

BUSINESS OFFICE RESOURCES LICENSING AGREEMENT  
between  
LAKEVIEW ACADEMY  
and  
AEGIS BUSINESS RESOURCES, LLC

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This Services Agreement ("Agreement") is made and entered into on September 30, 2020 by and between Aegis Business Resources, LLC a Utah Limited Liability Company ("Aegis"), and Lakeview Academy a Utah Non-profit Corporation ("Charter Holder", "School" or "Governing Board"), both parties organized under the laws of the State of Utah ("State"). Aegis and the Charter Holder agree to the terms set forth below.

RECITALS

WHEREAS, Aegis provides business office resources ("Resources" or "Business Office Resources") outlined herein to charter schools; and

WHEREAS, the Charter Holder desires that Aegis provides Business Office Resources to the Charter Holder, and Aegis desires to provide its Business Office Resources to the Charter Holder; and

WHEREAS, the Charter Holder and Aegis are entering into this Agreement to set forth the obligations and duties of each party with respect to Charter Holder's use of Aegis Business Office Resources for the benefit of the Charter Holder and Aegis.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein set forth, Aegis and the Charter Holder mutually agree as follows:

1. Contractual Relationship. Pursuant to this Agreement, subject to applicable statutes and regulations, and in the exercise of such authority, the Charter Holder hereby contracts with Aegis, to the extent permitted by law, for the use of such Resources contained herein for the Charter Holder, subject to the terms and conditions set forth in this Agreement.
2. Term. The term of this Agreement shall commence on October 1, 2020 and continue unless terminated earlier in accordance with the terms and conditions set forth herein.
  - 2.1. Amendment or Term Extension. This Agreement may be amended by mutual agreement of the parties.
3. Licensing and Responsibilities of Aegis
  - 3.1 Licensing by Aegis. Aegis shall, for the duration of this Agreement, provide to Charter Holder one (1) primary Authorized User Account, receiving information from the Resources suggesting tasks to be completed; and two (2) secondary Authorized User Accounts receiving, if desired, tasks delegated by primary authorized user; and to view the components outlined in this section.
    - 3.1.1. Electronic Business Office Resources. Aegis shall provide the following Business Office Resources electronically:
      - 3.1.1.1. Wiki Library. Aegis shall provide access as described in 3.1 above to the wiki library and the Business Office Resources contained therein which include wiki pages, document templates, checklists, videos, etc. Business Office Resources include many base-level document templates for Charter Holder adaptation and use.
      - 3.1.1.2 Business Office Annual Calendar of To Dos ("To Do" or "Task" list). Aegis shall provide access as described in 3.1 above to the Business Office Recurring Calendar. One (1) Authorized User at the Charter Holder will be the primary recipient of all periodic tasks and shall delegate tasks to other Authorized User Accounts of the Charter Holder.

- 3.2. Meetings. Aegis shall coordinate and assist in leading periodic Business Administrator meetings, etc. to facilitate peer-to-peer mutual support, training and work sessions to complete periodic Tasks and reporting (e.g. a Users' Group led by Aegis). These meetings will generally be held at schools that are centrally located or at other locations as appropriate.
- 3.3. Review. Aegis shall provide periodic (sample-based) review work of the Charter Holder's accounting transactions (transactions entered into the Charter Holder's fund accounting software). Reviews shall be performed using agreed upon accounting procedures, typically quarterly, and will be on a "sample" basis. Sampling is defined for the purposes of this Agreement as a technique used to discover information about a population (accounting records) by selecting and examining a small proportion of that population. A sample refers to a smaller, manageable version of a larger group. It is a subset *containing the characteristics* of a larger population. *Charter Holder understands and agrees that a sample basis means not all transactions are reviewed, but only a small number of identified transactions are reviewed.*
- 3.4. Reports. Aegis shall provide quarterly written reports to the business office, the school director and the board (treasurer, audit committee, etc.) as described in this paragraph. Aegis will provide a written report based on unaudited factual financial information provided by the Charter Holder, which is reviewed on a sample basis by Aegis staff. Aegis will inform the appropriate level of management of difficulties that come to the attention of Aegis representatives. No assurance is expressed to the Charter Holder of the accuracy, completeness or validity of the sample transactions and information provided by the Charter Holder to Aegis for testing nor for transactions not tested. Aegis has no responsibility to identify and communicate significant deficiencies or material weaknesses in the Charter Holder's internal controls as part of this Agreement. Charter Holder acknowledges it is responsible to provide on-time (period relevant), complete and accurate information to Aegis in order for Aegis to perform its obligations contained in this Agreement.
- 3.5. Meetings. Charter Holder business office staff may attend at least two (2) small group, peer-to-peer annual period close audit prep work sessions including closing support. Additionally, business office staff may attend additional work sessions as desired (up to five (5); however, one-on-one audit prep support, in excess of agreed upon amounts outlined in this Agreement, will be billed separately according to then current hourly billing rates.
- 3.6. New hire orientation. Aegis shall provide up to twenty four (24) hours of onboarding orientation for the School's new hires in the business office every twenty four (24) months, scheduled by both parties on an as-needed basis. New hires will be supported throughout their first year of employment with the Charter Holder as a regular course of Aegis operations; however, new hire orientation needed more frequently than the above, supplementary or additional training, or ongoing support or training of new hires needed in excess of customary and reasonable amounts will be billed hourly.
- 3.7. Support. Aegis will provide as part of this Agreement up to ten (10) hours annually of additional one-on-one support for the business office or school administration of the Charter Holder. One-on-one support needed in excess of the above will be billed hourly.
- 3.8. State meetings. Aegis shall attend state or other meetings and provide summary information as a secondary source (defined below) to the business office (and others as appropriate).
- 3.9. Limitations. Aegis cannot nor does it provide a warranty or guarantee to the Charter Holder of the effectiveness, accuracy or adequacy of the Charter Holder's business office staff, accounting records, governmental program compliance, account classification or coding, time certifications required by governmental programs or any other aspect of the school's fiscal, policy, or other operations are accurate and complete. Authority and General Administration of School Rests with the Charter Holder. Both parties acknowledge that the administration of the charter school, for oversight and decision-making authority of all aspects of school administration, which includes the duties set forth in this Agreement, fall within the oversight of the school's Principal or Director (Director), under the direction of the Board. Charter Holder and Aegis agree and understand that the Board and the Director retain all final decision-making authority for all aspects of school operations and administration, including all aspects of human resource/payroll administration and financial/accounting administration. No warranty or guarantee is made of the efficacy of the Business Office Resources including all electronic resources and tools provided in Cloud City that are provided to the Charter Holder under this Agreement.

3.10. Insurance. Aegis, Inc. shall maintain general liability Insurance on its operations and shall provide an insurance certificate to Charter Holder upon request.

4. Responsibilities of Charter Holder.

4.1. Oversight responsibility. Management, oversight, decision making and responsibility for the school's business office, business office activities, compliance, reporting and school-level financial activities rests with the Charter Holder. The Charter Holder is responsible for management, decision making and oversight functions, including internal controls, all fiscal activities of the school, and of the business office. These responsibilities include but are not limited to policy, process and procedures development, implementation and ongoing monitoring of fiscal transactions and activities, all financial transactions, payroll transactions, state and federal program compliance, the school's accounting records and systems, banking accounts, and all documentation related to the foregoing. Charter Holder understands and agrees that it has oversight responsibility and that the Resources and services provided under this Agreement cannot be relied upon to detect accounting errors, detect or prevent fraud, ensure government program compliance, or prevent illegal acts from occurring.

4.1 Data and Programmatic Integrity. Charter Holder warrants that it will provide sufficient, adequate, and properly documented accounting information to Aegis in a timely fashion (within the appropriate reconciliation period). Charter Holder further warrants that Charter Holder's board will establish and maintain sufficient and adequate policies, processes and procedures, consistent with specific governmental program rules and regulations, account classification requirements (coding of transactions per law, rule or program regulations) and that business office staff will know, understand and follow the policies, processes and procedures in their work and governmental accounting reporting. Charter Holder acknowledges that state or federal program compliance, including account coding, time and attendance recordkeeping or certifications for restricted programs, etc. is under the control of Charter Holder's management and staff, not Aegis. Charter Holder acknowledges that governmental program compliance and accountability is a Charter Holder responsibility. Charter Holder shall provide Aegis access to appropriate accounting records, establishing a restricted User account to Aegis. Charter Holder must ensure User settings within its accounting system do not allow access to sensitive data for Aegis staff, including employee information. While Aegis employees do not customarily access secure or confidential information of Charter Holder, to ensure data privacy and security in case of incidental disclosure during the regular course of business, the employees of Aegis are required to sign a Confidentiality Agreement to safeguard confidential and protected information of both Charter Holder and Aegis. Aegis is not required to, and will not, verify the accuracy of or completeness of the information provided by the Charter Holder during the term of this Agreement. Charter Holder acknowledges it is responsible to provide on-time (period relevant), complete and accurate information to Aegis in order for Aegis to perform its obligations contained in this Agreement.

4.2 Non-Interference. Charter Holder agrees that it shall not interfere with Aegis' good faith effort to perform the duties set forth in this Agreement. Charter Holder has the duty to notify the Aegis executive team in writing of any purported disputes, shortcomings or disagreements (including a claim of breach) regarding the execution of the terms of this Agreement. Charter Holder (the LEA, the Governing Board), its employees or designees shall in good faith support the work of Aegis and its employees in its effort to fulfill the obligations set forth in this Agreement and shall not act in a manner to willfully or by neglect circumvent government regulations, Charter Holder policy, procedures, internal controls contrary to law, or generally accepted accounting or business practices.

4.3 Decision-making authority. Charter Holder agrees that it retains all decision-making authority and therefore has the authority on its own to circumvent, forgo, rescind, reject or override (Circumvention) the work, policies, procedures or Resources of Aegis, its own policies and procedures, government regulations, laws and rules, including state or federal program regulations and that such Circumvention may cause harm to the Charter Holder. The Charter Holder understands and agrees that it retains both the authority and responsibility for all aspects of decision making, execution of tasks to ensure compliance with regulations/regulators, and for state or federal program implementation and compliance.

4.4 Aegis Documents and Forms—Receipt, Modification, Review and Use. Charter Holder agrees that the Business Office Resources are document templates and *should not* be used without local (Charter Holder)

modification or adaptation (e.g. the Charter Holder editing and maintaining documents for Charter Holder's own purposes, including compliance). Charter Holder acknowledges that, unless the Charter Holder implements updates of the Aegis Business Office Resources, forms, guides, checklists, policies, procedures, etc. the Charter Holder may not be in compliance with current rules and regulations. Charter Holder agrees that Aegis provides suggestions only and as such, Aegis cannot guarantee the efficacy or application of Business Office Resources, policy, procedure, practice, etc. implemented by the Charter Holder, its employees, representatives or assigns. In addition, there may be written or unwritten laws, rules, regulations or practices of regulators not contemplated and as such, Charter Holder agrees to adapt and keep current any form or document provided by Aegis and used by Charter Holder and acknowledges the receipt and/or use of Aegis Business Office Resources. Furthermore, Charter Holder agrees it has a responsibility to provide feedback on Aegis Business Office Resources and other Documents, including when Charter Holder discovers regulatory changes affecting Aegis Resources.

- 4.5 Application of Laws and Rules (Regulations) and Regulatory Changes by Regulators. Charter Holder and Aegis acknowledge that each school is different, has its own culture, employee/employment requirements, management philosophy, expectations and that laws and regulations change. The parties agree that laws and regulations are interpreted and applied or enforced differently by regulators at different times. Furthermore, Charter Holder acknowledges that historically, application of regulations by regulators has been inconsistent and ambiguous from time to time. Charter Holder acknowledges that Aegis is not responsible for the financial records and reporting of the Charter Holder and therefore cannot be responsible for compliance with program requirements, state or federal regulations, changing regulations, the inconsistent application of regulations by regulators, etc.
  - 4.6 Charter Holder Acknowledgement of the secondary and supplementary nature of the Business Office Resources. Charter Holder acknowledges that the Business Office Resources provided under the terms of this Agreement are expressly presented by Aegis to Charter Holder as secondary or supplemental in nature. Primary resources to the Charter Holder include but are not limited to, laws, rules and regulations/guidance of state and federal regulatory agencies and their staffs, specifically those resources and regulatory/advisory services provided by the U.S. Department of Education, Utah State Board of Education, Utah State Charter School Board, Utah State Auditor, Utah State Tax Commission, U. S. and Utah Department of Labor, etc. The Charter Holder acknowledges that any recommendations provided by Aegis to the Charter Holder and its staff, either verbal or written, are subordinate to those provided to the Charter Holder and its staff by primary sources. The Charter Holder acknowledges that it is responsible for a direct relationship with regulatory agencies and that employees of the Charter Holder must regularly attend, participate in and utilize/implement training or other help/advisory services provided by primary sources to charter schools to be in compliance with state or federal laws or program regulations. The school principal/director, business office staff and others of the Charter Holder have a responsibility to know, understand, and comply with rules, laws and other guidance or regulations of each regulatory agency.
  - 4.7 Aegis Intellectual Property. Charter Holder agrees that the intellectual property (Business Office Resources) presented, provided or developed by Aegis during the term of this Agreement are provided by Aegis for the use of the Charter Holder only for the duration of the term of this Agreement. Aegis retains ownership, trademark and copyright of such Intellectual Property. Upon termination of this Agreement by either party, Charter Holder agrees to negotiate in good faith with Aegis for continued or discontinued use of Aegis Intellectual Property. Failing any such agreement, Charter Holder shall immediately cease using all of Aegis' intellectual property and as directed by Aegis either return or destroy all copies of Aegis' intellectual property previously used by Charter Holder.
5. Exclusions. This Agreement includes Business Office Resources contained herein and does not include business services for charter school management, state or federal compliance and reporting. Other add-on services heretofore not outlined, when requested and when offered, shall be negotiated in good faith by both parties to establish the estimated costs, terms and conditions of providing add-on goods or services.
  6. Termination of Agreement.

- 6.1. Termination at Will. Either party for any reason or no reason may terminate this Agreement at any time during the period of this Agreement with sixty (60) days' written notice.
- 6.2. Charter Holder Termination for Cause. The Charter Holder shall have the right to terminate this Agreement for cause by providing thirty (30) days' written notice to Aegis. "Cause" shall include:
  - 6.2.1. A material breach of any of the terms and conditions of this Agreement accompanied by a request to remedy from the Charter Holder and a failure to remedy such breach by Aegis within thirty (30) days after receipt of written notice from the Charter Holder to Aegis of such breach; or
  - 6.2.2. If there occurs an enactment, repeal, promulgation or withdrawal of any federal, state, or local law, regulation, or court or administrative decision or order which, after all possible appeals, results in a final judgment or finding that this Agreement, or the operation of the Charter School using the Business Office Resources, violates the Charter Holder's responsibilities, duties or obligations under the state or federal constitutions, statutes, laws, rules or regulations.
- 6.3. Aegis Termination for Cause. Aegis may terminate the Agreement for cause prior to the end of the term set forth in this Agreement by providing thirty (30) days' written notice to Charter Holder. "Cause" shall include:
  - 6.3.1. A material breach of any of the terms and conditions of this Agreement accompanied by a request to remedy from Aegis and a failure to remedy such breach by Charter Holder within thirty (30) days after receipt of written notice from Aegis to the Charter Holder of such breach.
  - 6.3.2. The enactment, repeal, promulgation or withdrawal of any federal, state, or local law, regulation, or court or administrative decision or order which has a material adverse effect on Aegis' ability to provide the perform the obligations set forth in this Agreement.
7. Building access. Aegis will facilitate training meetings and work sessions for business office staff of Charter Holders. Charter Holder agrees from time to time (on a periodic and/or rotating basis) to provide classroom/instructional space at times convenient for the Charter Holder for combined business administrator meetings. Any approved non-incident costs necessary or incurred to host such meetings will be paid by Aegis.
8. Remedies. The sole remedy for breach of this Agreement shall be specific performance of the obligations outlined herein or termination of this Agreement, except for any breach of any obligation to make monetary payments to the other party. Monetary payments that are not paid within 15 days after the due date will be subject to interest charges of two percent (2%) per month. Neither Charter Holder nor Aegis will be responsible for any consequential or exemplary damages to the other.
9. Compensation. In exchange for the Business Office Resources provided in this Agreement, the Charter Holder will pay Aegis \$1,900 per month (the Compensation Amount) payable in equal monthly payments of \$1,900 beginning on October 1, 2020 and continuing thereafter until amended or canceled. In accordance with the law, and as reasonably requested by Charter Holder, Aegis may provide summary reports or written sworn statements to Charter Holder for the exclusive purpose of determining that gross fees paid to Aegis by Charter Holder are spent in a legal manner.
  - 9.1. Annual Compensation or Rate Adjustment. On or before July 1 of each year, Compensation may be adjusted by mutual agreement of both parties (in writing or in writing via electronic format).
10. No Third-Party Beneficiary Rights. No third-party, whether an authorizer or constituent of the Charter Holder or otherwise, may enforce or rely upon any obligation of, or the exercise of or failure to exercise any right of, the Charter Holder or Aegis in this Agreement. This Agreement is not intended to create any rights of a third-party beneficiary.

11. Entire Agreement. This Agreement constitutes the full and complete agreement between the parties. All prior representations, understandings, and agreements are replaced, merged herein, or are superseded by this Agreement.
12. Section Headings. The section headings shall not be treated as part of this Agreement or as reflecting the true meaning of the provisions hereof. The reference to section numbers herein shall be deemed to refer to the numbers preceding each section.
13. Invalidity of Provisions of this Agreement. If, for any reason, any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.
14. Force Majeure. Neither party will be liable for any provisions of this Agreement not performed due to acts of God, acts of war, civil war, riot, terrorism, sabotage, explosion, embargo, fire, flood, natural disaster, accident, technological outage affecting the products/services herein, labor strike, or other acts, intentional or natural, beyond reasonable control, or with unusual expense.
15. Assignment. This Agreement shall not be assigned by either party without the prior written consent of the other party, notwithstanding that: (i) Aegis may, without consent of the Charter Holder, delegate the performance of but not the responsibility for such duties and obligations of Aegis as specifically set forth herein; and (ii) Aegis may assign, without the consent of the other party, this Agreement to a qualified, interested party or successor entity that acquires through a corporate purchase or reorganization substantially all of Aegis' assets and liabilities.
16. Official Notice. Notices and formal communications required by the terms of this Agreement will be in writing (with confirmation of transmission), or by hand delivery with written confirmation. Notice will be deemed to be given two (2) business days after the date of the mailing or upon the first date of business on or after the date of facsimile or hand delivery. Notice may be given by certified or registered mail (return receipt requested) to the registered address:

of Aegis:

Aegis Business Resources, LLC  
 1278 N 500 W  
 American Fork, UT 84003

of Charter holder:

Lakeview Academy  
 527 W 400 North  
 Saratoga Springs, UT 84045

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year written.

For Lakeview Academy:

By:   
 \_\_\_\_\_  
 Authorized Representative Signature

Date: Sep 30, 2020

Printed Name and Title: Alan Daniels Board Chair

For AEGIS BUSINESS RESOURCES, INC.:

By: Mandee Thompson  
Authorized Representative Signature

Date: Sep 30, 2020

Printed Name and Title: Mandee Thompson, President