

**Memorandum of Understanding (MOU) # 20-F-DJ**  
**Between**  
**Sacramento County Office of Education (SCOE)**  
**and**  
**Davis Joint Unified School District**

**Term of Agreement – July 1, 2020 through June 30, 2023**

**I. Purpose and Parties**

The purpose of this MOU is to document the relationship and articulate roles and responsibilities between the Capital Adult Education Regional Consortium (CAERC) fiscal agent and program manager (SCOE) and each of the CAERC members. This Memorandum of Understanding is entered into between Sacramento County Office of Education (SCOE) and Davis Joint Unified School District. Davis Joint Unified School District and SCOE hereby agree to the following terms of this MOU. Davis Joint Unified School District is a member of CAERC. Davis Joint Unified School District hereinafter is referred to as “CAERC Member.”

**II. Background**

AB 86 Planning Grant

The 2013-14 State Budget, under the auspices of Assembly Bill 86, appropriated \$25 million to the California Community College Chancellor’s Office (CCCCO) to provide funding for two-year adult education planning and implementation grants. AB 86 supported the development of regional adult education consortium plans that focus on expanding and improving opportunities for education and workforce services for adults. From July 1, 2013 to December 31, 2015, AB 86 consortia, consisting of K-12 school districts, community college districts, and other partners developed regional education and workforce service plans for adults.

AB 104 Adult Education Block Grant

On June 24, 2015 Governor Jerry Brown signed AB 104 into law. The 2015-16 year represented the transition period from the planning that took place with AB 86 to the actualization of the Adult Education Block Grant (AEBG). The 2015-16, 2016-17 and 2017-18 State Budgets included \$500 million in new funding for seven authorized adult education program areas. On February 22, 2018, the CCCC and CDE notified all consortia of their intent to award AEBG funding for fiscal years 2018-19 and 2019-20. AEBG Office issued preliminary allocation schedule, which included a proposed increase in funding at \$20.5 million. The January 2018 Governor’s Proposed Budget language categorized AEBG as the “ongoing proposition 98 General Fund”.

California Adult Education Program

On July 1, 2019, the name change came into effect from Adult Education Block Grant to California Adult Education Program (CAEP) as defined in California Education Code, Title 3, Division 7, Part 50, Chapter 5, Article 9 [84900 – 84920].

### Program and Fiscal Year 2020-21

For fiscal year 2020-21, the California Adult Education Program Office allocated a total of \$11,986,773 to the Capital Adult Education Regional Consortium. This allocation is locally designated as Fund F.

Education Code [84914](#) guides the allocation process for all members as follows.

84914.

(a) As a condition of receipt of an apportionment from the program, a consortium shall approve a distribution schedule that includes both of the following:

(1) The amount of funds to be distributed to each member of the consortium for that fiscal year.

(2) A narrative justifying how the planned allocations are consistent with the adult education plan.

(b)

(1) For any fiscal year for which the chancellor and the Superintendent allocate an amount of funds to the consortium greater than the amount allocated in the prior fiscal year, the amount of funds to be distributed to a member of that consortium shall be equal to or greater than the amount distributed in the prior fiscal year, unless the consortium makes at least one of the following findings related to the member for which the distribution would be reduced:

(A) The member no longer wishes to provide services consistent with the adult education plan.

(B) The member cannot provide services that address the needs identified in the adult education plan.

(C) The member has been consistently ineffective in providing services that address the needs identified in the adult education plan and reasonable interventions have not resulted in improvements.

(2) For any year for which the chancellor and the Superintendent allocate an amount of funds to the consortium less than the amount allocated in the prior year, the amount of funds to be distributed to a member of that consortium shall not be reduced by a percentage greater than the percentage by which the total amount of funds allocated to the consortium decreased, unless the consortium makes at least one of the following findings related to the member for which the distribution would be reduced further:

(A) The member no longer wishes to provide services consistent with the adult education plan.

(B) The member cannot provide services that address the needs identified in the adult education plan.

(C) The member has been ineffective in providing services that address the needs identified in the adult education plan and reasonable interventions have not resulted in improvements.

(c) A distribution schedule shall also include preliminary projections of the amount of funds that would be distributed to each member of the consortium in each of the subsequent two fiscal years. The preliminary projections shall not constitute a binding commitment of funds.

### Role and Function of CAERC

The Capital Adult Education Regional Consortium is comprised of 14 members: 11 K-12 school districts, 2 county offices of education, and the Los Rios Community College District representing 4 colleges. Members opt in to receiving funds through a base allocation to provide instruction in any of the seven authorized program areas, in accordance with the regional plan. Members collaborate with multiple regional partners to provide support services to the adult learners. SCOE acts as a fiscal agent and a program manager for the consortium. Funds are allocated at the consortium-level for activities to strengthen the region and to coordinate the financial aspects of the consortium. Regional strategies in the Annual Plan for 2020-21 will also include plans to address the uncertain conditions caused by the unprecedented health, economic and social crisis in the spring of 2020. SCOE-CAERC Program/Fiscal PY 2020-21 budget consists of staff salaries and other associated expenses, for the following services:

- Facilitating and carrying out consortium business and working meetings
- Facilitating and carrying out the work defined by regional strategies
- Facilitating annual and strategic planning processes
- Leveraging regional resources and activities for the benefit of the adult learners
- Carrying out administrative work in support of the overall activities
- CAERC fiscal at 1% of the overall allocation to maintain the following services:
  - Processing member allocations and, if applicable, re-allocations of member funds
  - Hosting quarterly fiscal meetings with district fiscal staff and member representatives
  - Disseminating state updates pertaining to CAEP funds
  - Reviewing quarterly budget and expenditure reports
  - Compiling and storing fiscal data files from members
  - Providing technical assistance with budget, expenses and other reports as required by the State.

### **III. Role of SCOE and CAERC Member**

#### Role of SCOE

As the fiscal agent, SCOE will distribute consortium funds in accordance to the CAERC Governance and Fiscal Allocation Plans and Policies (amended January 10, 2018), AB 104, and California Education Code section 84913. SCOE will be responsible for collecting, compiling, and reporting consortium-level fiscal and program information.

#### Role of CAERC Member

CAERC Member will adhere to the agreements outlined in the CAERC Governance and Fiscal Allocation Plans and Policies (amended May 10, 2017). CAERC Member will be responsible for participating in the consortium decision-making process and reporting member fiscal and

program information to the consortium, and learner performance data to the CAEP Office as specified in AB 104, Education Code and any associated CAEP guidelines.

#### Role of Both Parties

Both parties will work together to comply with CAEP reporting requirements. CAEP requires that each consortium report allocations by participating members, budgets by object code, by program area and objective, and file expenditure and progress reports. Allocations by members should match expenditures, follow CAERC's Annual Plan, and adhere to the expenditure guidelines outlined in the CAEP Fiscal Management Guide.

#### **IV. SCOE Responsibilities**

As the CAERC fiscal agent, SCOE will process expenses and expenditure contracts, as agreed upon by the members, and work with the members to implement fiscal decisions per CAERC's 2020-21 Annual Plan and Three-Year Consortium Plan for 2019-2022.

As the designated fiscal and program information-reporting agency, SCOE will:

1. Upon SCOE's receipt of CAEP funds from the California Department of Education and California Community College Chancellor's Office, in accordance to Education Code 84912, SCOE will distribute monthly payments to CAERC members.
2. Starting in 2017, the CAEP Office has been developing - in multiple phases - a new online fiscal reporting system, NOVA, through which CAERC members submit budget and expenditure information directly to the CAEP Office. SCOE will continue to provide member training and support with the reporting system. SCOE will provide the Consortium lead and fiscal staff who will certify member work plans and budgets for the fiscal year.
3. SCOE will facilitate members' reporting of program-area expenditures for their respective allocations within the consortium.
4. SCOE will compile and report to CAEP any additional qualitative and quantitative consortium-level data, as needed.
5. SCOE will carry out the consortium-level activities as approved by the members in the annual plan for the current program year.

#### **V. CAERC Member Responsibilities**

To enable SCOE's reporting to the CAEP Office, CAERC Member will be responsible for monitoring their own activities and reporting to SCOE all CAERC related fiscal and program activities. This includes any necessary student participation data, expenditure documentation, and any AB104/CAEP information necessary for the successful completion of AB104/CAEP mandated reports, performance measures, and program outcomes. Expenditures must follow

CAERC's Annual Plan, adhere to the expenditure guidelines outlined in the AB 104/CAEP *CAEP Adult Education Program Fiscal Management Guide, Allowable Uses of Adult Education Program Funds*, and follow other guidelines established by the CAEP Office. In addition, all CAERC Members will adhere to CAERC-approved policies related to fiscal, program and governance procedures.

CAERC Member will designate a person/persons with proper authority to certify all information submitted to SCOE and NOVA. CAERC Member acknowledges and accepts all responsibility for program related expenditures and certifies that expenditures are in compliance with the approved objectives, rules and regulations that govern the CAEP program. Furthermore, CAERC Member accepts all liability for any disallowed costs, should they arise.

Subject to [84914](#).b.2, in exchange for a minimum of **\$368,443**, CAERC Member will:

1. Submit expenditure information.
  - a. Report member expenditures into NOVA as per dates set by the CAEP Office.
  - b. Report final member expenditures to SCOE within 15 days after the close of the fiscal cycle as outlined in **Exhibit A, Shared Fiscal and Budget Agreement Policy**, attached and incorporated herein.
  - c. Member has until December 30, 2021 to spend funds.
  - d. Provide to CAERC Project staff an expenditure summary narrative, progress update narrative and/or other data for the reports as required by the CAEP Office.
  - e. Use the lesser of the California Department of Education approved indirect cost rate for Program Year 2020-21 or the maximum set forth by the CAEP Office.
2. Submit required quarterly and end-of-year student level information via the CASAS TOPSpro Enterprise data reporting systems and as specified by the CAEP Office.
3. Conduct professional development activities.
  - a. A minimum of \$5,000 per year is included in the CAERC Member total allocation for Fund F to cover professional development activities.
    - i. This additional funding is specifically allocated to address the following CAERC regional strategy: Offer Professional Development to Support the Regional Strategies
  - b. Members may be asked to be responsible for the logistics and cost of hosting consortium meetings and professional development events at their locations.
4. Develop regional partnerships and the CAERC Network of Transition Navigators.
  - a. A minimum of \$35,000 per year is included in the CAERC Member total allocation for Fund F to cover Transition Navigator network activities and funding.
    - i. This additional funding is specifically allocated to address the following CAERC regional strategy: Increase K-12 Adult Education Transition to Workforce and Postsecondary.

5. Submit other data as required by AB 104/CAEP guidelines.
6. Submit reports and questions to the CAERC Office by email: [caercsubmit@scoe.net](mailto:caercsubmit@scoe.net)
7. Follow Annual Plan General Assurances:
  - a. Participate in planning processes (Annual Plan, Three-Year Plan).
  - b. Spend funds within the CAEP program areas.
  - c. Participate in public meetings and decision-making.
  - d. Report student data in CASAS TOPSpro Enterprise.
  - e. Share information on other resources being used to serve adults.
  - f. Share financial expenditure and progress reports with the regional consortium.
  - g. Provide services that address the needs identified in the adult education plan.

## **VI. Term**

This MOU Agreement shall be effective July 1, 2020 and ending on June 30, 2023. Either party may terminate this MOU with at least a sixty- (60) day written notice of intention to terminate this agreement. This agreement may also be terminated by CAERC officially designated members if it is determined a member is not compliant with the *CAEP Adult Education Program Fiscal Management Guide, Allowable Uses of Adult Education Program Funds* or for non-performance with fiscal and/or program reporting or as specified on the CAERC Governance Plan.

## **VII. Privacy**

SCOE and all CAERC members will comply with all state and federal education privacy policies. SCOE and CAERC members will not disclose any personally identifiable information except upon written consent of the participating adult learners or as otherwise permitted by law.

## **VIII. Indemnity**

CAERC Member agrees to defend, indemnify, and hold harmless SCOE (including its directors, agents, officers and employees), from any claim, action, or proceeding arising from any actual or alleged acts or omissions of CAERC Member, its director, agents, officers, or employees relating to CAERC Member's duties and obligations described in this agreement or imposed by law.

SCOE agrees to defend, indemnify, and hold harmless CAERC Member (including its directors, agents, officers and employees), from any claim, action, or proceeding arising from any actual or alleged acts or omissions of SCOE, its director, agents, officers, or employees relating to SCOE's duties and obligations described in this agreement or imposed by law.

It is the intention of the parties that this section imposes on each party responsibility to the other for the acts and omissions of their respective officials, employees, representatives, agents, subcontractors and volunteers, and that the provisions of comparative fault shall apply.

#### **IX. Modification**

Any changes to this MOU must be agreed to in writing by both parties. Should changes in legislation, the State budget or health and safety guidelines related to infectious disease outbreak occur that necessitate revision of this MOU, the CAERC Member and SCOE shall meet to revise accordingly.

#### **X. Independent Agents**

This MOU is by and between two independent agents, SCOE and CAERC Member, and is not intended to and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture and/or association between the two independent agents. The parties shall be expected to independently comply with all relevant laws, including those regarding worker's compensation.

#### **XI. Nondiscrimination**

Any service provided by either party pursuant to this MOU shall be without discrimination based on the actual or perceived race, religious creed, color, national origin, nationality, immigration status, ethnicity, ethnic group identification, ancestry, age, marital status, pregnancy, physical or mental disability, medical condition, genetic information, gender, gender identity, gender expression, sex, or sexual orientation, in accordance with all applicable Federal and State laws and regulations.

#### **XII. Insurance**

Both parties shall maintain in full force Commercial Liability Insurance with limits of no less than \$1,000,000 per occurrence. Such requirement may be satisfied by coverage through a joint powers authority. Evidence of insurance coverage shall be furnished upon request by CAERC Member or by SCOE.

### **XIII. Execution of Agreement**

This MOU may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Photographic copies of such signed counterparts may be used in lieu of the originals for any purpose.

Nancy Herota, Deputy Superintendent  
Sacramento County Office of Education

CAERC Member  
Davis Joint Unified School District

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Authorized Davis Joint Unified School  
District Representative

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



**Shared Fiscal and Budget Agreement Policy**  
(Adopted July 13, 2016, Amended January 10, 2018)

**Shared Fiscal Agreement**

- a) Fund A (2015-16 allocation): Members will spend funds by December 2016.
- b) Fund B: Members will spend funds by December 2017.
- c) Fund C and subsequent annual apportionment: Members will spend funds within 18 months of the start of the fiscal cycle of the year it was first allocated.

**Shared Budget Agreement**

- d) CAERC Budget Workgroup meetings are mandatory for members. *(Minimum one representative; Fiscal representatives are recommended to attend with program leads.)*
- e) For each AEBG fund, members will submit a budget and spending plan approved and signed by an officially-designated member, a fiscal representative, and a district representative. Member will submit budget and spending plan prior to the start of fiscal year (June) and biannual (December).
- f) Consortium will review and monitor member expenditure progress based on submitted AEBG expenditure and progress reports and updates provided at the CAERC Budget Workgroup meetings.

**Progressive Permanent Reallocation**

- g) **First time:** If a member is at-risk or unable to spend the allocation within the designated timeline, the Consortium will provide assistance and will notify the member and its Superintendent that it is at-risk:
  - Unspent funds will return back to the consortium to be reallocated and member will be held harmless.
- h) **Second time (consecutive):** If a member is at-risk or unable to spend the allocation within the designated timeline, the Consortium will provide assistance and will notify the member and its Superintendent that it is at-risk:
  - a. Unspent funds will return back to the consortium to be reallocated.
  - b. The member's future consortium allocation will be reduced by 10% permanently.
    - i. Members must be in "good standing" to be eligible for additional new AEBG funds (e.g., additional Data and Accountability funds and unspent funds from other AEBG consortia reallocated to consortia that have spent down).
    - ii. All Members will be eligible for Cost of Living Adjustment- COLA.

**Shared Fiscal and Budget Agreement Policy (continued)**

- i) **Third time (consecutive):** If a member is at-risk or unable to spend the allocation within the designated timeline, the Consortium will provide assistance and will notify the member and its Superintendent that it is at-risk:
  - a. Unspent funds will return back to the consortium to be reallocated.
  - b. The member's future consortium allocation will be progressively reduced by an additional 10% permanently.
- j) **Subsequent times:**
  - a. Unspent funds will be reallocated.
  - b. The member's consortium allocation will be progressively reduced by an additional 10% permanently.
- k) If additional new funds are available, member can petition to be reinstated after being in "good standing – spent consortium allocation within designated year" minimum of 2 consecutive years.

**Reallocation of Unspent Funds Policy**

(Adopted November 4, 2016, Amended May 10, 2017)

***The Capital Adult Education Regional Consortium (CAERC) will take a dual-tiered approach to reallocate unspent funds:***

**Tier 1: Consortium-Level Unspent Funds**

1. Identify funded strategies that can benefit from an increased allocation and reallocate unspent funds.
2. Identify unfunded strategies that can be funded and reallocate unspent funds.
3. Reallocated funds must be spent as stated in Memorandum of Understanding (MOU).

**Tier 2: Remaining Consortium-Level Unspent Funds and Member-Level Unspent Funds**

1. Members who have spent down 100% of their consortium allocation (*e.g., Fund A 2015-16, Fund B 2016-17, Fund C 2017-18*) will be eligible for the reallocation funds.
2. Eligible members may opt in or opt out of accepting reallocation funds.
3. Distribution will be based on CAERC's 2015-16 allocation funding formula in proportionate to percentage received with the number of members who opt in.
4. Opt in members can elect to accept funds in full amount or partial amount based on CAERC's 2015-16 allocation funding formula.
5. Reallocated funds must be spent as stated in Memorandum of Understanding (MOU).
6. The consortium will not distribute reallocation funds until all unspent funds are returned.
7. Members must return unspent funds within 30 days of notice.
8. Members who have not returned unspent funds will have all future allocations withheld by the consortium.

**CAERC Budget Voting Requirements Policy**

(Adopted September, 7, 2016, Amended May 10, 2017)

A recommendation from the Budget Workgroup followed by a vote from the officially-designated members is required under the following conditions:

- *CAERC consortium-level expenditures exceeding 10% of the approved budget for objectives over \$100,000.*
- *CAERC consortium-level expenditures over \$10,000 with a minimum of \$5,000 for objectives less than \$100,000.*
- *A Request for Bids (RFB) is required for consortium-level expenditures exceeding \$100,000.*

**Consortium Regional Staff Policy**  
(Adopted May 4, 2016)

**Staff Positions**

The Consortium Regional Staff is inclusive of the following positions to support the consortium regional work:

- Director (1)
- Coordinator (1)
- Administrative Assistant (1)
- Fiscal Agent

**Hiring**

Representation of the consortium membership is essential during the hiring of the consortium staff. To ensure this, the interview panel for the hiring of the consortium Director position will consist of:

- Minimum of one Leadership Oversight Panel member;
- CAERC Co-chairs (one representing Los Rios Community College District and one representing K-12 districts/county office of education); and
- Minimum of one officially-designated member. The member will be chosen through a nomination process and confirmed by majority of officially-designated members.

The interview panel for the hiring of other consortium staff positions will consist of:

- Minimum of one CAERC Co-chair (1 representing Los Rios Community College District or 1 representing K-12 districts/county office of education);
- Consortium Director; and
- Minimum of one officially-designated member. The member will be chosen through a nomination process and confirmed by majority of officially-designated members.