July 16 2014

TO: Santa Clara County Board of Education

FROM: Micaela Ochoa, Chief Business Officer

VIA: Mary Ann Dewan, Ph. D., Interim County Superintendent of Schools

SUBJECT: Revision to SCCOE – FIRST 5 Santa Clara County Memorandum of Understanding

Associated Goal:
Goal 1: Improve student equity and reduce access discrepancies to high quality education
Goal 2: Provide support to districts, communities, schools and students

Background
On July 19, 2013, the Santa Clara County Office of Education (SCCOE) entered into a Memorandum of Understanding with FIRST 5 Santa Clara County (FIRST 5) obligating the SCCOE to contribute up to $750,000 annually, to a maximum contribution of $1,500,000, to offset the salary and benefits costs of SCCOE employees working at the Educare facility in San Jose. These one-time supplemental funds are to help offset the operating gap between the funds provided by Early/Head Start and State Preschool programs. In return for this one-time contribution, FIRST 5 Santa Clara County will provide a contribution to the Educare facility capital campaign by $1,500,000.

The MOU states that “If the Educare building is not fully constructed and ready for use in the Fall 2014, then the SCCOE and FIRST 5 shall establish an amended acceptable timeline to this MOU. All other terms of the MOU shall remain unchanged.” The Educare building is not fully constructed nor will it be ready for use by Fall 2014. As such, the SCCOE and FIRST 5 Santa Clara County shall amend the dates of the agreement to say “Fall 2015.” This information item provides notice to the Santa Clara County Board of Education that the building will not be fully constructed by Fall 2014. The expected date of completion is Fall 2015 and an amended acceptable timeline between SCCOE and FIRST 5 has been established with this anticipated date.
Memorandum of Understanding

By this Memorandum of Understanding (MOU or agreement) entered into on July 18, 2013, between the Santa Clara County Office of Education (SCCOE), and FIRST 5 Santa Clara County (FIRST 5), the parties agree as follows:

Project Description: SCCOE and FIRST 5 are members of a multi-agency partnership (Partnership) working to bring the Educare model to Santa Clara County (hereinafter referred to as Educare of California at Silicon Valley (ECSV)). ECSV’s goal is to provide high quality, full-day, full-year early childhood education and family support programs designed to help minimize the “achievement gap”. The Partnership established by this agreement is intended to help minimize the achievement gap with FIRST 5’s one-time $1,500,000 contribution of capital funds to build a facility on the Santee Elementary School campus of Franklin McKinley School Districts, and SCCOE’s one-time $1,500,000 contribution to support the operational expenses (salaries and benefits).

This MOU is valid if and only if the Educare building is fully constructed and ready to use and house students for services, programs, and instruction on the Santee Elementary School campus of the Franklin McKinley School District in the Fall 2014. If the Educare building is not fully constructed and ready for use in the Fall 2014, then the SCCOE and FIRST 5 shall establish an amended acceptable timeline to this MOU. All other terms of the MOU shall remain unchanged.

1. Purpose. The purpose of this Agreement is to ensure that those SCCOE children and families enrolled in ECSV and associated programs, gain the maximum benefit from the funds being expended to support the Project by FIRST 5 and SCCOE. As a result of this MOU, SCCOE staff/human resources will be provided to support direct services for Early/Head Start and State Preschool students and families.

2. Duties of SCCOE:
   a. SCCOE shall contribute up to $750,000 annually for staffing/human resources to supplement services currently being provided for Early/Head Start and State Preschool students and families, up to a maximum total SCCOE contribution of $1,500,000. The SCCOE shall contribute this maximum amount of $1,500,000 to be used for salaries and benefits of staff to augment early learning/head start services. However, if, after the two year period, the expenditures defined above are less than $1,500,000, the balance shall be rolled over into the following fiscal year, for one rollover year-only, for staffing/human resources this project. This SCCOE fiscal commitment shall not carry over beyond the 2016-17 year. If, by the end of the first year of SCCOE’s contribution for these salary and benefit expenditures, projections are above $1,500,000 for staffing/human resources for the two year period, then the SCCOE and FIRST 5 shall meet no later than November 30, 2015 to discuss FIRST 5’s continued funding. Otherwise, SCCOE shall provide staff lay-off notices per California Education Code.
   b. SCCOE’s contribution of up to $1,500,000 as described above, shall be used exclusively for the following:
      - Increased classroom service time and/or the establishment of new teachers, associate teachers and teacher assistant positions as needed to support Educare requirements
      - Increased service time and/or the establishment of new family support staff case managers as needed to support Educare requirements
c. SCCOE shall hire, employ, evaluate, and provide overall management for the staffing that it employs with the two years of funds during the 2014-15 and 2015-16 year. Prior to June 30, 2016, and consistent with Education Code noticing timelines, the SCCOE and FIRST 5 shall discuss management arrangements given that the funding for those personnel will be provided by FIRST 5 effective July 1, 2016.

d. SCCOE shall provide an annual report to FIRST 5 certifying the amount of funds expended for the purposes described in this agreement.

e. The staffing funding set forth in this agreement is budgeted in the SCCOE’s 2014-15 and 2015-16 multi-year budget, which was approved by the Board of Education on June 19, 2013. That funding will come from unrestricted sources and will be used for operational salaries and benefits for SCCOE employees, not employees of ECSV or FIRST 5 or any other partner agency. The funds shall only be expended after the Educare building is fully constructed as noted under the Project Description portion of this agreement, above.

3. Duties of FIRST 5:
   a. FIRST 5 shall provide $1,500,000 of its funds and resources to providing strategic capital monies for the ECSV project, consistent with its role of supporting the healthy development of children ages 0-5 and enriching the lives of their families and communities. The $1,500,000 shall be contributed and used to construct the building on the Santee Elementary School campus of the Franklin McKinley School District.
   b. During the 2013-14 year, FIRST 5 shall provide $1,500,000 to the ECSV capital campaign for the sole and restricted purpose of constructing the Educare building on the Santee Elementary School campus of the Franklin McKinley School District.
   c. FIRST 5 shall notify SCCOE in writing, immediately after FIRST 5 has made the $1,500,000 contribution satisfying the requirements of this MOU.
   d. FIRST 5 shall provide an annual report to SCCOE certifying the amount of funds pledged and expended for the purposes described in this agreement.

4. Contract Period: FIRST 5 shall make its $1,500,000 contribution in 2013-14 and SCCOE shall hire staff for a total maximum amount of $750,000 in 2014-15 and $750,000 in 2015-16. If, for any reason, the noted timeframes cannot be met, then SCCOE and FIRST 5 shall amend the timelines of this MOU. This MOU will remain in effect until all duties as noted are fulfilled.

5. Changes or Alterations: No changes, alterations, amendments, or variations of any kind to this agreement are authorized without the written consent of both parties.

6. Termination: This MOU is terminated when both parties have complied with the terms outlined in section 1 through 5, or if FIRST 5 fails to comply with Section 3, or by mutual written consent of both parties.

7. Effective Date: July 19, 2013.

8. Understanding and Acceptance of the Parties: This agreement constitutes the entire understanding of the parties regarding the issues set forth in it. The signatures below signify both understanding and acceptance of the contract provisions.
9. Authorized SCCOE Party:

Signature: Micaela Ochoa
Date Signed: 11/22/13
Print Name: Micaela Ochoa
Title: Chief Business Officer
Address: 1290 Ridder Park Drive, MC 251
       San Jose, CA 95131
       Phone: (408) 453-6519
       Fax:
E-Mail Address: micaela_ochoa@sccoe.org

Authorized FIRST 5 Party:

Signature: Jolene Smith
Date Signed: 11/18/2013
Print Name: Jolene Smith
Title: C.E.O.
Address: 4000 Woodpark Ave. #200
       San Jose, CA 95136
       Phone: 408.296.5642
       Fax: 408.260.3700
E-Mail Address: Jolene@FIRST5KIDS.ORG

Distribution: Original to Contracts/Risk Management