SACRAMENTO CITY UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION

Agenda Item 8.1a

Meeting Date: September 3, 2015

Subject: Approval of Grants, Entitlements, and Other Income Agreements
Ratification of Other Agreements
Approval of Bid Awards
Approval of Declared Surplus Materials and Equipment
Change Notices
Notices of Completion

☐ Information Item Only
☒ Approval on Consent Agenda
☐ Conference (for discussion only)
☐ Conference/First Reading (Action Anticipated: _____)
☐ Conference/Action
☐ Action
☐ Public Hearing

Division: Business Services

Recommendation: Recommend approval of items submitted.

Background/Rationale:

Financial Considerations: See attached.

LCAP Goal(s): Family and Community Engagement; Career and College Ready Students

Documents Attached:
1. Grants, Entitlements, and Other Income Agreements
2. Other Agreements
3. Notices of Completion – Facilities Projects

Estimated Time of Presentation: N/A
Submitted by: Gerardo Castillo, CPA, Chief Business Officer
         Kimberly Teague, Contract Specialist
Approved by: José L. Banda, Superintendent

GRANTS, ENTITLEMENTS AND OTHER INCOME AGREEMENTS - REVENUE

Contractor	Description	Amount
STUDENT SUPPORT SERVICES		
A16-00018 The California Endowment	8/1/15 – 7/31/16: Improving Student Health and Well-Being Grant. To promote health in schools by documenting and sharing effective strategies to reduce chronic absence among students.	$70,000 No Match

EXPENDITURE AND OTHER AGREEMENTS

Contractor	Description	Amount
ACADEMIC OFFICE		
Illuminate SA16-00135	9/3/15 – 6/30/17: As Sacramento City Unified School District continues its implementation of highly rigorous content standards, it is imperative that it utilizes a balanced assessment approach to best serve in the improvement of learning for all students. Utilizing a Request for Proposal process, the district sought to partner with an educational software provider who could offer a comprehensive, fully integrated, operational assessment system with the following components and capacities: (1) an English language arts and mathematics Common Core State Standards (CCSS) aligned item bank; (2) assessment form and item development; (3) online and scan form-based assessment delivery platform, including scoring and reporting functions, that can support district and site-developed common assessments; and (4) ability to integrate with the district's student information system, Infinite Campus. After a thorough analysis and vetting process, the district has selected to partner with Illuminate. This platform will serve as the hub for the delivery of classroom, common, plus interim assessments, and housing of relevant achievement data that will be used to inform student learning and provide significant new learning opportunities that will ultimately guide all students toward college and career readiness.	$444,195 One Time General Funds

NOTICES OF COMPLETION – FACILITIES PROJECTS
Contract work is complete and Notices of Completion may be executed.

Contractor	Project	Completion Date
Landmark Construction	Athletic Field Improvements at John F. Kennedy High School (Phase I & II)	July 31, 2015

SOFTWARE LICENSE AND SUPPORT AGREEMENT

This Software License and Support Agreement ("*Agreement*") is entered into effective as of the date fully executed by both parties ("*Effective Date*") by and between Illuminate Education, Inc., a California corporation ("*Illuminate*"), and *Sacramento City Unified School District* ("*District*"), referred to individually as "party" and collectively as "parties."

RECITALS

WHEREAS, District desires to implement a web-based software system for student data and assessment management;

WHEREAS, Illuminate has developed and owns such a system known as the Illuminate Data and Assessment Management System (the "*Software*");

WHEREAS, Illuminate also has licensed from third parties the right to make available in conjunction with the Software (i) a database of test questions known as "*INSPECT*" ("*Item Bank*") and (ii) software for automated grading of multiple choice exams ("*Grading Software*"); and

WHEREAS, District desires to license the Software and obtain the services as provided herein.

NOW, THEREFORE, in consideration of the mutual representations, warranties and agreements contained herein, the parties hereto agree as follows:

AGREEMENT

1.   Term of Agreement. Unless earlier terminated as provided herein, the initial term of this Agreement shall be from the Effective Date through **June 30, 2017** ("*Initial Term*"). This Agreement shall thereafter automatically renew for additional successive one year periods unless written notice of non-renewal is given by either party to the other at least 60 days prior to the end of the then-current term (each a "*Renewal Term*" and together with the Initial Term, the "*Term*"), unless sooner terminated as provided herein.

2.   License of Software to District; Third Party Services.

(a)   License. Subject to the terms of this Agreement, Illuminate hereby grants to District a limited, non-exclusive, non-sublicensable and non-transferrable license for District employees, students and their parents or guardians (collectively, "*District Users*") to use the Software during the Term with respect to each of the District locations listed on Exhibit A hereto. Exhibit A may be amended for future school years to include additional District locations. The District Users may not use the Software other than with respect to the locations set forth on Exhibit A or for other than District operations. District is responsible for the actions of all District Users, for ensuring that only authorized District Users are provided access to the Software, and that access of District Users authorized by the District is limited to that portion of the Software and District Data (as defined below) as is reasonably necessary in order to fulfill the purposes of this Agreement.

(b)   Third Party Services. Illuminate has entered into agreements with third parties that permit it to authorize the District Users to download from such third parties' servers, or otherwise access, and use, through the Software, (A) the Grading Software and (B) the Item Bank, subject, in the case of the Grading Software, to execution of a standard end user license agreement with the third party provider. So long as Illuminate continues to have the right from the applicable third party to authorize District to use the Grading Software and the Item Bank in connection with the Software, it will enable the Software to allow District Users to do so. In the event that Illuminate ceases to have such right, or the applicable third party dissolves or otherwise ceases to make such product available to Illuminate, Illuminate will work with District to identify an alternative product providing substantially similar functionality and on substantially similar terms, and make such product available to District. If Illuminate is unable to find or obtain the right to provide an alternative product on such terms, District's sole remedy will be a reduction in the Annual License Fee under Section 3(a) and 3(b) by $1.00 per student, in the case of the unavailability of the Grading Software, and $1.50 per student, in the case of the unavailability of the Item Bank. Illuminate makes no representations or warranties regarding the functionality, quality or continuing availability of either the Grading Software or the Item Bank (or any alternative product) and will have no liability with respect thereto.

3.   Annual Software License Fee. District agrees to pay to Illuminate an annual license fee (the "*Annual License Fee*") for use of the Software and applicable third party services as set forth below.

(a)   Initial School Year. A fee for the initial school year beginning **July 16, 2015** and continuing through **June 30, 2016** consisting of:

(i) $4.00 per student for use of the Software and the Grading Software; and

(ii) $1.50 per student for use of the Item Bank.

(b)   Subsequent School Years During Initial Term. A fee for each school year during the Initial Term after the initial school year, subject to an increase by Illuminate no more often than annually for changes in the cost of living, consisting of:

(i) $4.00 per student for use of the Software and the Grading Software; and

(ii) $1.50 per student for use of the Item Bank.

(c)   Student Count. The parties agree that the number of students to be used in calculating the Annual License Fee for each school year (the "*Student Count*") shall be determined as follows:

(i)   for the initial school year, the Student Count shall be the number of students during the preceding school year based upon **CBED's** at schools in the District that will be using or are authorized to use the Software; and

for each subsequent school year the Student Count will be the number of students during the preceding school year based upon **CBED's** at schools in the District that will be using or are authorized to use the Software.

   (d) The annual license fee will include the base items innumerated in the System Included Functionality List

   By way of example, the estimated Annual License Fees for the Initial Term assuming no change in cost of living and a Student Count of **39,013** would be as follows:

Product/School Year	Fee Structure	Estimate of Annual License Fee
Software and Grading Software, August 6, 2015- June 30, 2016 43,47 (100%) – 4,334.70 (10%) = 39,013 (90% of student count to be invoiced)	$4.00 per student 39,013 students	$156,052
Item Bank, August 6, 2015- June 30, 2016 43,47 (100%) – 4,334.70 (10%) = 39,013 (90% of student count to be invoiced)	$1.50 per student 39,013 students	$58,519.50
Total		**$214,571.50**
Software and Grading Software, July 1, 2016- June 30, 2017 43,47 (100%) – 4,334.70 (10%) = 39,013 (90% of student count to be invoiced)	$4.00 per student 39,013 students	$156,052
Item Bank, July 1, 2016- June 30, 2017 43,47 (100%) – 4,334.70 (10%) = 39,013 (90% of student count to be invoiced)	$1.50 per student 39,013 students	$58,519.50
Total		**$214,571.50**
Software and Grading Software, July 1, 2017- June 30, 2018 43,47 (100%) – 4,334.70 (10%) = 39,013 (90% of student count to be invoiced)	$4.00 per student 39,013 students	$156,052
Item Bank, July 1, 2017- June 30, 2018 43,47 (100%) – 4,334.70 (10%) = 39,013 (90% of student count to be invoiced)	$1.50 per student 39,013 students	$58,519.50
Total		**$214,571.50**

(d)   Renewal School Years. A fee per student (calculated based on Student Count) for each school year after the Initial Term equal to that generally charged by Illuminate to school districts at the time of renewal.

(e)   Payment. The Annual License Fee for each school year shall be paid by District within 30 days of receipt of an invoice from Illuminate.

(f)   Failure to Make Payment. In the event District fails to pay the Annual License Fee or other fees due hereunder when due it will constitute a material breach of this Agreement and, upon notice from Illuminate, District agrees to immediately cease, and to cause District Users to cease, using the Software and Illuminate will have no further obligation to provide any maintenance or support to District or District Users.

(g)   Taxes. The fees in this Section 3 and in Section 5 below do not include sales, use or similar taxes which may be applicable. District is solely responsible and liable for payment of all sales, use, excise, value added or similar taxes, duties or charges imposed by any federal, state or local government or jurisdiction with respect to any fees or other payments to be made by District to Illuminate under this Agreement, excluding taxes based on Illuminate's overall net income.

4.   Ownership of Software; Third Party Materials. Illuminate and its licensors are and will remain the exclusive owners of all right, title and interest in and to the Software and all derivative works, and in the materials licensed by Illuminate from third parties ("*Third Party Materials*"), including but not limited to copyrights, patent rights, and trade secrets and all other intellectual property rights as may exist now and/or hereafter come into existence, subject only to the rights of third parties in open source components and the limited license granted under this Agreement. In addition, Illuminate shall own any and all other ideas, concepts, themes, technology, algorithms, programming codes, documentation or other intellectual property or copyrightable material conceived, developed, created, written or contributed by Illuminate pursuant to this Agreement ("*Specific Developments*"). District will have no rights in the Software, any derivative works, the Specific Developments or Third Party Materials, except the license and related rights expressly set forth in this Agreement. District agrees not to (i) alter, merge, modify, adapt or translate the Software or Third Party Materials, or decompile, reverse-engineer, disassemble, or otherwise reduce the Software or Third Party Materials to a human-perceivable form, (ii) sell, rent, lease or sublicense the Software or Third Party Materials or (iii) create derivative works based upon the Software or Third Party Materials.

5.   Software Implementation, Data Conversion, Hosting and Training Services. Illuminate agrees to provide the services associated with the implementation of the Software, data conversion, hosting and training of District employees on the use of the Software as follows:

(a)   Task List. A preliminary list of tasks and associated targeted completion dates are set forth on Exhibit B attached hereto.

(b)   Hosting. The Software and District's data will be hosted on Illuminate's servers (included in the Annual License Fee).

(c)   Importing of Data. Illuminate will assist District with importing District's data into the Software within 45 business days after Illuminate is provided reasonable access to usable District Data, and with importing Illuminate data into the District's student information system (Infinite Campus).

(d)   Initial Training. Illuminate will provide up to **10** days of initial training to District in the basic use of the Software at a charge of **$1,500** per day, to be presented as both parties mutually agree. Fees for initial training will be billed by Illuminate in the month following the applicable training. Initial training fees shall be paid within 30 days of receipt of an invoice from Illuminate. By way of example, the estimated initial training fees assuming the maximum number of training days are used would be as follows:

Product/School Year	Fee Structure	Estimate of Total Initial Training Fees
Initial Training, 2015-2016	$1,500 per day/per trainer 10 training days	$15,000

6.   Additional Training and Services. Upon written request and authorization by District, Illuminate will conduct additional training and provide additional services to District. Custom software development-shall be at a rate of **$120** per hour. Training after initial training is exhausted will be at a rate of **$1,500** per day for on-site training and **$500** per day for on-line training. Fees for such services shall be due and payable within 30 days of receipt of an invoice from Illuminate. Additional support will be rendered by an implementation manager assigned to the District.

(a)   Deliverables. Common Core Aligned Item Bank. Illuminate will be responsible for providing Common Core-aligned items as outlined in the RFP that include : a) a range of items with more than 50% of items per grade level at Depth of Knowledge levels 2-4, and b) items aligned to the SBAC item types aligned to SBAC.

(b)   Deliverables. New Item Request. Illuminate will work with the district to accommodate new item requests and revisions to existing items as deemed agreeable by both parties. Illuminate may work with third party services as noted in 2b to facilitate the needs of the district at a no additional cost to the district.

(c)   Deliverables. The Development of Benchmarks/Interim Assessments. Illuminate will work with the district to develop 3 interim assessments for Math and ELA per tested grade level that matches the districts curriculum map.

7.   Ownership and Control of District Data. District will retain ownership of, and the ability to control, all District data imported into the Software (***"District Data"***). District Data includes pupil records, as defined in California Education Code §49073.1(d)(5) (***"Pupil Records"***). Illuminate may, however, use and disclose to third parties District Data that has been anonymized or de-identified. Upon the termination of this Agreement, to the extent District Data resides on Illuminate servers, Illuminate agrees to assist in the transfer all District Data back to District in an industry standard open format such as SQL at no charge.

8.   Responsibilities of District. District agrees to prepare and furnish to Illuminate upon request such information as is reasonably requested by Illuminate in order for Illuminate to perform its obligations under this Agreement.

9.   Illuminate Software Maintenance and Support. Illuminate agrees to provide maintenance and support of the Software. Such maintenance and support will include coverage in the form of bug fixes and other corrections to the Software; telephone and e-mail support for questions regarding operations of the Software; change the Software as necessary to incorporate upgrades and new features; support to District in resolving problems/errors resulting from misuse or hardware/software failure; telephone or web conferences with District to address future growth or modifications to the Software. Maintenance and support of the Software is provided at no additional cost to District. Illuminate is not responsible for, nor will it have any liability resulting from, (a) modifications to or alterations of the Software or databases by District or District Users, unless such modification or alteration is approved in writing by Illuminate, or (b) any failure of District or District Users equipment or software.

10.   Confidentiality.

(a)   Confidential Information Defined. Each party (the *"Disclosing Party"*) may from time to time during the Term disclose to the other party (the *"Receiving Party"*) certain information regarding the Disclosing Party's business, including technical, marketing, financial, employee, planning, and other confidential or proprietary information (*"Confidential Information"*). The Software, Third Party Materials and related know-how, technology, system designs, layouts, software, concepts, techniques, data and files will be considered Confidential Information of Illuminate. District Data will be considered Confidential Information of District.

(b)   Protection of Confidential Information. The Receiving Party will protect the Disclosing Party's Confidential Information from unauthorized use, access, or disclosure in the same manner as the Receiving Party protects its own confidential or proprietary information of a similar nature and with no less than reasonable care. District acknowledges that the Software is maintained as a trade secret by Illuminate, and agrees to use reasonable care in preserving such secrecy, including making such information available only to those District Users required to have access in order to fulfill the purposes of this Agreement. Illuminate acknowledges that Pupil Records must be protected and will take all legally required actions in accord with the California Education Code, including the designation and training of responsible individuals, to ensure the security and confidentiality of Pupil Records.

(c)   Exceptions. The Receiving Party's obligations under this section with respect to any Confidential Information of the Disclosing Party will terminate if the Receiving Party can demonstrate that such information: (i) was already known to the Receiving Party at the time of disclosure by the Disclosing Party; (ii) is disclosed to the Receiving Party by a third party who had the right to make such disclosure without any confidentiality restrictions; (iii) is, or through no fault of the Receiving Party has become, generally available to the public; or (iv) is independently developed by the Receiving Party without access to, or use of, the Disclosing Party's Confidential Information. In addition, the Receiving Party will be allowed to disclose Confidential Information of the Disclosing Party to the extent that such disclosure is (i) approved in writing by the Disclosing Party, (ii) necessary for the Receiving Party to enforce its rights under this Agreement in connection with a legal proceeding; or (iii) required by law or by the

order of a court or similar judicial or administrative body, provided that the Receiving Party notifies the Disclosing Party of such required disclosure promptly and in writing and cooperates with the Disclosing Party, at the Disclosing Party's reasonable request and expense, in any lawful action to contest or limit the scope of such required disclosure.

(d)   Return of Confidential Information. In addition to Illuminate's obligations under Section 6, promptly upon the written request of the Disclosing Party following termination of this Agreement, the Receiving Party will either, at Disclosing Party's option, return to the Disclosing Party or destroy all Confidential Information of the Disclosing Party in the Receiving Party's possession or control and certify in writing that it has fully complied with its obligations under this Section.

(e)   Use of Confidential Information. The Receiving Party will not use Confidential Information of the Disclosing Party for any purpose prohibited by law or other than as required or reasonably contemplated by this Agreement. Illuminate further agrees it will not use any personally identifiable information in District Data to engage in or facilitate targeted advertising.

(f)   Injunctive Relief. Because monetary damages may not be sufficient to remedy a violation of the provisions of this section, a Disclosing Party shall be entitled, upon becoming aware of any such violation and without waiving any other rights or remedies it may have, to seek whatever injunctive or other equitable relief it may deem appropriate.

11.   Privacy and Collection of District Data.

(a)   Compliance with Law. Each of Illuminate and District represents and warrants that it, and its officials, agents, employees and subcontractors is familiar with the provisions of the Family Educational Rights and Privacy Act ("*FERPA*") and equivalent state provisions, and each party agrees that it will comply with such provisions and take all reasonable measures necessary to protect student education records from unauthorized acquisition or release. In the event that any unauthorized acquisition or release of student education records occurs, each party agrees to advise the other promptly upon discovery of such unauthorized acquisition or release. In the event that either party becomes aware of a data breach resulting in the unauthorized acquisition or release of confidential student records, it shall take immediate steps to limit and mitigate such security breach to the extent possible. Illuminate and District will work cooperatively in determining an action plan, including any required notification of affected persons. The party at fault for the data breach resulting in the unauthorized acquisition or release will be responsible for providing any required remedies to the extent possible.

(b)   Sharing of District Data. Illuminate will not share District Data except (i) as directed by District, (ii) to District Users as contemplated by this Agreement, (iii) to Illuminate's subcontractors who need access to fulfill Illuminate's obligations under this Agreement and who have agreed to maintain the confidentiality (as noted in Section 9) of such information or (iv) as required by applicable law. When Illuminate believes that any disclosure is required by applicable law, it shall promptly notify the District prior to the disclosure and give the District a reasonable opportunity to object to the disclosure.

(c)   Storage and Process. Illuminate will store and process District Data in accordance with commercially reasonable practices, including appropriate administrative, physical, and technical safeguards, to secure such data from unauthorized access, disclosure, alteration, and use. Illuminate will make available to the District a copy of the District Data for download and use on a daily basis.

(d)   Right to Correct. A parent, legal guardian, or student who has reached 18 years of age may review personally identifiable information in the student's education records and correct erroneous information by serving a written request for access or description of the erroneous information and written request for correction upon District and furnishing District, upon request, such information as is reasonably requested to respond to the request. District is responsible for correcting all such erroneous information and Illuminate agrees to fully cooperate with District to make such corrections.

(e)   Social Security Numbers. District agrees that it will not collect or store as part of the District Data or otherwise any social security numbers.

12.   Illuminate Warranty.

(a)   Software Warranty. Illuminate warrants to District that the Software as delivered, will materially comply with the published specifications of Illuminate for such Software. Illuminate's obligations under this warranty are limited to providing District with a copy of corrected Software. Illuminate does not warrant that the operation of the Software will be uninterrupted or error-free. IN PARTICULAR, FOR PURPOSES OF THE FOREGOING WARRANTY, ILLUMINATE AND DISTRICT ACKNOWLEDGE THAT THE SOFTWARE IS NOT AND CANNOT BE MADE TO BE 100% ACCURATE, AND THAT ANY ERRORS OR FAILURE TO PERFORM SHALL NOT BE DEEMED A BREACH OF SUCH WARRANTY UNLESS THEY ARE SIGNIFICANT AND NOT TO BE EXPECTED IN LIGHT OF THE LIMITATIONS OF SOFTWARE OF THIS TYPE.

(b)   No Other Warranty. EXCEPT AS EXPRESSLY SET FORTH ABOVE, ILLUMINATE DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, WITH REGARD TO ALL TECHNOLOGY, THIRD PARTY MATERIALS, SOFTWARE OR DERIVATIVE WORKS PROVIDED OR OTHERWISE LICENSED TO DISTRICT IN CONNECTION WITH THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE AND NON-INFRINGEMENT.

13.   Indemnification.

(a)   By Illuminate. Illuminate agrees to defend, indemnify and hold harmless District and its directors, officers, employees, and agents from and against all damages, costs (including reasonable attorneys' fees), judgments and other expenses arising out of or on account of any third party claim: (i) alleging that the Software infringes or misappropriates the proprietary or intellectual property rights of any third party, except to the extent that such infringement results from District's misuse of or modifications to the Software; (ii) that results from the negligence or intentional misconduct of Illuminate or its employees or agents; or (iii)

that results from any breach of any of the representations, warranties or covenants contained herein by Illuminate.

(b)   By District. To the extent permitted under applicable law, District agrees to defend, indemnify and hold harmless Illuminate and its directors, officers, employees, and agents from and against all damages, costs (including reasonable attorneys' fees), judgments and other expenses arising out of or on account of any third party claim that results from (i) the negligence or intentional misconduct of District or its employees or agents or (ii) any breach of any of the representations, warranties or covenants contained herein by District.

(c)   Indemnification Procedure. The parties' obligation to indemnify is subject to the conditions that the party with the obligation to indemnify ("*Indemnifying Party*") is given prompt notice of any such claims and is given primary control of and all reasonably requested assistance (at the other party's cost) for the defense of such claims (with counsel reasonably satisfactory to the party being indemnified ("*Indemnified Party*")), provided that the Indemnified Party shall under no circumstances be required to admit liability, and provided further that any delay in notification shall not relieve the Indemnifying Party of its obligations hereunder except to the extent that the delay materially impairs its ability to indemnify. Without limiting the foregoing, the Indemnified Party may participate in the defense at its own expense and with its own counsel; provided that if the Indemnified Party reasonably concludes that the Indemnifying Party has conflicting interests or different defenses available with respect to such claim, the reasonable fees and expenses of one counsel to the Indemnified Party shall be borne by the Indemnifying Party. The Indemnifying Party shall not enter into or acquiesce to any settlement containing any admission of or stipulation to any guilt, fault, liability or wrongdoing on the part of the Indemnified Party or which would otherwise adversely affect the Indemnified Party without the Indemnified Party's prior written consent (which shall not be unreasonably withheld). The Indemnifying Party shall keep the Indemnified Party advised of the status of the claims and the defense thereof and shall consider in good faith the recommendations made by the Indemnified Party with respect thereto.

14.   Insurance. Illuminate agrees to carry a comprehensive general and automobile liability insurance with limits of Two Million Dollars ($2,000,000.00) per occurrence combined single limit for bodily injury and property damage in a form mutually acceptable to both parties to protect Illuminate and District against liability or claims of liability which may arise out of this Agreement. Illuminate agrees to maintain workers' compensation insurance as required under applicable law.

15.   Termination.

(a)   Termination by District. District may terminate this Agreement without cause prior to the expiration of the Term, effective upon the end of a District fiscal year, by giving Illuminate written notice of its intent to so terminate at least sixty (60) days prior to the end of such District fiscal year.

(b)   Termination for Cause. Either party may terminate this Agreement prior to the expiration of the Term, effective immediately upon written notice to the other party, in the event of a material breach of this Agreement by the other party hereto, which breach remains uncured for more than thirty (30) days after written notice thereof. In addition, either party may

terminate this Agreement upon ten (10) days written notice to the other party upon the occurrence of any one or more of the following: (i) the institution by or against the other party of insolvency, receivership, or bankruptcy proceedings or any other proceedings for the settlement of the other party's debts; (ii) the other party making an assignment for the benefit of creditors; or (iii) the other party's dissolution.

(c)   Rights in Law and Equity Remain. The foregoing rights to terminate are in addition to, not in lieu of, all other rights and remedies which may be available to either party under this Agreement, at law and/or in equity.

(d)   Survival. The obligations in the following Sections will survive any expiration or termination of this Agreement: Sections 2(b), 4, 6, 9, 10, 11, 12, 14 and 15 and any obligations to pay for license fees, services, training or taxes pursuant to Sections 3 or 5 that were earned or payable relating to the period prior to termination.

16.   Miscellaneous.

(a)   Entire Agreement; Counterparts. This Agreement and the Exhibits hereto contain the entire agreement between the parties with respect to the transactions contemplated hereby and supersedes all prior negotiations, commitments, agreements and understandings between them with respect thereto. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and will become effective when counterparts have been signed by each party and delivered to the other party, it being understood that both parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission, or by e-mail delivery of a ".pdf" data file, such signature will create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile signature page were an original thereof.

(b)   Notices. All notices, requests, demands and consents to be made hereunder to the parties hereto pursuant to this Agreement will be in writing and will be sufficiently given if personally delivered, sent by other means of electronic transmission (including electronic mail) or sent by mail, postage prepaid to the party at the following addresses or to such other address as either party may hereafter designate to the other in accordance herewith:

If to Illuminate:

Illuminate Education, Inc.
6531 Irvine Center Drive, Suite 100
Irvine, California 92618
Attention: Lane Rankin, President
E-mail: LRankin@IlluminateED.com

If to District:

Sacramento City Unified School District
5735 47th Avenue
Sacramento, 95824
Attention: Robin Martin
E-mail: robin-martin@scusd.edu

(c)   Assignment; Successors and Assigns.   Neither party may assign this Agreement or its obligations hereunder without the prior written consent of the other party hereto, except that either party may assign this Agreement in connection with a sale of all or substantially all its outstanding equity or assets without the consent of the other party hereto. Subject to the foregoing, this Agreement will be binding upon, and inure to the benefit of, each of the parties hereto and, except as otherwise expressly provided herein, their respective legal representatives, successors and assigns.

(d)   Amendments, Waivers and Severability.   Except as otherwise provided herein, this Agreement may be amended, and compliance with any provision of this Agreement may be omitted or waived, only by written agreement duly signed by Illuminate and District. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction will not invalidate or render unenforceable the remaining provisions of this Agreement.

(e)   Governing Law.   This Agreement will be governed by, and construed and enforced in accordance with, the substantive laws of the State of California, without regard to its principles of conflicts of laws.

(f)   Relationship of the Parties.   Nothing contained in this Agreement will be construed as creating any agency, partnership, or other form of joint enterprise between the parties. The relationship between the parties will at all times be that of independent contractors. Neither party will have authority to contract for or bind the other in any manner whatsoever. This Agreement confers no rights upon either party except those expressly granted herein.

(g)   Interpretation.   This Agreement will be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The headings in this Agreement are for reference only and will not affect the interpretation of this Agreement.

(h)   No Third-Party Beneficiaries.   This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or will confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

(i)   Improper Payments. Illuminate represents and warrants that it has not directly or indirectly offered or given, and will not directly or indirectly offer or give, to any employee, agent or representative of District any cash or noncash gratuity or payment with a view toward securing any business from District or influencing such person with respect to the conditions, or performance of any contracts with or orders from District, including without limitation this Agreement.

(j)   Limitation of Liability. In no event will either party be liable to the other party or to any third party for any incidental, special, indirect, exemplary, punitive or consequential damages arising out of or relating to this Agreement, including any damages for business interruption, loss of use, or lost or damaged data, whether arising out of breach of contract, tort (including negligence) or otherwise, even if such party or any of its authorized representatives has been advised of the possibility of such damages. Each party's aggregate liability arising out of or relating to this Agreement for any damages, costs, judgments, expenses or loss resulting from any claims, demands, or actions arising out of or relating to this Agreement (including indemnification) will not exceed the fees paid or due payable by District to Illuminate during the preceding twelve months pursuant to this Agreement.

(k)   Force Majeure. Neither party will be liable to the other for any delay or failure to perform due to causes beyond its reasonable control. Performance times will be considered extended for a period of time equivalent to time lost because of any such delay by providing prompt written notice of such expected delay to the other party.

(l)   Due Authority of Signatories. Each individual signing this Agreement on behalf of a party represents and warrants that he or she has been duly authorized by appropriate action of such party to execute, and thereby bind such party to, this Agreement.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the Effective Date.

ILLUMINATE EDUCATION, INC.

Date: _August, 12, 2015_

By: _Lane Rankin_
Lane Rankin, President

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT

Date: _____

By: _____
Print: _____
Its: _____

EXHIBIT A

DISTRICT LOCATIONS

District Schools

A. M. Winn Waldorf-Inspired
Abraham Lincoln Elementary
Albert Einstein Middle
Alice Birney Waldorf-Inspired
American Legion High (Continuation)
Arthur A. Benjamin Health Professions High
Bowling Green Elementary
Bret Harte Elementary
C. K. Mcclatchy High
Caleb Greenwood Elementary
California Middle
Camellia Elementary
Capital City Independent Study
Caroline Wenzel Elementary
Cesar Chavez Intermediate
Crocker/Riverside Elementary
David Lubin Elementary
District Office
Earl Warren Elementary
Edward Kemble Elementary
Elder Creek Elementary
Ethel I. Baker Elementary
Ethel Phillips Elementary
Father Keith B. Kenny
Fern Bacon Middle
Genevieve Didion
George Washington Carver School Of Arts And Science
Golden Empire Elementary
H. W. Harkness Elementary
Hiram W. Johnson High
Hollywood Park Elementary
Hubert H. Bancroft Elementary
Isador Cohen Elementary
James Marshall Elementary

John Bidwell Elementary
John Cabrillo Elementary
John D. Sloat Elementary
John F. Kennedy High
John H. Still
John Morse Therapeutic Center
Kit Carson Middle
Leataata Floyd Elementary
Leonardo Da Vinci
Luther Burbank High
Mark Twain Elementary
Martin Luther King, Jr.
Matsuyama Elementary
New Joseph Bonnheim (Njb) Community Charter
New Technology High
Nicholas Elementary
O. W. Erlewine Elementary
Oak Ridge Elementary
Pacific Elementary
Parkway Elementary
Peter Burnett Elementary
Phoebe A. Hearst Elementary
Pony Express Elementary
Rosa Parks Elementary
Rosemont High
Sam Brannan Middle
School Of Engineering & Sciences
Sequoia Elementary
Success Academy
Susan B. Anthony Elementary
Sutter Middle
Sutterville Elementary
Tahoe Elementary
The Met
Theodore Judah Elementary
West Campus
Will C. Wood Middle
William Land Elementary
Woodbine Elementary

EXHIBIT B

TASK LIST

Date	Task
June	Initial implementation meeting
June/July 2015	Date of conversion and imports
Summer 2015	District begins using Software