

BOARD OF GOVERNORS
VIRTUAL PREPARATORY ACADEMY at LUCERNE

SPECIAL BOARD MEETING AGENDA

Location:
Conference Call
+1 888-585-9008
Conference Room ID#: 404245753
5 p.m., Wednesday, June 17, 2020

NOTICE: Individuals wishing to speak at the Board Meeting are encouraged to sign up 24 hours in advance of the meeting. Individuals wishing to speak may call **(888) 628-2542** and list their names for public input during the meeting.

Meeting Called to Order at: _____ PM

Voice Roll Call

Board Member	Present	Absent	Position
Julie Walsh			Chair
Jack Pierce			Member

Adoption of Agenda

Board Member	Moved	Second	Aye	No	Abstain
Julie Walsh					
Jack Pierce					

Approval of Minutes – Special Board Meeting - Tuesday, June 2, 2020 5:00 p.m. PST

Board Member	Moved	Second	Aye	No	Abstain
Julie Walsh					
Jack Pierce					

Public Speakers

Speakers to items for action on this agenda should plan to call the indicated conference call number on the agenda and join by conference call at the beginning of the meeting at the time indicated. Speakers to items not on the agenda for action will be heard at the conclusion of the public input period. Each speaker is allowed a maximum of three minutes for his or her comments. Accommodations are made for translation and for those needing assistance. Each speaker may only make a single appearance at each Board Meeting. Exceptions are made for items labeled “Public Hearing”.

17.06.1

Consent Items

Items for action below are assigned to be adopted by a single vote. Any item may be pulled off of consent for further discussion by any Board Member at any time before action is taken.

1. 2020-2021 Board Meeting Dates
2. Independent Study Policy
3. Independent Study Master Agreement

Board Member	Moved	Second	Aye	No	Abstain
Julie Walsh					
Jack Pierce					

New Business for Action

17.06.2 Approval of Home Office Stipend Proposal

Board Member	Moved	Second	Aye	No	Abstain
Julie Walsh					
Jack Pierce					

17.06.3 Form 700 Introduction

Information Item:

The State of California as of January 1, 2020 requires all Charter School Board members and selected school administrative staff to file the Fair Political Practices Commission Form 700.

17.06.4 LCAP – COVID 19 Report Adoption

Due to the COVID 19 Pandemic and its effect on schools the Governor of California decreed that a COVID 19 report of interventions taken will take the place of the normally required LCAP.

Board Member	Moved	Second	Aye	No	Abstain
Julie Walsh					
Jack Pierce					

17.06.5 Approval of Staff Compensation Structure Proposal

The teacher compensation study sets the foundation for the compensation levels for teachers providing services to students for the FY 21 academic year.

Board Member	Moved	Second	Aye	No	Abstain
Julie Walsh					
Jack Pierce					

17.06.6 Approval of Line of Credit

The agreement assists the school with startup and/or operating cash flow when or if it chooses to request it from the Consultant. It is not mandatory for the school to do so. If the school were to need a credit line for payroll cash flow purposes, the Line of Credit (LOC) will allow the school to borrow and repay the needed amount to ease cash needs, timing, and cash flow.

Board Member	Moved	Second	Aye	No	Abstain
Julie Walsh					
Jack Pierce					

17.06.7 Resolution to Establish Bank Account

A PNC Bank account will be initiated to carry out business transactions on behalf of the school. The Board designates representatives of Accel Online California LLC as the signatory for the PNC account.

Board Member	Moved	Second	Aye	No	Abstain
Julie Walsh					
Jack Pierce					

17.06.8 Resolution for California State Teachers' Retirement System (CalSTRS)

This resolution is required to open a CalSTRS account for the school to provide retirement benefits to California licensed teaching staff.

Board Member	Moved	Second	Aye	No	Abstain
Julie Walsh					
Jack Pierce					

17.06.9 Approval of 2020-2021 School Calendar

Annual school calendars must be approved by the Board before July 1 of each year for the following year. Each calendar must meet the statutory minimum of 175 instructional school days. The school will operate on two calendars simultaneously for the FY 21 school year. Track "A" and Track "B" calendars are displayed in the attachments.

Board Member	Moved	Second	Aye	No	Abstain
Julie Walsh					
Jack Pierce					

17.06.10 Approval of Health Benefits Proposal

The benefits proposal sets the foundation for the offering of benefits to all employees. This outlines the total benefits package that employees would be eligible for.

Board Member	Moved	Second	Aye	No	Abstain
Julie Walsh					
Jack Pierce					

Instruction Report Shannon McElwain

Operations Report Chad Predix

Finance Report Michael Smith and Thorne Perun

Motion for Adjournment

Meeting adjourned at: _____ PM

Board Member	Moved	Second	Aye	No	Abstain
Julie Walsh					
Jack Pierce					



Annual Calendar of Regularly Scheduled Board Meetings

School Year 2020-2021

Date	Time	Location
September 2020	5:00 p.m. PST	Conference Call +1 888-585-9008 Conference Room ID#: 404245753
November 2020	5:00 p.m. PST	Conference Call +1 888-585-9008 Conference Room ID#: 404245753
January 2021	5:00 p.m. PST	Conference Call +1 888-585-9008 Conference Room ID#: 404245753
March 2021	5:00 p.m. PST	Conference Call +1 888-585-9008 Conference Room ID#: 404245753
May 2021	5:00 p.m. PST	Conference Call +1 888-585-9008 Conference Room ID#: 404245753

*These are the dates of the meeting. If need be special meetings will be held.

Virtual Preparatory Academy at Lucerne

INDEPENDENT STUDY POLICY

Virtual Preparatory Academy at Lucerne (“Charter School”) offers independent study to meet the educational needs of pupils enrolled in the charter school. Independent study is an alternative education designed to teach the knowledge and skills of the core curriculum. Charter School shall provide appropriate existing services and resources to enable pupils to complete their independent study successfully. The following written policies have been adopted by the Board for implementation at the Charter School:

1. For pupils in all grade levels offered by the Charter School, the maximum length of time that may elapse between the time an assignment is made and the date by which the pupil must complete the assigned work shall be 20 school days for students in grades K-12 (or the equivalent of each quarter).
2. When any pupil fails to complete five (5) assignments during any period of twenty (20) school days for students in grades K-12, the Principal or his or her designee shall conduct an evaluation to determine whether it is in the best interests of the pupil to remain in independent study. A written record of the findings of any evaluation conducted pursuant to this policy shall be treated as a mandatory interim pupil record. This record shall be maintained for a period of three years from the date of the evaluation and if the pupil transfers to another California public school, the record shall be forwarded to that school.
3. A current written agreement shall be maintained on file for each independent study pupil, including but not limited to, all of the following:
 - ◆ The manner, time, frequency, and place for submitting a pupil's assignments and for reporting his or her progress.
 - ◆ The objectives and methods of study for the pupil's work, and the methods utilized to evaluate that work.
 - ◆ The specific resources, including materials and personnel, that will be made available to the pupil.
 - ◆ A statement of the policies adopted herein regarding the maximum length of time allowed between the assignment and the completion of a pupil's assigned work,

and the number of missed assignments allowed prior to an evaluation of whether or not the pupil should be allowed to continue in independent study.

- ◆ The duration of the independent study agreement, including beginning and ending dates for the pupil's participation in independent study under the agreement. No independent study agreement shall be valid for any period longer than one school year.
 - ◆ A statement of the number of course credits or, for the elementary grades, other measures of academic accomplishment appropriate to the agreement, to be earned by the pupil upon completion.
 - ◆ The inclusion of a statement in each independent study agreement that independent study is an optional educational alternative in which no pupil may be required to participate. In the case of a pupil who is referred or assigned to any school, class or program pursuant to Education Code Section 48915 or 48917, the agreement also shall include the statement that instruction may be provided to the pupil through independent study only if the pupil is offered the alternative of classroom instruction.
 - ◆ Each written agreement shall be signed, prior to the commencement of independent study, by the pupil, the pupil's parent, legal guardian, or care giver, if the pupil is less than 18 years of age, the certificated employee who has been designated as having responsibility for the general supervision of independent study, and all persons who have direct responsibility for providing assistance to the pupil. For purposes of this paragraph "caregiver" means a person who has met the requirements of Part 1.5 (commencing with Section 6550) of the Family Code.
 - ◆ Special education students (individuals with exceptional needs as defined in Ed. Code Section 56026) must have an IEP that states Independent Study is an appropriate placement.
4. The Charter School shall comply with the Education Code Sections 51745 through 51749.3 and the provisions of the Charter Schools Act of 1992 and the State Board of Education regulations adopted there under.
 5. The Head of School shall establish regulations to implement these policies in accordance with the law.

MISSED ASSIGNMENT POLICY

Per California Education Code Section 51747, Virtual Preparatory Academy at Lucerne Charter School ("School") maintains a board policy establishing five (5) assignments during any period of

twenty (20) school days as the number of missed assignments that will be allowed before an evaluation is conducted to determine whether it is in the best interest of the pupil to remain in independent study.

Evaluation After Missed Assignments

After five missed (5) assignments during any period of twenty (20) school days an evaluation will be conducted by the Principal and/or designee and supervising teacher to determine whether it is in the best interests of the pupil to remain enrolled in independent study. The evaluation may include but is not limited to the review of the following:

- 1) Attendance based on completion of assignments as quantified by the assigned supervising teacher;
- 2) Demonstration of skills on assignments;
- 3) Standardized test scores;
- 4) Written tests and reports if appropriate;
- 5) Oral or written presentations;
- 6) Pupil's attitude toward learning and achievement;
- 7) Punctual attendance at scheduled appointments;
- 8) Ability to meet scheduled appointments;
- 9) Preparedness for scheduled appointments;
- 10) Pupil demonstration of adequate and appropriate progress toward
- 11) Common Core State Standards;
- 12) Appropriate learning environment;
- 13) Parent(s) ability to support pupil learning in the home.

As part of the evaluation process, the pupil, parent(s), guardian(s) or if the pupil is a foster child or youth or a homeless child or youth, the pupil's educational rights holder (all generally referred throughout as "Parent(s)") will be invited to present evidence to the individual or individuals conducting the evaluation. During this meeting, the School will determine whether it is in the best interest of the pupil to remain in independent study. A written record of the findings of any evaluation made pursuant to this subdivision shall be maintained in the pupil's mandatory interim record.

Additional Consideration for Pupils with a Section 504 Plan or IEP

If the School recommends removal from independent study as a result of the Evaluation After Missed Assignments and the pupil has a Section 504 Plan or IEP, the School shall schedule an IEP meeting or Section 504 meeting (as applicable) following applicable legal timelines, to determine the following:

- 1) Whether the missed assignments were caused by or had a direct and substantial relationship to the pupil's disability; or
- 2) Whether the missed assignments were the direct result of the School's failure to implement the IEP or Section 504 Plan, as applicable.

If the answer to either (1) or (2), above, is yes, then the missed assignments are a manifestation of the pupil's disability and the School will follow applicable state and federal laws to ensure that the pupil is offered a free appropriate public education.

If the answer to both (1) and (2), above, is no, then the pupil may be removed from independent study consistent with this policy.

This meeting may be combined with the Evaluation After Missed Assignments at the discretion of the School.

Notice of Decision and Opportunity to Request a Hearing Prior to Removal

Once the evaluation is complete, if it is determined that it is not in the best interest of the pupil to remain enrolled in the independent study program, the Parent(s) shall be notified in writing of the School's intent to remove the pupil as it is not in their best interest to remain in independent study. The Notice shall be in the native language of the Parent(s) and provided no less than five (5) schooldays before the effective date of pupil's removal. The Notice shall include the following:

- 1) The School's intent to remove the pupil as it is not in their best interest to remain in independent study.
- 2) The opportunity of the Parent(s) to request a hearing that follows the same procedures as the School's disciplinary hearing. Parent(s) (or the pupil if over 18) must submit the request for hearing writing within five (5) calendar days from the date of the Notice.
- 3) If Parent(s) or pupil over 18 requests a hearing:
 - a. It will be scheduled following the School's expulsion hearing procedures as outlined in the School's approved charter.
 - b. The pupil shall remain enrolled and shall not be removed until the School issues a final decision.
- 4) If no hearing is requested, the pupil shall be removed from the school on the date listed on the notice.

MASTER AGREEMENT FOR INDEPENDENT STUDY

Student First and Last Name:	Student ID #:	Grade Level:
Address:	Birth Date:	
City:	Zip Code:	Home Ph: Cell Ph:
School of Enrollment:	Virtual Preparatory Academy at Monterey	
Duration of Agreement: Not to exceed 1 school year	Beginning Date:	End Date:

Students are required to report to their teacher as scheduled:

Time: 8am-5pm, Monday-Friday

Frequency: At least 2x per month

Duration: Full Year

Place of Meeting: Electronic Tele-conferencing/Web-conferencing, phone, or Face to Face.

Assignments: Students are required to submit work to their teacher(s) as scheduled.

Time: 12am-11:59pm **Day:** Monday-Friday

Method of Submission: electronically within the LMS

Frequency: Daily on all school operating days

Place: electronically within the LMS.

(a) For pupils in all grade levels offered by the School, the maximum length of time that may elapse between the time an assignment is made and the date by which the pupil must complete the assigned work shall not exceed **20** school days.

(b) A pupil may miss **5** assignments during any period of **20** school days before an evaluation is conducted to determine whether it is in the best interests of the pupil to remain in independent study. Therefore, when any pupil fails to complete **5** assignments during any period of **20** school days, the Principal or his or her designee shall conduct an evaluation to determine whether it is in the best interests of the pupil to remain in independent study. A written record of the findings of any evaluation conducted pursuant to this policy shall be treated as a mandatory interim pupil record. This record shall be maintained for a period of three years from the date of the evaluation and if the pupil transfers to another California public school, the record shall be forwarded to that school. It is the policy of Virtual Preparatory Academy at Monterey Charter School to continually verify adequate academic progress by students in our independent study program. Excessive missed assignments may be an indicator of inadequate progress. The Master Agreement requires the meeting of a minimum assignment goal. A process to determine if this program is in the student's best interest has been developed and is outlined in the Missed Assignment Policy.

Method of Study: Specific methods of study will be designated on the Student Assignment Sheet and Attendance Record incorporated herein. Examples of methods of study for the student will include but are not limited to: Independent Reading, Textbook Activities, Problem Solving, Study Projects, Discussion Board Posts, Drill & Practice, Experiential Learning, Computerized Curriculum, Web/Internet Research, and Library Research.

Method of Evaluation: Academic evaluations will be designated on the Student Assignment Sheet and Attendance Record incorporated herein. Examples of acceptable methods of evaluation include but are not limited to: Teacher-made Tests, Student Conferences, Progress/Report Cards, Chapter/Unit Tests, Work Samples, Observations, Portfolios, State Standards Testing, Learning Journals, Presentations, Quizzes, Labs, and Finals.

Resources: The School will provide appropriate instructional materials and personnel to enable the student to complete the assigned work. Resources must include those reasonably necessary to the achievement of the objectives and must include resources that are normally available to all students on the same terms as the terms on which they are available to all. Assignments and specific resources will be designated on the Assignment and Attendance Record incorporated herein.

Objectives: We understand that the student is to complete the subjects/courses listed below. All course objectives will be consistent with the established Board's Policies, Administrative Regulations, and Procedures for curriculum and instruction. The term "Course Value" ("CV") refers to the number of credits a 9th-12th grade student will attempt, or the semester value of the course for students in K-8th grade.

Course Credits or Other Measures of Academic Achievement to be Earned Upon Completion

Category	Subject/Course	CV
		1 semester or 5 credits
		1 semester or 5 credits
		1 semester or 5 credits
		1 semester or 5 credits
		1 semester or 5 credits
		1 semester or 5 credits
		1 semester or 5 credits

***Additional Courses:** may be added to this agreement as needed if the agreement is re-signed and re-dated by the teacher and the student.

Directory Information: Directory information will be given to vendors we use to enhance the educational experience (i.e. Tech support). If information pertaining to student educational records is accessed, transferred, stored, or processed by a vendor, the vendor shall protect data in accordance with the Family Educational Rights and Privacy Act (FERPA). If you do not want the School to disclose directory information from our child's educational records without your prior written consent, you must notify the School in writing.

Voluntary Statement: It is understood that independent study is an optional educational alternative in which no pupil may be required to participate. In the case of a pupil who is referred or assigned to any school, class or program pursuant to Education Code Section 48915 or 48917, instruction may be provided to the pupil through independent study only if the pupil is offered the alternative of classroom instruction.

Signatures and Dates: I have read, and I understand the terms of this agreement, and agree to all provisions set forth.

Student
signature: _____ Date: _____

Parent/Guardian/Caregiver signature: _____ Date: _____

Supervising Teacher
Signature: _____ Date: _____

Other Person Who Has Direct Responsibility for Providing Assistance to the Pupil:

Date: _____

Other Person Who Has Direct Responsibility for Providing Assistance to the Pupil:

Date: _____

Other Person Who Has Direct Responsibility for Providing Assistance to the Pupil:

Date: _____

Other Person Who Has Direct Responsibility for Providing Assistance to the Pupil:

Date: _____

Other Person Who Has Direct Responsibility for Providing Assistance to the Pupil:

Date: _____

Other Person Who Has Direct Responsibility for Providing Assistance to the Pupil:

Date: _____

Employee Home Office Expense Reimbursement Proposal

In accordance with California Labor Code Section 2802, employees whose primary work location is not a School-maintained office shall receive:

- A \$60 monthly internet reimbursement stipend. The monthly stipend may be prorated during the employee's first and last months of employment based on days employed.
- A one-time \$350 reimbursement stipend for home office equipment. Employees who voluntarily terminate employment within 30 days may be asked to repay the stipend.



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COVID-19 Operations Written Report for Elite Academic Academy-Lucerne

Local Educational Agency (LEA) Name	Contact Name and Title	Email and Phone	Date of Adoption

Descriptions provided should include sufficient detail yet be sufficiently succinct to promote a broader understanding of the changes your LEA has put in place. LEAs are strongly encouraged to provide descriptions that do not exceed 300 words.

Provide an overview explaining the changes to program offerings that the LEA has made in response to school closures to address the COVID-19 emergency and the major impacts of the closures on students and families.

As a non-classroom-based school, we continued operation as normal with the exception of allowing our teachers and students to meet in person at public locations. We conducted a survey of every family in the organization to determine the level at which they have been affected by the pandemic. Counseling services and modified assignments were created for students who were struggling to access curriculum. Our IT

department gathered and created resources for families. They also guided students who needed internet services and supported them in taking advantage of the many discounted and/or free services offered by local providers. While we never closed our doors, attendance has been impacted for those students and families who have relied on in-person meetings with teachers and tutors to support in their academic journey. We have transitioned to virtual tutoring and meeting with students via Zoom, phone calls, and e-mail. Teachers continue to meet (virtually) with their students once, to multiple times, a week to support and ensure academic progress.

Business office hours were reduced and many employees worked from home to support in keeping staff safe. Cleaning supplies and PPE equipment were purchased to allow for a sanitary and clean work environment.

Provide a description of how the LEA is meeting the needs of its English learners, foster youth and low-income students.

EL, Foster Youth, and our Low-Income students, services still continued despite the pandemic. Our EL and Low-Income students have laptops with built in internet to support them in accessing their curriculum. We implemented the Fast ForWord reading intervention program this year for all EL and targeted students who are struggling. This adaptive program works with the students to increase fluency, diction, and reading comprehension. Students who worked diligently in the program made academic progress. Teachers continued to monitor student attendance and offered tutoring services. Aleks Math was also readily available for students struggling with concepts. Educational dollars were targeted for in- person support for these students, however, after the pandemic, services were delivered via Zoom and attendance did suffer as a result.

Our Counseling department and teachers worked with targeted families after our survey was completed. Our EL, Foster and Low-Income families were provided with local resources to help them during this time. Our counselor met with families individually to ensure that their needs were met and followed up with them, to ensure they continue to be supported.

Business office staff was reduced, and many employees worked from home to support the need for social distancing. Cleaning supplies and PPE equipment were purchased to allow for sanitary and clean work environment.

Provide a description of the steps that have been taken by the LEA to continue delivering high-quality distance learning opportunities.

As a non-classroom-based school this is our area of expertise. We continued to provide high quality distance learning for our students, supported them emotionally, and worked with local communities to ensure basic needs were met despite the pandemic. Our doors never closed, and we shifted services swiftly to ensure the safety of students and staff.

Provide a description of the steps that have been taken by the LEA to provide school meals while maintaining social distancing practices.

As an independent study school, we do not qualify for meal programs. We were excited to see the switch for local school districts and hope that we can provide similar services for students in need the following year. We have already met with a few companies to explore possibilities as the geographic location and lack of facilities make this a hard task.

To ensure social distancing practices were followed we limited business staff in the office at one time, directed teacher and families to meet remotely, and held all professional development and administrative meetings on-line.

Provide a description of the steps that have been taken by the LEA to arrange for supervision of students during ordinary school hours.

As an independent study non-classroom-based school this is not applicable.

Virtual Preparatory Academy at Lucerne Teacher Compensation Proposal

ACCEL Schools has analyzed teacher compensation data reported on 25 California virtual charter School Accountability Report Cards (SARC).

We recommend the following compensation structure:

Proposed Teacher Compensation Structure

	Full time online teaching experience	Traditional Calendar		Year-Round Calendar	
		Bachelor's Degree	Master's Degree	Bachelor's Degree	Master's Degree
Teacher	0-2 years	\$50,000	\$55,000	\$56,000	\$62,000
	3-5 years	\$52,500	\$57,500	\$59,000	\$65,000
	6-9 years	\$55,000	\$60,000	\$62,000	\$68,000
	10+ years	\$63,000	\$63,000	\$70,000	\$70,000
Special Education Teacher	0-2 years	\$52,500	\$57,500	\$59,000	\$65,000
	3-5 years	\$55,000	\$60,000	\$62,000	\$68,000
	6-9 years	\$57,500	\$62,500	\$65,000	\$71,000
	10+ years	\$66,000	\$66,000	\$73,000	\$73,000

An additional \$2,500 may be offered for hard-to-find credentials.

Temporary Teachers \$6,000 per full-time 6-week assignment or \$200 per day for shorter assignments.

LINE OF CREDIT LOAN AGREEMENT

This Line of Credit Loan Agreement (the "Agreement") effective as of _____ (the "Effective Date") is entered into by and between Elite Academic Academy Adult Work Force Investment Charter School d/b/a Virtual Preparatory Academy at Lucerne, a corporation organized under Section 501(c)(3) of the Internal Revenue Code with an address at 43414 Business Park Drive, Temecula, CA 92590 ("Borrower") and Accel Schools LLC, a Delaware limited liability company with its principal place of business located at 1650 Tysons Boulevard, Suite 600, McLean, VA 22102 ("Lender").

RECITALS

Borrower desires to obtain from Lender a line of credit ('Loan') and Lender is willing to make the Loan, but only on the terms and conditions hereinafter set forth.

NOW, THEREFORE in consideration of the premises and the mutual promises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. LOAN.

1.1 LINE OF CREDIT. (a) Subject to the terms and conditions contained herein and in the other documents, instruments and agreements executed in connection with the Loan ("Loan Documents"), Lender will establish for Borrower the Loan as a line of credit against which Lender will make advances ("Advances") from time to time solely for the Loan Purpose, as set forth on attached Exhibit A. Subject to the terms and conditions hereof, Advances of the Loan will be made in amounts no less than the Minimum Advance Amount. Subject to the terms hereof, Borrower may obtain Advances, repay Advances and obtain additional Advances subject to the terms and conditions in this Agreement; however, all of the Advances hereunder shall be viewed as a single loan. At no time shall the unpaid principal balance of the Loan exceed the Maximum Loan Amount and all Advances of the Loan shall be made on or before the Draw Period End Date.

(b) Borrower and Lender agree that no Advances will be made for the following type of expenses: (i) payments to Board members; (ii) legal fees greater than \$5,000 per year; (iii) consulting fees not authorized by Lender; and (iv) any amount that is greater than either (A) \$1,000 for a single purchase or (B) \$5,000 in the aggregate for all similar purchases under \$1,000, unless in either event authorized by Lender.

1.2 NOTE. The Loan shall be evidenced by a promissory note ("Note") of even date herewith in a form substantially as set forth in attached Exhibit B in the Maximum Loan Amount, payable in accordance with the terms thereof. Interest on the principal amount outstanding from time to time shall be charged as provided in the Note and should such rate of interest as calculated thereunder exceed that allowed by law, the applicable rate of interest will be the maximum rate of interest allowed by applicable law.

1.3 REPAYMENT/AMORTIZATION SCHEDULE. (a) Borrower agrees that it shall make payments toward repayment of the Advances on a first priority basis from any and all funds received by Borrower (from sources other than Lender), when and as such funds are received. Advances shall be due and payable on the 15th day of each month that such funds are received and attributable to a prior month. However, Lender and Borrower contemplate and understand that Borrower may not receive funds from which to pay the Loan until after the initial payment is due.

(b) The Maximum Loan Amount outstanding under this Agreement is set forth in attached Exhibit A.

(c) Lender and Borrower agree that Lender may from time to time attach the Amortization Schedule to the Note and send a copy to the Borrower. Borrower hereby agrees to then make principal and

interest payments to Lender in accordance with the Amortization Schedule, as so updated from time to time.

(d) Lender and Borrower contemplated the Note and all Advances shall be paid in full by June 30, 2021. However, in the event Borrower is unable to repay all Advances with interest thereon by June 30, 2021, then Lender will agree to extend the outstanding amounts for one additional year (the "Additional Year") in accordance with an updated Amortization Schedule prepared by Lender and provided to Borrower on the date of such extension. Any amounts outstanding during the Additional Year shall bear interest at a rate equal to 1.0% per month. All amounts are due and payable in full at the end of the Additional Year.

1.4 **PREPAYMENTS.** If for any reason the aggregate principal amount of the Loan outstanding at any time shall exceed the Maximum Loan Amount, Borrower, without notice or demand, shall immediately make a principal payment to Lender in an amount equal to such excess plus accrued and unpaid interest hereon. Borrower may from time to time prepay all or part of the outstanding principal balance of the Loan without penalty.

1.5 **ADDITIONAL TERMS.** Many capitalized terms used in this Agreement shall have the meaning set forth in attached Exhibit A. The Note and Loan shall be subject to the terms and conditions set forth on such attached Exhibit A.

2. ADVANCES

2.1 **CONDITIONS PRECEDENT TO ADVANCES.** Lender shall have no obligation to make any Advance until the conditions set forth in the following subparagraphs and elsewhere herein have been satisfied, as determined by Lender in its sole and absolute discretion, at the expense of Borrower:

(a) Borrower shall have received approval of its Board to enter into this Agreement and the Note. Such approval shall be evidenced by Board's signature to this Agreement.

(b) Borrower shall have delivered to Lender, in form and substance satisfactory to Lender, a written request for an Advance with details about how the money would be spent;

(c) Borrower shall have delivered to Lender, in form and substance satisfactory to Lender, this Agreement, the Note, and such other documents, as Lender may reasonably request;

(d) Borrower shall have delivered to Lender, in form and substance satisfactory to Lender, certified copies of resolutions of Borrower's board of directors authorizing Borrower to execute, deliver, honor and perform the Loan Documents and certifying the names and signatures of the officers or partners, as the case may be, of Borrower authorized to sign the Loan Documents;

(e) No material adverse change shall have occurred in the business or financial condition of Borrower or any guarantor since the date of the latest financial statements given to Lender by on behalf of Borrower or such guarantor;

(f) Each of the warranties and representations made by Borrower in the Loan Documents shall be true and correct as of the date of each Advance; and

(g) Borrower shall have kept and performed the various covenants, obligations and agreements on its part to be kept and performed under the Loan Documents and no Event of Default, or act or event which with the giving of notice or the passage of time, or both, would constitute an Event of Default hereunder or under any of the other Loan Documents, shall have occurred and be continuing.

2.2 **REQUEST FOR ADVANCES.** Advances may be made by Lender at the written request of the following persons set forth on attached Exhibit A, either one acting alone, who are authorized to request Advances and direct disposition of any such Advances until written notice of the revocation of such authority is received from Borrower by Lender. Each request by Borrower for an Advance shall (a) include

details about how the money would be spent, and (b) constitute a reaffirmation, as of the date of such request, of all of the representations and warranties of Borrower contained in this Agreement and in the other Loan Documents.

2.3 FEES. Any fees payable in connection with this Agreement shall be set forth on attached Exhibit A.

2.4 NO WAIVER. No Advance shall constitute a waiver of any of the conditions to any further Advances nor, in the event Borrower is unable to satisfy any such condition, shall any such Advance have the effect of precluding Lender from thereafter declaring such inability to be an Event of Default (as hereinafter defined).

3. REPRESENTATIONS AND WARRANTIES. Borrower makes the following representations and warranties to Lender, which representations and warranties shall survive the execution of this Agreement:

(a) Legal Status. Borrower has been duly organized and is validly existing under the laws of its state of incorporation or formation, as the case may be, and is qualified to transact business, and has made all filings and is in good standing, in every state and jurisdiction in which the nature of its business requires such qualifies;

(b) No Violation. The making and performance of Borrower of the Loan Documents does not violate any provision of law, nor any provision of Borrower's incorporation or formation documents, or result in a breach of, or constitute a default under, any agreement, indenture or other instrument to which Borrower is a party or by which Borrower may be bound;

(c) Authorization. This Agreement and the other Loan Documents have been duly authorized, executed and delivered, and are legal, valid and binding agreements of Borrower and its Board enforceable against Borrower in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws effecting creditors' rights generally and by general principles of equity;

(d) Financial Statements. All financial statements and reports that have heretofore been presented to Lender in conjunction with the transaction which is the subject of this Agreement, have been prepared in conformity with generally accepted accounting principles consistently applied, fairly and accurately present the financial condition and income of the subject thereof, as of the date given, and neither contain any untrue statement of a material fact nor fail to state a material fact required in order to make such financial statements not misleading. Since the date of such financial statements, there has been no adverse material change in the financial condition or operations of the subject thereof.

(e) Consent and Licenses. No consent, approval or authorization of, or registration or filing with, any governmental body or authority, or any other person, firm or entity not a party hereto, is or will be required as a condition to the valid execution, delivery, performance or enforceability of the Loan Documents, or the transactions contemplated hereby or thereby, or to the conduct of Borrower's business;

(f) Litigation. There is no litigation either pending or, to the best of its knowledge, threatened against Borrower before any court or administrative agency, or before any arbitrator, which may have a material adverse effect on the assets, business, financial conditions or operations of Borrower, or which would prevent or hinder the performance of Borrower's obligations under the Loan Documents, and, furthermore, Borrower has not violated any law and, to the best of its knowledge, is not the subject of any investigation by a governmental agency that could result in an indictment or a forfeiture or seizure of any of its assets;

(g) Margin Securities. Borrower will not directly or indirectly invest all or any part of the proceeds of the Loan in any security subject to the margin requirements of Regulations G, T, U, or X of the Board of Governors of the Federal Reserve System or use all or any part of proceeds of the Loan to reduce

or retire any indebtedness which was originally incurred to purchase any margin securities or for any other purpose which would violate any of the margin regulations of the Board of Governors of the Federal Reserve System; and

(h) Investment Company Act. Borrower is not, and is not directly or indirectly controlled by, or acting on behalf of, any person which is, an 'Investment Company' within the meaning of the Investment Company Act of 1940, as amended.

4. COVENANTS OF BORROWER. Until the payment in full of the Loan and until the fulfillment of all of its obligations hereunder and under the other Loan Documents, Borrower shall comply with the following covenants:

(a) Board Approval. The Board of the Borrower has approved this Agreement and Advances to be made; provided that only the approval of only one of the persons identified in Section 2.2 of this Agreement and Exhibit A to this Agreement shall be required in connection with each individual Advance.

(b) Books and Records. Borrower shall at all times keep accurate and complete books, records and accounts of all of Borrower's business activities, prepared in accordance with generally accepted accounting principles consistently applied, and Borrower shall permit Lender, or any persons designated by Lender, at any reasonable time, to inspect, audit and examine such books, records and accounts and to make copies or extracts thereof;

(c) Statements and Reports. Borrower shall furnish to Lender: (i) within twenty (20) days after the end of each fiscal year of Borrower, financial statements of Borrower, which shall include a balance sheet, an income statement showing the results of operations for such a fiscal year and a change in financial position statement for such fiscal year, together, in each case, with the comparable figures for the immediately preceding fiscal year, all in reasonable detail and prepared in accordance with generally accepted accounting principles, consistently applied, which statements shall be certified by the preparer; (ii) within twenty (20) days after the end of each of the fiscal periods of Borrower, financial reports of Borrower, which shall include a balance sheet, an income statement showing the results of operations for such fiscal period and a change in financial position statement for such fiscal period, together, in each case, with the comparable figures for the immediately preceding corresponding fiscal period, all in reasonable detail and prepared in accordance with generally accepted accounting principles, consistently applied, and certified by the preparer; (iii) promptly, from time to time, upon request of Lender, such other information concerning the financial condition, business and affairs of Borrower as shall be reasonably requested by Lender;

(d) Notices. Borrower shall promptly notify Lender in writing of the occurrence of any Event of Default under any of the Loan Documents or any act or event which, with the giving of notice or the passage of time, or both, would be such an Event of Default and of any legal action, proceeding or investigation threatened or instituted against Borrower that might have a material adverse effect upon the operations, financial condition or business of Borrower or Borrower's ability to repay the Loan, and from time to time, at Lender's request, Borrower will furnish to Lender a summary of the status of all such actions, proceedings or investigation;

(e) Maintain Business. Borrower shall maintain in full force and effect all licenses, permits, authorizations, and other rights necessary or desirable to the profitable conduct of its business, shall continue in, and limit its operations to, the same general lines of business as are presently conducted and shall comply with all applicable laws, orders, regulations and ordinances of all governmental authorities, and shall maintain its corporate existence;

(f) Mergers, Sale of Assets. Borrower will not, without Lender's prior written consent: (i) sell, lease, transfer or dispose of substantially all of its assets to another entity; or (ii) consolidate with or merge into another entity, permit any other entity to merge into it or consolidate with it, or permit any transfer of the ownership of, or power to control, Borrower;

(g) Leases. Borrower will not, without Lender's prior written consent, enter into any lease of real or personal property;

(h) Indebtedness. Borrower will not, without Lender's prior written consent, (i) incur, create, assume or permit to exist any obligation or indebtedness, except (A) existing indebtedness disclosed on financial statements previously delivered to Lender, (B) the Loan and (C) other indebtedness and trade obligations and normal accruals in the ordinary course of business not yet due and payable; (ii) become liable, directly, or indirectly, as guarantor or otherwise, for any obligation of any other person or entity, except existing obligations of such kind previously disclosed to Lender in writing;

(i) Insurance. Borrower shall maintain and keep in force insurance of the types and amounts required in the Educational Products, Administrative and Technology Services Agreement between Borrower and Lender (as amended from time to time, the "Services Agreement"), and Borrower shall deliver to Lender from time to time as Lender may request, schedules setting forth all insurance then in effect and copies of the policies.

5. EVENTS OF DEFAULT. The occurrence of one or more of the following events shall constitute an Event of Default under this Agreement: (a) Borrower fails to observe or perform any of the covenants, conditions and agreements on the part of Borrower contained herein or in any of the other Loan Documents; (b) any representation or warranty made by Borrower to Lender contained herein or in any of the other Loan Documents proves to have been untrue in any material respect when made or becomes untrue in any material respect; (c) Borrower shall be in default in the payment or performance of any material obligation under any other agreement or instrument to which Borrower is a party or by which it is bound; (d) the Services Agreement is terminated; (e) Borrower shall be dissolved or liquidated; (f) Borrower shall make an assignment for the benefit of creditors or shall be unable to, or shall admit in writing its inability to pay its debts as they become due; (g) Borrower shall commence any case, proceeding, or other action under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors, or any such action shall be commenced against Borrower; (h) Borrower shall suffer a receiver to be appointed for it or for any of its property or shall suffer a garnishment, attachment, levy or execution.

6. REMEDIES OF LENDER UPON DEFAULT.

6.1 REMEDIES. At any time after any Event of Default has occurred, Lender may, without presentment, demand, protest or further notice of any kind (all of which are hereby expressly waived) and, notwithstanding the provisions contained in any other document or instrument executed or to be executed by Borrower to Lender hereunder or contained in any other agreement, take any one or more of the following actions: (a) Declare the entire principal and any accrued interest on the Loan, together with all costs and expenses, to be immediately due and payable, and to enforce payment thereof by any means permitted by law or in equity; (b) Without accelerating payment, enforce the payment of sums of principal and interest then due (including any penalty interest or late payment charges); (c) Require Borrower to take or refrain from taking any action which may be necessary to cure such Event of Default and to obtain affirmative or negative injunctions or restraining orders with respect thereto; (d) Obtain the appointment of a receiver of the business and assets of Borrower; (e) File suit for any sums owing or for damages; and (f) Exercise any other remedy or right provided in law or in equity or permitted under this Agreement or any of the other Loan Documents.

6.2 REMEDIES CUMULATIVE. Any and all remedies conferred upon Lender shall be deemed cumulative with, and nonexclusive of any other remedy conferred hereby or by law, and Lender in the exercise of any one remedy shall not be precluded from the exercise of any other.

7. ATTORNEYS' FEES AND EXPENSES. In addition to interest on principal as stated in the Note, Borrower shall pay all costs of closing the Loan and all expenses of Lender with respect thereto, including, but not limited to, inspection fees and in-house and outside legal fees (including legal fees incurred by Lender subsequent to the closing of the Loan in connection with the disbursement and administration of the Loan). Said attorneys' fees and costs may, at Lender's option, be deducted from the

disbursements of Loan proceeds hereunder. Borrower shall pay Lender's attorneys' fees and costs incurred in the collection of any indebtedness hereunder, or in enforcing this Agreement, whether or not suit is brought, and any attorneys' fees and costs incurred by Lender in any proceeding under the Federal Bankruptcy Code in order to collect any indebtedness hereunder or to preserve, protect or realize upon any security for such indebtedness.

8. WAIVER. Any waiver of any of the terms of this Agreement by Lender shall not be construed as a waiver of any other terms of this Agreement, and no waiver shall be effective unless made in writing. The failure of Lender to exercise any right with respect to the declaration of any default shall not be deemed or construed to constitute a waiver by, or to preclude Lender from exercising any right with respect to such default at a later date or with respect to any subsequent default by Borrower.

9. NOTICES. Any notices required or permitted to be given pursuant to the Loan Documents shall be in writing and shall be given by nationally recognized overnight delivery service, personal delivery or by mailing the same by United States mail, postage prepaid, to the address first set forth above. Any such notice shall be deemed received for purposes of this Agreement upon delivery if given by nationally recognized overnight delivery service, personal delivery or three (3) days after the mailing thereof if given by mail. If either party desires to change the address to which notices are to be sent it shall do so in writing and deliver the same to the other party in accordance with the notice provisions set forth above.

10. MISCELLANEOUS.

10.1 PARTIES. This Agreement is made solely between Borrower and Lender, no other person shall have any right of action hereunder. The parties expressly agree that no person shall be a third-party beneficiary to this Agreement.

10.2 INDEMNITY. Borrower agrees to and shall indemnify, hold harmless and defend Lender from any liability, claims or losses resulting from the disbursement of the proceeds of the Loan whether arising during or after the term of the Loan. This provision shall survive repayment of the Loan and shall continue in full force and effect so long as the possibility of such liability, claims or losses exists.

10.3 ENTIRE AGREEMENT. This Agreement together with all other Loan Documents, constitutes the entire agreement of the parties hereto and thereto, and no prior agreement or understanding with respect to the Loan, whether written or oral and including, but not limited to, any loan commitment issued by Lender to Borrower, shall be of any further force or effect, all such other prior agreements and commitments having been superseded in their entirety by the Loan Documents.

10.4 ASSIGNMENT. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective executors, administrators, heirs, successors and assigns; provided, however, that neither this Agreement nor any rights or obligations hereunder shall be assignable by Borrower without the prior express written consent of Lender first had any obtained, and any purported assignment made in contravention hereof shall be void. Lender may assign any part of or all of the Loan and its rights and obligations hereunder at any time in its sole discretion.

10.5 GOVERNING LAW. This Agreement and each of the Loan Documents shall be construed in accordance with and governed by the internal law, and not the law of conflicts, of the State of Delaware.

10.6 TIME. Time is of the essence hereof.

10.7 SURVIVAL. The representations and warranties hereunder shall survive the closing of the Loan and Lender may enforce such representations and warranties at any time. Borrower's covenants shall survive the closing of the Loan and shall be performed fully and faithfully by Borrower at all times. The indemnities of Borrower shall survive repayment of the Loan.

10.8 **SEVERABILITY.** If any term or provision of this Agreement, of any other Loan Document, or the application thereof to any circumstance, shall be invalid, illegal or unenforceable to any extent, such term or provision shall not invalidate or render unenforceable any other term or provision of this Agreement or any other Loan Document, or the application of such term or provision to any other circumstance. To the extent permitted by law, the parties hereto hereby waive any provision of law that renders any term or provision hereof invalid or unenforceable in any respect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the Effective Date.

BORROWER

LENDER

Name: _____

Name: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Exhibit A

Loan Terms

- A. MAXIMUM LOAN AMOUNT: (1) From August 1, 2020 to January 31, 2021, the Maximum Loan Amount shall be eight times the average monthly revenue of the Borrower to date (“Average Monthly Revenue”)
(2) From and after February 1, 2021 to June 30, 2021, the Maximum Loan Amount shall be two times Average Monthly Revenue
- B. DRAW PERIOD END DATE: June 30, 2021, or as otherwise agreed in writing by the parties
- C. MINIMUM ADVANCE AMOUNT \$1,000
- D. INTEREST RATE: 0.50% per month
- E. INTEREST PAYMENT DATES See Amortization Schedule to be attached to Note from time to time
- F. PRINCIPAL PAYMENT DATES See Amortization Schedule to be attached to Note from time to time
- G. PRINCIPAL PAYMENT AMOUNTS Advances shall be due and payable on the 15th day of each month that such funds are received and attributable to a prior month.
- H. MATURITY DATE: June 30, 2021, but subject to the terms of the Loan Agreement
- I. LOAN PURPOSE (CHECK APPLICABLE) Start-up funding
- J. AUTHORIZED PERSONS TO REQUEST ADVANCES (BOARD MEMBERS):

Name	Title
_____	_____ (Primary)
_____	_____ (Alternative)

Exhibit B

Line of Credit Promissory Note

Date: _____, 2020

FOR VALUE RECEIVED, Elite Academic Academy Adult Work Force Investment Charter School d/b/a Virtual Preparatory Academy at Lucerne, a California nonprofit public benefit corporation and public charter school with an address at 43414 Business Park Drive, Temecula, CA 92590 ("Borrower") promises to pay to the order of Accel Schools, LLC, a Delaware limited liability company with its principal place of business located at 1650 Tysons Boulevard, Suite 600, McLean, VA 22102 ("Lender"), the aggregate unpaid principal amount of all advances made by Lender to Borrower; provided, however, that Lender has no obligation to lend Borrower any amounts hereunder and the decision to lend such money lies in the sole and complete discretion of the Lender.

INTEREST & PRINCIPAL: The unpaid principal of this line of credit shall bear simple interest at the rate per annum equal to 0.5% per month (subject to increase as provided for in the Agreement). Interest shall be calculated based on the principal balance as may be adjusted from time to time to reflect additional advances made hereunder. Interest on the unpaid balance of this Note shall accrue monthly but shall be due and payable in accordance with the Amortization Schedule as attached to this Note from time to time in accordance with the terms of the Loan Agreement. The principal balance of this Note shall also be due and payable as set forth on such Amortization Schedule. There shall be no penalty for early repayment of all or any part of the principal.

DEFAULT: The Borrower shall be in default of this Note on the occurrence of any of the following events: (a) Borrower fails to observe or perform any of the covenants, conditions and agreements on the part of Borrower contained herein or in any of the other Loan Documents; (b) any representation or warranty made by Borrower to Lender contained herein or in any of the other Loan Documents proves to have been untrue in any material respect when made or becomes untrue in any material respect during the Term; (c) Borrower shall be in default in the payment or performance of any material obligation under any other agreement or instrument to which Borrower is a party or by which it is bound; (d) the Educational Products, Administrative and Technology Services Agreement to which Borrower and Lender are parties is terminated; (e) Borrower shall be dissolved or liquidated; (f) Borrower shall make an assignment for the benefit of creditors or shall be unable to, or shall admit in writing its inability to pay its debts as they become due; (g) Borrower shall commence any case, proceeding, or other action under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors, or any such action shall be commenced against Borrower; (h) Borrower shall suffer a receiver to be appointed for it or for any of its property or shall suffer a garnishment, attachment, levy or execution.

REMEDIES: Upon default of this Note, Lender may declare the entire amount due and owing hereunder to be immediately due and payable and pursue any remedies set forth in the Loan Agreement. Lender may also use all remedies in law and in equity to enforce and collect the amount owed under this Note.

Borrower hereby waives demand, presentment, notice of dishonor, diligence in collecting, grace and notice of protest.

All capitalized terms contained herein shall have the meanings attributed to them in the Loan Agreement unless specifically otherwise defined herein.

[Signature Page Follows]

IN WITNESS WHEREOF, the Borrower hereto has executed this Agreement on the Effective Date.

BORROWER

Name: _____

Print Name: _____

Title: _____

Amortization Schedule

[To be completed and attached to Note concurrent with each Advance]

School:

Max Loan Amount See Exhibit A to the Loan Agreement

Term 1 year*

Rate 0.5% per month*

	DRAW	BEG BAL	PAYMENT	INTEREST	PRINCIPAL	END BALANCE
July - 20						
August - 20						
September - 20						
October - 20						
November - 20						
December - 20						
January - 21						
February - 21						
March - 21						
April - 21						
May - 21						
June - 21						

*Subject to extension and associated interest rate increase as provided in Section 1.3(d) of the Loan Agreement.

**Elite Academic Academy - Adult Work Force Investment
d.b.a.
Virtual Preparatory Academy at Lucerne**

RESOLUTION TO ESTABLISH A BANK ACCOUNT

WHEREAS, Virtual Preparatory Academy at Lucerne is a California nonprofit public benefit corporation that operates as a California public charter school; and

WHEREAS, Virtual Preparatory Academy at Lucerne’s charter was approved by the Lucerne Valley Unified School District on July 1, 2018; and

WHEREAS, On June 2, 2020, Virtual Preparatory Academy at Lucerne entered into an Educational Products, Administrative and Technology Services Agreement (“Services Agreement”) with Accel Online California LLC, a Delaware limited liability company (“Accel”); and

WHEREAS, pursuant to Section 1.2(a)(ii) of the Services Agreement Accel shall provide Business Administration services to Virtual Preparatory Academy at Lucerne which is defined as, “Administration of all business operations of the School subject to the direction of the School”; and

WHEREAS, pursuant to Section 1.5 of the Services Agreement, Virtual Preparatory Academy at Lucerne provides Accel with, “such authority and power as is necessary and proper for [Accel] to undertake its responsibilities, duties and obligations provided for in this Agreement, except in cases wherein such authority may not be delegated by applicable laws and regulations”; and

WHEREAS, Virtual Preparatory Academy at Lucerne seeks to establish a bank account; and

WHEREAS, Virtual Preparatory Academy at Lucerne seeks to authorize Accel Online California LLC to establish a bank account on behalf of Virtual Preparatory Academy at Lucerne as part of the business administration services provided pursuant to the Services Agreement; and

WHEREAS, Virtual Preparatory Academy at Lucerne seeks to authorize Accel Online California LLC to sign checks on behalf of Virtual Preparatory Academy at Lucerne as part of the business administration services provided pursuant to the Services Agreement; and

WHEREAS, the Bank (“PNC”) requires both Virtual Preparatory Academy at Lucerne and Accel Online California LLC to sign a form entitled Authorization and Indemnity Agreement by Agent; and

WHEREAS, the PNC’s form Authorization and Indemnity Agreement by Agent requires Virtual Preparatory Academy at Lucerne to authorize Accel Online California LLC to place orders with PNC for the purchase and sale of foreign currency and to enter into operating, safe deposit box, night depository, treasury or cash management, electronic funds transfer, and other agreements on its behalf relating to

checking or deposit accounts or investments of funds in such accounts with Bank (collectively referred to as, “Additional Banking Services”).

THEREFORE, BE IT RESOLVED, that Accel Online California LLC shall be, and hereby is, authorized to open such bank accounts as necessary for the Corporation, subject to any restrictions on that authority as the Board may deem appropriate; and

IT IS FURTHER RESOLVED THAT, Steve Goetzinger, Senior Vice President of Finance and Controller of Accel Online California LLC, and Maria Szalay, Chief Operating Officer of Accel Online California LLC, shall be the authorized bank account signatories on behalf of and for the benefit of Virtual Preparatory Academy at Lucerne, subject to any restrictions on that authority as the Board may deem appropriate.

PASSED AND ADOPTED by the Board of Governors at a regular meeting held on June 17, 2020, by the following vote:

Board Member	Moved	Second	Aye	No	Abstain
Julie Walsh					
Jack Pierce					

CERTIFICATE OF BOARD CHAIR

I certify that I am the duly elected Board Chair of Virtual Preparatory Academy at Lucerne, a California nonprofit public benefit corporation; that this resolution is true and correct as written and was duly adopted by the Board at a special meeting held on June 17, 2020.

Signature:

Printed Name:

Date:

CalSTRS Activation – Resolution 6-17-20



WHEREAS, the Elite Academic Academy - Adult Work Force Investment, DBA, Virtual Preparatory Academy at Lucerne Charter School within San Bernardino County has the authority to implement the provisions of section 414(h)(2) of the Internal Revenue Code (IRC); and

WHEREAS, the Teachers' Retirement Board of the California State Teachers' Retirement System (CalSTRS) adopted its resolution of IRC section 414(h)(2) on May 17, 1985; and

WHEREAS, the Internal Revenue Service has stated on August 27, 1985, that the implementation of the provisions of IRC section 414(h)(2) pursuant to the resolution of the Teachers' Retirement Board would satisfy the legal requirements of IRC section 414(h)(2); and

WHEREAS, the Elite Academic Academy - Adult Work Force Investment, DBA, Virtual Preparatory Academy at Lucerne Charter School Board within San Bernardino County, has determined that even though the implementation of the provisions of IRC section 414(h)(2) is not required by law, the tax benefit offered by IRC section 414(h)(2) should be provided to its employees who are members of CalSTRS.

NOW, THEREFORE, BE IT RESOLVED:

- I. That the Elite Academic Academy - Adult Work Force Investment, DBA, Virtual Preparatory Academy at Lucerne Charter School will implement the provisions of IRC section 414(h)(2) by making employee contributions to CalSTRS on behalf of its employees who are members of CalSTRS. "Employees contributions" shall mean those contributions to CalSTRS which are deducted from the salary of employees and are credited to individual employees' accounts.
- II. That the contributions made by the Elite Academic Academy - Adult Work Force Investment, DBA, Virtual Preparatory Academy at Lucerne Charter School to CalSTRS, although designated as employee contributions, are being paid by the Elite Academic Academy - Adult Work Force Investment, DBA, Virtual Preparatory Academy at Lucerne Charter School in lieu of contributions by the employees who are members of CalSTRS.
- III. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the Elite Academic Academy - Adult Work Force Investment, DBA, Virtual Preparatory Academy at Lucerne Charter School to CalSTRS.
- IV. That the Elite Academic Academy - Adult Work Force Investment, DBA, Virtual Preparatory Academy at Lucerne Charter School shall pay to CalSTRS the contributions designated as employee contributions from the same source of funds as used in paying salary.
- V. That the amount of the contributions designated as employee contributions and paid by the Elite Academic Academy - Adult Work Force Investment, DBA, Virtual Preparatory Academy at Lucerne Charter School to CalSTRS on behalf of an employee shall be the entire contribution required of the employee by the Teachers' Retirement Law (California Education Code sections 22000 et seq.)
- VI. That the contributions designated as employee contributions made by the Elite Academic Academy - Adult Work Force Investment, DBA, Virtual Preparatory Academy at Lucerne Charter School to CalSTRS shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by CalSTRS.
- VII. That the Elite Academic Academy - Adult Work Force Investment, DBA, Virtual Preparatory Academy at Lucerne Charter School shall make no contributions designated as employee contributions until CalSTRS has developed and implemented procedures for administering the provisions of Section 414(h)(2) of the Internal Revenue Code and until CalSTRS has officially notified the Elite Academic Academy - Adult Work Force Investment, DBA, Virtual Preparatory Academy at Lucerne Charter School that it will accept contributions pursuant to Section 414(h)(2) of the Internal Revenue Code.

PRE-TAX DEDUCTIONS FOR VOLUNTARY RECEIVABLE RESOLUTION

WHEREAS, Internal Revenue Code (IRC) Section 414(h)(2) permits employer "pickup" of the employee portion of contributions to a retirement plan, thereby resulting in tax deferral of employee contributions; and

WHEREAS, under the California State Teachers' Retirement System (CalSTRS) plan conditions, members may be allowed to redeposit contributions previously withdrawn plus interest and/or purchase permissive service credit;

NOW THEREFORE, BE IT RESOLVED, that in order to permit tax deferral for these additional amounts, an employee shall enter into a binding irrevocable payroll deduction authorization and such employee shall not have the option of choosing to receive the amounts directly instead of having them paid by the employer to CalSTRS;

BE IT FURTHER RESOLVED, that additional amounts herein specified, through payroll deduction from salary, are designated as being picked up by the employer and paid by the employer in accordance with CalSTRS retirement plan requirements.

Approval Date 6-17-20

Signature of Board Chair _____

Virtual Preparatory Academy at Lucerne School Year 2020-2021 - Track A

22 JULY							11 AUGUST							18 SEPTEMBER							20 OCTOBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
5	6	7	8	9	10	11	2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10
12	13	14	15	16	17	18	9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17
19	20	21	22	23	24	25	16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24
26	27	28	29	30	31		23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31
							30	31																			
15 NOVEMBER							11 DECEMBER							13 JANUARY							15 FEBRUARY						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7	6	7	8	9	10	11	12	3	4	5	6	7	8	9	7	8	9	10	11	12	13
8	9	10	11	12	13	14	13	14	15	16	17	18	19	10	11	12	13	14	15	16	14	15	16	17	18	19	20
15	16	17	18	19	20	21	20	21	22	23	24	25	26	17	18	19	20	21	22	23	21	22	23	24	25	26	27
22	23	24	25	26	27	28	27	28	29	30	31			24	25	26	27	28	29	30	28						
29	30													31													
15 MARCH							20 APRIL							15 MAY							0 JUNE						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8	6	7	8	9	10	11	12
14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15	13	14	15	16	17	18	19
21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22	20	21	22	23	24	25	26
28	29	30	31				25	26	27	28	29	30		23	24	25	26	27	28	29	27	28	29	30			
														30	31												

- Holidays**
- 3-Jul - Fourth of July (observed)
 - 4-Jul - Fourth of July
 - 7-Sep - Labor Day
 - 11-Nov - Veteran's Day
 - 11/26 & 11/27 - Thanksgiving & Day After
 - 25-Dec - Christmas
 - 1-Jan - New Years Day
 - 18-Jan - Martin Luther King's Day
 - 15-Feb - Presidents Day
 - 31-May - Memorial Day

- Key**
- 1st and last day of School
 - Holiday
 - end of LP
 - non school days
 - Testing

- dates**
- | | |
|-----------------|----------------|
| LP1 7/1-7/17 | LP 8 1/11-2/5 |
| LP2 7/20-8/7 | LP 9 2/8-3/5 |
| LP3 8/24-9/11 | LP10 3/8-4/9 |
| LP4 9/14-10/9 | LP11 4/12-4/30 |
| LP5 10/12-10/30 | LP12 5/3-5/21 |
| LP6 11/2-11/20 | |
| LP7 11/30-12/15 | |

Virtual Preparatory Academy at Lucerne School Year 2020-2021 - Track B

22 JULY							11 AUGUST							18 SEPTEMBER							20 OCTOBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
5	6	7	8	9	10	11	2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10
12	13	14	15	16	17	18	9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17
19	20	21	22	23	24	25	16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24
26	27	28	29	30	31		23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31

15 NOVEMBER							11 DECEMBER							13 JANUARY							15 FEBRUARY						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
1	2	3	4	5	6	7	6	7	8	9	10	11	12	3	4	5	6	7	8	9	7	8	9	10	11	12	13
8	9	10	11	12	13	14	13	14	15	16	17	18	19	10	11	12	13	14	15	16	14	15	16	17	18	19	20
15	16	17	18	19	20	21	20	21	22	23	24	25	26	17	18	19	20	21	22	23	21	22	23	24	25	26	27
22	23	24	25	26	27	28	27	28	29	30	31			24	25	26	27	28	29	30	28						
29	30													31													

15 MARCH							20 APRIL							15 MAY							0 JUNE						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8	6	7	8	9	10	11	12
14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15	13	14	15	16	17	18	19
21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22	20	21	22	23	24	25	26
28	29	30	31				25	26	27	28	29	30		23	24	25	26	27	28	29	27	28	29	30			
														30	31												

- Holidays**
- 3-Jul - Fourth of July (observed)
 - 4-Jul - Fourth of July
 - 7-Sep - Labor Day
 - 11-Nov - Veteran's Day
 - 11/26 & 11/27 - Thanksgiving & Day After
 - 25-Dec - Christmas
 - 1-Jan - New Years Day
 - 18-Jan - Martin Luther King's Day
 - 15-Feb - Presidents Day
 - 31-May - Memorial Day

- Key**
- First and last day of school
 - Holiday
 - end of LP
 - non school days
 - Testing

- dates**
- LP1 8/24-9/11
 - LP2 9/14-10/9
 - LP3 10/12-10/30
 - LP4 11/2-11/20
 - LP5 11/23-12/22
 - LP6 1/4-2/5
 - LP7 2/8-3/5
 - LP8 3/8-4/9
 - LP9 4/12-4/30
 - LP10 5/3-5/21

Virtual Preparatory Academy at Lucerne Ancillary Benefits Proposal

ACCEL Schools reviewed available plans from two different insurance carriers - Anthem and Unum – for dental, vision, Basic Life, Accidental Death and Dismemberment, Short-Term Disability, and Long-Term Disability insurances. Upon evaluating the plans that are available we are recommending the School select Anthem for all insurance lines and use Arthur J. Gallagher as a broker.

Pricing will not be available until the school has an active employee census, but experience with comparable schools has shown Anthem to be a cost-effective carrier with a reasonable expectation of obtaining a bundling discount.

We are recommending the following contribution structure:

Ancillary Line of Coverage	Employee	Employer
Dental	50% for employee only coverage 100% of incremental cost for family members	50% for employee only coverage 100% of incremental cost for family members
Vision	50% for employee only coverage 100% of incremental cost for family members	50% for employee only coverage 100% of incremental cost for family members
Basic Life / Accidental Death & Dismemberment	0%	100%
Short-Term Disability	0%	100%
Long-Term Disability	0%	100%

Plan features for each line of coverage are included on the following pages.

Virtual Preparatory Academy at Lucerne Ancillary Benefits Proposal – Dental Plan

	Anthem CA Dental	
	<u>In-Network</u>	<u>Out-of-Network</u>
Single Deductible (Class II & III)	\$50	\$50
Family Deductible (Class II & III)	\$150	\$150
Preventive – Class I Services	100%	100%
Basic – Class II Services	90%	90%
Major – Class III Services	60%	60%
Orthodontia – Class IV Services	N/A	N/A
Annual Maximum	\$1500	\$1500

Virtual Preparatory Academy at Lucerne Ancillary Benefits Proposal – Vision Plan

	Anthem Vision	
	<u>In-Network</u>	<u>Out-of-Network</u>
Exam Frequency	1 Every 12 Months	
Lens Frequency	1 Every 12 Months	
Frames Frequency	1 Every 24 Months	
Eye Exam	\$20 copay	Reimbursed up to \$42
Single Vision Lenses	\$20 copay	Reimbursed up to \$40
Bifocal	\$20 copay	Reimbursed up to \$60
Trifocal	\$20 copay	Reimbursed up to \$80
Lenticular Lenses	Not covered	Not covered
Frames	\$130 allowance	Reimbursed up to \$45
Contact Lenses - Medical	Covered 100%	Reimbursed up to \$210
Contact Lenses – Elective	\$130 allowance	Reimbursed up to \$95

Virtual Preparatory Academy at Lucerne Ancillary Benefits Proposal – Life and Accidental Death & Dismemberment Plan

	Anthem CA Basic Life/AD&D
Eligibility	All active full-time employees
Benefit Amount	1x salary to \$100,000
AD&D	Same as Basic Life Insurance
Guarantee Issue	\$50,000
Waiver of Premium	Included
Accelerated Death Benefit	75% to \$125,000
Conversion	Included
Salary Definition	Base annual earnings
Reduction Schedule	65% at 65, 50% at 70

Virtual Preparatory Academy at Lucerne Ancillary Benefits Proposal – Short-Term Disability Plan

	Anthem CA STD
Eligibility	All active full-time employees
Benefit Amount	60% to \$1350 (Evidence of Insurability needed above \$500)
Elimination Period – Accident	7 days
Elimination Period – Sickness	7 days
Pre-Existing Condition Limitation	N/A
Salary Definition	Base Weekly Earnings
Benefit Duration	13 weeks

Virtual Preparatory Academy at Lucerne Ancillary Benefits Proposal – Long-Term Disability Plan

	Anthem CA STD
Eligibility	All active full-time employees
Benefit Amount	60% to \$6,000 (Evidence of Insurability needed for all amounts)
Elimination Period	90 days
Own Occupation Period	2 years
Benefit Duration	RBD to age 65
Pre-Existing Condition Limitation	12/6/24
Salary Definition	Base Monthly Earnings
Social Security Integration	Family
Survivor Benefit	3 months