

ADDENDUM #1 TO
AGREEMENT FOR CHARTER SCHOOL BUSINESS & ADMINISTRATIVE SERVICES
DATED AS OF NOVEMBER 22, 2022

THIS ADDENDUM changes the following to the previously executed Agreement For Services dated March 22, 2022 between **CHARTER SCHOOL OF MORGAN HILL**, to which reference is made herein as the "School," and **DELTA MANAGED SOLUTIONS, INC.**, to which reference is made herein as "DMS," in connection with charter school business and administrative services to be provided by DMS to the School, as described in the Scope of Services attached hereto.

1. **Section 5.A changed as follows:**

5. Compensation.

A. **Services Fee.**

The School shall pay to DMS compensation of \$13,000 per month for the first year (12 months) during the Term of this Agreement with a 2.5% increase each additional year, ~~a services fee based on a percentage of total annual School revenues for each fiscal year during the Term of this Agreement according to the following scale, paid in equal monthly installments for each month during the Term of this Agreement beginning with the first month of this Agreement Term and payable on the 1st of each month. Monthly payments shall be pro-rated based on the most recent approved budget available and include any adjustments needed for changes in projected revenues throughout that fiscal year. Final payment for each July-June fiscal year shall be based on final Unaudited Actuals using P-2 Average Daily Attendance (ADA) as originally reported. Services fees are calculated based on originally reported P-2 ADA and subsequent reductions to revenues due to ADA reductions shall not result in a modification of services fees.~~

- i. ~~Under 635 ADA = flat fee of \$149,400 annual (\$12,450/mo.)~~
- ii. ~~635-650 ADA = 2.04% of total revenues~~
- iii. ~~651-664 ADA = 2.03% of total revenues~~
- iv. ~~665-680 ADA = 2.02% of total revenues~~
- v. ~~Over 681 ADA = 2.01% of total revenues~~

DMS's services fee covers all services set forth in the Scope of Services attached hereto. All other out-of-pocket expenses are inclusive in DMS's standard fee. Additional services (including but not limited to: financing/cash flow loan services and, private grant application and management services, STRS/PERS back reporting) are available at an additional cost, to be negotiated between DMS and the School via separate agreement prior to the incurrence of such additional services.

IN WITNESS WHEREOF, this Addendum has been executed and delivered for and in the names and on behalf of the School and DMS as of the date set forth above.

CHARTER SCHOOL OF MORGAN HILL

By: _____

Name: _____

Title: _____

DELTA MANAGED SOLUTIONS, INC.

By: 

Name: Joanne Fountain

Title: Chief Executive Officer