

**AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN
ANAHEIM UNION HIGH SCHOOL DISTRICT
AND
CALIFORNIA SCHOOL MANAGEMENT GROUP, INC.
FOR E-RATE CONSULTING SERVICES**

This Agreement for Professional Services ("Agreement") is made and entered into this 28th day of August, 2008, by and between the ANAHEIM UNION HIGH SCHOOL DISTRICT (AUHSD) and CALIFORNIA SCHOOL MANAGEMENT GROUP, INC. (CONSULTANT).

RECITALS

- a. AUHSD is in need of E-Rate consulting (ERATE) services for E-Rate application and process services (PROJECT).
- b. CONSULTANT is duly licensed and/or has the necessary qualifications to provide such ERATE services for the PROJECT.
- c. The parties desire by this Agreement to establish the terms for AUHSD to retain CONSULTANT to provide the ERATE services described herein.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Services.

CONSULTANT shall provide AUHSD with ERATE services for the PROJECT as described in the Statement of Services attached hereto as Exhibit "A" and hereby made a part of this Agreement.

2. Compensation.

- a. Subject to paragraphs 2(b) - (c) below, AUHSD shall pay for the services provided by CONSULTANT in accordance with the Statement of Services set forth in Exhibit "A".
- b. Each month CONSULTANT shall furnish AUHSD with an original invoice per Exhibit "A" of this agreement.
- c. Except as to any charges for work performed or expenses incurred by CONSULTANT which are disputed by AUHSD, AUHSD will use its best efforts to cause CONSULTANT to be paid within thirty (30) days of receipt of CONSULTANT'S invoice. Payment to CONSULTANT for work performed

pursuant to this Agreement shall not be deemed to waive any defects in the work performed by CONSULTANT.

3. **Additional Work.**

CONSULTANT shall not be compensated for any services outside of the Scope of Services, except as provided in this paragraph. If changes in the work seem merited by CONSULTANT or AUHSD, and informal consultations with the other party indicate that a change is warranted, a change in scope of the work shall be processed by AUHSD in the following manner:

- a. A letter outlining the changes shall be forwarded to AUHSD by CONSULTANT with a statement of estimated changes in fee or time schedule; and
- b. A written amendment to this Agreement shall be prepared by AUHSD and executed by both parties before performance of such services or AUHSD will not be required to pay for the changes in the scope of work. Such written amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

4. **Maintenance of Records.**

Books, documents, papers, accounting records, and other evidence pertaining to work done, and costs incurred pursuant to this Agreement shall be maintained by CONSULTANT and made available for inspection, audit, and copying by AUHSD at all reasonable times during the term of this Agreement and for four (4) years from the date of final payment under the Agreement.

5. **Ownership and Use of Work.**

All documents and materials prepared pursuant to this Agreement shall be considered the property of AUHSD, and will be turned over to AUHSD upon demand, in any event upon completion of the work. AUHSD reserves the right to publish, disclose, distribute, and otherwise use, in whole or in part, any reports, data or other documents and materials prepared under this Agreement without the permission of CONSULTANT. All documents and materials shall be delivered in a reproducible form. As used herein, "documents and materials" include, but are not limited to, any original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, and computer files prepared or developed pursuant to this Agreement.

6. **Findings Confidential.**

Any reports, information, data, or materials given to, or prepared, or assembled by CONSULTANT under this Agreement are confidential and shall not be made available to any individual or organization by CONSULTANT without prior written approval of AUHSD.

7. **Conflict of Interest.**

CONSULTANT hereby expressly covenants that no interest presently exists, nor shall any interest, direct or indirect, be acquired during the term of this Agreement that would conflict in any manner with the performance of services pursuant to this Agreement.

8. **Term of Agreement and Time of Performance.**

CONSULTANT shall perform its services hereunder in a prompt and timely manner. Work shall commence upon receipt of a written Notice to Proceed from AUHSD. The Notice to Proceed shall set forth the date of commencement of the work. The term of this Agreement shall be from the date of execution of this Agreement until June 30, 2009. Such term may be extended upon written agreement of both AUHSD and CONSULTANT.

9. **Delays in Performance.**

Neither AUHSD nor CONSULTANT shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions: floods, earthquakes, fire, epidemics, war, riots, and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances: sabotage, or judicial restraint.

Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance, and the efforts being made to resume performance of this Agreement.

10. **Compliance with Law.**

- a. CONSULTANT shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government. If CONSULTANT'S failure to comply with applicable laws, ordinances, codes, and regulations results in a claim for damage or liability to AUHSD, CONSULTANT shall be responsible for indemnifying, and holding AUHSD harmless as provided in this Agreement.
- b. CONSULTANT shall assist AUHSD, as requested, in obtaining and maintaining all permits, if any, required of CONSULTANT by federal, state, and local regulatory agencies.

11. **Standard of Care.**

CONSULTANT'S services will be performed in accordance with generally accepted professional practices and principles, and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

12. **Assignment and SubCONSULTANTS.**

CONSULTANT shall not assign, delegate, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of AUHSD, which may be withheld for any reason. A consent to one assignment shall not be deemed to be consent to any subsequent assignment. Nothing contained herein shall prevent CONSULTANT from employing independent associates, and SUB-CONSULTANTS, as CONSULTANT may deem appropriate to assist in the performance of services hereunder.

13. **Independent CONSULTANT.**

CONSULTANT is retained as an independent CONSULTANT and is not an agent or employee of AUHSD. No employee or agent of CONSULTANT shall by this Agreement become an agent or employee of AUHSD. The work to be performed shall be in accordance with the Statement of Work described in Exhibit "A", subject to such directions and amendments from AUHSD as herein provided. CONSULTANT shall have no authority, expressed or implied, pursuant to this Agreement to bind AUHSD to any obligation whatsoever, except as specifically provided in writing by AUHSD.

14. **Integration.**

This Agreement represents the entire understanding of AUHSD and CONSULTANT as to those matters contained herein, and supersedes and cancels any prior oral, or written understanding, promises or representations with respect to those matters covered hereunder. To the extent that any provision or clause contained in an attachment to this Agreement conflicts with a provision or clause in the Agreement, the provision or clause in this Agreement shall control. This Agreement may not be modified, or altered except in writing, signed by both parties hereto. This is an integrated Agreement.

15. **Insurance.**

a. **Commercial General Liability**

- (i). CONSULTANT shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to AUHSD.

- (ii). Coverage for Commercial General Liability insurance shall be at least as broad as the following:
 - (1) Insurance Services Office Commercial General Liability coverage (Occurrence Form CG 0001)
- (iii). Commercial General Liability Insurance must include coverage for the following:
 - (1) Bodily Injury and Property Damage
 - (2) Personal Injury/Advertising Injury
 - (3) Premises/Operations Liability
 - (4) Products/Completed Operations Liability
 - (5) Aggregate Limits that Apply per PROJECT
 - (6) Explosion, Collapse and Underground (UCX) exclusion deleted
 - (7) Contractual Liability with respect to this Contract
 - (8) Broad Form Property Damage
 - (9) Independent CONSULTANT'S Coverage
- (iv). The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by AUHSD.

b. Automobile Liability

- (i). At all times during the performance of the work under this Agreement, CONSULTANT shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned, and hired vehicles, in a form and with insurance companies acceptable to AUHSD.
- (ii). Coverage for automobile liability insurance shall be at least as broad as Insurance Services Office Form Number CA 0001 (ed. 6/92) covering automobile liability, Code 1 (any auto).
- (iii). The automobile liability program may utilize deductibles, but not a self-insured retention, subject to written approval by AUHSD.

c. Workers' Compensation/Employer's Liability

- (i). At all times during the performance of the work under this Agreement, and for 24 months following the date of PROJECT completion and acceptance by AUHSD, the CONSULTANT shall maintain workers' compensation in compliance with applicable statutory requirements, and Employer's Liability Coverage in amounts indicated herein.

- (ii). Such insurance shall include an insurer's Waiver of Subrogation in favor of AUHSD, and will be in a form and with insurance companies acceptable to AUHSD.
- (iii). If insurance is maintained, the workers' compensation and employer's liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by AUHSD.
- (iv). Before beginning work, CONSULTANT shall furnish to AUHSD satisfactory proof that he/she has taken out for the period covered by the work under this Agreement, full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California, and any acts amendatory thereof. CONSULTANT shall require all SUB-CONSULTANTS to obtain and maintain, for the period covered by the work under this Agreement, worker's compensation of the same type, and limits as specified in this Section.

d. Professional Liability (Errors and Omissions).

- (i). At all times during the performance of the work under this Agreement, CONSULTANT shall maintain professional liability insurance, in a form and with insurance companies acceptance to AUHSD and in an amount indicated herein.

e. Minimum Policy Limits Required.

- (i). The following insurance limits are required for the Agreement:

	<u>Combined Single Limit</u>
Commercial General Liability	\$1,000,000 per occurrence/\$2,000,000 aggregate for bodily injury, personal injury, and property damage
Automobile Liability	\$1,000,000 per occurrence for bodily injury and property damage
Employer's Liability	\$1,000,000 per occurrence
Professional Liability (errors and omissions)	\$1,000,000 per claim and aggregate

f. Evidence Required.

- (i). Prior to execution of the Agreement, CONSULTANT shall file with AUHSD evidence of insurance from an insurer, or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2010 (or insurer's equivalent) signed by the insurer's representative, and Certificate of Insurance (Accord Form 25-S or equivalent). All evidence of insurance shall be signed by a properly authorized officer, agent, or qualified representative of the insurer, and shall certify the names of the insured, any additional primary insureds, where appropriate, the type and amount of the insurance, the location, and operations to which the insurance applies, and the expiration date of such insurance.

g. Policy Provisions Required.

- (i). All policies shall contain a provision for 30 days advance written notice by the insurer(s) to AUHSD of any cancellation. Statements that the carrier "will endeavor," and "that failure to mail such notice shall impose no obligation and liability upon the company, its agents or representatives," will not be acceptable on certificates.
- (ii). All policies shall contain a provision stating that CONSULTANT'S policies are primary insurance, and that the insurance of AUHSD, or any named insureds shall not be called upon to contribute to any loss.

h. Qualifying Insurers.

- (i). All policies required shall be issued by acceptable insurance companies, as determined by AUHSD, which satisfy the following minimum requirements:

Insurance carriers shall be qualified to do business in California and maintain an agent for process within the state. Such insurance carrier shall have not less than an "A-" policyholder's rating and a financial rating of not less than "Class VII" according to the latest Best Key Rating Guide.

I. Additional Insurance Provisions

- (i). The foregoing requirements as to the types, and limits of insurance coverage to be maintained by CONSULTANT, and any approval of said insurance by AUHSD, is not intended to, and shall not in any manner limit, or qualify the liabilities and obligations otherwise assumed by CONSULTANT pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.

- (ii). If at any time during the life of the Agreement, CONSULTANT fails to maintain in full force any insurance required by the Agreement documents, AUHSD may terminate the Agreement.
- (iii). CONSULTANT shall include all SUB-CONSULTANTS as insureds under its policies, or shall furnish separate certificates and endorsements for each SUB-CONSULTANT. All coverages for SUB-CONSULTANTS shall be subject to all of the requirements stated herein.
- (iv). AUHSD may require CONSULTANT to provide complete copies of all insurance policies in effect for the duration of the PROJECT.
- (v). Neither AUHSD, nor its Governing Board, nor any member of thereof, nor any of the directors, officers, employees, agents, or volunteers of AUHSD shall be personally responsible for any liability arising under or by virtue of the Agreement.
- (vi). Evidence of insurance shall be retained by AUHSD as Exhibit "B" attached hereto.

16. Indemnification.

CONSULTANT agrees to indemnify, defend, and hold harmless AUHSD, its Governing Board and each member thereof, its officers, agents, and employees from any and all claims, liabilities, expenses, or damages, including reasonable attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, to the extent arising out of the negligent acts, errors or omissions or willful misconduct by CONSULTANT, CONSULTANT'S agents, officers, employees, SUB-CONSULTANTS, or independent CONSULTANTS hired by CONSULTANT under this Agreement. The only exception to CONSULTANT'S responsibility to indemnify, defend and hold harmless AUHSD, is where a claim, liability, expense, or damage occurs due to the negligence, willful misconduct, or active negligence of AUHSD. This hold harmless Agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONSULTANT.

17. Laws, Venue, and Attorneys' Fees.

This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Orange, State of California. In the event of any such litigation between the parties, the prevailing party shall be entitled to recover all reasonable costs incurred, including reasonable attorney's fees, as determined by the court.

18. **Termination or Abandonment.**

- a. AUHSD may terminate this Agreement, with or without cause, at any time by giving thirty (30) days written notice of termination to CONSULTANT. In the event such notice is given, CONSULTANT shall cease immediately all work in progress.
- b. If either CONSULTANT or AUHSD fail to perform any material obligation under this Agreement, then, in addition to any other remedies, AUHSD or CONSULTANT may terminate this Agreement immediately upon written notice.
- c. Upon termination of this Agreement, all property belonging to AUHSD which is in CONSULTANT'S possession shall be returned to AUHSD. CONSULTANT shall furnish AUHSD with a final invoice for work performed by CONSULTANT. AUHSD shall have no obligation to pay CONSULTANT for work performed after termination of this Agreement.

19. **Organization.**

CONSULTANT shall assign Kim Friends, as project manager. The project manager shall not be removed from the PROJECT, or reassigned without the prior written consent of AUHSD. CONSULTANT shall make every reasonable effort to maintain the stability and continuity of CONSULTANT'S staff assigned to perform the services required under this Agreement.

20. **Notice.**

Any notice or instrument required to be given, or delivered by this Agreement may be given, or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

<u>AUHSD:</u>	<u>CONSULTANT:</u>
Anaheim Union School District	CALIFORNIA SCHOOL MANAGEMENT GROUP, INC.
501 Crescent Way	3130-C Inland Empire Blvd.
Anaheim, CA 92803	Ontario, CA 91764
Attn: Erik Greenwood	Attn: Kim Friends
Phone: (714) 999-3765	Phone: (909) 944-7798
Fax: (714) 758-0571	Fax: (909) 481-7410

and shall be effective upon expiration of three (3) business days, or upon actual receipt thereof.

21. **Third Party Rights.**

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than AUHSD and the CONSULTANT.

22. **Severability and Waiver.**

The unenforceability, invalidity, or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid, or illegal. Waiver by any party of any portion of this Agreement shall not constitute a waiver of any other portion thereof.

23. **Nondiscrimination.**

CONSULTANT shall not discriminate, in any way, against any person on the basis of race, color, religious creed, national origin, ancestry, sex, age physical handicap, medical condition, or marital status in connection with or related to the performance of this Agreement.

24. **Time of the Essence.**

Time is of the essence for each and every provision of this Agreement.

25. **AUHSD's Right to Employ Other CONSULTANTS.**

AUHSD reserves the right to employ other CONSULTANTS in connection with this PROJECT. However, CONSULTANT shall be the exclusive CONSULTANT for purposes of services provided within this Agreement, unless terminated as provided herein.

26. **Successors and Assigns.**

This Agreement shall be binding on the successors and assigns of the parties, and shall not be assigned by CONSULTANT without prior written consent of AUHSD.

27. **Amendments.**

This Agreement shall not be amended, modified, or changed in any way without the written consent of both parties.

28. **Interpretation.**

The agreements contained herein shall not be construed in favor of or against either party but shall be construed as if both parties prepared this Agreement.

29. **Counterparts.**

This Agreement may be executed in counterparts, all of which, when taken together, shall constitute a fully executed original.

30. **Exhibits and Recitals.**

All Exhibits and Recitals contained herein are hereby incorporated into this Agreement.

31. **Tobacco and Drug Free Workplace.**

CONSULTANT acknowledges that AUHSD operates a tobacco and drug free workplace. CONSULTANT shall be responsible to ensure that tobacco products, drugs, and alcohol will not be used by CONSULTANT'S employees, SUB-CONSULTANTS, contractors, subcontractors, material and equipment suppliers, and their agents, employees, invitees, and other persons at the PROJECT site. AUHSD shall have the right to require the removal of any CONSULTANT, agent, or employee of any of CONSULTANT'S SUB-CONSULTANTS, contractor, subcontractor, material or equipment supplier, and their agents, employees, and invitees from the PROJECT site for use of tobacco products, drugs, or alcohol at the PROJECT site.

32. **Fingerprinting Requirements.**

Unless exempted, the CONSULTANT shall comply with the requirements of Education Code Section 45125.1 with respect to fingerprinting of employees who may have contact with AUHSD's pupils. The CONSULTANT shall also ensure that its CONSULTANTS on the PROJECT also comply with the requirements of Section 45125.1. To this end, the CONSULTANT and its CONSULTANTS must provide for the completion of AUHSD's certification form attached hereto as Exhibit "C," and incorporated herein by reference prior to any of the CONSULTANT'S employees, or those of any other CONSULTANTS, coming into contact with AUHSD's pupils.

33. **Disabled Veterans Business Enterprise (DVBE).**

If required for this PROJECT, CONSULTANT shall provide proof of DVBE compliance, in accordance with any applicable policies of the AUHSD or the State Allocation Board, within thirty (30) days of its execution of this Agreement.

34. **Authority of Signatories.**

The persons executing this Agreement on behalf of their respective parties represent, and warrant that they have the authority to do so under law, and from their respective parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

ON BEHALF OF AUHSD:

ANAHEIM UNION HIGH SCHOOL
DISTRICT

By: _____

Title: Deputy Superintendent

ON BEHALF OF CONSULTANT:

CALIFORNIA SCHOOL MANAGEMENT
GROUP, INC.

By: *Gay T. Ciddler*

Title: President

Federal Tax Identification No. 73-1713662

EXHIBIT A

STATEMENT OF WORK

1. Funding Year 2009 Form 470 Planning

- a. CSM will schedule a kick-off meeting with stakeholders in the E-Rate process and establish deliverables. At a minimum, we suggest that representatives from the following district departments should attend: Business Services, Information Technology, Purchasing, Facilities, and Food Services. CSM highly recommends that this planning meeting be scheduled as soon as possible in order to allow adequate time for effective planning and execution of the E-Rate process.
- b. At a minimum, the following areas should be discussed at the kick-off and any necessary subsequent meetings:
 - i. Review of any current contracts/obligations for E-Rate funded services.
 - ii. Review and discuss the technology and communications needs of the district, for Funding Year 2009 as well as long term needs.
 - iii. Based on needs determined, define those that are eligible for E-Rate funding (Priority One and Priority Two services).
 - iv. Establish and agree upon a list of equipment/services that will be included on the E-Rate Form(s) 470.
 - v. Discuss any procurement regulations and requirements necessary to meet both E-Rate and local procurement guidelines.
 - vi. Review of 2-in-5 rule and its impact on applications for Priority Two services.
 - vii. Calculate and review E-Rate discounts of school sites and district. Strategize on ways to optimize discounts.
 - viii. Review of budget and availability of district's funding sources to meet its share of E-Rate projects.
 - ix. Discuss document retention requirements and responsibilities.
 - x. Create a timeline of deliverables and assign responsibilities.
- c. These areas of discussion will encompass all possible projects, equipment, and services that have the potential for E-Rate funding, including any new services that may be established during the planning meetings:
 - i. **Priority One Services:** Telecommunications (data), Telecommunications (voice), Internet Access, Long Distance, and Cellular.
 - ii. **Priority Two Services:** to be discussed

2. Master Technology Plan Review

Anaheim Union High School District's three year Master Technology Plan was approved as of 07/01/2008 and will not be up for a complete revision until 06/30/2011 (October 2010).

- a. CSM will review the current plan and determine if it needs to be amended in order to include any planned changes that may be funded by E-Rate.
- b. CSM will make recommendations for any necessary amendments (including budget) as they relate to Funding Year 2009, and will prepare an addendum if requested by the district.

3. Form 470 Posting and Issuing of Request for Bid/Proposal

- a. CSM will prepare for district signature/certification and post E-Rate Form(s) 470 for requested equipment and services in conjunction to the release of any required Request for Bid/Proposal(s) or as part of ongoing tariff/MTM services.
- b. Prior to the posting of the Form(s) 470, CSM will review all Request for Bid/Proposal language with the district's Purchasing department to ensure compliance with E-Rate guidelines.

4. Review of Telecommunications Carrier Services and Contracts

- a. CSM will review all current telecommunications and Internet service providers' bills and contracts. The review will include at a minimum the following components:
 - i. Recurring monthly charges
 - ii. Non-recurring charges
 - iii. Rates
 - iv. Service Level Agreements
 - v. Terms and conditions
 - vi. Time remaining on the contract(s)
 - vii. Basic termination charges
- b. Upon completion of the review CSM will use this information to establish the costs associated with Block 5 of the Form 471 application(s) and make recommendations and assist in negotiating new contracts as needed.
- c. The District will need to include CSM in any communications and Request for Bid/Proposal processes involving carrier services in which CSM may assist the District.

5. Form 471 Planning

CSM will coordinate all necessary steps in order to prepare the Form(s) 471 in order to meet E-Rate guidelines:

- a. **Form 471, Block 4: Calculation of E-Rate discounts.** CSM will work with the district's Food Services department to collect documentation regarding participation in the National School Lunch Program. CSM will calculate the E-Rate discount for all school sites and the district. Additionally, CMS will strategize bundling opportunity for maximum Priority Two application opportunity.
- b. **Form 471, Block 5: Funding Requests**
 - i. **Cost review of current Telecommunications Services (voice).** For existing tariff services, CSM will review the costs for all billed telephone numbers (BTN's) in order to claim all eligible costs for all eligible sites on the Form 471 application. The district must provide access to billing account information during this process.
 - ii. **Funding requests for new services.** CSM will prepare funding requests for all newly contracted Priority One and Priority Two services. This will include at a minimum: determining eligible recurring costs, determining eligible non-recurring costs, and preparing cost allocations for any ineligible costs.
 - iii. **Form 471, Block 6: Budget documentation.** CSM will collect the necessary budget documentation from Business Services required to complete Block 6 of the Form(s) 471.
 - iv. **Contract execution.** CSM will facilitate the execution of all contracts and ATO's (Authorizations to Order) to ensure that they fall within the E-Rate Form 471 filing window (if needed).
 - v. **Documentation for Item 21 Attachments.** CSM will collect documentation necessary for all E-Rate Item 21 Attachments.

6. Form(s) 471 Filing

CSM will prepare for district signature/certification and submit all of the district's Form(s) 471 for E-Rate Funding Year 2009. CSM will determine the ultimate number of Form(s) 471 necessary in conjunction with the district as a result of E-Rate planning, process, number and types of funding requests, and best practices.

- a. At a minimum, CSM will file Form(s) 471 for the following services:
 - i. **Priority One Services:** Telecommunications (data), Telecommunications (voice), Internet Access, Long Distance, and Cellular.
 - ii. **Priority Two Services:** to be discussed.
- b. CSM will also prepare and submit all supporting Item 21 Attachments.

7. Program Integrity Review (PIA)

CSM will respond to all requests for further information from USAC's PIA regarding Funding Year 2009 applications. This may include: providing documentation regarding calculation of E-Rate discounts, providing further documentation regarding funding requests beyond the Item 21 Attachments, and answering any questions regarding the funding requests.

8. Item 25 Selective Review

Should the district be selected for an Item 25 Selective Review, CSM will work with the district to collect any additional detailed documentation as required, including detailed budget information, and will prepare the Item 25 response.

9. Filing of Form(s) 486

Upon receipt of the Funding Commitment Decision Letter (FCDL) and start of services, CSM will file all necessary Form(s) 486 for Funding Year 2009 funding requests. Multiple Form(s) 486 may be necessary due to the number of Priority Two projects. CSM will coordinate the filing of the Form(s) 486 with the start of services (projects) to ensure that they are filed at the correct time.

10. Collection of E-Rate Funds

CSM will discuss with the district the various methods available to collect approved E-Rate funding. CSM will then work with the selected service providers to ensure that the district receives its approved E-Rate funds:

- a. **Discounts:** Discounts on bills (required for services where CTF is applied). CSM will complete and submit the documentation service providers require (Grids, Data Gathering Forms) in order for district to receive discounts.
- b. **Billed Entity Applicant Reimbursement (BEAR) Form 472:** CSM will prepare and submit BEAR forms for eligible services. The district will receive E-Rate funds in the form of a reimbursement check.
- c. **Service Certifications:** CSM will assist the district and service providers to complete these forms as required for Priority One and Priority Two projects.

11. Form(s) 500 and Invoice Deadline Extension Request(s)

Should a project funded for Funding Year 2009 not be implemented during the implementation window, CSM, at the district's direction, will file Form(s) 500 to extend the implementation window, or to cancel the funding request. CSM will also file any Invoice Deadline Extension Requests found necessary so that the district receives its approved funding for implemented projects and services for Funding Year 2009.

12. Final Summary

In working with our large client base CSM has found that the above Scope

of Work covers the majority of work involved in successful E-Rate applications and recovery of E-Rate funds. CSM has the flexibility to modify the Scope of Work per an individual district's needs. Should the district identify further services required, we are confident that CSM will be able to accommodate the request.

The cost for services rendered regarding the E-Rate application process as referred to in the Scope of Work above shall amount to **\$23,000.**

ADDITIONAL SERVICES

The audit documentation requests of the FCC E-Rate program have increased dramatically to include complete funding year end reconciliation documentation. A condition of participation in the E-Rate process is that the applicant is required to maintain documentation to support the attestations and certifications made throughout the application and receipt of funding processes. In addition to previous requests, auditors are requiring asset system verification and detailed documentation of all eligible costs incurred for telecommunications, internet access and all other priority one services. This increased documentation requirement is beyond the scope of our contract. In order to provide coverage for these new audit requests, the District can opt to request that the Consultant develop and maintain audit documentation regarding the E-Rate program on a current (active year) basis and prepare an audit binder that will serve as the documentation required to be provided to auditors contracted by the Federal Communications Commission (FCC). The service will include copies of all required forms and applications, certifications, approval letters, complete reconciliation documentation for filing year end (whether SPI (Form 474) or BEAR (Form 472)), asset system verification (if applicable) and all back-up documents required for proof of processes. The service includes monthly verification of costs incurred by the applicant for telecommunications, internet access and all other priority one services along with a year end reconciliation of said costs and applicable discounts and copies of paid warrants. This service will be provided for the Year 11 filing period at a fixed cost of **\$4,600.** The cost of this service is not included in the cost of services amount for Services relating to E-Rate in Appendix A of this agreement.

Please check the appropriate box for designation of service **Yes** **No**

TOTAL COST FOR ALL SERVICES: \$27,600.00

Invoices for services will be provided monthly beginning at final execution (or July 1, 2008 whichever is later) and continuing through June, 2009.

EXHIBIT B

PROOF OF INSURANCE

EXHIBIT C

FINGERPRINTING REQUIREMENTS

CONSULTANT CERTIFICATION

With respect to the Professional Services Agreement dated _____, 20____, by and between the AUHSD and CALIFORNIA SCHOOL MANAGEMENT GROUP, INC. ("CONSULTANT") for the provision of consulting services, CONSULTANT hereby certifies to the AUHSD'S governing boards that it has completed the criminal background check requirements of Education Code section 45125.1 and that none of its employees that may come in contact with AUHSD pupils have been convicted of a violent felony listed in Penal Code section 667.5(c), or a serious felony listed in Penal Code section 1192.7(c).

CONSULTANT'S Representative

Date

CONSULTANT EXEMPTION

Pursuant to Education Code section 45122.1, the AUHSD has determined that CALIFORNIA SCHOOL MANAGEMENT GROUP, INC. ("CONSULTANT") is exempt from the criminal background check certification requirements for the service Agreement dated August 28 2008, by and between AUHSD and CONSULTANT ("Agreement") because:

The CONSULTANT'S employees will have limited contact with AUHSD students during the course of the Agreement; or

Emergency or exceptional circumstances exist.

AUHSD Official

Date
