



Board Meeting Agenda

April 9, 2018

6:00 p.m.

Encore Education Corporation

Phone: (760) 949-2036

Fax (760) 956-3338

www.encorehighschool.com

Sites:

Hesperia

MEETING AT: 16955 Lemon Street, Hesperia, CA
92345 – CLASSROOM F 29

Riverside

MEETING AT: 3460 Orange Street, Riverside, CA
92501 – CLASSROOM H2

Board Members:

Lenny Esposito, Board President

Kelly Ahmed, Board Secretary/Treasurer

Suzanne Cherry, Member

Kathy Nielson, Member

Rob Gabler, Member

The Order of Business may be changed without notice: Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

Reasonable Limitations May be placed on public testimony: The Governing Board's presiding officer reserves the right to impose reasonable time limits on public testimony to ensure that the agenda is completed. For any person requiring a translator, this time will be doubled to account for translation time.

Special Presentation may be made: Notice is hereby given that, consistent with the requirements of the Bagley-Keene Open Meeting Act, special presentations not mentioned in the agenda may be made at this meeting. However, any such presentation will be for information only.

Reasonable Accommodation for any individual with a Disability: Pursuant to the Rehabilitation Act of 1973, any individual with a disability who requires reasonable accommodation to attend or to participate in this meeting of the Governing board may request assistance by contacting the EEC (760) 949-2036.

Public Documents relating to Open Session Agenda items are available for review by the public at the Reception Desk at Encore Education Corporation's Executive office or on the internet at www.encorehighschool.com. For more information concerning this agenda, please contact EEC (760) 949-2036.

1.0 CALL TO ORDER. The meeting was called to order at _____ (time).

2.0 OPEN GENERAL SESSION

ROLL CALL	Present	Absent
Lenny Esposito	_____	_____
Kelly Ahmed	_____	_____
Suzanne Cherry	_____	_____
Kathy Nielsen	_____	_____
Rob Gabler	_____	_____

3.0 APPROVAL OF THE AGENDA

MOTION: _____	Second: _____	Vote: _____		
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	___	___	___	___
Kelly Ahmed	___	___	___	___
Suzanne Cherry	___	___	___	___
Kathy Nielsen	___	___	___	___
Rob Gabler	___	___	___	___

4.0 INVITATION TO ADDRESS THE BOARD, OPEN SESSION ITEMS. This is the time and place for the general public to address the Board of Directors on any matter within jurisdiction of the Board. Comments should be limited to 3 minutes. Unless an item has been placed on the published agenda in accordance with the Brown Act, there shall be no action taken, nor should there be comments on, responses to, or discussion of a topic not on the agenda. The Board members may: (1) acknowledge receipt of information/report; (2) refer to staff with no direction as to action or priority; or (3) refer the matter to the next agenda.

5.0 CONSENT ITEMS. It is recommended that the board considers approving a number of agenda items as a consent list. These items are routine in nature and can be enacted in one motion without further discussion. Consent items may be called up by any member at the meeting for clarification, discussion, or change.

- 5.1** Monthly Fiscal Report – (Exhibit 5.1a Hesperia and 5.1b Riverside)
- 5.2** STRS, PERS, 403b payments - – (Exhibit 5.2)
- 5.3** Monthly Attendance Report – This months will have the P-2 reports for Hesperia and Riverside (Exhibits 5.3a Hesperia and 5.3b Riverside)
- 5.4** Data Reports – GPA Reports (Exhibit 5.4)
- 5.5** Meeting Minutes – Special Board Meeting March 12, 2018 (Exhibit 5.5)
- 5.6** Meeting Minutes – Special Board Meeting March 20, 2018 and (Exhibit 5.6)

6.0 INFORMATION ITEMS.

- 6.1** Staff Liaison reports – Each campus liaison will report on staff relations. – **VERBAL REPORT, NO MATERIALS PROVIDED**
- 6.2** Dean of Students reports – Each campus Dean will cover overall operations, parent & student meetings held. – **VERBAL REPORT, NO MATERIALS PROVIDED**
- 6.3** Dean of Academics reports – Each campus Dean will cover State Testing. (Exhibit 6.3)
- 6.4** Psychologist report – **VERBAL REPORT, NO MATERIALS PROVIDED**
- 6.5** Counselors report – **VERBAL REPORT, NO MATERIALS PROVIDED**
- 6.6** Health Tech report – **VERBAL REPORT, NO MATERIALS PROVIDED**
- 6.7** Internal Action Plan Update – **VERBAL REPORT, NO MATERIALS PROVIDED** Report given by – CEO Mrs. Denise Griffin
- 6.8** Implementation of Student Council Report – Given by CEO Mrs. Denise Griffin – Agendas for the first meetings will be given. (Exhibit 6.8a Hesperia and 6.8b Riverside)
- 6.9** Corrected and signed version of Action Item 5.1 from the Special Board Meeting 3-20-18. Resolution. (Exhibit 6.9)
- 6.10** Signed Financing Agreement with Charter Asset Management from the Special Board Meeting 3-20-18. (Exhibit 6.10)

7.0 ACTION ITEMS.

7.1 Vote for Approval – INTERNSHIP AGREEMENT WITH NATIONAL UNIVERSITY. School Site and University will partner to support the following programs: Teacher Education Internship Credential, Special Education Internship Credential. Preliminary Administrative Services Internship Credential. Pupil Personnel Services Internship Credential. **(Exhibit**

MOTION: _____	Second: _____	Vote: _____		
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	___	___	___	___
Kelly Ahmed	___	___	___	___
Suzanne Cherry	___	___	___	___
Kathy Nielsen	___	___	___	___
Rob Gabler	___	___	___	___

7.2 Vote for Approval – SCHOOL INNOVATIONS & ACHIEVEMENT AGREEMENT. Agreement to retain services for the preparation of the annual school accountability report card (“SARC”) for Hesperia and Riverside Campuses. **(Exhibit 7.2)**

MOTION: _____	Second: _____	Vote: _____		
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	___	___	___	___
Kelly Ahmed	___	___	___	___
Suzanne Cherry	___	___	___	___
Kathy Nielsen	___	___	___	___
Rob Gabler	___	___	___	___

7.3 Vote for Approval – FORMAL ADOPTION OF ACTION PLAN FOR RUSD. The executive team has created an action plan with the help of legal team, YMC to address and remedy the notice of violation given by RUSD. **(Exhibit 7.3)**

MOTION: _____	Second: _____	Vote: _____		
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	___	___	___	___
Kelly Ahmed	___	___	___	___
Suzanne Cherry	___	___	___	___
Kathy Nielsen	___	___	___	___
Rob Gabler	___	___	___	___

7.4 Vote for Approval – AGREEMENT FOR CHARTER SCHOOL BUSINESS & ADMINISTRATIVE SERVICES WITH DELTA MANAGED SOLUTIONS, INC. The term of this Agreement shall be twenty-four (24) months, for the period beginning on July 1, 2018 and ending on June 30, 2020. **(Exhibit 7.4)**

MOTION: _____	Second: _____	Vote: _____		
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	___	___	___	___
Kelly Ahmed	___	___	___	___
Suzanne Cherry	___	___	___	___
Kathy Nielsen	___	___	___	___
Rob Gabler	___	___	___	___

8.0 BOARD COMMENTS / REPORTS. The Governing Board will take comments/updates from fellow board members, and the EEC Executive Administration for future agenda issues.

9.0 ADJOURN TO CLOSED SESSION

Pursuant to Government code section 54957, the Board may adjourn to closed session at any time during the meeting to discuss staff/student personnel matters, negotiations, litigation, and/or acquisition of land or facilities. The board will adjourn to closed session in a private area for discussion and may take action on the following closed session items.

A. Student Discipline appeals. Due to the confidential nature of discipline appeals, all student discipline appeals take place in closed session.

There are no student discipline appeals scheduled for this meeting.

B. Pending Litigation. Due to the confidential nature of any litigation that may come against the corporation, issues relating specifically to pending legal issues are orders of closed session.

There are no pending litigation discussions scheduled for this meeting.

C. Real Estate Negotiation. In the intent of fair and legal bargaining power, issues related to real estate negotiations are discussed in closed session.

Discussions regarding progress of purchase of potential Riverside campus property will take place.

D. Employee Actions. Any actions that may take place in regards to employees including disciplinary and corrective actions are discussed within closed session.

Discussions about specific employees laid off in the reduction of workforce will take place.

10.0 RECONVENE AFTER CLOSED SESSION.

At the conclusion of closed session, the Board will reconvene in open session for the purposes of disclosing in public session any actions taken during closed session regarding the outlined scope of closed session.

11.0 ADJOURNMENT

MOTION: _____	Second: _____	Vote: _____		
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	___	___	___	___
Kelly Ahmed	___	___	___	___
Suzanne Cherry	___	___	___	___
Kathy Nielsen	___	___	___	___
Rob Gabler	___	___	___	___

The meeting adjourned at _____ (time).

The next meeting will be held, Monday, May 14 at 6:00 pm



Exhibit
5.1a

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

Monthly Fiscal Report Hesperia



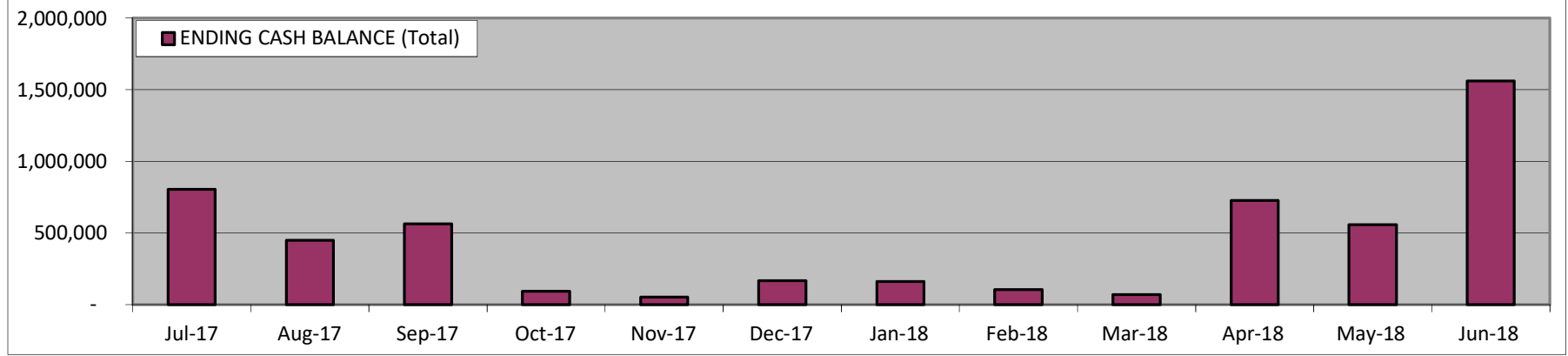
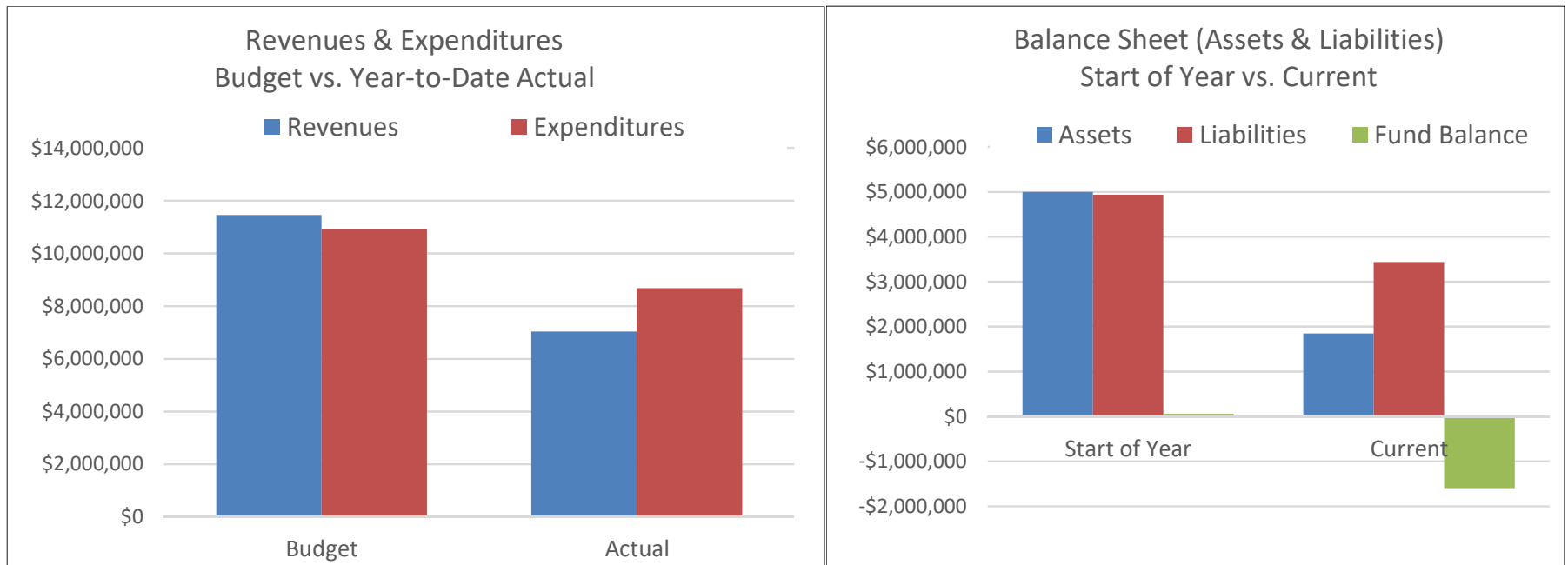
Encore Education Corp. - Hesperia

Monthly Financial Update (Actuals through March 31, 2018)

Encore Education Corp. (Hesperia Only)

Monthly Financial Update (Actuals through March 31, 2018)

KEY METRICS & FINANCIAL DASHBOARD



Encore Education Corp. - Hesperia
Monthly Financial Update (Actuals through March 31, 2018)
SUMMARY NARRATIVE

Encore-Hesperia's final P-2 ADA has been completed. The final total is 15.65 less than budgeted at Second Interim, which will result in approximately \$185,000 less in revenues.

Expenditures are generally on track with the Second Interim Budget, and are currently on track to end up \$27,395 more than budgeted.

The combined impact of these changes is a reduction in projected surplus of (\$212,290) to \$332,281. This will increase ending balance to \$390,821, or 3.58% of expenses.

The 2017 Revenue Anticipation Notes has been received by the Paying Agent and will be paid in full as agreed on July 1, 2018 with no additional amounts due from Encore. With the successful CAM factoring structure in place, cash flow is on track and sufficient cash flow balances are projected in each month of the coming year. Anticipated additional factoring needs are reflected in the projected cash flow.

Going forward, the Monthly Financial Update will be provided for each month in which an overall budget update is not scheduled. In those months, the budget update will contain year-to-date actuals and will replace this Update. The next official budget update is the 2018-19 July Budget and is due by June 30, 2018.

Encore Education Corp. (Hesperia Only)
Monthly Financial Update (Actuals through March 31, 2018)
Revenue Adjustments

Because changes in per-student funding are not evenly spread out over the year and do not often show up until the end of the year, comparing year-to-date percentages of revenues received will generally not capture a difference in overall funding in the same way that comparisons of year-to-date spending against historical averages does. To ensure funding differences are being correctly reflected in the budget vs. actual calculations, this page shows the fiscal impact of changes in "Average Daily Attendance" (ADA) on overall annual revenues. This difference is then shown in the "Adjustments" column of the Budget Vs. Actuals page.

Budgeted ADA (from most recent budget)	Current Projected ADA:	Excess/(Shortfall) in Total ADA
P-1:		
967.60	967.60	-
P-2:		
968.64	952.99	(15.65)

Revenue/Funding Type	Adjustment to Revenues
LCFF Funding	(140,649)
Federal Revenues	(10,462)
Other State Funding	(30,505)
Other Local Revenues	(3,379)
Revenue Variance from Current Budget:	\$ (184,995)

Encore Education Corp. (Hesperia Only)
Monthly Financial Update (Actuals through March 31, 2018)
Year-to-Date Budget vs. Actuals

	Budget	Actuals	YTD Actuals as % of Budget	Portion of Year Complete	Variance (in %)	Adjustments ²	Adjusted Variance (in % of Budget)	Adjusted Variance (in \$)
Revenues								
LCFF Main Funding	8,705,311	5,491,782	63.1%					\$ (140,649)
Federal	647,562	516,492	79.8%					(10,462)
Other State	1,888,082	867,704	46.0%					(30,505)
Other Local	209,116	155,402	74.3%					(3,379)
Revenues Total	11,450,071	7,031,381	61.4%					\$ (184,995)
Expenditures								
Certificated Salaries	2,480,134	1,841,081	74.2%	75.0%	-0.8%	-5.5%	-6.3%	\$ (155,427)
Classified Salaries	2,677,361	2,170,244	81.1%	75.0%	6.1%	-3.0%	3.1%	81,902
Benefits	1,714,439	1,384,318	80.7%	75.0%	5.7%	-2.0%	3.7%	64,200
Books & Supplies	386,516	303,231	78.5%	75.0%	3.5%	-17.0%	-13.5%	(52,363)
Services & Operations	3,521,949	2,981,137	84.6%	75.0%	9.6%	-7.1%	2.5%	89,616
Capital Outlay	125,000	0	-	75.0%	-75.0%	75.0%	0.0%	-
Other Outgo	0	0	-	75.0%	-75.0%	0.0%	-75.0%	-
Expenditures Total	10,905,400	8,680,010	79.6%	75.0%	4.6%			\$ 27,927

NET REVENUES	\$544,671	(\$1,648,629)	Variance From Latest Approved Budget :					\$ (212,922)
							over budget	

NOTES & KEY POINTS:

On track and on budget

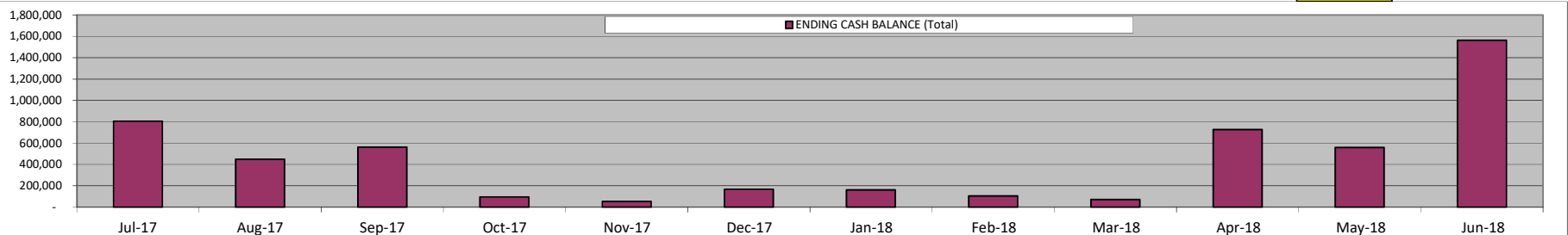
Surplus in Latest Board-Approved Budget:	\$ 544,671
Current Projected Variance from Latest Budget:	(212,922)
Current Projected Surplus (Loss) This Year:	\$ 331,749
Plus: Beginning Balance This Year:	58,539
New Projected Ending Balance This Year:	\$ 390,289
Ending Balance as % of Expenditures:	3.58%

Encore Education Corp. (Hesperia Only)
Monthly Financial Update (Actuals through March 31, 2018)
Year-To-Date Balance Sheet

ASSETS	Balance on 7/1/17	Current Balance	Change Since Start Of Year
CURRENT ASSETS			
Cash & Cash Equivalents	\$ 262,804	\$ 70,062	\$ (192,742)
Accounts Receivable	1,241,559	114,569	(1,126,991)
Other Current Assets	31,513	(300)	(31,813)
TTL CURRENT ASSETS	\$ 1,535,876	\$ 184,330	\$ (1,351,546)
OTHER ASSETS			
Property & Equipment	\$ 761,693	\$ 860,084	\$ 98,391
Due From: Riverside Campus	2,700,000	805,500	(1,894,500)
Deposits	-	-	-
TTL OTHER ASSETS	\$ 3,461,693	\$ 1,665,584	\$ (1,796,109)
TTL ASSETS	\$ 4,997,569	\$ 1,849,915	\$ (3,147,654)
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable	\$ 762,752	\$ 1,263,727	\$ 500,975
Short-Term Debt (RANs/Loans)	-	-	-
TTL CURRENT LIABILITIES	\$ 762,752	\$ 1,263,727	\$ 500,975
LONG-TERM LIABILITIES			
Due To: Hesperia Campus	-	-	\$ -
Other Long-Term Liabilities	4,176,278	2,176,278	(2,000,000)
TTL LONG-TERM LIABILITIES	\$ 4,176,278	\$ 2,176,278	\$ (2,000,000)
TTL LIABILITIES	\$ 4,939,030	\$ 3,440,005	\$ (1,499,025)
ENDING NET ASSET BALANCE	\$ 58,539	\$ (1,590,090)	\$ (1,648,629)

Encore Education Corp. (Hesperia Only)
Monthly Financial Update (Actuals through March 31, 2018)
Monthly Cash Flow Statement

Description	Most Recent Approved Budget	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	BUDGET	Accruals	TOTAL
		Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18		
BEGINNING CASH		262,804	805,403	447,696	562,271	94,879	51,617	167,680	161,047	105,382	70,062	726,343	558,801	1,561,789	262,804
CASH INFLOWS															
REVENUES															
State Aid	7,055,563	-	359,774	359,774	647,592	647,592	647,592	647,592	647,592	605,858	657,347	657,347	1,036,854	-	6,914,914
EPA	1,322,592	-	-	347,090	-	-	-	347,091	-	-	332,204	-	-	296,207	1,322,592
In-Lieu Of Property Taxes	327,155	-	-	-	59,950	53,288	-	53,288	26,644	46,627	22,567	22,567	22,567	19,657	327,155
Prior Year Corrections	-	-	-	5	-	-	-	-	-	(5,568)	-	-	-	5,563	-
Federal	647,562	-	-	78,365	86,653	56,710	31,231	165,308	16,646	81,579	89,118	-	28,500	2,989	637,100
Other State	1,888,082	-	-	43,352	19,283	436,633	88,048	75,253	37,857	167,278	176,095	176,095	200,667	437,016	1,857,577
Other Local	209,116	28,571	9,545	6,789	55,528	2,753	1,338	20,117	9,839	20,923	9,500	9,500	9,500	21,835	205,737
TTL REVENUES	11,450,071	28,571	369,319	835,375	869,005	1,196,977	768,209	1,308,650	738,578	916,698	1,286,831	865,509	1,298,088	783,268	11,265,076
EXPENDITURES															
Certificated Salaries	2,480,134	147,913	80,297	222,179	258,034	219,827	238,573	247,059	214,115	213,085	198,500	198,500	82,500	4,126	2,324,707
Classified Salaries	2,677,361	78,409	140,710	273,784	292,090	364,648	254,693	244,800	290,425	230,685	215,000	215,000	148,550	10,470	2,759,263
Benefits	1,714,439	44,944	72,712	166,966	184,050	223,812	295,593	25,970	218,197	152,073	127,500	127,500	127,500	11,821	1,778,639
Books & Supplies	386,516	11,921	16,827	27,813	89,365	38,263	38,684	8,559	39,035	32,765	9,500	9,500	9,500	2,421	334,153
Services & Operations	3,521,949	230,128	564,791	335,744	298,592	375,344	213,395	352,590	218,132	392,420	178,550	197,190	206,223	48,466	3,611,566
Capital Outlay	125,000	-	-	-	-	-	-	-	-	-	-	-	-	125,000	125,000
Other Outgo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TTL EXPENSES	10,905,400	513,314	875,337	1,026,486	1,122,130	1,221,894	1,040,938	878,979	979,904	1,021,028	729,050	747,690	574,273	202,304	10,933,327
	544,671														331,749
OTHER CASH INFLOWS/OUTFLOWS															
Accounts Receivable (net change)		891,607	60,135	155,651	19,598	-	-	-	-	-	-	-	-	-	1,126,991
Loan Proceeds / Factoring		-	3,700,000	-	-	-	-	-	-	1,150,000	350,000	250,000	-	-	5,450,000
Loan Repayment (Principal Only)		-	(2,862,625)	(1,156,000)	(220,000)	(500,000)	-	-	(2,450,000)	-	-	(535,360)	(526,327)	-	(8,250,312)
Net Change in Payables		123,436	(346,484)	594,075	(256,082)	431,655	196,574	(221,026)	148,942	(170,115)	(251,500)	-	-	-	249,475
Fixed Asset Acquisitions		(19,214)	(2,715)	(26,964)	(7,781)	-	(7,781)	(15,278)	(7,781)	(10,876)	-	-	-	-	(98,391)
Other Cash Inflows/Outflows		31,513	(400,000)	738,925	250,000	50,000	200,000	(200,000)	2,494,500	(900,000)	-	-	805,500	-	3,070,438
TTL OTHER INFLOWS/OUTFLOWS		1,027,342	148,311	305,687	(214,266)	(18,345)	388,793	(436,304)	185,661	69,009	98,500	(285,360)	279,173		1,548,200
ENDING CASH BALANCE (Total)		805,403	447,696	562,271	94,879	51,617	167,680	161,047	105,382	70,062	726,343	558,801	1,561,789		52.1



Encore Education Corp. (Hesperia Only)
Monthly Financial Update (Actuals through March 31, 2018)
Comparison With Statewide Averages

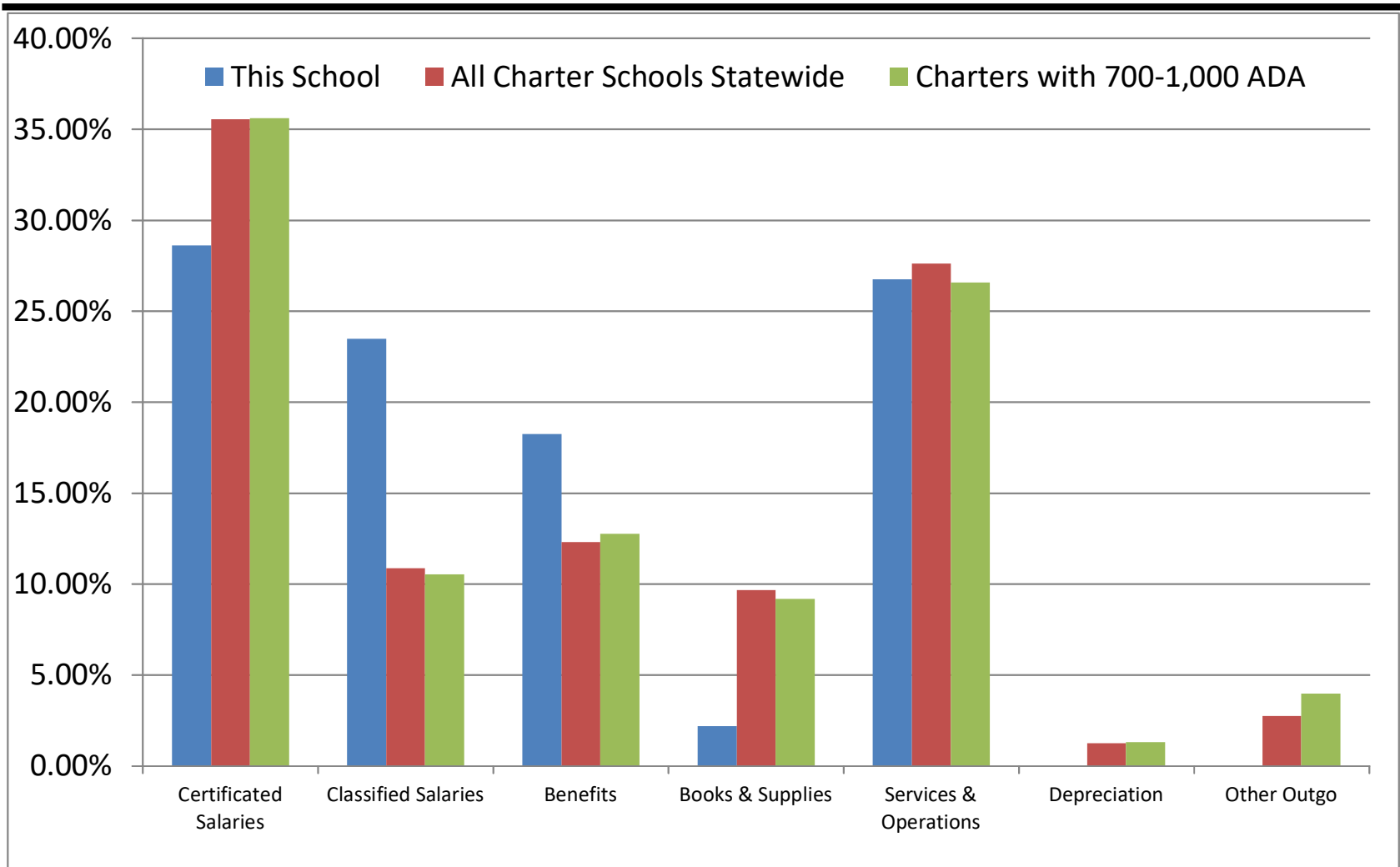




Exhibit
5.1b

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

Monthly Fiscal Report Riverside



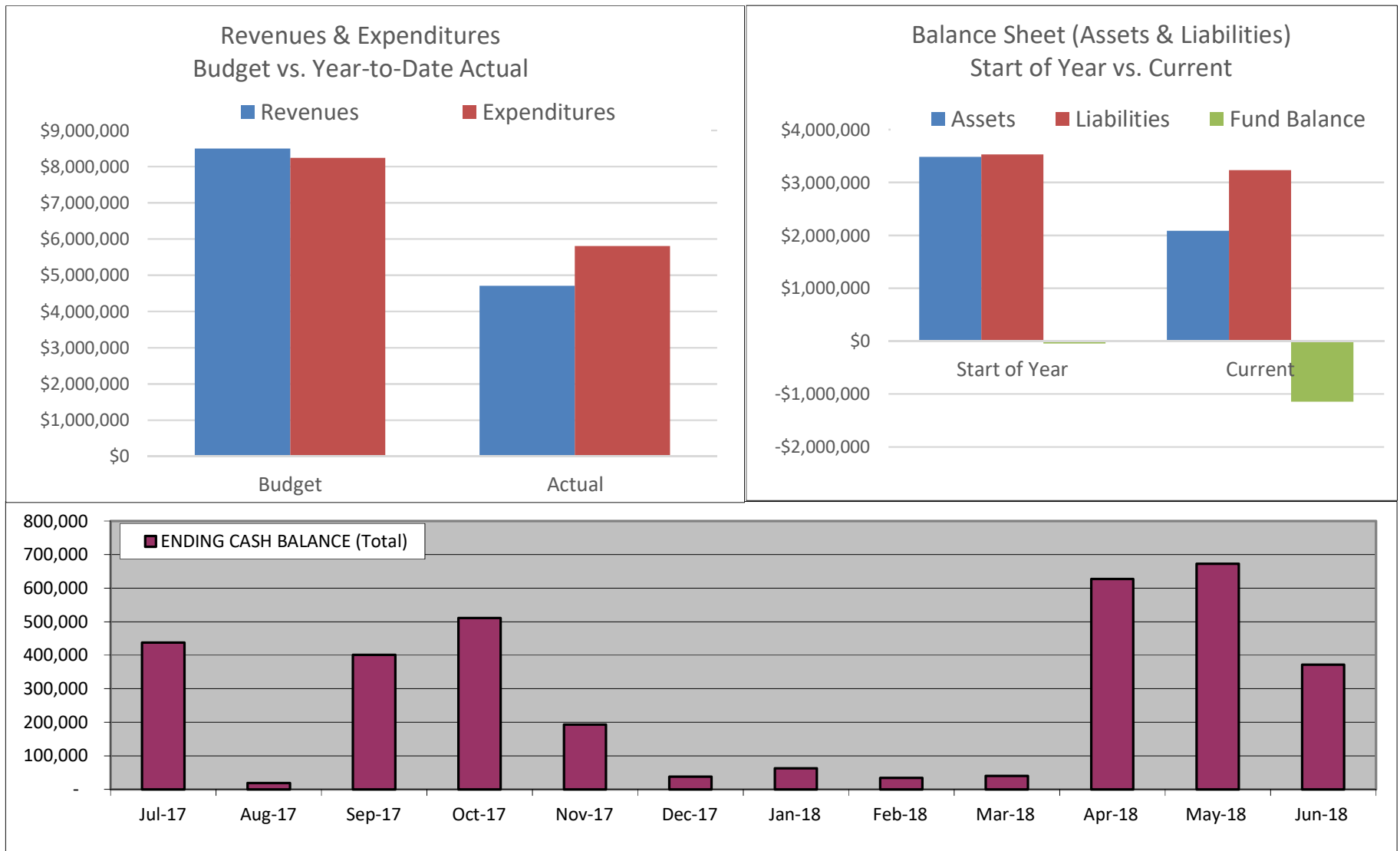
Encore Education Corp. - Riverside

Monthly Financial Update (Actuals through March 31, 2018)

Encore Education Corp. (Riverside Only)

Monthly Financial Update (Actuals through March 31, 2018)

KEY METRICS & FINANCIAL DASHBOARD



Encore Education Corp. - Riverside
Monthly Financial Update (Actuals through March 31, 2018)
SUMMARY NARRATIVE

Encore-Riverside's final P-2 ADA has been completed. The final total is 11.01 less than budgeted at Second Interim, which will result in approximately \$120,000 less in revenues.

Expenditures are tracking lower than budgeted as well, and are currently on track to end up \$171,749 less than budgeted.

The combined impact of these changes is an increase in projected surplus of \$51,963 to \$313,968. This will increase ending balance to \$266,385, or 3.23% of expenses.

The 2017 Revenue Anticipation Notes has been received by the Paying Agent and will be paid in full as agreed on July 1, 2018 with no additional amounts due from Encore. With the successful CAM factoring structure in place, cash flow is on track and sufficient cash flow balances are projected in each month of the coming year. Anticipated additional factoring needs are reflected in the projected cash flow.

Going forward, the Monthly Financial Update will be provided for each month in which an overall budget update is not scheduled. In those months, the budget update will contain year-to-date actuals and will replace this Update. The next official budget update is the 2018-19 July Budget and is due by June 30, 2018.

Encore Education Corp. (Riverside Only)
Monthly Financial Update (Actuals through March 31, 2018)
Revenue Adjustments

Because changes in per-student funding are not evenly spread out over the year and do not often show up until the end of the year, comparing year-to-date percentages of revenues received will generally not capture a difference in overall funding in the same way that comparisons of year-to-date spending against historical averages does. To ensure funding differences are being correctly reflected in the budget vs. actual calculations, this page shows the fiscal impact of changes in "Average Daily Attendance" (ADA) on overall annual revenues. This difference is then shown in the "Adjustments" column of the Budget Vs. Actuals page.

Budgeted ADA (from most recent budget)	Current Projected ADA:	Excess/(Shortfall) in Total ADA
P-1:		
786.60	786.60	-
P-2:		
781.28	770.27	(11.01)

Revenue/Funding Type	Adjustment to Revenues
LCFF Funding	(95,882)
Federal Revenues	(2,795)
Other State Funding	(20,799)
Other Local Revenues	(310)
Revenue Variance from Current Budget:	\$ (119,786)

Encore Education Corp. (Riverside Only)
Monthly Financial Update (Actuals through March 31, 2018)
Year-to-Date Budget vs. Actuals

	Budget	Actuals	YTD Actuals as % of Budget	Portion of Year Complete	Variance (in %)	Adjustments ²	Adjusted Variance (in % of Budget)	Adjusted Variance (in \$)
Revenues								
LCFF Main Funding	6,803,892	4,151,814	61.0%					\$ (95,882)
Federal	198,304	0	0.0%					(2,795)
Other State	1,475,916	517,966	35.1%					(20,799)
Other Local	22,000	35,457	161.2%					(310)
Revenues Total	8,500,113	4,705,238	55.4%					\$ (119,786)
Expenditures								
Certificated Salaries	2,357,607	1,631,199	69.2%	75.0%	-5.8%	0.0%	-5.8%	\$ (137,007)
Classified Salaries	1,933,623	1,370,828	70.9%	75.0%	-4.1%	0.0%	-4.1%	(79,389)
Benefits	1,503,920	1,001,864	66.6%	75.0%	-8.4%	0.0%	-8.4%	(126,077)
Books & Supplies	181,105	175,013	96.6%	75.0%	21.6%	-21.6%	0.0%	-
Services & Operations	2,202,662	1,624,481	73.8%	75.0%	-1.2%	9.0%	7.8%	170,724
Capital Outlay	59,191	0	-	75.0%	-75.0%	75.0%	0.0%	-
Other Outgo	0	0	-	75.0%	-75.0%	0.0%	-75.0%	-
Expenditures Total	8,238,108	5,803,384	70.4%	75.0%	-4.6%			\$ (171,749)
NET REVENUES	\$262,005	(\$1,098,146)					Variance From Latest Approved Budget :	\$ 51,963 better than budget

NOTES & KEY POINTS:

Reduced expenditures are not yet reflecting lower enrollment - this needs to be a priority at First Interim if not already done.

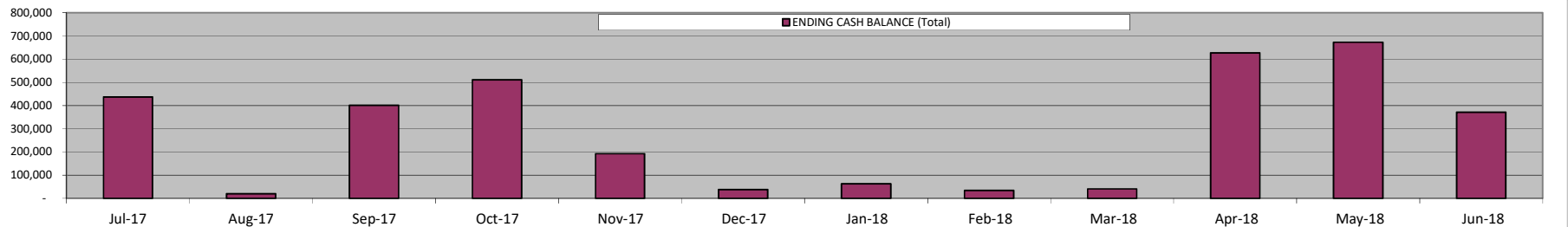
Surplus in Latest Board-Approved Budget:	\$ 262,005
Current Projected Variance from Latest Budget:	51,963
Current Projected Surplus (Loss) This Year:	\$ 313,968
Plus: Beginning Balance This Year:	(47,583)
New Projected Ending Balance This Year:	\$ 266,385
Ending Balance as % of Expenditures:	3.23%

Encore Education Corp. (Riverside Only)
Monthly Financial Update (Actuals through March 31, 2018)
Year-To-Date Balance Sheet

ASSETS	Balance on 7/1/17	Current Balance	Change Since Start Of Year
CURRENT ASSETS			
Cash & Cash Equivalents	\$ 347,081	\$ 40,331	\$ (306,750)
Accounts Receivable	1,665,093	(5,235)	(1,670,328)
Other Current Assets	<u>144,508</u>	<u>-</u>	<u>(144,508)</u>
TTL CURRENT ASSETS	\$ 2,156,682	\$ 35,096	\$ (2,121,586)
OTHER ASSETS			
Property & Equipment	\$ 1,329,406	\$ 1,550,308	\$ 220,902
Due From: Riverside Campus	-	-	-
Deposits	<u>-</u>	<u>505,408</u>	<u>505,408</u>
TTL OTHER ASSETS	\$ 1,329,406	\$ 2,055,716	\$ 726,310
TTL ASSETS	\$ 3,486,088	\$ 2,090,812	\$ (1,395,275)
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable	\$ 516,150	\$ 275,186	\$ (240,964)
Short-Term Debt (RANs/Loans)	<u>-</u>	<u>-</u>	<u>-</u>
TTL CURRENT LIABILITIES	\$ 516,150	\$ 275,186	\$ (240,964)
LONG-TERM LIABILITIES			
Due To: Hesperia Campus	2,700,000	805,500	\$ (1,894,500)
Other Long-Term Liabilities	<u>317,520</u>	<u>2,155,855</u>	<u>1,838,335</u>
TTL LONG-TERM LIABILITIES	\$ 3,017,520	\$ 2,961,355	\$ (56,165)
TTL LIABILITIES	\$ 3,533,671	\$ 3,236,541	\$ (297,129)
ENDING NET ASSET BALANCE	\$ (47,583)	\$ (1,145,729)	\$ (1,098,146)

Encore Education Corp. (Riverside Only)
Monthly Financial Update (Actuals through March 31, 2018)
Monthly Cash Flow Statement

Description	Most Recent Approved Budget	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	BUDGET	Accruals	TOTAL
		Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18		
BEGINNING CASH		347,081	436,865	19,246	401,258	510,870	192,526	37,772	62,425	33,740	40,331	626,886	672,994	371,374	347,081
CASH INFLOWS															
REVENUES															
State Aid	5,299,099	-	218,981	442,556	394,166	394,166	394,166	451,147	394,166	514,669	539,690	539,690	539,690	380,129	5,203,217
EPA	158,720	-	-	33,089	-	-	-	33,088	-	-	51,750	-	-	40,793	158,720
In-Lieu Of Property Taxes	1,346,073	-	76,986	134,696	129,938	89,797	89,787	89,797	89,797	189,724	108,136	108,136	108,136	131,143	1,346,073
Prior Year Corrections	-	-	-	-	1,247	-	-	-	-	(10,149)	(10,149)	(10,149)	(10,149)	39,349	-
Federal	198,304	-	-	-	-	-	-	-	-	-	-	25,753	-	169,756	195,509
Other State	1,475,916	-	-	32,608	(2,153)	307,598	48,788	101,778	29,347	-	174,203	174,203	174,203	414,543	1,455,117
Other Local	22,000	1,000	4,310	2,015	1,381	1,287	832	5,443	2,405	16,786	2,000	-	-	(15,767)	21,690
TTL REVENUES	8,500,113	1,000	300,277	644,964	524,579	792,848	533,573	681,252	515,715	711,030	865,630	837,633	811,880	1,159,946	8,380,327
EXPENDITURES															
Certificated Salaries	2,357,607	117,259	55,453	207,740	198,622	218,517	209,780	222,178	201,173	200,478	185,000	185,000	185,000	34,402	2,220,601
Classified Salaries	1,933,623	50,211	71,153	158,655	172,897	242,161	172,981	149,586	190,172	163,012	163,012	163,012	112,000	45,381	1,854,233
Benefits	1,503,920	32,514	40,310	124,580	118,019	145,889	133,278	141,004	136,257	130,013	130,013	130,013	97,500	18,454	1,377,844
Books & Supplies	181,105	9,297	3,459	31,959	39,914	35,832	19,342	2,070	9,137	24,003	1,200	1,200	2,492	181,105	
Services & Operations	2,202,662	147,085	150,919	239,445	168,715	197,732	95,165	164,684	153,390	307,346	135,000	154,850	164,500	294,555	2,373,386
Capital Outlay	59,191	-	-	-	-	-	-	-	-	-	-	-	-	59,191	59,191
Other Outgo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TTL EXPENSES	8,238,108	356,366	321,294	762,379	698,166	840,130	630,546	679,522	690,129	824,851	614,225	634,075	560,200	454,475	8,066,359
	262,005														313,968
OTHER CASH INFLOWS/OUTFLOWS															
Accounts Receivable (net change)		732,449	-	60,228	736,786	32,012	-	51,353	57,500	-	-	-	-	-	1,670,238
Loan Proceeds / Factoring		-	200,000	-	-	-	-	191,667	-	330,000	600,000	425,000	825,000	2,492	2,571,667
Loan Repayment (Principal Only)		-	-	(200,000)	(258,333)	(58,333)	(208,333)	-	(52,833)	-	-	(582,450)	(572,800)	-	(1,933,082)
Net Change in Payables		(234,405)	(283,665)	678,617	(164,016)	(192,322)	155,740	(159,912)	150,275	(191,275)	(264,850)	-	-	-	(505,814)
Fixed Asset Acquisitions		(41,992)	(62,937)	(39,418)	(31,238)	(2,419)	(5,188)	(10,185)	(9,213)	(18,313)	-	-	-	-	(220,902)
Other Cash Inflows/Outflows		(10,900)	(250,000)	-	-	(50,000)	-	(50,000)	-	-	-	-	(805,500)	-	(1,166,400)
TTL OTHER INFLOWS/OUTFLOWS		445,151	(396,602)	499,427	283,199	(271,062)	(57,781)	22,923	145,729	120,412	335,150	(157,450)	(553,300)		415,796
ENDING CASH BALANCE (Total)		436,865	19,246	401,258	510,870	192,526	37,772	62,425	33,740	40,331	626,886	672,994	371,374		



Encore Education Corp. (Riverside Only)

Monthly Financial Update (Actuals through March 31, 2018)

Comparison With Statewide Averages

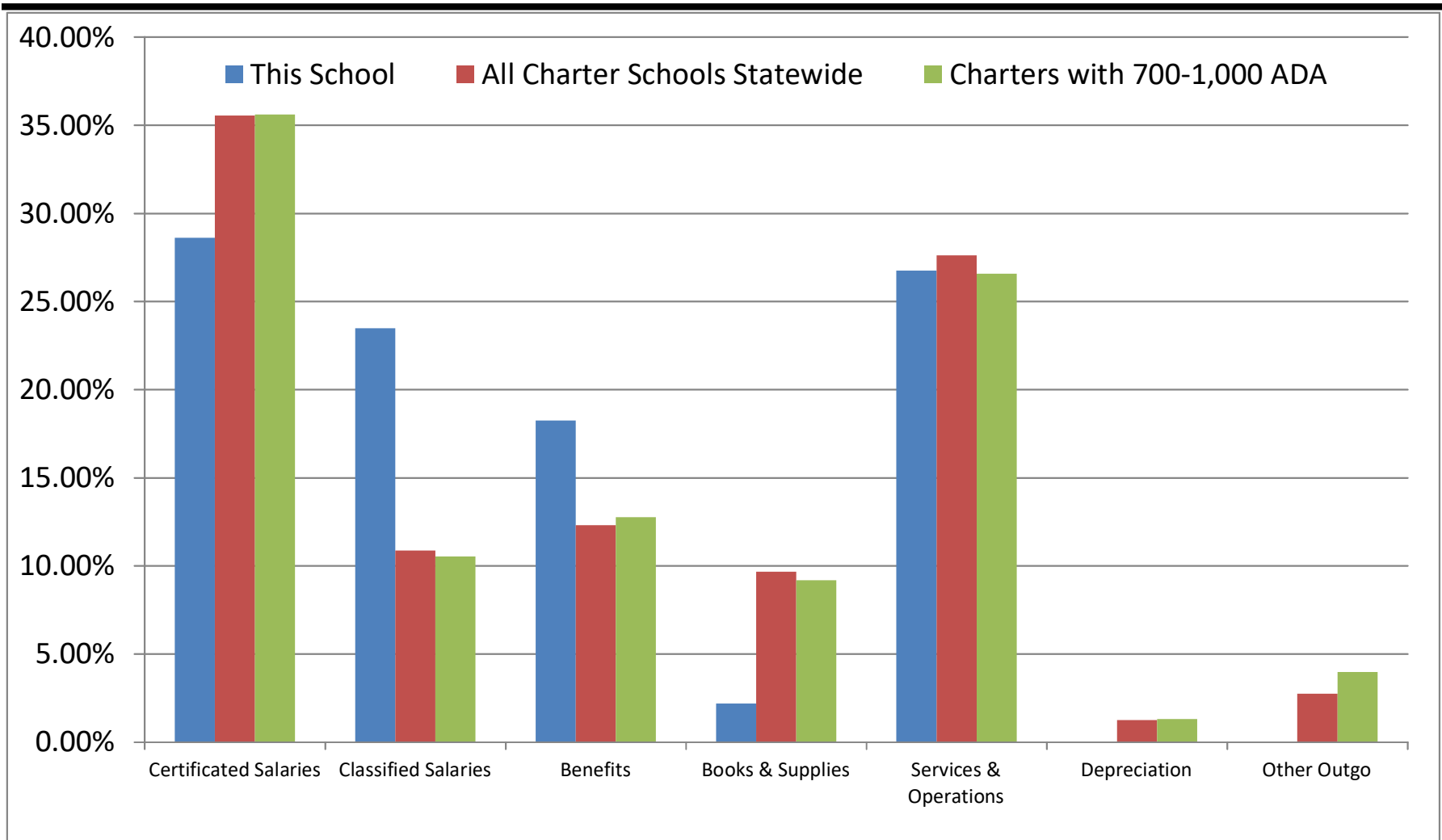




Exhibit
5.2

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

STRS, PERS, 403b Payments

Hesperia STRS/PERS								403B				
Payroll Month	Payment Due Date	Payment Date	PERS Ck Number	Date Cleared	STRS CK Number	Date Cleared	Max Days Past Due	Check number	Due Date based on regular rules, not safe harbor	Payment Date	Date Cleared	Max Days Past Due
March	4/7/2018							64247	4/15/2018	4/6/2018		
February	3/7/2018	3/8/2018	63976	3/12/2018	63971	3/12/2018	1	63977	3/15/2018	3/9/2018	3/15/2018	On Time
			EFT -									
January	2/7/2018	2/9/2018	Debit	2/9/2018	63685	2/9/2018	2	63687	2/15/2018	2/5/2018	2/12/2018	On Time
December	1/5/2018	1/8/2018	63491	1/10/2018	63490	1/10/2018	3	63518	1/15/2018	1/5/2018	1/18/2018	On Time
November	12/7/2017	12/7/2017	63353	12/8/2017	63333	12/8/2017	On Time	63364	12/15/2017	12/7/2017	12/15/2017	On Time
October	11/7/2017	11/7/2017	63188	11/13/2017	63189	11/13/2017	On Time	63095	11/15/2017	11/3/2017	11/16/2017	On Time
			EFT -									
September	10/6/2017	11/6/2017	Debit	11/6/2017	63184	11/13/2017	31	61810	10/16/2017	10/10/2017	10/19/2017	On Time
			EFT -									
August	9/8/2017	10/6/2017	Debit	10/6/2017	61793	10/12/2017	28	61809	9/15/2017	10/10/2017	10/18/2017	25
July	8/7/2017	8/8/2017	61510	8/11/2017	61509	8/11/2017	1	61808	8/15/2017	10/10/2017	10/19/2017	55
June	7/10/2017	7/12/2017	61469	7/18/2017	61403	7/17/2017	2	61462	7/14/2017	7/13/2017	7/18/2017	On Time
May	6/7/2017	6/7/2017	61300	6/9/2017	61296	6/9/2017	On Time	61305	6/15/2017	6/7/2017	6/12/2017	On Time

Hesperia Contributions to PERS & STRS: Due date is the 5th business date of the month

Contributions to 403b

The DOL rule is somewhat gray. It states that:

An employer is required to deposit your money into your retirement account as soon as the employee assets can be reasonably segregated from employer assets, but no later than 7 business days following the payroll. Based on fact patterns in DOL plan audits and other published commentary, some considerations are as follows:

- For plans with fewer than 100 participants, the DOL finalized regulations on January 14, 2010 which establishes a "safe harbor" of 7 business days following the payroll
- No safe harbor time period exists for plans with 100 or more employee-participants. Commentary does exist that suggests funding the retirement plan by the due date of an



Exhibit
5.3a

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

P-2 Reporting for Hesperia

Certification

County: San Bernardino	Encore Jr./Sr. High School for the	Fiscal Year: 2017-18
District: Hesperia Unified	Performing and Visual Arts	P-2
CDS CODE 36 75044 0116707		CBC8CD91

Charter Status

I hereby certify that, to the best of my knowledge, all data have been compiled and reported in accordance with all applicable laws, regulations and instructions.

Responsible Charter School Official: _____ Date: _____

School District Superintendent: _____ Date: _____

County Superintendent of Schools: _____ Date: _____

Any inquiries concerning this report should be directed to:

CONTACT NAME	Denise Griffin
PHONE	(760) 956-2632 *
FAX	(916) 244-0307
E-Mail	dg@officerteam.com

Certification

County: San Bernardino	Encore Jr./Sr. High School for the	Fiscal Year: 2017-18
District: Hesperia Unified	Performing and Visual Arts	P-2
CDS CODE 36 75044 0116707		9C0C3036

Attendance Charter School

I hereby certify that, to the best of my knowledge, all data have been compiled and reported in accordance with all applicable laws, regulations and instructions.

Responsible Charter School Official: _____ Date: _____

School District Superintendent: _____ Date: _____

County Superintendent of Schools: _____ Date: _____

Any inquiries concerning this report should be directed to:

CONTACT NAME	Denise Griffin
PHONE	(760) 956-2632 *
FAX	(916) 244-0307
E-Mail	dg@officerteam.com

Charter Status

County: San Bernardino	Fiscal Year: 2017-18
District: Hesperia Unified : Encore Jr./Sr. High School for the	P-2
CDS CODE 36 75044 0116707 0971	Certificate Number: CBC8CD91

Did the charter school cease operation during the current fiscal year?	No
Is this charter school in its first year of operation?	No
Enter Date (month, day, year) that instruction commenced	__/__/____
Does this charter school operate multiple instructional tracks?	No
Single Track Days of Operation	0
What is the site type of the charter school?	Site-based

Attendance Charter School

County: San Bernardino

Fiscal Year: 2017-18

District: Hesperia Unified : Encore Jr./Sr. High School for the

P-2

CDS CODE 36 75044 0116707 0971

Certificate Number: 9C0C3036

Did the charter school cease operation during the current fiscal year? _____ No

Is this charter school in its first year of operation? _____ No

Enter Date (month, day, year) that instruction commenced _____ / ____ / ____

Does this charter school operate multiple instructional tracks? _____ No

Single Track Days of Operation _____ 0

What is the site type of the charter school? _____ Site-based

Regular ADA		TK/K-3	Grades 4-6	Grades 7-8	Grades 9-12	Total
Regular ADA	A-1	0.00	0.00	353.41	599.58	952.99
Classroom-based ADA included in A-1	A-2	0.00	0.00	353.41	599.58	952.99
Extended Year Special Education [EC 56345(b)(3)] (Divisor 175)	A-3	0.00	0.00	0.00	0.00	0.00
Classroom-based ADA included in A-3	A-4	0.00	0.00	0.00	0.00	0.00
Special Education - Nonpublic, Nonsectarian Schools [EC 56366(a)(7)] and/or Nonpublic, Nonsectarian Schools - Licensed Children's Institutions	A-5	0.00	0.00	0.00	0.00	0.00
Classroom-based ADA included in A-5	A-6	0.00	0.00	0.00	0.00	0.00
Extended Year Special Education - Nonpublic, Nonsectarian Schools [EC 56366(a)(7)] and/or Nonpublic, Nonsectarian Schools - Licensed Children's Institutions (Divisor 175)	A-7	0.00	0.00	0.00	0.00	0.00

California Department of Education

Principal Apportionment Data Collection Software

Attendance Charter School

County: San Bernardino

Fiscal Year: 2017-18

District: Hesperia Unified : Encore Jr./Sr. High School for the

P-2

CDS CODE 36 75044 0116707 0971

Certificate Number: 9C0C3036

Classroom-based ADA included in A-7	A-8	0.00	0.00	0.00	0.00	0.00
ADA Totals (Sum of A-1 through A-7 excluding classroom-based ADA)	A-9	0.00	0.00	353.41	599.58	952.99
Classroom-based ADA Totals (Sum of A-2 through A-8 including only classroom-based ADA)	A-10	0.00	0.00	353.41	599.58	952.99
Non classroom-based ADA Totals (Difference of A-9 and A-10)	A-11	0.00	0.00	0.00	0.00	0.00
Other						
ADA for Students in Transitional Kindergarten pursuant to EC 46300 included in Section A (Lines A-1, A-3, A-5 and A-7, TK/K-3 Column, First Year ADA Only)	B-1	0.00				0.00
Non classroom-based ADA not eligible for funding pursuant to EC 47612.5(b) and 51745.6 and not included in A-11	B-2	0.00	0.00	0.00	0.00	0.00
Course Based Independent Study ADA, pursuant to EC 51749.5, included in A-11	B-3	0.00	0.00	0.00	0.00	0.00
Course Based Independent Study ADA not eligible for funding, pursuant to EC 47612.5(b) and 51745.6, included in B-2	B-4	0.00	0.00	0.00	0.00	0.00

Encore High School

3/26/2018
3:09:58 PM

2017-2018

MONTHLY ATTENDANCE SUMMARY TOTALS

Page 1

Month 1-8 (8/7/2017 - 3/23/2018)

Regular Program

		A	B	C	D	E	F	G	H	I	J	K	L
		Tchg Days	Enroll-ment Carried Fwd	Gains	Total Enrollment (B+C)	Losses	Ending Enrollment (D-E)	Days Not Enroll	Days Non-Apport Attend	Total Apport Attend (A*D) - G-H	Total A.D.A. (I/A)	Max Days Possible (A*D) - G	Percent Attend (I/K)
Month	Grade Level												
1	7-8	16	0	345	345	6	339	155	169	5196	324.75	5365	96.85%
1	9-12	16	0	573	573	6	567	132	350	8686	542.88	9036	96.13%
Month 1 Total		16	0	918	918	12	906	287	519	13882	867.63	14401	96.40%
2	7-8	19	339	3	342	3	339	70	256	6172	324.84	6428	96.02%
2	9-12	19	567	7	574	3	571	64	474	10368	545.68	10842	95.63%
Month 2 Total		19	906	10	916	6	910	134	730	16540	870.53	17270	95.77%
3	7-8	19	339	7	346	6	340	91	237	6246	328.74	6483	96.34%
3	9-12	19	571	6	577	3	574	69	545	10349	544.68	10894	95.00%
Month 3 Total		19	910	13	923	9	914	160	782	16595	873.42	17377	95.50%
4	7-8	14	340	3	343	4	339	54	250	4498	321.29	4748	94.73%
4	9-12	14	574	6	580	4	576	68	462	7590	542.14	8052	94.26%
Month 4 Total		14	914	9	923	8	915	122	712	12088	863.43	12800	94.44%
5	7-8	15	339	2	341	8	333	72	318	4725	315.00	5043	93.69%
5	9-12	15	576	3	579	7	572	14	570	8101	540.07	8671	93.43%
Month 5 Total		15	915	5	920	15	905	86	888	12826	855.07	13714	93.52%
6	7-8	14	333	7	340	5	335	100	226	4434	316.71	4660	95.15%
6	9-12	14	572	6	578	18	560	152	483	7457	532.64	7940	93.92%
Month 6 Total		14	905	13	918	23	895	252	709	11891	849.36	12600	94.37%
7	7-8	18	335	6	341	6	335	132	446	5560	308.89	6006	92.57%
7	9-12	18	560	5	565	13	552	159	918	9093	505.17	10011	90.83%
Month 7 Total		18	895	11	906	19	887	291	1364	14653	814.06	16017	91.48%
8	7-8	20	335	1	336	6	330	102	471	6147	307.35	6618	92.88%
8	9-12	20	552	3	555	6	549	82	1136	9882	494.10	11018	89.69%
Month 8 Total		20	887	4	891	12	879	184	1607	16029	801.45	17636	90.89%
Months 1-8 Cumulative 7-8		135		374		44		776	2373	42978	318.36	45351	94.77%
Months 1-8 Cumulative 9-12		135		609		60		740	4938	71526	529.82	76464	93.54%
Months 1-8 Cumulative Total		135		983		104		1516	7311	114504	848.18	121815	94.00%

Note - Fields not relating to cumulative attendance are intentionally left blank.

Encore High School

3/26/2018
3:09:58 PM

2017-2018

MONTHLY ATTENDANCE SUMMARY TOTALS

Page 2

Month 1-8 (8/7/2017 - 3/23/2018)

Out of District(X)

		A	B	C	D	E	F	G	H	I	J	K	L
		Tchg Days	Enroll-ment Carried Fwd	Gains	Total Enrollment (B+C)	Losses	Ending Enrollment (D-E)	Days Not Enroll	Days Non-Apport Attend	Total Apport Attend (A*D) - G-H	Total A.D.A. (I/A)	Max Days Possible (A*D) - G	Percent Attend (I/K)
Month	Grade Level												
1	9-12	16	0	1	1	0	1	0	0	16	1.00	16	100.00%
Month 1 Total		16	0	1	1	0	1	0	0	16	1.00	16	100.00%
2	9-12	19	1	0	1	0	1	0	0	19	1.00	19	100.00%
Month 2 Total		19	1	0	1	0	1	0	0	19	1.00	19	100.00%
3	9-12	19	1	0	1	0	1	0	0	19	1.00	19	100.00%
Month 3 Total		19	1	0	1	0	1	0	0	19	1.00	19	100.00%
4	9-12	14	1	0	1	0	1	0	0	14	1.00	14	100.00%
Month 4 Total		14	1	0	1	0	1	0	0	14	1.00	14	100.00%
5	9-12	15	1	0	1	0	1	0	0	15	1.00	15	100.00%
Month 5 Total		15	1	0	1	0	1	0	0	15	1.00	15	100.00%
6	9-12	14	1	0	1	0	1	0	1	13	0.93	14	92.86%
Month 6 Total		14	1	0	1	0	1	0	1	13	0.93	14	92.86%
7	9-12	18	1	0	1	0	1	0	0	18	1.00	18	100.00%
Month 7 Total		18	1	0	1	0	1	0	0	18	1.00	18	100.00%
8	9-12	20	1	0	1	0	1	0	1	19	0.95	20	95.00%
Month 8 Total		20	1	0	1	0	1	0	1	19	0.95	20	95.00%
Months 1-8 Cumulative 9-12		135		1		0		0	2	133	0.99	135	98.52%
Months 1-8 Cumulative Total		135		1		0		0	2	133	0.99	135	98.52%

Note - Fields not relating to cumulative attendance are intentionally left blank.

Encore High School

3/26/2018
3:09:58 PM

2017-2018

MONTHLY ATTENDANCE SUMMARY TOTALS

Page 3

Month 1-8 (8/7/2017 - 3/23/2018)

Program 5 504

		A	B	C	D	E	F	G	H	I	J	K	L
		Tchg Days	Enroll-ment Carried Fwd	Gains	Total Enrollment (B+C)	Losses	Ending Enrollment (D-E)	Days Not Enroll	Days Non-Apport Attend	Total Apport Attend (A*D) - G-H	Total A.D.A. (I/A)	Max Days Possible (A*D) - G	Percent Attend (I/K)
Month	Grade Level												
1	7-8	16	0	7	7	0	7	0	2	110	6.88	112	98.21%
1	9-12	16	0	5	5	0	5	0	1	79	4.94	80	98.75%
Month 1 Total		16	0	12	12	0	12	0	3	189	11.81	192	98.44%
2	7-8	19	7	0	7	0	7	0	6	127	6.68	133	95.49%
2	9-12	19	5	0	5	0	5	0	3	92	4.84	95	96.84%
Month 2 Total		19	12	0	12	0	12	0	9	219	11.53	228	96.05%
3	7-8	19	7	2	9	0	9	25	27	119	6.26	146	81.51%
3	9-12	19	5	0	5	0	5	0	13	82	4.32	95	86.32%
Month 3 Total		19	12	2	14	0	14	25	40	201	10.58	241	83.40%
4	7-8	14	9	0	9	0	9	0	13	113	8.07	126	89.68%
4	9-12	14	5	1	6	0	6	5	3	76	5.43	79	96.20%
Month 4 Total		14	14	1	15	0	15	5	16	189	13.50	205	92.20%
5	7-8	15	9	0	9	0	9	0	9	126	8.40	135	93.33%
5	9-12	15	6	0	6	0	6	0	8	82	5.47	90	91.11%
Month 5 Total		15	15	0	15	0	15	0	17	208	13.87	225	92.44%
6	7-8	14	9	0	9	0	9	0	11	115	8.21	126	91.27%
6	9-12	14	6	0	6	0	6	0	12	72	5.14	84	85.71%
Month 6 Total		14	15	0	15	0	15	0	23	187	13.36	210	89.05%
7	7-8	18	9	0	9	0	9	0	16	146	8.11	162	90.12%
7	9-12	18	6	0	6	0	6	0	14	94	5.22	108	87.04%
Month 7 Total		18	15	0	15	0	15	0	30	240	13.33	270	88.89%
8	7-8	20	9	1	10	0	10	1	8	191	9.55	199	95.98%
8	9-12	20	6	0	6	0	6	0	17	103	5.15	120	85.83%
Month 8 Total		20	15	1	16	0	16	1	25	294	14.70	319	92.16%
Months 1-8 Cumulative 7-8		135		10		0		26	92	1047	7.76	1139	91.92%
Months 1-8 Cumulative 9-12		135		6		0		5	71	680	5.04	751	90.55%
Months 1-8 Cumulative Total		135		16		0		31	163	1727	12.80	1890	91.38%

Note - Fields not relating to cumulative attendance are intentionally left blank.

Encore High School

3/26/2018
3:09:58 PM

2017-2018

MONTHLY ATTENDANCE SUMMARY TOTALS

Page 4

Month 1-8 (8/7/2017 - 3/23/2018)

Program I Independent Study

		A	B	C	D	E	F	G	H	I	J	K	L
		Tchg Days	Enroll-ment Carried Fwd	Gains	Total Enrollment (B+C)	Losses	Ending Enrollment (D-E)	Days Not Enroll	Days Non-Apport Attend	Total Apport Attend (A*D) - G-H	Total A.D.A. (I/A)	Max Days Possible (A*D) - G	Percent Attend (I/K)
Month	Grade Level												
1	9-12	16	0	0	0	0	0	0	0	0	0.00	0	0.00%
Month 1 Total		16	0	0	0	0	0	0	0	0	0.00	0	0.00%
2	9-12	19	0	0	0	0	0	0	0	0	0.00	0	0.00%
Month 2 Total		19	0	0	0	0	0	0	0	0	0.00	0	0.00%
3	9-12	19	0	0	0	0	0	0	0	0	0.00	0	0.00%
Month 3 Total		19	0	0	0	0	0	0	0	0	0.00	0	0.00%
4	9-12	14	0	0	0	0	0	0	0	0	0.00	0	0.00%
Month 4 Total		14	0	0	0	0	0	0	0	0	0.00	0	0.00%
5	9-12	15	0	0	0	0	0	0	0	0	0.00	0	0.00%
Month 5 Total		15	0	0	0	0	0	0	0	0	0.00	0	0.00%
6	9-12	14	0	0	0	0	0	0	0	0	0.00	0	0.00%
Month 6 Total		14	0	0	0	0	0	0	0	0	0.00	0	0.00%
7	9-12	18	0	0	0	0	0	0	0	0	0.00	0	0.00%
Month 7 Total		18	0	0	0	0	0	0	0	0	0.00	0	0.00%
8	9-12	20	0	1	1	0	1	5	15	0	0.00	15	0.00%
Month 8 Total		20	0	1	1	0	1	5	15	0	0.00	15	0.00%
Months 1-8 Cumulative 9-12		135		1		0		5	15	0	0.00	15	0.00%
Months 1-8 Cumulative Total		135		1		0		5	15	0	0.00	15	0.00%

Note - Fields not relating to cumulative attendance are intentionally left blank.

Encore High School

3/26/2018
3:09:58 PM

2017-2018

MONTHLY ATTENDANCE SUMMARY TOTALS

Page 5

Month 1-8 (8/7/2017 - 3/23/2018)

Program S SAI

		A	B	C	D	E	F	G	H	I	J	K	L
		Tchg Days	Enroll-ment Carried Fwd	Gains	Total Enrollment (B+C)	Losses	Ending Enrollment (D-E)	Days Not Enroll	Days Non-Apport Attend	Total Apport Attend (A*D) - G-H	Total A.D.A. (I/A)	Max Days Possible (A*D) - G	Percent Attend (I/K)
Month	Grade Level												
1	7-8	16	0	28	28	2	26	32	18	398	24.88	416	95.67%
1	9-12	16	0	65	65	0	65	9	59	972	60.75	1031	94.28%
Month 1 Total		16	0	93	93	2	91	41	77	1370	85.63	1447	94.68%
2	7-8	19	26	1	27	1	26	11	41	461	24.26	502	91.83%
2	9-12	19	65	4	69	0	69	21	91	1199	63.11	1290	92.95%
Month 2 Total		19	91	5	96	1	95	32	132	1660	87.37	1792	92.63%
3	7-8	19	26	3	29	0	29	14	47	490	25.79	537	91.25%
3	9-12	19	69	0	69	0	69	0	89	1222	64.32	1311	93.21%
Month 3 Total		19	95	3	98	0	98	14	136	1712	90.11	1848	92.64%
4	7-8	14	29	1	30	1	29	1	24	395	28.21	419	94.27%
4	9-12	14	69	1	70	0	70	9	81	890	63.57	971	91.66%
Month 4 Total		14	98	2	100	1	99	10	105	1285	91.79	1390	92.45%
5	7-8	15	29	1	30	0	30	0	39	411	27.40	450	91.33%
5	9-12	15	70	1	71	1	70	22	94	949	63.27	1043	90.99%
Month 5 Total		15	99	2	101	1	100	22	133	1360	90.67	1493	91.09%
6	7-8	14	30	3	33	0	33	24	34	404	28.86	438	92.24%
6	9-12	14	70	1	71	1	70	14	59	921	65.79	980	93.98%
Month 6 Total		14	100	4	104	1	103	38	93	1325	94.64	1418	93.44%
7	7-8	18	33	0	33	0	33	0	51	543	30.17	594	91.41%
7	9-12	18	70	1	71	1	70	11	97	1170	65.00	1267	92.34%
Month 7 Total		18	103	1	104	1	103	11	148	1713	95.17	1861	92.05%
8	7-8	20	33	0	33	1	32	11	65	584	29.20	649	89.98%
8	9-12	20	70	0	70	0	70	0	119	1281	64.05	1400	91.50%
Month 8 Total		20	103	0	103	1	102	11	184	1865	93.25	2049	91.02%
Months 1-8 Cumulative 7-8		135		37		5		93	319	3686	27.30	4005	92.03%
Months 1-8 Cumulative 9-12		135		73		3		86	689	8604	63.73	9293	92.59%
Months 1-8 Cumulative Total		135		110		8		179	1008	12290	91.03	13298	92.42%

Note - Fields not relating to cumulative attendance are intentionally left blank.



Exhibit
5.3b

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

P-2 Reporting for Riverside

Certification

County: Riverside	Fiscal Year: 2017-18
District: Riverside Unified	Encore High School for the Arts - P-2 Riverside
CDS CODE 33 67215 0132498	43181997

Charter Status

I hereby certify that, to the best of my knowledge, all data have been compiled and reported in accordance with all applicable laws, regulations and instructions.

Responsible Charter School Official: _____ Date: _____

School District Superintendent: _____ Date: _____

County Superintendent of Schools: _____ Date: _____

Any inquiries concerning this report should be directed to:

CONTACT NAME	Denise Griffin
PHONE	(916)284-1382 *
FAX	(916)244-0307
E-Mail	dg@officerteam.com

Certification

County: **Riverside** Fiscal Year: 2017-18
District: **Riverside Unified** Encore High School for the Arts - P-2
Riverside
CDS CODE 33 67215 0132498 21F9A082

Attendance Charter School

I hereby certify that, to the best of my knowledge, all data have been compiled and reported in accordance with all applicable laws, regulations and instructions.

Responsible Charter School Official: _____ Date: _____

School District Superintendent: _____ Date: _____

County Superintendent of Schools: _____ Date: _____

Any inquiries concerning this report should be directed to:

CONTACT NAME Denise Griffin _____
PHONE (916)284-1382 * _____
FAX (916)244-0307 _____
E-Mail dg@officerteam.com _____

Charter Status

County: Riverside

Fiscal Year: 2017-18

District: Riverside Unified : Encore High School for the Arts -

P-2

CDS CODE 33 67215 0132498 1747

Certificate Number: 43181997

Did the charter school cease operation during the current fiscal year? _____ No

Is this charter school in its first year of operation? _____ No

Enter Date (month, day, year) that instruction commenced _____ __/__/____

Does this charter school operate multiple instructional tracks? _____ No

Single Track Days of Operation _____ 0

What is the site type of the charter school? _____ Site-based

Attendance Charter School

County: Riverside

Fiscal Year: 2017-18

District: Riverside Unified : Encore High School for the Arts -

P-2

CDS CODE 33 67215 0132498 1747

Certificate Number: 21F9A082

Did the charter school cease operation during the current fiscal year? _____ No

Is this charter school in its first year of operation? _____ No

Enter Date (month, day, year) that instruction commenced _____ / ____ / ____

Does this charter school operate multiple instructional tracks? _____ No

Single Track Days of Operation _____ 0

What is the site type of the charter school? _____ Site-based

Regular ADA		TK/K-3	Grades 4-6	Grades 7-8	Grades 9-12	Total
Regular ADA	A-1	0.00	0.00	343.13	427.14	770.27
Classroom-based ADA included in A-1	A-2	0.00	0.00	343.13	427.14	770.27
Extended Year Special Education [EC 56345(b)(3)] (Divisor 175)	A-3	0.00	0.00	0.00	0.00	0.00
Classroom-based ADA included in A-3	A-4	0.00	0.00	0.00	0.00	0.00
Special Education - Nonpublic, Nonsectarian Schools [EC 56366(a)(7)] and/or Nonpublic, Nonsectarian Schools - Licensed Children's Institutions	A-5	0.00	0.00	0.00	0.00	0.00
Classroom-based ADA included in A-5	A-6	0.00	0.00	0.00	0.00	0.00
Extended Year Special Education - Nonpublic, Nonsectarian Schools [EC 56366(a)(7)] and/or Nonpublic, Nonsectarian Schools - Licensed Children's Institutions (Divisor 175)	A-7	0.00	0.00	0.00	0.00	0.00

California Department of Education

Principal Apportionment Data Collection Software

Attendance Charter School

County: Riverside

Fiscal Year: 2017-18

District: Riverside Unified : Encore High School for the Arts -

P-2

CDS CODE 33 67215 0132498 1747

Certificate Number: 21F9A082

Classroom-based ADA included in A-7	A-8	0.00	0.00	0.00	0.00	0.00
ADA Totals (Sum of A-1 through A-7 excluding classroom-based ADA)	A-9	0.00	0.00	343.13	427.14	770.27
Classroom-based ADA Totals (Sum of A-2 through A-8 including only classroom-based ADA)	A-10	0.00	0.00	343.13	427.14	770.27
Non classroom-based ADA Totals (Difference of A-9 and A-10)	A-11	0.00	0.00	0.00	0.00	0.00
Other						
ADA for Students in Transitional Kindergarten pursuant to EC 46300 included in Section A (Lines A-1, A-3, A-5 and A-7, TK/K-3 Column, First Year ADA Only)	B-1	0.00				0.00
Non classroom-based ADA not eligible for funding pursuant to EC 47612.5(b) and 51745.6 and not included in A-11	B-2	0.00	0.00	0.00	0.00	0.00
Course Based Independent Study ADA, pursuant to EC 51749.5, included in A-11	B-3	0.00	0.00	0.00	0.00	0.00
Course Based Independent Study ADA not eligible for funding, pursuant to EC 47612.5(b) and 51745.6, included in B-2	B-4	0.00	0.00	0.00	0.00	0.00

Encore High School Riverside

3/26/2018
3:16:11 PM

2017-2018

MONTHLY ATTENDANCE SUMMARY TOTALS

Page 1

Month 1-8 (8/14/2017 - 3/30/2018)

Regular Program

		A	B	C	D	E	F	G	H	I	J	K	L
		Tchg Days	Enroll-ment Carried Fwd	Gains	Total Enrollment (B+C)	Losses	Ending Enrollment (D-E)	Days Not Enroll	Days Non-Apport Attend	Total Apport Attend (A*D) - G-H	Total A.D.A. (I/A)	Max Days Possible (A*D) - G	Percent Attend (I/K)
Month	Grade Level												
1	7-8	15	0	329	329	5	324	97	187	4651	310.07	4838	96.13%
1	9-12	15	0	408	408	14	394	216	232	5672	378.13	5904	96.07%
Month 1 Total		15	0	737	737	19	718	313	419	10323	688.20	10742	96.10%
2	7-8	20	324	5	329	7	322	64	309	6207	310.35	6516	95.26%
2	9-12	20	394	7	401	7	394	142	439	7439	371.95	7878	94.43%
Month 2 Total		20	718	12	730	14	716	206	748	13646	682.30	14394	94.80%
3	7-8	19	322	4	326	3	323	46	334	5814	306.00	6148	94.57%
3	9-12	19	394	3	397	4	393	54	416	7073	372.26	7489	94.45%
Month 3 Total		19	716	7	723	7	716	100	750	12887	678.26	13637	94.50%
4	7-8	14	323	3	326	10	316	77	255	4232	302.29	4487	94.32%
4	9-12	14	393	0	393	2	391	13	375	5114	365.29	5489	93.17%
Month 4 Total		14	716	3	719	12	707	90	630	9346	667.57	9976	93.68%
5	7-8	10	316	1	317	3	314	6	206	2958	295.80	3164	93.49%
5	9-12	10	391	2	393	7	386	24	311	3595	359.50	3906	92.04%
Month 5 Total		10	707	3	710	10	700	30	517	6553	655.30	7070	92.69%
6	7-8	19	314	7	321	2	319	122	458	5519	290.47	5977	92.34%
6	9-12	19	386	10	396	15	381	228	585	6711	353.21	7296	91.98%
Month 6 Total		19	700	17	717	17	700	350	1043	12230	643.68	13273	92.14%
7	7-8	18	319	6	325	4	321	69	440	5341	296.72	5781	92.39%
7	9-12	18	381	2	383	5	378	40	753	6101	338.94	6854	89.01%
Month 7 Total		18	700	8	708	9	699	109	1193	11442	635.67	12635	90.56%
8	7-8	15	321	3	324	0	324	33	356	4471	298.07	4827	92.62%
8	9-12	15	378	4	382	3	379	37	686	5007	333.80	5693	87.95%
Month 8 Total		15	699	7	706	3	703	70	1042	9478	631.87	10520	90.10%
Months 1-8 Cumulative 7-8		130		358		34		514	2545	39193	301.48	41738	93.90%
Months 1-8 Cumulative 9-12		130		436		57		754	3797	46712	359.32	50509	92.48%
Months 1-8 Cumulative Total		130		794		91		1268	6342	85905	660.80	92247	93.12%

Note - Fields not relating to cumulative attendance are intentionally left blank.

Encore High School Riverside

3/26/2018
3:16:11 PM

2017-2018

MONTHLY ATTENDANCE SUMMARY TOTALS

Page 2

Month 1-8 (8/14/2017 - 3/30/2018)

Program 5 504

		A	B	C	D	E	F	G	H	I	J	K	L
		Tchg Days	Enroll-ment Carried Fwd	Gains	Total Enrollment (B+C)	Losses	Ending Enrollment (D-E)	Days Not Enroll	Days Non-Apport Attend	Total Apport Attend (A*D) - G-H	Total A.D.A. (I/A)	Max Days Possible (A*D) - G	Percent Attend (I/K)
Month	Grade Level												
1	7-8	15	0	4	4	0	4	0	3	57	3.80	60	95.00%
1	9-12	15	0	14	14	0	14	0	15	195	13.00	210	92.86%
Month 1 Total		15	0	18	18	0	18	0	18	252	16.80	270	93.33%
2	7-8	20	4	0	4	0	4	0	2	78	3.90	80	97.50%
2	9-12	20	14	0	14	0	14	0	29	251	12.55	280	89.64%
Month 2 Total		20	18	0	18	0	18	0	31	329	16.45	360	91.39%
3	7-8	19	4	0	4	0	4	0	1	75	3.95	76	98.68%
3	9-12	19	14	0	14	2	12	12	30	224	11.79	254	88.19%
Month 3 Total		19	18	0	18	2	16	12	31	299	15.74	330	90.61%
4	7-8	14	4	0	4	0	4	0	2	54	3.86	56	96.43%
4	9-12	14	12	0	12	0	12	0	16	152	10.86	168	90.48%
Month 4 Total		14	16	0	16	0	16	0	18	206	14.71	224	91.96%
5	7-8	10	4	0	4	0	4	0	0	40	4.00	40	100.00%
5	9-12	10	12	0	12	0	12	0	13	107	10.70	120	89.17%
Month 5 Total		10	16	0	16	0	16	0	13	147	14.70	160	91.88%
6	7-8	19	4	0	4	0	4	0	0	76	4.00	76	100.00%
6	9-12	19	12	0	12	1	11	0	27	201	10.58	228	88.16%
Month 6 Total		19	16	0	16	1	15	0	27	277	14.58	304	91.12%
7	7-8	18	4	1	5	0	5	5	10	75	4.17	85	88.24%
7	9-12	18	11	0	11	0	11	0	24	174	9.67	198	87.88%
Month 7 Total		18	15	1	16	0	16	5	34	249	13.83	283	87.99%
8	7-8	15	5	0	5	0	5	0	0	75	5.00	75	100.00%
8	9-12	15	11	0	11	0	11	0	22	143	9.53	165	86.67%
Month 8 Total		15	16	0	16	0	16	0	22	218	14.53	240	90.83%
Months 1-8 Cumulative 7-8		130		5		0		5	18	530	4.08	548	96.72%
Months 1-8 Cumulative 9-12		130		14		3		12	176	1447	11.13	1623	89.16%
Months 1-8 Cumulative Total		130		19		3		17	194	1977	15.21	2171	91.06%

Note - Fields not relating to cumulative attendance are intentionally left blank.

Encore High School Riverside

3/26/2018
3:16:11 PM

2017-2018

MONTHLY ATTENDANCE SUMMARY TOTALS

Page 3

Month 1-8 (8/14/2017 - 3/30/2018)

Program S SAI

		A	B	C	D	E	F	G	H	I	J	K	L
		Tchg Days	Enroll-ment Carried Fwd	Gains	Total Enrollment (B+C)	Losses	Ending Enrollment (D-E)	Days Not Enroll	Days Non-Apport Attend	Total Apport Attend (A*D) - G-H	Total A.D.A. (I/A)	Max Days Possible (A*D) - G	Percent Attend (I/K)
Month	Grade Level												
1	7-8	15	0	41	41	0	41	0	18	597	39.80	615	97.07%
1	9-12	15	0	64	64	2	62	46	42	872	58.13	914	95.40%
Month 1 Total		15	0	105	105	2	103	46	60	1469	97.93	1529	96.08%
2	7-8	20	41	0	41	1	40	6	48	766	38.30	814	94.10%
2	9-12	20	62	0	62	3	59	9	82	1149	57.45	1231	93.34%
Month 2 Total		20	103	0	103	4	99	15	130	1915	95.75	2045	93.64%
3	7-8	19	40	0	40	0	40	0	46	714	37.58	760	93.95%
3	9-12	19	59	2	61	0	61	15	68	1076	56.63	1144	94.06%
Month 3 Total		19	99	2	101	0	101	15	114	1790	94.21	1904	94.01%
4	7-8	14	40	0	40	0	40	0	45	515	36.79	560	91.96%
4	9-12	14	61	0	61	0	61	0	57	797	56.93	854	93.33%
Month 4 Total		14	101	0	101	0	101	0	102	1312	93.71	1414	92.79%
5	7-8	10	40	0	40	0	40	0	34	366	36.60	400	91.50%
5	9-12	10	61	1	62	2	60	11	38	571	57.10	609	93.76%
Month 5 Total		10	101	1	102	2	100	11	72	937	93.70	1009	92.86%
6	7-8	19	40	2	42	0	42	19	90	689	36.26	779	88.45%
6	9-12	19	60	4	64	1	63	56	106	1054	55.47	1160	90.86%
Month 6 Total		19	100	6	106	1	105	75	196	1743	91.74	1939	89.89%
7	7-8	18	42	0	42	0	42	0	76	680	37.78	756	89.95%
7	9-12	18	63	2	65	1	64	18	120	1032	57.33	1152	89.58%
Month 7 Total		18	105	2	107	1	106	18	196	1712	95.11	1908	89.73%
8	7-8	15	42	0	42	2	40	23	50	557	37.13	607	91.76%
8	9-12	15	64	0	64	0	64	0	142	818	54.53	960	85.21%
Month 8 Total		15	106	0	106	2	104	23	192	1375	91.67	1567	87.75%
Months 1-8 Cumulative 7-8		130		43		3		48	407	4884	37.57	5291	92.31%
Months 1-8 Cumulative 9-12		130		73		9		155	655	7369	56.68	8024	91.84%
Months 1-8 Cumulative Total		130		116		12		203	1062	12253	94.25	13315	92.02%

Note - Fields not relating to cumulative attendance are intentionally left blank.



Exhibit
5.4

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

Data Reports for GPA levels

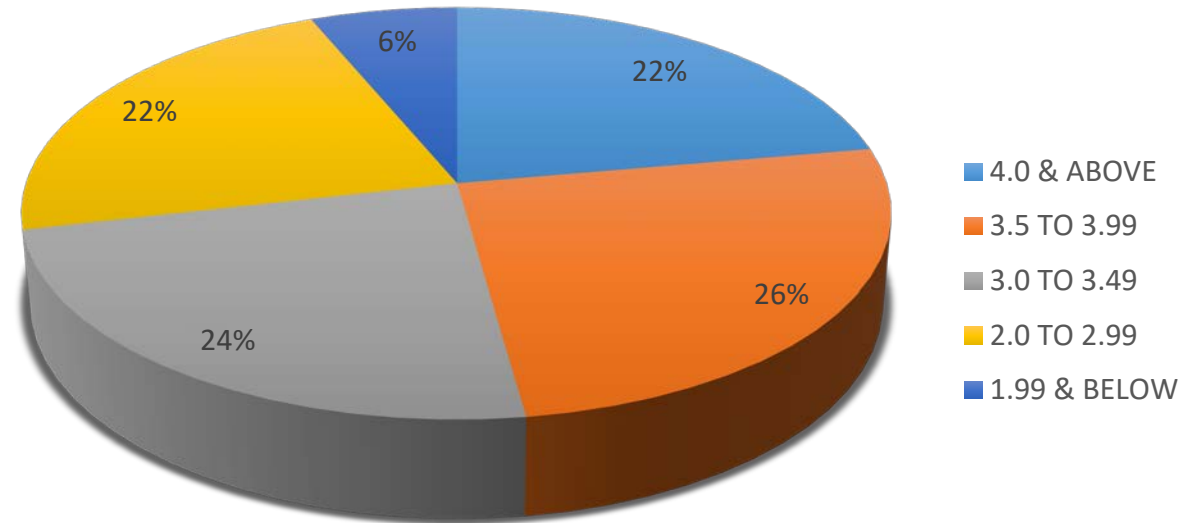
ENCORE EDUCATION CORPORATION

GPA STATISTICS FOR ENCORE HIGH SCHOOL FOR THE
PERFORMING AND VISUAL ARTS - HESPERIA AND
ENCORE HIGH SCHOOL FOR THE ARTS - RIVERSIDE

ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA	%	STUDENTS
4.0 & ABOVE	22%	223
3.5 TO 3.99	26%	257
3.0 TO 3.49	24%	237
2.0 TO 2.99	22%	224
1.99 & BELOW	6%	63
TOTAL		1004

HESPERIA OVERALL

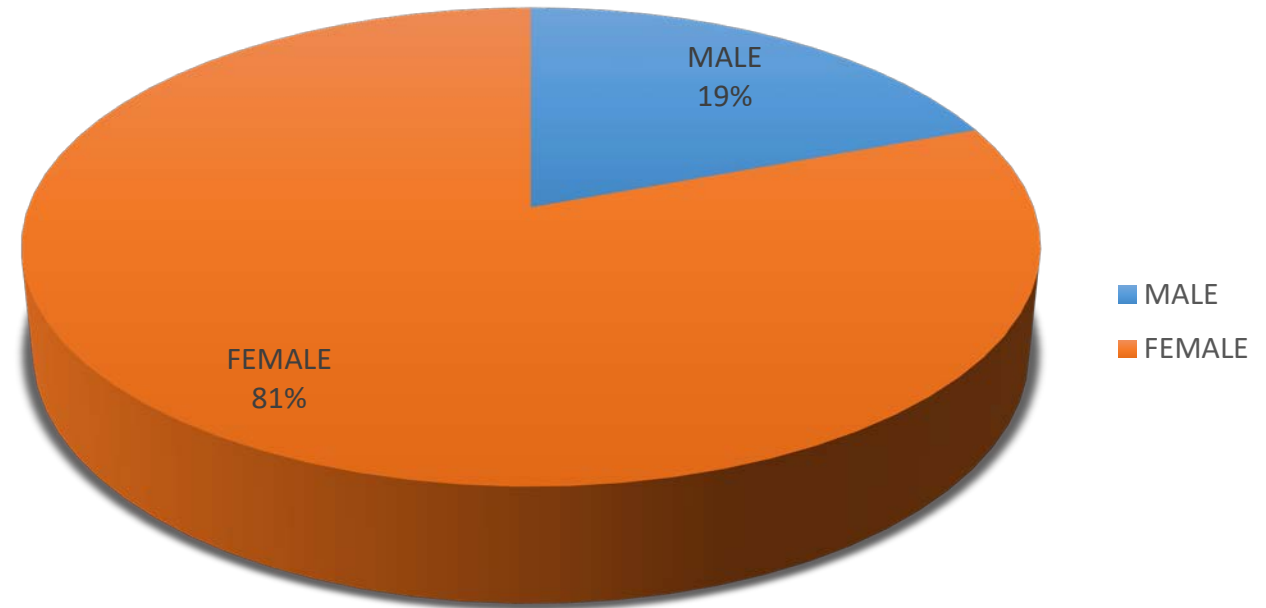


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 4.0 AND ABOVE
STUDENT COUNT 223

GENDER	PCT	STUDENT COUNT
MALE	19.28%	43
FEMALE	80.72%	180

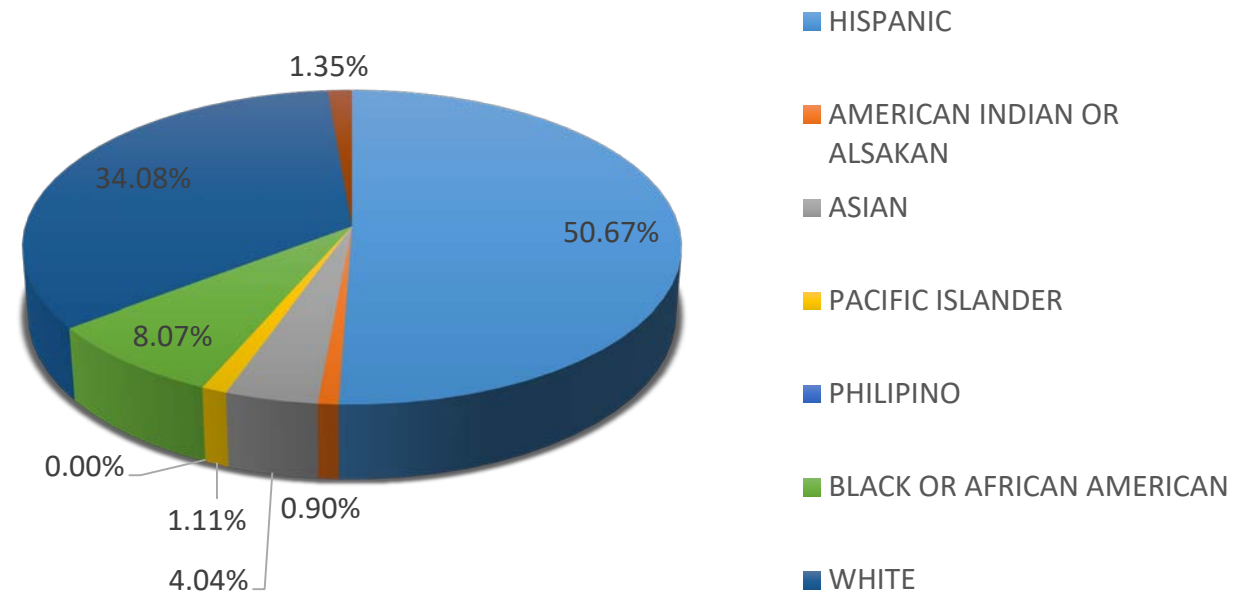
GENDER



ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

ETHNICITY	PCT	STUDENT COUNT
HISPANIC	50.67%	113
AMERICAN INDIAN OR ALSAKAN	0.90%	2
ASIAN	4.04%	9
PACIFIC ISLANDER	1.11%	2
PHILIPINO	0.00%	0
BLACK OR AFRICAN AMERICAN	8.07%	18
WHITE	34.08%	76
TWO OR MORE RACES	1.35%	3

ETHNICITIES

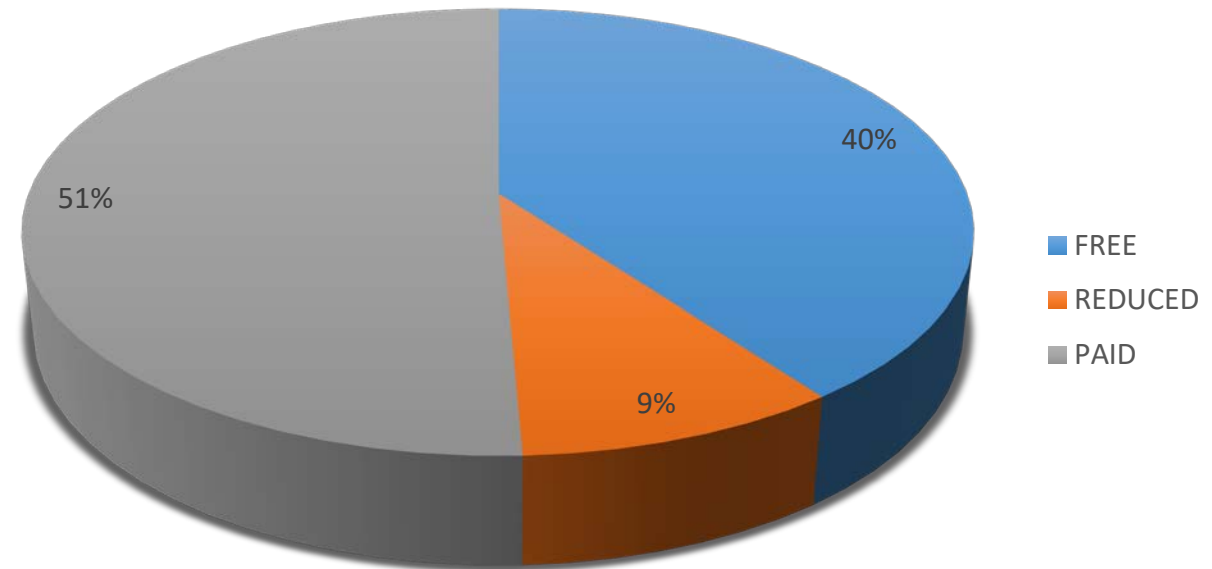


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 4.0 AND ABOVE
STUDENT COUNT 223

ECONOMICS	PCT	STUDNT COUNT
FREE	39.91%	89
REDUCED	9.42%	21
PAID	50.67%	113

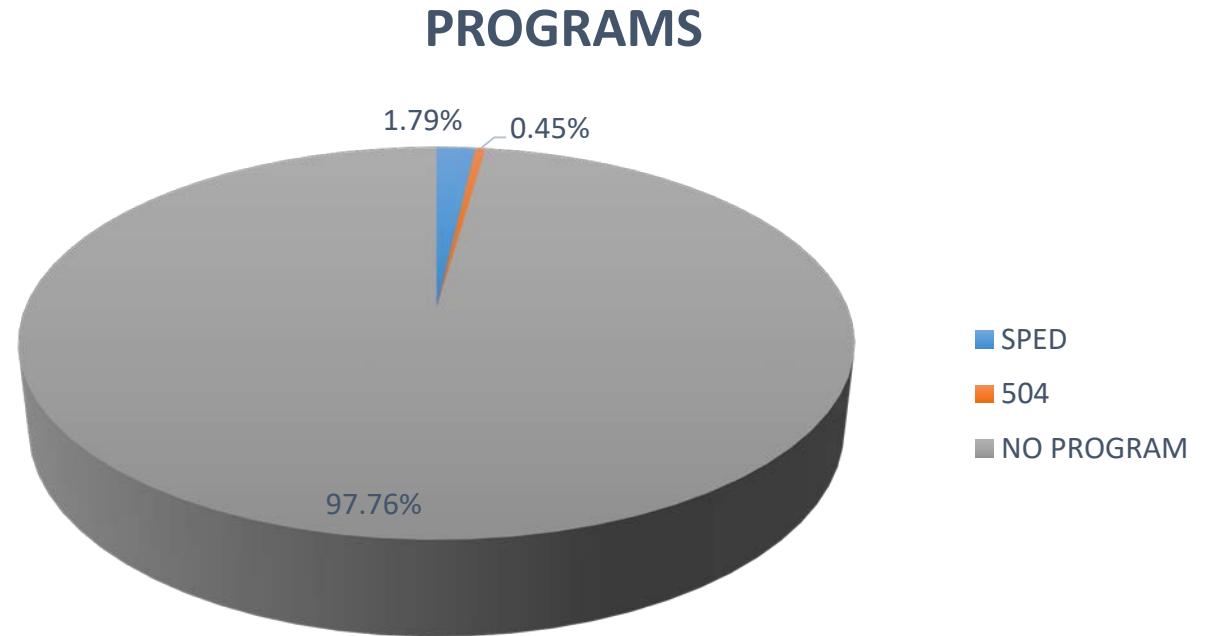
ECONOMICS



ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 4.0 AND ABOVE
STUDENT COUNT 223

PROGRAM	PCT	STUDENT COUNT
SPED	1.79%	4
504	0.45%	1
NO PROGRAM	97.76%	218

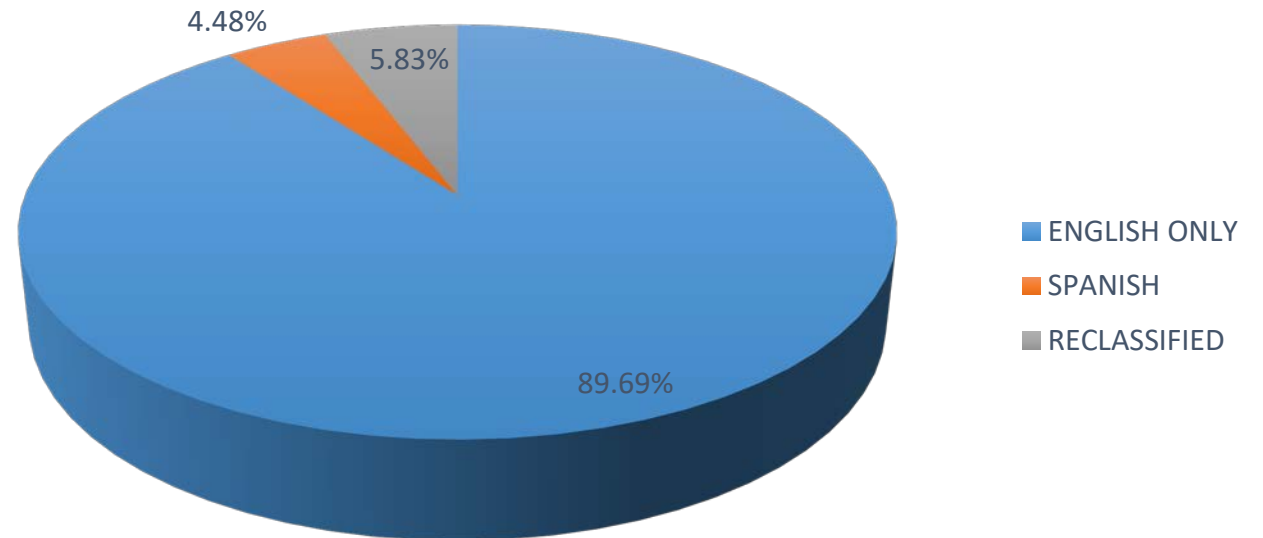


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 4.0 AND ABOVE
STUDENT COUNT 223

ENGLISH LANGUAGE	PCT	STUDENT COUNT
ENGLISH ONLY	89.69%	200
SPANISH	4.48%	10
RECLASSIFIED	5.83%	13

ENGLISH LANGUAGE

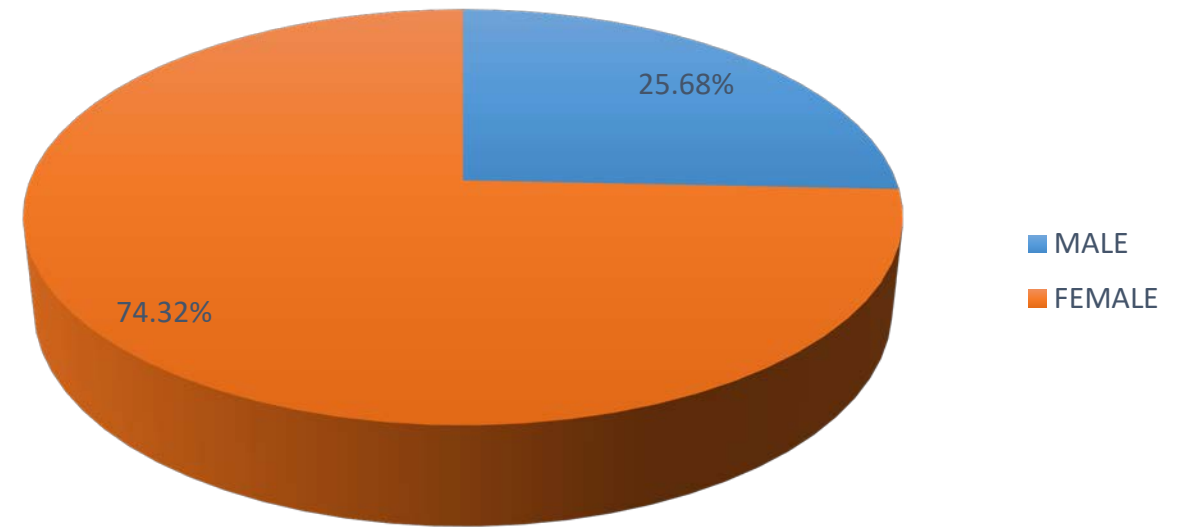


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 3.50 TO 3.99 STUDENT
COUNT - 257

GENDER	PCT	STUDENT COUNT
MALE	25.68%	66
FEMALE	74.32%	191

GENDER

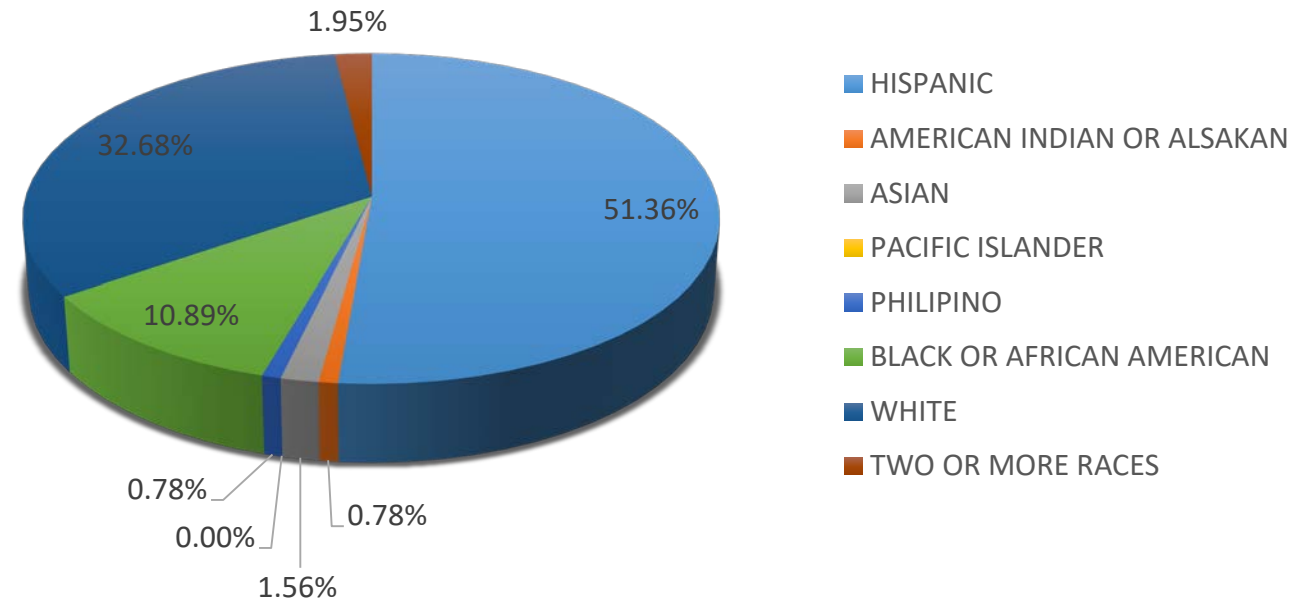


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 3.5 TO 3.99
STUDENT COUNT - 257

ETHNICITIES	PCT	STUDENT COUNT
HISPANIC	51.36%	132
AMERICAN INDIAN OR ALSAKAN	0.78%	2
ASIAN	1.56%	4
PACIFIC ISLANDER	0.00%	0
PHILIPINO	0.78%	2
BLACK OR AFRICAN AMERICAN	10.89%	28
WHITE	32.68%	84
TWO OR MORE RACES	1.95%	5

ETHNICITIES

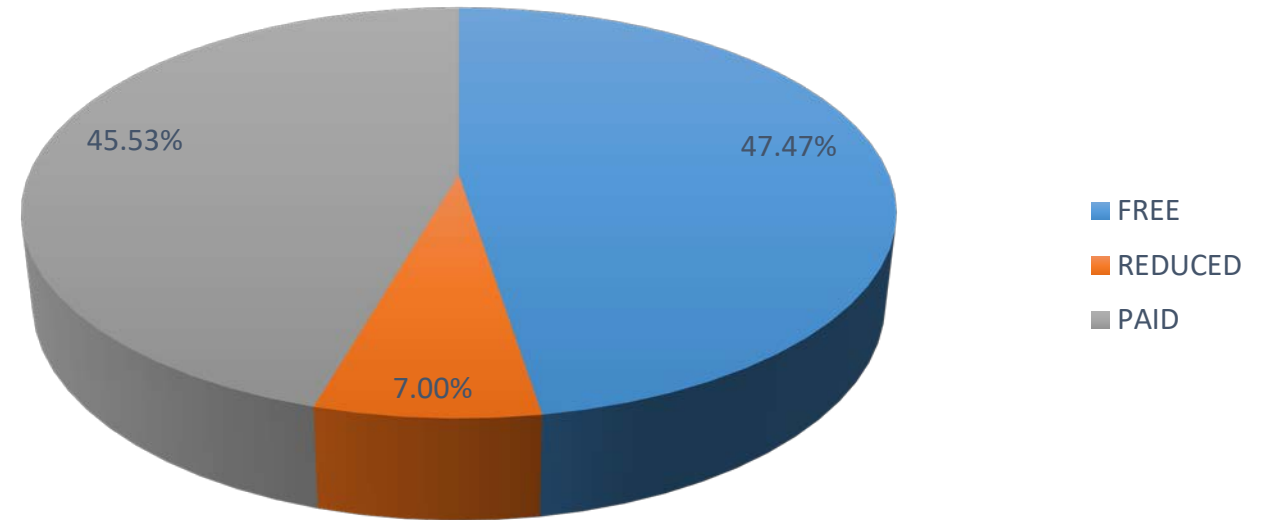


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 3.5 TO 3.99
STUDENT COUNT - 257

ECONOMICS	PCT	STUDENT COUNT
FREE	47.47%	122
REDUCED	7.00%	18
PAID	45.53%	117

ECONOMICS

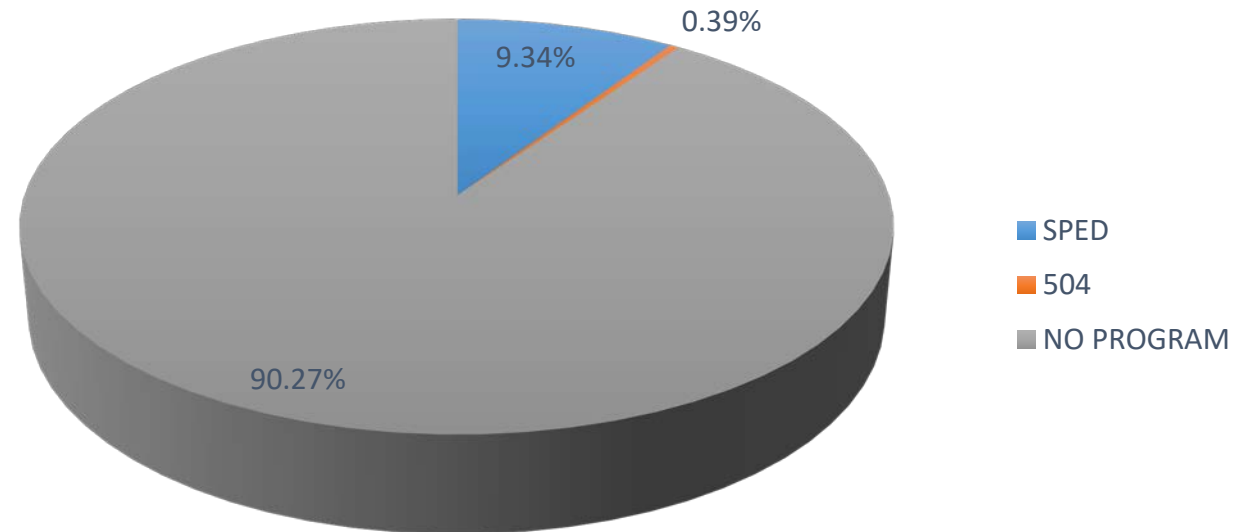


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 3.5 TO 3.99
STUDENT COUNT - 257

PROGRAM	PCT	STUDENT COUNT
SPED	9.34%	24
504	0.39%	1
NO PROGRAM	90.27%	232

PROGRAMS

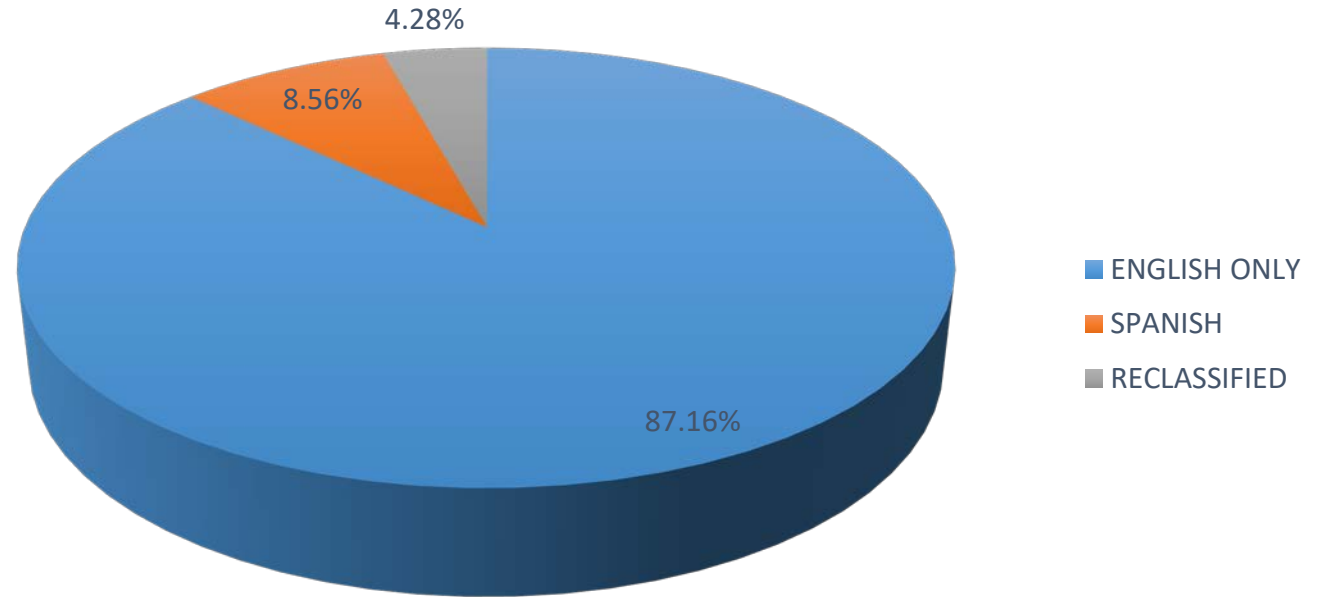


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 3.5 TO 3.99 STUDENT
COUNT - 257

ENGLISH LANGUAGE	PCT	STUDENT COUNT
ENGLISH ONLY	87.16%	224
SPANISH	8.56%	22
RECLASSIFIED	4.28%	11

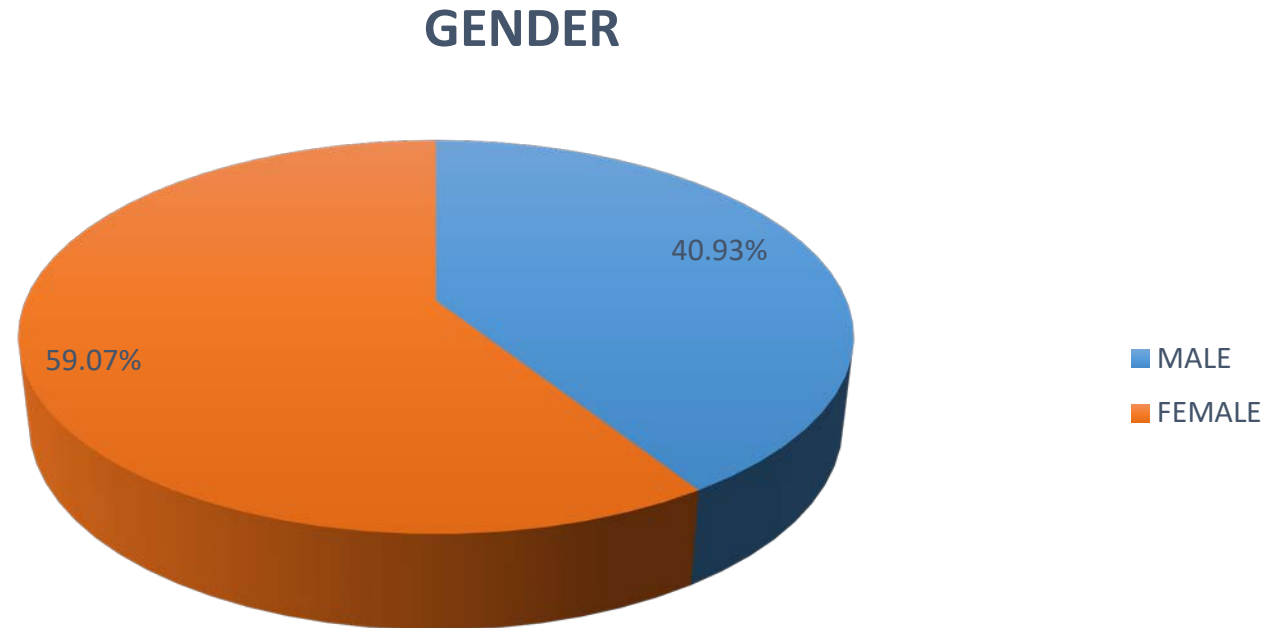
ENGLISH LANGUAGE



ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 3.0 TO 3.49 STUDENT
COUNT - 237

GENDER	PCT	STUDENT COUNT
MALE	40.93%	97
FEMALE	59.07%	140

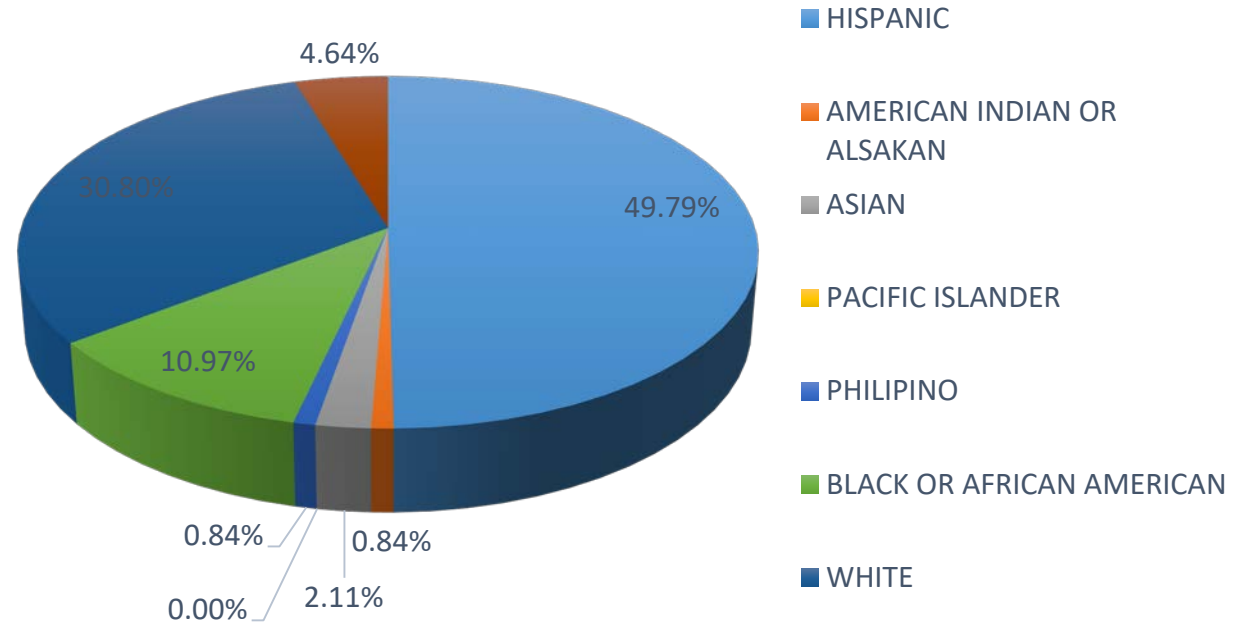


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 3.0 TO 3.49 STUDENT
COUNT - 237

ETHNICITIES	PCT	STUDENT COUNT
HISPANIC	49.79%	118
AMERICAN INDIAN OR ALSAKAN	0.84%	2
ASIAN	2.11%	5
PACIFIC ISLANDER	0.00%	0
PHILIPINO	0.84%	2
BLACK OR AFRICAN AMERICAN	10.97%	26
WHITE	30.80%	73
TWO OR MORE RACES	4.64%	11

ETHNICITIES

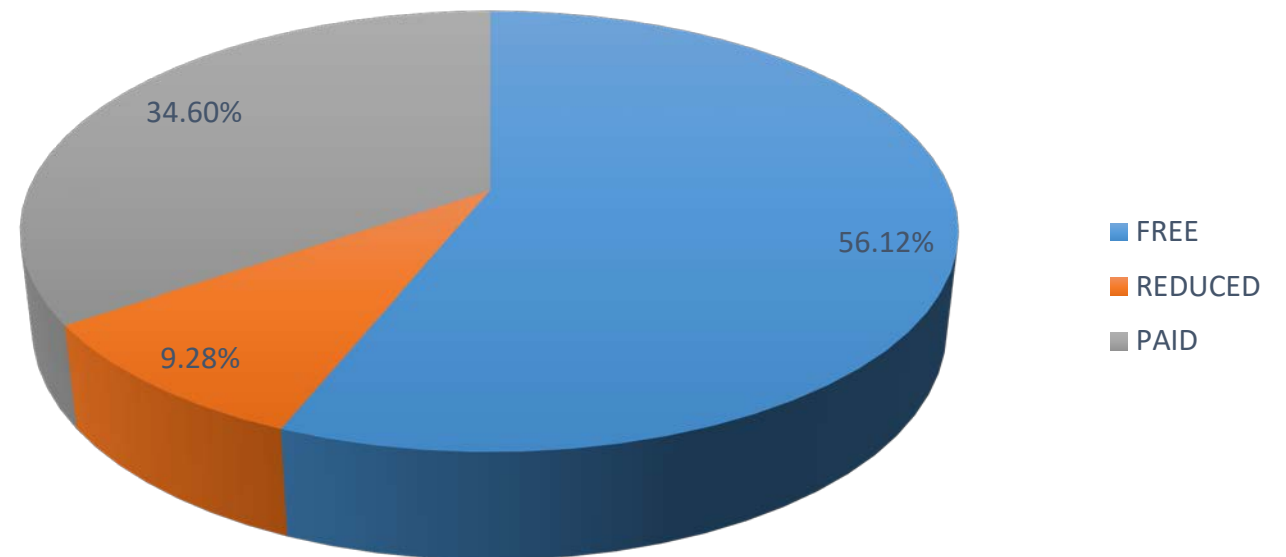


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 3.0 TO 3.49 STUDENT
COUNT - 237

ECONOMICS	PCT	STUDENT COUNT
FREE	56.12%	133
REDUCED	9.28%	22
PAID	34.60%	82

ECONOMICS

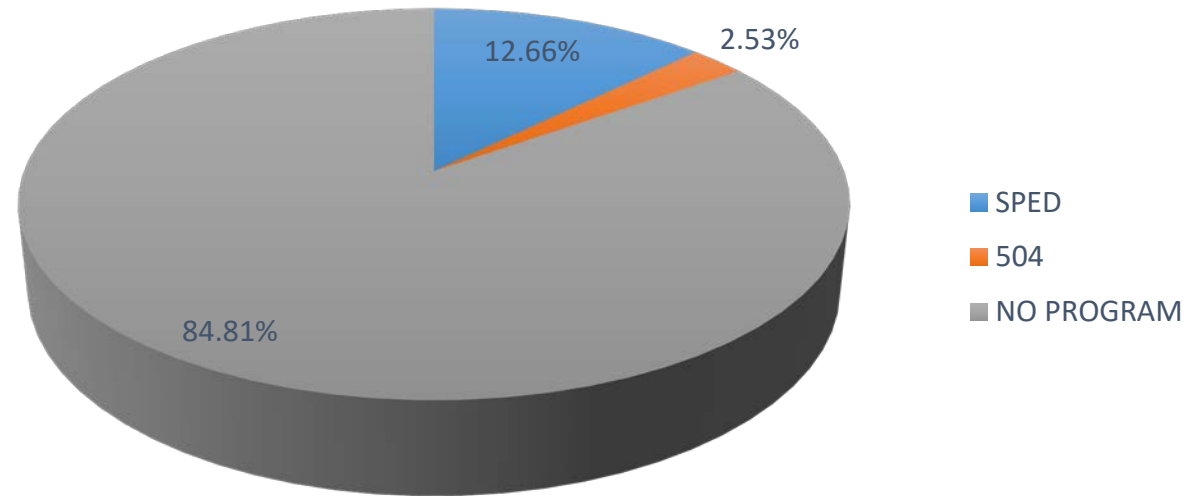


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 3.0 TO 3.49 STUDENT
COUNT - 237

PROGRAMS

PROGRAMS	PCT	STUDENT COUNT
SPED	12.66%	30
504	2.53%	6
NO PROGRAM	84.81%	201

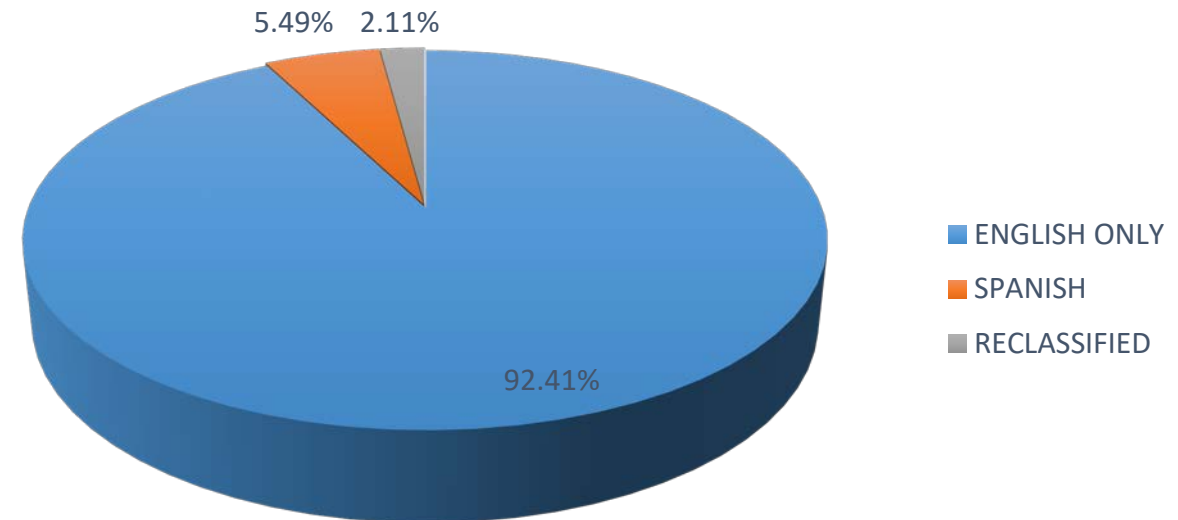


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 3.0 TO 3.49 STUDENT
COUNT - 237

ENGLISH LANGUAGE

ENGLISH LANGUAGE	PCT	STUDENT COUNT
ENGLISH ONLY	92.41%	219
SPANISH	5.49%	13
RECLASSIFIED	2.11%	5

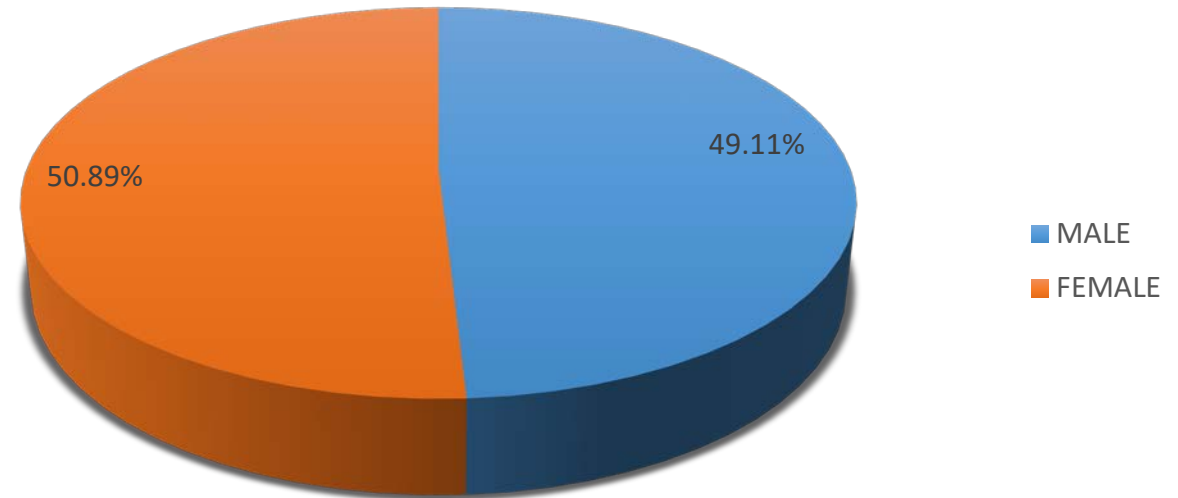


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 2.0 TO 2.99 STUDENT
COUNT - 224

GENDER	PCT	STUDENT COUNT
MALE	49.11%	110
FEMALE	50.89%	114

GENDER

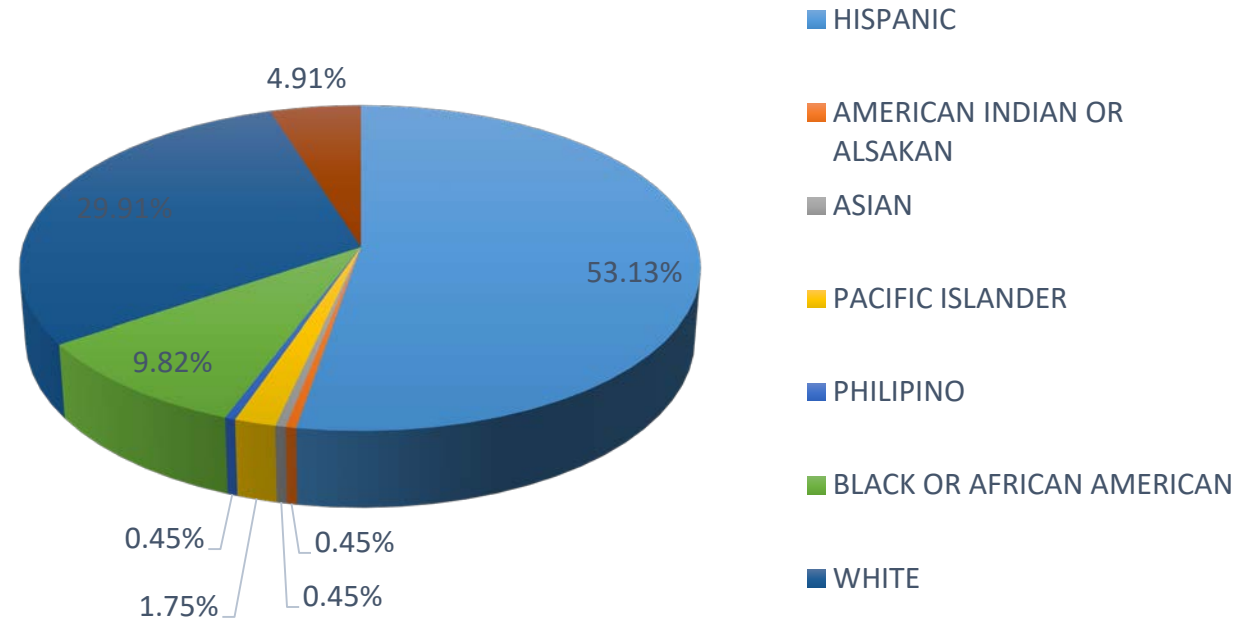


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 2.0 TO 2.99 STUDENT
COUNT - 224

ETHNICITIES	PCT	STUDENT COUNT
HISPANIC	53.13%	119
AMERICAN INDIAN OR ALSAKAN	0.45%	1
ASIAN	0.45%	1
PACIFIC ISLANDER	1.75%	2
PHILIPINO	0.45%	1
BLACK OR AFRICAN AMERICAN	9.82%	22
WHITE	29.91%	67
TWO OR MORE RACES	4.91%	11

ETHNICITIES

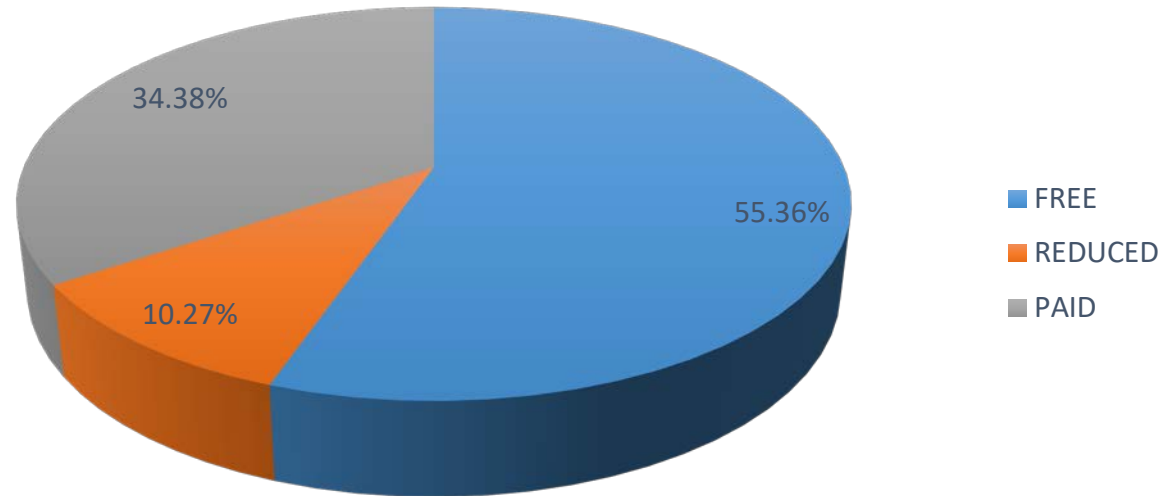


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 2.0 TO 2.99 STUDENT
COUNT - 224

ECONOMICS	PCT	STUDENT COUNT
FREE	55.36%	124
REDUCED	10.27%	23
PAID	34.38%	77

ECONOMICS

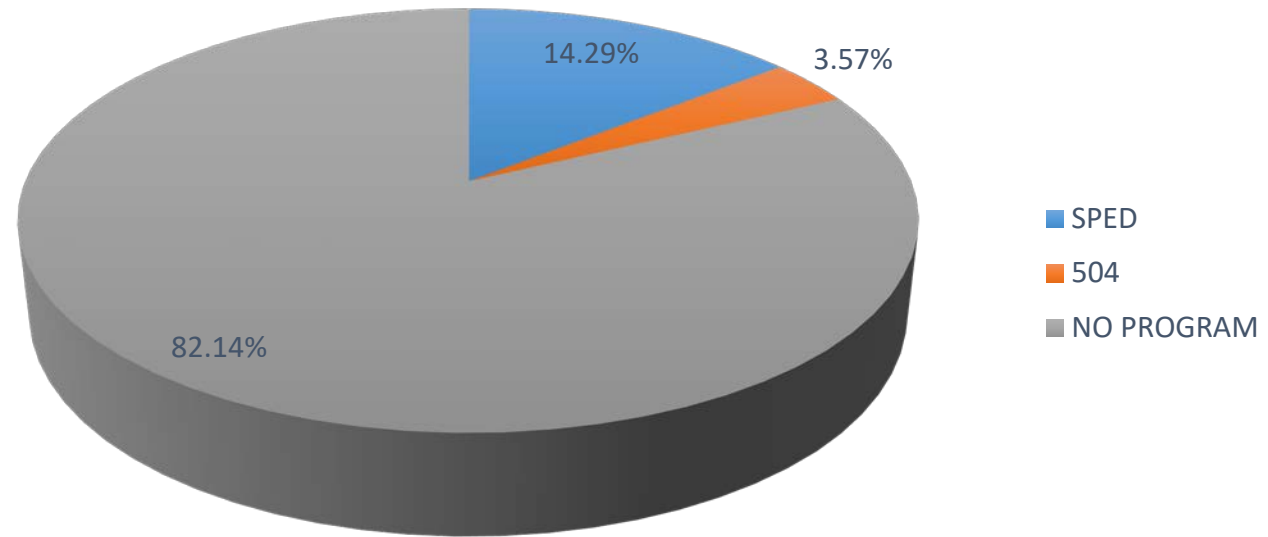


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 2.0 TO 2.99 STUDENT
COUNT - 224

PROGRAM	PCT	STUDENT COUNT
SPED	14.29%	32
504	3.57%	8
NO PROGRAM	82.14%	184

PROGRAMS

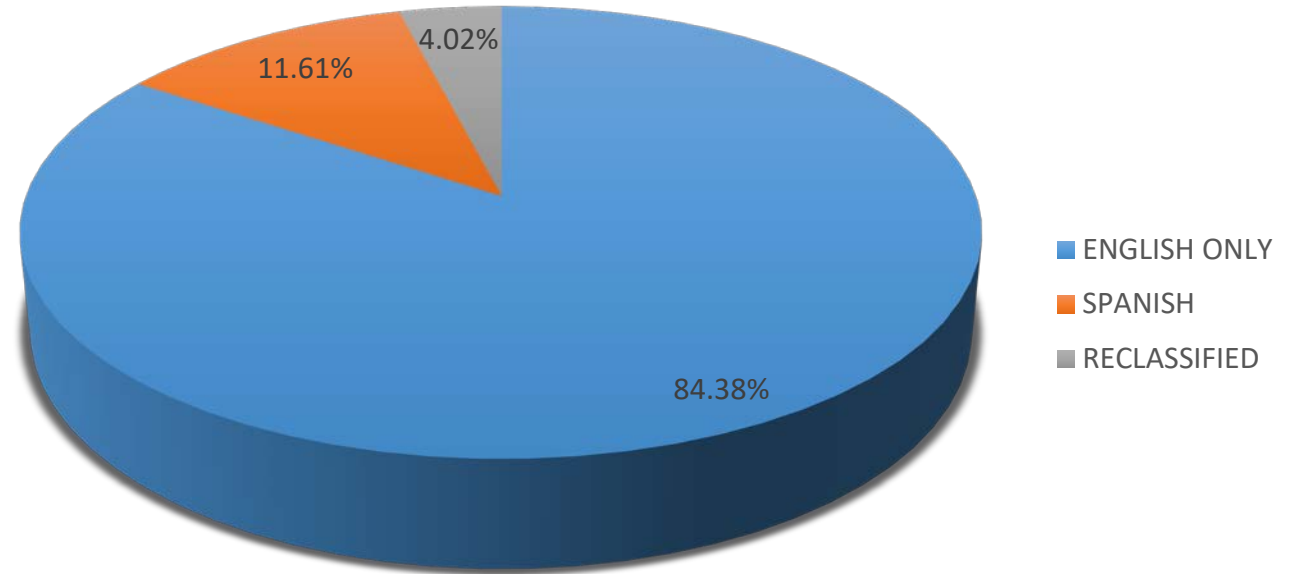


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 2.0 TO 2.99 STUDENT
COUNT - 224

ENGLISH LANGUAGE	PCT	STUDENT COUNT
ENGLISH ONLY	84.38%	189
SPANISH	11.61%	26
RECLASSIFIED	4.02%	9

ENGLISH LANGUAGE

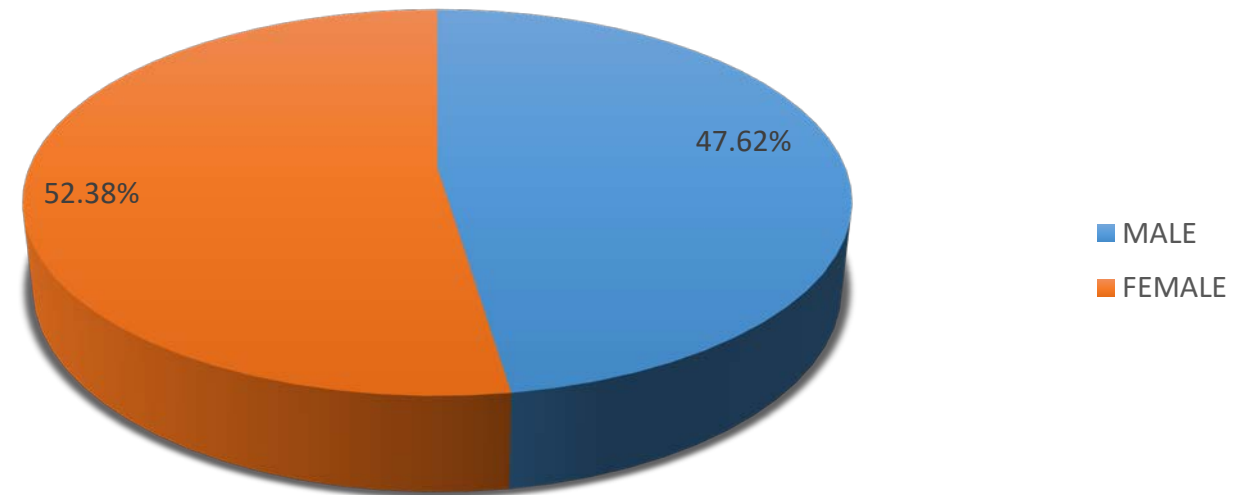


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 1.99 AND BELOW
STUDENT COUNT- 63

GENDER	PCT	STUDENT COUNT
MALE	47.62%	30
FEMALE	52.38%	33

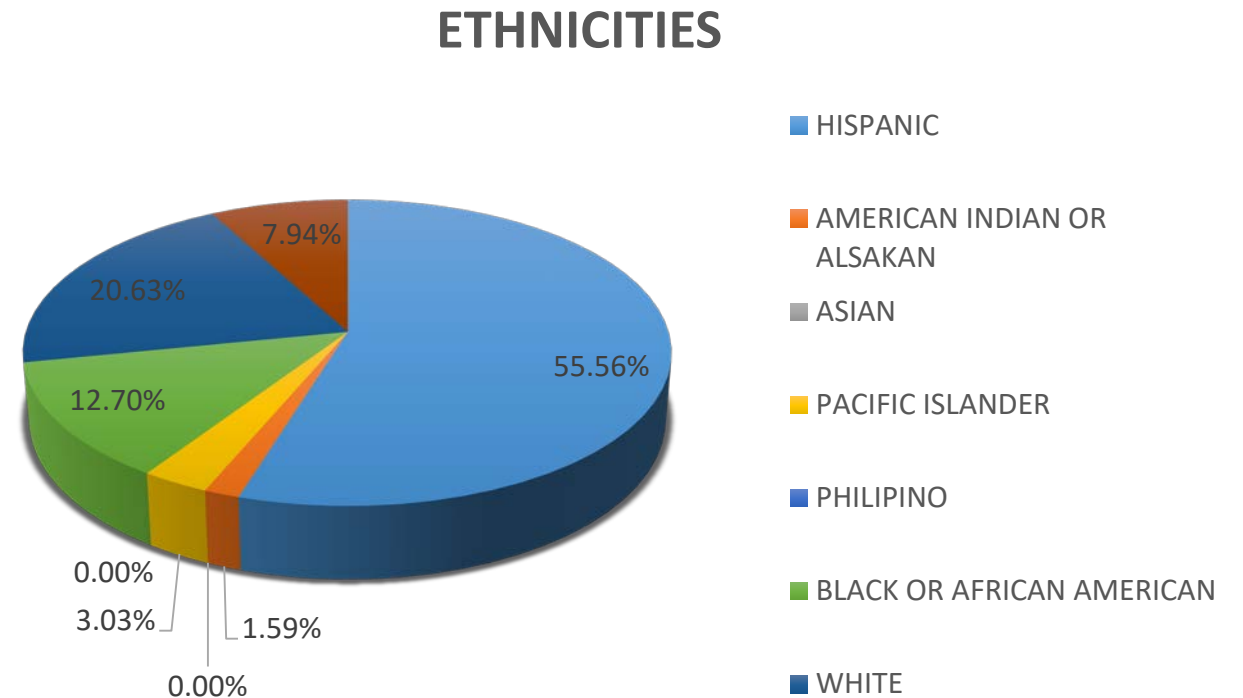
Chart Title



ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 1.99 AND BELOW
STUDENT COUNT- 63

ETHNICITIES	PCT	STUDENT COUNT
HISPANIC	55.56%	35
AMERICAN INDIAN OR ALSAKAN	1.59%	1
ASIAN	0.00%	0
PACIFIC ISLANDER	3.03%	1
PHILIPINO	0.00%	0
BLACK OR AFRICAN AMERICAN	12.70%	8
WHITE	20.63%	13
TWO OR MORE RACES	7.94%	5

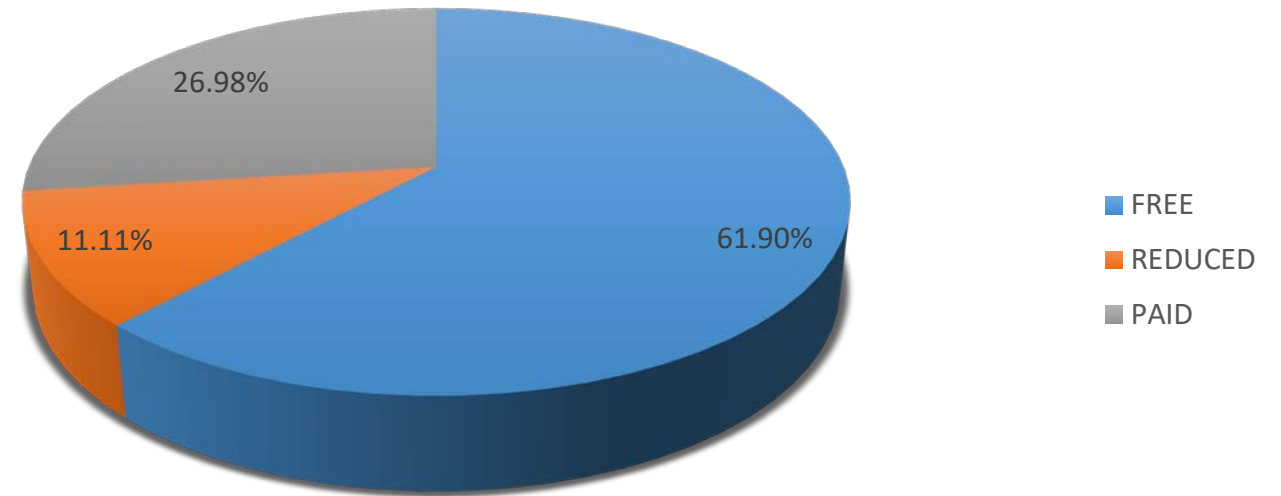


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 1.99 AND BELOW
STUDENT COUNT- 63

ECONOMICS	PCT	STUDENT COUNT
FREE	61.90%	39
REDUCED	11.11%	7
PAID	26.98%	17

ECONOMICS

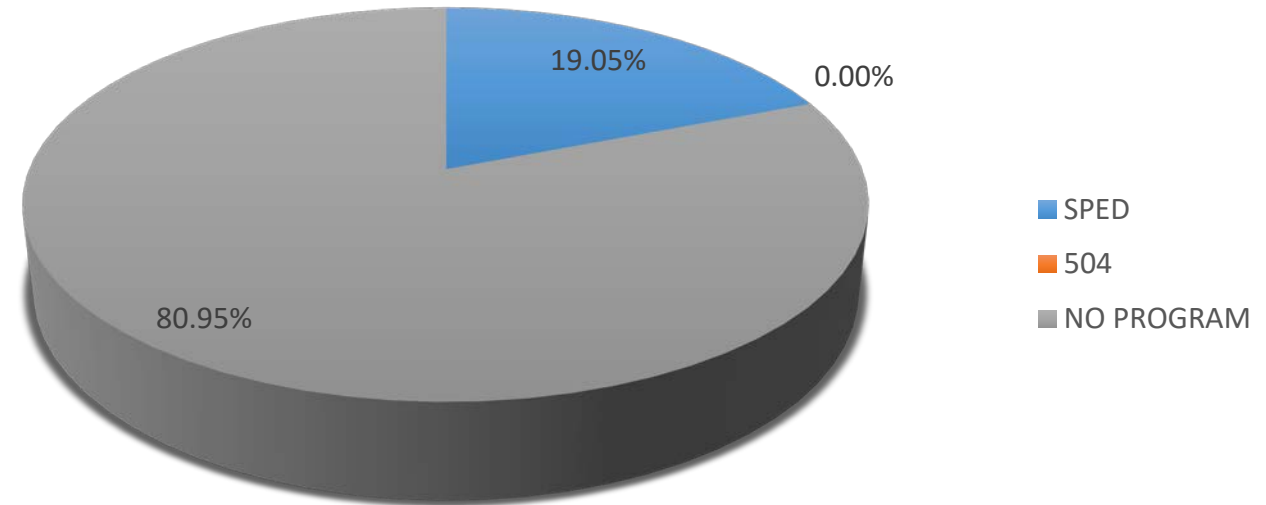


ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 1.99 AND BELOW
STUDENT COUNT- 63

PROGRAMS	PCT	STUDENT COUNT
SPED	19.05%	12
504	0.00%	0
NO PROGRAM	80.95%	51

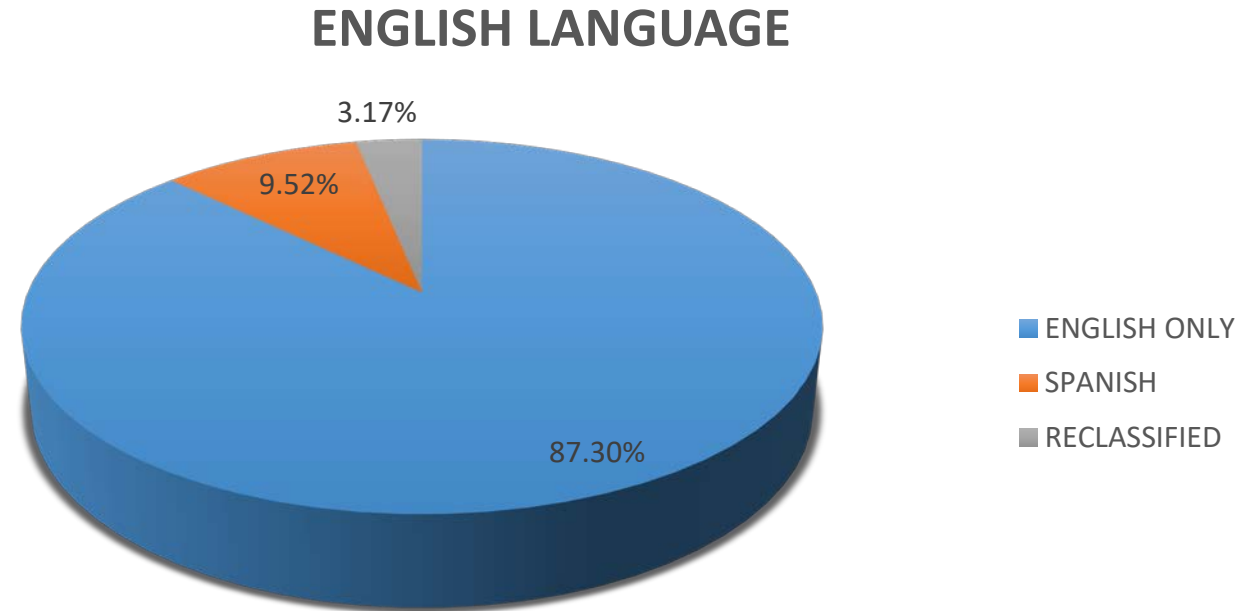
PROGRAMS



ENCORE EDUCATION CORPORATION GPA STATS HESPERIA CAMPUS

GPA 1.99 AND BELOW
STUDENT COUNT- 63

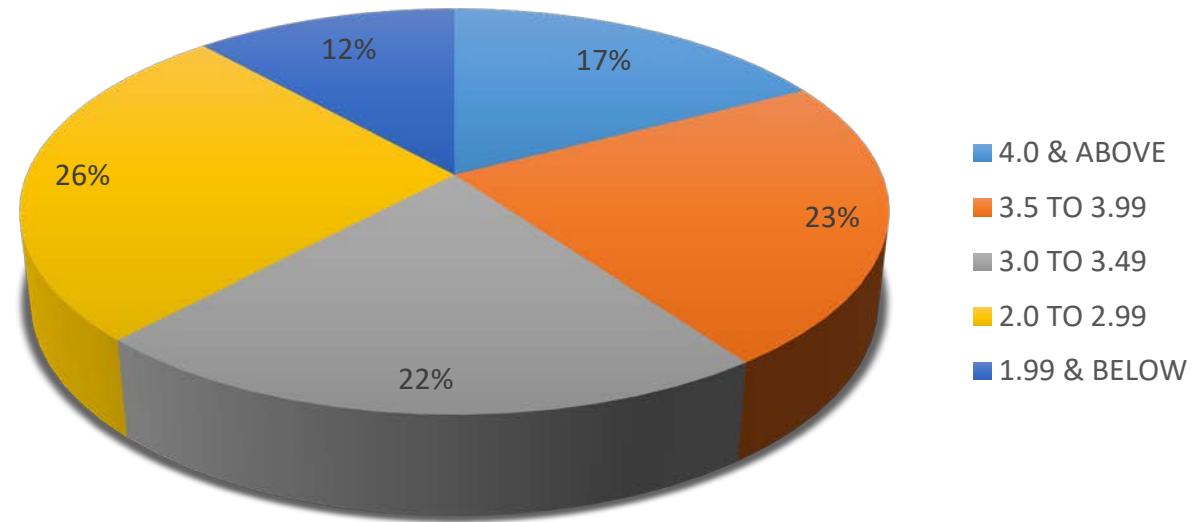
ENGLISH LANGUAGE	PCT	STUDENT COUNT
ENGLISH ONLY	87.30%	55
SPANISH	9.52%	6
RECLASSIFIED	3.17%	2



ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA	PCT	STUDENT COUNT
4.0 & ABOVE	17%	140
3.5 TO 3.99	23%	185
3.0 TO 3.49	22%	177
2.0 TO 2.99	26%	214
1.99 & BELOW	12%	94
TOTAL		810

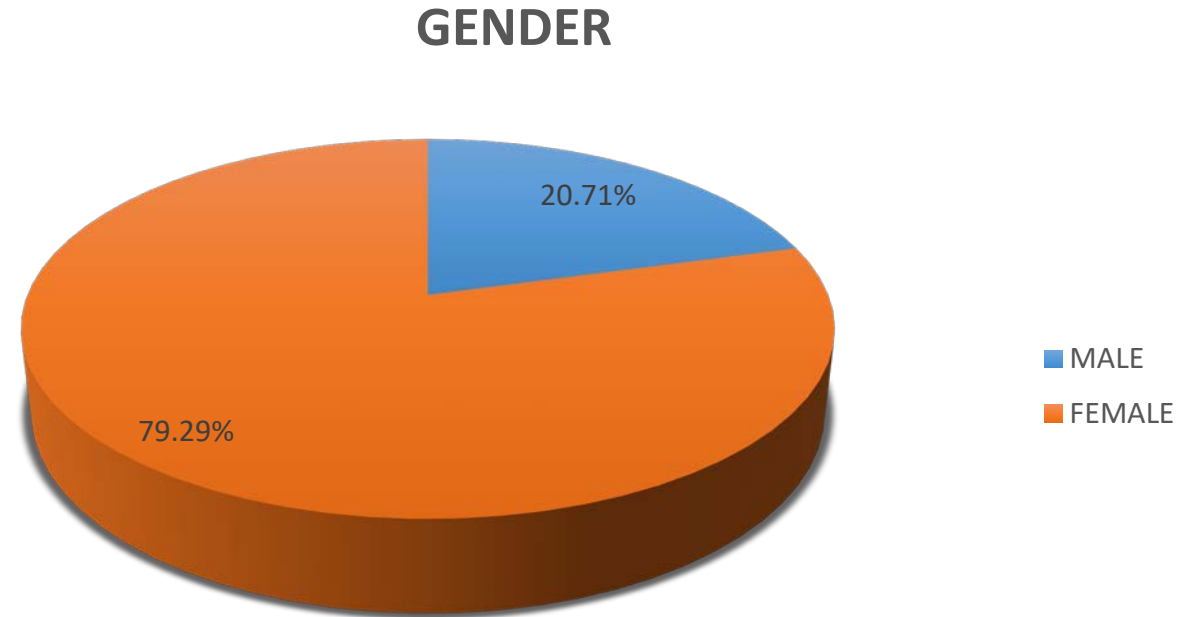
ENCORE HIGH SCHOOL RIVERSIDE GPA



ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

4.0 AND ABOVE STUDENT
COUNT - 140

GENDER	PCT	STUDENT COUNT
MALE	20.71%	29
FEMALE	79.29%	111

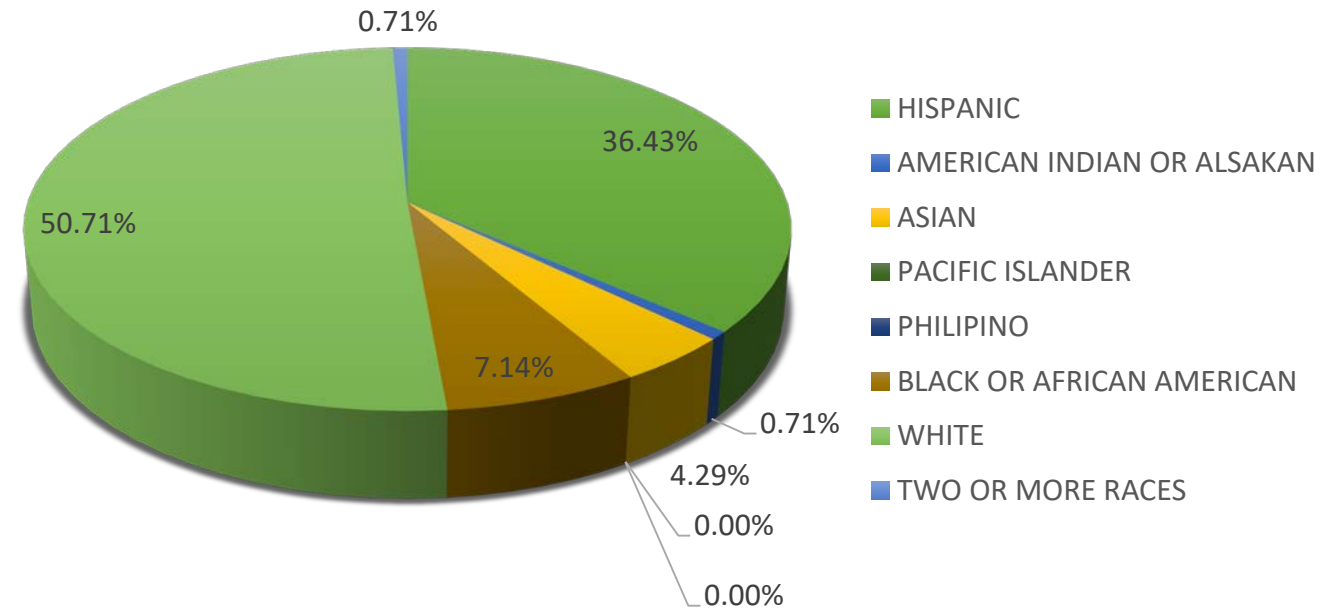


ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 4.0 AND ABOVE
STUDENT COUNT - 140

ETHNICITIES	PCT	STUDENT COUNT
HISPANIC	36.43%	51
AMERICAN INDIAN OR ALSAKAN	0.71%	1
ASIAN	4.29%	6
PACIFIC ISLANDER	0.00%	0
PHILIPINO	0.00%	0
BLACK OR AFRICAN AMERICAN	7.14%	10
WHITE	50.71%	71
TWO OR MORE RACES	0.71%	1

ETHNICITIES

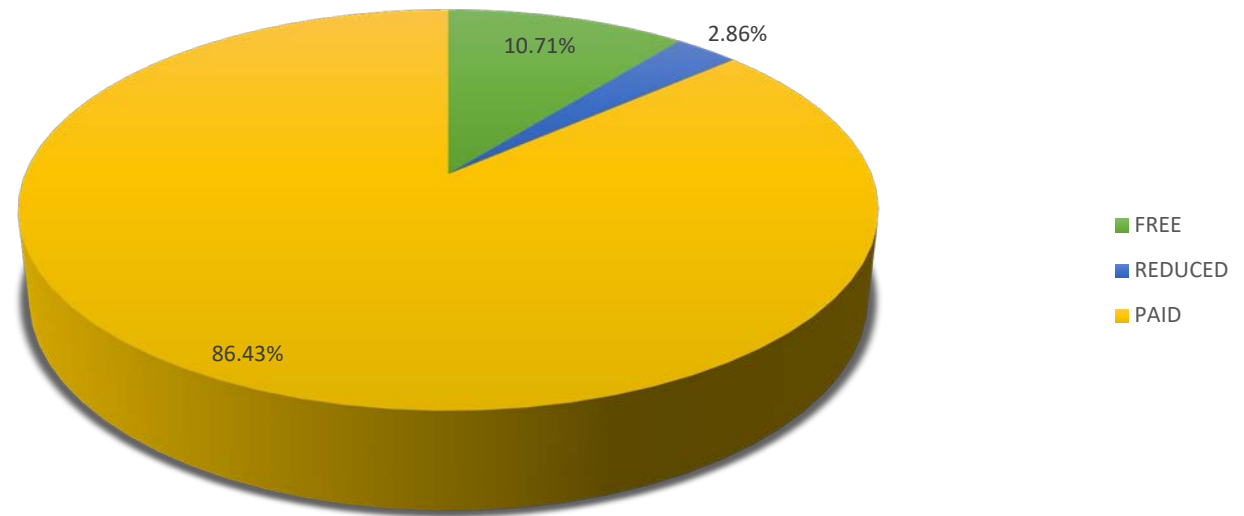


ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 4.0 AND ABOVE
STUDENT COUNT - 140

ECONOMICS	PCT	STUDENT COUNT
FREE	10.71%	15
REDUCED	2.86%	4
PAID	86.43%	121

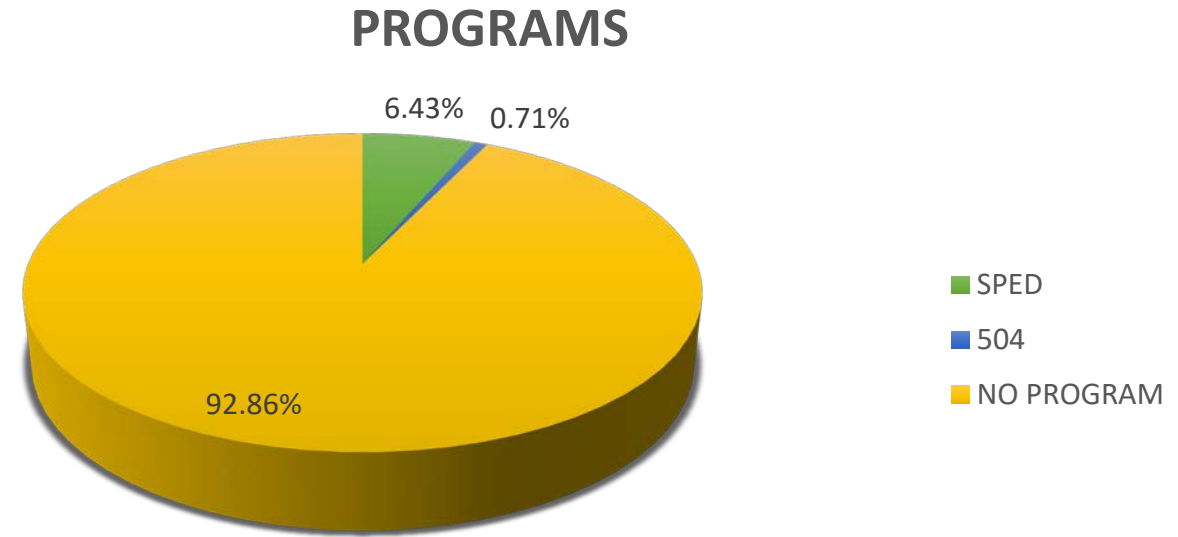
ECONOMICS



ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 4.0 AND ABOVE
STUDENT COUNT - 140

PROGRAMS	PCT	STUDENT COUNT
SPED	6.43%	9
504	0.71%	1
NO PROGRAM	92.86%	130

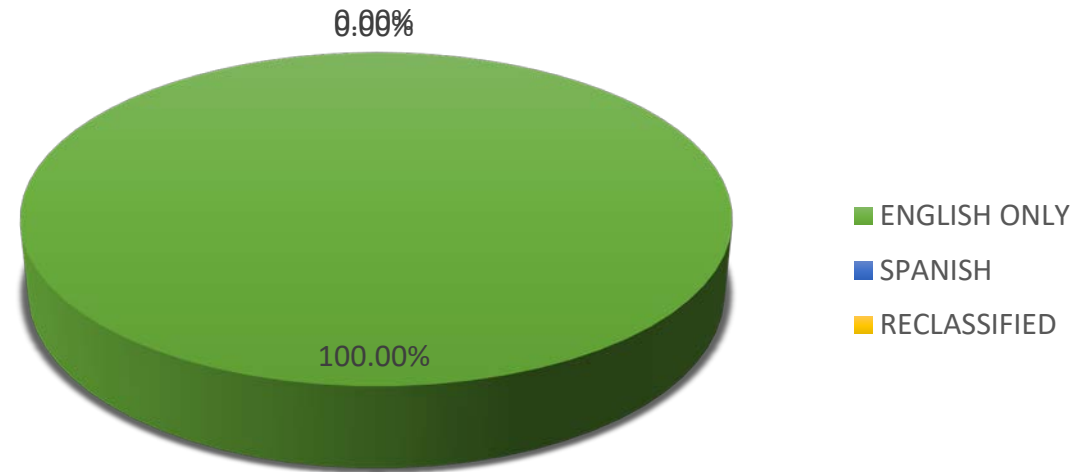


ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 4.0 AND ABOVE
STUDENT COUNT - 140

ENGLISH LANGUAGE	PCT	STUDENT COUNT
ENGLISH ONLY	100.00%	140
SPANISH	0.00%	0
RECLASSIFIED	0.00%	0

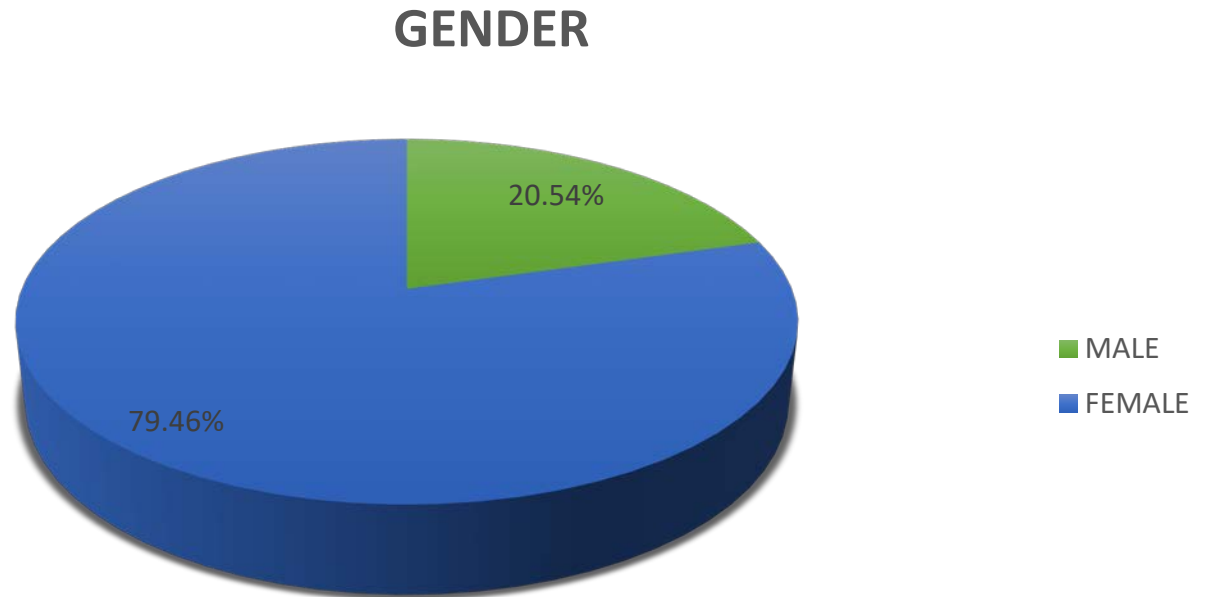
ENGLISH LANGUAGE



ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 3.5 TO 3.99 STUDENT
COUNT - 185

GENDER	PCT	STUDENT COUNT
MALE	20.54%	38
FEMALE	79.46%	147

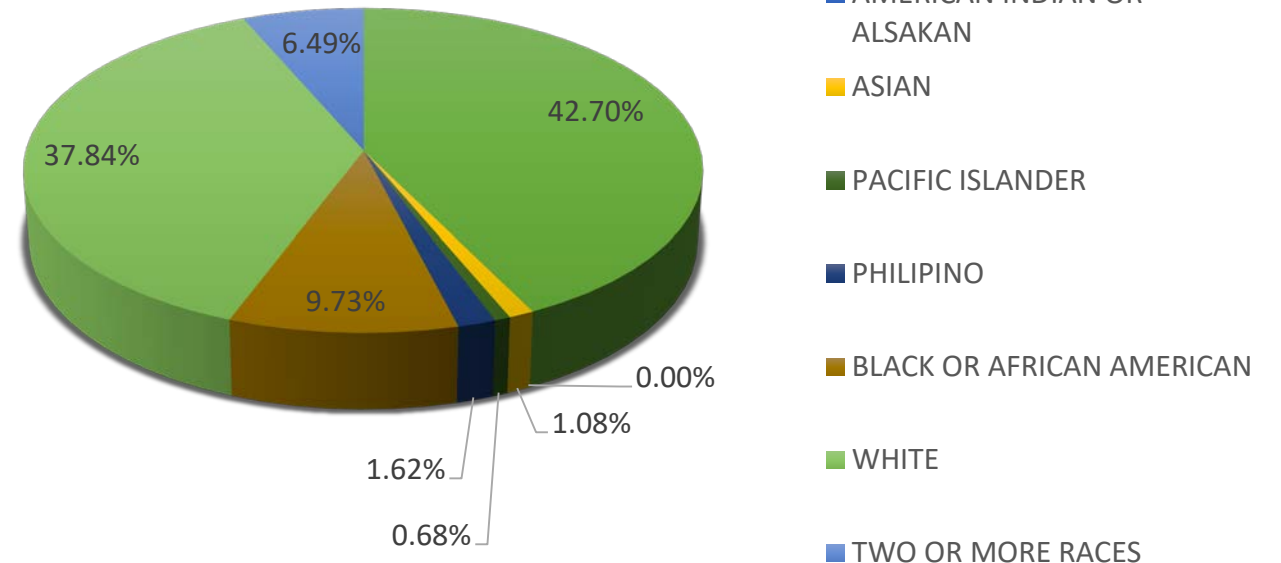


ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 3.5 TO 3.99 STUDENT
COUNT - 185

ETHNICITIES

ETHNICITIES	PCT	STUDENT COUNT
HISPANIC	42.70%	79
AMERICAN INDIAN OR ALSAKAN	0.00%	0
ASIAN	1.08%	2
PACIFIC ISLANDER	0.68%	1
PHILIPINO	1.62%	3
BLACK OR AFRICAN AMERICAN	9.73%	18
WHITE	37.84%	70
TWO OR MORE RACES	6.49%	12



ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 3.5 TO 3.99
STUDENT COUNT - 185

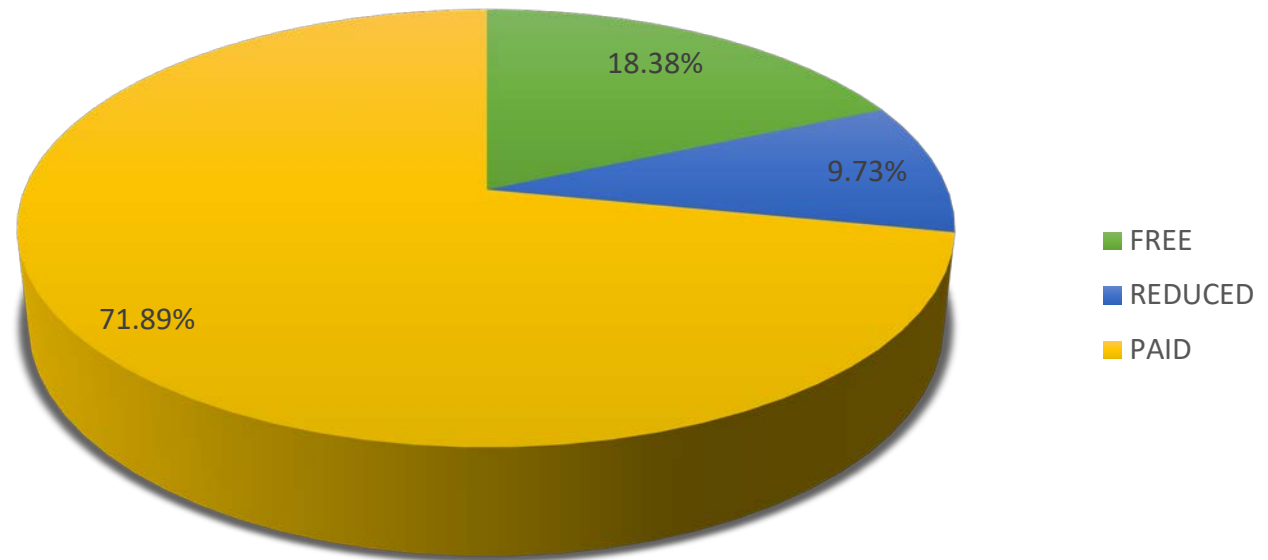
ECONOMICS

ECONOMICS	PCT	STUDENT COUNT
-----------	-----	---------------

FREE	18.38%	34
------	--------	----

REDUCED	9.73%	18
---------	-------	----

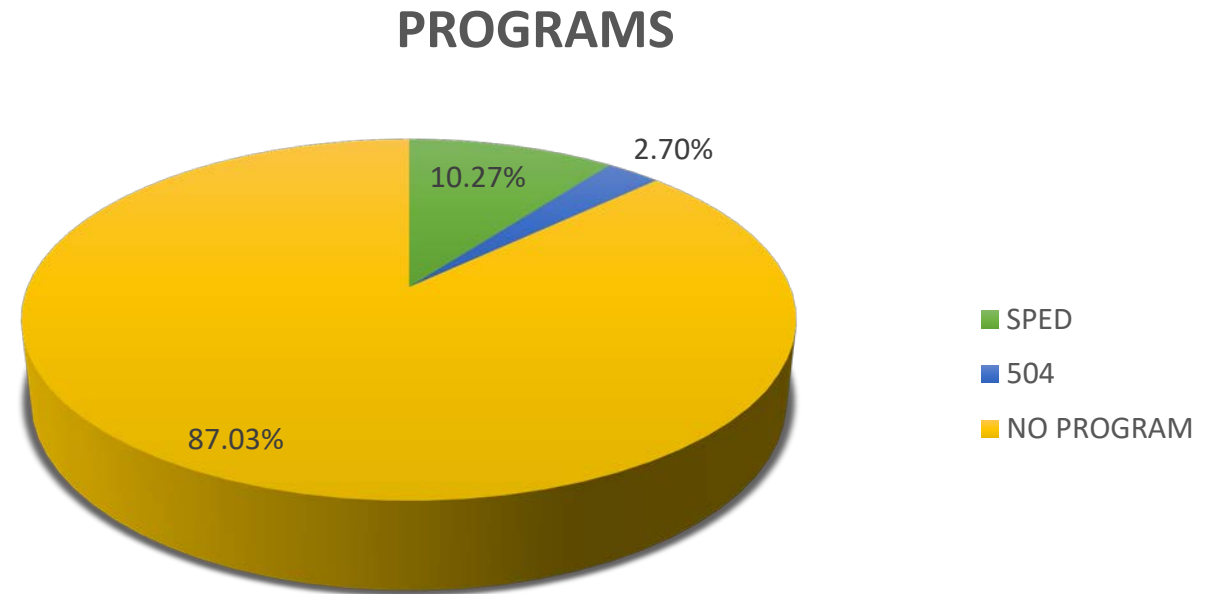
PAID	71.89%	133
------	--------	-----



ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 3.5 TO 3.99
STUDENT COUNT - 185

PROGRAMS	PCT	STUDENT COUNT
SPED	10.27%	19
504	2.70%	5
NO PROGRAM	87.03%	161

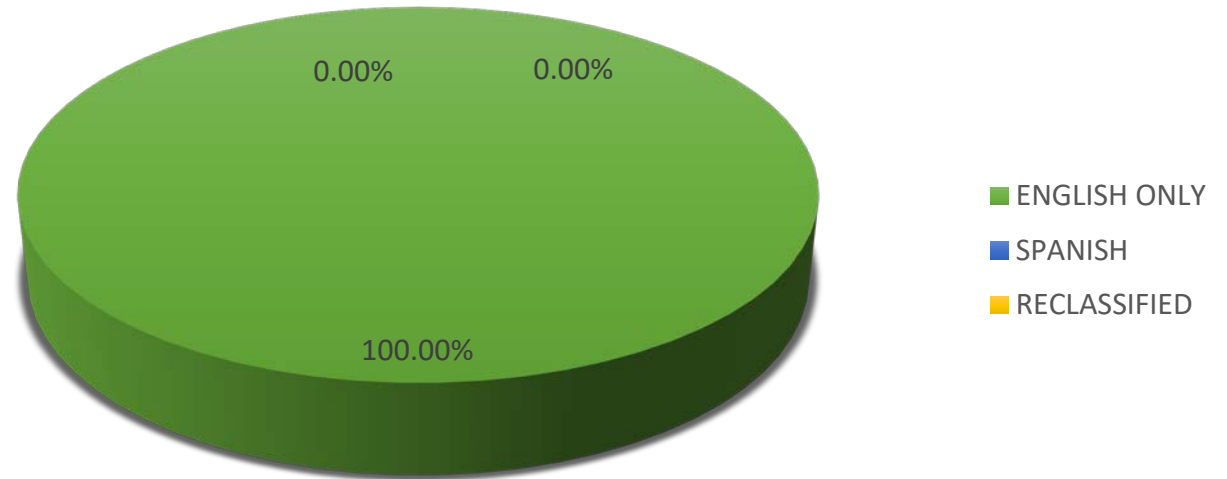


ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 3.5 TO 3.99 STUDENT
COUNT - 185

ENGLISH LANGUAGE	PCT	STUDENT COUNT
ENGLISH ONLY	100.00%	185
SPANISH	0.00%	0
RECLASSIFIED	0.00%	0

ENGLISH LANGUAGE



ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

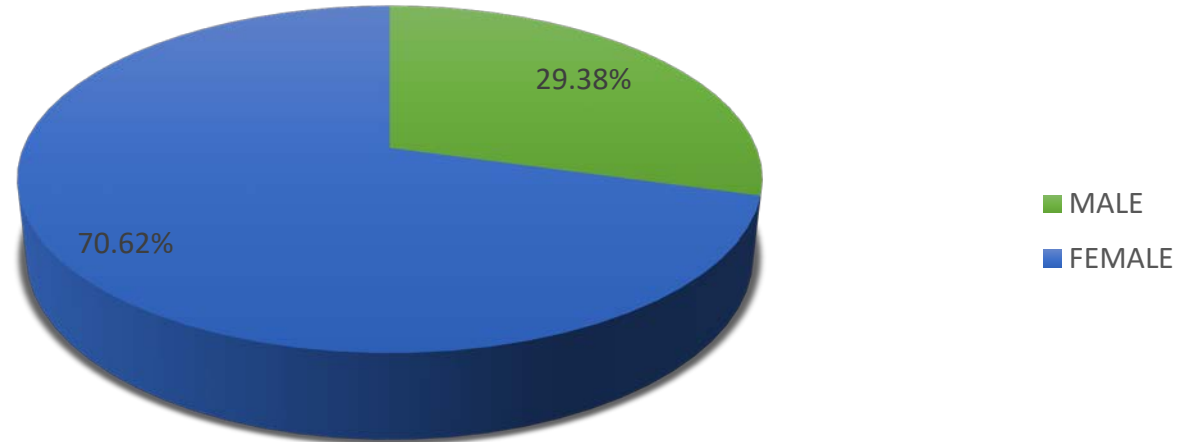
GPA 3.0 TO 3.49 STUDENT
COUNT - 177

GENDER	PCT	STUDENT COUNT
--------	-----	------------------

MALE	29.38%	52
------	--------	----

FEMALE	70.62%	125
--------	--------	-----

GENDER

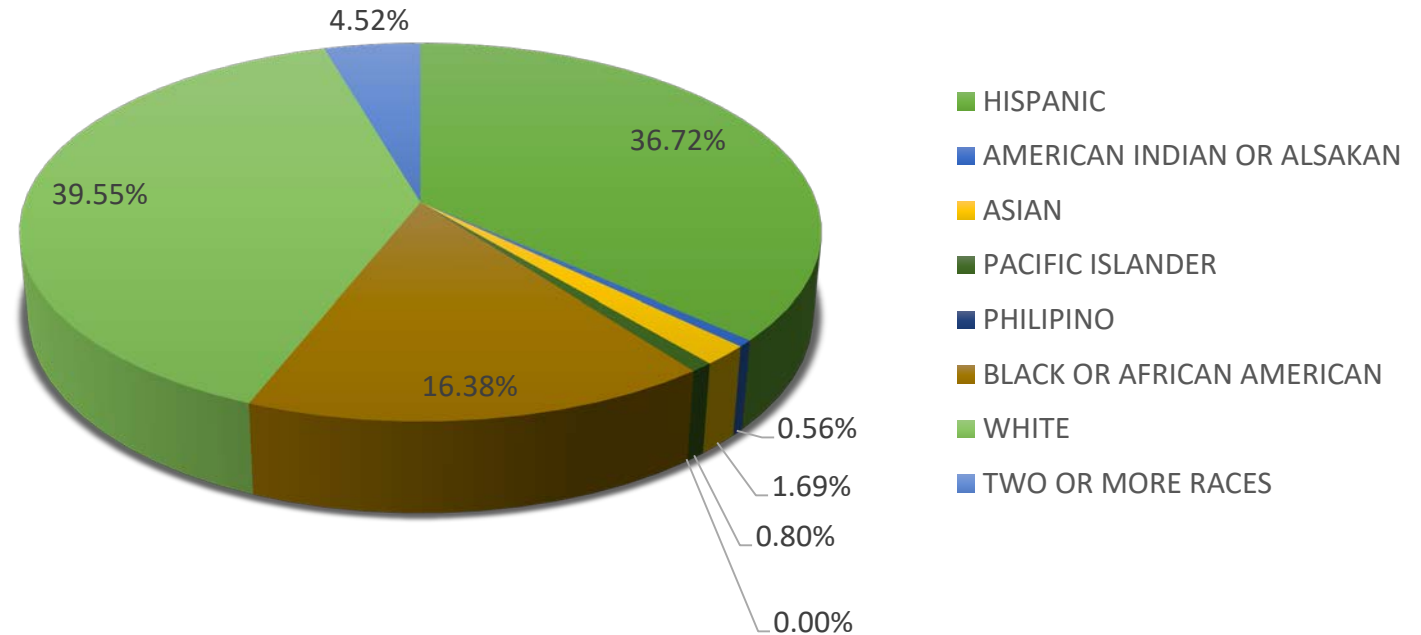


ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 3.0 TO 3.49 STUDENT
COUNT - 177

ETHNICITIES	PCT	STUDENT COUNT
HISPANIC	36.72%	65
AMERICAN INDIAN OR ALSAKAN	0.56%	1
ASIAN	1.69%	3
PACIFIC ISLANDER	0.80%	1
PHILIPINO	0.00%	0
BLACK OR AFRICAN AMERICAN	16.38%	29
WHITE	39.55%	70
TWO OR MORE RACES	4.52%	8

ETHNICITIES

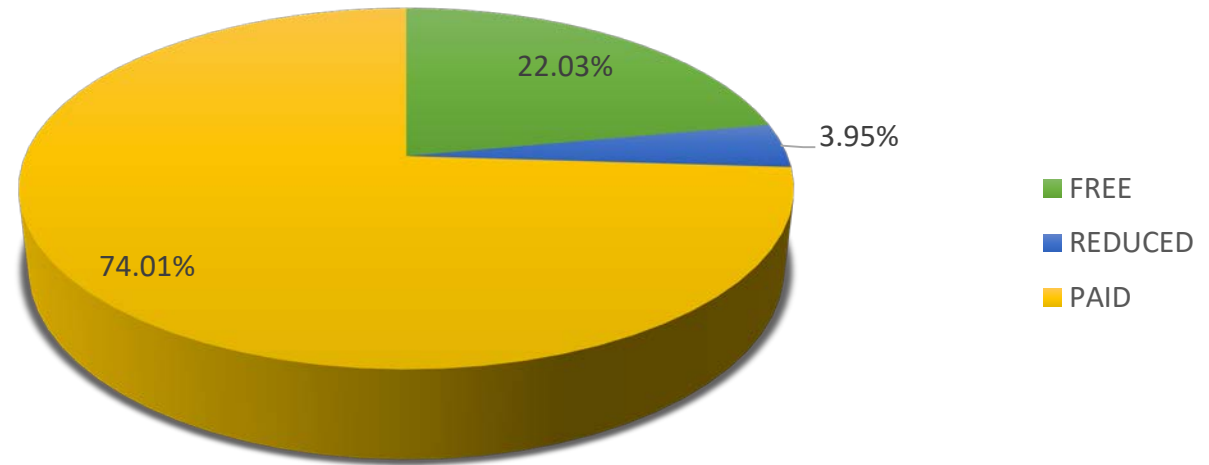


ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 3.0 TO 3.49 STUDENT
COUNT - 177

ECONOMICS	PCT	STUDENT COUNT
FREE	22.03%	39
REDUCED	3.95%	7
PAID	74.01%	131

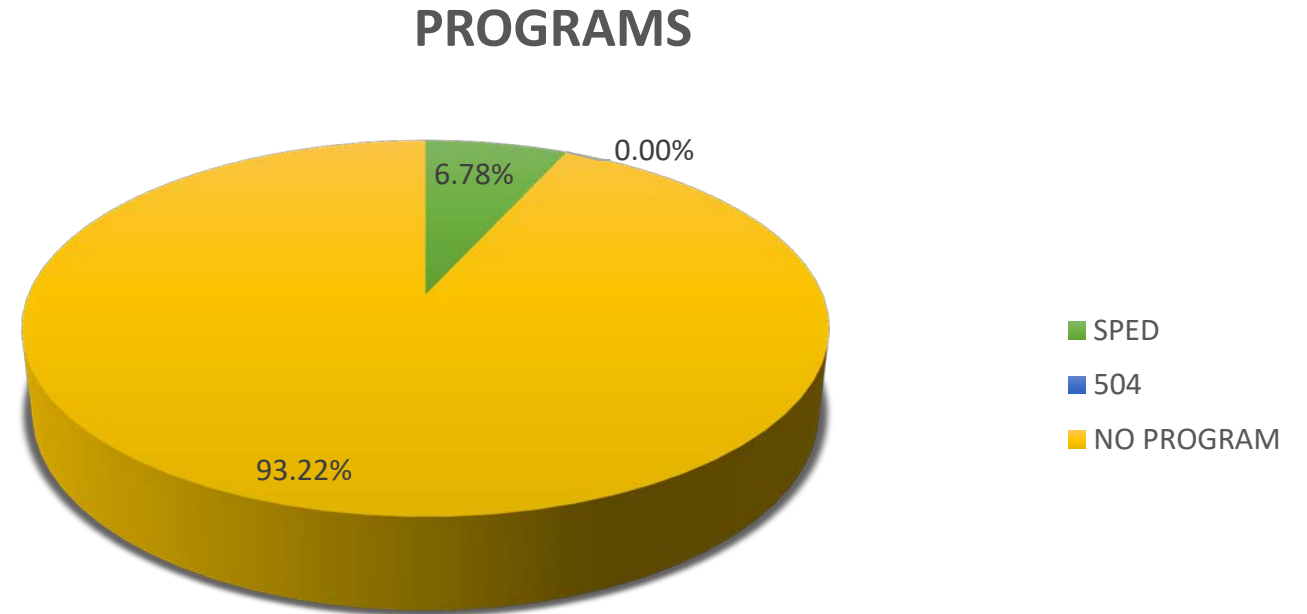
ECONOMICS



ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 3.0 TO 3.49 STUDENT
COUNT - 177

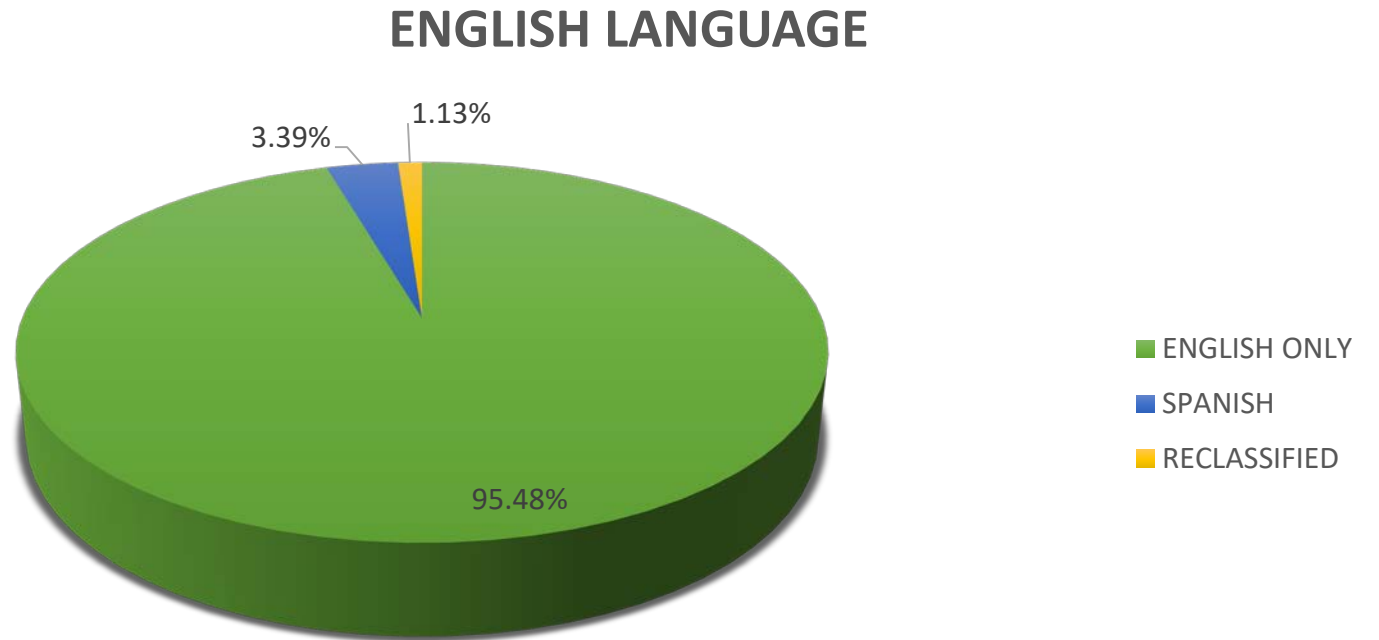
PROGRAMS	PCT	STUDENT COUNT
SPED	6.78%	12
504	0.00%	0
NO PROGRAM	93.22%	165



ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 3.0 TO 3.49 STUDENT
COUNT - 177

ENGLISH LANGUAGE	PCT	STUDENT COUNT
ENGLISH ONLY	95.48%	169
SPANISH	3.39%	6
RECLASSIFIED	1.13%	2

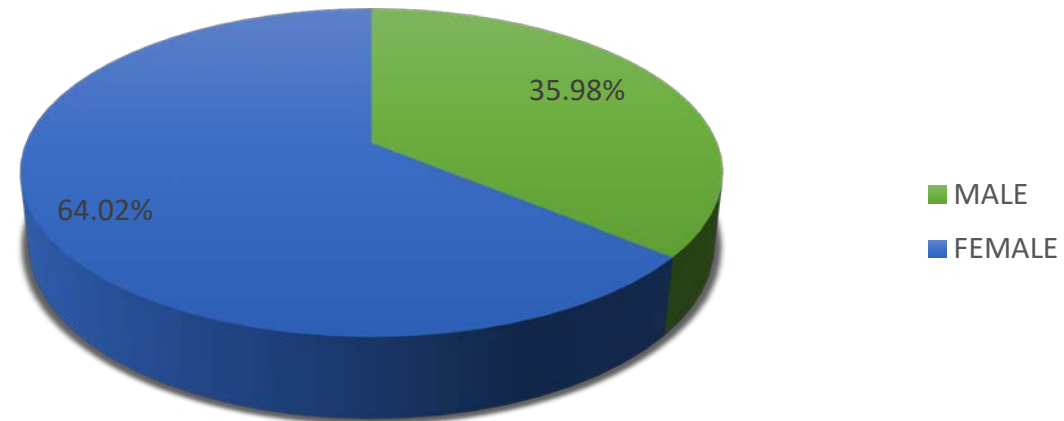


ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 2.0 TO 2.99 STUDENT
COUNT - 214

GENDER	PCT	STUDENT COUNT
MALE	35.98%	77
FEMALE	64.02%	137

GENDER

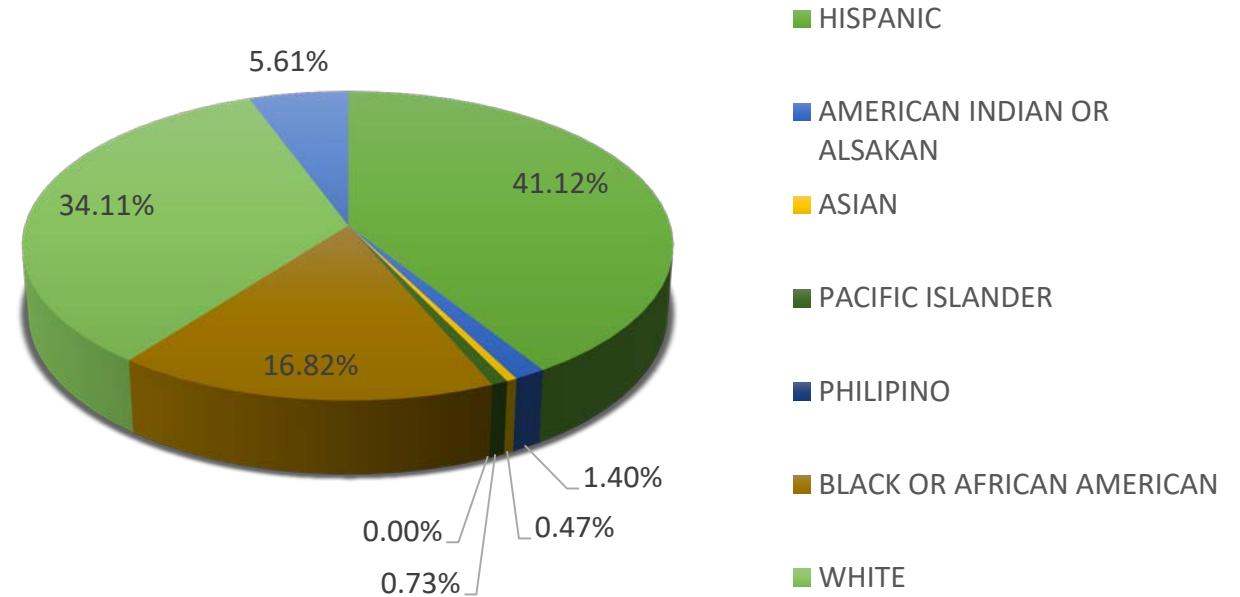


ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 2.0 TO 2.99 STUDENT
COUNT - 214

ETHNICITIES	PCT	STUDENT COUNT
HISPANIC	41.12%	88
AMERICAN INDIAN OR ALSAKAN	1.40%	3
ASIAN	0.47%	1
PACIFIC ISLANDER	0.73%	1
PHILIPINO	0.00%	0
BLACK OR AFRICAN AMERICAN	16.82%	36
WHITE	34.11%	73
TWO OR MORE RACES	5.61%	12

ETHNICITIES

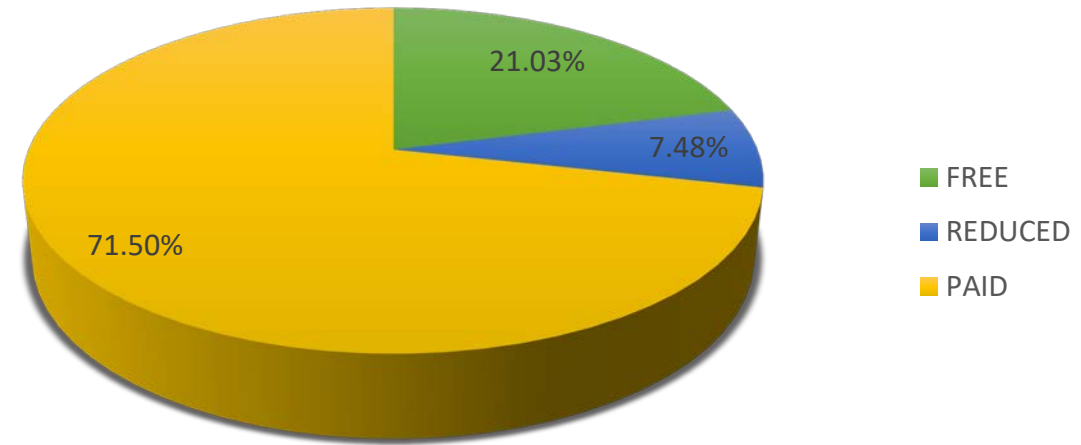


ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 2.0 TO 2.99 STUDENT
COUNT - 214

ECONOMICS	PCT	STUDENT COUNT
FREE	21.03%	45
REDUCED	7.48%	16
PAID	71.50%	153

ECONOMICS

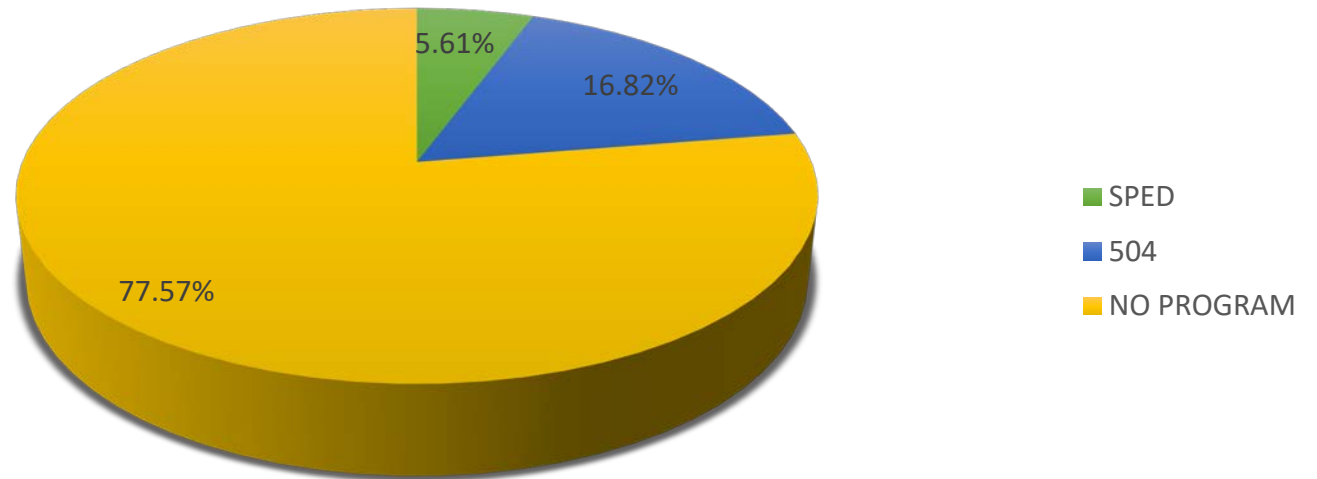


ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 2.0 TO 2.99 STUDENT
COUNT - 214

PROGRAMS	PCT	STUDENT COUNT
SPED	5.61%	12
504	16.82%	36
NO PROGRAM	77.57%	166

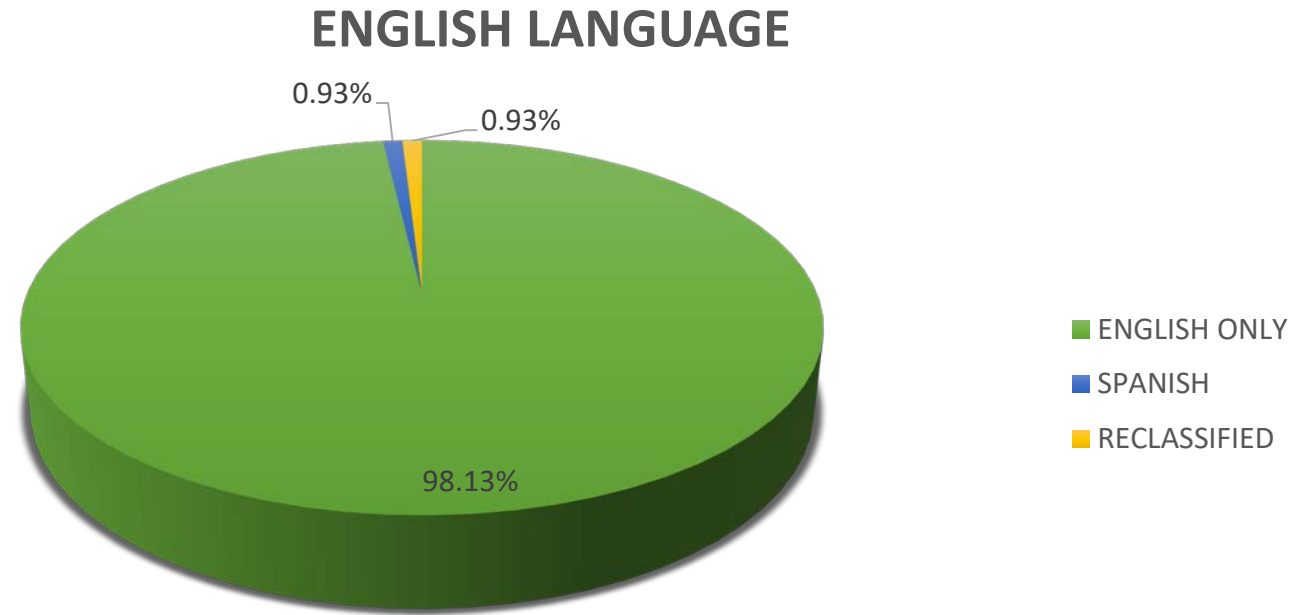
PROGRAMS



ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 2.0 TO 2.99 STUDENT
COUNT - 214

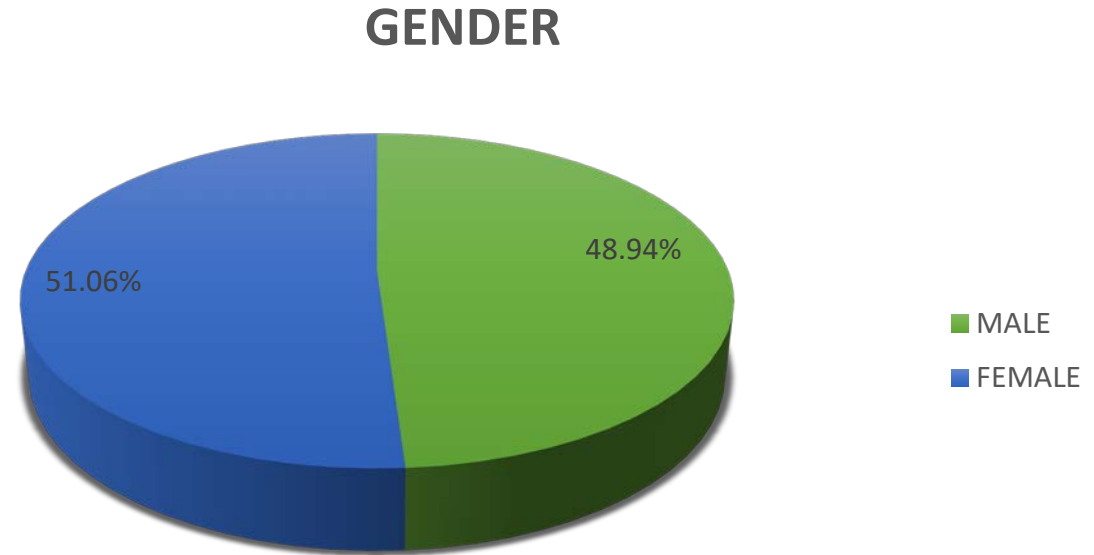
ENGLISH LANGUAGE	PCT	STUDENT COUNT
ENGLISH ONLY	98.13%	210
SPANISH	0.93%	2
RECLASSIFIED	0.93%	2



ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 1.99 AND BELOW
STUDENT COUNT - 94

GENDER	PCT	STUDENT COUNT
MALE	48.94%	46
FEMALE	51.06%	48

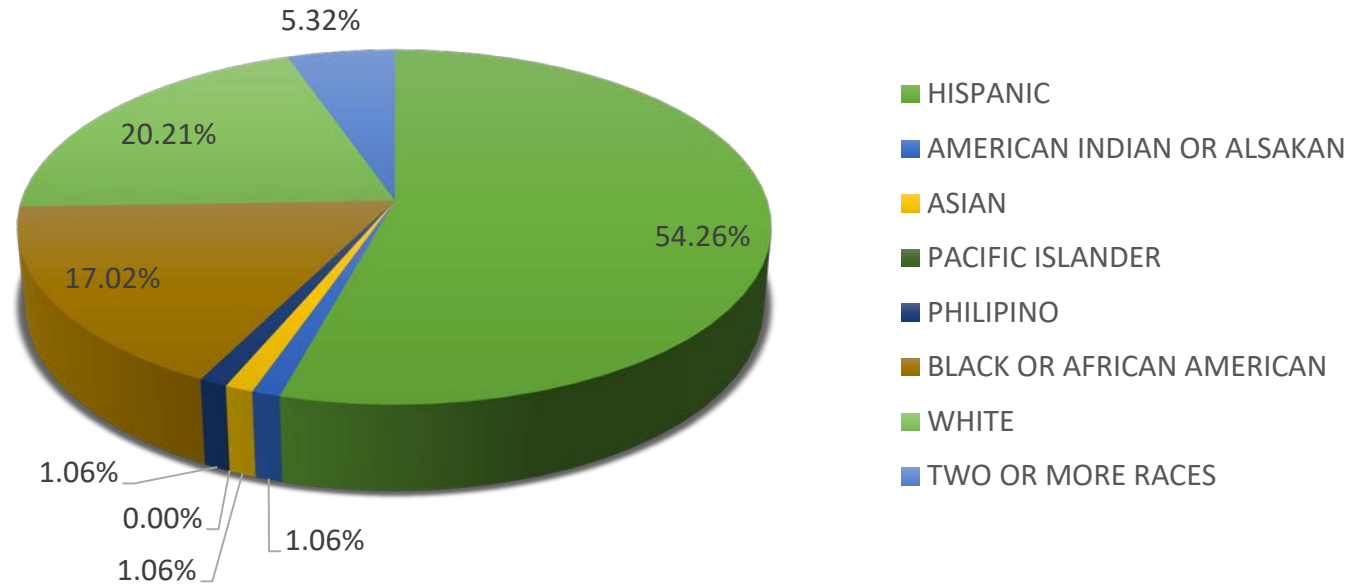


ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 1.99 AND BELOW
STUDENT COUNT - 94

ETHNICITIES	PCT	STUDENT COUNT
HISPANIC	54.26%	51
AMERICAN INDIAN OR ALSAKAN	1.06%	1
ASIAN	1.06%	1
PACIFIC ISLANDER	0.00%	0
PHILIPINO	1.06%	1
BLACK OR AFRICAN AMERICAN	17.02%	16
WHITE	20.21%	19
TWO OR MORE RACES	5.32%	5

Chart Title

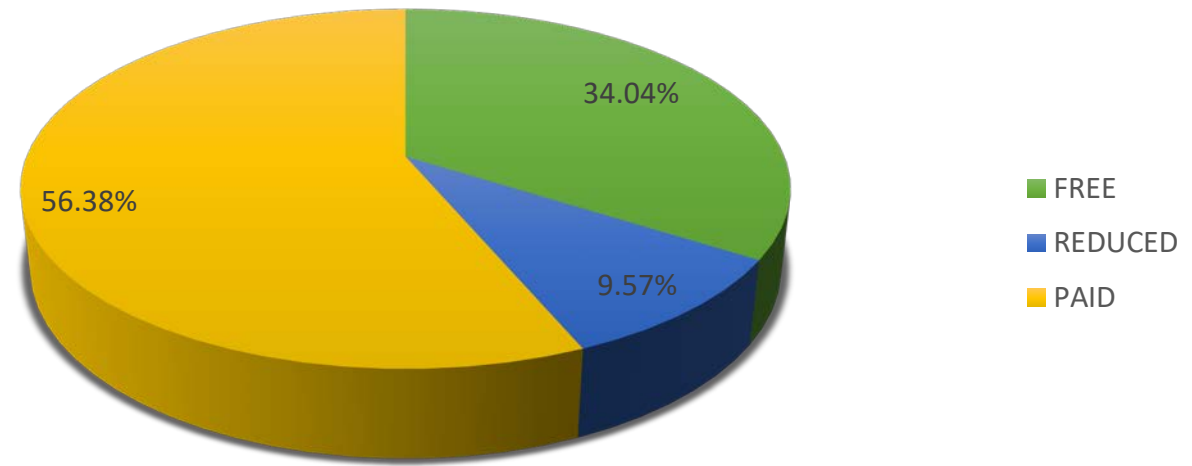


ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 1.99 AND BELOW
STUDENT COUNT - 94

ECONOMICS	PCT	STUDENT COUNT
FREE	34.04%	32
REDUCED	9.57%	9
PAID	56.38%	53

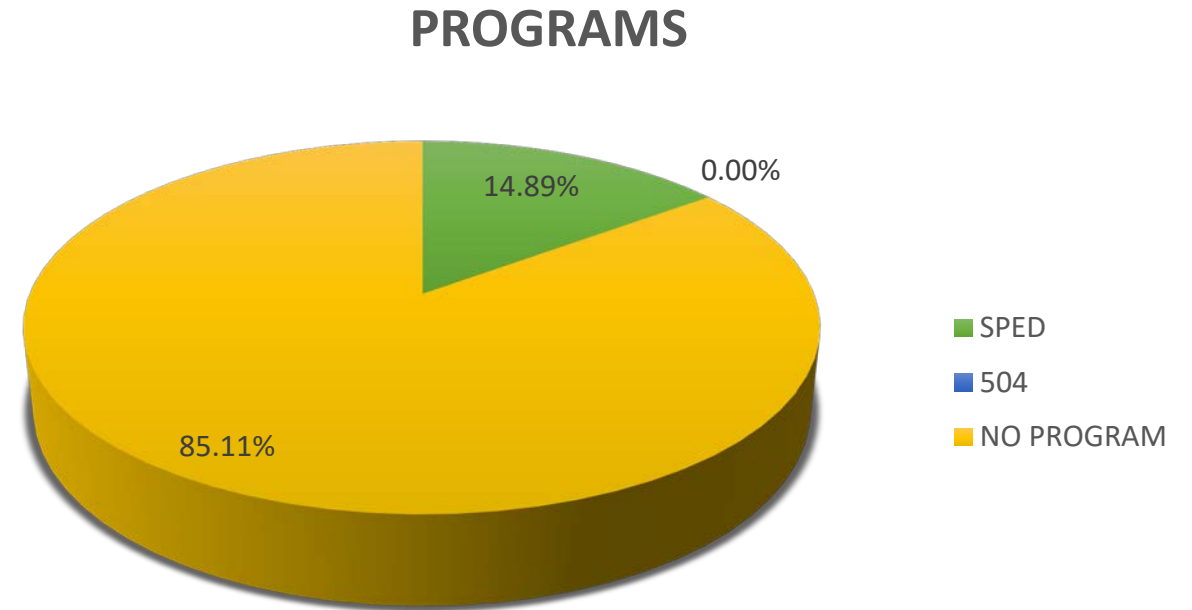
ECONOMICS



ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 1.99 AND BELOW
STUDENT COUNT - 94

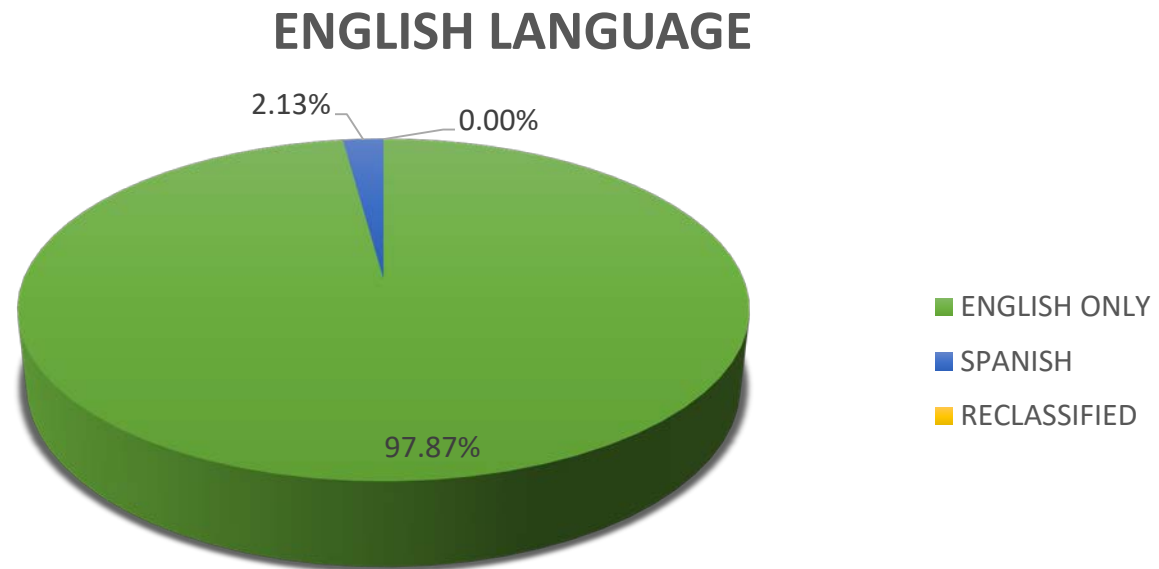
PROGRAMS	PCT	STUDENT COUNT
SPED	14.89%	14
504	0.00%	0
NO PROGRAM	85.11%	80



ENCORE EDUCATION CORPORATION GPA STATS RIVERSIDE CAMPUS

GPA 1.99 AND BELOW
STUDENT COUNT - 94

ENGLISH LANGUAGE	PCT	STUDENT COUNT
ENGLISH ONLY	97.87%	92
SPANISH	2.13%	2
RECLASSIFIED	0.00%	0



ENCORE EDUCATION CORPORATION GPA STATS ORGANIZATION

GPA	PCT	STUDENT COUNT
4.0 & ABOVE	20%	363
3.5 TO 3.99	24%	442
3.0 TO 3.49	23%	414
2.0 TO 2.99	24%	438
1.99 & BELOW	9%	157
TOTAL		1814

ENCORE EDUCATION CORPORATION
ORGANIZATION

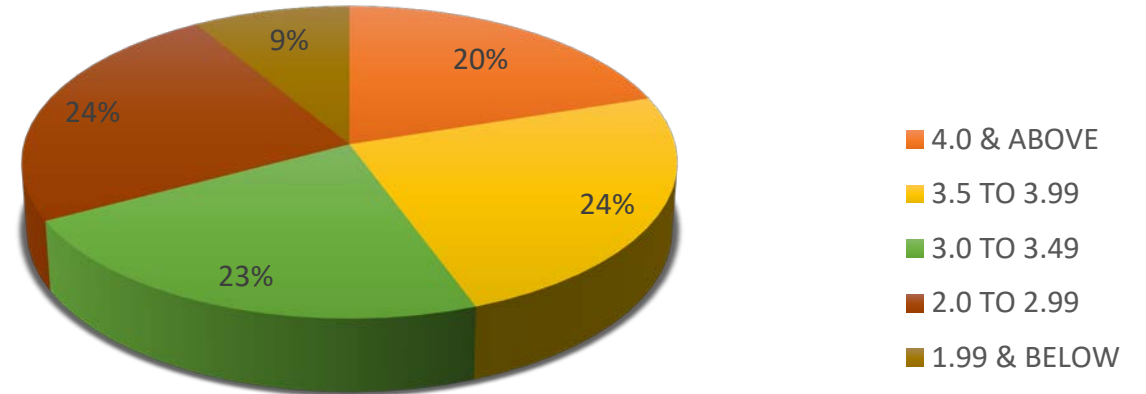




Exhibit
5.5

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

Special Board Meeting Minutes 3-12-2018



Board Meeting Minutes

March 12, 2018

6:00 p.m.

Encore Education Corporation
Phone: (760) 949-2036
Fax (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345 – **MEETING**
AT: CLASSROOM F 29
3800 Main Street, 3rd Floor, Riverside, CA 92501
MEETING AT: 3460 ORANGE STREET, CLASSROOM
H2

Board Members:

Lenny Esposito, Board President
Kelly Ahmed, Board Secretary/Treasurer
Suzanne Cherry, Member
Kathy Nielson, Member
Rob Gabler, Member

The Order of Business may be changed without notice: Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

Reasonable Limitations May be placed on public testimony: The Governing Board's presiding officer reserves the right to impose reasonable time limits on public testimony to ensure that the agenda is completed. For any person requiring a translator, this time will be doubled to account for translation time.

Special Presentation may be made: Notice is hereby given that, consistent with the requirements of the Bagley-Keene Open Meeting Act, special presentations not mentioned in the agenda may be made at this meeting. However, any such presentation will be for information only.

Reasonable Accommodation for any individual with a Disability: Pursuant to the Rehabilitation Act of 1973, any individual with a disability who requires reasonable accommodation to attend or to participate in this meeting of the Governing board may request assistance by contacting the EEC (760) 949-2036.

Public Documents relating to Open Session Agenda items are available for review by the public at the Reception Desk at Encore Education Corporation's Executive office or on the internet at www.encorehighschool.com. For more information concerning this agenda, please contact EEC (760) 949-2036.

1.0 CALL TO ORDER. The meeting was called to order at **6.37PM** time

2.0 OPEN GENERAL SESSION

ROLL CALL	Present	Absent
Lenny Esposito	<u>X</u>	_____
Kelly Ahmed	_____	<u>X</u>
Suzanne Cherry	<u>X</u>	_____
Kathy Nielsen	_____	<u>X</u>
Rob Gabler	<u>X</u>	_____

3.0 APPROVAL OF THE AGENDA

MOTION: <u>Suzanne Cherry</u>		Second: <u>Lenny Esposito</u>		Vote: <u>3/0</u>	
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT	
Lenny Esposito	<u>X</u>	_____	_____	_____	
Kelly Ahmed	_____	_____	_____	<u>X</u>	
Suzanne Cherry	<u>X</u>	_____	_____	_____	
Kathy Nielsen	_____	_____	_____	<u>X</u>	
Rob Gabler	<u>X</u>	_____	_____	_____	

4.0 INVITATION TO ADDRESS THE BOARD, OPEN SESSION ITEMS. This is the time and place for the general public to address the Board of Directors on any matter within jurisdiction of the Board. Comments should be limited to 3 minutes. Unless an item has been placed on the published agenda in accordance with the Brown Act, there shall be no action taken, nor should there be comments on, responses to, or discussion of a topic not on the agenda. The Board members may: (1) acknowledge receipt of information/report; (2) refer to staff with no direction as to action or priority; or (3) refer the matter to the next agenda.

5.0 CONSENT ITEMS. It is recommended that the board considers approving a number of agenda items as a consent list. These items are routine in nature and can be enacted in one motion without further discussion. Consent items may be called up by any member at the meeting for clarification, discussion, or change.

5.1 STRS, PERS, 403b payments – Exhibit 5.1 - **The board requests a clearer graph for better understanding.**

5.2 Monthly Fiscal Report – Exhibit 5.2

5.3 Monthly Attendance Report – Exhibit 5.3

5.4 Discipline Reports – Exhibit 5.4

5.5 Chief Officer Expense Reports – Exhibit 5.5 – **This has been corrected and approved during the 3/12/18 board meeting and will be attached for consent items at the 4-6-18 meeting.**

5.6 Data Reports – Exhibit 5.6

5.7 Chief Officer Reports – Exhibit 5.7

5.8 Meeting Minutes – Exhibit 5.8

6.0 INFORMATION ITEMS.

6.1 ASB student report – Highlights from the month – Exhibit 6.1

6.2 Staff Liaison report – Each campus liaison will report on staff relations – Exhibit 6.2

6.3 Dean of Students report – Cover overall operations, parent & student meetings held – Exhibit 6.3

6.4 Dean of Academics report – Cover Professional Development & academics – Exhibit 6.4

6.5 Risk / Maintenance Manager Report – Exhibit 6.5

6.6 IT Manager Report – Exhibit 6.6

7.0 ACTION ITEMS.

7.1 Vote for Approval – FORMAL DATA COLLECTION PLAN. (Exhibit 7.1)

Data Collection Calendar. This calendar is recommended for approval to insure formalized data collection throughout the school year. The results from these monthly data pieces will be added to all board meetings. This data will be collected by a variety of executive and administrative staff and will be calibrated by an Executive Manager. The data will reported to the board as either a consent item or an information item within 60 days of the data being disaggregated. The person collecting and compiling all of the reports is the Food/Transportation/Data Executive Manager. Data will be presented each month through the end of the school

year, but this Data Collection Plan will commence in the fall of 2018.

MOTION: <u>Rob Gabler</u>	Second: <u>Suzanne Cherry</u>	Vote: <u>3/0</u>		
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	___	___	___
Kelly Ahmed	___	___	___	<u>X</u>
Suzanne Cherry	<u>X</u>	___	___	___
Kathy Nielsen	___	___	___	<u>X</u>
Rob Gabler	<u>X</u>	___	___	___

7.2 Vote for Approval – SALARY SCHEDULES FOR THE 18/19 SCHOOL YEAR. (Exhibit 7.2)

The salary schedules are remaining unchanged for this school year. Changes were made to the timesheet schedules to reflect new pay dates and title fix.

MOTION: <u>Suzanne Cherry</u>	Second: <u>Lenny Esposito</u>	Vote: <u>3/0</u>		
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	___	___	___
Kelly Ahmed	___	___	___	<u>X</u>
Suzanne Cherry	<u>X</u>	___	___	___
Kathy Nielsen	___	___	___	<u>X</u>
Rob Gabler	<u>X</u>	___	___	___

7.3 Vote for Approval – SCHOOL CALENDARS FOR THE 18/19 SCHOOL YEAR. (Exhibit 7.3)

MOTION: <u>Suzanne Cherry</u>	Second: <u>Rob Gabler</u>	Vote: <u>3/0</u>		
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	___	___	___
Kelly Ahmed	___	___	___	<u>X</u>
Suzanne Cherry	<u>X</u>	___	___	___
Kathy Nielsen	___	___	___	<u>X</u>
Rob Gabler	<u>X</u>	___	___	___

7.4 Vote for Approval – BUDGET REVISIONS. (Exhibit 7.4)

In order to regain fiscal standing after actual projections came in less than plan for overall enrollment, Encore has to make specific budget revisions / cuts. The projected fiscal impact for these budget revisions are \$200,000 decrease in expenditures in the 2017/2018 school year and \$800,000 decrease in expenditures in the 2018/2019 school year.

MOTION: <u>Lenny Esposito</u>	Second: <u>Rob Gabler</u>	Vote: <u>3/0</u>		
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	___	___	___
Kelly Ahmed	___	___	___	<u>X</u>
Suzanne Cherry	<u>X</u>	___	___	___
Kathy Nielsen	___	___	___	<u>X</u>
Rob Gabler	<u>X</u>	___	___	___

7.5 Vote for Approval – BOARD CALENDAR AGENDA ITEMS. (Exhibit 7.5)

To make sure that we are covering all facets of the organization and providing pertinent information to the Board regularly, this calendar of agenda items has been created to guide what will happen in every board meeting.

MOTION: <u>Suzanne Cherry</u>	Second: <u>Rob Gabler</u>	Vote: <u>3/0</u>		
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT

Lenny Esposito	<u>X</u>	___	___	___
Kelly Ahmed	___	___	___	<u>X</u>
Suzanne Cherry	<u>X</u>	___	___	___
Kathy Nielsen	___	___	___	<u>X</u>
Rob Gabler	<u>X</u>	___	___	___

7.6 Discussion Item – RUSD NOTICE OF VIOLATION. (Exhibit 7.6)

As a result of the extensive investigation that took place this year, Encore has been issued a notice of violation to improve internal controls. Encore has already put into place an internal action plan that was board approved in January 2018 to address most of the concerns brought forward in the violation. Encore has also employed the use of Young, Minney, and Corr, LLP legal representation to make sure that the appropriate remediation plan is created and implemented for RUSD within timeframes supplied.

MOTION: Suzanne Cherry Second: Rob Gabler Vote: 3/0

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	___	___	___
Kelly Ahmed	___	___	___	<u>X</u>
Suzanne Cherry	<u>X</u>	___	___	___
Kathy Nielsen	___	___	___	<u>X</u>
Rob Gabler	<u>X</u>	___	___	___

7.7 Vote for Approval – CHARTER IMPACT THIRD PARTY REVIEW CONTRACT. (Exhibit 7.7)

MOTION: Rob Gabler Second: Lenny Esposito Vote: 3/0

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	___	___	___
Kelly Ahmed	___	___	___	<u>X</u>
Suzanne Cherry	<u>X</u>	___	___	___
Kathy Nielsen	___	___	___	<u>X</u>
Rob Gabler	<u>X</u>	___	___	___

7.8 Vote for Approval – TROY ALARM CONTRACT FOR RIVERSIDE CAMPUS. (Exhibit 7.8)

This contract is the routine annual contract for the monitoring of fire for the Riverside campus. Encore's cabinet recommends approval of this action. Encore has used these services since the Riverside Campus was opened.

MOTION: Rob Gabler Second: Suzanne Cherry Vote: 3/0

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	___	___	___
Kelly Ahmed	___	___	___	<u>X</u>
Suzanne Cherry	<u>X</u>	___	___	___
Kathy Nielsen	___	___	___	<u>X</u>
Rob Gabler	<u>X</u>	___	___	___

7.9 Vote for Approval – RUSD FOOD SERVICES. (Exhibit 7.9)

This contract is the routine annual contract for the food services provided for the Riverside campus by Riverside Unified School District. The District handles all of the disbursement, paperwork for NSLP, and ordering for the cafeteria services for both breakfast and lunch. Encore has used these services since the Riverside Campus was opened.

MOTION: Suzanne Cherry Second: Rob Gabler Vote: 3/0

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
-----------	-----	-----	------------	--------

Lenny Esposito	<u>X</u>	___	___	___
Kelly Ahmed	___	___	___	<u>X</u>
Suzanne Cherry	<u>X</u>	___	___	___
Kathy Nielsen	___	___	___	<u>X</u>
Rob Gabler	<u>X</u>	___	___	___

8.0 BOARD COMMENTS / REPORTS. The Governing Board will take comments/updates from fellow board members, and the EEC Executive Administration for future agenda issues.

9.0 ADJOURN TO CLOSED SESSION

Pursuant to Government code section 54957, the Board may adjourn to closed session at any time during the meeting to discuss staff/student personnel matters, negotiations, litigation, and/or acquisition of land or facilities. The board will adjourn to closed session in a private area for discussion and may take action on the following closed session items.

A. Student Discipline appeals. Due to the confidential nature of discipline appeals, all student discipline appeals take place in closed session.

There are no student discipline appeals scheduled for this meeting.

B. Pending Litigation. Due to the confidential nature of any litigation that may come against the corporation, issues relating specifically to pending legal issues are orders of closed session.

There are no pending litigation discussions scheduled for this meeting.

C. Real Estate Negotiation. In the intent of fair and legal bargaining power, issues related to real estate negotiations are discussed in closed session.

Discussions regarding progress of purchase of potential Riverside campus property will take place.

D. Employee Actions. Any actions that may take place in regards to employees including disciplinary and corrective actions are discussed within closed session.

Discussions about specific employees laid off in the reduction of workforce will take place.

10.0 RECONVENE AFTER CLOSED SESSION.

At the conclusion of closed session, the Board will reconvene in open session for the purposes of disclosing in public session any actions taken during closed session regarding the outlined scope of closed session.

11.0 ADJOURNMENT

MOTION: Rob Gabler Second: **Suzanne Cherry** Vote: **3/0**

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	___	___	___
Kelly Ahmed	___	___	___	<u>X</u>
Suzanne Cherry	<u>X</u>	___	___	___
Kathy Nielsen	___	___	___	<u>X</u>
Rob Gabler	<u>X</u>	___	___	___

The meeting adjourned at **9:01 PM** (time).

The next meeting will be held, Monday, April 9 at 6:00 pm



Exhibit
5.6

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

Special Board Meeting Minutes 3-20-2018



Special Board Meeting Minutes

March 20, 2018

6:30 p.m.

Encore Education Corporation
Phone: (760) 949-2036
Fax (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 –
CLASSROOM F29
3460 Orange Street, Riverside, CA 92501 –
CLASSROOM H2

Board Members:

Lenny Esposito, Board President
Suzanne Cherry, Vice President
Kelly Ahmed, Board Secretary/Treasurer
Kathy Nielsen, Member
Rob Gabler, Member

The Order of Business may be changed without notice: Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

Reasonable Limitations May be placed on public testimony: The Governing Board's presiding officer reserves the right to impose reasonable time limits on public testimony to ensure that the agenda is completed.

Special Presentation may be made: Notice is hereby given that, consistent with the requirements of the Bagley-Keene Open Meeting Act, special presentations not mentioned in the agenda may be made at this meeting. However, any such presentation will be for information only.

Reasonable Accommodation for any individual with a Disability: Pursuant to the Rehabilitation Act of 1973, any individual with a disability who requires reasonable accommodation to attend or to participate in this meeting of the Governing board may request assistance by contacting the EEC (760) 949-2036.

Public Documents relating to Open Session Agenda items are available for review by the public at the Reception Desk at Encore Education Corporation's Executive office or on the internet at www.encorehighschool.com. For more information concerning this agenda, please contact EEC (760) 949-2036.

1.0 **CALL TO ORDER.** The meeting was called to order at **6:30PM** (time).

2.0 **OPEN GENERAL SESSION**

ROLL CALL	Present	Absent
Lenny Esposito	<u>X</u>	_____
Kelly Ahmed	<u>X</u>	_____
Suzanne Cherry	<u>X</u>	_____
Kathy Nielsen	_____	<u>X</u>
Rob Gabler	<u>X</u>	_____

3.0 **APPROVAL OF THE AGENDA – A correction of the cover page for the Board Meeting. “Special Board Meeting Minutes” cover page was presented as the “Agenda” cover. The correction will reflect in the Minutes.**

MOTION: Suzanne Cherry Second: Kelly Ahmed Vote: 4/0

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	_____	_____	_____
Kelly Ahmed	<u>X</u>	_____	_____	_____
Suzanne Cherry	<u>X</u>	_____	_____	_____
Kathy Nielsen	_____	_____	_____	<u>X</u>
Rob Gabler	<u>X</u>	_____	_____	_____

4.0 **INVITATION TO ADDRESS THE BOARD, OPEN SESSION ITEMS.** This is the time and place for the general public to address the Board of Directors on any matter within jurisdiction of the Board. Comments should be limited to 3 minutes. Unless an item has been placed on the published agenda in accordance with the Brown Act, there shall be no action taken, nor should there be comments on, responses to, or discussion of a topic not on the agenda. The Board members may: (1) acknowledge receipt of information/report; (2) refer to staff with no direction as to action or priority; or (3) refer the matter to the next agenda.

5.0 **ACTION ITEMS.**

5.1 **Vote for Approval – Resolution Of The Board Of Directors Of Encore Education Corporation Amending Resolution Adopted On July 26, 2017 And Authorizing And Directing The Execution Of Necessary Documents And Certificates And Related Actions. (Exhibit 5.1) The corrected version of the Resolution was presented to the board and signed. This version is available in the attachments for the minutes and will be in the Board Meeting set for April 9th in the “Information Items”.**

MOTION: Suzanne Cherry Second: Rob Gabler Vote: 4/0

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	_____	_____	_____
Kelly Ahmed	<u>X</u>	_____	_____	_____
Suzanne Cherry	<u>X</u>	_____	_____	_____
Kathy Nielsen	_____	_____	_____	<u>X</u>
Rob Gabler	<u>X</u>	_____	_____	_____

5.2 **Vote for Approval – Financing Agreement With Charter Asset Management. The agreement was presented in the board meeting and was signed at the close of the meeting and will be in the Board Meeting set for April 9th in the “Information Items”.**

MOTION: Rob Gabler Second: Suzanne Cherry Vote: 4/0

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	_____	_____	_____
Kelly Ahmed	<u>X</u>	_____	_____	_____
Suzanne Cherry	<u>X</u>	_____	_____	_____

Kathy Nielsen	—	—	—	<u>X</u>
Rob Gabler	<u>X</u>	—	—	—

5.3 Vote for Approval – Clifton Larson Allen Auditor’s Contract for 2018. (Exhibit 5.3)

MOTION: <u>Lenny Esposito</u>	Second: <u>Rob Gabler</u>	Vote: <u>4/0</u>		
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	—	—	—
Kelly Ahmed	<u>X</u>	—	—	—
Suzanne Cherry	<u>X</u>	—	—	—
Kathy Nielsen	—	—	—	<u>X</u>
Rob Gabler	<u>X</u>	—	—	—

ADJOURNMENT

MOTION: <u>Rob Gabler</u>	Second: <u>Kelly Ahmed</u>	Vote: <u>4/0</u>		
ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	—	—	—
Kelly Ahmed	<u>X</u>	—	—	—
Suzanne Cherry	<u>X</u>	—	—	—
Kathy Nielsen	—	—	—	<u>X</u>
Rob Gabler	<u>X</u>	—	—	—

The meeting adjourned at **6:47PM** (time).

Regular Board Meeting scheduled for April 9, 2018.



Exhibit
6.3

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

**State Testing Schedule – Deans will speak about their own
individual site accommodations**

week 1	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
April 16-20					
7:30	Period 4	Period 2	Period 9	Period 7	A Block
8:25	Nutrition	Nutrition	Nutrition	Nutrition	
8:45	Period 1	Period 1	Period 6	Period 6	Make-Ups
10:51	Lunch	Lunch	Lunch	Lunch	
11:21	Tutoring	Tutoring	Tutoring	Tutoring	
11:41	Period 2	Period 3	Period 7	Period 8	
1:30	Period 3	Period 4	Period 8	Period 9	

week 2	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
April 23-27					
7:30	Period 1	Period 3	Period 6	Period 8	B Block
8:25	Nutrition	Nutrition	Nutrition	Nutrition	
8:45	Period 2	Period 2	Period 7	Period 7	Make-Ups
10:51	Lunch	Lunch	Lunch	Lunch	
11:21	Tutoring	Tutoring	Tutoring	Tutoring	
11:41	Period 3	Period 4	Period 8	Period 9	
1:30	Period 4	Period 1	Period 9	Period 6	

week 3	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
April 30-May 4					
7:30	Period 4	Period 2	Period 9	Period 7	A Block
8:25	Nutrition	Nutrition	Nutrition	Nutrition	
8:45	Period 3	Period 3	Period 8	Period 8	Make-Ups
10:51	Lunch	Lunch	Lunch	Lunch	
11:21	Tutoring	Tutoring	Tutoring	Tutoring	
11:41	Period 2	Period 1	Period 7	Period 7	
1:30	Period 1	Period 4	Period 6	Period 9	

week 4	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
May 7-11					
7:30	Period 1	Period 3	Period 6	Period 8	B Block
8:25	Nutrition	Nutrition	Nutrition	Nutrition	
8:45	Period 4	Period 4	Period 9	Period 9	Make-Ups
10:51	Lunch	Lunch	Lunch	Lunch	
11:21	Tutoring	Tutoring	Tutoring	Tutoring	
11:41	Period 3	Period 2	Period 7	Period 6	
1:30	Period 2	Period 1	Period 8	Period 7	



Exhibit
6.8a

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

Student Council Agenda for Hesperia



Student Council Meeting Agenda - HESPERIA

April 11, 2018

9:15 AM

Encore Jr./Sr. High School
760-956-2632
www.encorehighschool.com

Site:
16955 Lemon Street, Hesperia, CA 92345 – THEATER

ASB Officers:
Nayelli, ASB President
XXXXXXX, ASB Vice President
XXXXXXX, ASB Treasurer
XXXXXXX, ASB Secretary

The Order of Business may be changed without notice: Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

Reasonable Limitations May be placed on public testimony: The Governing Board's presiding officer reserves the right to impose reasonable time limits on public testimony to ensure that the agenda is completed. For any person requiring a translator, this time will be doubled to account for translation time.

Special Presentation may be made: Notice is hereby given that, consistent with the requirements of the Bagley-Keene Open Meeting Act, special presentations not mentioned in the agenda may be made at this meeting. However, any such presentation will be for information only.

Reasonable Accommodation for any individual with a Disability: Pursuant to the Rehabilitation Act of 1973, any individual with a disability who requires reasonable accommodation to attend or to participate in this meeting of the Governing board may request assistance by contacting the EEC (760) 949-2036.

Public Documents relating to Open Session Agenda items are available for review by the public at the Reception Desk at Encore Education Corporation's Executive office or on the internet at www.encorehighschool.com. For more information concerning this agenda, please contact EEC (760) 949-2036.

1.0 COUNCIL TRAINING USING ENCORE STUDENT COUNCIL POWERPOINT ON PARLIAMENTARY PROCEDURE

2.0 CALL TO ORDER. The meeting was called to order at _____ time

3.0 OPEN GENERAL SESSION – ASB Secretary will submit a list of all in attendance to the attendance office.

ROLL CALL Present (How Many):

4.0 APPROVAL OF THE AGENDA

MOTION: _____

SECOND: _____

VOTE: AYE: _____ NO: _____ ABSTAIN: _____

5.0 CONSENT ITEMS. These items can be approved in a single motion without discussion. If a member of council has a question on a consent item, it can be set aside and discussed separately from all other consent items to keep time limits. (5 minutes)

5.1 ASB Expense Report

5.2 Employee Reimbursements from ASB

5.3 Encore’s Board of Directors minutes from their last meeting without attachments

5.4 Encore’s monthly fiscal report from the Board of Director’s monthly meeting

6.0 INFORMATION ITEMS.

6.1 ASB President Report – Overview of all events happening on campus April 15 – May 15 (3 minutes)

6.2 Counselor’s Report – Overview of LGBTQ group counseling available (3 minutes)

7.0 ACTION ITEMS.

7.1 Vote for Approval – Encore’s Student Council should vote for approval of the Parliamentary Procedures based on the training provided.

MOTION: _____

SECOND: _____

VOTE: AYE: _____ NO: _____ ABSTAIN: _____

7.2 Vote for Approval – Encore’s Student Council should vote to approve the Student Council as attended today with a notation that Junior High and High School will be split for the next Student Council meeting in May.

MOTION: _____

SECOND: _____

VOTE: AYE: _____ NO: _____ ABSTAIN: _____

8.0 ADJOURNMENT

MOTION: _____

SECOND: _____

VOTE: AYE: _____ NO: _____ ABSTAIN: _____

The meeting adjourned at _____. Next meeting May 18, 9:15 am.



Exhibit
6.8b

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

Student Council Agenda for Riverside



Student Council Meeting Agenda - RIVERSIDE

April 12, 2018

9:15 AM

Encore Jr./Sr. High School
951-824-1358
www.encorehighschool.com

Site:
3800 Main Street, Third Floor, Riverside

ASB Officers:
Macy Wakefield, ASB President
XXXXXXX, ASB Vice President
XXXXXXX, ASB Treasurer
XXXXXXX, ASB Secretary

The Order of Business may be changed without notice: Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

Reasonable Limitations May be placed on public testimony: The Governing Board's presiding officer reserves the right to impose reasonable time limits on public testimony to ensure that the agenda is completed. For any person requiring a translator, this time will be doubled to account for translation time.

Special Presentation may be made: Notice is hereby given that, consistent with the requirements of the Bagley-Keene Open Meeting Act, special presentations not mentioned in the agenda may be made at this meeting. However, any such presentation will be for information only.

Reasonable Accommodation for any individual with a Disability: Pursuant to the Rehabilitation Act of 1973, any individual with a disability who requires reasonable accommodation to attend or to participate in this meeting of the Governing board may request assistance by contacting the EEC (760) 949-2036.

Public Documents relating to Open Session Agenda items are available for review by the public at the Reception Desk at Encore Education Corporation's Executive office or on the internet at www.encorehighschool.com. For more information concerning this agenda, please contact EEC (760) 949-2036.

1.0 COUNCIL TRAINING USING ENCORE STUDENT COUNCIL POWERPOINT ON PARLIAMENTARY PROCEDURE

2.0 CALL TO ORDER. The meeting was called to order at _____ time

3.0 OPEN GENERAL SESSION – ASB Secretary will submit a list of all in attendance to the attendance office.

ROLL CALL Present (How Many):

4.0 APPROVAL OF THE AGENDA

MOTION: _____

SECOND: _____

VOTE: AYE: _____ NO: _____ ABSTAIN: _____

5.0 CONSENT ITEMS. These items can be approved in a single motion without discussion. If a member of council has a question on a consent item, it can be set aside and discussed separately from all other consent items to keep time limits. (5 minutes)

5.1 ASB Expense Report

5.2 Employee Reimbursements from ASB

5.3 Encore’s Board of Directors minutes from their last meeting without attachments

5.4 Encore’s monthly fiscal report from the Board of Director’s monthly meeting

6.0 INFORMATION ITEMS.

6.1 ASB President Report – Overview of all events happening on campus April 15 – May 15 (3 minutes)

6.2 Counselor’s Report – Overview of LGBTQ group counseling available (3 minutes)

7.0 ACTION ITEMS.

7.1 Vote for Approval – Encore’s Student Council should vote for approval of the Parliamentary Procedures based on the training provided.

MOTION: _____

SECOND: _____

VOTE: AYE: _____ NO: _____ ABSTAIN: _____

7.2 Vote for Approval – Encore’s Student Council should vote to approve the Student Council as attended today with a notation that Junior High and High School will be split for the next Student Council meeting in May.

MOTION: _____

SECOND: _____

VOTE: AYE: _____ NO: _____ ABSTAIN: _____

8.0 ADJOURNMENT

MOTION: _____

SECOND: _____

VOTE: AYE: _____ NO: _____ ABSTAIN: _____

The meeting adjourned at _____. Next meeting May 21, 9:15 am.



Exhibit
6.9

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

Corrected and signed version of Action Item 5.1 from the 3-20-18 Special Board Meeting. Resolution.

RESOLUTION OF THE BOARD OF DIRECTORS OF ENCORE EDUCATION CORPORATION AMENDING RESOLUTION ADOPTED ON JULY 26, 2017 AND AUTHORIZING AND DIRECTING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

WHEREAS, on July 26, 2017, the Board of Directors (the "Board") of Encore Education Corporation (the "Corporation"), a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code, adopted a resolution entitled "Resolution of the Board of Directors of Encore Education Corporation Providing for the Issuance of 2017 Revenue Anticipation Notes, Series A in an Aggregate Principal Amount Not-To-Exceed \$4,000,000" (the "Prior Resolution");

WHEREAS, on August 24, 2017, pursuant to the Prior Resolution, the Corporation issued its Encore Education Corporation 2017 Revenue Anticipation Notes, Series A (Taxable) (the "Notes"), which Notes are currently outstanding in the principal amount of \$3,300,000;

WHEREAS, the Prior Resolution provides that the Prior Resolution, and the rights and obligations of the Corporation and of the owners of the Notes, may be modified or amended at any time by a supplemental resolution adopted by the Corporation without the written consent of the owners of the Notes in order to amend or supplement the Prior Resolution in any respect, provided such supplemental resolution does not adversely affect the interests of the owners of the Notes;

WHEREAS, the Corporation now desires to amend the Prior Resolution to allow for the defeasance of the Notes and the prepayment thereof on July 2, 2018, the first optional prepayment date for such Notes;

WHEREAS, the Corporation expects to finance the defeasance of the Notes through a financial transaction (the "2018 Financing") with Charter Asset Management, or an affiliated entity;

NOW, THEREFORE, the Board of Directors of the Encore Education Corporation hereby resolves as follows:

SECTION 1. Defeasance of Notes. The Prior Resolution is hereby amended to include the following as Section 18 thereunder:

Section 18. Defeasance. All of the outstanding Notes may be defeased prior to maturity by irrevocably depositing in trust with the Paying Agent in the Repayment Fund an amount of cash which, together with amounts already on deposit in the Repayment Fund, if any, is sufficient to pay all outstanding Notes (including all principal thereof, accrued interest thereon and redemption premiums, if any) at or before their maturity date, on or after the prepayment date as set forth in the Notes. Then, notwithstanding that any of such Notes shall not have been surrendered for payment, all obligations of the Corporation with respect to all such designated outstanding Notes shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid from funds deposited pursuant to this Section, to the owners of such Notes not so surrendered and paid all sums due with respect thereto. All moneys held for the payment or prepayment of Notes pursuant to this Section shall be held in trust for the account of the owners of the Notes to be so paid or prepaid.

Notes for the payment or prepayment of which funds in the necessary amount shall have been set aside in accordance with this Section shall not be considered outstanding. Such Notes shall be payable solely from moneys on deposit in the Repayment Fund, and shall no longer be payable or secured by the Apportionment Funds, the collateral pledged by the Corporation under Section 6(B), or the interceptable revenues.

SECTION 2. Investment of Moneys in Repayment Fund. The following sentence is hereby added to the end of Section 6(D) of the Prior Resolution:

To the extent moneys are held in the Repayment Fund in an amount sufficient to defease the outstanding Notes pursuant to Section 18, pursuant to written direction by the Corporation, such moneys in the Repayment Fund shall be held by the Paying Agent as cash.

SECTION 3. Effective Date. This Resolution shall take effect as of the date the Corporation deposits or causes the deposit of moneys sufficient to defease the Notes pursuant to Section 18 of the Prior Resolution, as amended hereby.

SECTION 4. Findings. The Board hereby specifically finds and declares that the actions authorized hereby do not adversely affect the interests of the owners of the Notes.

SECTION 5. Prior Resolution. Except as otherwise provided for by this Resolution, all other terms and provisions of the Prior Resolution shall remain in full force and effect.

SECTION 6. Other Actions. The Board hereby authorizes and directs the Authorized Officers, jointly and severally, to do any and all things and to execute and deliver any and all documents and certificates which they may deem necessary or advisable in order to proceed with the defeasance of the Notes, the consummation of the 2018 Financing, and otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

PASSED AND ADOPTED by the Board of Directors of Encore Education Corporation this ___ day of March, 2018, by the following vote:

AYES: 4/ Lenny Esposito, Kelly Ahmed, Suzanne Chong, Rob Grabler

NOES: 0

ABSENT: 1 - Katy Nielsen

I, Kelly Ahmed, Secretary of the Board of Directors of Encore Education Corporation do hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted by said Board at a meeting held on said date.

ATTEST:

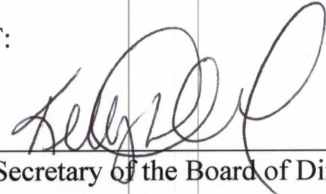
By: 
Secretary of the Board of Directors



Exhibit
6.10

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

**Signed Financing Agreement with Charter Asset
Management from the Special Board Meeting 3-20-18.**

FACTORING AGREEMENT

THIS FACTORING AGREEMENT (“**Agreement**”) is made and executed on March 21, 2018 (the “**Effective Date**”) by and between Encore Education Corporation, Inc. DBA Encore High School For The Visual & Performing Arts, a California corporation (“**Seller**”) and **CHARTER ASSET MANAGEMENT FUND, LP.**, a Delaware limited partnership (“**CAM**”).

RECITALS

A. CAM is in the business of factoring accounts and purchasing same, and Seller has requested that CAM purchase the Accounts set forth on Schedule 1 (the “**Accounts**”), pursuant to the terms of this Agreement.

B. CAM has agreed to purchase the Accounts subject to the terms and conditions of this Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **PURCHASE OF ACCOUNT.**

1.1 Appointment as Factor. Seller hereby appoints CAM to act as its sole and exclusive factor with respect to the Accounts. Seller hereby agrees to assign and sell and does hereby irrevocably sell and assign to CAM, and CAM hereby agrees to purchase the Accounts. For all purposes hereof, the term “Accounts” shall mean and include all amounts due pursuant to the Accounts, and all other forms of obligations owing to Seller arising from or out of the Accounts and all proceeds thereof.

1.2 Written Notice of Purchase and Assignment. Seller shall deliver or cause to be delivered in accord with applicable law to the appropriate officer or disbursing officer with respect to each Account an appropriate Notice of Purchase and Assignment executed by Seller along with a cover letter indicating that the Accounts are being sold and assigned to CAM. In addition said letter shall further provide that the assignments cover all unpaid amounts payable under the Accounts and shall direct payment with respect thereto as provided pursuant to this Agreement. Seller acknowledges that CAM shall also have the right to notify such account debtor of CAM’s rights with respect to the Accounts and direct account debtors to make payments of Accounts directly to CAM.

2. **PURCHASE PRICE.**

2.1 Calculation of Purchase Price. The purchase price (“**Purchase Price**”) which is the amount funded as set forth on Schedule 1 is calculated as set forth on Schedule 1. The Purchase Price shall mean for the purposes of this Agreement with respect to an account, the gross face value of the Account as set forth on Schedule 1 (the “**Face Value**”) minus the Administrative Fees as set forth on Schedule 1 minus the Discount Rate as set forth on Schedule 1. Seller acknowledges that the Purchase Price of each Account reflects its fair value. CAM shall fund to Seller the Purchase Price upon compliance by Seller with each of the terms and conditions of this Agreement.

2.2 Conditions Precedent for Payment of the Purchase Price. CAM shall have no obligation to pay the Purchase Price to Seller until each of the following obligations has been satisfied:

(a) this Agreement has been fully executed by Seller, and Seller has further delivered an appropriate resolution authorizing execution of this Agreement and sale of the Accounts;

(b) the Security Agreement referenced in Section 5.1 hereof, and the security interest granted in the collateral therein, shall be in full force and effect;

(c) Seller shall have delivered to CAM an appropriate resolution adopted by Seller's board of directors or governors, substantially in the form attached hereto as Exhibit A, authorizing the execution, delivery and performance of this Agreement, the sale of the Accounts and the other transactions as contemplated hereunder;

(d) Seller shall have executed and delivered to CAM the completed Notice of Purchase and Assignment and the attached Annex 1 from each of the Account payors in the forms attached hereto as Exhibits B-1 through B-4;

(e) Seller shall have executed and delivered to CAM the completed Authorization for Direct Payment Via ACH in the form attached hereto as Exhibit C;

(f) Seller shall have executed and delivered to CAM the Irrevocable Funds Distribution Authorization in the form attached hereto as Exhibit D;

(g) Seller shall have executed and delivered to CAM the Irrevocable Assignment of Accounts in the form attached hereto as Exhibit E;

(h) Seller shall have executed and delivered to CAM the Bank Notice Letter in the form attached hereto as Exhibit F;

(i) Seller shall have delivered to CAM copies of all of its organizational documents and a Certificate of Good Standing from the state of its organization and if necessary, a copy of its license or licenses required to conduct its business in the state where said business is being conducted.

2.3 Method of Payment of the Accounts.

(a) Seller and CAM agree that payments may be made to CAM in connection with the Face Value of the Accounts in the following manners:

(i) Payment of the Face Value of the Accounts may be made directly to CAM by the account debtor on the Account pursuant to the Notice of Purchase and Assignment by ACH payment or wire transfer or by mail; or

(ii) subject to CAM's consent, payment of the Face Value of any Account may be made by the account debtor to Seller, and Seller acknowledges that said payment is being made for the benefit of CAM and Seller shall hold said funds as trustee for the benefit of CAM and deliver same within three (3) calendar days of receipt of said payment and shall have no rights with respect to said funds. In the event Seller, subject to CAM's consent, elects to provide for payment to CAM pursuant

to this subprovision, the Seller agrees within three (3) months of the date of this Agreement to enter into a Deposit Account Control Agreement with CAM and Seller's bank in form and content acceptable to CAM (the "DACA"). Failure of Seller to enter into the DACA as aforesaid may result in a termination of this Agreement by CAM after five (5) days notice to Seller. Until the DACA is in effect, Seller shall comply with the terms and conditions of this Agreement including this subprovision.

(iii) If payment of the Face Value of any Account is to be made by the account debtor to Seller in person via check or other similar instrument, Seller shall retrieve such payment from the account debtor, take such actions as required (via endorsement or otherwise) such that the payment can be deposited by CAM into its account, and, at CAM's election, either (A) deliver such payment to CAM's representative in person within three business days after Seller's receipt; or (B) deliver such payment by other means pursuant to CAM's instructions within three business days after Seller's receipt. Seller shall retrieve payment in person within three business days of being instructed to do so by CAM.

(b) Seller acknowledges that CAM is the owner of the Accounts and is fully entitled to all payments due with respect to the Accounts. Seller agrees that if there are procedures in place to allow account debtors or other third party to pay amounts due on the Accounts directly to CAM, Seller shall authorize such direct payment. In the event where there are no procedures already in place, Seller will authorize CAM to implement a new set of procedures to allow account debtors or other third party to pay amounts due on the Accounts directly to CAM. Seller must cooperate with CAM fully in order to facilitate the implementation of the procedures. In the event that CAM receives payment on an Account directly from the account debtor on the Account, or indirectly from any other third party, or in any other manner, CAM agrees that after deducting the amount equal to the sum of the Face Value plus all advances, interest and other amounts due to CAM under the terms of this Agreement, if any, it shall remit to Seller within a reasonable amount of time any excess of such amount, if any.

2.4 Failure of Account Debtor to Make Payment. In the Event that Seller or any account debtor of any of the Accounts fails to make a timely payment to CAM as described in Section 2.3, the outstanding amount owed to CAM shall accrue interest until paid at a rate equal to the lesser of 29.99% or the maximum non-usurious rate of interest as it effects from time to time which may be charged by CAM under applicable law. (the "**Penalty Rate**")

2.5 Administration Fee. In consideration of CAM's purchase of the Accounts, Seller agrees to pay the Administrative Fee (the "**Administrative Fee**") equal to the amount as set forth on Schedule 1 for each purchased Account. Payment of the Administrative Fee shall be due and payable by Seller upon CAM's purchase of the applicable Account.

3. **REPRESENTATIONS AND WARRANTIES AND COVENANTS.** To induce CAM to purchase the Accounts from Seller with full knowledge that the truth and accuracy of the following are being relied upon by CAM in the purchase of the Accounts and payments of the Purchase Price, Seller represents, warrants and covenants to CAM and agrees that:

(a) Seller (i) is a corporation duly organized and validly existing under the laws of the State of California, and qualified to operate in all jurisdictions where required; and (ii) has the requisite capacity and authority to execute and deliver this Agreement and the other agreements contemplated hereunder, to consummate the transactions contemplated hereby and thereby, and to perform its obligations hereunder and thereunder;

(b) this Agreement and all other agreements contemplated hereunder have been duly executed and delivered by Seller and are valid and legally binding obligations of Seller, enforceable against Seller in accordance with their terms;

(c) neither the entering into of this Agreement nor the sale of the Accounts nor the performance by Seller of any of its other obligations under this Agreement and the other agreements contemplated hereunder will contravene, breach or result in any default under the incorporation or other organizational documents of Seller or in any material respect of any term or conditions under any mortgage, lease, loan or other agreement, license, permit, statute, regulation, order, judgement or decree of law to which Seller is a party or by which Seller may be bound;

(d) Seller is the sole and absolute owner of each Account and has the full legal right to make said sale, assignment and transfer thereof hereunder;

(e) the Face Value on each Account is as set forth on Schedule 1 and such amounts are not in dispute;

(f) the payment of each Account is not contingent upon the fulfillment of any obligation or condition, past or future, and any and all obligations required of Seller with regard to such Account have been fulfilled by Seller;

(g) there are no defenses, offsets, recoupments or counterclaims with respect to any of the Accounts and no agreement has been made under which any account debtor with respect any of the Accounts, may claim any recoupment, deduction or discount;

(h) upon purchase, Seller will convey to CAM good and marketable title to each Account free and clear of all liens and encumbrances which shall thereafter be the sole and exclusive property of CAM;

(i) none of the account debtors with respect to any of the Accounts is insolvent as that term is defined in the United States Bankruptcy Code;

(j) all Accounts now existing or hereafter arising shall comply with each and every one of the representations, warranties, covenants and agreements referred to in this paragraph and is otherwise supplemented pursuant to this Agreement;

(k) no Account is evidenced by a note or other instrument;

(l) Seller will not, during the term of this Agreement, sell, transfer, pledge a security interest or hypothecate any of its Accounts to any party other than CAM and Seller agrees to reimburse CAM for actual out-of-pocket costs related to credit reports and UCC filings and searches incurred by CAM in connection with this Agreement;

(m) Seller is solvent and the execution and performance under this Agreement has been duly authorized and is not in contravention of any of Seller's governing documents or any agreement by which Seller is bound under applicable law;

(n) Each Account purchased by CAM shall be the property of CAM and shall be collected by CAM pursuant to the terms of this Agreement but, as indicated herein, if for any reason payment of an Account should be paid to Seller, Seller shall promptly notify CAM of such payment, shall hold any

check, drafts, or monies so received in trust for the benefit of CAM and shall promptly endorse, transfer and deliver the same to CAM as provided in Section 2.3 (a)(ii);

(o) Seller's place of business is the one set forth at the beginning of this Agreement and is the place where records concerning all Accounts are kept by Seller;

(p) Seller will not change the state of its registration or formation or its corporate or legal name or the place where the records concerning all accounts are kept or add an additional such place without CAM's prior written consent;

(q) To the best of Seller's knowledge there are no judgments outstanding affecting Seller or any of its property and there are no suits, proceedings, claims, demands or government investigations now pending or threatened against Seller or any of its property; and

(r) Seller, to the best of its knowledge, is not in violation of any law, ordinance, rule, order, regulation or other requirement of any government or any agency or instrumentality thereof.

4. **ASSUMPTION OF RISK.** Subject to compliance by Seller with the terms of this Agreement, CAM hereby assumes full risk of non-payment with respect to any of the Accounts.

5. **SECURITY INTEREST.**

5.1 Grant of Security Interest. Seller has executed that certain Security Agreement March 21, 2018, in favor of CAM as secured party pursuant to the terms of which Seller grants to CAM a continuing security interest and general lien upon all of the Collateral (as defined in the Security Agreement) in order to secure payment of the Secured Obligations (as defined in the Security Agreement).

5.2 Cooperation. Seller agrees to execute such further instruments and financing statements as may be required by any law in connection with the transactions contemplated hereby and to cooperate with CAM in filing or recording any renewals thereof, and Seller hereby authorizes CAM (and appoints any person whom CAM designates as its attorney) to sign Seller's name on any such instrument and further authorizes CAM to file financing statements describing the Collateral in such manner as CAM may determine.

6. **INDEMNITIES.**

6.1 Indemnification. Seller hereby indemnifies and holds CAM and its affiliates, and their respective employees, attorneys and agents (each, an "**Indemnified Person**") harmless from and against any and all suits, actions, proceedings, claims, damages, losses, liabilities and expenses of any kind or nature whatsoever (including attorneys' fees and disbursements and other costs of investigation or defense, including those incurred upon any appeal) which may be instituted or asserted against or incurred by any such Indemnified Person as the result of any financial accommodation having been extended, suspended or terminated under this Agreement or any Other Agreement or with respect to the execution, delivery, enforcement, performance and administration of, or in any other way arising out of or relating to, this Agreement or any Other Agreement, and any actions or failures to act with respect to any of the foregoing, except to the extent that any such indemnified liability is finally determined by a court of competent jurisdiction to have resulted solely from such Indemnified Person's gross negligence or willful misconduct. **NO INDEMNIFIED PERSON SHALL BE RESPONSIBLE OR LIABLE TO SELLER**

OR TO ANY OTHER PARTY FOR INDIRECT, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES WHICH MAY BE ALLEGED AS A RESULT OF ANY FINANCIAL ACCOMMODATION HAVING BEEN EXTENDED, SUSPENDED OR TERMINATED UNDER THIS AGREEMENT OR ANY OTHER AGREEMENT OR AS A RESULT OF ANY OTHER TRANSACTION CONTEMPLATED HEREUNDER OR THEREUNDER.

6.2 Taxes. If any tax by any governmental authority (other than income and franchise taxes) is or may be imposed on or as a result of any transaction between Seller and CAM, or in respect to sales or the merchandise affected by such sales, which CAM is or may be required to withhold or pay, Seller agrees to indemnify and hold CAM harmless in respect of such taxes, and Seller will repay CAM the amount of any such taxes.

6.3 Review of Seller's Bank Accounts. Seller agrees to take all action necessary, including disclosure of passwords or PINs, the addition of joint access signers, or other appropriate methods to allow CAM to view its bank accounts through the Internet or other applicable procedure.

7. EVENT OF DEFAULT.

7.1 Default. The occurrence of any of the following acts or events shall constitute an Event of Default (each a "**Event of Default**"):

(a) Seller's material breach of any representation, warranty or covenant contained in this Agreement;(b) Seller's failure to make timely payment of any amounts due under this Agreement;

(c) Seller becomes insolvent or unable to meet its debts as they mature;

(d) Seller delivers to CAM a representation, warranty, certification or other statement that is false in any material respect when made;

(e) Any bankruptcy proceeding, insolvency arrangement or similar proceeding is commenced by or against Seller;

(f) Seller suspends or discontinues its regular operations for any reason;

(g) A receiver or trustee of any kind is appointed for Seller or any of Seller's property;

(h) Seller does not, in good faith, take all necessary steps to implement the manners of payment as provided in this Agreement; or

(g) A notice of lien, money judgment, levy, assignment, seizure, writ or warrant of attachment is entered or filed against Seller with respect to the Accounts or any Collateral (as said term is defined in the Security Agreement).

7.2 Remedies. After the occurrence of any Event of Default, CAM shall have immediate access to any and all books and records as may pertain to the Accounts or any of the Collateral (as defined in the Security Agreement). With respect to such Collateral, CAM shall have all rights and remedies of a secured party under the Security Agreement and Article 9 of the Uniform Commercial Code.

Notwithstanding anything to the contrary in Section 2.3, CAM shall have the right to collect all Accounts directly from account debtors.

8. **TERMINATION.** The term of this Agreement shall begin as of the Effective Date and continue until terminated in accordance with this Section. Either Party may terminate this Agreement upon thirty (30) days prior written notice to the other Party. CAM may terminate this Agreement effective immediately without prior notice upon the occurrence of an Event of Default. Upon termination of this Agreement, any amounts due from Seller to CAM will mature and become immediately due and payable. Notwithstanding the foregoing, all of CAM's rights, liens and security interests granted pursuant to the Security Agreement shall continue and remain in full force and effect after any termination of this Agreement. In addition, Seller agrees and shall continue to remit to CAM all collections on Accounts received directly by it (if applicable) until all payments owed with respect to each Account have been paid in full.

9. **FUTURE AGREEMENTS.** Seller acknowledges that CAM may from time to time agree to purchase additional Accounts from Seller which shall be evidenced by additional Factoring Agreements.

10. **CONFIDENTIALITY.** Seller hereby agrees to maintain the confidentiality of this Agreement, any prior agreements regarding the purchase of its Accounts ("**Prior Agreements**") or any future agreements pertaining to the purchase of its Accounts ("**Future Agreements**") and agrees that this Agreement, Prior Agreements or Future Agreements cannot be duplicated or distributed to any third party without CAM's express written permission except as required by law. Seller further agrees to take reasonable measures to protect and maintain the security and confidentiality of information set forth in this Agreement, any Prior Agreements or Future Agreements.

11. **TRUE SALE OF ACCOUNTS.** Seller and CAM agree and acknowledge that the intention of the parties with respect to the Accounts is to accomplish a true sale of the Accounts as provided for in this Agreement. If for any reason, it is determined by a court of competent jurisdiction, that this Agreement does not provide a true sale of the Accounts, but constitutes a loan secured by the Accounts, then the Accounts shall be deemed to have been pledged to CAM pursuant to the Security Agreement.

12. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement and understanding between Seller and CAM with respect to the sale of the Accounts provided for herein and supersedes all prior written and oral agreements, discussions or representations between Seller and CAM concerning the Accounts purchased by CAM pursuant to this Agreement. Notwithstanding the foregoing, this Agreement is also subject to the terms and conditions of the Security Agreement as referenced in Section 5.1. No modification or amendment to this Agreement or any waiver of any rights under this Agreement will be effective unless in a writing signed by Seller and CAM.

13. **MISCELLANEOUS.**

13.1 No Pledge of Credit. Seller shall not be entitled to pledge CAM's credit for any purpose whatsoever.

13.2 Waivers. Seller waives presentment and protest of any instruments and all notices thereof, notice of default and all other notices to which it might otherwise be entitled. Seller shall maintain, at its expense, proper books of account.

13.3 No Pledge or Sale of Account. During the term of this Agreement, Seller shall not sell or assign, negotiate, pledge or grant any security interest in the Account to anyone other than CAM.

13.4 Governing Law and Venue. This Agreement is executed and delivered in the State of California and shall be governed by California law without giving effect to its laws of conflict. Seller further agrees that any legal action or proceeding at respect to any of its obligations under this Agreement may be brought by CAM in any state or federal court located in Santa Clara County, California. Any claim or controversy asserted by Seller against CAM shall only be litigated in the State or Federal Courts located in Santa Clara County, California. By the execution and delivery of this Agreement, Seller submits to and accepts for itself and in respect of its property generally and unconditionally the non-exclusive jurisdiction of those courts. Seller waives any claims that Santa Clara County, California is not a convenient forum or the proper venue for any such suit, action or proceeding.

13.5 Waiver of Service of Process. Each of the parties to this Agreement hereby waives personal service of any summons or complaint or other process or papers to be issued in any action or proceeding involving any such controversy and hereby agrees that service of such summons or complaint or process may be made by certified mail to the other party at the address appearing herein; failure on the part of either party to appear or answer within thirty (30) days after such mailing of such summons, complaint or process shall constitute a default entitling the other party to enter a judgment or order as demanded or prayed for therein to the extent that said Court or duly authorized officer thereof may authorize or permit.

13.6 Waiver of Jury Trial. TO THE EXTENT ALLOWED BY APPLICABLE LAW, CAM AND SELLER DO HEREBY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING OF ANY KIND ARISING ON, OUT OF, BY REASON OF, OR RELATING IN ANY WAY TO THIS AGREEMENT OR THE INTERPRETATION OR ENFORCEMENT THEREOF OR TO ANY TRANSACTIONS THEREUNDER. IN THE EVENT CAM COMMENCES ANY ACTION OR PROCEEDING AGAINST SELLER, SELLER WILL NOT ASSERT ANY OFFSET OR COUNTERCLAIM, OF WHATEVER NATURE OR DESCRIPTION, IN ANY SUCH ACTION OR PROCEEDING.

13.7 No Waiver of Rights. No failure or delay by CAM in exercising any of its powers or rights hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power or right preclude other or further exercise thereof or the exercise of any other right or power. CAM's rights, remedies and benefits hereunder are cumulative and not exclusive of any other rights, remedies or benefits which CAM may have. This Agreement may only be modified in writing and no waiver by CAM will be effective unless in writing and then only to the extent specifically stated.

13.8 Notices. All notices and other communications by either party hereto shall be in writing and shall be sent to the other party at the address specified herein.

13.9 Assignment. CAM shall have the right to assign this Agreement, and all of CAM's rights hereunder shall inure to the benefit of CAM's successors and assigns, and this Agreement shall inure to the benefit of and shall bind CAM's respective successors and assigns.

13.10 Counterparts; Effectiveness. This Agreement may be executed in any number of counterparts and by the different parties on separate counterparts, and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

This Agreement shall be deemed to have been executed and delivered when CAM has received counterparts hereof executed by all parties listed on the signature pages hereto. Facsimile, pdf, or other forms of electronic image versions of signatures hereto shall be deemed original signatures, which may be relied upon by each party hereto and shall be binding on the respective party.

13.11 Attorney Fees. In the event that any suit or action is instituted under or in relation to this Agreement, including without limitation to enforce any provision in this Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

SELLER:

ENCORE EDUCATION CORPORATION, INC.

DocuSigned by:
Lenny Esposito
By _____
0DEE3AD1A5EB489...

Name: Lenny Esposito
Title: President, Board of Directors
Address for Notices:
16955 Lemon Street #A, Hesperia, CA 92345

CAM:

CHARTER ASSET MANAGEMENT FUND, LP.

DocuSigned by:
Paul Im
By _____
7E046D1E4B6C4E8...

Name: Paul Im
Title: Managing Member
Address for Notices:
515 S. Flower Street, 36th Floor,
Los Angeles, CA 90071

DocuSigned by:
David Park
By _____
8A19A5DA8666435...

Name: David Park
Title: Managing Member
Address for Notices:
515 S. Flower Street, 36th Floor,
Los Angeles, CA 90071

Schedule 1**Accounts**

Encore High School for the Arts – Riverside

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
Riverside County Office of Education	FY 17-18 Advance Apportionment Apr PMT - LCFF State Aid. CDS# 33-67215-0132498	\$480,000.00	\$8,880.00	1.40%	\$6,742.28	-\$464,377.72
Riverside Unified School District	FY 17-18 School District Advance Payment of In-Lieu Property Taxes Apr PMT. CDS# 33-67215-0132498	\$100,000.00	\$1,850.00	1.40%	\$1,404.64	-\$96,745.36
Riverside County Office of Education	FY 17-18 Advance Apportionment May PMT - LCFF State Aid. CDS# 33-67215-0132498	\$480,000.00	\$8,880.00	2.99%	\$14,352.00	-\$456,768.00
Riverside Unified School District	FY 17-18 School District Advance Payment of In-Lieu Property Taxes May PMT. CDS# 33-67215-0132498	\$100,000.00	\$1,850.00	2.99%	\$2,990.00	-\$95,160.00
Riverside County Office of Education	FY 17-18 Advance Apportionment Jun PMT - LCFF State Aid. CDS# 33-67215-0132498	\$440,000.00	\$8,140.00	4.27%	\$18,785.93	-\$413,074.07
Riverside County Office of Education	FY 17-18 Proposition 30 Education Protection Account (EPA) 4th Quarter PMT. CDS# 33-67215-0132498	\$36,949.54	\$683.57	4.27%	\$1,577.57	-\$34,688.40
Riverside Unified School District	FY 17-18 School District Advance Payment of In-Lieu Property Taxes Jun PMT. CDS# 33-67215-0132498	\$95,000.00	\$1,757.50	4.27%	\$4,056.05	-\$89,186.45
Total		\$1,731,949.54	\$32,041.07		\$49,908.48	-\$1,650,000.00

Encore Jr. / Sr. High School for the Performing & Visual Arts

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
San Bernardino County Superintendent of Schools	FY 17-18 Advance Apportionment Apr PMT - LCFF State Aid. CDS# 36-75044-0116707	\$480,000.00	\$8,880.00	1.40%	\$6,742.28	-\$464,377.72
Hesperia Unified School District	FY 17-18 School District Advance Payment of In-Lieu Property Taxes Apr PMT. CDS# 36-75044-0116707	\$19,000.00	\$351.50	1.40%	\$266.88	-\$18,381.62
San Bernardino County Superintendent of Schools	FY 17-18 Advance Apportionment May PMT - LCFF State Aid. CDS# 36-75044-0116707	\$480,000.00	\$8,880.00	2.99%	\$14,352.00	-\$456,768.00
Hesperia Unified School District	FY 17-18 School District Advance Payment of In-Lieu Property Taxes May PMT. CDS# 36-75044-0116707	\$19,000.00	\$351.50	2.99%	\$568.10	-\$18,080.40
San Bernardino County Superintendent of Schools	FY 17-18 Advance Apportionment Jun PMT - LCFF State Aid. CDS# 36-75044-0116707	\$460,000.00	\$8,510.00	4.27%	\$19,639.83	-\$431,850.17
San Bernardino County Superintendent of Schools	FY 17-18 Proposition 30 Education Protection Account (EPA) 4th Quarter PMT. CDS# 36-75044-0116707	\$258,525.34	\$4,782.72	4.27%	\$11,037.81	-\$242,704.81
Hesperia Unified School District	FY 17-18 School District Advance Payment of In-Lieu Property Taxes Jun PMT. CDS# 36-75044-0116707	\$19,000.00	\$351.50	4.27%	\$811.21	-\$17,837.29
Total		\$1,735,525.34	\$32,107.22		\$53,418.12	-\$1,650,000.00

Exhibit A

**CHARTER SCHOOL BOARD RESOLUTION
OF
THE BOARD OF DIRECTORS OF ENCORE EDUCATION CORPORATION, INC.**

The Board of Directors (“Board”) of Encore Education Corporation, Inc. (the “Charter School”), pursuant to applicable law and the Charter School’s governing documents, hereby adopt the following recitals and resolutions by unanimous written consent, effective as of the effective date of the Factoring Agreement (as defined herein):

Approval of Factoring Agreement and Sale of Receivables.

WHEREAS, the Board has reviewed the Factoring Agreement entered into by and among Charter Asset Management Fund, LP (“CAM”) and the Charter School (such agreement, the “Factoring Agreement”) and has had an adequate opportunity to ask questions regarding, and investigate the nature of, the Factoring Agreement;

WHEREAS, after careful consideration, the Board has determined that the terms and conditions of Factoring Agreement are just and equitable and fair as to the Charter School and that it is in the best interest of the Charter School to enter into the Factoring Agreement;

WHEREAS, the Board deems it to be in the best interest of the Charter School to cause the Charter School to sell and assign certain of its receivables to CAM as provided in the Factoring Agreement; and

NOW, THEREFORE, BE IT RESOLVED, that the Factoring Agreement is hereby approved;

RESOLVED FURTHER, that the Charter School may sell and assign certain of its receivables to CAM as provided in the Factoring Agreement; and

RESOLVED FURTHER, that the officers and managers of the Charter School are hereby authorized and directed to cause the Charter School to enter into the Factoring Agreement and to execute all other documents necessary to effect the Factoring Agreement, and to take all actions necessary and appropriate to perform the Charter School’s obligations thereunder.

Enabling Power.

RESOLVED, that the officers and managers of the Charter School be, and each of them hereby is, authorized, directed and empowered to execute any applications, certificates, agreements or any other instruments or documents or amendments or supplements to such documents, or to do, or cause to be done, any and all other acts and things as such officers and managers, and each of them may, in their discretion, deem necessary or advisable and appropriate to carry out the purposes of the foregoing resolutions.

Authorization to Certify Resolution.

RESOLVED, that the President, Board of Directors and Vice President, Board of Directors are hereby authorized to certify this resolution.

This written consent may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same written consent.

IN WITNESS WHEREOF, the Board of Directors has adopted the above resolution.

DocuSigned by:
Lenny Esposito
By: _____
Lenny Esposito
President, Board of Directors

DocuSigned by:
Suzanne Cherry
By: _____
Suzanne Cherry
Vice President, Board of Directors

Exhibit B-1

Notice of Purchase and Assignment

To: Steven Rollins
Director, Fiscal Services
15576 Main St, Hesperia, CA 92345
Hesperia Unified School District

This Notice has reference to all payments due from you to Encore Education Corporation, Inc. ("Assignor") with respect to any amounts payable by you to Assignor with respect to the receivables set forth on Schedule 1 attached hereto. All monies due or to become due under the aforesaid receivables have been sold and assigned to the undersigned. A true copy of the Notice of Assignment is attached as Annex 1. All monies due to Assignor with respect to the receivables sold should be sent to the undersigned by wire transfer as follows: Charter Asset Management Fund, LP. at **Bank of Hope** (Account #6400219549, ABA Wire Routing #122041235) or by check payable to the undersigned and addressed as follows: 515 S. Flower Street, 36th Floor, Los Angeles, CA 90071.

Please acknowledge receipt of this notice and return a fully executed copy to the undersigned.

Very truly yours,

CHARTER ASSET MANAGEMENT
FUND, LP.

DocuSigned by:
Paul Im
By: _____
Name: Paul Im
Its: Managing Member

Acknowledgement

Receipt is acknowledged of the above notice, and a copy of the instrument by Assignor on _____

_____, 20____.

Hesperia Unified School District
Director, Fiscal Services
15576 Main St, Hesperia, CA 92345

By: _____

Title: _____

(Faint, mirrored text from the reverse side of the page, including phrases like "A copy of the instrument...", "All monies due...", and "Account by routing...")

(Faint, mirrored text: "Please acknowledge receipt of this notice and return a fully executed copy to the undersigned")

(Faint, mirrored text: "Very truly yours")

(Faint, mirrored text: "CHAPTER ASSET MANAGEMENT")

(Faint, mirrored signature)

(Faint, mirrored text: "By")

(Faint, mirrored text: "Name")

(Faint, mirrored text: "is Managing Member")

Schedule 1

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
Hesperia Unified School District	FY 17-18 School District Advance Payment of In-Lieu Property Taxes Apr PMT. CDS# 36-75044-0116707	\$19,000.00	\$351.50	1.40%	\$266.88	-\$18,381.62
Hesperia Unified School District	FY 17-18 School District Advance Payment of In-Lieu Property Taxes May PMT. CDS# 36-75044-0116707	\$19,000.00	\$351.50	2.99%	\$568.10	-\$18,080.40
Hesperia Unified School District	FY 17-18 School District Advance Payment of In-Lieu Property Taxes Jun PMT. CDS# 36-75044-0116707	\$19,000.00	\$351.50	4.27%	\$811.21	-\$17,837.29

Annex 1

(To be placed on letterhead of Seller)

Steven Rollins					
Director, Fiscal Services					
Hesperia Unified School District					
15576 Main St, Hesperia, CA 92345					
Ladies and Gentlemen:					
<p>This is to advise you that the undersigned has sold and assigned all receivables due to the undersigned from you to Charter Asset Management Fund, LP. You are authorized to pay directly to Charter Asset Management Fund, LP. all amounts due from you to us as directed by Charter Asset Management Fund, LP. in its Notice of Purchase and Assignment delivered to you.</p>					

Very truly yours,

Encore Education Corporation, Inc.

DocuSigned by:

 By: _____
 Name: Lenny Esposito
 Title: President, Board of Directors

Exhibit B-2

Notice of Purchase and Assignment

To: Riverside County Office of Education
3939 13th St, Riverside, CA 92501

This Notice has reference to all payments due from you to Encore Education Corporation, Inc. ("Assignor") with respect to any amounts payable by you to Assignor with respect to the receivables set forth on Schedule 1 attached hereto. All monies due or to become due under the aforesaid receivables have been sold and assigned to the undersigned. A true copy of the Notice of Assignment is attached as Annex 1. All monies due to Assignor with respect to the receivables sold should be sent to the undersigned by wire transfer as follows: Charter Asset Management Fund, LP. at **Bank of Hope** (Account #6400219549, ABA Wire Routing #122041235) or by check payable to the undersigned and addressed as follows: 515 S. Flower Street, 36th Floor, Los Angeles, CA 90071.

Please acknowledge receipt of this notice and return a fully executed copy to the undersigned.

Very truly yours,

CHARTER ASSET MANAGEMENT
FUND, LP.

DocuSigned by:
Paul Im
By: _____
Name: Paul Im
Its: Managing Member

Acknowledgement

Receipt is acknowledged of the above notice, and a copy of the instrument by Assignor on _____

_____, 20____.

Riverside County Office of Education
3939 13th St, Riverside, CA 92501

By: _____

Title: _____

[Faint, mirrored text from the reverse side of the page, including phrases like "Riverside County Office of Education" and "3939 13th St, Riverside, CA 92501"]

[Faint, mirrored text from the reverse side of the page, including the word "MANAGEMENT" and other illegible characters]

Schedule 1

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
Riverside County Office of Education	FY 17-18 Advance Apportionment Apr PMT - LCFF State Aid. CDS# 33-67215-0132498	\$480,000.00	\$8,880.00	1.40%	\$6,742.28	-\$464,377.72
Riverside County Office of Education	FY 17-18 Advance Apportionment May PMT - LCFF State Aid. CDS# 33-67215-0132498	\$480,000.00	\$8,880.00	2.99%	\$14,352.00	-\$456,768.00
Riverside County Office of Education	FY 17-18 Advance Apportionment Jun PMT - LCFF State Aid. CDS# 33-67215-0132498	\$440,000.00	\$8,140.00	4.27%	\$18,785.93	-\$413,074.07
Riverside County Office of Education	FY 17-18 Proposition 30 Education Protection Account (EPA) 4th Quarter PMT. CDS# 33-67215-0132498	\$36,949.54	\$683.57	4.27%	\$1,577.57	-\$34,688.40

Annex 1

(To be placed on letterhead of Seller)

Riverside County Office of Education
3939 13th St, Riverside, CA 92501

Ladies and Gentlemen:

This is to advise you that the undersigned has sold and assigned all receivables due to the undersigned from you to Charter Asset Management Fund, LP. You are authorized to pay directly to Charter Asset Management Fund, LP. all amounts due from you to us as directed by Charter Asset Management Fund, LP. in its Notice of Purchase and Assignment delivered to you.

Very truly yours,

Encore Education Corporation, Inc.

DocuSigned by:
Lenny Esposito
By: _____
Name: Lenny Esposito
Title: President, Board of Directors

Exhibit B-3

Notice of Purchase and Assignment

To: Riverside Unified School District
3380 14th Street, Riverside, CA 92501

This Notice has reference to all payments due from you to Encore Education Corporation, Inc. ("Assignor") with respect to any amounts payable by you to Assignor with respect to the receivables set forth on Schedule 1 attached hereto. All monies due or to become due under the aforesaid receivables have been sold and assigned to the undersigned. A true copy of the Notice of Assignment is attached as Annex 1. All monies due to Assignor with respect to the receivables sold should be sent to the undersigned by wire transfer as follows: Charter Asset Management Fund, LP. at **Bank of Hope** (Account #6400219549, ABA Wire Routing #122041235) or by check payable to the undersigned and addressed as follows: 515 S. Flower Street, 36th Floor, Los Angeles, CA 90071.

Please acknowledge receipt of this notice and return a fully executed copy to the undersigned.

Very truly yours,

CHARTER ASSET MANAGEMENT
FUND, LP.

DocuSigned by:
Paul Im
By: _____
Name: Paul Im
Its: Managing Member

Acknowledgement

Receipt is acknowledged of the above notice, and a copy of the instrument by Assignor on _____

_____, 20____.

Riverside Unified School District
3380 14th Street, Riverside, CA 92501

By: _____

Title: _____

[Faint, mirrored text from the reverse side of the document, including phrases like "Notice of Assignment", "Riverside Unified School District", and "3380 14th Street, Riverside, CA 92501".]

[Faint, mirrored text from the reverse side of the document, including the phrase "Receipt acknowledged receipt of this notice and a true and fully executed copy of the instrument".]

CHARTER ASSET MANAGEMENT
FUND LP

By: _____
Name: _____
Title: _____

Schedule 1

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
Riverside Unified School District	FY 17-18 School District Advance Payment of In-Lieu Property Taxes Apr PMT. CDS# 33-67215-0132498	\$100,000.00	\$1,850.00	1.40%	\$1,404.64	-\$96,745.36
Riverside Unified School District	FY 17-18 School District Advance Payment of In-Lieu Property Taxes May PMT. CDS# 33-67215-0132498	\$100,000.00	\$1,850.00	2.99%	\$2,990.00	-\$95,160.00
Riverside Unified School District	FY 17-18 School District Advance Payment of In-Lieu Property Taxes Jun PMT. CDS# 33-67215-0132498	\$95,000.00	\$1,757.50	4.27%	\$4,056.05	-\$89,186.45

Annex 1

(To be placed on letterhead of Seller)

Riverside Unified School District
3380 14th Street, Riverside, CA 92501

Ladies and Gentlemen:

This is to advise you that the undersigned has sold and assigned all receivables due to the undersigned from you to Charter Asset Management Fund, LP. You are authorized to pay directly to Charter Asset Management Fund, LP. all amounts due from you to us as directed by Charter Asset Management Fund, LP. in its Notice of Purchase and Assignment delivered to you.

Very truly yours,

Encore Education Corporation, Inc.

DocuSigned by:
Lenny Esposito
By: _____
Name: Lenny Esposito
Title: President, Board of Directors

Exhibit B-4

Notice of Purchase and Assignment

To: San Bernardino County Superintendent of Schools
601 North E St., San Bernardino, CA 92415

This Notice has reference to all payments due from you to Encore Education Corporation, Inc. (“Assignor”) with respect to any amounts payable by you to Assignor with respect to the receivables set forth on Schedule 1 attached hereto. All monies due or to become due under the aforesaid receivables have been sold and assigned to the undersigned. A true copy of the Notice of Assignment is attached as Annex 1. All monies due to Assignor with respect to the receivables sold should be sent to the undersigned by wire transfer as follows: Charter Asset Management Fund, LP. at **Bank of Hope** (Account #6400219549, ABA Wire Routing #122041235) or by check payable to the undersigned and addressed as follows: 515 S. Flower Street, 36th Floor, Los Angeles, CA 90071.

Please acknowledge receipt of this notice and return a fully executed copy to the undersigned.

Very truly yours,

CHARTER ASSET MANAGEMENT
FUND, LP.

DocuSigned by:
Paul Im
By: _____
Name: Paul Im
Its: Managing Member

Acknowledgement

Receipt is acknowledged of the above notice, and a copy of the instrument by Assignor on _____

_____, 20____.

San Bernardino County Superintendent of
Schools
601 North E St., San Bernardino, CA 92415

By: _____

Title: _____

(Faint, mirrored text from the reverse side of the page, including phrases like "Notice of Purchase and Assignment" and "San Bernardino County Superintendent of Schools")

Please acknowledge receipt of this notice and return a fully executed copy to the undersigned

Very truly yours,

CHARITA ASSET MANAGEMENT
LLC

(Signature area with a faint signature and the text "Charita Asset Management LLC")

Schedule 1

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
San Bernardino County Superintendent of Schools	FY 17-18 Advance Apportionment Apr PMT - LCFF State Aid. CDS# 36-75044-0116707	\$480,000.00	\$8,880.00	1.40%	\$6,742.28	-\$464,377.72
San Bernardino County Superintendent of Schools	FY 17-18 Advance Apportionment May PMT - LCFF State Aid. CDS# 36-75044-0116707	\$480,000.00	\$8,880.00	2.99%	\$14,352.00	-\$456,768.00
San Bernardino County Superintendent of Schools	FY 17-18 Advance Apportionment Jun PMT - LCFF State Aid. CDS# 36-75044-0116707	\$460,000.00	\$8,510.00	4.27%	\$19,639.83	-\$431,850.17
San Bernardino County Superintendent of Schools	FY 17-18 Proposition 30 Education Protection Account (EPA) 4th Quarter PMT. CDS# 36-75044-0116707	\$258,525.34	\$4,782.72	4.27%	\$11,037.81	-\$242,704.81

Annex 1

(To be placed on letterhead of Seller)

San Bernardino County Superintendent of Schools
601 North E St., San Bernardino, CA 92415

Ladies and Gentlemen:

This is to advise you that the undersigned has sold and assigned all receivables due to the undersigned from you to Charter Asset Management Fund, LP. You are authorized to pay directly to Charter Asset Management Fund, LP. all amounts due from you to us as directed by Charter Asset Management Fund, LP. in its Notice of Purchase and Assignment delivered to you.

Very truly yours,

Encore Education Corporation, Inc.

DocuSigned by:

Lenny Esposito

By: _____

Name: Lenny Esposito

Title: President, Board of Directors

Exhibit C

**AUTHORIZATION FOR DIRECT PAYMENT VIA ACH
(ACH DEBIT)**

Direct Payment via ACH is the transfer of funds from the Encore Education Corporation, Inc. ("Charter School")'s account for the purpose of making payments for receivables due to Charter Asset Management Fund, LP.

As board director and/or officer of Charter School and signer on all factoring and security agreements between Charter School and Charter Asset Management Fund, LP., I authorize Charter Asset Management Fund, LP. to electronically debit the account of Charter School as follows:

Bank / Institution: Wells Fargo Bank
Account: Encore Education Corporation
Account Number: 3648980013
Routing Number: 121000248
School Address: 16955 Lemon Street #A, Hesperia, CA 92345

I understand that the amount and frequency of debits are pursuant to all executed factoring agreements executed between Charter School and Charter Asset Management Fund, LP. for the 2017-2018 and 2018-2019 fiscal years.

I understand that this authorization will remain in full force and effect until all financial obligations of Charter School to Charter Asset Management Fund, LP. are fulfilled pursuant to all executed agreements.

ENCORE EDUCATION CORPORATION, INC.

DocuSigned by:
Lenny Esposito
Lenny Esposito
President, Board of Directors

DocuSigned by:
Suzanne Cherry
Suzanne Cherry
Vice President, Board of Directors

Exhibit D

IRREVOCABLE FUNDS DISTRIBUTION AUTHORIZATION

(TITLE PAGE)

Effective Date: March 21, 2018

The undersigned, Encore Education Corporation, Inc. (the “**Charter School**”), hereby irrevocably authorizes (the “**Payor**”) to distribute directly to Charter Asset Management Fund LP, a Delaware limited partnership (“**CAM**”), all amounts due from the Payor to the Charter School directly to CAM, whether by (1) mail, (2) ACH, or (3) wire transfer pursuant to the Electronic Funds Transfer Act as directed by CAM. The Charter School agrees to deliver to the Payor an Irrevocable Assignment of Accounts in the form attached as Exhibit A or such other documents required by the Payor to authorize the direct funds distribution to CAM. The Charter School shall assist CAM with respect to any documents required by Payor to allow Payor to make funds distributions directly to CAM. Payor may rely on this authorization in making direct funds distributions to CAM.

Encore Education Corporation, Inc.

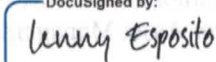
DocuSigned by:

 By: _____
 Lenny Esposito
 President, Board of Directors

Exhibit E**IRREVOCABLE ASSIGNMENT OF ACCOUNTS**

Pursuant to this assignment (“Assignment”), for value received and services performed by Charter Asset Management Fund, LP, a Delaware limited partnership (“CAM”), Encore Education Corporation, Inc. (“Charter School”) DBA Encore High School For The Visual & Performing Arts hereby irrevocably assigns, transfers and sets over to CAM the sole right to collect from the (“Payor”) the net proceeds of the Accounts (as defined herein) from the Payor, when such payments become due and payable to Charter School. The term “Accounts” shall mean all Accounts described in Schedule 1 of that certain Factoring Agreement dated as of March 21, 2018 between CAM and the Charter School (the “Factoring Agreement”).

Recitals

WHEREAS, under applicable law, the Charter School has the power to sell and assign its assets;

WHEREAS, the Charter School is entitled to receive state payments or other amounts to which the Charter School is entitled to receive from the Payor under applicable law (collectively, the “Payments”);

WHEREAS, the Charter School hereby warrants and represents to the Payor and CAM that (i) the Charter School is duly authorized under the laws of the State of California (the “State”) to enter into the transactions contemplated hereby and to sell and assign the Accounts and other assets in furtherance of its educational purposes; (ii) all action on the Charter School’s part necessary for the consummation of the transaction contemplated hereby and the sale and assignment of the Accounts have been duly taken; (iii) this Assignment is valid and enforceable in accordance with its terms, except as enforceability may be limited by general equitable principles and by bankruptcy, insolvency or other similar laws affecting creditors’ rights generally; (iv) the Charter School has not heretofore conveyed, assigned, pledged, granted a security interest in or other disposal of the Accounts as has been satisfied by the Charter School and released; and (v) assuming receipt of the consents required herein, the execution, delivery and performance of this Assignment is not a contravention of law or any agreement, instrument, indenture or other undertaking to which the Charter School is a party or by which the Charter School is bound.

WHEREAS, except with respect to the Assignment below, the Charter School further warrants and represents to the Payor and CAM that the Factoring Agreement and all related documents do not provide for recourse of any kind against the Payor. The Charter School understands that the Payor does not make any representations concerning the financial condition of the Charter School or guarantee the continuous payment of Payments to the Charter School.

WHEREAS, the Charter School and the Payor acknowledge and agree that CAM is an intended third-party beneficiary of the Assignment contained herein.

Assignment

NOW, THEREFORE, in consideration of the mutual promises herein contained, it is hereby agreed and acknowledged that:

- (i) this Assignment is made by Charter School as consideration for CAM to enter into the Factoring Agreement executed on the Effective Date.
- (ii) Charter School may not revoke this Assignment;
- (iii) the Payor is hereby authorized and directed to release and pay the Payments to CAM when and in same the manner that such Payments were to be paid to Charter School;
- (iv) the Payor hereby confirms and acknowledges this Assignment, and agrees to accept and abide by the terms hereof; and
- (v) the Payor shall make Payments to CAM with respect to the Accounts by wire pursuant to the wiring instructions provided by CAM.

[Signature page follows]

WHEREAS, the Charter School and CAM have entered into a Factoring Agreement...

WHEREAS, the Charter School and CAM have entered into a Factoring Agreement...

WHEREAS, the Charter School and CAM have entered into a Factoring Agreement...

IN WITNESS WHEREOF, this Assignment is effective as of March 21, 2018.

Encore Education Corporation, Inc. DBA Encore High School For The Visual & Performing Arts

DocuSigned by:
Lenny Esposito
By: _____
Lenny Esposito
President, Board of Directors

Acknowledged by:

By: _____

WIRE / ACH INSTRUCTIONS

Please remit all ACH / wire payments to the following:

Bank / Institution: Bank of Hope
Account: Charter Asset Management Fund, LP.
Account Number: 6400219549
Wiring/Routing Number: 122041235

CHECK DELIVERY INSTRUCTIONS

Please overnight mail all checks to the following address:

Charter Asset Management
ATTN: Paul Im / Jonathan Yeh
515 S. Flower Street, 36th Floor
Los Angeles, CA 90071

Checks made out to Charter School is acceptable to CAM pursuant to the Factoring Agreement and Irrevocable Funds Distribution Authorization

SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of March 21, 2018 (as amended, supplemented or otherwise modified from time to time in accordance with the provisions hereof, this “**Agreement**”), is made by and among Encore Education Corporation, Inc., a California corporation (the “**Grantor**”), in favor of **CHARTER ASSET MANAGEMENT FUND, LP.**, a Delaware limited partnership (the “**Secured Party**”).

RECITALS

- A. As of the date hereof, the Secured Party has purchased, and may purchase in the future, from Grantor certain Accounts (“**Accounts**”) evidenced by that certain Factoring Agreement of even date herewith and future Factoring Agreements (as amended, supplemented or otherwise modified from time to time, collectively, the “**Factoring Agreements**”) by and between the Grantor and the Secured Party. Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Factoring Agreements;
- B. This Agreement is given by the Grantor in favor of the Secured Party to secure the payment and performance of all of the Secured Obligations (as defined herein); and
- C. It is a condition to the obligations of the Secured Party to purchase Accounts under the Factoring Agreements that the Grantor execute and deliver this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions.

- (a) Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.
- (b) Unless otherwise defined herein, terms used herein that are defined in the Uniform Commercial Code in effect from time to time in the State of California (“**UCC**”) shall have the meanings assigned to them in the UCC. However, if a term is defined in Article 9 of the UCC differently than in another Article of the UCC, the term has the meaning specified in Article 9.
- (c) For purposes of this Agreement, the following terms shall have the following meanings:

“**Agreement**” has the meaning set forth in the Recitals hereof.

“**Collateral**” has the meaning set forth in *Section 2*.

“**Event of Default**” has the meaning set forth in the Factoring Agreements.

“**First Priority**” means, with respect to any lien and security interest purported to be created in any Collateral pursuant to this Agreement, such lien and security interest is (with the exception of the lien created under that certain Security Agreement, dated as of March 21, 2018, between Grantor and Civic

Asset Management GP LLC (the “**Civic Security Agreement**”), the most senior lien to which such Collateral is subject.

“**Grantor**” has the meaning set forth in the Recitals hereof.

“**Proceeds**” means “proceeds” as such term is defined in section 9-102 of the UCC and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.

“**Secured Obligations**” has the meaning set forth in **Section 3**.

(d) The rules of interpretation specified in the Factoring Agreements shall be applicable to this Agreement.

2. Grant of Security Interest. As collateral security for the payment and performance of the Secured Obligations, the Grantor hereby pledges and grants to the Secured Party, and hereby creates a continuing First Priority lien and security interest in favor of the Secured Party in and to all of its right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the “**Collateral**”); provided that the Collateral shall not include the excluded collateral listed in Section 2(d) below:

(a) all fixtures and personal property of every kind and nature including all accounts not previously purchased by Secured Party pursuant to the Factoring Agreements, goods (including inventory and equipment), documents (including, if applicable, electronic documents), instruments, promissory notes, chattel paper (whether tangible or electronic), letters of credit, letter-of-credit rights (whether or not the letter of credit is evidenced by a writing), securities and all other investment property, commercial tort claims described on Schedule 1 hereof as supplemented by any written notification given by the Grantor to the Secured Party pursuant to **Section 4(e)**, general intangibles (including all payment intangibles), money, deposit accounts, and any other contract rights or rights to the payment of money;

(b) all Proceeds and products of each of the foregoing, all books and records relating to the foregoing, all supporting obligations related thereto, and all accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing, and any and all Proceeds of any insurance, indemnity, warranty or guaranty payable to the Grantor from time to time with respect to any of the foregoing; and

(c) all Accounts subject to any of the Factoring Agreements but only if it is determined by a court of competent jurisdiction that the Factoring Agreements do not evidence a true sale of the Accounts sold thereunder.

(d) Notwithstanding the foregoing, Collateral shall not include (i) any Payments as such term is defined in that certain Indenture, dated as of November 1, 2016 (the “**Indenture**”), between the California School Finance Authority, a public instrumentality of the State of California, and U.S. Bank National Association, a national banking association, (ii) amounts described in that certain Notice to the State Controller Pursuant to Education Code Section 17199.4, dated November 2, 2016, executed and delivered in connection with the California School Finance Authority Charter School Revenue Bonds (Encore Education Obligated Group), Series 2016A and Series 2016B, or (iii) any other collateral that has been pledged under the Indenture.

3. Secured Obligations. The Collateral secures the due and prompt payment and performance of:

(a) the obligations of the Grantor from time to time arising under the Factoring Agreements, this Agreement or otherwise with respect to the due and prompt payment of (i) any amounts

due pursuant to the Factoring Agreements from failure of the Grantor to comply with the terms of the Factoring Agreements or interest thereon (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise and (ii) all other monetary obligations, including fees, costs, attorneys' fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Grantor under or in respect of the Factoring Agreements and this Agreement;

(b) all other covenants, duties, debts, obligations and liabilities of any kind of the Grantor under or in respect of the Factoring Agreements, this Agreement or any other document made, delivered or given in connection with any of the foregoing, in each case whether evidenced by a note or other writing, whether allowed in any bankruptcy, insolvency, receivership or other similar proceeding, whether arising from an extension of credit, issuance of a letter of credit, acceptance, loan, guaranty, indemnification or otherwise, and whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, fixed or otherwise (all such obligations, covenants, duties, debts, liabilities, sums and expenses set forth in **Section 3** being herein collectively called the "**Secured Obligations**"); and

(c) It is the intent of the Grantor and Secured Party that the Secured Party is purchasing Accounts referenced in the Factoring Agreements and therefore the term "Secured Obligations" does not include purchased Accounts or any amounts due to Secured Party pursuant to any of the purchased Accounts unless there is a breach by the Grantor of any of its obligations under the Factoring Agreements or unless there is a judicial determination that Secured Party's purchase of Accounts under any Factoring Agreement is not a purchase, but is deemed to be a loan secured by Accounts.

4. Perfection of Security Interest and Further Assurances.

(a) The Grantor shall, from time to time, as may be required by the Secured Party with respect to all Collateral, immediately take all actions as may be requested by the Secured Party to perfect the security interest of the Secured Party in the Collateral, including, without limitation, with respect to all Collateral over which control may be obtained within the meaning of sections 8106, 9104, 9105, 9106 and 9107 of the UCC, section 201 of the federal Electronic Signatures in Global and National Commerce Act and, as the case may be, section 16 of the Uniform Electronic Transactions Act, as applicable, the Grantor shall immediately take all actions as may be requested from time to time by the Secured Party so that control of such Collateral is obtained and at all times held by the Secured Party. All of the foregoing shall be at the sole cost and expense of the Grantor.

(b) The Grantor hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any relevant jurisdiction any financing statements and amendments thereto that contain the

information required by Article 9 of the UCC of each applicable jurisdiction for the filing of any financing statement or amendment relating to the Collateral, including any financing or continuation statements or other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by the Grantor hereunder, without the signature of the Grantor where permitted by law, including the filing of a financing statement describing the Collateral as all assets now owned or hereafter acquired by the Grantor, or words of similar effect. The Grantor agrees to provide all information required by the Secured Party pursuant to this Section promptly to the Secured Party upon request.

(c) The Grantor hereby further authorizes the Secured Party to file with the United States Patent and Trademark Office and the United States Copyright Office (and any successor office and any similar office in any state of the United States or in any other country) this Agreement and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by the Grantor hereunder, without the signature of the Grantor where permitted by law.

(d) If the Grantor shall at any time hold or acquire any certificated securities, promissory notes, tangible chattel paper, negotiable documents or warehouse receipts relating to the Collateral, the Grantor shall immediately endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

(e) If the Grantor shall at any time hold or acquire a commercial tort claim, the Grantor shall (i) immediately notify the Secured Party in a writing signed by the Grantor of the particulars thereof and grant to the Secured Party in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance satisfactory to the Secured Party and (ii) deliver to the Secured Party an updated Schedule 1.

(f) If any Collateral is at any time in the possession of a bailee, the Grantor shall promptly notify the Secured Party thereof and, at the Secured Party's request and option, shall promptly obtain an acknowledgment from the bailee, in form and substance satisfactory to the Secured Party, that the bailee holds such Collateral for the benefit of the Secured Party and the bailee agrees to comply, without further consent of the Grantor, at any time with instructions of the Secured Party as to such Collateral.

(g) The Grantor agrees that at any time and from time to time, at the expense of the Grantor, the Grantor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Secured Party may request, in order to create and/or maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby or to enable the Secured Party to exercise and enforce its rights and remedies hereunder or under any other agreement with respect to any Collateral.

5. Representations and Warranties. The Grantor represents and warrants as follows:

(a) The representations and warranties set forth in Section 3 of the Factoring Agreements are hereby reaffirmed by the Grantor, each of which is hereby incorporated herein by reference and the Secured Party shall be entitled to rely on each of them as if they were fully set forth herein.

(b) The Grantor's exact legal name is that indicated on the signature page hereof and the Grantor is a corporation organized in the State of California.

(c) All information provided by Grantor to the Secured Party relating to the Collateral is accurate and complete.

(d) If any of the Collateral consists of securities, same have been duly authorized and validly issued, and are fully paid and non-assessable and subject to no options to purchase or similar rights.

(e) The Grantor holds no commercial tort claims except as indicated on Schedule 1.

(f) None of the Collateral constitutes, or is the proceeds of, (i) farm products, (ii) as-extracted collateral, (iii) manufactured homes, (iv) health-care-insurance receivables, (v) timber to be cut, (vi) aircraft, aircraft engines, satellites, ships or railroad rolling stock.

(g) The Grantor has at all times operated its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances.

(h) At the time the Collateral becomes subject to the lien and security interest created by this Agreement, the Grantor will be the sole, direct, legal and beneficial owner thereof, free and clear of any lien, security interest, encumbrance, claim, option or right of others except for the security interest created by this Agreement and the Civic Security Agreement.

(i) The pledge of the Collateral pursuant to this Agreement creates a valid and perfected First Priority security interest in the Collateral, securing the payment and performance when due of the Secured Obligations.

(j) The Secured Party has full power, authority and legal right to sell or pledge the Accounts pursuant to the Factoring Agreements and pledge the Collateral pursuant to this Agreement.

(k) Each of this Agreement and the Factoring Agreements has been duly authorized, executed and delivered by the Grantor and constitutes a legal, valid and binding obligation of the Grantor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).

(l) No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the pledge by the Grantor of the Collateral pursuant to this Agreement or for the execution and delivery of the Factoring Agreements and this Agreement by the Grantor or the performance by the Grantor of its obligations thereunder.

(m) The execution and delivery of the Factoring Agreements and this Agreement by the Grantor and the performance by the Grantor of its obligations thereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Grantor or any of its property, or the organizational or governing documents of the Grantor or any agreement or instrument to which the Grantor is party or by which it or its property is bound.

(n) The Grantor has taken all action required on its part for control (as defined in sections 8106, 9104, 9105, 9106 and 9107 of the UCC, section 201 of the federal Electronic Signatures in Global and National Commerce Act and, as the case may be, section 16 of the Uniform Electronic Transactions Act, as applicable) to have been obtained by the Secured Party over all Collateral with respect to which

such control may be obtained pursuant to the UCC. No person other than the Secured Party has control or possession of all or any part of the Collateral.

6. Voting, Distributions and Receivables.

(a) The Secured Party agrees that unless an Event of Default shall have occurred and be continuing, the Grantor may, to the extent the Grantor has such right as a holder of the Collateral consisting of securities or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that, any such vote, consent, ratification or waiver could detract from the value thereof as Collateral or which could be inconsistent with or result in any violation of any provision of the Factoring Agreements or this Agreement.

(b) The Secured Party agrees that the Grantor may, unless an Event of Default shall have occurred and be continuing, receive and retain all cash dividends and other distributions with respect to the Collateral consisting of securities or indebtedness owed by any obligor, but excluding any Accounts sold by Grantor to the Secured Party pursuant to any Factoring Agreements unless authorized by the Secured Party.

(c) The Secured Party may, or at the request and option of the Secured Party the Grantor shall, notify account debtors and other persons obligated on any of the Accounts sold by the Grantor to the Secured Party pursuant to the Factoring Agreements that payments due are to be made directly to the Secured Party.

7. Covenants. The Grantor covenants as follows:

(a) The Grantor will not, without providing at least 30 days' prior written notice to the Secured Party, change its legal name, identity, type of organization, jurisdiction of organization, corporate structure, location of its chief executive office or its principal place of business or its organizational identification number. The Grantor will, prior to any change described in the preceding sentence, take all actions requested by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.

(b) The Collateral, to the extent not delivered to the Secured Party pursuant to **Section 4**, will be kept at those locations listed on **Schedule 2** and the Grantor will not remove the Collateral from such locations without providing at least 30 days' prior written notice to the Secured Party. The Grantor will, prior to any change described in the preceding sentence, take all actions required by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.

(c) The Grantor shall, at its own cost and expense, defend title to the Collateral and the First Priority lien and security interest of the Secured Party therein against the claim of any person claiming against or through the Grantor and shall maintain and preserve such perfected First Priority security interest for so long as this Agreement shall remain in effect.

(d) The Grantor will not sell, offer to sell, dispose of, convey, assign or otherwise transfer, grant any option with respect to, restrict, or grant, create, permit or suffer to exist any mortgage, pledge, lien, security interest, option, right of first offer, encumbrance or other restriction or limitation of any nature whatsoever on, any of the Collateral or any interest therein.

(e) The Grantor will keep the Collateral in good order and repair and will not use the same in violation of law or any policy of insurance thereon. The Grantor will permit the Secured Party, or its designee, to inspect the Collateral at any reasonable time, wherever located.

(f) The Grantor will pay promptly when due all taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement.

(g) The Grantor will continue to operate its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances.

8. Secured Party Appointed Attorney-in-Fact. The Grantor hereby appoints the Secured Party the Grantor's attorney-in-fact, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Secured Party's discretion to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement (but the Secured Party shall not be obligated to and shall have no liability to the Grantor or any third party for failure to do so or take action). This appointment, being coupled with an interest, shall be irrevocable. The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof.

9. Secured Party May Perform. If the Grantor fails to perform any obligation contained in this Agreement, the Secured Party may itself perform, or cause performance of, such obligation, and the expenses of the Secured Party incurred in connection therewith shall be payable by the Grantor; *provided that* the Secured Party shall not be required to perform or discharge any obligation of the Grantor.

10. Reasonable Care. The Secured Party shall have no duty with respect to the care and preservation of the Collateral beyond the exercise of reasonable care. The Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which the Secured Party accords its own property, it being understood that the Secured Party shall not have any responsibility for (a) ascertaining or taking action with respect to any claims, the nature or sufficiency of any payment or performance by any party under or pursuant to any agreement relating to the Collateral or other matters relative to any Collateral, whether or not the Secured Party has or is deemed to have knowledge of such matters, or (b) taking any necessary steps to preserve rights against any parties with respect to any Collateral. Nothing set forth in this Agreement, nor the exercise by the Secured Party of any of the rights and remedies hereunder, shall relieve the Grantor from the performance of any obligation on the Grantor's part to be performed or observed in respect of any of the Collateral.

11. Remedies Upon Default.

(a) If any Event of Default shall have occurred and be continuing, the Secured Party, without any other notice to or demand upon the Grantor, may assert all rights and remedies of a secured party under the UCC or other applicable law, including, without limitation, the right to take possession of, hold, collect, sell, lease, deliver, grant options to purchase or otherwise retain, liquidate or dispose of all or any portion of the Collateral. If notice prior to disposition of the Collateral or any portion thereof is necessary under applicable law, written notice mailed to the Grantor at its notice address as provided in **Section 15** hereof ten (10) days prior to the date of such disposition shall constitute reasonable notice, but notice given in any other reasonable manner shall be sufficient. So long as the sale of the Collateral is made in a commercially reasonable manner, the Secured Party may sell such Collateral on such terms and to such purchaser(s) as the Secured Party in its absolute discretion may choose, without assuming any credit risk and without any obligation to advertise or give notice of any kind other than that necessary under applicable law. Without precluding any other methods of sale, the sale of the Collateral or any portion thereof shall have been made in a commercially reasonable manner if conducted in conformity with

reasonable commercial practices of creditors disposing of similar property. At any sale of the Collateral, if permitted by applicable law, the Secured Party may be the purchaser, licensee, assignee or recipient of the Collateral or any part thereof and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold, assigned or licensed at such sale, to use and apply any of the Secured Obligations as a credit on account of the purchase price of the Collateral or any part thereof payable at such sale. To the extent permitted by applicable law, the Grantor waives all claims, damages and demands it may acquire against the Secured Party arising out of the exercise by it of any rights hereunder. The Grantor hereby waives and releases to the fullest extent permitted by law any right or equity of redemption with respect to the Collateral, whether before or after sale hereunder, and all rights, if any, of marshalling the Collateral and any other security for the Secured Obligations or otherwise. At any such sale, unless prohibited by applicable law, the Secured Party or any custodian may bid for and purchase all or any part of the Collateral so sold free from any such right or equity of redemption. Neither the Secured Party nor any custodian shall be liable for failure to collect or realize upon any or all of the Collateral or for any delay in so doing, nor shall it be under any obligation to take any action whatsoever with regard thereto. The Grantor agrees that it would not be commercially unreasonable for the Secured Party to dispose of the Collateral or any portion thereof by utilizing internet sites that provide for the auction of assets of the type included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets. The Secured Party shall not be obligated to clean-up or otherwise prepare the Collateral for sale.

(b) If any Event of Default shall have occurred and be continuing, all rights of the Grantor to (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to **Section 6(a)** and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to **Section 6(b)**, shall immediately cease, and all such rights shall thereupon become vested in the Secured Party, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral.

(c) If any Event of Default shall have occurred and be continuing, any cash held by the Secured Party as Collateral and all cash Proceeds received by the Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Secured Party to the payment of expenses incurred by the Secured Party in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Secured Party hereunder, including reasonable attorneys' fees, and the balance of such proceeds shall be applied or set off against all or any part of the Secured Obligations in such order as the Secured Party shall elect. Any surplus of such cash or cash Proceeds held by the Secured Party and remaining after payment in full of all the Secured Obligations shall be paid over to the Grantor or to whomsoever may be lawfully entitled to receive such surplus. The Grantor shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any attorneys employed by the Secured Party to collect such deficiency.

(d) If the Secured Party shall determine to exercise its rights to sell all or any of the Collateral pursuant to this Section, the Grantor agrees that, upon request of the Secured Party, the Grantor will, at its own expense, do or cause to be done all such acts and things as may be necessary to make such sale of the Collateral or any part thereof valid and binding and in compliance with applicable law.

12. No Waiver and Cumulative Remedies. The Secured Party shall not by any act (except by a written instrument pursuant to **Section 15**, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. All rights

and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

13. Security Interest Absolute. The Grantor hereby waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, Collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. All rights of the Secured Party and liens and security interests hereunder, and all Secured Obligations of the Grantor hereunder, shall be absolute and unconditional irrespective of:

(a) any illegality or lack of validity or enforceability of any Secured Obligation or any related agreement or instrument;

(b) any change in the time, place or manner of payment of, or in any other term of, the Secured Obligations, or any rescission, waiver, amendment or other modification of the Factoring Agreements, this Agreement or any other agreement, including any increase in the Secured Obligations resulting from any extension of additional credit or otherwise;

(c) any taking, exchange, substitution, release, impairment or non-perfection of any Collateral or any other collateral, or any taking, release, impairment, amendment, waiver or other modification of any guaranty, for all or any of the Secured Obligations;

(d) any manner of sale, disposition or application of proceeds of any Collateral or any other collateral or other assets to all or part of the Secured Obligations;

(e) any default, failure or delay, willful or otherwise, in the performance of the Secured Obligations;

(f) any defense, set-off or counterclaim (other than a defense of payment or performance) that may at any time be available to, or be asserted by, the Grantor against the Secured Party; or

(g) any other circumstance (including, without limitation, any statute of limitations) or manner of administering the Loans or any existence of or reliance on any representation by the Secured Party that might vary the risk of the Grantor or otherwise operate as a defense available to, or a legal or equitable discharge of, the Grantor or any other grantor, guarantor or surety.

14. Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Grantor therefrom shall be effective unless the same shall be in writing and signed by the Secured Party and the Grantor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

15. Addresses For Notices. All notices and other communications provided for in this Agreement shall be in writing and shall be given in the manner and become effective as set forth in the Factoring Agreements, and addressed to the respective parties at their addresses as specified on the signature pages hereof or as to either party at such other address as shall be designated by such party in a written notice to each other party.

16. Continuing Security Interest; Further Actions. This Agreement shall create a continuing First Priority lien and security interest in the Collateral and shall (a) subject to **Section 17**, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Grantor, its successors and assigns, and (c) inure to the benefit of the Secured Party and its successors,

transferees and assigns; *provided that* the Grantor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party. Without limiting the generality of the foregoing clause (c), any assignee of the Secured Party's interest in any agreement or document which includes all or any of the Secured Obligations shall, upon assignment, become vested with all the benefits granted to the Secured Party herein with respect to such Secured Obligations.

17. Termination; Release. On the date on which all Secured Obligations have been paid and performed in full, the Secured Party will, at the request and sole expense of the Grantor, (a) duly assign, transfer and deliver to or at the direction of the Grantor (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Secured Party, together with any monies at the time held by the Secured Party hereunder, and (b) execute and deliver to the Grantor a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement.

18. Governing Law. This Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement or the Factoring Agreements and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the laws of the State of California.

19. Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement. This Agreement [and the Factoring Agreements] constitute the entire contract among the parties with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto.

20. Resolution of Drafting Ambiguities. Grantor acknowledges and agrees that it was represented by counsel in connection with the execution and delivery of this Agreement, that it and its counsel reviewed and participated in the preparation and negotiation of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party (i.e., the Secured Party) shall not be employed in the interpretation of this Agreement.

21. Expenses. Grantor agrees to pay or to reimburse Secured Party for all reasonable costs and expenses (including reasonable attorney's fees and expenses) that may be incurred by Secured Party in any effort to enforce any of the provisions of **Section 11**, or any of the obligations of Grantor in respect of the Collateral or in connection with (a) the preservation of the First Priority lien on, or the rights of Secured Party to the Collateral pursuant to this Agreement or (b) any actual or attempted sale, lease, disposition, exchange, collection, compromise, settlement or other realization in respect of, or care of, the Collateral, including all such costs and expenses (and reasonable attorney's fees and expenses) incurred in any bankruptcy, reorganization, workout or other similar proceeding.

[SIGNATURE PAGE FOLLOWS]

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

Encore Education Corporation, Inc., as Grantor

DocuSigned by:
By Lenny Esposito
0DEE3AD1A5EB489...

Name: Lenny Esposito
Title: President, Board of Directors
Address for Notices:
16955 Lemon Street #A, Hesperia, CA
92345

CHARTER ASSET MANAGEMENT FUND, LP., as Secured Party

DocuSigned by:
By Paul Im
7E046D1E4B6C4E6...

DocuSigned by:
By David Park
8A19A5DA8868435...

Name: Paul Im / David Park
Title: Managing Members
Address for Notices:
530 Lytton Avenue, 2nd Floor,
Palo Alto, CA 94301

SCHEDULE 1

COMMERCIAL TORT CLAIMS

[Faint mirrored text, likely bleed-through from the reverse side of the page]

[Faint mirrored text, likely bleed-through from the reverse side of the page]

[Faint mirrored text, likely bleed-through from the reverse side of the page]

SCHEDULE 2

LOCATION OF COLLATERAL

16955 LEMON STREET #A, HESPERIA, CA 92345

DEFINITIONS

A. "Collateral" means all property, real and personal, tangible and intangible, including all rights and interests therein, that is owned by or for the benefit of the Borrower, whether or not the same is titled in the name of the Borrower, and whether or not the same is located in the State of California.

B. "Collateral Proceeds" means all proceeds, including all rights and interests therein, from the sale, lease, or other disposition of the Collateral, whether or not the same are received by or for the benefit of the Borrower, and whether or not the same are located in the State of California.

C. "Collateral Proceeds Account" means any account, including any sub-account, established by or for the benefit of the Borrower, in any financial institution, for the purpose of collecting, accumulating, and disbursing Collateral Proceeds.

ASSIGNMENT OF COLLATERAL

1.1. The Borrower hereby assigns, transfers, conveys, and conveys with warranty, to the Lender, all of the Borrower's right, title, and interest in and to the Collateral, and all of the Borrower's right, title, and interest in and to the Collateral Proceeds, including all rights and interests therein, whether or not the same are currently owned by or for the benefit of the Borrower, and whether or not the same are currently located in the State of California.

1.2. The Borrower hereby agrees to execute and deliver to the Lender, and to cause to be executed and delivered to the Lender, all such documents, including all assignments, transfers, conveyances, and other instruments, as may be required to perfect the Lender's security interest in the Collateral and the Collateral Proceeds, and to execute and deliver to the Lender, and to cause to be executed and delivered to the Lender, all such documents, including all assignments, transfers, conveyances, and other instruments, as may be required to perfect the Lender's security interest in the Collateral and the Collateral Proceeds.

ENTIRE AGREEMENT

1.3. This Schedule 2, together with the Loan Agreement, constitutes the entire agreement between the Borrower and the Lender regarding the Collateral and the Collateral Proceeds, and supersedes all other agreements, understandings, and arrangements, whether written or oral, between the Borrower and the Lender regarding the Collateral and the Collateral Proceeds.

FACTORING AGREEMENT

THIS FACTORING AGREEMENT (“**Agreement**”) is made and executed on March 21, 2018 (the “**Effective Date**”) by and between Encore Education Corporation, Inc. DBA Encore High School For The Visual & Performing Arts, a California corporation (“**Seller**”) and **CIVIC ASSET MANAGEMENT GP LLC.**, a Delaware limited liability company (“**CAM**”).

RECITALS

A. CAM is in the business of factoring accounts and purchasing same, and Seller has requested that CAM purchase the Accounts set forth on Schedule 1 (the “**Accounts**”), pursuant to the terms of this Agreement.

B. CAM has agreed to purchase the Accounts subject to the terms and conditions of this Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **PURCHASE OF ACCOUNT.**

1.1 Appointment as Factor. Seller hereby appoints CAM to act as its sole and exclusive factor with respect to the Accounts. Seller hereby agrees to assign and sell and does hereby irrevocably sell and assign to CAM, and CAM hereby agrees to purchase the Accounts. For all purposes hereof, the term “Accounts” shall mean and include all amounts due pursuant to the Accounts, and all other forms of obligations owing to Seller arising from or out of the Accounts and all proceeds thereof.

1.2 Written Notice of Purchase and Assignment. Seller shall deliver or cause to be delivered in accord with applicable law to the appropriate officer or disbursing officer with respect to each Account an appropriate Notice of Purchase and Assignment executed by Seller along with a cover letter indicating that the Accounts are being sold and assigned to CAM. In addition said letter shall further provide that the assignments cover all unpaid amounts payable under the Accounts and shall direct payment with respect thereto as provided pursuant to this Agreement. Seller acknowledges that CAM shall also have the right to notify such account debtor of CAM’s rights with respect to the Accounts and direct account debtors to make payments of Accounts directly to CAM.

2. **PURCHASE PRICE.**

2.1 Calculation of Purchase Price. The purchase price (“**Purchase Price**”) which is the amount funded as set forth on Schedule 1 is calculated as set forth on Schedule 1. The Purchase Price shall mean for the purposes of this Agreement with respect to an account, the gross face value of the Account as set forth on Schedule 1 (the “**Face Value**”) minus the Administrative Fees as set forth on Schedule 1 minus the Discount Rate as set forth on Schedule 1. Seller acknowledges that the Purchase Price of each Account reflects its fair value. CAM shall fund to Seller the Purchase Price upon compliance by Seller with each of the terms and conditions of this Agreement.

2.2 Conditions Precedent for Payment of the Purchase Price. CAM shall have no obligation to pay the Purchase Price to Seller until each of the following obligations has been satisfied:

(a) this Agreement has been fully executed by Seller, and Seller has further delivered an appropriate resolution authorizing execution of this Agreement and sale of the Accounts;

(b) the Security Agreement referenced in Section 5.1 hereof, and the security interest granted in the collateral therein, shall be in full force and effect;

(c) Seller shall have delivered to CAM an appropriate resolution adopted by Seller's board of directors or governors, substantially in the form attached hereto as Exhibit A, authorizing the execution, delivery and performance of this Agreement, the sale of the Accounts and the other transactions as contemplated hereunder;

(d) Seller shall have executed and delivered to CAM the completed Notice of Purchase and Assignment and the attached Annex 1 from each of the Account payors in the forms attached hereto as Exhibits B-1 through B-3;

(e) Seller shall have executed and delivered to CAM the completed Authorization for Direct Payment Via ACH in the form attached hereto as Exhibit C;

(f) Seller shall have executed and delivered to CAM the Irrevocable Funds Distribution Authorization in the form attached hereto as Exhibit D;

(g) Seller shall have executed and delivered to CAM the Irrevocable Assignment of Accounts in the form attached hereto as Exhibit E;

(h) Seller shall have executed and delivered to CAM the Bank Notice Letter in the form attached hereto as Exhibit F;

(i) Seller shall have delivered to CAM copies of all of its organizational documents and a Certificate of Good Standing from the state of its organization and if necessary, a copy of its license or licenses required to conduct its business in the state where said business is being conducted.

2.3 Method of Payment of the Accounts.

(a) Seller and CAM agree that payments may be made to CAM in connection with the Face Value of the Accounts in the following manners:

(i) Payment of the Face Value of the Accounts may be made directly to CAM by the account debtor on the Account pursuant to the Notice of Purchase and Assignment by ACH payment or wire transfer or by mail; or

(ii) subject to CAM's consent, payment of the Face Value of any Account may be made by the account debtor to Seller, and Seller acknowledges that said payment is being made for the benefit of CAM and Seller shall hold said funds as trustee for the benefit of CAM and deliver same within three (3) calendar days of receipt of said payment and shall have no rights with respect to said funds. In the event Seller, subject to CAM's consent, elects to provide for payment to CAM pursuant

to this subprovision, the Seller agrees within three (3) months of the date of this Agreement to enter into a Deposit Account Control Agreement with CAM and Seller's bank in form and content acceptable to CAM (the "DACA"). Failure of Seller to enter into the DACA as aforesaid may result in a termination of this Agreement by CAM after five (5) days notice to Seller. Until the DACA is in effect, Seller shall comply with the terms and conditions of this Agreement including this subprovision.

(iii) If payment of the Face Value of any Account is to be made by the account debtor to Seller in person via check or other similar instrument, Seller shall retrieve such payment from the account debtor, take such actions as required (via endorsement or otherwise) such that the payment can be deposited by CAM into its account, and, at CAM's election, either (A) deliver such payment to CAM's representative in person within three business days after Seller's receipt; or (B) deliver such payment by other means pursuant to CAM's instructions within three business days after Seller's receipt. Seller shall retrieve payment in person within three business days of being instructed to do so by CAM.

(b) Seller acknowledges that CAM is the owner of the Accounts and is fully entitled to all payments due with respect to the Accounts. Seller agrees that if there are procedures in place to allow account debtors or other third party to pay amounts due on the Accounts directly to CAM, Seller shall authorize such direct payment. In the event where there are no procedures already in place, Seller will authorize CAM to implement a new set of procedures to allow account debtors or other third party to pay amounts due on the Accounts directly to CAM. Seller must cooperate with CAM fully in order to facilitate the implementation of the procedures. In the event that CAM receives payment on an Account directly from the account debtor on the Account, or indirectly from any other third party, or in any other manner, CAM agrees that after deducting the amount equal to the sum of the Face Value plus all advances, interest and other amounts due to CAM under the terms of this Agreement, if any, it shall remit to Seller within a reasonable amount of time any excess of such amount, if any.

2.4 **Failure of Account Debtor to Make Payment.** In the Event that Seller or any account debtor of any of the Accounts fails to make a timely payment to CAM as described in Section 2.3, the outstanding amount owed to CAM shall accrue interest until paid at a rate equal to the lesser of 29.99% or the maximum non-usurious rate of interest as it effects from time to time which may be charged by CAM under applicable law. (the "**Penalty Rate**")

2.5 **Administration Fee.** In consideration of CAM's purchase of the Accounts, Seller agrees to pay the Administrative Fee (the "**Administrative Fee**") equal to the amount as set forth on Schedule 1 for each purchased Account. Payment of the Administrative Fee shall be due and payable by Seller upon CAM's purchase of the applicable Account.

3. **REPRESENTATIONS AND WARRANTIES AND COVENANTS.** To induce CAM to purchase the Accounts from Seller with full knowledge that the truth and accuracy of the following are being relied upon by CAM in the purchase of the Accounts and payments of the Purchase Price, Seller represents, warrants and covenants to CAM and agrees that:

(a) Seller (i) is a corporation duly organized and validly existing under the laws of the State of California, and qualified to operate in all jurisdictions where required; and (ii) has the requisite capacity and authority to execute and deliver this Agreement and the other agreements contemplated hereunder, to consummate the transactions contemplated hereby and thereby, and to perform its obligations hereunder and thereunder;

(b) this Agreement and all other agreements contemplated hereunder have been duly executed and delivered by Seller and are valid and legally binding obligations of Seller, enforceable against Seller in accordance with their terms;

(c) neither the entering into of this Agreement nor the sale of the Accounts nor the performance by Seller of any of its other obligations under this Agreement and the other agreements contemplated hereunder will contravene, breach or result in any default under the incorporation or other organizational documents of Seller or in any material respect of any term or conditions under any mortgage, lease, loan or other agreement, license, permit, statute, regulation, order, judgement or decree of law to which Seller is a party or by which Seller may be bound;

(d) Seller is the sole and absolute owner of each Account and has the full legal right to make said sale, assignment and transfer thereof hereunder;

(e) the Face Value on each Account is as set forth on Schedule 1 and such amounts are not in dispute;

(f) the payment of each Account is not contingent upon the fulfillment of any obligation or condition, past or future, and any and all obligations required of Seller with regard to such Account have been fulfilled by Seller;

(g) there are no defenses, offsets, recoupments or counterclaims with respect to any of the Accounts and no agreement has been made under which any account debtor with respect any of the Accounts, may claim any recoupment, deduction or discount;

(h) upon purchase, Seller will convey to CAM good and marketable title to each Account free and clear of all liens and encumbrances which shall thereafter be the sole and exclusive property of CAM;

(i) none of the account debtors with respect to any of the Accounts is insolvent as that term is defined in the United States Bankruptcy Code;

(j) all Accounts now existing or hereafter arising shall comply with each and every one of the representations, warranties, covenants and agreements referred to in this paragraph and is otherwise supplemented pursuant to this Agreement;

(k) no Account is evidenced by a note or other instrument;

(l) Seller will not, during the term of this Agreement, sell, transfer, pledge a security interest or hypothecate any of its Accounts to any party other than CAM and Seller agrees to reimburse CAM for actual out-of-pocket costs related to credit reports and UCC filings and searches incurred by CAM in connection with this Agreement;

(m) Seller is solvent and the execution and performance under this Agreement has been duly authorized and is not in contravention of any of Seller's governing documents or any agreement by which Seller is bound under applicable law;

(n) Each Account purchased by CAM shall be the property of CAM and shall be collected by CAM pursuant to the terms of this Agreement but, as indicated herein, if for any reason payment of an Account should be paid to Seller, Seller shall promptly notify CAM of such payment, shall hold any

check, drafts, or monies so received in trust for the benefit of CAM and shall promptly endorse, transfer and deliver the same to CAM as provided in Section 2.3 (a)(ii);

(o) Seller's place of business is the one set forth at the beginning of this Agreement and is the place where records concerning all Accounts are kept by Seller;

(p) Seller will not change the state of its registration or formation or its corporate or legal name or the place where the records concerning all accounts are kept or add an additional such place without CAM's prior written consent;

(q) To the best of Seller's knowledge there are no judgments outstanding affecting Seller or any of its property and there are no suits, proceedings, claims, demands or government investigations now pending or threatened against Seller or any of its property; and

(r) Seller, to the best of its knowledge, is not in violation of any law, ordinance, rule, order, regulation or other requirement of any government or any agency or instrumentality thereof.

4. **ASSUMPTION OF RISK.** Subject to compliance by Seller with the terms of this Agreement, CAM hereby assumes full risk of non-payment with respect to any of the Accounts.

5. **SECURITY INTEREST.**

5.1 Grant of Security Interest. Seller has executed that certain Security Agreement March 21, 2018, in favor of CAM as secured party pursuant to the terms of which Seller grants to CAM a continuing security interest and general lien upon all of the Collateral (as defined in the Security Agreement) in order to secure payment of the Secured Obligations (as defined in the Security Agreement).

5.2 Cooperation. Seller agrees to execute such further instruments and financing statements as may be required by any law in connection with the transactions contemplated hereby and to cooperate with CAM in filing or recording any renewals thereof, and Seller hereby authorizes CAM (and appoints any person whom CAM designates as its attorney) to sign Seller's name on any such instrument and further authorizes CAM to file financing statements describing the Collateral in such manner as CAM may determine.

6. **INDEMNITIES.**

6.1 Indemnification. Seller hereby indemnifies and holds CAM and its affiliates, and their respective employees, attorneys and agents (each, an "**Indemnified Person**") harmless from and against any and all suits, actions, proceedings, claims, damages, losses, liabilities and expenses of any kind or nature whatsoever (including attorneys' fees and disbursements and other costs of investigation or defense, including those incurred upon any appeal) which may be instituted or asserted against or incurred by any such Indemnified Person as the result of any financial accommodation having been extended, suspended or terminated under this Agreement or any Other Agreement or with respect to the execution, delivery, enforcement, performance and administration of, or in any other way arising out of or relating to, this Agreement or any Other Agreement, and any actions or failures to act with respect to any of the foregoing, except to the extent that any such indemnified liability is finally determined by a court of competent jurisdiction to have resulted solely from such Indemnified Person's gross negligence or willful misconduct. **NO INDEMNIFIED PERSON SHALL BE RESPONSIBLE OR LIABLE TO SELLER**

OR TO ANY OTHER PARTY FOR INDIRECT, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES WHICH MAY BE ALLEGED AS A RESULT OF ANY FINANCIAL ACCOMMODATION HAVING BEEN EXTENDED, SUSPENDED OR TERMINATED UNDER THIS AGREEMENT OR ANY OTHER AGREEMENT OR AS A RESULT OF ANY OTHER TRANSACTION CONTEMPLATED HEREUNDER OR THEREUNDER.

6.2 Taxes. If any tax by any governmental authority (other than income and franchise taxes) is or may be imposed on or as a result of any transaction between Seller and CAM, or in respect to sales or the merchandise affected by such sales, which CAM is or may be required to withhold or pay, Seller agrees to indemnify and hold CAM harmless in respect of such taxes, and Seller will repay CAM the amount of any such taxes.

6.3 Review of Seller's Bank Accounts. Seller agrees to take all action necessary, including disclosure of passwords or PINs, the addition of joint access signers, or other appropriate methods to allow CAM to view its bank accounts through the Internet or other applicable procedure.

7. **EVENT OF DEFAULT.**

7.1 Default. The occurrence of any of the following acts or events shall constitute an Event of Default (each a "**Event of Default**"):

(a) Seller's material breach of any representation, warranty or covenant contained in this Agreement;

(b) Seller's failure to make timely payment of any amounts due under this Agreement;

(c) Seller becomes insolvent or unable to meet its debts as they mature;

(d) Seller delivers to CAM a representation, warranty, certification or other statement that is false in any material respect when made;

(e) Any bankruptcy proceeding, insolvency arrangement or similar proceeding is commenced by or against Seller;

(f) Seller suspends or discontinues its regular operations for any reason;

(g) A receiver or trustee of any kind is appointed for Seller or any of Seller's property;

(h) Seller does not, in good faith, take all necessary steps to implement the manners of payment as provided in this Agreement; or

(g) A notice of lien, money judgment, levy, assignment, seizure, writ or warrant of attachment is entered or filed against Seller with respect to the Accounts or any Collateral (as said term is defined in the Security Agreement).

7.2 Remedies. After the occurrence of any Event of Default, CAM shall have immediate access to any and all books and records as may pertain to the Accounts or any of the Collateral (as defined in the Security Agreement). With respect to such Collateral, CAM shall have all rights and remedies of a

secured party under the Security Agreement and Article 9 of the Uniform Commercial Code. Notwithstanding anything to the contrary in Section 2.3, CAM shall have the right to collect all Accounts directly from account debtors.

8. **TERMINATION.** The term of this Agreement shall begin as of the Effective Date and continue until terminated in accordance with this Section. Either Party may terminate this Agreement upon thirty (30) days prior written notice to the other Party. CAM may terminate this Agreement effective immediately without prior notice upon the occurrence of an Event of Default. Upon termination of this Agreement, any amounts due from Seller to CAM will mature and become immediately due and payable. Notwithstanding the foregoing, all of CAM's rights, liens and security interests granted pursuant to the Security Agreement shall continue and remain in full force and effect after any termination of this Agreement. In addition, Seller agrees and shall continue to remit to CAM all collections on Accounts received directly by it (if applicable) until all payments owed with respect to each Account have been paid in full.

9. **FUTURE AGREEMENTS.** Seller acknowledges that CAM may from time to time agree to purchase additional Accounts from Seller which shall be evidenced by additional Factoring Agreements.

10. **CONFIDENTIALITY.** Seller hereby agrees to maintain the confidentiality of this Agreement, any prior agreements regarding the purchase of its Accounts ("**Prior Agreements**") or any future agreements pertaining to the purchase of its Accounts ("**Future Agreements**") and agrees that this Agreement, Prior Agreements or Future Agreements cannot be duplicated or distributed to any third party without CAM's express written permission except as required by law. Seller further agrees to take reasonable measures to protect and maintain the security and confidentiality of information set forth in this Agreement, any Prior Agreements or Future Agreements.

11. **TRUE SALE OF ACCOUNTS.** Seller and CAM agree and acknowledge that the intention of the parties with respect to the Accounts is to accomplish a true sale of the Accounts as provided for in this Agreement. If for any reason, it is determined by a court of competent jurisdiction, that this Agreement does not provide a true sale of the Accounts, but constitutes a loan secured by the Accounts, then the Accounts shall be deemed to have been pledged to CAM pursuant to the Security Agreement.

12. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement and understanding between Seller and CAM with respect to the sale of the Accounts provided for herein and supersedes all prior written and oral agreements, discussions or representations between Seller and CAM concerning the Accounts purchased by CAM pursuant to this Agreement. Notwithstanding the foregoing, this Agreement is also subject to the terms and conditions of the Security Agreement as referenced in Section 5.1. No modification or amendment to this Agreement or any waiver of any rights under this Agreement will be effective unless in a writing signed by Seller and CAM.

13. **MISCELLANEOUS.**

13.1 **No Pledge of Credit.** Seller shall not be entitled to pledge CAM's credit for any purpose whatsoever.

13.2 Waivers. Seller waives presentment and protest of any instruments and all notices thereof, notice of default and all other notices to which it might otherwise be entitled. Seller shall maintain, at its expense, proper books of account.

13.3 No Pledge or Sale of Account. During the term of this Agreement, Seller shall not sell or assign, negotiate, pledge or grant any security interest in the Account to anyone other than CAM.

13.4 Governing Law and Venue. This Agreement is executed and delivered in the State of California and shall be governed by California law without giving effect to its laws of conflict. Seller further agrees that any legal action or proceeding at respect to any of its obligations under this Agreement may be brought by CAM in any state or federal court located in Santa Clara County, California. Any claim or controversy asserted by Seller against CAM shall only be litigated in the State or Federal Courts located in Santa Clara County, California. By the execution and delivery of this Agreement, Seller submits to and accepts for itself and in respect of its property generally and unconditionally the non-exclusive jurisdiction of those courts. Seller waives any claims that Santa Clara County, California is not a convenient forum or the proper venue for any such suit, action or proceeding.

13.5 Waiver of Service of Process. Each of the parties to this Agreement hereby waives personal service of any summons or complaint or other process or papers to be issued in any action or proceeding involving any such controversy and hereby agrees that service of such summons or complaint or process may be made by certified mail to the other party at the address appearing herein; failure on the part of either party to appear or answer within thirty (30) days after such mailing of such summons, complaint or process shall constitute a default entitling the other party to enter a judgment or order as demanded or prayed for therein to the extent that said Court or duly authorized officer thereof may authorize or permit.

13.6 Waiver of Jury Trial. TO THE EXTENT ALLOWED BY APPLICABLE LAW, CAM AND SELLER DO HEREBY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING OF ANY KIND ARISING ON, OUT OF, BY REASON OF, OR RELATING IN ANY WAY TO THIS AGREEMENT OR THE INTERPRETATION OR ENFORCEMENT THEREOF OR TO ANY TRANSACTIONS THEREUNDER. IN THE EVENT CAM COMMENCES ANY ACTION OR PROCEEDING AGAINST SELLER, SELLER WILL NOT ASSERT ANY OFFSET OR COUNTERCLAIM, OF WHATEVER NATURE OR DESCRIPTION, IN ANY SUCH ACTION OR PROCEEDING.

13.7 No Waiver of Rights. No failure or delay by CAM in exercising any of its powers or rights hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power or right preclude other or further exercise thereof or the exercise of any other right or power. CAM's rights, remedies and benefits hereunder are cumulative and not exclusive of any other rights, remedies or benefits which CAM may have. This Agreement may only be modified in writing and no waiver by CAM will be effective unless in writing and then only to the extent specifically stated.

13.8 Notices. All notices and other communications by either party hereto shall be in writing and shall be sent to the other party at the address specified herein.

13.9 Assignment. CAM shall have the right to assign this Agreement, and all of CAM's rights hereunder shall inure to the benefit of CAM's successors and assigns, and this Agreement shall inure to the benefit of and shall bind CAM's respective successors and assigns.

13.10 Counterparts; Effectiveness. This Agreement may be executed in any number of counterparts and by the different parties on separate counterparts, and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement. This Agreement shall be deemed to have been executed and delivered when CAM has received counterparts hereof executed by all parties listed on the signature pages hereto. Facsimile, pdf, or other forms of electronic image versions of signatures hereto shall be deemed original signatures, which may be relied upon by each party hereto and shall be binding on the respective party.

13.11 Attorney Fees. In the event that any suit or action is instituted under or in relation to this Agreement, including without limitation to enforce any provision in this Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

SELLER:

ENCORE EDUCATION CORPORATION, INC.

DocuSigned by:
Lenny Esposito
By _____
0DEE3AD1A5EB489...

Name: Lenny Esposito
Title: President, Board of Directors
Address for Notices:
16955 Lemon Street #A, Hesperia, CA 92345

CAM:

CIVIC ASSET MANAGEMENT GP LLC.

DocuSigned by:
Paul Im
By _____
7E046D1E4B6C4E8...

Name: Paul Im
Title: Managing Member
Address for Notices:
515 S. Flower Street, 36th Floor,
Los Angeles, CA 90071

DocuSigned by:
David Park
By _____
8A19A5DA8868435...

Name: David Park
Title: Managing Member
Address for Notices:
515 S. Flower Street, 36th Floor,
Los Angeles, CA 90071

Schedule 1

Accounts

Encore High School for the Arts – Riverside

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
California School Finance Authority	FY 17-18 Charter School Facility Grant (SB740). CDS# 33-67215-0132498	\$145,446.84	\$2,690.77	5.33%	\$7,756.07	-\$135,000.00
CDE / Desert Mountain Charter SELPA	FY 17-18 Special Education Apportionment (AB 602) Apr PMT. CDS# 33-67215-0132498	\$22,300.00	\$412.55	2.51%	\$560.30	-\$21,327.15
CDE / Desert Mountain Charter SELPA	FY 17-18 Special Education Apportionment (AB 602) May PMT. CDS# 33-67215-0132498	\$22,300.00	\$412.55	4.55%	\$1,015.30	-\$20,872.15
CDE / Desert Mountain Charter SELPA	FY 17-18 Special Education Apportionment (AB 602) Jun PMT. CDS# 33-67215-0132498	\$22,300.00	\$412.55	6.63%	\$1,478.55	-\$20,408.90
California Lottery	FY 17-18 Non-Proposition 20 Lottery Apportionment. CDS# 33-67215-0132498	\$35,393.24	\$654.77	6.63%	\$2,346.67	-\$32,391.80
Total		\$247,740.08	\$4,583.19		\$13,156.89	-\$230,000.00

Encore Jr. / Sr. High School for the Performing & Visual Arts

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
California School Finance Authority	FY 17-18 Charter School Facility Grant (SB740). CDS# 36-75044-0116707	\$177,768.36	\$3,288.71	5.33%	\$9,479.64	-\$165,000.00
CDE / Desert Mountain Charter SELPA	FY 17-18 Special Education Apportionment (AB 602) Apr PMT. CDS# 36-75044-0116707	\$55,000.00	\$1,017.50	2.51%	\$1,381.91	-\$52,600.59
CDE / Desert Mountain Charter SELPA	FY 17-18 Special Education Apportionment (AB 602) May PMT. CDS# 36-75044-0116707	\$55,000.00	\$1,017.50	4.55%	\$2,504.09	-\$51,478.41
CDE / Desert Mountain Charter SELPA	FY 17-18 Special Education Apportionment (AB 602) Jun PMT. CDS# 36-75044-0116707	\$55,000.00	\$1,017.50	6.63%	\$3,646.65	-\$50,335.85
California Lottery	FY 17-18 Non-Proposition 20 Lottery Apportionment. CDS# 36-75044-0116707	\$33,419.19	\$618.26	6.63%	\$2,215.78	-\$30,585.15
Total		\$376,187.55	\$6,959.47		\$19,228.08	-\$350,000.00

Exhibit A

**CHARTER SCHOOL BOARD RESOLUTION
OF
THE BOARD OF DIRECTORS OF ENCORE EDUCATION CORPORATION, INC.**

The Board of Directors (“Board”) of Encore Education Corporation, Inc. (the “Charter School”), pursuant to applicable law and the Charter School’s governing documents, hereby adopt the following recitals and resolutions by unanimous written consent, effective as of the effective date of the Factoring Agreement (as defined herein):

Approval of Factoring Agreement and Sale of Receivables.

WHEREAS, the Board has reviewed the Factoring Agreement entered into by and among Civic Asset Management GP LLC (“CAM”) and the Charter School (such agreement, the “Factoring Agreement”) and has had an adequate opportunity to ask questions regarding, and investigate the nature of, the Factoring Agreement;

WHEREAS, after careful consideration, the Board has determined that the terms and conditions of Factoring Agreement are just and equitable and fair as to the Charter School and that it is in the best interest of the Charter School to enter into the Factoring Agreement;

WHEREAS, the Board deems it to be in the best interest of the Charter School to cause the Charter School to sell and assign certain of its receivables to CAM as provided in the Factoring Agreement; and

NOW, THEREFORE, BE IT RESOLVED, that the Factoring Agreement is hereby approved;

RESOLVED FURTHER, that the Charter School may sell and assign certain of its receivables to CAM as provided in the Factoring Agreement; and

RESOLVED FURTHER, that the officers and managers of the Charter School are hereby authorized and directed to cause the Charter School to enter into the Factoring Agreement and to execute all other documents necessary to effect the Factoring Agreement, and to take all actions necessary and appropriate to perform the Charter School’s obligations thereunder.

Enabling Power.

RESOLVED, that the officers and managers of the Charter School be, and each of them hereby is, authorized, directed and empowered to execute any applications, certificates, agreements or any other instruments or documents or amendments or supplements to such documents, or to do, or cause to be done, any and all other acts and things as such officers and managers, and each of them may, in their discretion, deem necessary or advisable and appropriate to carry out the purposes of the foregoing resolutions.

Authorization to Certify Resolution.

RESOLVED, that the President, Board of Directors and Vice President, Board of Directors are hereby authorized to certify this resolution.

This written consent may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same written consent.

IN WITNESS WHEREOF, the Board of Directors has adopted the above resolution.

DocuSigned by:

Lenny Esposito

By: _____

Lenny Esposito

President, Board of Directors

DocuSigned by:

Suzanne Cherry

By: _____

Suzanne Cherry

Vice President, Board of Directors

Exhibit B-1

Notice of Purchase and Assignment

To: California School Finance Authority
300 S Spring St #8500, Los Angeles, CA 90013

This Notice has reference to all payments due from you to Encore Education Corporation, Inc. ("Assignor") with respect to any amounts payable by you to Assignor with respect to the receivables set forth on Schedule 1 attached hereto. All monies due or to become due under the aforesaid receivables have been sold and assigned to the undersigned. A true copy of the Notice of Assignment is attached as Annex 1. All monies due to Assignor with respect to the receivables sold should be sent to the undersigned by wire transfer as follows: Civic Asset Management GP LLC. at **Bank of America** (Account #325029502439, ABA Wire Routing #026009593) or by check payable to the undersigned and addressed as follows: 515 S. Flower Street, 36th Floor, Los Angeles, CA 90071.

Please acknowledge receipt of this notice and return a fully executed copy to the undersigned.

Very truly yours,

CIVIC ASSET MANAGEMENT GP LLC

DocuSigned by:
Paul Im
By: _____
Name: Paul Im
Its: Managing Member

Acknowledgement

Receipt is acknowledged of the above notice, and a copy of the instrument by Assignor on _____

_____, 20____.

California School Finance Authority

300 S Spring St #8500, Los Angeles, CA 90013

By: _____

Title: _____

Schedule 1

Encore High School for the Arts – Riverside

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
California School Finance Authority	FY 17-18 Charter School Facility Grant (SB740). CDS# 33-67215-0132498	\$145,446.84	\$2,690.77	5.33%	\$7,756.07	-\$135,000.00

Encore Jr. / Sr. High School for the Performing & Visual Arts

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
California School Finance Authority	FY 17-18 Charter School Facility Grant (SB740). CDS# 36-75044-0116707	\$177,768.36	\$3,288.71	5.33%	\$9,479.64	-\$165,000.00

Annex 1

(To be placed on letterhead of Seller)

California School Finance Authority

300 S Spring St #8500, Los Angeles, CA 90013

Ladies and Gentlemen:

This is to advise you that the undersigned has sold and assigned all receivables due to the undersigned from you to Civic Asset Management GP LLC. You are authorized to pay directly to Civic Asset Management GP LLC all amounts due from you to us as directed by Civic Asset Management GP LLC in its Notice of Purchase and Assignment delivered to you.

Very truly yours,

Encore Education Corporation, Inc.

DocuSigned by:

Lenny Esposito

By:

Name: Lenny Esposito

Title: President, Board of Directors

Exhibit B-2

Notice of Purchase and Assignment

To: California Lottery


3400 W Warner Ave f, Santa Ana, CA 92704

This Notice has reference to all payments due from you to Encore Education Corporation, Inc. ("Assignor") with respect to any amounts payable by you to Assignor with respect to the receivables set forth on Schedule 1 attached hereto. All monies due or to become due under the aforesaid receivables have been sold and assigned to the undersigned. A true copy of the Notice of Assignment is attached as Annex 1. All monies due to Assignor with respect to the receivables sold should be sent to the undersigned by wire transfer as follows: Civic Asset Management GP LLC. at **Bank of America** (Account #325029502439, ABA Wire Routing #026009593) or by check payable to the undersigned and addressed as follows: 515 S. Flower Street, 36th Floor, Los Angeles, CA 90071.

Please acknowledge receipt of this notice and return a fully executed copy to the undersigned.

Very truly yours,

CIVIC ASSET MANAGEMENT GP LLC

By: 
Name: Paul Im
Its: Managing Member

Acknowledgement

Receipt is acknowledged of the above notice, and a copy of the instrument by Assignor on _____
_____, 20____.

California Lottery

3400 W Warner Ave f, Santa Ana, CA 92704

By: _____

Title: _____

Schedule 1

Encore High School for the Arts – Riverside

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
California Lottery	FY 17-18 Non-Proposition 20 Lottery Apportionment. CDS# 33-67215-0132498	\$35,393.24	\$654.77	6.63%	\$2,346.67	-\$32,391.80

Encore Jr. / Sr. High School for the Performing & Visual Arts

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
California Lottery	FY 17-18 Non-Proposition 20 Lottery Apportionment. CDS# 36-75044-0116707	\$33,419.19	\$618.26	6.63%	\$2,215.78	-\$30,585.15

Annex 1

(To be placed on letterhead of Seller)

California Lottery

3400 W Warner Ave f, Santa Ana, CA 92704

Ladies and Gentlemen:

This is to advise you that the undersigned has sold and assigned all receivables due to the undersigned from you to Civic Asset Management GP LLC. You are authorized to pay directly to Civic Asset Management GP LLC all amounts due from you to us as directed by Civic Asset Management GP LLC in its Notice of Purchase and Assignment delivered to you.

Very truly yours,

Encore Education Corporation, Inc.

DocuSigned by:

Lenny Esposito

By: _____

0DEE3AD1A5EB480...

Name: Lenny Esposito

Title: President, Board of Directors

Exhibit B-3

Notice of Purchase and Assignment

To: CDE / Desert Mountain Charter SELPA
17800 Highway 18, Apple Valley, CA 92307

This Notice has reference to all payments due from you to Encore Education Corporation, Inc. ("Assignor") with respect to any amounts payable by you to Assignor with respect to the receivables set forth on Schedule 1 attached hereto. All monies due or to become due under the aforesaid receivables have been sold and assigned to the undersigned. A true copy of the Notice of Assignment is attached as Annex 1. All monies due to Assignor with respect to the receivables sold should be sent to the undersigned by wire transfer as follows: Civic Asset Management GP LLC, at **Bank of America** (Account #325029502439, ABA Wire Routing #026009593) or by check payable to the undersigned and addressed as follows: 515 S. Flower Street, 36th Floor, Los Angeles, CA 90071.

Please acknowledge receipt of this notice and return a fully executed copy to the undersigned.

Very truly yours,

CIVIC ASSET MANAGEMENT GP LLC

DocuSigned by:
Paul Im
By: _____
Name: Paul Im
Its: Managing Member

Acknowledgement

Receipt is acknowledged of the above notice, and a copy of the instrument by Assignor on _____

_____, 20____.

CDE / Desert Mountain Charter SELPA
17800 Highway 18, Apple Valley, CA 92307

By: _____

Title: _____

Schedule 1**Encore High School for the Arts – Riverside**

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
CDE / Desert Mountain Charter SELPA	FY 17-18 Special Education Apportionment (AB 602) Apr PMT. CDS# 33-67215-0132498	\$22,300.00	\$412.55	2.51%	\$560.30	-\$21,327.15
CDE / Desert Mountain Charter SELPA	FY 17-18 Special Education Apportionment (AB 602) May PMT. CDS# 33-67215-0132498	\$22,300.00	\$412.55	4.55%	\$1,015.30	-\$20,872.15
CDE / Desert Mountain Charter SELPA	FY 17-18 Special Education Apportionment (AB 602) Jun PMT. CDS# 33-67215-0132498	\$22,300.00	\$412.55	6.63%	\$1,478.55	-\$20,408.90

Encore Jr. / Sr. High School for the Performing & Visual Arts

Account Authority / Payor	Account Receivable	Amount Purchased	Admin Fee	Discount %	Discount	Amount Funded
CDE / Desert Mountain Charter SELPA	FY 17-18 Special Education Apportionment (AB 602) Apr PMT. CDS# 36-75044-0116707	\$55,000.00	\$1,017.50	2.51%	\$1,381.91	-\$52,600.59
CDE / Desert Mountain Charter SELPA	FY 17-18 Special Education Apportionment (AB 602) May PMT. CDS# 36-75044-0116707	\$55,000.00	\$1,017.50	4.55%	\$2,504.09	-\$51,478.41
CDE / Desert Mountain Charter SELPA	FY 17-18 Special Education Apportionment (AB 602) Jun PMT. CDS# 36-75044-0116707	\$55,000.00	\$1,017.50	6.63%	\$3,646.65	-\$50,335.85

Annex 1

(To be placed on letterhead of Seller)

CDE / Desert Mountain Charter SELPA
17800 Highway 18, Apple Valley, CA 92307

Ladies and Gentlemen:

This is to advise you that the undersigned has sold and assigned all receivables due to the undersigned from you to Civic Asset Management GP LLC. You are authorized to pay directly to Civic Asset Management GP LLC all amounts due from you to us as directed by Civic Asset Management GP LLC in its Notice of Purchase and Assignment delivered to you.

Very truly yours,

Encore Education Corporation, Inc.

DocuSigned by:

Lenny Esposito

By: _____

0DEE3AD1A6EB480...

Name: Lenny Esposito

Title: President, Board of Directors

[Faint mirrored text from the reverse side of the page, including "Encore Education Corporation, Inc." and "President, Board of Directors"]

Exhibit C

**AUTHORIZATION FOR DIRECT PAYMENT VIA ACH
(ACH DEBIT)**

Direct Payment via ACH is the transfer of funds from the Encore Education Corporation, Inc. ("Charter School")'s account for the purpose of making payments for receivables due to Civic Asset Management GP LLC.

As board director and/or officer of Charter School and signer on all factoring and security agreements between Charter School and Civic Asset Management GP LLC, I authorize Civic Asset Management GP LLC to electronically debit the account of Charter School as follows:

Bank / Institution: Wells Fargo Bank
Account: Encore Education Corporation
Account Number: 3648980013
Routing Number: 121000248
School Address: 16955 Lemon Street #A, Hesperia, CA 92345

I understand that the amount and frequency of debits are pursuant to all executed factoring agreements executed between Charter School and Civic Asset Management GP LLC for the 2017-2018 and 2018-2019 fiscal years.

I understand that this authorization will remain in full force and effect until all financial obligations of Charter School to Civic Asset Management GP LLC are fulfilled pursuant to all executed agreements.

ENCORE EDUCATION CORPORATION, INC.

DocuSigned by:
Lenny Esposito
0DEE3AD1A5EB489...
Lenny Esposito
President, Board of Directors

DocuSigned by:
Suzanne Cherry
4D9DCEA52DC144E...
Suzanne Cherry
Vice President, Board of Directors

Exhibit D

IRREVOCABLE FUNDS DISTRIBUTION AUTHORIZATION

Effective Date: March 21, 2018

The undersigned, Encore Education Corporation, Inc. (the “**Charter School**”), hereby irrevocably authorizes (the “**Payor**”) to distribute directly to Civic Asset Management GP LLC, a Delaware limited liability company (“**CAM**”), all amounts due from the Payor to the Charter School directly to CAM, whether by (1) mail, (2) ACH, or (3) wire transfer pursuant to the Electronic Funds Transfer Act as directed by CAM. The Charter School agrees to deliver to the Payor an Irrevocable Assignment of Accounts in the form attached as Exhibit A or such other documents required by the Payor to authorize the direct funds distribution to CAM. The Charter School shall assist CAM with respect to any documents required by Payor to allow Payor to make funds distributions directly to CAM. Payor may rely on this authorization in making direct funds distributions to CAM.

Encore Education Corporation, Inc.

DocuSigned by:

Lenny Esposito

By:

0DEE3AD1A5EB489...

Lenny Esposito
President, Board of Directors

Exhibit E**IRREVOCABLE ASSIGNMENT OF ACCOUNTS**

Pursuant to this assignment (“Assignment”), for value received and services performed by Civic Asset Management GP LLC, a Delaware limited liability company (“CAM”), Encore Education Corporation, Inc. (“Charter School”) DBA Encore High School For The Visual & Performing Arts hereby irrevocably assigns, transfers and sets over to CAM the sole right to collect from the (“Payor”) the net proceeds of the Accounts (as defined herein) from the Payor, when such payments become due and payable to Charter School. The term “Accounts” shall mean all Accounts described in Schedule 1 of that certain Factoring Agreement dated as of March 21, 2018 between CAM and the Charter School (the “Factoring Agreement”).

Recitals

WHEREAS, under applicable law, the Charter School has the power to sell and assign its assets;

WHEREAS, the Charter School is entitled to receive state payments or other amounts to which the Charter School is entitled to receive from the Payor under applicable law (collectively, the “Payments”);

WHEREAS, the Charter School hereby warrants and represents to the Payor and CAM that (i) the Charter School is duly authorized under the laws of the State of California (the “State”) to enter into the transactions contemplated hereby and to sell and assign the Accounts and other assets in furtherance of its educational purposes; (ii) all action on the Charter School’s part necessary for the consummation of the transaction contemplated hereby and the sale and assignment of the Accounts have been duly taken; (iii) this Assignment is valid and enforceable in accordance with its terms, except as enforceability may be limited by general equitable principles and by bankruptcy, insolvency or other similar laws affecting creditors’ rights generally; (iv) the Charter School has not heretofore conveyed, assigned, pledged, granted a security interest in or other disposal of the Accounts as has been satisfied by the Charter School and released; and (v) assuming receipt of the consents required herein, the execution, delivery and performance of this Assignment is not a contravention of law or any agreement, instrument, indenture or other undertaking to which the Charter School is a party or by which the Charter School is bound.

WHEREAS, except with respect to the Assignment below, the Charter School further warrants and represents to the Payor and CAM that the Factoring Agreement and all related documents do not provide for recourse of any kind against the Payor. The Charter School understands that the Payor does not make any representations concerning the financial condition of the Charter School or guarantee the continuous payment of Payments to the Charter School.

WHEREAS, the Charter School and the Payor acknowledge and agree that CAM is an intended third-party beneficiary of the Assignment contained herein.

Assignment

NOW, THEREFORE, in consideration of the mutual promises herein contained, it is hereby agreed and acknowledged that:

- (i) this Assignment is made by Charter School as consideration for CAM to enter into the Factoring Agreement executed on the Effective Date.
- (ii) Charter School may not revoke this Assignment;
- (iii) the Payor is hereby authorized and directed to release and pay the Payments to CAM when and in same the manner that such Payments were to be paid to Charter School;
- (iv) the Payor hereby confirms and acknowledges this Assignment, and agrees to accept and abide by the terms hereof; and
- (v) the Payor shall make Payments to CAM with respect to the Accounts by wire pursuant to the wiring instructions provided by CAM.

[Signature page follows]

IN WITNESS WHEREOF, this Assignment is effective as of March 21, 2018.

Encore Education Corporation, Inc. DBA Encore High School For The Visual & Performing Arts

DocuSigned by:
Lenny Esposito
By: _____
Lenny Esposito
President, Board of Directors

Acknowledged by:

By: _____

[Signature page follows]

WIRE / ACH INSTRUCTIONS

Please remit all ACH / wire payments to the following:

Civic Asset Management GP LLC
ATTN: Paul Im / David Park
530 Lytton Avenue, 2nd Floor, Palo Alto, CA 94301

Bank: Bank of America
Bank Address: 530 Lytton Avenue, Palo Alto, CA 94301
Account Name: Civic Asset Management GP LLC
Account #: 325029502633
ACH Routing #: 121000358
Wire Routing #: 026009593

CHECK DELIVERY INSTRUCTIONS

Please send all checks to the following address by overnight delivery service:

Charter Asset Management / Civic Asset Management GP LLC
Attn: Paul Im / Jonathan Yeh
515 South Flower Street, 36th Floor, Los Angeles, CA 90071

SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of March 21, 2018 (as amended, supplemented or otherwise modified from time to time in accordance with the provisions hereof, this "**Agreement**"), is made by and among Encore Education Corporation, Inc., a California corporation (the "**Grantor**"), in favor of **CIVIC ASSET MANAGEMENT GP LLC**, a Delaware limited liability company (the "**Secured Party**").

RECITALS

- A. As of the date hereof, the Secured Party has purchased, and may purchase in the future, from Grantor certain Accounts ("**Accounts**") evidenced by that certain Factoring Agreement of even date herewith and future Factoring Agreements (as amended, supplemented or otherwise modified from time to time, collectively, the "**Factoring Agreements**") by and between the Grantor and the Secured Party. Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Factoring Agreements;
- B. This Agreement is given by the Grantor in favor of the Secured Party to secure the payment and performance of all of the Secured Obligations (as defined herein); and
- C. It is a condition to the obligations of the Secured Party to purchase Accounts under the Factoring Agreements that the Grantor execute and deliver this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions.

- (a) Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.
- (b) Unless otherwise defined herein, terms used herein that are defined in the Uniform Commercial Code in effect from time to time in the State of California ("**UCC**") shall have the meanings assigned to them in the UCC. However, if a term is defined in Article 9 of the UCC differently than in another Article of the UCC, the term has the meaning specified in Article 9.
- (c) For purposes of this Agreement, the following terms shall have the following meanings:

"**Agreement**" has the meaning set forth in the Recitals hereof.

"**Collateral**" has the meaning set forth in *Section 2*.

"**Event of Default**" has the meaning set forth in the Factoring Agreements.

"**First Priority**" means, with respect to any lien and security interest purported to be created in any Collateral pursuant to this Agreement, such lien and security interest is (with the exception of the lien created under that certain Security Agreement, dated as of March 21, 2018, between Grantor and Charter

Asset Management Fund, LP (the “**CAM Security Agreement**”), the most senior lien to which such Collateral is subject.

“**Grantor**” has the meaning set forth in the Recitals hereof.

“**Proceeds**” means “proceeds” as such term is defined in section 9-102 of the UCC and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.

“**Secured Obligations**” has the meaning set forth in **Section 3**.

(d) The rules of interpretation specified in the Factoring Agreements shall be applicable to this Agreement.

2. Grant of Security Interest. As collateral security for the payment and performance of the Secured Obligations, the Grantor hereby pledges and grants to the Secured Party, and hereby creates a continuing First Priority lien and security interest in favor of the Secured Party in and to all of its right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the “**Collateral**”); provided that the Collateral shall not include the excluded collateral listed in Section 2(d) below:

(a) all fixtures and personal property of every kind and nature including all accounts not previously purchased by Secured Party pursuant to the Factoring Agreements, goods (including inventory and equipment), documents (including, if applicable, electronic documents), instruments, promissory notes, chattel paper (whether tangible or electronic), letters of credit, letter-of-credit rights (whether or not the letter of credit is evidenced by a writing), securities and all other investment property, commercial tort claims described on Schedule 1 hereof as supplemented by any written notification given by the Grantor to the Secured Party pursuant to **Section 4(e)**, general intangibles (including all payment intangibles), money, deposit accounts, and any other contract rights or rights to the payment of money;

(b) all Proceeds and products of each of the foregoing, all books and records relating to the foregoing, all supporting obligations related thereto, and all accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing, and any and all Proceeds of any insurance, indemnity, warranty or guaranty payable to the Grantor from time to time with respect to any of the foregoing; and

(c) all Accounts subject to any of the Factoring Agreements but only if it is determined by a court of competent jurisdiction that the Factoring Agreements do not evidence a true sale of the Accounts sold thereunder.

(d) Notwithstanding the foregoing, Collateral shall not include (i) any Payments as such term is defined in that certain Indenture, dated as of November 1, 2016 (the “**Indenture**”), between the California School Finance Authority, a public instrumentality of the State of California, and U.S. Bank National Association, a national banking association, (ii) amounts described in that certain Notice to the State Controller Pursuant to Education Code Section 17199.4, dated November 2, 2016, executed and delivered in connection with the California School Finance Authority Charter School Revenue Bonds (Encore Education Obligated Group), Series 2016A and Series 2016B, or (iii) any other collateral that has been pledged under the Indenture.

3. Secured Obligations. The Collateral secures the due and prompt payment and performance of:

(a) the obligations of the Grantor from time to time arising under the Factoring Agreements, this Agreement or otherwise with respect to the due and prompt payment of (i) any amounts

due pursuant to the Factoring Agreements from failure of the Grantor to comply with the terms of the Factoring Agreements or interest thereon (including interest accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise and (ii) all other monetary obligations, including fees, costs, attorneys' fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Grantor under or in respect of the Factoring Agreements and this Agreement;

(b) all other covenants, duties, debts, obligations and liabilities of any kind of the Grantor under or in respect of the Factoring Agreements, this Agreement or any other document made, delivered or given in connection with any of the foregoing, in each case whether evidenced by a note or other writing, whether allowed in any bankruptcy, insolvency, receivership or other similar proceeding, whether arising from an extension of credit, issuance of a letter of credit, acceptance, loan, guaranty, indemnification or otherwise, and whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, fixed or otherwise (all such obligations, covenants, duties, debts, liabilities, sums and expenses set forth in **Section 3** being herein collectively called the "**Secured Obligations**"); and

(c) It is the intent of the Grantor and Secured Party that the Secured Party is purchasing Accounts referenced in the Factoring Agreements and therefore the term "Secured Obligations" does not include purchased Accounts or any amounts due to Secured Party pursuant to any of the purchased Accounts unless there is a breach by the Grantor of any of its obligations under the Factoring Agreements or unless there is a judicial determination that Secured Party's purchase of Accounts under any Factoring Agreement is not a purchase, but is deemed to be a loan secured by Accounts.

4. Perfection of Security Interest and Further Assurances.

(a) The Grantor shall, from time to time, as may be required by the Secured Party with respect to all Collateral, immediately take all actions as may be requested by the Secured Party to perfect the security interest of the Secured Party in the Collateral, including, without limitation, with respect to all Collateral over which control may be obtained within the meaning of sections 8106, 9104, 9105, 9106 and 9107 of the UCC, section 201 of the federal Electronic Signatures in Global and National Commerce Act and, as the case may be, section 16 of the Uniform Electronic Transactions Act, as applicable, the Grantor shall immediately take all actions as may be requested from time to time by the Secured Party so that control of such Collateral is obtained and at all times held by the Secured Party. All of the foregoing shall be at the sole cost and expense of the Grantor.

(b) The Grantor hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any relevant jurisdiction any financing statements and amendments thereto that contain the information required by Article 9 of the UCC of each applicable jurisdiction for the filing of any financing statement or amendment relating to the Collateral, including any financing or continuation statements or other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by the Grantor hereunder, without the signature of the Grantor where permitted by law, including the filing of a financing statement describing the Collateral as all assets

now owned or hereafter acquired by the Grantor, or words of similar effect. The Grantor agrees to provide all information required by the Secured Party pursuant to this Section promptly to the Secured Party upon request.

(c) The Grantor hereby further authorizes the Secured Party to file with the United States Patent and Trademark Office and the United States Copyright Office (and any successor office and any similar office in any state of the United States or in any other country) this Agreement and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by the Grantor hereunder, without the signature of the Grantor where permitted by law.

(d) If the Grantor shall at any time hold or acquire any certificated securities, promissory notes, tangible chattel paper, negotiable documents or warehouse receipts relating to the Collateral, the Grantor shall immediately endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

(e) If the Grantor shall at any time hold or acquire a commercial tort claim, the Grantor shall (i) immediately notify the Secured Party in a writing signed by the Grantor of the particulars thereof and grant to the Secured Party in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance satisfactory to the Secured Party and (ii) deliver to the Secured Party an updated Schedule 1.

(f) If any Collateral is at any time in the possession of a bailee, the Grantor shall promptly notify the Secured Party thereof and, at the Secured Party's request and option, shall promptly obtain an acknowledgment from the bailee, in form and substance satisfactory to the Secured Party, that the bailee holds such Collateral for the benefit of the Secured Party and the bailee agrees to comply, without further consent of the Grantor, at any time with instructions of the Secured Party as to such Collateral.

(g) The Grantor agrees that at any time and from time to time, at the expense of the Grantor, the Grantor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Secured Party may request, in order to create and/or maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby or to enable the Secured Party to exercise and enforce its rights and remedies hereunder or under any other agreement with respect to any Collateral.

5. Representations and Warranties. The Grantor represents and warrants as follows:

(a) The representations and warranties set forth in Section 3 of the Factoring Agreements are hereby reaffirmed by the Grantor, each of which is hereby incorporated herein by reference and the Secured Party shall be entitled to rely on each of them as if they were fully set forth herein.

(b) The Grantor's exact legal name is that indicated on the signature page hereof and the Grantor is a corporation organized in the State of California.

(c) All information provided by Grantor to the Secured Party relating to the Collateral is accurate and complete.

(d) If any of the Collateral consists of securities, same have been duly authorized and validly issued, and are fully paid and non-assessable and subject to no options to purchase or similar rights.

(e) The Grantor holds no commercial tort claims except as indicated on Schedule 1.

(f) None of the Collateral constitutes, or is the proceeds of, (i) farm products, (ii) as-extracted collateral, (iii) manufactured homes, (iv) health-care-insurance receivables, (v) timber to be cut, (vi) aircraft, aircraft engines, satellites, ships or railroad rolling stock.

(g) The Grantor has at all times operated its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances.

(h) At the time the Collateral becomes subject to the lien and security interest created by this Agreement, the Grantor will be the sole, direct, legal and beneficial owner thereof, free and clear of any lien, security interest, encumbrance, claim, option or right of others except for the security interest created by this Agreement and the CAM Security Agreement.

(i) The pledge of the Collateral pursuant to this Agreement creates a valid and perfected First Priority security interest in the Collateral, securing the payment and performance when due of the Secured Obligations.

(j) The Secured Party has full power, authority and legal right to sell or pledge the Accounts pursuant to the Factoring Agreements and pledge the Collateral pursuant to this Agreement.

(k) Each of this Agreement and the Factoring Agreements has been duly authorized, executed and delivered by the Grantor and constitutes a legal, valid and binding obligation of the Grantor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).

(l) No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the pledge by the Grantor of the Collateral pursuant to this Agreement or for the execution and delivery of the Factoring Agreements and this Agreement by the Grantor or the performance by the Grantor of its obligations thereunder.

(m) The execution and delivery of the Factoring Agreements and this Agreement by the Grantor and the performance by the Grantor of its obligations thereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Grantor or any of its property, or the organizational or governing documents of the Grantor or any agreement or instrument to which the Grantor is party or by which it or its property is bound.

(n) The Grantor has taken all action required on its part for control (as defined in sections 8106, 9104, 9105, 9106 and 9107 of the UCC, section 201 of the federal Electronic Signatures in Global and National Commerce Act and, as the case may be, section 16 of the Uniform Electronic Transactions Act, as applicable) to have been obtained by the Secured Party over all Collateral with respect to which such control may be obtained pursuant to the UCC. No person other than the Secured Party has control or possession of all or any part of the Collateral.

6. Voting, Distributions and Receivables.

(a) The Secured Party agrees that unless an Event of Default shall have occurred and be continuing, the Grantor may, to the extent the Grantor has such right as a holder of the Collateral consisting of securities or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that, any such vote, consent, ratification or waiver could detract from the value thereof as Collateral or which could be inconsistent with or result in any violation of any provision of the Factoring Agreements or this Agreement.

(b) The Secured Party agrees that the Grantor may, unless an Event of Default shall have occurred and be continuing, receive and retain all cash dividends and other distributions with respect to the Collateral consisting of securities or indebtedness owed by any obligor, but excluding any Accounts sold by Grantor to the Secured Party pursuant to any Factoring Agreements unless authorized by the Secured Party.

(c) The Secured Party may, or at the request and option of the Secured Party the Grantor shall, notify account debtors and other persons obligated on any of the Accounts sold by the Grantor to the Secured Party pursuant to the Factoring Agreements that payments due are to be made directly to the Secured Party.

7. Covenants. The Grantor covenants as follows:

(a) The Grantor will not, without providing at least 30 days' prior written notice to the Secured Party, change its legal name, identity, type of organization, jurisdiction of organization, corporate structure, location of its chief executive office or its principal place of business or its organizational identification number. The Grantor will, prior to any change described in the preceding sentence, take all actions requested by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.

(b) The Collateral, to the extent not delivered to the Secured Party pursuant to **Section 4**, will be kept at those locations listed on **Schedule 2** and the Grantor will not remove the Collateral from such locations without providing at least 30 days' prior written notice to the Secured Party. The Grantor will, prior to any change described in the preceding sentence, take all actions required by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.

(c) The Grantor shall, at its own cost and expense, defend title to the Collateral and the First Priority lien and security interest of the Secured Party therein against the claim of any person claiming against or through the Grantor and shall maintain and preserve such perfected First Priority security interest for so long as this Agreement shall remain in effect.

(d) The Grantor will not sell, offer to sell, dispose of, convey, assign or otherwise transfer, grant any option with respect to, restrict, or grant, create, permit or suffer to exist any mortgage, pledge, lien, security interest, option, right of first offer, encumbrance or other restriction or limitation of any nature whatsoever on, any of the Collateral or any interest therein.

(e) The Grantor will keep the Collateral in good order and repair and will not use the same in violation of law or any policy of insurance thereon. The Grantor will permit the Secured Party, or its designee, to inspect the Collateral at any reasonable time, wherever located.

(f) The Grantor will pay promptly when due all taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement.

(g) The Grantor will continue to operate its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances.

8. Secured Party Appointed Attorney-in-Fact. The Grantor hereby appoints the Secured Party the Grantor's attorney-in-fact, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Secured Party's discretion to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement (but the Secured Party shall not be obligated to and shall have no liability to the Grantor or any third party for failure to do so or take action). This appointment, being coupled with an interest, shall be irrevocable. The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof.

9. Secured Party May Perform. If the Grantor fails to perform any obligation contained in this Agreement, the Secured Party may itself perform, or cause performance of, such obligation, and the expenses of the Secured Party incurred in connection therewith shall be payable by the Grantor; *provided that* the Secured Party shall not be required to perform or discharge any obligation of the Grantor.

10. Reasonable Care. The Secured Party shall have no duty with respect to the care and preservation of the Collateral beyond the exercise of reasonable care. The Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which the Secured Party accords its own property, it being understood that the Secured Party shall not have any responsibility for (a) ascertaining or taking action with respect to any claims, the nature or sufficiency of any payment or performance by any party under or pursuant to any agreement relating to the Collateral or other matters relative to any Collateral, whether or not the Secured Party has or is deemed to have knowledge of such matters, or (b) taking any necessary steps to preserve rights against any parties with respect to any Collateral. Nothing set forth in this Agreement, nor the exercise by the Secured Party of any of the rights and remedies hereunder, shall relieve the Grantor from the performance of any obligation on the Grantor's part to be performed or observed in respect of any of the Collateral.

11. Remedies Upon Default.

(a) If any Event of Default shall have occurred and be continuing, the Secured Party, without any other notice to or demand upon the Grantor, may assert all rights and remedies of a secured party under the UCC or other applicable law, including, without limitation, the right to take possession of, hold, collect, sell, lease, deliver, grant options to purchase or otherwise retain, liquidate or dispose of all or any portion of the Collateral. If notice prior to disposition of the Collateral or any portion thereof is necessary under applicable law, written notice mailed to the Grantor at its notice address as provided in **Section 15** hereof ten (10) days prior to the date of such disposition shall constitute reasonable notice, but notice given in any other reasonable manner shall be sufficient. So long as the sale of the Collateral is made in a commercially reasonable manner, the Secured Party may sell such Collateral on such terms and to such purchaser(s) as the Secured Party in its absolute discretion may choose, without assuming any credit risk and without any obligation to advertise or give notice of any kind other than that necessary under applicable law. Without precluding any other methods of sale, the sale of the Collateral or any portion thereof shall have been made in a commercially reasonable manner if conducted in conformity with reasonable commercial practices of creditors disposing of similar property. At any sale of the Collateral, if permitted by applicable law, the Secured Party may be the purchaser, licensee, assignee or recipient of the Collateral or any part thereof and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold, assigned or licensed at such

sale, to use and apply any of the Secured Obligations as a credit on account of the purchase price of the Collateral or any part thereof payable at such sale. To the extent permitted by applicable law, the Grantor waives all claims, damages and demands it may acquire against the Secured Party arising out of the exercise by it of any rights hereunder. The Grantor hereby waives and releases to the fullest extent permitted by law any right or equity of redemption with respect to the Collateral, whether before or after sale hereunder, and all rights, if any, of marshalling the Collateral and any other security for the Secured Obligations or otherwise. At any such sale, unless prohibited by applicable law, the Secured Party or any custodian may bid for and purchase all or any part of the Collateral so sold free from any such right or equity of redemption. Neither the Secured Party nor any custodian shall be liable for failure to collect or realize upon any or all of the Collateral or for any delay in so doing, nor shall it be under any obligation to take any action whatsoever with regard thereto. The Grantor agrees that it would not be commercially unreasonable for the Secured Party to dispose of the Collateral or any portion thereof by utilizing internet sites that provide for the auction of assets of the type included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets. The Secured Party shall not be obligated to clean-up or otherwise prepare the Collateral for sale.

(b) If any Event of Default shall have occurred and be continuing, all rights of the Grantor to (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to **Section 6(a)** and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to **Section 6(b)**, shall immediately cease, and all such rights shall thereupon become vested in the Secured Party, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral.

(c) If any Event of Default shall have occurred and be continuing, any cash held by the Secured Party as Collateral and all cash Proceeds received by the Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Secured Party to the payment of expenses incurred by the Secured Party in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Secured Party hereunder, including reasonable attorneys' fees, and the balance of such proceeds shall be applied or set off against all or any part of the Secured Obligations in such order as the Secured Party shall elect. Any surplus of such cash or cash Proceeds held by the Secured Party and remaining after payment in full of all the Secured Obligations shall be paid over to the Grantor or to whomsoever may be lawfully entitled to receive such surplus. The Grantor shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any attorneys employed by the Secured Party to collect such deficiency.

(d) If the Secured Party shall determine to exercise its rights to sell all or any of the Collateral pursuant to this Section, the Grantor agrees that, upon request of the Secured Party, the Grantor will, at its own expense, do or cause to be done all such acts and things as may be necessary to make such sale of the Collateral or any part thereof valid and binding and in compliance with applicable law.

12. No Waiver and Cumulative Remedies. The Secured Party shall not by any act (except by a written instrument pursuant to **Section 15**, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

13. Security Interest Absolute. The Grantor hereby waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, Collateral received or delivered or

other action taken in reliance hereon and all other demands and notices of any description. All rights of the Secured Party and liens and security interests hereunder, and all Secured Obligations of the Grantor hereunder, shall be absolute and unconditional irrespective of:

(a) any illegality or lack of validity or enforceability of any Secured Obligation or any related agreement or instrument;

(b) any change in the time, place or manner of payment of, or in any other term of, the Secured Obligations, or any rescission, waiver, amendment or other modification of the Factoring Agreements, this Agreement or any other agreement, including any increase in the Secured Obligations resulting from any extension of additional credit or otherwise;

(c) any taking, exchange, substitution, release, impairment or non-perfection of any Collateral or any other collateral, or any taking, release, impairment, amendment, waiver or other modification of any guaranty, for all or any of the Secured Obligations;

(d) any manner of sale, disposition or application of proceeds of any Collateral or any other collateral or other assets to all or part of the Secured Obligations;

(e) any default, failure or delay, willful or otherwise, in the performance of the Secured Obligations;

(f) any defense, set-off or counterclaim (other than a defense of payment or performance) that may at any time be available to, or be asserted by, the Grantor against the Secured Party; or

(g) any other circumstance (including, without limitation, any statute of limitations) or manner of administering the Loans or any existence of or reliance on any representation by the Secured Party that might vary the risk of the Grantor or otherwise operate as a defense available to, or a legal or equitable discharge of, the Grantor or any other grantor, guarantor or surety.

14. Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Grantor therefrom shall be effective unless the same shall be in writing and signed by the Secured Party and the Grantor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

15. Addresses For Notices. All notices and other communications provided for in this Agreement shall be in writing and shall be given in the manner and become effective as set forth in the Factoring Agreements, and addressed to the respective parties at their addresses as specified on the signature pages hereof or as to either party at such other address as shall be designated by such party in a written notice to each other party.

16. Continuing Security Interest; Further Actions. This Agreement shall create a continuing First Priority lien and security interest in the Collateral and shall (a) subject to **Section 17**, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Grantor, its successors and assigns, and (c) inure to the benefit of the Secured Party and its successors, transferees and assigns; *provided that* the Grantor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party. Without limiting the generality of the foregoing clause (c), any assignee of the Secured Party's interest in any agreement or document which includes all or any of the Secured Obligations shall, upon assignment, become vested with all the benefits granted to the Secured Party herein with respect to such Secured Obligations.

17. Termination; Release. On the date on which all Secured Obligations have been paid and performed in full, the Secured Party will, at the request and sole expense of the Grantor, (a) duly assign, transfer and deliver to or at the direction of the Grantor (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Secured Party, together with any monies at the time held by the Secured Party hereunder, and (b) execute and deliver to the Grantor a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement.

18. Governing Law. This Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement or the Factoring Agreements and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the laws of the State of California.

19. Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement. This Agreement [and the Factoring Agreements] constitute the entire contract among the parties with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto.

20. Resolution of Drafting Ambiguities. Grantor acknowledges and agrees that it was represented by counsel in connection with the execution and delivery of this Agreement, that it and its counsel reviewed and participated in the preparation and negotiation of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party (i.e., the Secured Party) shall not be employed in the interpretation of this Agreement.

21. Expenses. Grantor agrees to pay or to reimburse Secured Party for all reasonable costs and expenses (including reasonable attorney's fees and expenses) that may be incurred by Secured Party in any effort to enforce any of the provisions of **Section 11**, or any of the obligations of Grantor in respect of the Collateral or in connection with (a) the preservation of the First Priority lien on, or the rights of Secured Party to the Collateral pursuant to this Agreement or (b) any actual or attempted sale, lease, disposition, exchange, collection, compromise, settlement or other realization in respect of, or care of, the Collateral, including all such costs and expenses (and reasonable attorney's fees and expenses) incurred in any bankruptcy, reorganization, workout or other similar proceeding.

[SIGNATURE PAGE FOLLOWS]

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

ENCORE EDUCATION CORPORATION, INC., as Grantor

DocuSigned by:
Lenny Esposito
By _____
0DEE3ADTASEB489...

Name: Lenny Esposito
Title: President, Board of Directors
Address for Notices:
16955 Lemon Street #A, Hesperia, CA
92345

CIVIC ASSET MANAGEMENT GP LLC, LP., as Secured Party

DocuSigned by:
Paul Im
By _____
7E046DTE4B6C4E8...

DocuSigned by:
David Park
By _____
8A19A5DA8888435...

Name: Paul Im / David Park
Title: Managing Members
Address for Notices:
530 Lytton Avenue, 2nd Floor,
Palo Alto, CA 94301

SCHEDULE 1

COMMERCIAL TORT CLAIMS

SCHEDULE 2

LOCATION OF COLLATERAL

16955 LEMON STREET #A, HESPERIA, CA 92345

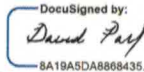
Certificate Of Completion

Envelope Id: D29DA694CEFD4E57AF0306AB95AE43A9 Status: Completed
 Subject: Please DocuSign: CAM Factoring Agreement Encore High Schools 3-21-18.pdf, CAM Security Agre...
 Source Envelope:
 Document Pages: 94 Signatures: 38 Envelope Originator:
 Certificate Pages: 5 Initials: 0 Marina Kemper
 AutoNav: Enabled 530 Lytton Avenue
 Envelopeld Stamping: Enabled 2nd Floor
 Time Zone: (UTC-08:00) Pacific Time (US & Canada) Palo Alto, CA 94301
 marina.kemper@charterassetmanagement.com
 IP Address: 70.191.32.129

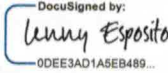
Record Tracking

Status: Original Holder: Marina Kemper Location: DocuSign
 3/20/2018 1:16:19 PM
 marina.kemper@charterassetmanagement.com

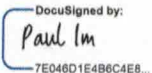
Signer Events

Signer	Signature	Timestamp
David Park david.park@charterassetmanagement.com Managing Partner Charter Asset Management Security Level: Email, Account Authentication (None)	 DocuSigned by: David Park 8A19A5DA8868435... Using IP Address: 207.140.28.70	Sent: 3/20/2018 1:40:48 PM Viewed: 3/20/2018 2:14:42 PM Signed: 3/20/2018 2:14:58 PM


Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Lenny Esposito lesposito@encoreedcorp.com Security Level: Email, Account Authentication (None)	 DocuSigned by: Lenny Esposito 0DEE3AD1A5EB489... Using IP Address: 75.142.198.56	Sent: 3/20/2018 1:40:48 PM Viewed: 3/20/2018 4:53:51 PM Signed: 3/20/2018 7:07:33 PM
--	--	--

Electronic Record and Signature Disclosure:
Accepted: 3/20/2018 4:53:51 PM
ID: 8077dc03-8bf6-4b3c-83a1-f94193306038

Paul Im paul.im@charterassetmanagement.com Managing Partner Charter Asset Management Security Level: Email, Account Authentication (None)	 DocuSigned by: Paul Im 7E046D1E4B6C4E8... Using IP Address: 47.147.198.156	Sent: 3/20/2018 1:40:48 PM Viewed: 3/20/2018 1:44:45 PM Signed: 3/20/2018 1:45:02 PM
---	--	--

Electronic Record and Signature Disclosure:
Not Offered via DocuSign

Suzanne Cherry scherry@encorehighschool.com Security Level: Email, Account Authentication (None)	 DocuSigned by: Suzanne Cherry 4D9DCEA520C144E... Using IP Address: 174.212.11.222	Sent: 3/20/2018 1:40:48 PM Resent: 3/20/2018 2:23:21 PM Viewed: 3/20/2018 6:50:59 PM Signed: 3/20/2018 6:52:50 PM
--	---	--

Electronic Record and Signature Disclosure:
Accepted: 3/20/2018 6:50:59 PM
ID: 53e8a741-c340-4b2c-a649-f75a428d388a

In Person Signer Events **Signature** **Timestamp**

Editor Delivery Events	Status	Timestamp
------------------------	--------	-----------

Agent Delivery Events	Status	Timestamp
-----------------------	--------	-----------

Intermediary Delivery Events	Status	Timestamp
------------------------------	--------	-----------

Certified Delivery Events	Status	Timestamp
---------------------------	--------	-----------

Carbon Copy Events	Status	Timestamp
--------------------	--------	-----------

Denise Griffin dg@officerteam.com Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 3/20/2018 1:40:49 PM
--	---------------	----------------------------

Jonathan Yeh jonathan.yeh@charterassetmanagement.com Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: Accepted: 1/26/2017 4:24:25 PM ID: 236ec808-70db-4745-81fc-746e63602846	COPIED	Sent: 3/20/2018 1:40:49 PM Viewed: 3/20/2018 3:48:27 PM
---	---------------	--

Karl Yoder karl@charteradmin.com Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 3/20/2018 1:40:49 PM Viewed: 3/20/2018 7:38:45 PM
---	---------------	--

Notary Events	Signature	Timestamp
---------------	-----------	-----------

Envelope Summary Events	Status	Timestamps
-------------------------	--------	------------

Envelope Sent	Hashed/Encrypted	3/20/2018 2:23:21 PM
Certified Delivered	Security Checked	3/20/2018 6:50:59 PM
Signing Complete	Security Checked	3/20/2018 7:07:33 PM
Completed	Security Checked	3/20/2018 7:07:33 PM

Payment Events	Status	Timestamps
----------------	--------	------------

Electronic Record and Signature Disclosure
--

CONSUMER DISCLOSURE

From time to time, Charter Asset Management (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign, Inc. (DocuSign) electronic signing system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after signing session and, if you elect to create a DocuSign signer account, you may access them for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of a DocuSign envelope instead of signing it. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures

electronically from us.

How to contact Charter Asset Management:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: paul.im@charterassetmanagement.com

To advise Charter Asset Management of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at paul.im@charterassetmanagement.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc. to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in the DocuSign system.

To request paper copies from Charter Asset Management

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to paul.im@charterassetmanagement.com and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with Charter Asset Management

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to paul.im@charterassetmanagement.com and in the body of such request you must state your e-mail, full name, US Postal Address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows® 2000, Windows® XP, Windows Vista®; Mac OS® X
Browsers:	Final release versions of Internet Explorer® 6.0 or above (Windows only); Mozilla Firefox 2.0 or above (Windows and Mac); Safari™ 3.0 or above (Mac only)
PDF Reader:	Acrobat® or similar software may be required to view and print PDF files
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	Allow per session cookies

** These minimum requirements are subject to change. If these requirements change, you will be asked to re-accept the disclosure. Pre-release (e.g. beta) versions of operating systems and

browsers are not supported.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC CONSUMER DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify Charter Asset Management as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by Charter Asset Management during the course of my relationship with you.



Exhibit 7.1

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

INTERNSHIP AGREEMENT WITH NATIONAL UNIVERSITY.

School Site and University will partner to support the following programs: Teacher Education Internship Credential, Special Education Internship Credential. Preliminary Administrative Services Internship Credential. Pupil Personnel Services Internship Credential.



INTERNSHIP CREDENTIAL PROGRAM AGREEMENT

This Internship Credential Program Agreement (“**Agreement**”) is entered into effect November 12, 2017 (“**Effective Date**”) by and between Encore Jr./Sr. High School for the Performing and Visual Arts, who have partnered for the purpose of providing contractual services for students, or state-supported K-12 educational service unit, which is located in the State of California, San Bernardino, Encore Jr./Sr. High School for the Performing and Visual Arts and National University (“**University**”), a California nonprofit, private university.

RECITALS

- A. **University** is accredited by the Commission for Senior Colleges and Universities of the Western Association of Schools and Colleges (WASC). **University** has met all of the preconditions prescribed by the California Commission on Teacher Credentialing (CTC) to offer the following internship credential programs (“**Programs**”): Teacher Education Internship Credential, Special Education Internship Credential, Preliminary Administrative Services Internship Credential, and Pupil Personnel Services Internship Credential – School Counseling, Pupil Personnel Services Internship Credential – School Psychology;
- B. **School Site** and **University** wish to partner to deliver services in support of the Programs that meet the regulations and standards of CTC. Attached as Exhibit “A” to this Agreement and incorporated herein by this reference is a list of the Programs that **School Site** and **University** will be supporting through this partnership.

Based on these recitals, **School Site** and **University** agree as follows:

1. Term. The term of this Agreement shall commence as of the Effective Date above and shall continue until such time as either party gives 30 days notice of its intent to terminate this Agreement. All Interns placed with **School Site** and who are in good standing with **School Site** and **University** as of the date of termination of this Agreement shall be permitted to complete their internship experience with **School Site**.
2. Placement of Interns. **University** students, certified as qualified and competent by **University** to provide intern services to **School Site**, may, at **School Site**'s discretion, be accepted and assigned to its schools for services as interns (“**Interns**”). **University** and **School Site** shall coordinate the process of selection and placement of Interns. **University** reserves the right to make the final determination on any Intern's acceptance into the Program, while **School Site** reserves the right to make the final determination on any Intern's employment. Neither **University** nor **School Site** shall discriminate in the selection or acceptance of, or participation by, any Intern pursuant to this Agreement because of race, color, national origin, religion, sex, sexual orientation, handicap, age, veteran's status, medical condition, marital status, or citizenship, within the limits imposed by law.
3. Program Requirements. Each Intern accepted into the Program must have met all of the following qualifying minimum criteria:
 - a. Recommendation to a Program by a **School Site** designee.
 - b. Interview and screening by **School Site** staff, including a background check, School Site administrator interview and paper screening, Department of Justice fingerprint clearance, and a baccalaureate degree from an accredited institution.
 - c. Interview and screening by **University** staff, including a personal interview, written self-evaluation regarding teaching and learning, and verification of coursework and prior experience with K-12 students in a multicultural, multilingual setting.
 - d. Interview with a **University** Support Provider/Supervisor and a lead faculty member for the Program.
 - e. Passage of the CBEST exam or proof of basic skills assessment and verification of subject matter competence by completion of an approved program or passage of the CSET.
 - f. All service preconditions required by the CCTC shall have been met.
4. Intern Employment Status. Interns shall be **School Site** employees for all purposes, including for the payment of any federal, state, or local income or occupational taxes, FICA taxes, unemployment compensation or workers' compensation contributions, vacation pay, sick leave, retirement benefits or any other payments or benefits for or on behalf of Interns.
5. Reservation of Right to Payment. Pursuant to Education Code Section 44462, **School Site** reserves the right to request an adjustment of any Intern's salary to cover supervision services pursuant to this Agreement.

6. Non-Displacement of Certificated Employees. Pursuant to CTC requirements, upon request **School Site** shall provide written certification to **University** that each Intern placed with **School Site** has not displaced a certificated **School Site** employee, which shall enable **University** to verify to CTC that all statutory and CTC requirements have been met.
7. Intern Advisory Committee. **School Site** and **University** will collaborate to develop an Intern Advisory Committee comprised of community members, institutional administrators, teachers, faculty members, and at least one Intern representative, which will serve to provide guidance and support for the Programs.
8. Teacher and Special Education Intern Support.
 - a. To support Education Credential Interns, **School Site** and **University** will each provide a qualified supervisor to assist each Intern in a Program. School supervisors are called "Site Support Providers". University supervisors are called "University Support Providers". School Site Support Providers will mentor, coach and consult with interns on all areas of responsibility as a teacher of record by visiting the classroom to conduct real time observations with pre- and post-debriefing protocols to provide weekly course planning, modeling and coaching with attention to differentiated instruction for English Learners; assessment of language needs and progress; and support for language accessible instruction. A minimum of two hours of support / mentoring and supervision must be provided to an intern every five instructional days.
 - b. **School Site** Support Providers shall hold a valid Clear or Life Credential in the content area for which they are providing supervision, three years of successful teaching experience, hold a valid English Learner Authorization or CLAD Certificate issued pursuant to section 80015 or valid bilingual authorization issued pursuant to section 80015.1, and must have demonstrated exemplary teaching practices.
 - c. **School Site** Support Provider and **University's** Support Provider will together meet periodically with Interns to ensure Interns are following the California standards for the specific credential each Intern is seeking to obtain.
 - d. **School Site** Support Provider/Site Supervisors and **University's** Support Providers will meet without the Intern to discuss the Intern's progress, as needed.
 - e. Concurrent with an Intern's experience at **School Site**, **University** will hold Program orientation seminars for Interns and training seminars for School Site Support Providers/Supervisors. During the Site Support Providers'/Site Supervisors' training, **University** representatives will review supervising techniques, establish procedures for conducting observations and providing assistance, introduce forms used in the Program, communicate seminar schedules, and offer further training and materials to Site Support Providers.
 - f. **School Site** will include Interns in appropriate **School Site** support programs and regularly scheduled staff development activities.
 - g. **School Site** will designate a liaison, who may or may not be on the Intern Advisory Committee, to ensure supervisory and support assistance is provided to Interns at a minimum of 2 hours a week while employed as the teacher of record.
 - h. **School Site** and **University** will share supervision and ongoing support requirements totaling a minimum of 144 hours per school year. Interns without English Language Authorization must receive 45 hours of focused English Language instruction support per school year; (b)(5)(B) requires the employer to identify and individual with EL authorization who will be immediately available to assist an intern teacher who does not yet hold EL authorization. University Support Providers will monitor the completion of employer-provided support via an Intern Support Verification Form to verify the clockwork hours provided by Site Support Providers and/or employer support personnel. Forms must be submitted as part of the intern's clinical practice course assignments. Program faculty, program supervisors, and School Site-employed supervisors monitor and support candidates during their progress towards mastering the TPEs.
 - i. Employers who hire/place or wish to backdate interns outside National University clinical practice start offerings are required to provide 100% of the state mandated support (4 hours per week of general support, and 1.25 hours of EL specific support if the intern does not hold EL authorization) until the next available start date at which point the University Support provider will provide University support services as noted in article (8.h.).
 - j. **School Site**-employed supervisors must complete an orientation to the program's expectations and be knowledgeable regarding program curriculum and assessments, including the TPEs and the CAL TPA. **School Site** employed supervisors are required to complete a minimum of 10 hours of initial orientation provided through National University on the program curriculum, effective supervision approaches such as cognitive coaching, adult learning theory, and current content-specific pedagogy and instructional practices, program curriculum and assessments, including the TPEs and the CAL TPA.
 - k. **School Site** with interns must have a fully qualified administrator.
 - l. **University** may request use of video capture for candidate reflection and CAL TPA completion to reflect to the extent possible Intern's knowledge, skills, and abilities to instruct TK-12 students while meeting state-adopted academic standards. School Site shall inform Special Education Credential Interns of video recording policies in place for the CAL TPA task video capture requirement.

9. Counseling, Psychology and Administrative Services Intern Support
- a. To support Services Credential Interns, **District** and **University** will each provide a qualified supervisor to assist each Intern in a Pupil Personnel Services School Counseling, Pupil Personnel Services School Psychology, and Administrative Services Programs. **District** supervisors are called "Site Support Providers/Site Supervisors". **University** supervisors are called "Support Providers/University Supervisors".
 - b. Clinical Practice Supervisor shall refer to an employee of the District holding a valid Pupil Personnel Services or other credential issued by the Commission or equivalent certification recognized by the District typically with three or more years experience as a school counselor, school psychologist, school social worker, or other education specialist.
 - c. Clinical Practice Assignment shall typically refer to a full day of Clinical Practice consisting of five days a week for 12 to 18 weeks, dependent upon the program. Clinical Practice Assignment shall satisfy all requirements set by the commission.
 - d. Clinical Practice shall consist of between 600 hours and 1200 hours of Clinical Practice depending upon the specific program requirements.
 - e. Clinical practice shall refer to the participation by a Student in the duties and functions of a school counselor, school psychologist, school social worker, or school attendance worker under the direct supervision and instruction of one or more Clinical Practice Supervisors.
 - f. **District** and **University** shall independently determine the qualifications of their respective supervisors.
 - g. **District's** Site Support Provider/Site Supervisors and **University's** Support Provider/University Supervisors will together meet periodically with Interns to ensure Interns are following the California standards for the services credential each intern is seeking to obtain.
 - h. **District's** Site Support Provider/Site Supervisors and **University's** Support Providers/University Supervisors will meet without the Intern to discuss the Intern's progress, as needed.
 - i. Concurrent with an Intern's experience at **District**, **University** will hold Program orientation seminars for Interns and training seminars for **District** Site Support Providers/Supervisors. During the Site Support Providers'/Site Supervisors' training, **University** representatives will review supervising techniques, establish procedures for conducting observations and providing assistance, introduce forms used in the Program, communicate seminar schedules, and offer further training and materials to Site Support Providers.
 - j. **District** will include Interns in appropriate **District** support programs and regularly scheduled staff development activities.
 - k. **District** will designate a liaison, who may or may not be on the Intern Advisory Committee, to ensure supervisory and support assistance to Interns at **District**.
 - l. **University** Support Providers will visit Interns at their sites on a regularly scheduled basis to monitor each Intern's progress.
10. Academic Responsibility. **University** shall have exclusive control over all academic issues involving the Programs, which shall include, without limitation: selection of course content and required textbooks; delivery of instructional programs; selection and approval of faculty; admission, registration, and retention of Interns; evaluation of Interns' prior experience and education; evaluation of Interns' academic progress; scheduling courses; awarding academic credit; and conferring degrees.
11. Duration of Internship. Once a student has been accepted as an Intern by **School Site**, and if the student remains in good standing in the Program at **University** and within the **School Site's** policies and performance standards, the Intern will be permitted to finish his/her internship at **School Site**. However, an Intern who performs below acceptable **School Site** or **University** standards, after appropriate support and advice efforts have been exhausted, may be removed from the paid internship position by the **School Site** and/or removed from his/her Program by the **University**. All services provided by **University** and **School Site** pursuant to this Agreement shall terminate upon an Intern's removal from the **School Site** or termination of participation in a Program.
12. Assessment. Assessment is a function of the Teacher Education Internship Seminar course (for the Teacher Education Internship Credential), Specialist Education Clinical Practice Seminar courses (for the Special Education Internship Credential), Intern Field Experience course (for the Preliminary Administrative Services Internship Credential) and Best Practices Internship Seminar for School Counseling and School Psychology (for the Pupil Personnel Services Internship Credential). Students in those classes will pre-assess their teaching or administrative skills, develop a plan for growth, and assess their growth at the close of the course. This pre-assessment, development and post-assessment will occur in collaboration with the **School Site** Site Support Provider/Site Supervisor and the **University** Support Provider/University Supervisor.
13. Video Assessment. District and University agree the use of video recording equipment on any District property, including but not limited to, District classrooms, is solely for the purpose of assessing Interns as part of the credentialing process. The District shall provide University Site Support Providers and Interns with any or all applicable rules, regulations, and instructions relating to the assessment. The University and District agree no video recording of any student teacher will occur without prior written notification of the name of the student teacher as well as date, time, and location of the video recording to the principal of the school where the

video recording is to take place. Principal of the school within the District shall provide written approval of said recording; subject to the parent/guardian authorizations set forth in Section 14. of this agreement.

14. Control, Supervision, Evaluation of Video Recording. The control, supervision, evaluation, and/or direction of all student teachers and any other University personnel in connection with the assessment of the student teachers, including, but not limited to, all classroom video recording of the student teachers, shall be at the University's sole discretion.

The University and District agree no video recording of any District student shall be permitted to occur without the express written approval and authorization from the students' parent/guardian

15. Indemnity. The **School Site** shall defend, indemnify and hold the **University**, its officers, employees, and agents, harmless from and against any and all liability, loss, expense (including reasonable attorneys fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys fees or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of the **School Site**, its officers, employees, or agents.

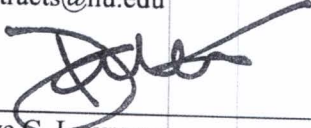
The **University** shall defend, indemnify and hold the **School Site**, its officers, employees, and agents, harmless from and against any and all liability, loss, expense (including reasonable attorneys fees), or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of the **University**, its officers, employees, or agents.

16. Relationship of Parties. Nothing in this Agreement is intended nor shall be construed to create an employer/employee relationship, or a joint venture, partnership or agency relationship between the parties.
17. Publicity. Neither **University** nor **School Site** shall cause to be published or disseminated any advertising materials, either printed or electronically transmitted, which identifies the other party or its facilities with respect to this Agreement, without the prior written consent of the other party. In addition, neither party may use the names, logos, or trademarks of the other party without its prior written consent.
18. Records. It is understood and agreed that all employment records shall remain the property of **School Site**, and all student records, including Intern assessments, will remain the property of **University**.
19. Entire Agreement and Severability. If a court or arbitrator holds any provision of this Agreement to be illegal, unenforceable, or invalid, the remaining provisions will not be affected. This Agreement contains the entire agreement between the parties pertaining to the transaction and may not be amended unless in writing, signed by both parties.
20. Assignment. Neither party shall assign its rights or delegate its duties under this Agreement without the prior written consent of the other party.
21. Notices. All notices or other communications given under this Agreement will be in writing and sent to the addressee listed below (unless a party has changed its address by giving notice), and will be effective upon receipt if delivered personally or by overnight mail, or effective three days after mailing if by certified mail, return receipt requested.
22. Representations. Each party represents that: (a) it will abide by all applicable federal, state, or local statutes or regulations; (b) the individual signing this Agreement has the authority to do so; and (c) it has the ability and authority to perform each of its obligations under this Agreement. These representations will continue after the Agreement terminates.
23. General Provisions. The Agreement: (a) will be binding and enforceable by the parties and their respective successors or assigns, but not by any individual or organization not a party to this Agreement; (b) may be executed in counterparts and effective with original or facsimile signatures; (c) will be governed by California law; and (d) has been executed at San Diego, California.

This Agreement is executed by and between:

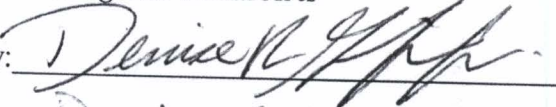
University: National University

Contact: Isabel Gonzalez
Credentials Contract Coordinator
9980 Carroll Canyon Road
San Diego, CA 92131
Telephone (858) 642-8310
Facsimile (858) 642-8717
credcontracts@nu.edu

By: 
Dave C. Lawrence
Vice Chancellor, Finance

Dated: 3/26/18

School Site: Encore Jr./Sr. High School for the
Performing and Visual Arts

By: 

Name: Denise Griffin

Title: CEO

Address: 16955 Lemon Street
Hesperia, CA 92345

Telephone: 760-949-2036

Dated: 3/21/2018

EXHIBIT A

Internship Programs

School Site and University wish to partner to support the following Programs:

- Teacher Education Internship Credential
- Special Education Internship Credential
- Preliminary Administrative Services Internship Credential
- Pupil Personnel Services Internship Credential – School of Counseling
- Pupil Personnel Services Internship Credential – School of Psychology



Exhibit
7.2

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

SCHOOL INNOVATIONS & ACHIEVEMENT AGREEMENT.

Agreement to retain services for the preparation of the annual school accountability report card ("SARC") for Hesperia and Riverside Campuses.



SCHOOL ACCOUNTABILITY REPORT CARD SERVICES AGREEMENT

**Between
SCHOOL INNOVATIONS & ACHIEVEMENT
And the
ENCORE HIGH SCHOOL - HESPERIA**

THIS AGREEMENT, dated March 19, 2018 (the "Agreement") is made by and between Encore High School - Hesperia ("District"), and School Innovations & Achievement, a California corporation ("SI&A"), each being a "Party" and collectively the "Parties".

RECITALS

WHEREAS, District is authorized to retain services for the preparation of school accountability report cards ("SARC") pursuant to the California Education Code Section 35160; and

WHEREAS, it is necessary and desirable that SI&A be retained by District for the purpose of performing the above described service and SI&A is qualified to perform such service;

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

1. **Agreement Period.** The Agreement period begins July 1, 2018 (the "Effective Date") and will automatically expire on June 30, 2021 (the "Expiration Date"). The Agreement period consists of three (3) District fiscal years (July 1, 2018 through June 30, 2019; July 1, 2019 through June 30, 2020; and July 1, 2020 through June 30, 2021), the "Agreement Period". Each fiscal year within the Agreement Period is an "Agreement Year".

2. **Services.**

Description of Services. SI&A agrees to provide District the following consulting services ("Services") during the Agreement Period:

2.1 Compile the 2017/18, 2018/19 and 2019/20 SARC (in English) for each school site as indicated in Exhibit C – Price Quote for Services ("School Sites"). This compilation of SARC includes, but is not limited to, the following: (a) an assessment of the school's conditions pursuant to Proposition 98, (b) California Education Code Sections 17002, 17014, 17032.5, 17070.75, 17089, 32286, 52056, 60119, 33126, 35256, 35256.1, 35258, 41409 and 41409.3, (c) California Department of Education changes to the SARC per *Eliezer Williams, et al., vs. State of California, et al.*, and (d) Title I, Section 1111(b)(2)(H). Upon District's request, SI&A may translate the SARC into a different language for an additional fee, as indicated in Exhibit C – Price Quote for Services;

2.2 In each SARC, disclose the salary and budget information for districts that operate more than one (1) School Site, pursuant to the California Education Code Section 41409.3;

- 2.3 Provide District with one (1) hard copy of the SARC for each School Site and an Adobe Acrobat Reader PDF file. Additional copies are outside the Initial Scope of Services (as defined in Exhibit A – Standard Terms and Conditions, Section 1), however, upon District’s request, more copies will be provided for an additional fee, which shall be billed separately;
- 2.4 Serve as District’s liaison with the California Department of Education and other government entities regarding (a) information requests, (b) clarifications, or (c) compliance reviews that may occur;
- 2.5 Maintain appropriate record keeping practices per State regulations;
- 2.6 Prior to finalizing the SARC, SI&A shall verify the propriety and accuracy of the information contained therein with District. District shall be entitled to a maximum of three (3) reviews and three (3) revisions of the draft version of the SARC prior to publishing within the Initial Scope of Services and Fees (as defined in Exhibit A – Standard Terms and Conditions). Revisions within the Initial Scope of Services include, but are not limited to, changes to State or district data. If District’s proposed changes exceed either the Initial Scope of Services or the three (3) revisions maximum, the Parties shall execute an amendment to the Agreement and additional fees shall apply. In such event, SI&A shall provide District with an Agreement amendment describing the additional amounts of time and fees of the proposed revisions for District’s review, approval and signature. SI&A will not perform additional services until such amendment is executed. Requests for additional revisions submitted after the Production Schedule (as defined in Exhibit B – SARC Format Checklist) may cause a delay of the final SARC delivery and result in additional fees under this Agreement; and
- 2.7 Complete delivery of the final SARC per the agreed upon Production Schedule (as defined in Exhibit B – SARC Format Checklist).

3. Payment of Fees.

3.1 Fees. For Services provided pursuant to the terms of this Agreement, District agrees to pay SI&A:

- **\$800** annually (the “Discounted Annual Fee”), as indicated in Exhibit C – Price Quote for Services for the fiscal years 2018/19, 2019/20, and 2020/21, if Agreement is received on or before March 31, 2018, or
- **\$850** annually (the “Standard Annual Fee”), as indicated in Exhibit C – Price Quote for Services for the fiscal years 2018/19, 2019/20, and 2020/21, if Agreement is received after March 31, 2018.

3.2 Payment Plan. The Fee is payable as follows:

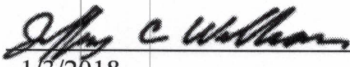
	Agreement Received By Date	FY 18/19 Due 07/01/18	FY 19/20 Due 07/01/19	FY 20/21 Due 07/01/20
Discounted Annual Fee	On or Before March 31, 2018	\$800	\$800	\$800
Standard Annual Fee	After March 31, 2018	\$850	\$850	\$850

4. **Entire Agreement.** This Agreement, including, without limitation, the Standard Terms and Conditions attached hereto as Exhibit A and the Price Quote for Services attached hereto as Exhibit C, is the final expression of, and contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto.
5. **Exhibits.** All exhibits referred to in this Agreement are attached and incorporated herein by this reference.
6. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, including copies sent to a party by facsimile transmission or in portable document format (pdf), as against the party signing such counterpart, but which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the District and SI&A have made and executed this Agreement as set forth below.

SI&A:

**SCHOOL INNOVATIONS
& ACHIEVEMENT**

Signature: 
 Date Signed: 1/3/2018
 Print Name: Jeffrey C. Williams
 Title: Chief Executive Officer
 Company: School Innovations & Achievement
 Address: 5200 Golden Foothill Parkway
El Dorado Hills, CA 95762
 Phone: (800) 487-9234
 Fax: (888) 487-6441

DISTRICT:

ENCORE HIGH SCHOOL - HESPERIA

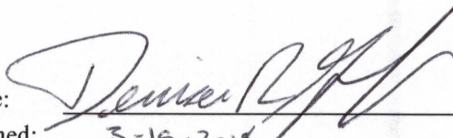
Signature: 
 Date Signed: 3-19-2018
 Print Name: Denise Griffin
 Title: CEO
 Address: 16955 Lemon Street
Hesperia, CA 92345
 Phone: 760-949-2036
 Fax: 760-956-3338
 Email: CEO@officerteam.com

EXHIBIT A - STANDARD TERMS AND CONDITIONS

1. **Scope of Services; Independent Contractor.** SI&A's services described in the Agreement (the "Services") detail the initial scope of services anticipated by SI&A as of the effective date of the Agreement ("Initial Scope of Services"). District acknowledges that the Fee (as defined below) is based on this Initial Scope of Services. If SI&A determines that the Initial Scope of Services may be or has been increased anytime during the Agreement Period, SI&A reserves the right to increase the Fee to compensate for the unanticipated or additional services as mutually agreed upon in writing by both Parties. This Agreement is not for lobbying services and SI&A is not being retained to provide lobbying services to District. The parties agree that School Innovations & Achievement is an independent contractor and the Agreement shall not be construed to create a relationship of agent, servant, employee, partnership, joint venture, association or any other relationship.
2. **Payment.** For purposes of the Agreement, the price of products and services set forth on the Products and Services Addendum and any other applicable fee pursuant to the Agreement shall be collectively referred to herein as the "Fee" or "Fees." District acknowledges that the Fees are based on the Initial Scope of Services anticipated by SI&A as of the date of this Agreement. The Fees shall be billed to District and District shall pay the entire amount within thirty (30) days after District receives SI&A's invoice.
3. **Termination.** Either party may terminate the Agreement, with or without cause, by delivering written notice of termination to the other party not later than thirty (30) days prior to expiration of the current agreement year within the Agreement Period. The effective date of termination shall be the expiration of such current year of the Agreement. Upon termination, SI&A will invoice District for any Fees owing and District shall pay the full invoice amount within thirty (30) days after receipt of SI&A's invoice. Except as set forth in this Section 3, neither party shall have any liability to the other for damages resulting solely from a party's termination of this Agreement in accordance with this Section 3.
4. **Notice.** All Agreement notices must be in writing, directed to the party's address set forth below such party's signature in the Agreement and shall be deemed to be received in accordance with the following: (a) in the case of personal delivery, on the date of such delivery; (b) in the case of facsimile transmission, on the date upon which the sender receives confirmation by facsimile transmission that such notice was received by the addressee, provided that a copy of such transmission is additionally sent by mail as set forth in (d) below; (c) in the case of overnight courier, on the second business day following the day such notice was sent, with receipt confirmed by the courier; and (d) in the case of mailing by first class certified mail, postage prepaid, return receipt requested, on the fifth business day following such mailing. A party may change the address stated in the Agreement by giving notice to the other party.
5. **District's General Responsibilities; District Acknowledgment.** During the Agreement Period, in addition to the obligations set forth in the Agreement, District is responsible for the following: (a) ensuring that District, its employees and contractors properly identify and comply with laws and regulations applicable to District's activities; (b) completing any documents required by SI&A for any service obtained by District; (c) importing only data that reflects student performance to the grade level into the school site plan to ensure confidentiality and consistency with FERPA guidelines; and (d) monitoring assignments of login and passwords to assure FERPA compliance. District acknowledges that SI&A's full, accurate and timely performance under this Agreement is materially dependent upon District's reasonable cooperation and assistance. District further acknowledges that SI&A's Initial Scope of Services and Fee presume a reasonable amount of cooperation and assistance from District, such as District's timely provision of certain information, documentation and personnel. SI&A has explained its requirements in this regard to District and District agrees to meet these requirements.
6. **Further Assurances.** Upon request of the other party, SI&A or District shall execute and deliver additional instruments and take additional actions as may be necessary or appropriate to perform the Agreement.
7. **Assignment Prohibited.** Neither party may assign any rights or obligations under this Agreement without the prior written consent of the other party. Any purported assignment in violation of the provisions of this Section 7 shall be null and void.
8. **Family Educational Rights and Privacy Act ("FERPA"); California Education Code.** SI&A may have limited access to student information only for purposes of providing the legally required notification services, if any, specified in this Agreement. SI&A performs the Services as an agent of District and has no right to access or utilize student information for any other purpose. SI&A, its officers and employees, shall comply with the Family Educational Rights and Privacy Act and California Education Code sections 49073 et seq. and/or sections 76240 et seq. at all times.
9. **Confidential and Proprietary Materials of SI&A.** During performance of the Agreement, SI&A may provide materials or disclose information to District that SI&A considers proprietary or confidential including, but not limited to SI&A's training handbooks, policy manuals, instructions, copyrighted checklists and forms ("SI&A's Materials"). District agrees that District acquires no interest of any kind in SI&A's Materials. At all times during and after the Agreement Period, District agrees (a) to keep SI&A's Materials in confidence and trust for SI&A; (b) not to disclose, duplicate or otherwise use SI&A's Materials, except in furtherance of SI&A's performance per the Agreement; (c) to limit access to SI&A's Materials to District's employees and/or contractors who have a "need to know;" and (d) to promptly return all copies of SI&A's Materials to SI&A after a request is made.
10. **Limitation of Liability; Indemnification.** In no event shall SI&A's liability to District, for any reason arising out of this Agreement, exceed the amount of the Fee actually received by SI&A under this Agreement. SI&A shall not be liable for any consequential damages. Each party agrees to defend, hold harmless, and indemnify the other party (and its officers, employees, trustees, agents, successors, and assigns) against all claims, suits, expenses (including reasonable attorney's fees), losses, penalties, fines, costs, and liability whether in contract, tort, or strict liability (including but not limited to personal injury, death at any time, and property damage) arising out of or made necessary by the indemnifying party's breach of the terms of this Agreement. In the event that any action or proceeding is brought against a party by reason of any claim or demand discussed in this Section 10, upon notice from the party, the indemnifying party shall defend the action or proceeding at the indemnifying party's expense, through counsel reasonably satisfactory to the other party. The obligations to indemnify set forth in this Section 10 shall include reasonable attorney's fees and investigation costs and all other reasonable costs, expenses, and liabilities from the time of giving the first notice of any claim or demand. The indemnifying party's obligations under this Section 10 shall apply regardless of whether the other party (or any of its officers, employees, trustees, or agents) is actively or passively negligent, but shall not apply to any loss, liability, fine, penalty, forfeiture, cost, or damage caused solely by the active negligence or by the willful misconduct of the other party.
11. **Governing Law; Enforcement Costs.** The Agreement shall be governed by and construed in accordance with the substantive laws of California. If any legal action (including arbitration) is commenced to enforce the Agreement's terms or a party's rights or obligations under this Agreement, then the prevailing party shall be entitled to recover all fees and costs incurred by the action, including reasonable attorneys' fees and arbitrators' fees, in addition to any other relief to which the party may be entitled.
12. **Judicial Reference.** In the event a dispute is not resolved through discussions and negotiations among the parties, the dispute shall be decided by general reference procedures pursuant to Code of Civil Procedure Section 638 et seq., as modified by the provisions of this Section 12, and any subsequent provisions mutually agreed upon in writing by the parties. The reference shall be conducted in accordance with California law, including, but not limited to, the Code of Civil Procedure and the Evidence Code. The parties shall be allowed to conduct discovery in the manner provided by Code of Civil Procedure Section 2017 et seq. **BOTH PARTIES HEREBY WAIVE A JURY TRIAL OR PROCEEDING IN CONNECTION WITH ANY DISPUTE ARISING OUT OF THIS AGREEMENT.** All general reference proceedings hereunder shall, unless all parties hereto otherwise agree, be conducted in a mutually agreeable location in the County of Sacramento, State of California.
13. **Modification; Interpretation; Severability; Construction.** No modification or supplement to any provision of the Agreement shall be valid, unless executed in writing by both parties. No provision of the Agreement shall be construed to require the commission of any act contrary to law. If any term, provision, covenant or condition of the Agreement is held to be invalid or otherwise unenforceable, the rest of the Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated. SI&A shall have the full power and authority to interpret, construe and administer the Agreement and SI&A's determination shall be binding and conclusive on the parties for all purposes. The headings preceding each Section and subsection of this Agreement are solely for convenience of reference only, are not part of the Agreement, and shall be disregarded in the interpretation of any portion of the Agreement. Whenever required by the context of the Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. The Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties had prepared the same. Unless otherwise indicated, all references to paragraphs, Sections, subparagraphs and subsections are to the Agreement.
14. **Waiver.** Either party's failure at any time to enforce any default or right reserved to it, or to require performance of any of the Agreement's terms, covenants, provisions by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter.
15. **Force Majeure.** A party shall not be liable under the Agreement as a result of any delay, failure or interruption caused by the other party or third parties, an act of God, acts or orders of governmental authorities, acts of civil or military authorities, catastrophes or other cause (other than financial) beyond the party's reasonable control, and such nonperformance will not be a default hereunder or a ground for termination of the Agreement.

EXHIBIT B



Please complete the following to enable SI&A to best manage District's expectations and SARC layout preferences.

1. Page Layout:

- Single-Sided
 Double-Sided

2. Colors:

- Anthem (red, white, and blue)
 Nantucket (shades of blue)
 Coastal (blues and greens)
 Greenhouse (greens and yellow)
 Tide Pool (shades of teal)
 Other - please list 2-3 colors here: Red, White, Black

3. Photos:

- Stock SI&A Photos
 District Supplied Photos*

** SI&A may work with several of the District's school photos, supplied in digital format (such as a .jpeg or .gif file). The photos will run in color. If the pictures are of students, there must be a parental consent on file to use the photos in the SARC.*

4. District's SARC Contact:

Name: Denise Griffin
Telephone: 760-949-2036
E-mail: ceo@officeteam.com
Physical Address: 110955 Lemon Street, Hesperia CA 92345
(address where your SARC package will be mailed)

5. Production Schedule and Deadlines:

- a. Following SI&A's receipt of the signed Agreement, SI&A's SARC Department shall contact District to discuss and finalize the Production Schedule, which shall establish deadlines, delivery dates, materials to be supplied by District and other items necessary to complete the SARC.
- b. Critical phases of the Production Schedule include the following:
 - i. Questionnaires to be completed by District and submitted to SI&A;
 - ii. SI&A's initial SARC draft sent for District's review;
 - iii. District's requested revisions of SARC provided to SI&A; and
 - iv. SARC is published and shipped.

6. Translation Services: If District has contracted for any translation services, these services require additional time to complete after all English SARCs are completed.

*If you have any questions, please call Sybil Pearson at (800) 487-9234.
The SARC Production Team looks forward to working with you!*

EXHIBIT C

PRICE QUOTE FOR SERVICES

DISCOUNTED ANNUAL FEE

(If Agreement is received on or before March 31, 2018)

ANNUAL SARC	# of Sites	Cost Per Site	Total Cost to District
SARC (English)	1	800	\$800
Spanish Translation			
Translation Other than Spanish			
SARC Summary			
Translation Formatting			
Total			\$800

STANDARD ANNUAL FEE

(If Agreement is received after March 31, 2018)

ANNUAL SARC	# of Sites	Cost Per Site	Total Cost to District
SARC (English)	1	850	\$850
Spanish Translation			
Translation Other than Spanish			
SARC Summary			
Translation Formatting			
Total			\$850

SCHOOL SITES

Encore High School - Hesperia



SCHOOL ACCOUNTABILITY REPORT CARD SERVICES AGREEMENT

**Between
SCHOOL INNOVATIONS & ACHIEVEMENT
And the
ENCORE HIGH SCHOOL - RIVERSIDE**

THIS AGREEMENT, dated March 19, 2018 (the "Agreement") is made by and between Encore High School - Riverside ("District"), and School Innovations & Achievement, a California corporation ("SI&A"), each being a "Party" and collectively the "Parties".

RECITALS

WHEREAS, District is authorized to retain services for the preparation of school accountability report cards ("SARC") pursuant to the California Education Code Section 35160; and

WHEREAS, it is necessary and desirable that SI&A be retained by District for the purpose of performing the above described service and SI&A is qualified to perform such service;

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

1. **Agreement Period.** The Agreement period begins July 1, 2018 (the "Effective Date") and will automatically expire on June 30, 2021 (the "Expiration Date"). The Agreement period consists of three (3) District fiscal years (July 1, 2018 through June 30, 2019; July 1, 2019 through June 30, 2020; and July 1, 2020 through June 30, 2021), the "Agreement Period". Each fiscal year within the Agreement Period is an "Agreement Year".

2. **Services.**

Description of Services. SI&A agrees to provide District the following consulting services ("Services") during the Agreement Period:

2.1 Compile the 2017/18, 2018/19 and 2019/20 SARC (in English) for each school site as indicated in Exhibit C – Price Quote for Services ("School Sites"). This compilation of SARC includes, but is not limited to, the following: (a) an assessment of the school's conditions pursuant to Proposition 98, (b) California Education Code Sections 17002, 17014, 17032.5, 17070.75, 17089, 32286, 52056, 60119, 33126, 35256, 35256.1, 35258, 41409 and 41409.3, (c) California Department of Education changes to the SARC per *Eliezer Williams, et al., vs. State of California, et al.*, and (d) Title I, Section 1111(b)(2)(H). Upon District's request, SI&A may translate the SARC into a different language for an additional fee, as indicated in Exhibit C – Price Quote for Services;

2.2 In each SARC, disclose the salary and budget information for districts that operate more than one (1) School Site, pursuant to the California Education Code Section 41409.3;

- 2.3 Provide District with one (1) hard copy of the SARC for each School Site and an Adobe Acrobat Reader PDF file. Additional copies are outside the Initial Scope of Services (as defined in Exhibit A – Standard Terms and Conditions, Section 1), however, upon District’s request, more copies will be provided for an additional fee, which shall be billed separately;
- 2.4 Serve as District’s liaison with the California Department of Education and other government entities regarding (a) information requests, (b) clarifications, or (c) compliance reviews that may occur;
- 2.5 Maintain appropriate record keeping practices per State regulations;
- 2.6 Prior to finalizing the SARC, SI&A shall verify the propriety and accuracy of the information contained therein with District. District shall be entitled to a maximum of three (3) reviews and three (3) revisions of the draft version of the SARC prior to publishing within the Initial Scope of Services and Fees (as defined in Exhibit A – Standard Terms and Conditions). Revisions within the Initial Scope of Services include, but are not limited to, changes to State or district data. If District’s proposed changes exceed either the Initial Scope of Services or the three (3) revisions maximum, the Parties shall execute an amendment to the Agreement and additional fees shall apply. In such event, SI&A shall provide District with an Agreement amendment describing the additional amounts of time and fees of the proposed revisions for District’s review, approval and signature. SI&A will not perform additional services until such amendment is executed. Requests for additional revisions submitted after the Production Schedule (as defined in Exhibit B – SARC Format Checklist) may cause a delay of the final SARC delivery and result in additional fees under this Agreement; and
- 2.7 Complete delivery of the final SARC per the agreed upon Production Schedule (as defined in Exhibit B – SARC Format Checklist).

3. **Payment of Fees.**

3.1 **Fees.** For Services provided pursuant to the terms of this Agreement, District agrees to pay SI&A:

- **\$800** annually (the “Discounted Annual Fee”), as indicated in Exhibit C – Price Quote for Services for the fiscal years 2018/19, 2019/20, and 2020/21, if Agreement is received on or before March 31, 2018, or
- **\$850** annually (the “Standard Annual Fee”), as indicated in Exhibit C – Price Quote for Services for the fiscal years 2018/19, 2019/20, and 2020/21, if Agreement is received after March 31, 2018.

3.2 **Payment Plan.** The Fee is payable as follows:


	Agreement Received By Date	FY 18/19 Due 07/01/18	FY 19/20 Due 07/01/19	FY 20/21 Due 07/01/20
Discounted Annual Fee	On or Before March 31, 2018	\$800	\$800	\$800
Standard Annual Fee	After March 31, 2018	\$850	\$850	\$850

4. **Entire Agreement.** This Agreement, including, without limitation, the Standard Terms and Conditions attached hereto as Exhibit A and the Price Quote for Services attached hereto as Exhibit C, is the final expression of, and contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto.
5. **Exhibits.** All exhibits referred to in this Agreement are attached and incorporated herein by this reference.
6. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, including copies sent to a party by facsimile transmission or in portable document format (pdf), as against the party signing such counterpart, but which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the District and SI&A have made and executed this Agreement as set forth below.

SI&A:

**SCHOOL INNOVATIONS
& ACHIEVEMENT**

Signature: 
 Date Signed: 1/3/2018
 Print Name: Jeffrey C. Williams
 Title: Chief Executive Officer
 Company: School Innovations & Achievement
 Address: 5200 Golden Foothill Parkway
El Dorado Hills, CA 95762
 Phone: (800) 487-9234
 Fax: (888) 487-6441

DISTRICT:

ENCORE HIGH SCHOOL - RIVERSIDE

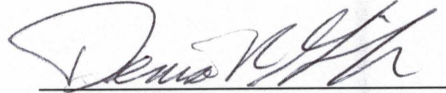
Signature: 
 Date Signed: 3/14/18
 Print Name: Denise Griffin
 Title: CEO
 Address: 16955 Lemon Street
Hesperia, CA 92345
 Phone: 760-949-2036
 Fax: 760-956-3336
 Email: ceo@officer team.com

EXHIBIT A - STANDARD TERMS AND CONDITIONS

1. **Scope of Services; Independent Contractor.** SI&A's services described in the Agreement (the "Services") detail the initial scope of services anticipated by SI&A as of the effective date of the Agreement ("Initial Scope of Services"). District acknowledges that the Fee (as defined below) is based on this Initial Scope of Services. If SI&A determines that the Initial Scope of Services may be or has been increased anytime during the Agreement Period, SI&A reserves the right to increase the Fee to compensate for the unanticipated or additional services as mutually agreed upon in writing by both Parties. This Agreement is not for lobbying services and SI&A is not being retained to provide lobbying services to District. The parties agree that School Innovations & Achievement is an independent contractor and the Agreement shall not be construed to create a relationship of agent, servant, employee, partnership, joint venture, association or any other relationship.
2. **Payment.** For purposes of the Agreement, the price of products and services set forth on the Products and Services Addendum and any other applicable fee pursuant to the Agreement shall be collectively referred to herein as the "Fee" or "Fees." District acknowledges that the Fees are based on the Initial Scope of Services anticipated by SI&A as of the date of this Agreement. The Fees shall be billed to District and District shall pay the entire amount within thirty (30) days after District receives SI&A's invoice.
3. **Termination.** Either party may terminate the Agreement, with or without cause, by delivering written notice of termination to the other party not later than thirty (30) days prior to expiration of the current agreement year within the Agreement Period. The effective date of termination shall be the expiration of such current year of the Agreement. Upon termination, SI&A will invoice District for any Fees owing and District shall pay the full invoice amount within thirty (30) days after receipt of SI&A's invoice. Except as set forth in this Section 3, neither party shall have any liability to the other for damages resulting solely from a party's termination of this Agreement in accordance with this Section 3.
4. **Notice.** All Agreement notices must be in writing, directed to the party's address set forth below such party's signature in the Agreement and shall be deemed to be received in accordance with the following: (a) in the case of personal delivery, on the date of such delivery; (b) in the case of facsimile transmission, on the date upon which the sender receives confirmation by facsimile transmission that such notice was received by the addressee, provided that a copy of such transmission is additionally sent by mail as set forth in (d) below; (c) in the case of overnight courier, on the second business day following the day such notice was sent, with receipt confirmed by the courier; and (d) in the case of mailing by first class certified mail, postage prepaid, return receipt requested, on the fifth business day following such mailing. A party may change the address stated in the Agreement by giving notice to the other party.
5. **District's General Responsibilities; District Acknowledgment.** During the Agreement Period, in addition to the obligations set forth in the Agreement, District is responsible for the following: (a) ensuring that District, its employees and contractors properly identify and comply with laws and regulations applicable to District's activities; (b) completing any documents required by SI&A for any service obtained by District; (c) importing only data that reflects student performance to the grade level into the school site plan to ensure confidentiality and consistency with FERPA guidelines; and (d) monitoring assignments of login and passwords to assure FERPA compliance. District acknowledges that SI&A's full, accurate and timely performance under this Agreement is materially dependent upon District's reasonable cooperation and assistance. District further acknowledges that SI&A's Initial Scope of Services and Fee presume a reasonable amount of cooperation and assistance from District, such as District's timely provision of certain information, documentation and personnel. SI&A has explained its requirements in this regard to District and District agrees to meet these requirements.
6. **Further Assurances.** Upon request of the other party, SI&A or District shall execute and deliver additional instruments and take additional actions as may be necessary or appropriate to perform the Agreement.
7. **Assignment Prohibited.** Neither party may assign any rights or obligations under this Agreement without the prior written consent of the other party. Any purported assignment in violation of the provisions of this Section 7 shall be null and void.
8. **Family Educational Rights and Privacy Act ("FERPA"); California Education Code.** SI&A may have limited access to student information only for purposes of providing the legally required notification services, if any, specified in this Agreement. SI&A performs the Services as an agent of District and has no right to access or utilize student information for any other purpose. SI&A, its officers and employees, shall comply with the Family Educational Rights and Privacy Act and California Education Code sections 49073 et seq. and/or sections 76240 et seq. at all times.
9. **Confidential and Proprietary Materials of SI&A.** During performance of the Agreement, SI&A may provide materials or disclose information to District that SI&A considers proprietary or confidential including, but not limited to SI&A's training handbooks, policy manuals, instructions, copyrighted checklists and forms ("SI&A's Materials"). District agrees that District acquires no interest of any kind in SI&A's Materials. At all times during and after the Agreement Period, District agrees (a) to keep SI&A's Materials in confidence and trust for SI&A; (b) not to disclose, duplicate or otherwise use SI&A's Materials, except in furtherance of SI&A's performance per the Agreement; (c) to limit access to SI&A's Materials to District's employees and/or contractors who have a "need to know;" and (d) to promptly return all copies of SI&A's Materials to SI&A after a request is made.
10. **Limitation of Liability; Indemnification.** In no event shall SI&A's liability to District, for any reason arising out of this Agreement, exceed the amount of the Fee actually received by SI&A under this Agreement. SI&A shall not be liable for any consequential damages. Each party agrees to defend, hold harmless, and indemnify the other party (and its officers, employees, trustees, agents, successors, and assigns) against all claims, suits, expenses (including reasonable attorney's fees), losses, penalties, fines, costs, and liability whether in contract, tort, or strict liability (including but not limited to personal injury, death at any time, and property damage) arising out of or made necessary by the indemnifying party's breach of the terms of this Agreement. In the event that any action or proceeding is brought against a party by reason of any claim or demand discussed in this Section 10, upon notice from the party, the indemnifying party shall defend the action or proceeding at the indemnifying party's expense, through counsel reasonably satisfactory to the other party. The obligations to indemnify set forth in this Section 10 shall include reasonable attorney's fees and investigation costs and all other reasonable costs, expenses, and liabilities from the time of giving the first notice of any claim or demand. The indemnifying party's obligations under this Section 10 shall apply regardless of whether the other party (or any of its officers, employees, trustees, or agents) is actively or passively negligent, but shall not apply to any loss, liability, fine, penalty, forfeiture, cost, or damage caused solely by the active negligence or by the willful misconduct of the other party.
11. **Governing Law; Enforcement Costs.** The Agreement shall be governed by and construed in accordance with the substantive laws of California. If any legal action (including arbitration) is commenced to enforce the Agreement's terms or a party's rights or obligations under this Agreement, then the prevailing party shall be entitled to recover all fees and costs incurred by the action, including reasonable attorneys' fees and arbitrators' fees, in addition to any other relief to which the party may be entitled.
12. **Judicial Reference.** In the event a dispute is not resolved through discussions and negotiations among the parties, the dispute shall be decided by general reference procedures pursuant to Code of Civil Procedure Section 638 et seq., as modified by the provisions of this Section 12, and any subsequent provisions mutually agreed upon in writing by the parties. The reference shall be conducted in accordance with California law, including, but not limited to, the Code of Civil Procedure and the Evidence Code. The parties shall be allowed to conduct discovery in the manner provided by Code of Civil Procedure Section 2017 et. seq. **BOTH PARTIES HEREBY WAIVE A JURY TRIAL OR PROCEEDING IN CONNECTION WITH ANY DISPUTE ARISING OUT OF THIS AGREEMENT.** All general reference proceedings hereunder shall, unless all parties hereto otherwise agree, be conducted in a mutually agreeable location in the County of Sacramento, State of California.
13. **Modification; Interpretation; Severability; Construction.** No modification or supplement to any provision of the Agreement shall be valid, unless executed in writing by both parties. No provision of the Agreement shall be construed to require the commission of any act contrary to law. If any term, provision, covenant or condition of the Agreement is held to be invalid or otherwise unenforceable, the rest of the Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated. SI&A shall have the full power and authority to interpret, construe and administer the Agreement and SI&A's determination shall be binding and conclusive on the parties for all purposes. The headings preceding each Section and subsection of this Agreement are solely for convenience of reference only, are not part of the Agreement, and shall be disregarded in the interpretation of any portion of the Agreement. Whenever required by the context of the Agreement, the singular shall include the plural and the masculine shall include the feminine and vice versa. The Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties had prepared the same. Unless otherwise indicated, all references to paragraphs, Sections, subparagraphs and subsections are to the Agreement.
14. **Waiver.** Either party's failure at any time to enforce any default or right reserved to it, or to require performance of any of the Agreement's terms, covenants, provisions by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter.
15. **Force Majeure.** A party shall not be liable under the Agreement as a result of any delay, failure or interruption caused by the other party or third parties, an act of God, acts or orders of governmental authorities, acts of civil or military authorities, catastrophes or other cause (other than financial) beyond the party's reasonable control, and such nonperformance will not be a default hereunder or a ground for termination of the Agreement.

EXHIBIT B



Please complete the following to enable SI&A to best manage District's expectations and SARC layout preferences.

1. Page Layout:

- Single-Sided
 Double-Sided

2. Colors:

- Anthem (red, white, and blue)
 Nantucket (shades of blue)
 Coastal (blues and greens)
 Greenhouse (greens and yellow)
 Tide Pool (shades of teal)
 Other - please list 2-3 colors here: Red, White, Black

3. Photos:

- Stock SI&A Photos
 District Supplied Photos*

** SI&A may work with several of the District's school photos, supplied in digital format (such as a .jpeg or .gif file). The photos will run in color. If the pictures are of students, there must be a parental consent on file to use the photos in the SARC.*

4. District's SARC Contact:

Name: Denise Griffin
Telephone: 760-949-7036
E-mail: CEO@officerteam.com
Physical Address: 16955 Lemon Street, Hesperia, CA 92345
(address where your SARC package will be mailed)

5. Production Schedule and Deadlines:

- a. Following SI&A's receipt of the signed Agreement, SI&A's SARC Department shall contact District to discuss and finalize the Production Schedule, which shall establish deadlines, delivery dates, materials to be supplied by District and other items necessary to complete the SARC.
- b. Critical phases of the Production Schedule include the following:
 - i. Questionnaires to be completed by District and submitted to SI&A;
 - ii. SI&A's initial SARC draft sent for District's review;
 - iii. District's requested revisions of SARC provided to SI&A; and
 - iv. SARC is published and shipped.

6. Translation Services: If District has contracted for any translation services, these services require additional time to complete after all English SARCs are completed.

*If you have any questions, please call Sybil Pearson at (800) 487-9234.
The SARC Production Team looks forward to working with you!*

EXHIBIT C

PRICE QUOTE FOR SERVICES

DISCOUNTED ANNUAL FEE

(If Agreement is received on or before March 31, 2018)

ANNUAL SARC	# of Sites	Cost Per Site	Total Cost to District
SARC (English)	1	800	\$800
Spanish Translation			
Translation Other than Spanish			
SARC Summary			
Translation Formatting			
Total			\$800

STANDARD ANNUAL FEE

(If Agreement is received after March 31, 2018)

ANNUAL SARC	# of Sites	Cost Per Site	Total Cost to District
SARC (English)	1	850	\$850
Spanish Translation			
Translation Other than Spanish			
SARC Summary			
Translation Formatting			
Total			\$850

SCHOOL SITES

Encore High School - Riverside



Exhibit 7.3

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

FORMAL ADOPTION OF ACTION PLAN FOR RUSD. The executive team has created an action plan with the help of legal team, YMC to address and remedy the notice of violation given by RUSD.



March 30, 2018

VIA: EMAIL AND U.S. MAIL
dhansen@rusd.k12.ca.us
kholmes@rusd.k12.ca.us

David C. Hansen, Ed.D., Superintendent
Members of the Board of Education
Riverside Unified School District
3380 Fourteenth Street
Riverside, CA 92501

**Re: Encore High School for the Arts Response to Riverside Unified School District
Notice of Violation**

Dear Members of the Board of Education of the Riverside Unified School District and Superintendent Hansen:

The purpose of this letter is to respond to the Notice of Violation (“NOV”) issued by the Riverside Unified School District (“RUSD” or the “District”) Board of Education on March 6, 2018 to Encore High School for the Arts (“Encore” or the “Charter School”).

At the outset, Encore wishes to express its continued desire to work in partnership with the District for the benefit of all students and to work in an open and transparent way to immediately address any concerns the District may have after reviewing this Response. The Encore Board of Directors approached the NOV Response very seriously, and with a strong commitment to remedying all alleged violations to the ultimate satisfaction of the District Board and staff. Encore strongly believes that it has cured or nearly cured all alleged violations, and that it has put in place mechanisms to ensure that such issues do not recur. The items identified in the NOV occurred in the past; the remedies implemented ensure that they will not occur again in the future.

Encore has Refuted, Remedied, or Has a Plan to Remedy All Allegations from the Notice of Violation

Pursuant to the California Code of Regulations, Title 5 (5 CCR), Section 11968.5.2(c)(1), Encore has prepared this written response “addressing each identified violation which shall include the refutation, remedial action taken, or proposed remedial action taken by the charter school specific to each alleged violation.”

The District Board of Education may only continue the revocation process if it “has substantial evidence that the charter school has failed to refute to the chartering authority’s satisfaction, or remedy a violation identified in the Notice of Violation...” (5 CCR Section 11968.5.2(d)(1).) It is the intent of the Encore Board that this process not proceed past the NOV stage. As such, as detailed below in this Response, Encore is optimistic that you will find herein that Encore has sufficiently refuted, remedied, or proposed a remedy to each alleged violation included in the NOV and respectfully requests that the District discontinue the revocation process as soon as possible.

While no organization can be perfect 100% of the time, Encore strives to be so; Encore has dedicated itself to the betterment of students of RUSD and will continue to reassess its processes and policies to continually improve its operations. Encore has appreciated the opportunity to address the District’s concerns with staff and to further hone its operational policies and practices to ensure compliance with the law, its charter, and best practices.

Procedural Issues Identified in the Notice of Violation

We respectfully point out below procedural issues that we have identified regarding the NOV.

The NOV includes no specific evidence of the alleged violations as required by 5 CCR § 11965(f)(2): “Notice of Violation ... shall identify ... [a]ll evidence relied upon by the chartering authority in determining the charter school engaged in any of the acts or omissions identified in subdivision (f)(1) including the date and duration of the alleged violation(s), showing the violation(s) is/are both material and uncured, and that the alleged violation(s) occurred within a reasonable period of time before a notice of violation is issued.”

In addition, the NOV incorrectly states that “At any time, the District Board may choose to move forward with a Notice of Intent to Revoke the Charter if it finds that either the Remediation Plan is inadequate to successfully remedy the violations and/or that sufficient progress has not been made toward completion of the tasks outlined in the Remediation Plan.” In fact, according to 5 CCR § 11968.5.2(d)-(h), the District may decide to move forward with issuing a Notice of Intent to Revoke only after the conclusion of the “reasonable opportunity to remedy” identified in the NOV (i.e., May 30, 2018).

Encore’s Increases in Pupil Achievement are the Most Important Factor for District Consideration

Lastly, we point out that Education Code 47607(c)(2) requires the following:

“The authority that granted the charter shall consider increases in pupil achievement for all groups of pupils served by the charter school as the most important factor in determining whether to revoke a charter.” (Emphasis added.)

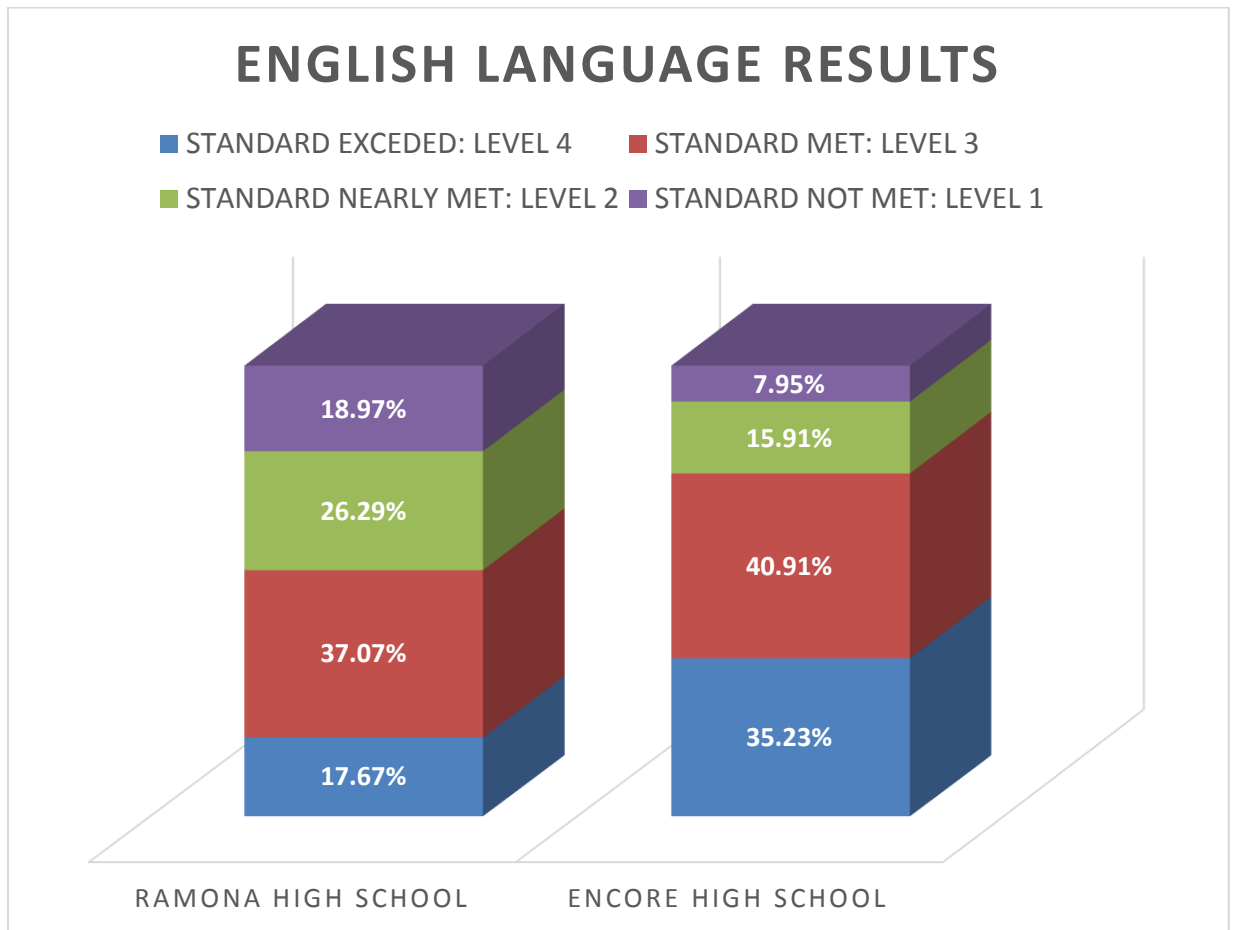
The District Board of Education is required by law to consider the impressive academic achievement scores earned by Encore. The Court of Appeal explained in *American Indian Model*

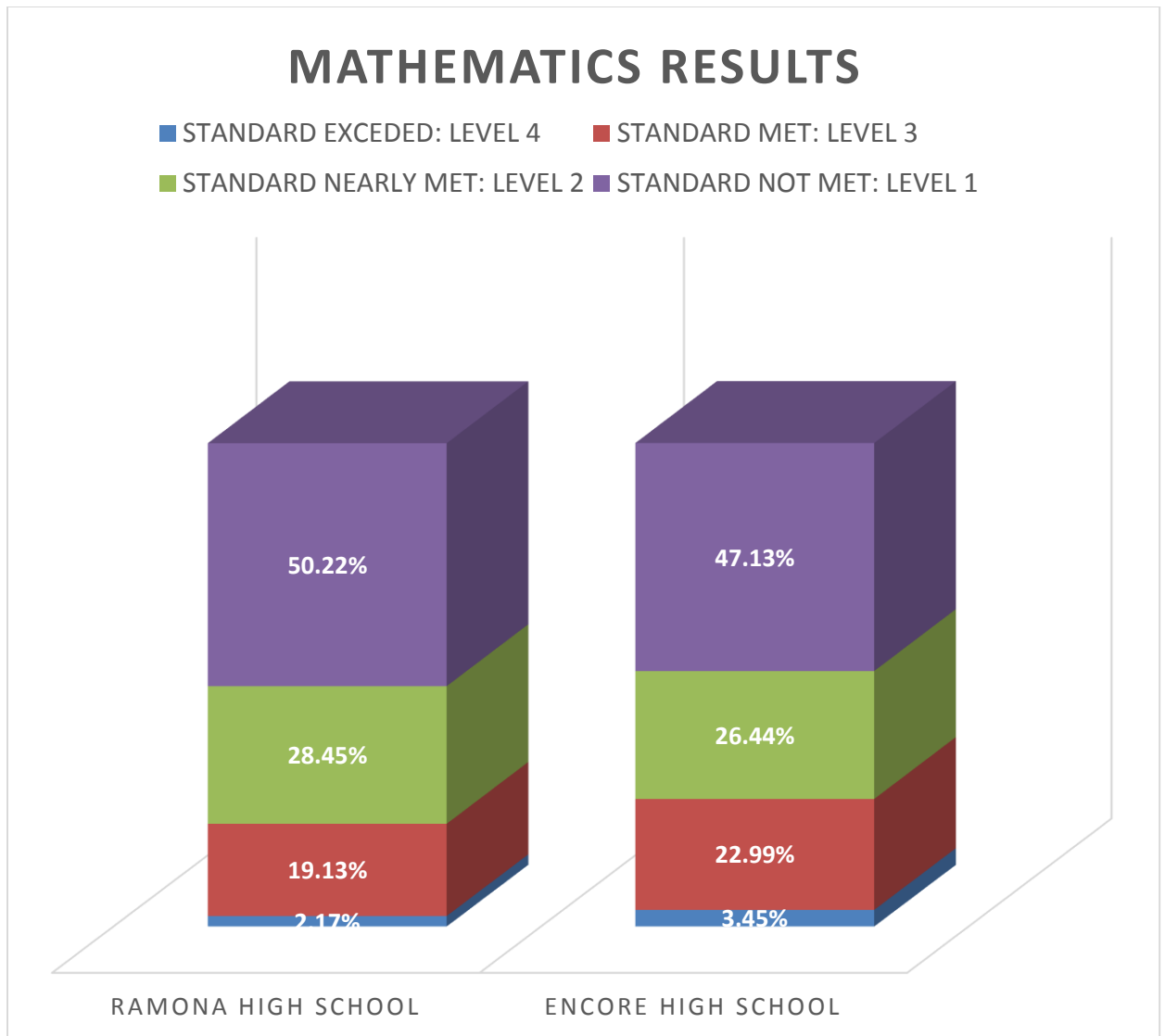
Schools v. Oakland Unified School District that “[Education Code section 47607(c)(2)] does not indicate that the District’s obligation is satisfied by announcing it has considered increases in pupil academic achievement. Rather, this statute pronounces that this consideration must be made as ‘the most important factor’ when deciding whether to revoke a charter.” ((2014) 227 Cal.App.4th 258, 277-78.) The Court cited from the comments to Senate Bill No. 1290, which stated:

“This bill specifies that a charter authorizer *must* consider increases in pupil academic achievement for all groups of pupils served by the school . . . “as the most important factor” for renewal and revocation. *This does not mean the charter school is automatically not renewed or revoked*, but it does mean that the charter authority must consider this information as the most important factor in making its decision.”

In other words, the chartering authority *must give extra weight* to the academic-success factor when it considers all the factors for renewal or revocation. (*Id.* at 282.)

Please see the following data demonstrating Encore’s academic achievement:





Encore Responses to the District’s Alleged Violations

Below, please find a table listing the alleged violations from the NOV, in the order in which they were presented, with Encore’s responses and description of actions taken.

ALLEGED VIOLATIONS	ENCORE’S RESPONSES AND ACTIONS TAKEN
Encore has had a practice of hiring employees prior to receiving background clearances from DOJ	This is not accurate and was not Encore’s intent. Encore submitted background checks to DOJ and thought that it would receive a background reports on a potential employee if there was any criminal background to report. However, as a result of an issue with an individual employee, it was discovered that the DOJ background checks were not being routed

ALLEGED VIOLATIONS	ENCORE’S RESPONSES AND ACTIONS TAKEN
	to the school properly. Encore has already remedied this issue. No employee commences employment at Encore prior to receiving notification that they have cleared their background check.
Due to a computer glitch, Encore did not receive background checks prior to October 27, 2017.	Encore has remedied this situation. All employees, whether previously cleared or not, have submitted to a new fingerprinting at the expense of Encore. No employee has been retained who had issues in their criminal background check that would prevent them from being an Encore employee.
In February 2017, Encore HR became aware that it should have been receiving DOJ reports for all employees who submitted LiveScans, not just those with criminal records. Encore reached out to DOJ in February 2017 and again in August 2017 for clarification and assistance, but the problem was not resolved.	<p>In February 2017, Encore HR reached out to DOJ and was told that everything was working correctly. In August of 2017, DOJ confirmed again that the system was working correctly. Feeling like something wasn’t right, Encore HR reached out again to DOJ and they again said that what she was receiving was accurate. It was not until an issue came up with a specific employee that the issue was found and resolved. In October of 2017, DOJ was able to work with Encore HR to remedy the glitch in the system.</p> <p>Encore has fully remedied this situation. All Encore employees have redone their fingerprints.</p>
Encore did not access reports from DOJ until October 27, 2017 when, as a result of the District’s inquiry, and at DOJ’s suggestion, HR personnel used a different computer to log on to the DOJ website. At that point, HR was able to access 91 unopened emails sent by DOJ over the previous 90 days. According to Encore, DOJ could not recover background check reports sent prior to July 2017 for either new or existing employees.	Encore has fully remedied this situation. The facts stated are not exactly correct (it was not the DOJ’s suggestion to try a different computer. They were still maintaining that everything was fine. Encore HR took the initiative to try to find out what was going on with the reports and decided to try a different computer.) However, Encore has redone all LiveScan reports and now keep a printed copy of all results. The District can inspect these reports to verify compliance if it wishes to do so.
Encore CEO and COO knowingly hired a previously incarcerated individual in a nonteaching position pending completion of a DOJ background check. Because the	Encore has remedied this situation. The individual that did not pass the LiveScan clearance was terminated immediately upon receipt of the report. To make sure that there

ALLEGED VIOLATIONS	ENCORE'S RESPONSES AND ACTIONS TAKEN
<p>resulting DOJ report was not access and reviewed by Encore, the individual was employed for approximately one year.</p>	<p>were no other mishaps caused by not receiving reports, Encore had all employees redo their LiveScan report.</p>
<p>There is no indication that the COO properly monitored background clearances and reported to the Corporation's Board of Directors regarding compliance on a regular basis, as required by the Charter</p>	<p>Encore has remedied this situation. The COO, now that the reports are being printed, is scheduled to report during closed session any issues arising from the completion of a LiveScan report.</p>
<p>Encore's Board of Directors has not adopted, or conducted a biennial review of, a Conflict of Interest Code in accordance with the Political Reform Act and Implementing regulations since Encore Commenced operations in Riverside in 2015. Encore has not filed a Conflict of Interest Code or the required Biennial Notices with either the County of Riverside or the FPPC.</p>	<p>Encore will have this remedied by April 15, 2018. Encore does have an adopted Conflict of Interest Code, but it is outdated. Encore's administration, executive team, and Board of Directors underwent Conflict of Interest and Brown Act training on February 27, 2018 provided by Encore's legal counsel, Young, Minney, & Corr. At the April 2018 Encore Board of Directors meeting, the new Conflict of Interest Code will be approved. Encore will file the Conflict of Interest Code with the FPPC for their approval. They are Encore's code reviewing body since we operate in more than one county.</p>
<p>Encore's Board of Directors and Executive Team members have not completed and filed statements of Economic Interests (SEIs, also known as "Form 700s") in accordance with the Political Reform Act and Implementing regulations since Encore commenced operations in Riverside in 2015. Encore's Board of Directors meeting agenda and minutes from June 26, 2017 show an agenda item at which the subject of SEIs/Form 700s was addressed and individuals were directed to complete them by the next meeting. There is no indication this was done. Neither the County of Riverside nor the FPPC have record of SEIs.</p>	<p>Encore is in process of remedying this situation. Form 700s were completed for this year. Encore is also in process of completing form 700s for the last seven years. Encore will file all of the Form 700s with any other agency necessary once the Conflict of Interest Code is approved by the Encore Board and FPPC. The Form 700s are currently on file at Encore and available for public review on request.</p>
<p>Encore's Executive Team members do not have an understanding of their obligations under the Political Reform Act and implementing regulations. This finding is based on interviews conducted with Executive Team members in January 2018. There is no indication that Encore's Board of</p>	<p>Encore has remedied the situation. On February 27, 2018 Encore's Board of Directors, Administrators, and Executive Team underwent Brown Act and Conflict of Interest training from Encore's legal counsel, Young, Minney, & Corr. Encore will do this training annually as required by the MOU.</p>

ALLEGED VIOLATIONS	ENCORE'S RESPONSES AND ACTIONS TAKEN
Directors or Executive Team received annual training in conflicts of interest laws, including the Political Reform Act and Government Code Section 1090, as required with the MOU with the District.	
Encore's CEO has been responsible for approving or disapproving all requests for reimbursement, submitted by Encore employees, including herself, her husband, and other family members, in violation of the Political Reform Act and implementing regulations, Government Code 1090, and/or common law conflicts of interest laws. This includes approving and signing a reimbursement check to her husband for more than \$24,000.	<p>Encore has remedied this situation. Beginning on March 1, 2018, all Chief Officers within the organization must submit an expense report to have any and all reimbursement expenses Board approved prior to payment.</p> <p>Encore also has two people approving all other reimbursements, a Department Chair or Site Administrator and then the CEO. In the event that the person being reimbursed is a family member of the CEO or either of either of the two approving signatures, the reimbursement shall also require Board approval.</p>
Meeting agendas for Encore Board of Directors board meetings are often not Brown Act compliant. Closed session items do not include information required by the Brown Act	Encore has remedied this situation. While Encore disagrees that Board meetings are often not Brown Act compliant, the Board of Directors, the Administration, and the Executive Team have all undergone Brown Act Training on February 27, 2018 with our legal counsel, Young, Minney, & Corr to make sure that all compliances can be met and understood. In addition, Encore will continue to work closely with legal counsel to ensure its board agendas and meeting procedures are compliant with the Brown Act.
Board meetings have been conducted and action taken without a quorum of Board of Directors present	Encore has remedied this situation. While Encore does not believe that they have conducted meetings without quorum (the June 26, 2017 meeting was held with two members when Encore only had three members on the board), Encore has undergone Brown Act Training on February 27, 2018 with our legal counsel, Young, Minney, & Corr to make sure that all requirements are followed.
Board of Directors and Executive Team members have not received annual training from legal counsel on the Brown Act as required by MOU with the District.	Encore has remedied this situation. Encore's Board of Directors, Administration, and Executive Team has undergone Brown Act Training on February 27, 2018 presented by our legal counsel, Young, Minney, & Corr. To

ALLEGED VIOLATIONS	ENCORE'S RESPONSES AND ACTIONS TAKEN
	further make sure that training is not missed, it has been scheduled on the annual board agenda calendar in July of every year.
A reimbursement check was issued from the CEO to the COO on April 1, 2017 in the amount of \$24,862.24 covering a period from July 2016 through March 2017 and representing over 100 transactions.	<p>Encore has remedied this situation.</p> <ul style="list-style-type: none"> • Beginning on March 1, 2018 all Chief Officer reimbursements or expenses must be Board approved in an expense report prior to reimbursements being made. • All reimbursements now require two signatures, one from a site-based manager (Department chair or administrator) and then one from a Chief Officer • Encore has contracted with Charter Impact to review and realign all internal practices as an internal, third party audit. • Encore's administration intends to recommend that the Board adopt a policy mandating that employees submit all requests for reimbursement within 60 days of incurring the expense.
The CEO brought home a cashbox on at least one occasion, reportedly due to concerns about theft	Encore has remedied this situation. The CEO no longer has anything to do with the petty cash and the fear of theft was removed by changing the locks. (The suspect had access to a staff member's keys that had access to the CEO office and the locked file cabinet where the cash box was kept at the time.) This was an isolated incident where the CEO was protecting cash of the nonprofit; and since then locks were changed on all of the offices to increase security. Additionally, the file cabinet where the petty cash is kept has a unique key to which only the executive management team has access.
Encore does not have a Chief Financial Officer or business services official onsite. Instead, that role is filled by Encore's CEO working closely with Encore's back office services company located in Sacramento	Encore does not believe that a CFO is needed onsite due to the extensive services that are provided by Encore's back office services company. Adding a position of this sort would be cost prohibitive at this time. Additionally, Encore has not had any audit findings in its

ALLEGED VIOLATIONS	ENCORE’S RESPONSES AND ACTIONS TAKEN
	<p>most recent audit so Encore believes that adding a position is not essential this fiscal year. However, Encore has contracted with back office expert, Charter Impact, to review fiscal procedures, make recommendations and retrain employees to implement new procedures.</p> <ul style="list-style-type: none"> • Their services began on March 12, 2018 • During the first 30 days of the contract, they will be reviewing all fiscal processes and controls • During the second 30 days, they will be offering suggestions and retraining • During the last 30 days, they will be refining and answering questions regarding fiscal controls
<p>Encore’s Executive Team members do not use a school credit card to purchase items. A credit card is linked to the general account, but is rarely used. Executive Team members often purchase materials and supplies, or pay for employee lunch meetings, travel, etc. with cash or their own credit cards and then submit for reimbursement</p>	<p>Encore faced a cash crunch caused by rapid enrollment growth (the school is not paid for new students for several months after we begin serving them yet we need to hire teachers and pay for facilities and equipment to serve them immediately) and the cost of facilities. During that time, it was the most effective way to get purchases taken care of and manage cash flow. Encore has moved the approval for reimbursements from the Chief Officers to the Board of Directors in the form of a monthly expense report. This ensures that all purchases are for legitimate school-related purposes. Furthermore, the cash crunch experienced last year will not continue into next fiscal year because we do not anticipate rapid growth and thus state funds will be paid to us in a timely way for all of the students that we serve.</p>
<p>One bank account is used for all Corporation funds, including funds for both Encore Riverside (chartered by the District) and Encore Hesperia (chartered by Hesperia Unified School District). Funds are sometimes moved between the two school accounts as “due to” and “due from” entries depending on their cash flow needs</p>	<p>Charter schools operated by a single nonprofit routinely transfer money to one another for cash flow needs. This was expressly blessed by the State Auditor in its audit of Magnolia Public Schools. Encore uses commonly approved SACS coding for all accounts and while the bank account is a single bank account, the accounting for both schools are separated through SACS coding.</p>

ALLEGED VIOLATIONS	ENCORE’S RESPONSES AND ACTIONS TAKEN
<p>A separate bank account is used for Encore’s ASB activities, supported largely, if not exclusively through fundraising events. Encore Executive Team members have used ASB funds to pay for general Encore operating expenses, and then reimbursed the ASB fund from the general fund.</p>	<p>Encore’s Executive Team does not have access to the ASB account. Any expenses paid through the ASB account has to go through the ASB Director. In regards to the “ASB Funds” being used for “General Fund” expenditures, the expenses and reimbursements are being miscategorized. Upon review of alleged charges, these expenses are incurred by ASB (like renting bleachers for graduation, an ASB event) then ASB asks General Fund if they can or will help them absorb costs for things that could be considered a general fund expense. ASB is not paying for daily operational expenses for general fund. They are requesting reimbursements for things like chaperones on field trips, academic letters for student awards, bleachers for graduation, etc.</p> <p>However, to remedy the situation, Encore is reorganizing the ASB class and implementing an approval process where students will approve all funds expended from the ASB account starting in May 2018 after the new officers are elected, seated and trained. (It will take this long for the new officers to take office and be trained.)</p>
<p>Encore employees often use cash to make school purchases, sometimes several hundred dollars at a time, and reimbursements are also often distributed in cash. This finding is based on a review of receipts and requested reimbursements in 2016 and 2017. There is no indication that purchases are approved in advance through properly established protocols</p>	<p>Encore is working with Charter Impact to improve the controls process for staff reimbursements that should be completed within 90 days.</p> <p>Teachers are approved to spend \$500 for supplies per year for classroom supplies and are reimbursed. This was put into place so when places like Staples that offer amazing deals for teachers at the beginning of each year, our teachers can make the purchases to make their classrooms functional for each school year. Most teachers do not use the \$500 per year cap. We have moved a lot of things over the years to purchase orders, but not everything is available for purchase order because it is more expensive.</p>

ALLEGED VIOLATIONS	ENCORE’S RESPONSES AND ACTIONS TAKEN
	<p>Teachers and staff requesting purchase and reimbursements are approved through the executive team.</p> <p>Encore will be taking the prescriptive advice to make this process more formal and transparent.</p>
<p>Encore has not timely paid its vendors. Some vendors will now only operate on a “Cash on Delivery” basis due to Encore’s non or late payments. Payment plans were negotiated in order to pay Encore’s outstanding accounts payable.</p>	<p>Encore is completing a remedy to this situation. As a result of non-planned tenant improvements to the Riverside campus and sluggish enrollment, Encore has experienced a cash crunch this school year.</p> <ul style="list-style-type: none"> • Encore has secured a \$700K Revenue Anticipation Note (“RAN”) from Charter School Capital that will close at the beginning of April. This will bring all accounts current. • Encore has implemented a cost reduction plan for the remainder of this school year of an estimated \$200K in reduction and an estimated \$800K in reduction for next school year. Eleven classified hourly staff were eliminated, one part-time instructor (tumbling) was eliminated, classified staff had 10 days taken off their calendar, and the Chief Officers took a 20 percent pay cut to implement these reductions. • Encore has plans to spend the next year stabilizing growth and expenses and using funds from Prop 38 money to help alleviate the cash crunch to build the appropriate surplus. By stabilizing growth, Encore will be paid timely by the state for all of the students that we serve. This, in turn, allows Encore to pay all of its vendors on time.
<p>Encore’s accounting and fiscal practices, particularly in the areas of purchasing and cash handling, do not conform to the Fiscal Procedures Manual provided to Encore by its back office services company for adoption</p>	<p>Encore is completing a remedy to this situation. Contracting with Charter Impact, a new set of Fiscal Procedures will be adopted within the next 60 days and retraining of cash handling and purchases will take place.</p>

ALLEGED VIOLATIONS	ENCORE’S RESPONSES AND ACTIONS TAKEN
<p>Due to a low cash position in 2017, Encore did not timely make employee contributions to employee retirement accounts (403b and STRS/PERS). Retirement contributions for August and September were delayed in order to make payroll. The delay in making contributions to 403b accounts in August (55 days past due) and September (25 days past due) could have resulted in lost interest earnings for employees.</p>	<p>Encore has remedied the situation. The contributions are now part of the initial payroll liabilities rather than listed as a regular accounts payable. All past due payments have now been paid in full. Further, DMS (Encore’s back office provider) is providing a monthly report regarding payments to STRS / PERS to the Encore Board of Directors. Encore and DMS also reached out to the 403b, PERS/STRS organizations to find out if any losses were incurred by Encore’s staff. None were reported by the providers.</p>
<p>A “Universal Complaint Form” is used at Encore for all complaints from parents, students, and employees. According to interviewers, many employees will not use the procedure for fear of retaliation and/or belief that there is no impartial reviewing officer of appellate body. Contributing to this perception is the use of a “Confidentiality Agreement” with certain employees and what appears to be extensive nepotism at Encore, with approximately 10 employees being related to the CEO and COO.</p>	<p>Encore is working on a remedy to the situation, but does not agree with all of the findings listed here.</p> <ul style="list-style-type: none"> • Encore uses 2 complaint forms, a Uniform Complaint Procedure (UCP) and a Title IX Complaint form. Encore is working with Young, Minney, & Corr to refine the process • Encore does not believe that people are afraid to complain, except for the people that were disgruntled former employees. To research this belief, Encore is executing an anonymous survey asking staff members about their comfort level and ability to complain at work • Encore has always offered an impartial reviewer dependent on the complaint and the Board has always been available for appeal, which no member of the complaining group has ever exercised. • The “Confidentiality Agreement” was put into place for certain senior management only based on the fact that they have access to trade secrets and Encore believes that some former employees may have used these trade secrets and resources available to Encore due to Encore’s membership in the California Charter Schools

ALLEGED VIOLATIONS	ENCORE’S RESPONSES AND ACTIONS TAKEN
	<p>Association to start their own charter school on Encore’s time.</p> <ul style="list-style-type: none"> • The “extensive nepotism” within Encore is misrepresented. Yes, people that are related to the CEO and COO work for Encore. Out of the 236 employees that work for Encore, 8 of them are related to the CEO and COO. That is 3% of the overall staff being related to the “Griffins.” Even more important, the board approves all pay decisions for all employees and these decisions are based on surrounding districts’ salary schedules. Thus, there is no evidence that any employee is unjustly enriched through their employment at Encore. • It is important to explain that all of them are highly qualified for their jobs and submitted to the same hiring practices as everyone else. • Joe Griffin – Facilities / Building Manager was a general contractor when hired with extensive experience on facilities renovations for Avon and Toyota • Alex Griffin – Construction and Maintenance has six years of construction experience when hired • Shelly Bernal – Records Clerk had 12 years of clerical experience with Chino Unified School District • Cheyne Miskulin – Physical Fitness Teacher has a Bachelor’s Degree in Kinesiology and is a certified physical trainer. • Don Miskluin – Dean of Students and Downtown Safety is a retired Riverside Sheriff and possesses a CTE credential. His scope is based on student safety in his town in a school with an open campus. • Brandon Gibson-Hill – Acting Instructor became family a year after

ALLEGED VIOLATIONS	ENCORE’S RESPONSES AND ACTIONS TAKEN
	<p>hire, but is an American Academy of Dramatic Arts graduate in acting and drama and professional SAG Actor and Stuntman.</p> <ul style="list-style-type: none"> • Jayleen Gibson-Hill – Vocal Instructor is a graduate of the Young Americans Performing Arts College, a professional entertainer for Disney, a professional YouTube singer with over 21 million views, and a teacher of vocal music in 9 different countries. • Johnna Griffin – Creative Director and Choreographer for all special teams and the travel specialist. She is a graduate of Young Americans Performing Arts College, a world renowned choreographer and director, a performing arts tour & business manager, travel director for large groups to 19 different countries and taught music to children in 16 countries.
<p>Encore does not have a Uniform Complaint Procedure in place, as required by Title 5, California Code of Regulations, Section 4600 et seq. for complaints alleging violation of federal and State laws, including complaints of unlawful discrimination, harassment, intimidation and bullying, student fees, special education, and Williams Complaints, and which may be appealed to the California Department of Education.</p>	<p>Encore is in process of remedying this situation.</p> <ul style="list-style-type: none"> • Encore has adopted the Title IX Complaint form and have trained the staff on how to file this type of complaint. • Encore is working with Young, Minney, & Corr to update the current adopted UCP to meet the current legal requirements. This implementation should be completed by April 30, 2018.

Encore wishes to thank District staff and the Board of Education for its time and consideration of this response. Encore looks forward to next steps identified in the NOV, including:

- By April 30, 2018, Encore shall provide a written report to the District regarding its progress in completing each of the tasks listed in the Remediation Plan, along with supporting documentation.

- By May 30, 2018, Encore shall provide a FINAL written report to the District regarding its progress in completing each of the tasks listed in the Remediation Plan, along with supporting documentation.

Please do not hesitate to contact me if you have any questions or require additional information.

Sincerely,

Denise Griffin
CEO and Founder
Encore Education Corporation



Exhibit 7.4

April 9, 2018

Encore Education Corporation
Phone: (760) 949-2036
Fax: (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345 – **CLASSROOM F29**
3460 Orange Street, Riverside, CA 92501 – **CLASSROOM H2**

Board Members:
Lenny Esposito, Board President
Suzanne Cherry, Board Vice
President
Kelly Ahmed, Board
Secretary/Treasurer
Kathy Nielsen, Board Member
Rob Gabler, Board Member

INFO:

AGREEMENT FOR CHARTER SCHOOL BUSINESS & ADMINISTRATIVE SERVICES WITH DELTA MANAGED SOLUTIONS, INC. The term of this Agreement shall be twenty-four (24) months, for the period beginning on July 1, 2018 and ending on June 30, 2020.

AGREEMENT FOR
CHARTER SCHOOL BUSINESS & ADMINISTRATIVE SERVICES
DATED AS OF APRIL 3, 2018

THIS IS AN AGREEMENT FOR SERVICES between **ENCORE EDUCATION CORPORATION**, to which reference is made herein as the “School,” and **DELTA MANAGED SOLUTIONS, INC.**, to which reference is made herein as “DMS,” in connection with charter school business and administrative services to be provided by DMS to the School for its Hesperia site, as described in the Scope of Services attached hereto.

1. **Employment.** The School hereby employs DMS to perform, as requested by the School, services set forth in the Scope of Services, attached hereto.
2. **Representations of DMS.** DMS hereby represents the following:
 - A. DMS shall not receive a fee from any source other than the School for the services in the Scope of Services attached to this Agreement, except as may be disclosed in writing and has no arrangement with respect thereto with any party other than the School regarding the services in the Scope of Services attached.
 - B. DMS is an independent private business and is not acting in any other professional capacity than as represented in this Agreement and the Scope of Services attached hereto.
3. **Agreements of DMS.** DMS hereby agrees as follows:
 - A. DMS will provide, as requested by the School, services that reasonably conform to the Scope of Services attached hereto.
 - B. In providing such services, DMS will make available the experience of its organization so as to represent the School.
4. **Term of the Agreement.** The term of this Agreement shall be **twenty-four (24)** months, for the period beginning on **July 1, 2018** and ending on **June 30, 2020**.
5. **Compensation - Services Fee.** The School shall pay to DMS compensation of **\$14,950** per month for each month during the Term of this Agreement, payable on the 1st of each month beginning with the first month of this Agreement. DMS’ monthly fee covers all services set forth in the Scope of Services attached hereto and includes all travel and other out-of-pocket costs. Additional services (including but not limited to: financing/cash flow loan services, private grant application and management services, time and attendance tracking modules, and Clean Energy Jobs Act consulting) are available at an additional cost, to be negotiated between DMS and the School via separate agreement prior to the incurrence of such additional services.
6. **Contract Renewal.** This Agreement shall be renewable for consecutive single or multiple fiscal year terms, if pursuant to DMS’s discretion the School qualifies for a multiple fiscal year agreement, each such term beginning at the end of the prior period’s agreement. Pricing for future years will be negotiated at the time of renewal.

7. **Entire Agreement; Amendments.** All discussions, negotiations and prior agreements between the School and DMS regarding the services to be provided during the Term of this Agreement and pursuant to the Scope of Services attached hereto are merged into this Agreement. This Agreement is the entire agreement between the parties respecting the subject matter hereof. This Agreement may be amended only in writing. This Agreement is renewable by Amendment, subject to all terms and conditions herein unless otherwise agreed by the parties.
8. **Assignment.** This Agreement may not be assigned by either party hereto without the written consent of the other party.
9. **Notice.** During the term of this Agreement, the School shall not seek alternative services, as described in the Scope of Services hereto, without the prior written consent of DMS, which shall not be unreasonably withheld.
10. **Termination.** Either party hereto may terminate this Agreement for cause, determined as a material breach prohibiting the accomplishment of the parties' objectives upon entering into this Agreement, upon thirty (30) days written notice to the other party. Upon termination by either party, DMS shall be paid compensation as described under Paragraph 5, Compensation, above incurred through the date of termination.
11. **Information.**
 - A. **Ownership and Accuracy.** The School, its officials, staff, and board will be providing DMS various data, records, studies, computer print-outs and other information and representations as to the facts relating to the School and its operations. DMS will be using and relying upon such data, records, studies, computer print-outs and other information in the preparation of DMS' work products. All such data, records, studies, computer print-outs and other information, and compilations created therefrom, are considered as and shall remain the property of the School. DMS shall not be obligated to establish or verify the accuracy or completeness of the information furnished to DMS by the School, its officials, staff, or board, and DMS bears no liability in the event any such information is deemed to be false, misleading or inaccurate or otherwise violates any law, regulation or order. In the event of any such determination, the School shall defend, indemnify and hold DMS harmless from and against any claim, suit, proceeding or loss, damages, or liability of any kind related to the information provided by the School, its officials, staff, and board to DMS.
 - B. **Confidentiality.** The School and DMS agree that each will ensure no use, dissemination, or disclosure of any confidential information of the other party to any person, firm or business, except as necessary to perform obligations or exercise rights or privileges set forth in this Agreement and the Scope of Services, attached hereto, and then only as agreed by the parties. Each party agrees it will receive all confidential information in trust and confidence and it will treat all confidential information with the same degree of care as it accords to its own confidential information of like sensitivity, but in no event less than a reasonable level of care.
12. **Standards.** DMS shall perform its services pursuant hereto in accordance with competent professional standards. DMS shall not be liable for mistakes of judgement or other actions taken in

good faith unless such error results from an intentionally wrongful or grossly negligent act of DMS. The liability of DMS to the School for any breach of these standards arising out of or related to this Agreement or the services performed hereunder shall not exceed the fees paid or payable under this Agreement.

13. **Severability.** If any provision of this Agreement is unenforceable or invalid under any applicable law or is so held by applicable court decision(s), such unenforceability or invalidity shall not render this Agreement unenforceable or invalid as a whole. In such event, such provision shall be changed and interpreted so as to best accomplish the objectives of such unenforceable or invalid provision within the limits of applicable law or court decisions.
14. **Waiver.** The failure of either party to require performance by the other party of any provision hereof shall not affect the full right to require such performance at any time thereafter unless otherwise agreed by the parties in writing; nor shall the waiver by either party of a breach of any provision hereof be taken or held to be a waiver of the provision itself unless otherwise agreed by the parties in writing.
15. **Counterparts; Scan/Facsimile.** This Agreement may be signed in counterparts and shall be effective against signatures by scan/facsimile (in an email, PDF or otherwise). Each counterpart when so executed shall constitute an original and all of which together shall constitute one and the same instrument.
16. **Governing Law.** This Agreement shall be construed in accordance with the laws of the State of California. DMS and the School agree that no legal action may be brought against the other more than two (2) years after the date the claim giving rise to such action became known by the party asserting the claim or exercising reasonable diligence should have been known to that party.
17. **Independent Contractor.** DMS's relationship to the School is that of an independent contractor. Nothing in this Agreement or in the activities contemplated by the School and DMS shall be deemed to create an agency, partnership, employment, or joint venture relationship between the School and DMS. The School acknowledges that DMS is not an accounting or law firm, and no services or written or oral communications made by DMS during the course of providing services are or should be construed as tax or legal advice. DMS neither assumes nor underwrites any liability of the School and acts only as a provider of the services in the Scope of Services attached hereto, which are ministerial in nature.
18. **Government Code.** DMS and its representatives are not public officials or participating in governmental decisions, as those terms are used in Section 87100 of the California Government Code or otherwise. No actions or opinions necessary for the performance of DMS' duties under this Agreement will cause DMS to be a public official or to be participating in governmental decisions, as those terms are used in Section 87100 of the California Government Code or otherwise.

IN WITNESS WHEREOF, this Agreement has been executed and delivered for and in the names and on behalf of the School and DMS as of the date set forth above.

ENCORE EDUCATION CORPORATION

By: _____
Name: Denise Griffin
Title: Chief Executive Officer

DELTA MANAGED SOLUTIONS, INC.

By: _____
Name: Kelly McDole
Title: Chief Executive Officer

ENCORE EDUCATION CORPORATION / DELTA MANAGED SOLUTIONS, INC.
SCOPE OF SERVICES

In performing under this Agreement, DMS shall perform services that reasonably conform to those as described below:

FISCAL SERVICES:

- ❖ DMS shall provide and administer a comprehensive web-based accounting system, including all requisite fund accounting and general ledger and accounts payable/receivable modules (the “accounting system”). The system will be fully SACS-compliant and capable of producing standardized SACS reports for financial reporting to the School’s authorizer and other public agencies as required. The system will be accessible by authorized School staff, state and local entities for review and audit reconciliation. School shall be responsible for the cost and maintenance of the hardware and/or software and any other costs, if any, to establish any local internet connections to access the web-based accounting system from the school site.
- ❖ DMS shall provide ongoing regular reporting of fiscal status to the School’s board and staff.
- ❖ DMS shall coordinate and assist with the School’s budgeting process, including preparation of the original budget and all interim budgets, revising and discussing with School staff and/or Finance Committee members (if applicable), providing professional advice on actual and projected line item revenues and expenditures, attending budget approval board meetings if needed, and preparation and filing of authorizer-required and State-required budget forms.
- ❖ DMS shall provide advisory services in relation to the School’s monthly cash flow needs, including computation of expected monthly revenues based on current and projected Average Daily Attendance (ADA) (as provided by the School), coordination of expenditure timing to match revenue flow (see Scope of Services - Purchasing/Procurement below) and other similar services as required. DMS may, at its own discretion, advance funds to the School to cover short-term working capital needs. Generally, this would only be done to meet crucial payroll expenditures when the School will be receiving other revenues close in time. DMS shall be repaid from the first available funds received by the School after the advance, unless DMS consents, at its own discretion, to a later payment date. DMS consent to a later payment date shall not in any way excuse the School from full repayment of any advance. Any such advances shall not carry an interest rate or origination fees. DMS can coordinate long term cash flow financing for the School, if requested and subject to the School’s qualification, for an additional fee to be determined at such time via separate agreement.
- ❖ DMS shall assist the School in developing a satisfactory system of financial controls to ensure financial stability, including working with the School to develop a Fiscal Procedures & Policies Manual, if requested. School staff is responsible for implementing the accounting and fiscal controls and procedures as outlined in the School’s approved policies and procedures.
- ❖ DMS shall assist the School in establishing and maintaining an external bank account(s) outside of the County Treasury and will administer and reconcile all banking transactions through this external bank account(s) and the School’s County Treasury account(s). Accounts will be held in the School’s name; DMS will hold no School bank account(s), nor be a signatory on School account(s).
- ❖ DMS shall work directly with the School’s chosen independent auditor regarding the School’s annual audit to ensure all necessary financial information is provided in a full and timely manner. DMS shall not be involved in the attendance portion of the audit except to prepare reports using attendance data

provided by the School (see Scope of Services - Compliance/Reporting below) and to provide copies of the School's P-1, P-2, and Annual ADA reports to the auditor as needed.

PAYROLL SERVICES/RISK MANAGEMENT:

- ❖ DMS shall provide the School with a comprehensive payroll system, including calculation and payment of all federal and state payroll tax liabilities, California State Teachers' Retirement System (STRS) and Public Employees' Retirement System (PERS) contribution calculations and payments (if applicable), and other benefits calculations and payments directly related to payroll processing. The payroll system supports 401a/403b/457 plan payment processing if the School offers such plans as a benefit to employees, and DMS processes all such contributions in coordination with the School's 401a/403b/457 third party administrator (TPA). DMS services do not include 401a/403b/457 TPA duties, which should be performed by a TPA specializing in this area to ensure continuing qualification of such plans under the Internal Revenue Code.
- ❖ DMS shall assist the School in obtaining any necessary accounts for payroll tax payment and reporting and shall coordinate payment of federal and state payroll taxes and filing of federal and state payroll tax reporting as the School's Reporting Agent. Legally, the School is still obligated to ensure timely filing of returns and payment of any taxes due, even if it uses a Reporting Agent. DMS shall not generally be responsible for reporting pursuant to the Affordable Care Act (ACA) to the extent such reporting is based on information for which the School's healthcare broker is responsible. DMS can print ACA reporting if all such data required for the reporting is available in the accounting system referenced in this Scope of Services, based on DMS discretion, or based on data provided by the School's healthcare broker if the data is provided in an acceptable uploadable format for the accounting system.
- ❖ DMS shall assist the School in obtaining any necessary accounts for STRS/PERS reporting, which DMS shall file pursuant to required procedures for such reports in the School's county(ies).
- ❖ DMS shall work with the School's bank to establish direct deposit of employee pay if the School's bank allows such electronic transactions via upload. The School's bank must allow for upload, rather than manual entry, of direct deposit files.
- ❖ DMS shall provide advice at the School's request regarding employee hiring, leave, and termination practices as related to payroll services, including recommending federal and state employment documents if requested, assisting the School in establishing a California Department of Justice account for LiveScan fingerprinting if not already established, and responding to basic credentialing questions, and shall advise the School to seek legal or other professional counsel regarding such matters when appropriate. These services do not include performing credential or human resources audits and do not include COBRA, 401a/403b/457, or ACA third party administration duties.
- ❖ DMS shall assist the School in researching and obtaining appropriate employee benefits and insurance packages, including coordinating between staff and insurance plan providers, and will assist in soliciting alternative providers for better rates and/or services at the School's request. DMS functions only as a facilitator/advocate on behalf of the School, is not an insurance provider or broker, and receives no commissions or referral fees from third party providers for this assistance to the School.
- ❖ DMS shall assist the School in researching and obtaining appropriate insurance policies for liability, property, workers' compensation, and other insurance necessary for operation of the School and shall assist in soliciting alternative providers for better rates and/or services at the School's request. DMS functions only as a facilitator/advocate on behalf of the School, is not an insurance provider or broker, and receives no commissions or referral fees from third party providers for this assistance to the School.

PURCHASING/PROCUREMENT:

- ❖ The School may choose between two purchasing methods as follows:
 - **METHOD 1 - SCHOOL INVOICING:**
 - The School shall be responsible for initial creation and approval of all purchases, including inputting such orders into the accounting system. The School is solely responsible for ensuring that all items ordered are suitable for public educational purposes (e.g. non-religious materials). Once purchases are approved by the School's authorized staff, the School shall further be responsible for delivering approved purchase orders (POs) to vendors (i.e. placing the order). All POs shall reflect School as the shipping and billing address (which may include School staff addresses for shipping if authorized by School). Once the order is received by the School, School staff is responsible for marking items as received, including marking items as received in the accounting system.
 - Invoices shall be sent to the School. Once School approves invoices for payment, the School shall forward all invoices to DMS via DMS SHARE within five (5) business days of receipt. DMS shall enter all invoices into the accounting system for payment, matching invoices to existing approved and received POs where applicable. For invoices without a corresponding PO, vendor invoices must indicate School approval for payment on the invoice itself.
 - Assuming School has adequate cash flow, at least every ten (10) business days, DMS shall prepare a payment voucher containing all approved invoices to date, print all checks, and deliver all checks to School via overnight service for review, signature and delivery to vendors, integrating accounts payable with Fiscal Services as described in this Scope of Services for payment timing optimization and coordination of purchasing activities to coincide with timing of revenue limit receipts.
 - **METHOD 2 – DIRECT PAY:**
 - The School shall use and be responsible for initial creation and approval of purchase orders ("POs") on all purchases, including inputting such orders into the accounting system. The School is solely responsible for ensuring that all items ordered are suitable for public educational purposes (e.g. non-religious materials). Once POs are approved by the School's authorized staff, the School shall further be responsible for delivering approved POs to vendors (i.e. placing the order). POs and direct bill invoices shall reflect DMS as the billing address and the School location (which may include School staff addresses if authorized by School) as the shipping/physical location address. Once the order is received by the School, School staff is responsible for marking items as received in the accounting system.
 - While generally invoices will be sent directly to DMS, the School agrees to forward all invoices received at the School to DMS via upload to DMS SHARE within five (5) business days of receipt of the invoice. For invoices not matched to existing POs or payments to be paid due to contractual requirements, DMS staff shall work with School staff to create POs for School approval in the accounting system and to receive all items as necessary. This shall include creating dollar purchase orders where applicable to pre-authorize future recurring expenses, such as utilities, rent and office supplies.
 - DMS shall be responsible for all invoice matching of approved POs, received items, and corresponding vendor invoices, and converting POs into invoices in the accounting system which shall then be authorized for payment in the next payment batch. All purchases require an approved and received PO in the DMS accounting system before payment can be made.

- Assuming the School has adequate cash flow, at least every ten (10) business days, DMS shall prepare a payment voucher containing all approved invoices to date, print all checks (using a pre-set electronic signature image from an authorized signer on the School's main operating bank account built into the blank check stock), and deliver all payments to vendors, integrating accounts payable with Fiscal Services as described in this Scope of Services for payment timing optimization and coordination of purchasing activities to coincide with timing of revenue limit receipts. Delivery shall generally be via standard U.S. mail, and items shall qualify as meeting DMS' delivery requirement under this Agreement when mailed or otherwise sent from DMS.
- ❖ DMS shall make all received invoices sent directly to DMS by the vendor available in PDF format to the School via password-protected access to DMS SHARE, so that authorized School staff may review all current and prior invoices online (dating back to the first non-implementation month of DMS-provided services to the School). Scanning and uploading of invoices shall generally occur within no more than twenty (20) business days of receipt of invoice by DMS absent extenuating circumstances.
- ❖ Throughout the purchasing and accounts payable process, all account activity will be visible to School staff on the accounting system password-protected website, showing the amount paid from each account code, including from individual student accounts if any. The point at which transactions become visible in the accounting system depends on the purchasing method chosen by the School.
- ❖ On a monthly basis, DMS shall prepare and deliver a summary and detail warrant report to the School's Board for review and approval on the Board's consent agenda, showing all non-payroll-related payments made in the prior month. Payroll registers and evidence of payroll payments are available at any time for authorized School staff review and a payroll register detail is provided to the School staff with each pay run, but these are not part of the monthly summary and detail warrant register sent to the Board for review and approval.
- ❖ School is responsible for aligning all purchases with Board-approved purchasing policies and obtaining all required board approval or ratification for purchased items. All employee reimbursements must be accompanied by School approval for payment. Employee reimbursements will be processed in the same manner as vendor invoices but prioritized for payment at the earliest available payment batch.
- ❖ DMS shall integrate purchasing activities with the School's external banking account(s). Accounts will be held in the School's name; DMS will hold no School bank account(s), nor be a signatory on School account(s).
- ❖ School shall minimize the use of on-site checks to critical time-sensitive payments only. In the event the School must use an on-site check, School shall immediately provide DMS with a scanned copy of the check and documentation of the item paid, at the time of the on-site check writing. School agrees to provide DMS with view-only online access to all School bank accounts (including credit card accounts). If online access is unavailable, School shall provide any banking or credit card statements to DMS immediately upon receipt.
- ❖ DMS shall assist School in obtaining a business credit card for use by School staff, if requested and subject to the School's qualification. School shall not use debit cards linked to the School's main operating account unless no credit card accounts can be obtained. For credit card purchases, DMS shall consider the credit card statement as the invoice for recordkeeping and audit purposes and shall consider receipt of the statement as authorization for payment of the credit card balance in full. All underlying receipts and documentation for individual credit card purchases shall be retained by School staff on-site.
- ❖ DMS shall assist the School in developing and approving a fixed asset capitalization policy, clarifying what items constitute fixed assets for accounting purposes. The School shall implement and maintain an

updated on-site physical inventory of fixed and non-capitalized assets based on the approved policy and shall provide appropriate reporting to DMS of such inventory in order to coordinate with Fiscal Services as described in this Scope of Services. DMS shall be responsible for maintaining the fixed asset register in the accounting system, computing depreciation and average life, and coordinating such fixed asset register with auditors during the School's annual audit.

- ❖ DMS shall assist in coordinating any competitive bidding activities, when applicable and if requested.

COMPLIANCE/REPORTING:

- ❖ DMS shall assist the School in preparing and submitting all state-required attendance reports, including but not limited to 20-day, P-1, P-2, and Annual ADA reports, from raw attendance data provided by the School. DMS shall have no responsibility for verifying the accuracy of raw attendance data as provided or for preparing weekly or monthly attendance summaries from the School's student information system.
- ❖ DMS shall assist the School as needed with submitting the Consolidated Application and Reporting System (CARS) reporting, federal Cash Management quarterly reporting, non-CBEDS free/reduced lunch eligibility and poverty level tracking guidance, SB740 funding determination forms and/or Facility Grant applications, special education maintenance of effort (MOE) reporting, Quarterly Benchmark Reporting under the Public Charter Schools Grant Program, and related state and federal program compliance and budget reporting. School shall be responsible for all CALPADS reporting, LCAP creation (except for minimum proportionality percentage calculations and goal/service expenditure estimates, which DMS shall provide) SARC preparation (except for per-student expenses and teacher salary information which DMS shall provide), and all State-mandated testing. School shall be responsible for forwarding any requests for information or submittals received from the California Department of Education (CDE), or other related agencies, to DMS' offices immediately upon receipt.
- ❖ DMS is not responsible for preparation or submittal of federal and state income tax forms relating to the School's tax-exempt status, including but not limited to IRS Form 1023, IRS Form 990, FTB Form 3500, and FTB Form 199. These forms are generally handled by the School's attorney or independent auditor, respectively. DMS shall timely provide all financial information requested by the School, attorney, or independent auditor to timely complete these filings.

DMS and the School shall be jointly responsible for training of the School, its officials, and staff regarding the use of any software or ministerial coordination required between DMS and the School. The School, its officials, staff, and parents agree to comply with and adhere to any licensing requirements of any and all software acquired and implemented by DMS according to all terms and conditions of use for such software.