditions:

- 1. Term:** This Subcontract shall become effective on the date approved by the Board of Education of the District and shall expire on July 1, 2013.
- 2. Subcontract Amount:** The District hereby agrees to subcontract an amount, not to exceed \$199,000 of the District's State funding for Early Childhood programs for the fiscal year ending June 30, 2013 to the Salvation Army.
- 3. Subcontract Management and Administration Fee:** The Salvation Army agrees that the District will withhold a management and administration fee of 7.5% to cover the expenses incurred by the District in managing and administering the Subcontract. Said fee shall be deducted from the gross amount due to the Salvation Army each month based on the invoice and this agreement.
- 4. Incorporation by Reference of Terms and Conditions:** The (a) Funding terms and conditions and program requirements for the California Preschool Child Development programs and the Child Care and Development programs for the fiscal year 2012-13, including as they may be subsequently amended by the State and (b) the federal certifications and the standard provisions for State contracts that are attached to the FY 2012-13 terms and conditions, are incorporated by reference herein and apply without change or modification to this Subcontract.
- 5. Identification of Specific Requirements:** (a) The Salvation Army will provide OUSD with the following documentation for each child claimed: 1) Current NOA for FY2012-13; 2) Income calculation worksheet and income need and verification documentation; 3) Completed 9600 form.
- 6. Reporting Requirements:** (a) The Salvation Army will submit 801A family file data online to the State Department of Education, Child Development

Division no later than the 10th of every month for the service period of the previous month; (b) Salvation Army will submit 801B data to the State Department of Education, Child Development Division by the mandated deadline each month.

7. Payment Process Required Documentation: (a) All monthly attendance accounting documentation must be submitted by contract type and match (exactly) the 801A file that is submitted by the agency to the Child Development Division; (b) All claims must be supported by (exactly) the 9400 report; (c) Salvation Army must submit the CDFS 8501 HR (for CSPP) and CDFS 9000 HR report of attendance and expenditures to OUSD as required; (d) all monthly attendance and fiscal reports, plus invoice must be submitted to the Oakland Schools by the 10th day of every month for the reporting period ending of the previous month.

8. Notice: All final claims and invoices must be submitted no later than July 10, 2013. All notices and invoices provided for under this Subcontract shall be in writing and either personally delivered during normal business hours or sent by U.S. Mail with postage prepaid to the other party at the address set forth below.

The District

Oakland Unified School District
Early Childhood Education Programs
746 Grand Avenue
Oakland, CA 94610
Attn: John Santoro, Director

The
Salvation Army Booth Memorial CDC/EHS/HS
2794 Garden st
Oakland CA, 94601
Cheryl Murray
Attn: Cheryl Murray, Program Director

9. Insurance

Workers Compensation Insurance: The Salvation Army shall procure and maintain at all times during the term of this Subcontract, Workers' Compensation Insurance in conformance with the laws of the State of California and Federal

laws when applicable. Employers' Liability Insurance shall not be less than One Million Dollars (\$1,000,000) per accident or disease.

General Liability Insurance: The Salvation Army shall maintain general liability insurance, including automobile coverage with limits of One Million Dollars (\$1,000,000) per occurrence for bodily injury and property damage. The coverage shall be primary as to the District and shall name the District as an additional insured. Evidence of insurance must be attached. Inclusion of the District as an additional insured shall not affect the District's rights to any claim, demand, suit or judgment made, brought or recovered against the Salvation Army. The policy shall protect the Salvation Army and the District in the same manner as though each were separately issued.

10. Indemnification: The Salvation Army agrees to hold harmless, indemnify, and defend the District and its Board of Education, officers, agents, and employees from any and all claims or losses accruing or resulting from injury, damage, or death of any person, firm, or corporation in connection with the performance of this Subcontract. The Salvation Army also agrees to hold harmless, indemnify, and defend the District and its elective board, officers, agents, and employees from any and all claims or losses incurred by any supplier, contractor, or subcontractor furnishing work, services, or materials to the Salvation Army in connection with the performance of this Subcontract. This provision survives termination of this Subcontract.

11. Assignment: The obligations of the Salvation Army, under this Subcontract shall not be assigned by the Salvation Army without the express prior written consent of the District.

12. Waiver: No delay or omission by either party in exercising any right under this Subcontract shall operate as a waiver of that or any other right or prevent a similar subsequent act from constituting a violation of the Subcontract.

13. Termination: the District may at any time terminate this Subcontract upon 90 day written notice to the Salvation Army. In addition, the District may terminate this Subcontract for cause should the Salvation Army fail to perform any part of this Subcontract. In the event that the State Department of Education determines the need to reduce funding levels for OUSD contracts, OUSD maintains the right to reduce the amount of the subcontract or terminate the subcontract agreement within 90 days provided a written notice.

14. Fingerprinting of Employees and Agents. The fingerprinting and criminal background investigation requirements of Education Code section 45125.1 apply to Salvation Army's services under this Subcontract and the Salvation Army certifies its compliance with these provisions as follows: "the

Salvation Army certifies that the Salvation Army has complied with the fingerprinting and criminal background investigation requirements of Education Code section 45125.1 with respect to all the Salvation Army's employees, subcontractors, agents, and subcontractors' employees or agents ("Employees") regardless of whether those Employees are paid or unpaid, concurrently employed by the District, or acting as independent contractors of the Salvation Army, who may have contact with the District pupils in the course of providing services pursuant to the Subcontract, and the California Department of Justice has determined that none of those Employees has been convicted of a felony, as that term is defined in Education Code section 45122.1. The Salvation Army further certifies that it has received and reviewed fingerprint results for each of its Employees and has requested and reviewed subsequent arrest records for all providing services under this Subcontract.

Salvation Army initial: DA

15. No Rights in Third Parties. This Subcontract does not create any rights in, or inure to the benefit of, any third party except as expressly provided herein.

16. Litigation: This Subcontract shall be governed by the laws of the State of California. The Alameda County Superior Court shall have jurisdiction over any state court litigation initiated to enforce or interpret this Subcontract. If litigation is initiated, the prevailing party shall be entitled to reasonable attorney's fees and costs.


17. Contract Contingent on Governing Board Approval: The District shall not be bound by the terms of this Subcontract until it has been formally approved by the District's Governing Board, and no payment shall be owed or made to the Salvation Army absent formal approval. This Subcontract shall be deemed to be approved when it has been signed by the Board of Education, and/or the Superintendent as its designee.

18. Integration/Entire Subcontract of Parties: Except as expressly provided in this Subcontract, all other *FY 2012-13 terms and conditions* shall remain unchanged and in full force and effect as originally stated. The Subcontract constitutes the entire understanding and agreement between the Parties in connection with the subject matter of this Subcontract. All understandings, agreements, covenants, representations and warranties, express or implied, oral or written between the Parties are contained and merged herein. No other agreements, covenants, representations or warranties, express or implied, oral or written, have been made by or between the Parties concerning the subject matter of the Subcontract. This is an integrated agreement. It may not be altered, modified or otherwise changed in any respect except in a writing signed by each party.

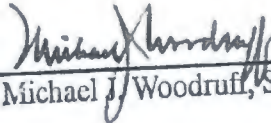
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19. Incorporation of Recitals and Exhibits. The Recitals and each attachment hereto are hereby incorporated herein by reference.

The Salvation Army



VICTOR R. DOUGHTY Treasurer


Michael J. Woodruff, Secretary


The Oakland Unified School District



Anthony Smith, PhD, Superintendent



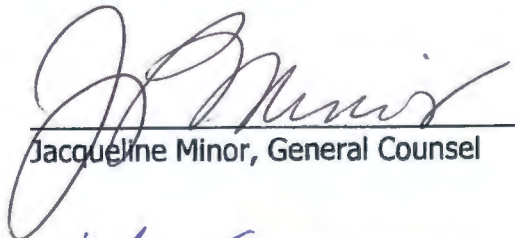
David Kakishiba
President, Board of Education



Edgar Rakestraw
Secretary, Board of Education

File ID Number: 13-0624
Introduction Date: 4/10/13
Enactment Number: 13-0624
Enactment Date: 4/10/13
By: AS

Approved As to Form



Jacqueline Minor, General Counsel



STATE OF CALIFORNIA, BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF MOTOR VEHICLES
P. O. BOX 942634
SACRAMENTO, CA 94294-0334
(916) 657-6520

EDMUND G. BRADY JR., GOVERNOR



July 13, 2012

S.I. # 202

The Salvation Army
180 E. Ocean Blvd.
Long Beach, CA 90802
Attention: William Harfoot

Dear Mr. Harfoot,

Your annual report/financial statements have been reviewed and the requirements for renewal of your self-insurance certificate have been met. Your self-insurance status is valid from August 19, 2012, through August 18, 2013.

Vehicle Code Section 16020 requires that every driver and every owner shall at all times be able to establish financial responsibility and shall at all times carry in the vehicle evidence of the form of financial responsibility in effect for the vehicle. A copy of your Certificate of Self-Insurance or a copy of this letter constitutes written evidence of financial responsibility and should be placed in each of your affected vehicles.

If you have any questions or need further information, please call the administrative staff at (916) 657-6520.

Sincerely,

A handwritten signature in black ink, appearing to read "Nadine Pizzimenti".

**NADINE PIZZIMENTI, Support Manager
Financial Responsibility Unit**



A Public Service Agency

CERTIFICATE OF SELF-INSURANCE

This is to certify that:

The Salvation Army

NAME OF SELF-INSURER

180 East Ocean Boulevard, Long Beach, California 90802

ADDRESS, CITY, STATE, ZIP

has been approved as a Self-Insurer under the California Compulsory Financial Responsibility

Law and assigned Self-Insurance # 202 pursuant to Section 16053 of the *California*

Vehicle Code for the period August 19, 2012 through August 18, 2013.

MANAGER

Financial Responsibility Unit
Department of Motor Vehicles

DEPARTMENT OF INDUSTRIAL RELATIONS
SELF-INSURANCE PLANS
2265 Watt Avenue, Suite 1
Sacramento, CA 95825
Phone No. (916) 483-3392
FAX (916) 483-1535



**CERTIFICATION OF SELF-INSURANCE
OF WORKERS' COMPENSATION**

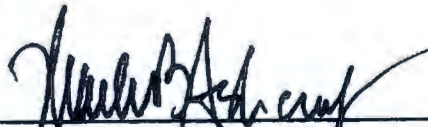
TO WHOM IT MAY CONCERN:

This certifies that Certificate of Consent to Self-Insure No. 566 was issued by the Director of Industrial Relations to:

THE SALVATION ARMY

under the provisions of Section 3700, Labor Code of California, on November 15, 1933. The Certificate is now and has been in full force and effective since that date.

Dated at Sacramento, California
This 1st day of February, 2002



MARK B. ASHCRAFT, Manager
Self Insurance Plans

Orig: Nancy Cookson
Law Offices of
Laughlin, Falbo, Levy & Moresi
P.O. Box 492617
Redding, CA 96049-2617

cc: John McCarthy
Director of Risk Management
The Salvation Army
180 East Ocean Blvd., 10th Fl.
Long Beach, CA 90801-5646



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
02/06/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Willis Insurance Services of California, Inc. c/o 26 Century Blvd. P. O. Box 305191 Nashville, TN 37230-5191	CONTACT NAME: PHONE (A/C NO, EXT): 877-945-7378 FAX (A/C NO): 888-467-2378 E-MAIL ADDRESS: certificates@willis.com
	INSURER(S) AFFORDING COVERAGE
INSURED The Salvation Army - Division 4 180 East Ocean Blvd. Long Beach, CA 90802	INSURER A: Lexington Insurance Company NAIC# 19437-000
	INSURER B: Greenwich Insurance Company 22322-076
	INSURER C: Greenwich Insurance Company 22322-000
	INSURER D: XL Specialty Insurance Company 37885-000
	INSURER E: INSURER F:

COVERAGES

CERTIFICATE NUMBER: 19349257

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD'L INSRD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR	Y		027712409	10/1/2012	10/1/2013	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000
B	AUTOMOBILE LIABILITY	Y		AOS RAD500021902	10/1/2012	10/1/2013	COMBINED SINGLE LIMIT (Ea accident) \$ 5,000,000
C	<input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS	Y		CA RAE500021802	10/1/2012	10/1/2013	BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB						EACH OCCURRENCE \$ AGGREGATE \$
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	** RWD500021702 ** RWE500021602	10/1/2012 10/1/2012	10/1/2013 10/1/2013	<input checked="" type="checkbox"/> WC STATUTORY LIMITS E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach Acord 101, Additional Remarks Schedule, if more space is required)
Division #04-054

** Workers Compensation:
Policy No. RWD500021702 provides coverage in the following states: AK, HI, ID, MT, NM, NV, TX, UT
Policy No. RWE500021602 provides coverage in the following states: AZ, CO, OR

CA - Work. Comp is fully Self Insured per the attached State Certificate.
CA - Auto is fully Self Insured per the attached State Certificate.

CERTIFICATE HOLDER**CANCELLATION**

Oakland Unified School District Attn: John Santoro 746 Grand Avenue Oakland, CA 94610	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
--	---

Coll:3999823 Tpl:1522387 Cert:19349257 © 1988-2010 ACORD CORPORATION. All rights reserved.



ADDITIONAL REMARKS SCHEDULE

AGENCY Willis Insurance Services of California, Inc.		NAMED INSURED The Salvation Army - Division 4 180 East Ocean Blvd. Long Beach, CA 90802	
POLICY NUMBER See First Page		EFFECTIVE DATE: See First Page	
CARRIER See First Page	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: 25 FORM TITLE: CERTIFICATE OF LIABILITY INSURANCE

Re: Early Childhood Education Program

Where required by written contract Certificate Holder is named as an Additional Insured as respects the operations of the Named Insured indicated herein.

Subject policy is Primary to any insurance available to the Certificate Holder with respect to claims arising out of the Named Insured's operations.