

Metropolitan Education District
760 Hillsdale Avenue, San Jose, CA
(408) 723-6464

Joint Powers Agreement

MetroED



2012

**Metropolitan Education District
Joint Powers Agreement**

TABLE OF CONTENTS

1.	PARTIES	1
1.1	Parties To This Agreement	1
1.2	Reorganization	1
1.3	Additional Agencies	1
2.	FACTS ON WHICH THIS AGREEMENT IS BASED.....	1
2.1	History	1
2.2	Background of this Agreement	2
3.	DEFINITIONS	2
4.	EDUCATION DISTRICT CREATED	3
5.	PURPOSES	4
5.1	Vocational and Occupational Education	4
5.2	Adult Education	4
5.3	High School	4
5.4	Administrative and Management Services	5
6.	POWERS TO BE EXERCISED	5
6.1	Programs.....	5
6.2	Enumerated Powers	5
6.3	Selling Property	6
6.4	Business Services	6
6.5	Non-Profit Formation	7
6.6	Employees	7
7.	TERM.....	8
8.	LIABILITY AND INDEMNITY	8
9.	FINANCIAL MATTERS.....	9
9.1	Asset Management Program	9
9.2	Borrow Funds/Short Term	9
9.3	Borrow Funds/Long Term	10
9.4	Financial Instruments	10
10.	FACILITIES.....	10
10.1	Hillsdale Site.....	10
10.2	Maintenance Support	10
11.	GOVERNING BOARD	11
11.1	Governing Board	11
11.2	Governing Board Authority	11
11.3	Board Member Appointment.....	11

**Metropolitan Education District
Joint Powers Agreement**

11.4	Board Member Term	11
11.5	Board Vote	11
12.	EXECUTIVE COUNCIL	12
12.1	Executive Council	12
12.2	Executive Council's Responsibilities And Duties.....	15
13.	INSTRUCTIONAL COUNCIL.....	12
13.1	Instructional Council	12
13.2	Meetings.....	12
13.3	Instructional Council's Responsibilities	13
14.	JOINT MEETING OF THE EXECUTIVE COUNCIL AND THE GOVERNING BOARD ..	13
15.	FUNDS	13
15.1	Annual Operating Funds.....	13
15.2	Apportionments	14
15.3	Depository and Custodian	14
15.4	Accounting and Auditing.....	14
15.5	Parties' Contributions.....	14
16.	BUDGET	15
16.1	Budget Preparation.....	15
16.2	Budget Information	15
17.	WITHDRAWAL.....	15
17.1	Intent of the Parties	15
17.2	Notice of Withdrawal.....	16
17.3	Effect of Withdrawal.....	16
17.4	Disposition of Property and Funds.....	16
17.5	Proportionate Contribution.....	17
18.	DISSOLUTION.....	17
18.1	Dissolution of The Education District	17
18.2	Disposition of Property and Funds.....	18
19.	DISPUTE RESOLUTION.....	18
20.	AMENDMENTS	18
20.1	Amendment Vote.....	18
21.	SEVERABILITY.....	19
22.	CONTINUANCE	19

Metropolitan Education District Joint Powers Agreement

The parties to this Agreement entered into an agreement to establish the Central Santa Clara County Regional Occupational Agency in 1983, and renamed the Agency the Metropolitan Education District in 1997. The parties desire to change and amend the agreement of 1983, and all of its subsequent amendments, to reflect its current programs and purposes.

Consequently, the parties agree that the agreement of 1983, as subsequently amended, be amended and superseded to read:

1. PARTIES

1.1 Parties to This Agreement

This Agreement is made by and among, but shall not be limited to:

- * Campbell Union High School District;
- * East Side Union High School District;
- * Los Gatos-Saratoga Joint Union High School District;
- * Milpitas Unified School District;
- * San Jose Unified School District; and
- * Santa Clara Unified School District.

1.2 Reorganization

In the event of reorganization, as defined by Education Code Section 35700, et seq., of one or more of the districts participating in the agreement, the successor in interest or successors in interest to the obligations of any such reorganized district shall be substituted as a party or as parties to this Agreement.

1.2.1 Additional Agencies

Additional agencies may enter into this Agreement subject to the approval of a majority vote of the Governing Board.

1.2.2 Each additional agency entering into this Agreement shall agree to remain a party to this Agreement for a minimum of three (3) years.

2. FACTS ON WHICH THIS AGREEMENT IS BASED

2.1 History

The six (6) member districts have shared a long cooperative relationship with the goal of providing local adult education programs to the communities they serve. The San Jose adult education movement started around San Jose High School in the 1860's. The program grew from a small evening program, serving the surrounding communities, to a program that serves tens of thousands of adults each year. San Jose City Schools and San Jose Unified School District ("SJUSD") administered the program for over one hundred years. In the early 1960's, the program was officially named Metropolitan Adult Education Program ("MAEP"). Today, MAEP is well known for its many quality programs for adult students.

Metropolitan Education District Joint Powers Agreement

The Regional Occupational Center programs also started in San Jose and served the surrounding communities. In the 1920's, vocational education programs at San Jose High School expanded and developed into a separate school and the San Jose Technical High School served the community. With strong support from the community, the Regional Vocational Center ("RVC") began operation in 1959. The surrounding communities and school districts sent students to the RVC and the San Jose, East Side, Campbell, and Santa Clara districts formed a cooperative program serving their four school districts.

In 1968, the four school districts established a vocational training facility at the Hillsdale site. SJUSD administered the program. Milpitas joined in 1969, and Los Gatos-Saratoga joined in 1973. SJUSD continued to administer the RVC and MAEP until 1983, when all six districts jointly decided to create the Central Santa Clara County Regional Occupational Agency ("CSCCROA"), a joint powers agency ("JPA") to administer the programs. The JPA was renamed the Metropolitan Education District in 1997.

Through the JPA, the Participating Districts are able to better serve their constituent communities. Through the JPA, the economies of size and expense allow Participating Districts to offer a variety and depth of regional occupational programs that they could not operate alone.

The development, organization and implementation of occupational training and adult education opportunities can be extended through a wider variety of specialized courses and services for a larger number of students through this cooperative effort.

The Participating Districts recognized that they relinquished their ability to specifically control each decision of the Education District, in exchange for the ability to cooperatively operate programs for students in all six districts.

2.2 Background of This Agreement

The parties to this Agreement entered into an Agreement to establish the Central Santa Clara County Regional Occupational Agency in 1983. The Agency was renamed the Metropolitan Education District in 1997. The parties now desire to change and amend the Agreement of 1983, as subsequently amended, to reflect its current programs and purposes.

By this Agreement, the six (6) Participating Districts, under the authority granted to them by California Government Code Section 6500, et seq., create a public entity separate and apart from the Participating Districts, which is empowered to provide programs and services to accomplish the purposes set forth in this Agreement. This Joint Powers Agreement supersedes the 1983 Agreement and all of its subsequent amendments.

3. DEFINITIONS

Agreement. This Joint Powers Agreement between the Participating Districts creating the Education District.

Metropolitan Education District Joint Powers Agreement

Alternative High School: Program providing a high school classes and services, located on an adult school or occupational center campus, for high school students who are performing below their academic potential in order to reduce the likelihood that they will drop out of school and for students who have already dropped out. Such program shall be structured as a broad-based instructional program focusing on school-to-work curriculum, career education, work experience, and community service.

Arthur Young Report: Schedule of Contributions, suggested by Arthur Young & Company on September 3, 1982.

Governing Board: The Governing Board of the Education District, composed of one board member and one alternate member appointed by each of the six (6) Participating Districts.

CSCCROA: Central Santa Clara County Regional Occupational Agency.

Education District: Metropolitan Education District, the public agency created by this Agreement.

Fiscal Year: July 1 - June 30.

Hillsdale site: The ROC site, located at 760 Hillsdale Avenue, San Jose, California 95136-1190.

MAEP: Metropolitan Adult Education Program.

Participating Districts: Campbell Union High School District, East Side Union High School District, Los Gatos-Saratoga Joint Union High School District, Milpitas Unified School District, San Jose Unified School District, and Santa Clara Unified School District, and their successor(s).

ROC: Regional Occupational Center.

ROP: Regional Occupational Program.

ROC/P: Regional Occupational Center/Regional Occupational Program.

Superintendent: The Superintendent of the Education District.

4. EDUCATION DISTRICT CREATED

4.1 The Metropolitan Education District "Education District" is created under the authority of Government Code Sections 6500, et seq., to administer and execute this Agreement for all purposes that the Participating Districts deem proper.

4.2 The Education District constitutes a public entity separate and apart from the school districts that are parties to this Agreement. As a Joint Powers Authority, the

Metropolitan Education District Joint Powers Agreement

Education District may conduct the following programs to accomplish the purposes of this Agreement, including but not limited to:

- 4.2.1** Regional Occupational Center ("ROC");
- 4.2.2** Regional Occupational Program ("ROP");
- 4.2.3** An adult education program;
- 4.2.4** An alternative high school; and
- 4.2.5** Any other programs consistent with the purposes for which the Education District was created. This may include charter schools only by a unanimous vote of the Governing Board.

5. PURPOSES

The Participating Districts shall join together to accomplish the following purposes:

5.1 Vocational and Occupational Education

To provide quality vocational, technical, and occupational training opportunities to prepare both youth and adults for:

- 5.1.1** Gainful employment in the occupational area for which training was provided;
- 5.1.2** Occupational upgrading for higher level skills required by new and changing technology and employment practices; and
- 5.1.3** Enrollment in training programs pursuant to Education Code Section 52302.5.

5.2 Adult Education

To provide a comprehensive and diversified adult education program that is responsive to civic, vocational, literacy, health, recreational, personal interest, homemaking, technical and general education needs of the community.

5.3 High School

To provide programs for high school students which may include, but not limited to an alternative high school, an instructional program in which students receive academic instruction through classes operated in conjunction with the Education District's ROC/P program; and

To provide home-to-school transportation to high school students enrolled in programs maintained by the Education District pursuant to Education Code Section 41850.

Metropolitan Education District Joint Powers Agreement

5.4 Administrative and Management Services

To extend to Participating Districts, upon request, business, administrative, and management services that the Education District performs as part of the Education District's own operation.

6. POWERS TO BE EXERCISED

6.1 Programs

The Education District shall establish and maintain educational programs, including but not limited to regional occupational, adult education, fee based classes, and high school programs, which provide academic, vocational, and recreational instruction for students in the Participating District's communities.

6.2 Enumerated Powers

As a joint powers authority formed pursuant to Government Code Section 6508, the Education District is authorized, in its own name, to do any of the following to the extent any of its member districts are authorized, as if the Education District were a single school district operating in Santa Clara County, under the laws of the State of California, including but not limited to the Education Code:

6.2.1 Establishing and maintaining educational programs as directed by the Participating Districts;

6.2.2 Making and entering into contracts, including, but not limited to contracts with school districts and other public and private educational entities to provide services not inconsistent with school district programs pursuant to Education Code Section 17595, et seq.;

6.2.3 Calculating student attendance pursuant to Education Code Section 46300, and reporting such attendance to the Participating Districts and the County Superintendent in the same manner as in Education Code Section 41601;

6.2.4 Applying for and obtaining waivers of applicable law when necessary in the judgment of the Governing Board to carry out duties delegated to it by the Participating Districts, pursuant to Education Code Section 33050;

6.2.5 Employing employees and agents pursuant to Part 25, Division 3, Title 2, of the Education Code;

6.2.6 Applying for and obtaining school construction funds, issuing school bonds, and participating in funding from state bond measures pursuant to Part 10, Division 1, Title 1; and Chapter 6.10, Part 28, Division 4, Title 2, of the

Metropolitan Education District Joint Powers Agreement

Education Code (but the Education District may only participate in bonds with the unanimous approval of the Governing Board);

6.2.7 Applying for and obtaining deferred maintenance funds pursuant to Part 10.5, Division 1, Title 1, of the Education Code;

6.2.8 Applying for and obtaining federal facilities funds pursuant to Part 8, Division 1, Title 1, of the Education Code;

6.2.9 Acquiring, constructing, managing, maintaining or operating any building, works or improvement pursuant to Part 10.5, Division 1, Title 1, of the Education Code;

6.2.10 Acquiring, holding or disposing of property, ground leasing existing real property pursuant to Education Code Section 35162 (See also Section 6.3 of this Agreement);

6.2.11 Borrowing funds, leasing equipment and property pursuant to Education Code Sections 17450, et seq. and 17455 et seq.;

6.2.12 Incurring debts, liabilities or obligations and having the power to sue or be sued in its own name pursuant to Education Code Section 35162 and Government Code Section 6588;

6.2.13 Investing all or any part of any surplus moneys not required for the immediate necessities of the Education District, pursuant to the authorization of and limitations on investment of district funds in Education Code Section 41015, et seq.; and

6.2.14 Protecting its intellectual property and/or trademark rights and prohibiting any Participating District from using the names of programs established by the Education District after a district's withdrawal from this Agreement, pursuant to Education Code Sections 32360, 35170, and 60076.

6.3 Selling Property

The Education District's powers do not include the power to sell, lease, or otherwise encumber existing real property owned by the Education District without the unanimous approval of the Participating Districts except for a lease or license to a Participating District.

6.4 Business Services

The Education District shall be authorized to perform necessary business, administrative, and management services including, but not limited to:

6.4.1 Career development services and counseling;

6.4.2 Credentialing services;

Metropolitan Education District Joint Powers Agreement

6.4.3 Grant writing and fund-raising to benefit the purposes authorized by this Agreement;

6.4.4 Personnel/payroll services;

6.4.5 Management information services;

6.4.6 Accounting, auditing, purchasing, accounts receivable and payable, attendance accounting and general fiscal services;

6.4.7 Issuing revenue anticipation notes or other short-term debt instruments (See Section 9.2 of this Agreement);

6.4.8 Building maintenance;

6.4.9 Food services;

6.4.10 Conducting employee-employer labor relations;

6.4.11 Public relations and advertising services; and

6.4.12 Any additional services approved by the Governing Board.

6.5 Non-Profit Formation

The Education District shall also be authorized to form a non-profit corporation for the purposes of carrying out any of its powers.

6.6 Employees

6.6.1 The Governing Board shall have the authority to employ and evaluate a chief executive officer, known as the Education District Superintendent pursuant to Education Code Section 35026, subject to the terms and conditions of the Superintendent's employment contract.

6.6.2 The Governing Board shall have all the powers to appoint, evaluate, or terminate employees or to employ or retain the service of other organizations and individuals as it may deem necessary or appropriate, and to fix and pay their compensation pursuant to Part 25, Division 3, Title 2 of the Education Code subject to any terms and conditions of employment contracts.

6.6.3 Employees of the Education District shall not be considered employees of the Participating Districts, but may be separately employed by the Participating Districts.

**Metropolitan Education District
Joint Powers Agreement**

7. TERM

The term of this Agreement shall be on a fiscal year basis to be automatically renewed from year to year subject to the provisions for withdrawal, contained in Section 17 of this Agreement.

8. LIABILITY AND INDEMNITY

8.1 The debts, liabilities, and obligations of the Education District and/or any non-profit corporation formed by the Education District shall not be the debts, liabilities, and obligations of the Participating Districts.

8.2 Upon any liability arising out of the Education District's performance of its powers, duties, and responsibilities under this Agreement, the Education District shall indemnify the parties to the Agreement as provided by Government Code Section 895.4.

8.3 The Education District shall, at its own expense, carry sufficient insurance to insure against liabilities, errors, and omissions arising out of its performance and to provide for its obligations under Sections 8.1 and 8.2 above. The Education District shall, at its own expense, obtain and maintain in force during the term of this Agreement the following insurance: (1) a policy of comprehensive single-limit general liability insurance insuring the Education District and the Participating Districts against claims and liabilities arising out of Education District's performance of this Agreement, (2) a policy of automobile insurance covering any owned, non-owned, leased, or hired automotive equipment used by Education District or its employees in connection with Education District's performance of this Agreement, (3) a policy of public officials errors and omissions insurance, and (4) a policy of pollution liability insurance. The minimum coverage for all insurance shall be not less than three million dollars (\$3,000,000) Combined Single Limit and at least as broad as the Insurance Service Office (ISO) Forms (CG 00 01 and CA 00 01) for bodily injury, death and property damage as a result of any one occurrence and a three million dollar (\$3,000,000) general aggregate policy. That insurance shall name Participating Districts, their employees, trustees, and agents, as additional insureds. The Education District shall provide a certificate of insurance, including an endorsement that names all of the Participating Districts as additional insureds, to each Participating District, upon execution of this Agreement and upon request of any of the Participating Districts during the term of this Agreement, evidencing this coverage in a form satisfactory to the Participating Districts. Liability insurance shall continue throughout the term of this Agreement.

8.4 Education District shall ensure that appropriate and adequate Workers' Compensation insurance covering all persons employed by the Education District or engaged in the performance of this Agreement is in effect at all times during the term of this Agreement, and shall comply with all provisions of law applicable to Education District with respect to obtaining and maintaining workers' compensation insurance. Prior to the commencement and any renewal of this Agreement, or of any workers' compensation insurance policy, and upon the request of any of the Participating Districts, Education District shall provide the Participating Districts, as evidence of this required coverage, a certificate of insurance in a form satisfactory to the Participating

Metropolitan Education District Joint Powers Agreement

Districts, providing that coverage shall not be canceled or reduced without thirty (30) days prior written notice to the Participating Districts.

8.5 Education District shall provide endorsements requiring each insurer to provide each of the Participating Districts thirty days prior written notice of cancellation, alteration or reduction in coverage. All insurance of the Education District shall be primary and any insurance policy or self-insurance procured by the Participating Districts be secondary. All Education District insurance policies shall contain a cross liability endorsement. The Participating Districts shall have the right to reassess and increase the policy limits for all insurance every three years. All SIRs and/or deductibles shall be disclosed to all Participating Districts. All insurance shall be with carriers approved by the Participating Districts. At least thirty (30) days prior to the expiration of each insurance certificate, and every subsequent certificate, Education District shall deliver to the Participating Districts a new certificate of insurance consistent with all of the terms and conditions required in connection with the original certificate of insurance as described in this Liability and Indemnity Section.

9. FINANCIAL MATTERS

9.1 Asset Management Program

Any funds derived from leasing property or buildings at the Hillsdale site shall be placed in an Asset Management Fund of the Education District. This fund shall be used to benefit the students and programs of the Education District and/or its successor(s). These funds shall supplement and not supplant any existing capitol outlay funds that the Education District may include in its budget. At the discretion of the Governing Board, these funds shall be expended for the benefit of Education District programs, for purposes that include, but are not limited to, curricular improvement, equipping of new and existing classes, classroom reconstruction, classroom remodeling, building maintenance, or new classroom construction.

9.1.1 The Asset Management Fund shall maintain a minimum \$250,000 reserve for emergency purposes.

9.1.2 The Education District may recover from the Asset Management Fund the costs of establishing the Asset Management Program and the costs directly associated with maintaining lease(s) for property or buildings, the proceeds of which contribute to the Asset Management Program.

9.2 Borrow Funds/Short Term

The Education District is authorized to issue revenue anticipation notes and borrow funds on a short term basis to accommodate projected cash flow shortages pursuant to applicable Education Code Sections, including but not limited to Sections 15150 and 52320. The Education District is authorized to borrow funding to lease equipment or property pursuant to applicable Education Code Sections, including but not limited to Sections 52319 through 52322.

Metropolitan Education District Joint Powers Agreement

9.3 Borrow Funds/Long Term

The Education District is authorized to borrow funds for long-term projects. These projects must be completely defined and approved by the Governing Board. The Education District may issue Certificates of Participation or other similar obligations permitted by California law pursuant to applicable Education Code Sections, including but not limited to Section 17100, et seq., only with unanimous Governing Board approval after Board members have had an opportunity to confer with their Participating District's governing board.

9.4 Financial Instruments

The Education District is authorized to:

9.4.1 Issue general obligation bonds;

9.4.2 Impose a special local tax pursuant to California Constitution Article XIII A, Section 4;

9.4.3 Create a municipal assessment district pursuant to Government Code Section 6500, et seq. including but not limited to Section 6516.6, and applicable Education Code Sections, including but not limited to Section 52319; or

9.4.4 The use of these funds must be defined and approved by a unanimous vote of the Governing Board after each Governing Board member has had adequate opportunity to consult with their Participating District's governing Board. The Governing Board shall approve the timing of an election for voter approval.

10. FACILITIES

10.1 Hillsdale Site

The Education District is authorized to serve as the administrator of record for the Hillsdale site to administer the site's use, maintenance, liability, easements, and governmental notifications pertaining to the site. The Education District shall be authorized to approve easements only with a unanimous vote after each Governing Board member consults with, and obtains agreement from their Participating Districts' governing boards.

10.2 Maintenance Support

The Participating Districts agree to authorize the Education District, as needed, to qualify for all local, state, and federal funding available to maintain the site and buildings. Participating Districts agree that the Education District may apply through one or more of the Participating Districts for maintenance funding on behalf of the Education District, when necessary to qualify for funding with concurrence of the affected Participating District.

Metropolitan Education District Joint Powers Agreement

11. GOVERNING BOARD

11.1 Governing Board

The Governing Board shall consist of one member from each Participating District and the membership of the Governing Board shall at all times be equal to the number of Participating Districts that are parties to this Agreement.

11.2 Governing Board Authority

The Governing Board shall exercise the authority and control granted to a school district and regional occupational center governing boards pursuant to Education Code Sections 35160, et seq., and 52310.5.

11.3 Board Member Appointment

The Governing Board of each Participating District shall appoint one of its Governing Board members to serve as an Education District Governing Board member and another district Governing Board member to serve as an alternate. The alternate shall have full voting rights, but shall vote only in the absence of the Participating District's first Governing Board member.

11.4 Board Member Term

The initial Governing Board members shall fix the terms of the Governing Board in a manner that will provide for the expiration each year of the terms of half of the members.

11.4.1 Each Governing Board member's term on the Education District Board shall coincide with the member's term of office on the Participating District's Governing Board.

11.4.2 The Governing Board terms of the Participating Districts, San Jose Unified School District, Milpitas Unified School District, and Los Gatos-Saratoga Joint Union High School District, shall expire in even years.

11.4.3 The Governing Board terms of the Participating Districts, East Side Union High School District, Santa Clara Unified School District, and Campbell Union High School District, shall expire in odd years.

11.4.4 Upon the resignation, removal, or incapacity of any Governing Board member, the participating school district that appointed the Governing Board member shall appoint a replacement to complete the term.

11.5 Board Vote

11.5.1 The Governing Board shall act by a majority vote of its members pursuant to Education Code Section 35164.

Metropolitan Education District Joint Powers Agreement

11.5.2 On actions relative to Adult Education Programs the Governing Board members voting in favor must represent Participating Districts with a majority of the enrollment in the Adult Education Program.

12. EXECUTIVE COUNCIL

12.1 Executive Council

There shall be an Education District Executive Council consisting of the superintendents of each of the Participating Districts, and the Superintendent of the Education District as a non-voting member. This Council shall meet as needed, but at least two (2) times annually.

12.2 Executive Council's Responsibilities and Duties

Responsibilities and duties of the Executive Council shall include, but not be limited to:

12.2.1 Reviewing and advising the Superintendent on recommendations of the Instructional Council;

12.2.2 Discussing issues pertaining to all aspects of the development and operation of the Education District and its programs;

12.2.3 Making recommendations to the Superintendent regarding rules, regulations, and policies pertaining to any aspect of the development and operation of the Education District and its programs;

12.2.4 Advising and assisting the Superintendent on program issues;

12.2.5 Advising and assisting the Superintendent on relationship issues; and

12.2.6 Setting student enrollment goals at the ROC day program.

13. INSTRUCTIONAL COUNCIL

13.1 Instructional Council

Each Participating District's Superintendent shall appoint one (1) Participating District administrator at an administrative level equivalent to Assistant Superintendent, possessing Participating District instructional responsibility, to sit on the Instructional Council.

13.2 Meetings

The Instructional Council shall meet at least four (4) times annually.

13.2.1 The Superintendent shall be responsible for setting the agenda and arranging for the meeting.

Metropolitan Education District Joint Powers Agreement

13.3 Instructional Council's Responsibilities

The Instructional Council's responsibilities shall include, but not be limited to:

13.3.1 Making recommendations to the Superintendent regarding programmatic decisions about the Education District offerings;

13.3.2 Receiving and advising the Superintendent on recommendations from Education District staff, Participating Districts, advisory committees, community agencies and organizations, and the student population in matters concerning the instructional program, building and equipment needs, location, and balance of programs, and overall goals of the Education District;

13.3.3 Making recommendations to the Superintendent, which shall be regularly transmitted to the superintendents of the Participating Districts, as appropriate;

13.3.4 Planning to include Education District informational materials in Participating Districts' publications;

13.3.5 Planning to permit Education District staff to participate in Participating Districts' professional development opportunities; and

13.3.6 Planning to include Education District programs in Participating District's planning.

14. JOINT MEETING OF THE EXECUTIVE COUNCIL AND THE GOVERNING BOARD

There shall be at least one (1) annual joint meeting of the Executive Council and the Governing Board to plan and coordinate activities and programs of the Participating Districts and the Education District and to inform each other about the planning processes and directions of the Participating Districts and the Education District.

15. FUNDS

15.1 Annual Operating Funds

The Education District shall receive in annual operating funds from each of the Participating Districts an amount per unit of average daily attendance equal to actual income received by the applicable Participating Districts for each unit of average daily attendance generated in the regional occupational center and programs, pursuant to Education Code Section 52350, et seq. The Education District shall receive all state apportionments, tuition, and other revenues generated by adult education classes, schools, or programs conducted by the Education District except as expressly limited by the Lease of the Hillsdale site or the Master Business Relationship Agreements between the Education District and each Participating District.

**Metropolitan Education District
Joint Powers Agreement**

15.2 Apportionments

The Education District shall receive all state apportionments, tuition, and other revenues generated by high school classes, adult education classes, schools, or programs conducted by the Education District, pursuant to applicable Education Code sections except as limited by the Lease of the Hillsdale site or the Master Business Relationship Agreements between the Education District and each Participating District.

15.3 Depository and Custodian

The Treasurer of the County of Santa Clara is designated as the depository and custodian of all funds of the Education District, from whatever source, pursuant to Education Code Section 41001.

15.4 Accounting and Auditing

All Education District accounting and audit procedures shall be conducted in accordance with the provisions of the California School Accounting Manual pursuant to Education Code Sections 41010 and 42127.

15.4.1 Responsibility for accounting and auditing procedures and requirements shall be that of the Education District and not the Participating Districts.

15.5 Parties' Contributions

15.5.1 Initial Participating Districts' Contributions

"Participating Districts' Contributions," means the funds, property and real property provided by the parties to this Agreement by lease, conveyance, or other means to the Education District for the operation of its services and programs. The Participating Districts acknowledge and agree that Lots 12, 13 and the remainder of Lot 14 of the Hillsdale Site, are the sole property of SJUSD, acquired at its own expense. The Participating Districts acknowledge and agree that their contributions to the construction cost of the ROC facility and acquisition of Parcel 14, formerly, Lot 11 of the Hillsdale Site, are accurately reflected by the following percentages:

San Jose Unified School District.....	42.1%
East Side Union High School District.....	19.7%
Campbell Union High School District	15.9%
Santa Clara Unified School District.....	12.4%
Los Gatos-Saratoga Joint Union High School District.....	7.7%
Milpitas Unified School District	2.2%
 Total District Contributions	 100.0%

Metropolitan Education District Joint Powers Agreement

15.5.2 Additional Participating Districts' Contributions

One (1) or more Participating District(s) may contribute specific additional funding to constructing, remodeling, or improving buildings on the Hillsdale site.

The ownership percentages can change on the basis of contributions made subsequent to the date of this Agreement. Before a party makes a contribution, the Participating District must provide at least thirty (30) days' prior written notice to the Education District Governing Board and to the Governing Boards of the Participating Districts.

The Governing Board may accept the contribution. The Governing Board shall consult with an independent accounting firm to calculate the change in ownership percentages, and amend the Schedule of Contributions.

The Governing Board's acceptance and calculation must be in the form of a formal written resolution.

16. BUDGET

16.1 Budget Preparation

The Superintendent shall prepare the Education District's proposed budget in cooperation with the Executive Council and the Instructional Council, and shall present the proposed budget to the Governing Board for approval and adoption by July 1 each year. A copy of the Education District's adopted budget shall be transmitted to each Participating District pursuant to Education Code Sections 41010 and 42127.

16.2 Budget Information

The Education District shall report the actual expenses required to operate its program to all Participating Districts. The report shall include the average daily attendance accumulated by each district as compared to the total ADA of the educational programs. These informational reports will be made on a quarterly basis and will reflect the total expense of operation of the regional occupational programs and adult education program (Education Code Section 41023 and Government Code Section 6505).

17. WITHDRAWAL

17.1 Intent of the Parties

The parties to this Agreement intend to create a stable, continuing public entity to operate education programs on an on-going basis. The parties agree that the Education District requires sufficient advance notice of any party's withdrawal from this Agreement to continue its programs uninterrupted. The notice period will enable the Education District to anticipate the effects of any withdrawal, and adjust its programs as necessary.

Metropolitan Education District Joint Powers Agreement

17.2 Notice of Withdrawal

Except as provided in Section 1.3.2 above, any Participating District may withdraw from this Agreement by giving timely written notice to all Participating Districts, the Governing Board, and Superintendent as follows:

17.2.1 Preliminary Notice

Any Participating District considering withdrawal from this Agreement must provide a Preliminary Written Notice to all Participating Districts, the Governing Board, and Superintendent no later than March 30 of the fiscal year preceding withdrawal. The Preliminary Withdrawal Notice shall be in the form of a resolution adopted by the withdrawing Participating District's governing board. The Preliminary Withdrawal Notice must describe with particularity the withdrawing party's reasons for its intent to withdraw. The Superintendent shall submit the withdrawing party's reasons for withdrawal to the Dispute Resolution process outlined in Section 19 of this Agreement.

17.2.2 Actual Notice

After exhausting the Dispute Resolution provided in this Agreement, a Participating District may withdraw from this Agreement by giving written notice to all Participating Districts, the Governing Board and Superintendent no later than June 30 of the fiscal year preceding withdrawal. The withdrawing Participating District must notify all of the Participating Districts' governing boards, the Education District Governing Board, and the Superintendent, no later than June 30 of its intent to withdraw effective June 30 of the following year. The written withdrawal notice shall be in the form of a resolution adopted by the withdrawing Participating District's governing board. In order to constitute adequate and sufficient actual notice of withdrawal under this Agreement, the resolution shall affirmatively state that the withdrawing district shall withdraw effective June 30 of the following year. A resolution stating that the withdrawing district "may" withdraw shall not satisfy this section.

17.3 Effect of Withdrawal

The withdrawal of some but not all the parties to this Agreement or the inclusion of additional parties shall not be deemed a dissolution of the programs operated by the Education District nor a termination of this Agreement.

17.4 Disposition of Property and Funds

17.4.1 Appraisal

Actual Notice of Withdrawal triggers a requirement that an independent appraisal must be conducted of all Education District personal and real property. The appraisal shall be conducted by an appraiser that the Education District and the withdrawing party agree to. Any and all costs for appraisals determining the fair

Metropolitan Education District Joint Powers Agreement

market value of personal property and real property shall be borne by the withdrawing party.

17.4.2 Personal Property

The Education District shall retain all personal property provided by the Education District, including equipment and structures, or the withdrawing party shall compensate the Education District for any personal property that the withdrawing party desires to retain, pending Governing Board approval.

17.4.3 Real Property

Either the Education District or any Participating District may purchase a withdrawing party's real property rights, pursuant to the provisions in Section 15.5 of this Agreement. The withdrawing party's proportionate share of property rights shall be based on the percentages stated on the attached Schedule of Contributions, suggested by Arthur Young & Company on September 3, 1982. If no party purchases the withdrawing party's property rights, the value of the real property, for the withdrawing party's potential future sale, shall remain frozen at fair market value at the time of withdrawal until dissolution or sale of the real property, except for SJUSD's separate real property. If any party chooses to buy a withdrawing party's real property rights, the purchasing party can make payments over a twenty (20) year period, with three percent (3%) annual interest payments with the withdrawing party's concurrence.

17.4.4 Debts and Obligations

The withdrawing party must satisfy the Governing Board that the withdrawing party has paid its share of debts and obligations to the Education District before withdrawal becomes effective.

17.5 Proportionate Contribution

The withdrawing party shall receive a share of the Education District's total assets less total liabilities, either in cash or property, reflective of the proportion of each Participating District's Contribution as set forth in Section 15.5 of this Agreement.

18. DISSOLUTION

18.1 Dissolution of the Education District

Dissolution of the Education District is triggered when all of the parties to this Agreement vote unanimously to dissolve the Education District and terminate this Agreement, and no successor organizations are created to continue the Education District. The Participating Districts' governing boards shall jointly provide at least one (1) fiscal year's written notice of intent to dissolve the Education District to the Governing Board. This notice period will permit the Education District to conclude its programs and outstanding contracts, and to notify its employees of the dissolution.

Metropolitan Education District Joint Powers Agreement

18.2 Disposition of Property and Funds

18.2.1 Proportionate Shares

On dissolution, a proportionate share of the total assets less total liabilities of the parties will be distributed based on the percentages stated in the Schedule of Contributions, identified in Section 15.5.1 of this Agreement, or as amended pursuant to 15.5.2 of this Agreement.

18.2.2 Additional Participating Districts

If, at dissolution, additional districts have become parties to this Agreement that were not parties in 1983, their percentage of total assets less total liabilities shall be based on any buy-in payment that party made at the time of inclusion or specifically designated monetary value contributed for equipment, buildings, or land.

18.2.3 Winding Up

The Education District will continue to exist after the Participating Districts' decision to dissolve for a period no longer than necessary to wind up its affairs and fulfill its legal and financial obligations, but for no other purpose.

19. DISPUTE RESOLUTION

19.1 Should a dispute arise between Participating District(s) regarding the Education District's procedures, operations, changes, policy, or property rights the Superintendent shall attempt to resolve the matter with the Participating District(s). If a resolution is not reached with the Superintendent, the Participating District raising the matter may forward the dispute to the Executive Committee for resolution. The recommendation of the Executive Committee shall be forwarded to the Governing Board. The Governing Board's decision shall be final.

19.2 Should any question or disagreement from a Participating District(s) arise regarding an interpretation of any part of this Agreement, the Superintendent shall attempt to resolve the matter with the Participating District(s). If the Superintendent does not reach resolution, the district raising the question or disagreement may forward the matter to the Executive Committee for resolution. The recommendation of the Executive Committee shall be forwarded to the Governing Board. The Governing Board's decision shall be final.

20. AMENDMENTS

20.1 Amendment Vote

Amendments to this Agreement shall be effective on the date of unanimous approval by all of the Participating Districts.

**Metropolitan Education District
Joint Powers Agreement**

21. SEVERABILITY

Should a court of competent jurisdiction determine that any term or provision of this Agreement is illegal or in conflict with any law of the State of California, or be otherwise unenforceable or ineffectual; the validity of the remaining terms and provisions will not be affected. The Governing Board shall review the remaining terms and provisions and make its recommendation to the Governing Boards of the Participating Districts as to whether or not the Education District can continue to function as intended without the invalid or ineffective terms and provisions.

22. CONTINUANCE

All of the rights, benefits and obligations of the Central Santa Clara County Regional Occupational Agency shall be continued as the rights, benefits, and obligations of the Education District

SO AGREED:

<u>Approved by the Participating Districts:</u>	<u>Date Signed:</u>
San Jose Unified School District	08/13/01
Campbell Union High School District	08/13/01
East Side Union High School District	08/13/01
Los Gatos-Saratoga Joint Union High School District	08/08/01
Milpitas Unified School District	08/01/01
Santa Clara Unified School District	08/07/01
Approved by the Metropolitan Education District	08/22/01