

## SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item# 10.1

Meeting Date: August 7, 2025

**Public Hearing** 

Subject: Update on Operational Memorandum of Understanding with St. HOPE
Public Schools

Information Item Only
Approval on Consent Agenda
Conference (for discussion only)
Conference/First Reading (Action Anticipated:
Conference/Action
Action

**Division**: Office of the Deputy Superintendent

**Recommendation**: Staff recommends that the Board direct staff to pursue one of several options for next steps regarding the MOU.

**Background/Rationale:** As a condition of the charter renewal for Sacramento Charter High School and St. HOPE Public School 7 (approved September 19, 2025), St. HOPE Public Schools (SHPS) is required to enter an MOU with the District that describes both how SHPS will meet the conditions of their renewal and how they will interact with the District on operational matters.

On June 26, 2025, the SCUSD Board approved a version of this MOU. The following Monday, June 30, 2025, the SHPS Executive Committee of the Board approved a different version of the MOU with their own changes. As a result, there was no MOU approved by both governing bodies on July 1, 2025, and the conditions of the renewal were not fully met.

Staff will present the Board with several options for next steps, including but not limited to a) approving the version of the MOU that was approved by SHPS's Executive Committee, b) further negotiating to arrive at an updated best and final offer to SHPS, and c) moving forward with a notice of violation, initiating possible charter revocation.

<u>Financial Considerations</u>: The MOU clearly defines the fiscal relationship between the charter school and the District. Moving forward with any of the presented options will result in some amount of legal expenses.

## LCAP Goal(s): NA

## **Documents Attached:**

- 1. Comparison of Versions / Summary of remaining MOU negotiation points
- 2. Link to Operational MOU Version A as approved by the SCUSD Board on June 26
- 3. Link to Operational MOU Version B as approved by SHPS Executive Committee of the Board on June 30
- 4. Link to Operational MOU Version C Starting Point for further negotiations

Estimated Time of Presentation: NA

Submitted by: Mary Hardin Young, Deputy Superintendent

Amanda Goldman, Ed.D., Director, Innovative

Schools

**Approved by**: Lisa Allen, Superintendent

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## SCUSD-SHPS MOU Comparison of Versions and Summary of Remaining MOU Negotiation Topics

Section of Document / Topic	Version A Approved by SCUSD Board June 26	Version B Approved by SHPS Executive Committee June 30	Analysis
Section 28.a.ii [Back- Office Services]	To avoid any conflict of interest, St. HOPE Academy, St. HOPE Development Company, and the St. HOPE Endowment, and any of its employees shall be precluded from providing back-office services and shall not submit a proposal to provide such work or services, irrespective of whether such work or services would be subcontracted to a third party.	To avoid any conflict of interest: (a) St. HOPE Public Schools shall not contract with any entity or individual to provide back-office services, or with any entity or individual that subcontracts out for such back-office services where an employee, officer, or director of such back-office entity or individual, or entity or individual that subcontracts such back-office services, is an employee, officer, or director of St. HOPE Public Schools, and (2) all back-office services shall be overseen by the Board of St. HOPE Public Schools.	This change does not preclude St. HOPE Academy, St. HOPE Development Company, the St. HOPE Endowment, or their employees from providing back-office services to SHPS.  Based on the initial review of documents, District staff and counsel continue to have questions about the adequacy and appropriateness of the services provided through these relationships.  It may be possible to accept SHPS's language with the addition of language requiring that their contracts with these entities provide us with the same level of access to organizational information as we get from SHPS.
Section 28.b.viii [Collective Bargaining]	No Language on this matter	No Language on this matter	Following conversations at the June 26 board meeting, community members reached out for clarification on this point. Staff intended to make clear that the Charter School is expected to follow all applicable laws and offer this suggestion of language to speak directly to this point. The language does not indicate that the District will dictate the bargaining relationship for the charter school, but emphasizes the expectation to follow established law.

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			Staff suggest including language such as the following:  "If a certified collective bargaining agent has already been established through appropriate channels, Charter School shall participate in bargaining in good faith, in accordance with all applicable laws and regulations, including the provisions set forth in the Educational Employment Relations Act (EERA), as determined by the Public Employee Relations Board (PERB)."
Section 28.c.iii [Legal Counsel]	Confirmation that any and all legal matters involving St. HOPE Public Schools are addressed by outside legal counsel, and not by Kevin Hiestand or any law firm with which he is connected or affiliated.	Confirmation that any and all legal matters involving St. HOPE Public Schools on the one hand, and St. HOPE Academy, St. HOPE Development Company, or the St. HOPE Endowment on the other hand, are addressed by separate legal counsel, ensuring that the separate legal counsel are from separate law firms or offices and are not affiliated in any way. This paragraph does not preclude any entity from exercising their right to choose counsel where there is no conflict that precludes representation under the California Rules of Professional Conduct as applicable to California-licensed attorneys.	This language does not preclude Mr. Hiestand or any individual with ties to any of the other St. HOPE entities from providing legal services to SHPS. It is reasonable to argue that there should be no overlap (fiscal or otherwise) between an entity and its counsel. Language could be modified to specify that.  This may be satisfactory if if two revisions are made: (1) clarification that legal matters involving St. HOPE Public Schools and one or more of the listed entities shall not be handled by the same attorney or law firm; and (2) St. HOPE Public Schools demonstrates full compliance with investigation procedures that align, at a minimum, with District standards including, but not limited to, the requirement that no legal counsel shall serve or function in the dual capacity of investigating a matter involving St. HOPE Public

			Schools and also provide legal advice or support on the same or related matter to St. HOPE Public Schools.
Section 29.a [Complaint and Investigation]	All of the Charter School's written complaint and investigation policies and procedures submitted for District review and verification shall meet applicable legal and District standards and shall be implemented with fidelity. Should the District identify any deficiencies or shortfalls, the Charter School shall be required to update its policies and/or procedures, in consultation with District recommendations.	All of the Charter School's written complaint and investigation policies and procedures submitted for District review and verification shall meet applicable legal and District standards and shall be implemented with fidelity; "District standards" shall mean the same standards memorialized in written District policies that the District applies to itself with regard to complaints and investigations. Should the District identify any deficiencies or shortfalls, the Charter School shall be required to update its policies and/or procedures in consultation with the District.	Staff are comfortable with this language. The District has documented policies and procedures in place.