



“Providing a strong educational foundation to all students who are in need of direction and support in learning English and finding their way in a new culture.”

GOVERNING BOARD AGENDA- Regular Board Meeting

Meeting of Friday, March 21, 2025 at 5:30PM

5465 El Cajon Blvd., San Diego, CA 92115 (Library)

Join Zoom Meeting

<https://iftincharter-net.zoom.us/j/81991328669>

Mission: Iftin Charter School provides students in grades TK-8 an academically rigorous, common core aligned curriculum, supplemented with a technology intensive program in a student centered, safe and caring learning environment. ICS addresses the needs of a diverse group of students, their families and communities by building on the strengths of the students’ cultural heritage and life experiences. ICS students are educated and enlightened to become successful, lifelong learners and valuable members of the global community.

Approval of Agenda: Dr. Joseph Johnson

WELCOME GUESTS / CALL TO ORDER 5:30PM

Roll Call

Dr. Joseph Johnson	President
Rahmo Abdi	Secretary
Mulki Hersi	Treasurer
Faisal Ali	Member
Ibrahim Hassan	Member
Shuayb Mumin	Member
Rashid Mursal	Member

PUBLIC COMMENT

PUBLIC COMMENT— Anyone wishing to address the Board on agenda, non-agenda, and/or Closed Session items may do so. Individual speakers will be limited to three (3) minutes. Total public input on any one subject may be limited to fifteen (15) minutes, and may be extended at the discretion of the Board Chairperson. Comments on an agenda item may be taken when the agenda item is discussed by the Board. Comments on non-agenda items will be heard before the Consent Motion.

Consent Items

- A) Approval of meeting minutes of 1/31/25

Discussion Items

- A) CEO Report
- B) CSMC Contract extension

Action Items

- A) Approval of employee interaction with pupils EC 44050
- B) Approval of CSMC Contract

Closed Session

None

Report to Open Session

Reportable Action:

Advanced Planning

The next regularly scheduled Governing Board Meeting is to be held on Friday, April 25, 2025 at 5:30PM

ADJOURN

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of Iftin Charter School at (619)265-2411. Notification of 48 hours prior to the meeting will enable the School to make reasonable arrangements to ensure accessibility to that meeting (28 CFR 35.102.35.104) If you would like to request any attachments or other public documents, contact Abdi Mohamud at: Mohamud@iftincharter.net



GOVERNING BOARD MINUTES – Regular Board Meeting

Meeting of Friday, January 31, 2025 at 5:30PM

5465 El Cajon Blvd., San Diego, CA 92115 (Library)

“Providing a strong educational foundation to all students who are in need of direction and support in learning English and finding their way in a new culture.”

Mission: Iftin Charter School provides students in grades TK-8 an academically rigorous, common core aligned curriculum, supplemented with a technology intensive program in a student centered, safe and caring learning environment. ICS addresses the needs of a diverse group of students, their families and communities by building on the strengths of the students’ cultural heritage and life experiences. ICS students are educated and enlightened to become successful, lifelong learners and valuable members of the global community.

Approval of Agenda: Dr. Joseph Johnson

WELCOME GUESTS / CALL TO ORDER 5:30 AM

Roll Call

Dr. Joseph Johnson	_____	President present
Rahmo Abdi	_____	Secretary present
Mulki Hersi	_____	Treasurer present
Faisal Ali	_____	Member present
Ibrahim Hassan	_____	Member present
Shuayb Mumin	_____	Member present
Rashid Mursal	_____	Member present

Call to Order and Establishment of Quorum

- Dr. Joseph Johnsons called the meeting to order at 5:30 p.m.

PUBLIC COMMENT

PUBLIC COMMENT— Anyone wishing to address the Board on agenda, non-agenda, and/or Closed Session items may do so. Individual speakers will be limited to three (3) minutes. Total public input on any one subject may be limited to fifteen (15) minutes, and may be extended at the discretion of the Board Chairperson. Comments on an agenda item may be taken when the agenda item is discussed by the Board. Comments on non-agenda items will be heard before the Consent Motion.

CONSENT ITEMS

N/A



GOVERNING BOARD MINUTES – Regular Board Meeting

Discussion Items

A) CEO Report, Maslah Yussuf

Dear Esteemed Board Members,

I am honored to serve as the leader of Iftin Charter School, a remarkable institution dedicated to providing a high-quality and well-rounded education for our students while supporting their families. Our commitment to academic excellence, character development, and community engagement continues to shape the future of our students, and I deeply appreciate your ongoing support and leadership in making this possible.

Quote of the Month

“Stay positive. Better days are on their way.” – Unknown

Remaining optimistic, even in the face of challenges, allows us to stay focused on our mission and continuously work toward the success of our students and school community.

Facilities & Growth Updates

School Reconstruction Design

- We recently met with our architectural team to discuss the design for the reconstruction of our school. Their proposed plan was well thought out, addressing both our current and future needs. Once we finalize the details with them, we will share the design with you for review and feedback.

Prop 39 Application

- We are pleased to inform you that our Prop 39 application was approved by the district. However, the district based their approval on in-district ADA rather than our overall enrollment and ADA. Currently, we serve nearly 550 students, and our waiting list continues to grow daily. We will continue to advocate for a more accurate representation of our enrollment to ensure we receive adequate facilities and resources.

Meeting with SDUSD Facilities Leadership

- On February 6, we will be meeting with the SDUSD Facilities Chief and his team to discuss the possibility of acquiring the adjacent facility we have requested. We greatly appreciate Dr. Johnson’s support in advocating for this request and encouraging the SDUSD board to consider allocating the space to accommodate our school’s growth.



GOVERNING BOARD MINUTES – Regular Board Meeting

Educational Program Updates

Our instructional leadership team will provide a detailed report on our academic programs, including:

- ELPAC Testing Progress – Updates on student assessments and English language proficiency development.
- Parent-Teacher Conferences – Strengthening family engagement and student success.
- Achievement Awards – Recognizing students for their academic and personal growth.
- Staff Recognition – Celebrating our educators' dedication and excellence.
- Professional Development (PD) – Ongoing training and support to enhance instructional quality.

Strengthening Community Partnerships

On February 25, we will meet with the San Diego County Office of Education (SDCOE) Superintendent and her team to strengthen our partnership and explore ways to enhance educational opportunities for our students. I sincerely appreciate Dr. Johnson for facilitating this meeting and advocating on our behalf.

Closing Remarks

Thank you all for your continued dedication to Iftin Charter School. Your leadership and guidance are instrumental in ensuring our school thrives. If you have any questions, comments, or concerns, please do not hesitate to reach out.

B) Board Financial Report

Financial Summary:

Actual to Budget:

This report is as of Dec 31, 2024, compared against our board-approved budget on December 13th, 2024. This was based on a budgeted enrollment count of 530 and budgeted ADA of 485. Budgeted net income for the year in this report is \$2K. Current ADA is trending at ~489, which is in line with the budget.

*NOTE: The Budget will be positively and negatively impacted depending on the schools final ADA number – this won't be officially known until mid/late April 2025. Average value per full ADA is around ~\$15K; so, each ADA shorter than the budgeted amount will negatively affect the budget by around ~\$15K and each ADA greater than the budget amount will be positively affected by the same amount.

YTD Revenues through Dec 31, 2024, are \$3,594,847 or 10.4% over our current budget due to revenues being recognized earlier than budgeted. This isn't necessarily new revenue as we expect the budget to catch up to actuals.

**Note: ~\$3.9M of budgeted revenue is based around restricted funds. The school must find expenses and meet compliance requirements to earn these funds. If the school cannot, this will have a negative impact on the budget.



GOVERNING BOARD MINUTES – Regular Board Meeting

***ELOP Audit Finding: Due to the school’s non-compliance with ELOP regulations, the school may incur a revenue cost of ~\$110K. This is only an estimate at this time so we will continue to monitor the finding alongside school leaders.

YTD Expenses through Dec 31, 2024, are \$4,662,080 or 3.8% under our current budget due to classified staff expenses and various sub-categorical expenses being lower at this time in comparison to the budget. If staffing hours increase again in the second half of the year, as it has in previous years, then a savings in staff expenses is less likely. As well if expenses to increase in these sub-categories throughout the year, a savings in operational expenses is less likely.

****Note: Operation & Housekeeping Services is already over its year-end budget allocation in expenses by ~\$24K. It is possible this may be offset with other sub-categories that are trending low in expenses, but we will need to wait and see how they finish come-year end. If this category is not offset with other savings, then the budget will be negatively impacted.

Therefore, net deficit is or 32.8% under our current budget.

Balance Sheet:

As of Dec 31, 2024, we had total cash of \$3,052,070, short-term liabilities of \$2,098,414, and long-term liabilities of \$57,791. The ending fund balance is \$1,600,474

Action Items

A) Approval Enrollment Lottery Policy

Motion Mumin Second Abdi Ayes, Ali, Mursal, Mumin, Hersi, Johnson, Abdi Hassan Nays N/A Abstain
N/A Absent N/A

B) Approve Staff recruitment and retention policy

C) Motion Abdi Second Hassan Ayes, Ali, Mursal, Mumin, Hersi, Johnson, Abdi Hassan Nays N/A Abstain
N/A Absent N/A

D) Approve Credit-Debit Card Policies

Motion Hersi Second Hassan Ayes, Ali, Mursal, Mumin, Hersi, Johnson, Abdi Hassan Nays N/A Abstain
N/A Absent N/A

E) Approve School Accountability Report Card

Motion Mursal Second Mumin Ayes, Ali, Mursal, Mumin, Hersi, Johnson, Abdi Hassan Nays N/A Abstain
N/A Absent N/A

Closed Session

CLOSED SESSION: PUBLIC EMPLOYEE PERFORMANCE EVALUATION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1). Position: Chief Executive Officer

Report to Open Session

Reportable Action: None

Advance Planning



GOVERNING BOARD MINUTES – Regular Board Meeting

The next regularly scheduled Governing Board Meeting is to be held **on Friday February 28, 2025**

Adjournment. 7:09pm

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of Iftin Charter School at (619)265-2411. Notification of 48 hours prior to the meeting will enable the School to make reasonable arrangements to ensure accessibility to that meeting (28 CFR 35.102.35.104) Additional questions can be sent to Operations Manager, Abdi Mohamud, at Mohamud@iftincharter.net

Iftin Charter School

Subject: Employee Interaction with Pupils Policy (EC 44050)

I. Purpose The SCHOOL recognizes its responsibility to establish and enforce all rules and regulations governing student and employee behavior to ensure the safest and most learning-conducive environment possible. This policy outlines acceptable and unacceptable interactions between employees and students, ensuring a professional, respectful, and safe educational environment.

II. Corporal Punishment Corporal punishment shall not be used as a disciplinary measure against any student. Corporal punishment includes the willful infliction of, or willfully causing the infliction of, physical pain on a student.

For clarification purposes, corporal punishment does not include an employee's use of force that is reasonable and necessary to protect the employee, students, staff, or other persons or to prevent damage to property.

A. Examples of PERMITTED actions (NOT corporal punishment):

1. Stopping a student from fighting with another student.
2. Preventing a pupil from committing an act of vandalism.
3. Defending oneself from physical injury or assault by a student.
4. Forcing a pupil to give up a weapon or dangerous object.
5. Requiring an athletic team to participate in strenuous physical training activities designed to strengthen or condition team members.
6. Engaging in group calisthenics, team drills, or other physical education or voluntary recreational activities.

B. Examples of PROHIBITED actions (corporal punishment):

1. Hitting, shoving, pushing, or physically restraining a student as a means of control.
 2. Making unruly students do push-ups, run laps, or perform other physical acts that cause pain or discomfort as a form of punishment.
 3. Paddling, swatting, slapping, grabbing, pinching, kicking, or otherwise causing physical pain.
-

III. Boundaries: Acceptable and Unacceptable Staff/Student Behavior This policy provides clear guidelines to ensure professional and appropriate interactions between staff and students. Employees must avoid situations that could prompt suspicion or misunderstanding from students, parents, colleagues, or administrators.

Iftin Charter School

A. Duty to Report Suspected Misconduct All employees must report any suspected violations of this policy. If a minor violation occurs, the employee should address it directly with the staff member involved. If the behavior is significant, it must be reported to an administrator immediately. Employees must also report any awareness of student behavior that crosses boundaries or poses a risk of abuse.

B. Unacceptable Staff/Student Behaviors (Violations of this Policy)

1. Giving gifts to an individual student that are of a personal and intimate nature.
2. Kissing of any kind.
3. Any type of unnecessary physical contact with a student in a private situation.
4. Intentionally being alone with a student away from the school.
5. Making or participating in sexually inappropriate comments.
6. Sexual jokes.
7. Seeking emotional involvement with a student for personal benefit.
8. Listening to or telling stories that are sexually oriented.
9. Discussing inappropriate personal troubles or intimate issues with a student in an attempt to gain their support.
10. Becoming involved with a student so that a reasonable person may suspect inappropriate behavior.

C. Unacceptable Staff/Student Behaviors without Parent and Supervisor Permission

1. Giving students a ride to/from school or school activities.
2. Being alone in a room with a student at school with the door closed.
3. Allowing students into a staff member's home.

D. Cautionary Staff/Student Behaviors These behaviors should be exercised only when no better alternative is available. Staff members should inform their supervisor before or immediately after the occurrence:

1. Remarks about physical attributes or development of anyone.
2. Excessive attention toward a particular student.
3. Sending emails, text messages, or letters to students that are not about school activities.

E. Acceptable and Recommended Staff/Student Behaviors

1. Obtaining written parental consent for any after-school activity.
2. Obtaining formal approval for taking students off school property.
3. Keeping emails, texts, phone, and instant messages to students professional and related to school activities.
4. Keeping the door open when alone with a student.
5. Maintaining reasonable space between staff and students.
6. Stopping and correcting students if they cross personal boundaries.
7. Keeping parents informed when significant issues arise regarding their child.
8. Keeping after-class discussions professional and brief.

Iftin Charter School

9. Seeking guidance from colleagues or administrators if in doubt about a situation.
 10. Involving a supervisor if conflict arises with a student.
 11. Documenting incidents that could evolve into serious situations.
 12. Stopping unacceptable behavior of students or coworkers.
 13. Having another staff member present when alone with a special needs student or when alone with a student after school hours.
 14. Using non-physical means to praise or recognize students.
 15. Acceptable physical interactions: high-fives, pats on the back, and handshakes.
 16. Maintaining professional conduct at all times.
-

IV. Compliance with Assembly Bill 500 (AB500) and EC 44050 Pursuant to Assembly Bill 500 (AB500), effective January 1, 2018, California Education Code 44050 requires schools to provide this policy on employee interactions with pupils in its code of conduct and make it accessible to parents and guardians on the School's website. This policy is also included in the School's Employee Handbook.

V. Enforcement All employees are expected to review and adhere to this policy. Violations may result in disciplinary action, up to and including termination, as well as potential legal consequences where applicable. School administrators are responsible for enforcing this policy and ensuring that all staff receive adequate training regarding appropriate boundaries and interactions with students.

CSMC Service Contract



IFTIN Charter School

5465 El Cajon Blvd.

San Diego, CA 92115

July 01, 2025

CSMC
43460 Ridge Park Drive
Temecula, CA 92590
888.994.CSMC

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CSMC Contract: Price Sheet

IFTIN Charter School

5465 El Cajon Blvd.
San Diego, CA 92115

Details - Initial Term: July 01, 2025 - June 30, 2026

Services Selected
Back-Office Service - Payroll Service - Bundled: SIS Support, State Reporting, CALPADS

Summary: Entirety of Terms Set Forth

Terms	Start Date	End Date	Total
Initial Term	July 01, 2025	June 30, 2026	\$105,000.00
Year 2	July 01, 2026	June 30, 2027	\$105,000.00
Year 3	July 01, 2027	June 30, 2028	\$105,000.00

I authorize CSMC to automatically charge my account monthly for amounts due that are outlined in this pricing sheet.

Signed By:

Name: Maslah Yussuf

Date:

Signature:

Provision of Core Services

CSMC's core services include comprehensive financial back-office support including accounting, budgeting, and compliance reporting along with payroll and retirement reporting services and student data services including SIS, attendance, and state reporting support. We have 25 years of experience providing high quality services in California.

One of CSMC's core values is to improve the client partner experience. One way we commit to doing this is by being responsive and accessible. We can be nimble on how you prefer we communicate with you and your team.

We are accessible from 8 am to 7 pm via email, Teams, phone, and text. With advance planning we can be available on weekends. We want our communication protocols to be tailored to your needs and preferences. As a rule of thumb, you will receive an email response within 24 hours. We will accommodate your Board meeting schedule.

CSMC goes above and beyond our core services with our expertise in *Accountability and Education Program Compliance and Grant Writing Services* (outlined below.) We include your free access to regularly scheduled webinars facilitated by our experts.

As former charter school founders, administrators, and authorizers, we bring a unique and valued perspective that our client partners recognize by helping convey financial compliance and authorizer expectations in a way that best supports the dynamic leadership and Board at each of our client partners.

BUDGETING:

- ❑ **Create annual and multi-year budgets including monthly cash flow projections** – At beginning of the Agreement, CSMC works with the Charter School leader to create annual and multi-year budgets in time for submission to the State and authorizer. Annual budgets are strategic documents that capture the operations and direction of the Charter School.
- ❑ **Make budget revisions (as needed and upon Charter School request)** – CSMC can make budget revisions as needed and when the Charter School requests them to reflect changing circumstances (e.g., enrollment or personnel changes, grant awards, etc.) We create customized budget scenarios to inform decision making by school leadership and the Governing Board. CSMC tracks the budget to actuals and can update the budget forecast as requested or appropriate.
- ❑ **Updated monthly budget forecasts** – CSMC tracks budget to actuals and updates the budget forecast as appropriate.

FINANCIAL STATEMENTS:

- ❑ **Monthly year-to-date financial statements** – CSMC prepares Year to Date (YTD) actual results compared to the budget for board meetings or as requested.
- ❑ **Sage Intacct** - Your real time access to the accounting system allows you to drill down to detail, in multiple high value reports commonly used by school leadership and business staff including but not limited to: Statement of Activities; Balance Sheet; Statement of Activities by Restriction/Resource; Budget vs. Actual;

Balance Sheet by Location (for multi-location schools.) See samples of these user-friendly reports in the Appendix section.

- ❑ CSMC typically closes books monthly within fifteen business days of the following month, provided all supporting documentation has been transmitted to CSMC. If the required supporting documentation has not been provided, CSMC will notify school leadership and may produce monthly financials with the information it has, noting what is not included.
- ❑ **Monitors cash position** – CSMC monitors the Charter School's cash position to anticipate possible cash shortfalls.
- ❑ **Cash Management** – As needed for cash critical periods, CSMC can provide projected cash balances for up to 30 days and will notify leadership when anticipating potential cash shortages. Available cash is monitored to ensure adequate balances for recurring transactions such as payroll, retirement, rent, insurance, and taxes.
- ❑ **Customized financial analysis** – CSMC performs reasonable financial analyses that the Charter School staff or board requests, e.g., providing a comparative analysis of the school's budget relative to industry norms or fulfilling a request for information from the authorizing entity. Upon request, CSMC can also develop financial health analysis so the board and staff can quickly focus on the most important financial issues.
- ❑ **Support in resolving financial issues** – CSMC helps the Charter School leader find solutions to financial issues by recommending budget changes and/or identifying sources of potential funding.

ACCOUNTING:

- ❑ **Setup of Charter School's chart of accounts and general ledger** – CSMC sets up and maintains the school's Standardized Account Code Structure (SACS)-compliant chart of accounts.
- ❑ **Customized account codes** – CSMC can add customized account codes for unique features of the Charter School program.
- ❑ **Restricted funds tracking** – CSMC tracks revenue and expenditures by fund, e.g., tracking by implementation grant funds, expenses, or Title I expenditures. Restricted fund balances, expenses and deadlines are routinely reviewed on standing calls.
- ❑ **Assessing Training Needs** – training on CSMC accounting systems and process will begin at the initial stages of onboarding and continue to be provided based on school needs. CSMC will also collaborate with school leadership (as needed) to thoroughly assess existing business operations and compliance reporting processes. CSMC will recommend refinement focused on increasing efficiency, timely exchange of information and sound internal controls.
- ❑ **Transaction recording** – CSMC records all transactions in a computerized accounting system that is available for viewing.
- ❑ **Journal entries and account maintenance** – CSMC prepares and records journal entries and maintains the general ledger according to accepted accounting standards.
- ❑ **Bank reconciliation** – CSMC reconciles primary bank and investment accounts to the general ledger monthly or upon receipt of statements. Revolving and petty cash accounts are reconciled quarterly or as required. CSMC alerts school leadership of any irregularities, unreconciled amounts, or missing documentation.

- ❑ **Capitalized Assets** – CSMC records capital assets in the general ledger according to Charter School financial policy and according to Generally Accepted Accounting Principles. CSMC also records depreciation on an annual basis and maintains a schedule of capitalized assets and accumulated depreciation. Charter School is responsible for tagging and conducting inventories for all fixed assets whether capitalized or non-capitalized for internal control purposes and other compliance reporting.
- ❑ **Sage Intacct accounting reports** - The Sage Intacct portal allows the Charter School and CSMC to generate financial reports on an as-needed basis. Charter School can generate reports including, but not limited to detailed account activity, including scans of all invoices entered through the accounts payable system; check register activity; summary of the budget, expenditures by account; cash balances; payroll register (for periods when payroll is processed by CSMC); revenues; and general ledger.
- ❑ **LLC Accounting Services** (fee for service)
 - ❑ Setup Chart of Accounts.
 - ❑ Bank Reconciliation: Reconcile Bank Accounts and/or Trustee accounts to the General Ledger monthly.
 - ❑ Maintain General Ledger: Prepare and record entries to the General Ledger according to Generally Accepted Accounting Standards.
 - ❑ Capitalized Assets: Prepare and maintain Depreciation Schedule, record depreciation entries to the General Ledger per the schedule.
 - ❑ Bonds entries: Prepare and record Bonds entries per amortization schedule.
 - ❑ Reconcile Due to/Due from Account with the Charter School.
 - ❑ Provide reports and support for LLC audit process.
 - ❑ Fee for service applies. \$1000.00 per month. \$12000.00 per year.

ACCOUNTS PAYABLE & RECEIVABLE:

- ❑ **Revenue verification** – CSMC reviews revenue intake and verifies that the Charter School is receiving accurate amounts of state and federal funds based on its enrollment and other pertinent factors. CSMC reviews revenue intake and verifies through available state Department of Education schedules.
- ❑ **Revenue collection for improperly calculated payments** – if the funds received from the state or the county/district do not reflect the proper amounts and there appears to be a calculation error, CSMC will contact the appropriate officials and alert them of the issue. CSMC will use reasonable efforts to negotiate on behalf of the Charter School in disputes with funding agencies over improperly calculated payments.
- ❑ **Accounts Payable functions:** CSMC's automated accounts payable system increases visibility and accountability for both the timely generation of invoices by vendors and timely payment by the charter school, in facilitating the review, approval and processing of accounts payable. The streamlined coding process saves time and simplifies research on status of vendors and bills.
 - Vendors submit invoices electronically and directly into the automated AP.
 - Vendors can choose how they receive payment. All payments are issued by the third party and funds are taken via ACH from the school's bank account once invoices are approved for processing, in accordance with board approved fiscal policies and procedures.

- **Invoice review** - CSMC reviews invoices to assist in the prevention of double payments or double billings on multiple invoices. CSMC alerts Charter School to payment issues with vendors.
- **Invoice payment support** - CSMC also verifies that funds are available to pay the bill and notifies Charter School if there are not sufficient funds.
- **Fund verification is only available** if there is online read-only bank access and if all checks are processed through CSMC. Your school's provision of read-only access at the outset of the service agreement is critical.

❑ Rush Check and Express Shipping - Fee for Service

- CSMC automated accounts payable system and schedule allow sufficient time for processing and paying invoices.
- A service fee applies to all rush check requests, including any overnight or express shipping charges.
- Each rush check incurs a fee of \$50.00.
- The charter school is responsible for all overnight and express shipping charges and will be invoiced accordingly.

AUDIT SUPPORT AND GOVERNMENT FINANCIAL REPORTING:

CSMC has developed a strong rapport with multiple audit firms who recognize our responsiveness and timely provision of data required to complete a timely and compliant audit. We are committed to facilitating the delivery of a clean and timely audit for your school. We project-manage your audit for you, so you don't have to. Whenever possible, we collaborate to establish clear deadlines for a draft and/or final audit report maximizing your Board's time to review, understand and approve the audit prior to the December 15 due date.

- ❑ **Audited financial reports** – Subject to timely receipt of information and/or materials from the school and/or the auditor, as applicable, CSMC prepares all financial information for the audit so that the auditor can file reports before state-required deadlines.
- ❑ **Project Management** - You can expect us to inform school leadership immediately if we experience unforeseen delays from the audit firm or challenges securing required information from school staff.
- ❑ We're always available to attend a meeting or call with the school and audit firm if needed to ensure the best outcome in the audit report process.
- ❑ **Preliminary and final budget reports** – CSMC prepares and files the preliminary budget report by July 1st (or earlier if required by the authorizer) based on the board-adopted budget unless Charter School agrees to file reports. CSMC can also prepare a final budget upon request.
- ❑ **Interim financial reports** – CSMC prepares and files the two interim financial reports to the county by the December 15 and March 15 (or earlier if required by the authorizer) deadlines.

SB 740 COMPLIANCE

- ❑ **SB 740 applications** – CSMC works with the client to submit SB 740 facilities applications and reimbursements on the Charter School's behalf for classroom-based charter schools with eligible facilities costs.

- SB 740 funding determination form** – CSMC provides ongoing management and support in meeting the SB-740 Funding Determination targets and funding requirements for all non-classroom-based Charters. CSMC prepares and submits the Funding Determination Application each cycle, supporting the school throughout the entire process to ensure maximum funding.

MONTHLY FINANCIAL REPORTS AND UPDATE

- Monthly Financials and Board Packet**- To keep the charter school leadership informed so that they can make prudent financial decisions, CSMC's creates a detailed board report for each regularly scheduled board meeting that includes budget to actuals with a written narrative analysis, cash flow projections; Balance Sheet Summary; school's performance against key financial metrics; and Compliance Reporting Look Ahead. We provide you with the option of including additional financial reports in the supplemental section.
- Typically, CSMC closes each monthly reporting period by the 15th day of the following month, enabling us to provide comprehensive monthly financials shortly after closing.
- CSMC is committed to providing comprehensive and timely financials and will notify school staff and leadership of missing back up or information needed from the school

BOARD MEETING SUPPORT, AND PRESENTATION OF MONTHLY FINANCIALS

- Monthly financials and Board Packet**- CSMC creates a detailed board report for each regular board meeting that includes budget to actuals with a written narrative analysis, cash flow projections; Balance Sheet Summary; school's performance against key financial metrics; and Compliance Reporting Look Ahead. We provide you with the option of including additional financial reports in the supplemental section
- Board meeting presentations** - - CSMC participates in board meetings via teleconference and presents financial reports and analysis. If periodic in person attendance is what you prefer, CSMC and the charter school will make appropriate arrangements. This proposal includes CSMC in person attendance at up to four board meetings each fiscal year of the contract.

COMPLIANCE & ACCOUNTABILITY

- CSMC can support all required compliance reporting, and we recognize the importance of timeliness and accuracy. On our *Client Partner Standing Call*, CSMC routinely reviews all compliance and submission requirements up to three months in advance of the due date. This facilitates a shared understanding of roles between your school staff and CSMC and task completion timelines, so nothing falls through the cracks.
- Compliance Calendar** - CSMC provides a compliance calendar with a "Look Ahead" feature that provides an outline for review (of all compliance requirements) with school leadership up to three months in advance of due dates to facilitate planning.
- Compliance support** - Charter School is solely responsible for complying with legal requirements. CSMC will provide advice and guidance in a non-legal capacity to support Charter School's compliance efforts. Please note that CSMC's guidance does not constitute professional legal services. Since rules, regulations, and interpretations regularly change, Charter Schools should seek independent verification and counsel from their attorneys or other sources to ensure legal compliance.

- ❑ **SPED financial reporting** – With input and information from Charter School, CSMC provides required SPED financial reports.
- ❑ **Funding compliance** – CSMC makes compliance recommendations regarding funding requirements, implementation grant funding and other restricted funds. Note that funding compliance is especially complex with many requirements the Charter School must satisfy.
- ❑ **District and state regulation compliance** – CSMC can problem-solve with the Charter School areas deemed not in compliance with the district or state regulations.

FISCAL POLICIES AND PROCEDURES -DEVELOPMENT AND TRAINING

- ❑ CSMC routinely reviews and makes recommendations for improving compliance and increasing efficiencies in your school's fiscal policies and procedures. We can support your best practice of annual review, refinement, and Board approval of your fiscal policies, based on feedback from your auditor, authorizer, leadership, and staff. We also are experienced at providing training for your staff and Board aligned to annual edits and focused on key elements of your policy.

GRANT MANAGEMENT AND SUPPORT

- ❑ **Fund accounting** – CSMC tracks restricted revenues and expenses based on information received from the Charter School.
- ❑ **Financial reports** – CSMC prepares customized financial reports for grant purposes.
- ❑ **Con App** – CSMC assists in the preparation and filing of the Con App parts 1 and 2 for eligible schools.
- ❑ ***In addition to the above, CSMC now offers fees for service support with grant research and application development for schools interested in pursuing other specialized grant funds.***

AUTHORIZER OVERSIGHT SUPPORT

CSMC's goal is for your school to maintain a good standing and strong rapport with your authorizer. We have decades of experience collaborating with the CDE, County Offices of Education, and Local District authorizers.

- ❑ Support with strategy and written responses to your authorizer and review all communications and develop strategic responses.
- ❑ Participate in teleconferences/meetings and meet in person with the school and authorizer, as needed. Including on-site visits.
- ❑ Review and present highlights and feedback from prior oversight visit to business operations staff, leadership, and Board) culminating in a strategic plan and messaging authorizer.
- ❑ Advance review of fiscal preparation guide and all authorizer requests and requirements related to oversight audit. CSMC compiles fiscal documents/folders (and identifies items where school site input is required) so nothing is missed.

VENDORS AND FACILITY FINANCING SUPPORT

- ❑ CSMC can provide support with vendor negotiations and reviewing contracts.
- ❑ CSMC can assist with facility financing and support lender and underwriter relationships.

SERVICE DELIVERY – CLIENT STANDING CALLS

CSMC utilizes a **CLIENT STANDING CALL** routine with most clients.

- ❑ This is a pre-set, recurring meeting, set to fit your schedule.
- ❑ It gives you direct access to your key CSMC contacts in each service division. One-stop.
- ❑ Ensures Responsiveness and Accessibility to Your Client Services and Support Team.
- ❑ Your assigned CSMC School Business Manager, Account Manager, and Payroll Tech participate in these calls along with your School Leadership and Business Operations team.
- ❑ CSMC can facilitate the development of an advance agenda with you to address your priorities while providing your school team with the evolving information, support, and training it needs.
- ❑ Each CSMC service division contributes to this agenda to keep everyone ahead of upcoming deadlines and keep your team coordinated with ours.
- ❑ CSMC follows up with a written summary of your agreed-upon action steps and delegated tasks for our team and yours.

CSMC routinely includes these important topics on these calls:

- ❑ Review of All Compliance Due Dates. Calendar Look Ahead that integrates into Board meeting planning.
- ❑ Restricted funds spending; and tracking. Coding of invoices.
- ❑ LCAP coding; spending; and tracking
- ❑ Outstanding payroll items
- ❑ Outstanding retirement items

CSMC's strategic onboarding and transition plan will include a schedule of these meetings. For most new client partners, these meetings occur weekly and then transition to bi-weekly or monthly.

This time is solely for **your school, and your team**, to collaborate with your entire CSMC Client Services and Support Team!

Roles & Responsibilities - Back-Office

Clarity on certain roles and responsibilities between CSMC and Charter School will help ensure high-quality, timely business services.

Table 1 below outlines the roles and responsibilities of both parties:

Table 1: Roles & Responsibilities - Back Office

CSMC	IFTIN Charter School
<ul style="list-style-type: none"> ❑ Timely and accurate check payments ❑ Payment of invoices according to Charter School's approval policies ❑ Recordkeeping/processes adhering to generally accepted accounting standards for accuracy and security and approved by independent auditors. ❑ Payment systems linked to financial statements and creating analyses for informed managerial decision-making. ❑ Bank account reconciliations. ❑ Invoice/payment research. ❑ Advising clients on outstanding checks to ensure adequate cash 	<ul style="list-style-type: none"> ❑ Submission of Payment and Deposit Information ❑ Weekly submission to CSMC of invoices, reimbursement requests, deposits, and other expenditures using CSMC forms and processes. ❑ Coding all expenses and non-state funding deposits using CSMC forms and processes and codes from the most recent budget. ❑ Banking: Monitoring and maintaining adequate bank account balances to meet expense obligations ❑ Provide online read-only access to the bank account

Accounting Deadlines and Calendars referenced above shall be provided separately by CSMC.

Scope of Services: Payroll, Retirement Reporting & Human Resources

CSMC uses an external payroll processor to accomplish the following tasks. CSMC helps interface between the Charter School and payroll processors. CSMC and performs quality checking and review of payroll processes. The Charter School pays all payroll processing fees directly to the payroll processor.

- ❑ **Payroll Processing** – CSMC calculates and processes payroll and payroll-related payments/deductions for salaried and hourly employees based on information submitted by authorized Charter School representatives. CSMC generates checks for signature by authorized Charter School representatives (or through electronic signature) or facilitates Direct Deposit at the Charter School's request. The fees set forth above include semi-monthly payroll processing.
- ❑ **Payroll Calendar**-CSMC will produce a payroll calendar to follow the Charter Schools payroll processing needs. This will be reviewed and approved by the Charter School then will be used throughout the fiscal year to meet necessary payroll deadlines.

- ❑ **Payroll Reporting** – CSMC and its payroll processor prepare, and file all required payroll reports for submission to federal and state agencies and submits electronic payroll, payroll tax reports, and payroll tax deposits to the appropriate authorities for a single EDD/tax ID number. CSMC provides payroll reporting services for multiple reporting EDD/tax ID numbers.
- ❑ **W-2 Processing** – CSMC works with the payroll processor to prepare W-2 forms, which are mailed to the Charter School, provided that this Agreement remains in effect at the end of the applicable calendar year, and subject to the timely receipt of accurate and complete information and data from Charter School, per CSMC policies, throughout the Term and including for any portion of the applicable calendar year that preceded the provision of services.
- ❑ **IRS, SDI, WC Support** – CSMC assists in resolving payroll tax issues before the IRS and other federal and state reporting agencies in a non-legal capacity. CSMC also assists the Charter School with any State Disability, Workers Comp, or Unemployment Insurance claims by providing supporting payroll reports.
- ❑ **STRS/PERS and Other Retirement Plan Administration** – The Charter School is responsible for STRS/PERS account set-up, administration forms and notices tied to enrollments, leaves of absence, and terminations, and any fees from outside parties including late fees and interest levied by STRS/PERS.
- ❑ CSMC retirement team will help the Charter School set up STRS/PERS accounts as requested and make appropriate deductions and payments to the county for STRS and/or PERS based on information provided by the Charter School. Some counties charge separately for this mandated service.
- ❑ CSMC will process the Charter Schools monthly retirement reporting and submit either directly to retirement agency or to the county that the Charter School resides.
- ❑ CSMC retirement team will work with the Charter School and county to obtain access to county specific reporting and submission requirements and server specific desktop applications when applicable.
- ❑ The CSMC retirement team can assist the Charter School in setting up with notifications, for required notices for all applicable retirement agencies to ensure they are current on rules and regulations.
- ❑ CSMC retirement team will assist with retirement questions and resolutions with the Charter School. When applicable, provide direct contacts at the county the Charter Schools reside in or retirement agency the Charter School have account(s) with for clarification(s).
- ❑ CSMC clients have discovered that corrections are needed to retirement reporting (STRS/PERS) that was completed before hiring CSMC as their back-office service provider. Often these required prior corrections may not be recognized or identified by clients, their employees, or the agencies involved until a time after the clients have contracted with CSMC. Resolution of these issues can often take months, including penalties and interest due to how retirement agencies process and audit correcting reports. CSMC recognizes the importance of ensuring accurate retirement reporting for all your employees. CSMC has the expertise and experience to support our clients with resolving these issues, however, depending on the time and effort required, CSMC's retirement team support may require a fee for this service arrangement.

HUMAN RESOURCES SUPPORT

- ❑ **Employee File Setup** – CSMC supplies the Charter School with new hire packets to facilitate compliance with state and federal requirements, including Live Scan procedures, TB test guidelines, and credential verification.

- ❑ Teacher Credentialing Support – CSMC offers non-legal guidance and assistance to Charter School leaders in assessing teacher credentials.
- ❑ Handbook Development – CSMC provides non-legal business advice on employee handbooks, focusing on their business implications.

Roles & Responsibilities - Payroll

Clarity on certain roles and responsibilities between CSMC and Charter School will help ensure high-quality, timely business services. **Table 2 below outlines the roles and responsibilities of both parties:**

Table 2: Roles & Responsibilities - Payroll

CSMC	IFTIN Charter School
<ul style="list-style-type: none"> ❑ Accurate, complete payroll on a semi-monthly basis ❑ Published Payroll Calendar with payroll deadlines. ❑ Reminders for payroll deadlines ❑ Final payroll information is sent to the client for approval by at least one working day before Charter School's payroll approval date when payroll is received per approved calendar. ❑ Audited payroll register will be provided to the Charter School to review and approve prior to payroll submission due date as shown on the payroll deadline calendar. ❑ Advice on setting up STRS/PERS CSMC will provide all payroll tax filing and W-2s. ❑ Maintain client partners payroll systems based on information provided by the Charter School. ❑ Completes monthly retirement reporting for STRS and PERS whichever is applicable. ❑ CSMC will enter STRS retirement profiles for Charter Schools that report directly to STRS and not a county. ❑ CSMC will maintain the appointments of CalPERS employees for Charter Schools that report directly to PERS and not to a county. 	<ul style="list-style-type: none"> ❑ Timecards and Changes: Submission to CSMC of timecards for new hires and other payroll changes by payroll calendar deadlines and using CSMC forms/processes. ❑ Payroll Approval: Approval (email or text) to CSMC by - Payroll Calendar deadlines ❑ New Hires: Timely submission to CSMC of new hire paperwork. ❑ Enrolling (or working with a broker to enroll) staff in any 403b, health plans, and other insurance/retirement/contribution/ deduction programs. ❑ Completing and submitting retirement forms for new hires, new enrollments, leave of absences, terminations, and retiring. ❑ Terminating staff from health plans, retirement plans, other insurance, and other applicable contribution/ deduction programs.

The Payroll Deadlines / Calendars referenced above shall be provided separately by CSMC.

Scope of Service: Student Data and Information System Support; Student information System (SIS) Management

- ❑ **Implementation and Maintenance:** CSMC specializes in the full spectrum of Student Information Systems (SIS) services, from initial setup and configuration to ongoing maintenance, ensuring the system is tailored to meet the unique operational and educational needs of each client partner.
- ❑ **Training:** To maximize the effectiveness of your SIS, CSMC offers detailed training sessions for both administrative and teaching staff, covering critical functionalities like report card management, grading, and scheduling. These sessions are designed to enhance user confidence and proficiency with the system.
- ❑ **SIS Platform Expertise:** CSMC works with a variety of industry-leading SIS platforms, including **PowerSchool, Aeries, School Pathways, Synergy**, and other similar systems. Our team is experienced in optimizing these platforms to support school operations, compliance reporting, and data management needs.

ATTENDANCE REPORTING SUPPORT:

- ❑ **Comprehensive Reporting Assistance:** CSMC provides end-to-end support for all state and local attendance reporting requirements, such as P-1, P-2, and Annual attendance reports, ensuring institutions meet all regulatory compliance mandates efficiently.
- ❑ **Data Verification and Audit Support:** Our team offers thorough assistance in verifying attendance data for accuracy, conducting mock audits, and resolving any discrepancies. This proactive approach is aimed at maintaining the integrity of attendance records and ensuring compliance with state and local regulations.

CALPADS REPORTING AND SUPPORT:

- ❑ **Submission Management:** CSMC manages every aspect of CALPADS reporting, encompassing the preparation, submission, and necessary amendments of reports to satisfy state deadlines and requirements effectively.
- ❑ **Error Resolution and Compliance:** We offer dedicated support in resolving enrollment conflicts and fatal errors, guaranteeing precise CALPADS data submissions. CSMC provides proactive updates and guidance on adapting to CALPADS mandates and changes, ensuring our client-partners are always in compliance.
- ❑ **Ongoing Maintenance:** CSMC conducts bi-weekly uploads of student enrollment files and student information files, ensuring the continual accuracy and timeliness of CALPADS reporting data.

HELP DESK SUPPORT SYSTEM:

- ❑ **Efficient Ticket Submission and Resolution:** CSMC operates a structured desk system, allowing for the efficient submission and tracking of support requests pertaining to SIS, attendance, and CALPADS issues. We are committed to promptly addressing and resolving tickets within 48 hours.

- ❑ **Urgent Support and Communication:** CSMC has established procedures for the escalation and swift resolution of urgent matters. We maintain continuous communication through our help desk system, providing timely updates and gathering necessary information to facilitate quick resolutions.
- ❑ **Service Delivery Commitment:** Charter School Management Corporation (CSMC) is dedicated to delivering these services with unmatched professionalism and expertise. Our team is committed to ensuring that your institution's student data management needs are met with the utmost accuracy, efficiency, and compliance. This service agreement underscores CSMC's pledge to offer comprehensive support across your student data systems, including specialized assistance for SIS, meticulous attendance reporting, CALPADS management, and a responsive help desk support system.
- ❑ **Client Responsibilities: Maintenance and Accuracy of Student Data:** The client partner is responsible for the continuous collection, entry, and upkeep of student data within the designated Student Information System (SIS). This encompasses ensuring both the accuracy and completeness of student data, which is fundamental for the integrity of state reporting, compliance efforts, and maintaining data in a state ready for reporting in line with regulatory requirements. The Client acknowledges the significance of this responsibility in supporting the integrity of compliance and reporting processes. Collaboration for Compliance and Reporting: CSMC commits to providing essential guidance and support regarding compliance and reporting standards. While CSMC will assist in ensuring the Client's understanding and implementation of these requirements, the primary responsibility for the Maintenance and accuracy of the data within the SIS.

Scope of Services: Accountability and Education Program Compliance and Grant Writing Services

(AVAILABLE UPON REQUEST – FEE FOR SERVICES)

- ✓ Accountability Plans ✓ Charter Renewal ✓ Compliance ✓ Educational Partner Engagement
- ✓ Executive Coaching ✓ Governance ✓ Instructional Leadership ✓ State & Federal Education Programs ✓ Grant Research ✓ Writing, and Support

CSMC has the expertise and experience to provide additional support in these accountability and educational program compliance areas.

- ❑ CSMC's **webinars** are open to all charter school partners free of charge and will be filled with the most current information regarding topics ranging from compliance to strategic planning for accountability plans and charter renewal. More intensive workshops are offered for a fee.
- ❑ **CA Data Analysis for Instructional Improvement (State & Federal Accountability)**
Based on available state data including the CA Dashboard and CAASPP, serve as a partner for instructional improvement to meet the needs of various student groups appearing on the Dashboard. If a school has been identified for Differentiated Assistance (DA) and/or ESSA accountability, the school is required to develop a plan for improvement in student outcomes.

❑ **Educational Partner Engagement & Governance**

Transparency in charter school governance has been a particular focus of authorizers and organized labor in criticizing charter schools. The Consulting Services team provides a variety of support services for schools needing to develop a coherent plan for consistent student/parent/community engagement for input in the LCAP as well as other LEA, SEA, and Federal plans.

❑ **LCAP**

The three-year plan aligned to CA's Eight State Priorities has become crucial to how the charter school sets its accountability standards for growth over the term of the LCAP. Ideally, the Consulting Services team works with a school to develop the initial plan to ensure all required metrics meet the State requirements, as well as assisting in the development of responses to the varied prompts in the state template. Note: there are three different levels of support offered to align to your needs.

❑ **LCAP Federal Addendum** The federal addendum is a one-time requirement, last completed in June 2019 to account for the use of federal title funds in a manner that supplements state and local funds for the educational program.

❑ **Charter Renewal**

Support for the charter school leadership in developing the charter renewal petition for submission to the authorizer. Members of the Consulting Services team are uniquely positioned for this work based on experiences with a variety of authorizers throughout the State of California. Additionally, the team maintains relationships with charter advocacy groups and the CDE to ensure a charter school considers political and strategic issues. Note: there are three different levels of support offered to align to your needs.

❑ **State/Federal Programs Compliance for FPM**

FPM is a program review and the use of federal Title funds for specialized instructional programs targeted to the neediest students. Note: there are three different levels of support offered to align to your needs.

❑ **Board Training**

CSMC are experts in providing high quality board training on multiple topics. Governing Best Practices; Brown Act Compliance; Board Roles and Responsibilities; Fiscal Management and Oversight are a few recurring topics.

Master Services Agreement Between CSMC & Charter School

This Master Services Agreement ("Agreement") is entered into as of **July 01, 2025** ("Effective Date"), by and between Charter School Management Corporation ("CSMC"), and Charter School ("Charter School" or "Client"), for CSMC's provision of back-office services to Charter School on the terms set forth herein:

1. **Term:** The term of this Agreement shall be from the Effective Date until June 30, 2028 (the "Initial Term").
2. **Services:** CSMC shall perform the services outlined in the Scope of Services attached hereto and incorporated herein, which may include finance and accounting, payroll and human resources support, business consulting, board meeting support, facilities guidance, compliance, and charter development and grants administration support services. Upon mutual written agreement, the parties may modify the Scope of Services by revising the Scope of Services at any time.
3. **Excluded Services:** Other than the Services outlined in the Scope of Services, CSMC is not responsible for any other services, unless mutually agreed to in writing. Examples of excluded services include but are not limited to, legal services or legal costs, technology installation and support, purchasing of small items or curriculum materials, printing and graphic arts, grant-writing or fund-raising, hiring, meetings with outside parties (e.g., the Charter School Board or authorizer) beyond those meetings required to accomplish the Services, Special Education administration, testing, assessment, compliance with the Every Student Succeeds Act, compliance with government grant requirements, audits, attendance accounting, employee performance reviews, Student Information Systems support, and other outside professional services costs ("Excluded Services"). If the Charter School wishes to obtain Student Information Systems support, the parties shall enter into a supplemental service level agreement that outlines the parameters of all student data services.
4. **Compensation:** In exchange for CSMC's provision of the Services, Charter School agrees to pay as follows:
 - a. **Services Fee:** CSMC does not solely base its fees on the number of students at a charter school. Instead, it provides an economic, tailored flat rate that is a result of CSMC's discussion with the school about its specific needs. The fee for Services for Charter School shall be as outlined in the Scope of Service ("Services Fee"). This Services Fee shall apply to the provision of Services starting **July 01, 2025**
 - i. **Revision of Services Fee During Term:** Upon mutual written agreement, the parties may modify the Services Fee by revising the Scope of Services at any time, e.g., to reflect an agreed-upon change in the scope of Services. CSMC also closely tracks the hours it spends on performing the tasks for Charter School. If at any time CSMC or Charter School believes the Services Fee does not accurately reflect the amount of work and resources expended by CSMC, the parties shall enter good faith discussions to increase or decrease the Services Fee.
 - b. **The rate for A La Carte Services:** Should Charter School desire a la carte services at any time during the Term, CSMC would be pleased to provide such a la carte services subject to CSMC's capacity and written agreement.

- i. The A la carte services may include but not be limited to grant-writing (e.g., PCSGP), any in-person board attendance beyond 24 hours in a year, drafting new and renewal charter petitions, facility acquisition and lease negotiation support, and charter revocation and notice compliance support, document subpoena or testimony support, and implementation of computer systems.

For services work, CSMC shall produce invoices for services and all expenses due to CSMC. Payment for all services and expenses are due upon presentation of invoices. CSMC reserves the right to suspend the provision of Services in the event an invoice is 30 days past due.

Additionally, CSMC retains the right to assess a 1 % per month (12 % per annum) late charge or the maximum legal rate of interest, whichever is less, on unpaid balances that are over 30 days past due.

Charter School shall reimburse CSMC for all reasonable costs incurred, including reasonable attorney's fees, in collecting past due amounts owed by Charter School.

5. **Charter School Obligations:** In addition to the obligations listed in the Scope of Services, Charter School shall be responsible for the following:
 - a. **Timely Submission of Information:** To provide the Services, CSMC relies on Charter School to provide timely, accurate, and complete information, and to cooperate reasonably with CSMC. CSMC shall not be responsible for any missed deadlines if Charter School and/or Charter School's contractors (e.g., auditors) fail to timely provide necessary information and materials to CSMC. A submission is timely under this Agreement if CSMC, in its sole discretion, determines it has sufficient time to complete its required tasks.
 - b. **Right to Rely:** CSMC has the right to rely upon the truthfulness, completeness, and accuracy of the information and data provided by Charter School, its directors, officers, employees, and agents. CSMC shall not be expected to, and Charter School may not rely on CSMC to, discover and disclose errors, fraudulent financial reporting, misappropriation of assets, or illegal acts that may exist at one or more schools or offices operated by Charter School. Charter School understands and agrees that CSMC has no responsibility to identify and communicate deficiencies in Charter School's internal controls as part of CSMC's provision of Services under this Agreement.
 - c. **Notice of Material Changes:** Charter School shall immediately inform CSMC of any material change in Charter School or Charter School's operations that might impact CSMC's ability to provide the Services under this Agreement.
 - d. **Compliance:** CSMC's services will assist Charter School's back-office operations, but CSMC shall not be responsible for auditing Charter School's information and operations for completeness and compliance. Charter School is solely responsible for adopting and adhering to reasonable policies and procedures, and for ensuring the Charter School remains in compliance with all applicable rules and regulations, its charter(s) and any MOUs or other contracts, and sound fiscal operations.
 - e. **Direction:** Charter School acknowledges that by providing the Services, CSMC performs an advisory and task-related function, and therefore provides the Services at the direction of Charter School.

Charter School retains ultimate decision-making authority on the execution of agreements, transactions, and payments, and the determination of rights, processes, controls, and obligations rests entirely in the discretion and control of Charter School. The Charter School is responsible for attendance tracking and reviewing employee performance.

6. **Document Retention:** Charter School shall be responsible for providing CSMC with all records pertinent to the Services, including information stored electronically such as e-mails and other computerized records. Charter School agrees to retain, and not destroy, such records for the duration of any period mandated by applicable laws. CSMC shall retain its files for 3 years or may return them to Charter School, after which time CSMC shall destroy its files unless Charter School requests in writing that CSMC retain files for a shorter or longer retention period.
7. **No Legal Services:** Charter School acknowledges and agrees that CSMC does not provide legal services or licensed accounting services, and such licensed professional services are not included within the services which CSMC may provide under this Agreement. Charter School agrees to consult a lawyer and/or licensed accountant if Charter School seeks legal or accounting advice, and shall not rely on CSMC for such advice, consultation, or services.
8. **Support Regarding Charter Notices and Revocation:** Unless expressly included within the Services or otherwise mutually agreed upon by the parties, CSMC shall not be responsible to perform any services related to any charter revocation, notice to cure, a notice of concern, or related notices, and CSMC shall not be responsible for performing any services related to any closure of any school operated by Charter School.
9. **Limitation of Services:** CSMC cannot guarantee that the Services it provides under this Agreement will yield the results sought by Charter School. CSMC will use good faith efforts in providing Services to secure the reasonable objectives sought by Charter School during CSMC's performance of its Services under this Agreement. Charter School understands and agrees that it is retaining CSMC to perform only those Services defined herein and in the Scope of Services. Charter School agrees that CSMC will have no liability for, or indemnity obligations arising out of, CSMC's provision of any services, task, or work not included within the definition of Services.
10. **Limitation of Liability:** The parties agree that CSMC's liability for all claims, damages, and costs (including legal fees) of the Charter School arising from this Agreement is limited to \$100,000. In addition, Charter School expressly agrees to waive (among other damages) all punitive and exemplary damages in any proceeding.
11. **Disclaimer of Warranties:** CSMC makes no representations or warranties, express or implied, regarding its services, including but not limited to any warranties of merchantability, fitness for a particular purpose, non-infringement, accuracy, or uninterrupted or error-free performance. Charter School acknowledges that the success or effectiveness of services depends on various factors beyond the control of CSMC. CSMC makes no warranties that include or involve the use of third-party products, software, or services, and disclaims all liability for any defects, errors, or failures related to them.
12. **Limitation of Liability for Referral:** The Services which CSMC is required to perform under this Agreement do not include referring Charter School to any other service provider, person, or company. If CSMC is asked and elects to make a referral, Charter School acknowledges and agrees that Charter School shall be solely responsible for interviewing, researching, and retaining any such service provider, person, or company, and

Charter School shall rely on its assessment in making any hiring decision. CSMC does not warrant or guarantee the services, work, or results of any service provider, person, or company that CSMC may refer to Charter School.

13. **Employee Recruitment Restriction:** Charter School recognizes and acknowledges that CSMC expends considerable time and effort and incurs substantial costs in recruiting, training, and retaining qualified personnel. Charter School agrees to not hire as an employee or independent contractor, either directly or indirectly, any employee of CSMC, who has provided services to Charter School under this Agreement, during the term of this Agreement and for a period of 12 months after such person terminates employment with CSMC. Charter School agrees that a breach of the foregoing restriction would cause irreparable harm to CSMC's business, and the damages therefrom would be difficult if not impossible to measure. Consequently, if Charter School breaches this provision, Charter School agrees to pay CSMC an amount equal to 100 % of the individual's projected annual compensation from CSMC.
14. **Governing Law and Dispute Resolution:** This Agreement shall be construed in accordance with the laws of the State of **CA**. CSMC and Charter School agree that all disputes or controversies of any nature relating to or arising at any time under this Agreement or otherwise in connection with the rights and obligations under this Agreement shall be resolved by binding arbitration, which shall constitute the sole forum for any disputes between the parties to this Agreement. This means by signing this Agreement, each party is waiving the right to take court action and is waiving the right to a jury. Each party also agrees to and hereby does, waive any right to compel the other party to participate as a defendant, cross-defendant, or in any other capacity in any court action, including any action for indemnity. The arbitration shall be governed by the JAMS Comprehensive Arbitration Rules and Procedures conducted in California. The parties to this Agreement further agree that any arbitration demand must be filed with JAMS within 12 months from the time of any breach of this Agreement and that any claim commenced or filed after that time shall be time-barred as a matter of law.
15. **Termination:**
 - a. Either party may terminate this Agreement for breach of a material term or condition of this Agreement upon 60 days written notice to the other party. Such written notice shall specifically identify the breach and provide 30 days to cure. Upon any termination under this section, Charter School shall pay CSMC for all services rendered by CSMC before the effective date of termination.
 - b. CSMC may terminate this Agreement immediately upon written notice and without liability in the event: *(i) Charter School, in CSMC's reasonable judgment, violates any of its obligations described in Section 4. Upon any termination under this section, Charter School shall pay CSMC for all services rendered by CSMC before the effective date of termination, and Charter School shall also pay CSMC for all costs resulting from such early termination, such as costs related to demobilization.*
16. **Insurance:** Charter School represents and warrants that it has obtained property general liability insurance, workers compensation insurance, automobile insurance (to the extent applicable), and insurance coverage for negligence, errors and omissions/educators' legal liability, abuse and molestation, and employment practices liability as may be required and in amounts as outlined in its charter(s).

17. **Indemnification:** Charter School shall indemnify CSMC and hold harmless its directors, officers, employees, and agents from and against all actions, claims, damages, and losses, including attorney's fees that may arise out of or in any way result from the negligent or intentional acts, errors, or omissions of Charter School. To the extent that Charter School properly directs CSMC, and to the extent that CSMC fails to properly perform the Services, CSMC shall indemnify and hold Charter School and its officers and employees harmless from and shall defend at its own expense all claims, demands, or suits at law or equity arising in whole or in part, but only to the extent that they arise from CSMC's active negligence or express breach of its obligations under this Agreement. Nothing in this Agreement shall require CSMC to indemnify Charter School against claims, demands, or suits based upon intentional or negligent acts of Charter School, its agents, officers, or employees.
18. **Proprietary Information:** The parties acknowledge and agree that during this Agreement they may have access to certain information proprietary to each other, which may include but are not limited to trade secrets, policies, procedures, intellectual property, business or strategic plans, contractual arrangements or negotiations, financial information, and employee information (collectively, the "Proprietary Information"). Each party's Proprietary Information shall be and remain the sole property of that party at all times. Each party shall maintain the confidentiality of all Proprietary Information to the extent applicable and shall not divulge such information to any third parties, except *(i) as may be necessary for the discharge of its obligations under this Agreement and (ii) as required by law*. Each party shall take reasonable precautions against disclosure of any of the other party's Proprietary Information to unauthorized persons by any of its officers, directors, employees, or agents. If either party receives a request for disclosure of the other party's information, including Proprietary Information, (whether according to a CA Public Records Act request or otherwise), the party that received the request shall provide the other party with prompt notice of the request. Each party agrees to keep all communications and work products confidential to the extent allowable by law.
19. **No Joint Venture:** The parties acknowledge that they will not hold themselves out as an agent, partner, or co-venturer of the other and that this Agreement is not intended and does not create any agency, partnership, joint venture, or any other type of relationship except the contract relationships established herein. CSMC shall be free to provide similar services to other clients.
20. **Parties Are Sole Obligors:** This Agreement is entered into by the Charter School for itself alone and not on behalf of, or as an agent for, any other entity, agency, school, or school district. Any obligation of the parties to this Agreement is and shall remain the sole responsibility of the parties. CSMC agrees that no employee, executive, officer, or director of Charter School shall be personally liable for payment or any breach of this Agreement and that CSMC may only look to Charter School for payment or performance of the obligations required under this Agreement. Likewise, Charter School agrees that no employee, executive, shareholder, officer, or director of CSMC shall be personally liable for payment or any breach of this Agreement and that Charter School may only look to CSMC for payment or performance of the obligations required under this Agreement. In addition, CSMC will be providing Services only to Charter School under this Agreement and will not be required to perform work or services to any company or person affiliated with Charter School.

- 21. **Communication Between Parties:** Charter School will direct all communication to the CSMC Account Manager and/or the School Business Manager. CSMC will direct all communication to Charter School's designated primary contact defined in the Notice section below.
- 22. **Notice:** All notices, requests, offers or demands, or other communications (each, a "Notice") given to or by the parties under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if personally served on the party to whom notice is to be given, by electronic mail at the address below, or seventy-two (72) hours after mailing by United States mail first class, registered or certified mail, postage prepaid, addressed to the party to whom notice is to be given, at such party's address set forth below, or such other address for such party as shall be specified in a notice given under this Section.

CSMC	IFTIN Charter School
<p>CSMC 43460 Ridge Park Dr. Temecula, CA 92590 slanni@csmci.com Attn: Sandro Lanni</p>	<p>IFTIN Charter School 5465 El Cajon Blvd. San Diego, CA, 92115 yussuf@iftincharter.net Attn: Maslah Yussuf</p>

- 23. **Headings:** The descriptive headings of the sections and paragraphs of this Agreement are inserted for convenience only, are not part of this Agreement, and do not in any way limit or amplify the terms or provisions of this Agreement.
- 24. **Assignment:** Charter School shall not assign this Agreement, any interest in this Agreement, or any of its rights or obligations under this Agreement without the express prior written consent of the CSMC. This Agreement shall be binding on and shall inure to the benefit of, the parties and their respective permitted successors and assigns. CSMC reserves the right, in its sole discretion, to subcontract Services to qualified subcontractors.
- 25. **Entire Agreement:** This Agreement, including its attachments, constitutes the entire agreement between the parties concerning the subject matter contained herein and supersedes all agreements, representations, and understandings of the parties concerning such subject matter made or entered into before the date of this Agreement.
- 26. **Compliance with Laws:** Each party agrees to comply with all applicable laws in connection with the performance of such party's obligations under this Agreement and the operation of such party's business. As used herein, "law" means any federal, state, local or foreign law, statute, ordinance, franchise, permit, concession, license, write, rule, regulation, order, injunction, judgment, or decree.
- 27. **Amendments:** No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by both parties.

- 28. **No Waiver:** No waiver of any provision of this Agreement shall constitute, or be deemed to constitute, a waiver of any other provision, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.
- 29. **Severability:** If any provision of this Agreement is invalid or contravenes CA law, such provision shall be deemed not to be a part of this Agreement and shall not affect the validity or enforceability of its remaining provisions, unless such invalidity or unenforceability would defeat an essential business purpose of this Agreement.
- 30. **Force Majeure:** Neither Party shall be liable for any delay or failure to perform its obligations under this Agreement due to any cause beyond its reasonable control, including but not limited to acts of God, war, terrorism, riots, embargoes, strikes, lockouts, fires, floods, earthquakes, or other natural disasters (each, a “Force Majeure Event”). The Party affected by a Force Majeure Event shall promptly notify the other Party of the Force Majeure Event and shall use commercially reasonable efforts to mitigate the effects of the Force Majeure Event. The Party affected by a Force Majeure Event shall be excused from the performance of its obligations under this Agreement for the duration of the Force Majeure Event, provided that such Party shall use commercially reasonable efforts to resume performance of its obligations as soon as reasonably practicable.
- 31. **Counterparts - Electronic Signatures:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. A faxed copy or. A PDF copy of the fully executed original version of this Agreement shall have the same legal effect as an executed original for all purposes.

Please note that CSMC does not provide legal services and all work should be reviewed by Charter School's legal counsel as appropriate. Please also note that we will review and possibly revise these fees after the first year if there are appreciable student enrollment changes.

Charter School Management Corporation
Name: Sandro Lanni
Title: President
Date:
Signature:

IFTIN Charter School
Name: Maslah Yussuf
Title: Executive Director
Date:
Signature: