

AGENDA

TENTATIVE BUDGET HEARING

GADSDEN COUNTY SCHOOL BOARD
MAX D. WALKER ADMINISTRATION BUILDING
35 MARTIN LUTHER KING, JR. BLVD.
QUINCY, FLORIDA 32351

August 4, 2009

6:00 P.M.

1. CALL TO ORDER
2. PUBLIC HEARING – Tentative Budget and Millage Rate – **SEE ATTACHMENT**
 - a. Approval of the 2009 – 2010 Tentative Budget

Fund Source: All Funds

Amount: Total Estimated New Revenue and Balances - \$59,500,557

Total Projected Expenditures and Balances - \$59,500,557

ACTION REQUESTED: The Superintendent recommends approval.

ITEMS FOR CONSENT

3. BUDGET AND FINANCIAL TRANSACTIONS
 - a. 2008 – 2009 Financial Statements for Crossroad Academy Charter School
SEE PAGE #4

Fund Source: N/A

Amount: N/A

ACTION REQUESTED: The Superintendent recommends approval.

4. AGREEMENTS/CONTRACTS
 - a. Capital City Bank Funds Transfer Agreement and Authorization
SEE PAGE #9

Fund Source: N/A

Amount: N/A

ACTION REQUESTED: The Superintendent recommends approval.

- b. Contract for Uncollectible Checks for School Internal Funds – **SEE PAGE #22**

Fund Source: School Internal Funds

Amount: Undetermined – based on individual school’s needs

ACTION REQUESTED: The Superintendent recommends approval.

- c. Solid Waste Collection Agreement – **SEE PAGE #33**

Fund Source: 110

Amount: \$7,674.73 / month \$92,096.76 / year

ACTION REQUESTED: The Superintendent recommends approval.

- d. Amendment to Charter for Crossroad Academy Charter School
SEE PAGE #37

Fund Source: General Fund

Amount: \$344,060.00

ACTION REQUESTED: The Superintendent recommends approval.

- e. Florida Virtual Instruction Contracts, 2009 - 2010 – **SEE PAGE #64**

Fund Source: FEFP

Amount: Undetermined – based upon enrollment

ACTION REQUESTED: The Superintendent recommends approval.

5. MISCELLANEOUS ITEM

- a. Approval of 2009 – 2010 Finance Handbook Procedures – **SEE PAGE #85**

Fund Source: Applies to All Funds

Amount: N/A

ACTION REQUESTED: The Superintendent recommends approval.

ITEMS FOR DISCUSSION

6. AGREEMENTS/CONTRACTS

- a. Contracts for Lease/Purchase of School Buses – **SEE PAGE #86**

Fund Source: Capital Improvements Fund

Amount: Loan Amount \$2,318,042.00 if rate locked in at 3.487%

ACTION REQUESTED: The Superintendent recommends approval.

- b. Health Insurance Coverage for 2009 – 2010 – **SEE PAGE #111**

Fund Source: All Funds with Payroll

Amount: At Least \$176,358.96 at this time – Subject to Collective Bargaining Negotiations

ACTION REQUESTED: The Superintendent recommends approval.

- c. Life Insurance Contract for 2009 – 2010 – **SEE PAGE #116**

Fund Source: All Funds with Payroll

Amount: \$204,220.80 Annualized

ACTION REQUESTED: The Superintendent recommends approval.

7. CONSIDER, PROPOSAL, AND/OR ADOPTION OF ADMINISTRATIVE RULES AND RELATED MATTERS

- a. Discussion and Request to Advertise the Board's Intent to Amend School Board Rules 2.25 Subsections Position Descriptions and 7.51, (Payroll Procedures) – **SEE PAGE #127**

Fund Source: N/A

Amount: N/A

ACTION REQUESTED: The Superintendent recommends approval.

8. EDUCATIONAL ITEMS BY THE SUPERINTENDENT

9. SCHOOL BOARD REQUESTS AND CONCERNS

10. ADJOURNMENT

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 3a

DATE OF SCHOOL BOARD MEETING: August 4, 2009

TITLE OF AGENDA ITEMS: 2008-2009 Financial Statements for Crossroad Academy Charter School

DIVISION: Finance Department

PURPOSE AND SUMMARY OF ITEMS:

Attached are copies of the Balance Sheet as of June 30, 2009 and Profit and Loss Statement for the period July 1, 2008 to June 30, 2009 for Crossroad Academy Charter School. Section I. (3) requires the school to provide quarterly financial statements to the sponsor (school district).

PREPARED BY: Bonnie Wood

POSITION: Assistant Superintendent for Business Services

Unaudited

CROSSROAD ACADEMY CHARTER SCHOOL

Profit & Loss

July 2008 through June 2009

Cash Basis

Jul '08 - Jun 09

Income

3240 · Elem&Secondary /Title 1	25,518.00
3310 · FEFP Program	1,264,546.00
3320 · PreK-Voluntary	67,841.97
3391 · Capital Outlay/PEPCO	266,913.36
3399 · Other Misc. State Revenue	16,065.00
3440 · Other income/donations	7,160.00
3490 · Miscellaneous Sources	
3495-2 · Student Activity Fund	10,460.56
3495-3 · Student Books/Planners	5,383.10
Total 3490 · Miscellaneous Sources	15,843.66

Total Income

1,663,887.99

Gross Profit

1,663,887.99

Expense

5100-11 · PreK Expenses	35,249.84
5100-12 · Basic Fte/Clsrm Teachr	435,422.99
5100-13 · Classroom Paraprofessi	25,047.69
5100-14 · Substitute Teachers	3,400.00
5100-21 · Dental Insurance	0.00
5100-23 · EE' Group Insurance	81,059.33
5100-24 · Worker's Compensation	4,808.38
5100-25 · Unemployment Comp	10,554.95
5100-29 · Other Emp Benefits	680.29
5100-31 · Prof Consultants	500.00
5100-51 · Basic Fte/Supplies	6,761.10
5100-52 · Basic Fte/Textbooks	41,839.91
5100-59 · Misc. Student Activity	8,798.21
6200-30 · Printing cost	0.00
6200-31 · Instructional Media	1,169.35
6200-35 · Copier Service Costs	2,510.16
6200-59 · Student Planners/Workbooks	810.46
6400-12 · Training - Teachers	1,026.09
6400-31 · Training	0.00
6400-65 · Transportation/Travel	931.00
7000-32 · Insurance Expense	4,294.98
7100-12 · Employee Incentives	4,281.86
7100-16 · Audit Fees	6,000.00
7100-21 · Retirement Benefits	0.00
7200-11 · Administration	75,000.00
7200-52 · Legal Publications	19.75
7300-11 · Salary-Schol Principal	58,666.74
7300-14 · Salary - Receptionist	19,850.08
7300-15 · Office Manager	27,227.00
7300-16 · Salary Part-Time	4,160.00
7300-22 · FICA Contributions(Co)	55,622.91
7300-51 · Supplies	3,966.50

CROSSROAD ACADEMY CHARTER SCHOOL

Profit & Loss

July 2008 through June 2009

Cash Basis

	<u>Jul '08 - Jun 09</u>
7300-73 · Membership Fees	215.96
7400-63 · Portable Rental	18,696.00
7500-59 · Bank Charges	401.00
7500-73 · Misc. Operating Fees	1,039.08
7500-78 · Depreciation	24,201.04
7600-16 · Personnel	0.00
7600 · Food Services	
7600-26 · Personnel	33,392.91
7600-51 · Supplies	1,935.10
7600-66 · Vehicle	198.77
7600-73 · Dues and Fees	85.00
Total 7600 · Food Services	35,611.78
7720-30 · Advertisement/Postage	1,747.50
7790-12 · Employ/Fingerprint/Background	1,029.50
7790-59 · Other Materials/Sup	2,618.68
7790-61 · Noncap Furn/Equip	3,412.13
7800-32 · Automobile Insurance	1,374.74
7800-65 · Transportation	30,510.00
7900-16 · Janitorial/Custodial	16,209.82
7900-35 · Maintenance	7,927.00
7900-36 · Rental Equipment	586.36
7900-37 · Telephone	6,976.01
7900-39 · Other Facilities Svcs	4,218.57
7900-43 · Elect/Energy Service	21,007.26
7900-51 · Janitorial/Maintenance Supplies	2,423.92
8100-35 · Repairs & Maintenance	7,869.61
Total Expense	1,107,735.53
Net Income	556,152.46

Unaudited

CROSSROAD ACADEMY CHARTER SCHOOL
Balance Sheet
As of June 30, 2009

Cash Basis

Jun 30, 09

ASSETS

Current Assets

Checking/Savings

1110 · Capital City Bank-Operatin	
1120 · Capital Outlay - Restrict(CCBG)	9,587.57
1121 · PTO - Restricted	4,659.34
1122 · Cheerleaders - Restricted	1,735.59
1123 · FBLA - Restricted	4,213.92
1124 · Classic Modeling - Restricted	1,365.45
1125 · Athletics - Restricted	1,019.92
1126 · Hospitality - Restricted	915.14
1110 · Capital City Bank-Operatin - Other	1,067,500.75
Total 1110 · Capital City Bank-Operatin	1,090,997.68
1112 · Construction Loan-Premier Bank	279,924.89
1113 · New Facility - CD CCBG	250,000.00

Total Checking/Savings 1,620,922.57

Other Current Assets

1146 · Due from TOA	376.27
1221 · Title 1 Funds Receivable	25,518.00
1230 · Prepaid Insurance	27,659.56

Total Other Current Assets 53,553.83

Total Current Assets 1,674,476.40

Fixed Assets

1310 · Land	207,584.70
1340 · Computers & Equipments	154,326.77
1341 · Furniture and Equipment	37,233.35
1344 · CIP - New School	1,477,753.12
1345 · Building Improvements	9,075.00
1346 · Automobile/van	12,837.00
1349 · Accumulated Depreciation	-195,483.72

Total Fixed Assets 1,703,326.22

TOTAL ASSETS

3,377,802.62

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

2113-CIP -Loan	716,823.49
2112 · Accured Profit Sharing	6,557.50
2114 · Accured Payroll	33,527.31
2120 · Accounts Payables	12,908.69
2121 · Construction Payable	246,424.55
2122 · Retainage Payable	105,473.89
2410 · Deferred Revenue	539,512.46

CROSSROAD ACADEMY CHARTER SCHOOL

Balance Sheet

As of June 30, 2009

Cash Basis

	<u>Jun 30, 09</u>
2810 · Due To TOA	376.27
2852 · Child Support	43.34
2853 · Accrued Payroll Taxes	2,564.83
2854 · Unemployment Payable	1,152.62
2855 · Parent Teach. Org. Account	4,659.34
2856 · CACS Cheerleaders	1,735.59
2857 · FBLA (Future Bus. Leader)	4,213.92
2859 · Classic Modeling Company	1,365.45
2860 · CACS Athletic Department	1,019.92
2870 · Staff Hospitality	915.14
Total Other Current Liabilities	<u>1,679,274.31</u>
Total Current Liabilities	<u>1,679,274.31</u>
Total Liabilities	1,679,274.31
Equity	
2999 · Retained Earnings	1,142,375.85
Net Income	556,152.46
Total Equity	<u>1,698,528.31</u>
TOTAL LIABILITIES & EQUITY	<u><u>3,377,802.62</u></u>

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 4a

DATE OF SCHOOL BOARD MEETING: August 4, 2009

TITLE OF AGENDA ITEMS: Capital City Bank Funds Transfer Agreement and Authorization

DIVISION: Finance Department

PURPOSE AND SUMMARY OF ITEMS:

Board approval is requested for the Capital City Bank Funds Transfer Agreement and Authorization forms. Authorization is requested to enable the Superintendent, Assistant Superintendent for Business Services, and/or the Assistant Comptroller to transfer funds from the District's checking account to investments at the State Board of Administration.

The Board's Attorney has reviewed and approved the provisions of the agreement.

FUND SOURCE: Not Applicable

AMOUNT: Not Applicable

PREPARED BY: Bonnie Wood

POSITION: Assistant Superintendent for Business Services

CAPITAL CITY BANK

FUNDS TRANSFER AGREEMENT AND AUTHORIZATION

This Agreement is made this the 28 day of July, 2009 between Gadsden County School District, ("Client") with a physical address of 35 Martin Luther King Blvd and Capital City Bank ("Bank").

1. Authorization for Funds Transfers. Upon the instructions of Client or an Authorized Agent (as defined in paragraph 2 below) of Client and upon the terms and conditions contained herein, Bank is authorized and directed to transfer funds and execute "payment orders," (as defined in section 670.103, Florida Statutes as amended) by wire, book entry or other means (hereinafter "payment order" or "transfer") from any demand deposit account, savings account, or other account of Client now or hereafter maintained with Bank to any account of Client or any third party designated by an Authorized Agent, whether such account be maintained at Bank or any other financial institution. Client's name, address, telephone number and current account numbers are listed on attached Exhibit "A."

2. Authorized Agents and Reliance on Same. Bank is authorized to make such transfers upon its receipt of instructions, written or oral (including telephonic, facsimile, wire, electronic transmission, mail, or hand delivery) of any of the named officers or agents of Client or its delegated agents as listed in attached Exhibit "A." Authority to make the transfer and to issue other directions and instructions shall be conclusively presumed if the person making the request uses the confidential code number(s) (paragraph 9 below) assigned to Client. Each named officer, agent or delegated agent of Client is referred to herein, either singularly or collectively, as "Authorized Agent." Bank is also authorized to act upon such other directions and instructions relating to transfers, including the cancellation or termination of prior instructions for such transfer, as may be provided to Bank from time to time by an Authorized Agent. Except as otherwise expressly provided in this Agreement, Bank shall not be required to act upon any notice or instruction received from Client or any other person, or to provide any notice or advice to Client or any other person with respect to any matter. Bank shall be entitled to rely on any written notice or other written communication believed by it in good faith to be genuine and to have been signed by an Authorized Agent, and any such communication shall be deemed to have been signed by such person. Client may add or delete any Authorized Agent by written notice to Bank signed by at least two Authorized Agents other than that being added or deleted. One of the signers must be the person authorized to sign this Agreement. Such notice shall be effective on the second business day following the day of Bank's receipt thereof.

3. Time of Receipt of Payment Orders. Bank may treat any payment order or transfer received after 2:00 p.m. (Eastern Standard Time) on a funds-transfer business day as if it were received by that hour or may treat it as if it were received at the opening of the next funds-transfer business day.

4. Rejection of Payment Orders. If Bank rejects or fails to execute a transfer of Client, then no later than 5:30 p.m. on the execution date of the transfer, Bank shall notify Client of its rejection. If Client has paid for a transfer that Bank has rejected or failed to execute, Bank will reimburse Client for those funds and pay compensation for use of those funds as set forth in paragraph 17.

5. Notice of Returned Transfers. Bank shall notify Client of a returned entry no later than 5:30 p.m. (Eastern Standard Time) on the banking day received. Bank shall have no

obligation to retransmit a returned entry if Bank complied with the terms of this Agreement with respect to the original entry.

6. Hold on Incoming Funds. Client agrees that Bank may hold incoming wire transfer funds until the business day after the banking day on which Bank received the funds.

7. Inconsistent Identification of Beneficiary. Client is notified that: (a) if Client's payment order in a funds transfer completed by acceptance by the beneficiary's bank, identifies the beneficiary by both a name and an identifying number or bank account number, and the name and number identify different persons, then execution of the transfer, payment to the beneficiary, or cancellation of the transfer may be made solely on the basis of the number; and (b) If a payment order or transfer of Client identifies any bank by both a name and an identifying number, and the number identifies a person different from the bank identified by name, any bank may rely solely on the identifying number.

8. Security Procedures. Client will comply with wire transfer security procedures provided by Bank from time to time. Bank may change these procedures upon notice to Client. Any security procedures for the detection of errors by Client relating to identification of beneficiary, amount of payment order, or duplicate payment order are for the convenience of Client. Bank has no duty to discover or report Client's errors, and has no responsibility for any failure of the security procedures to detect these errors. Client agrees that it will prevent the disclosure, both within and outside of its organization except on a "need to know" basis, of any of Bank's procedures relating to wire transfers.

9. Confidential Code Numbers. Bank will assign to Client a confidential code number for its identification, in making transfers. Requests for funds transfer will not be honored without reference, to the proper code number and Client is responsible for maintaining the confidentiality of its assigned code number. Client will promptly report to Bank's Money Transfer Department any lost or misplaced codes or changes in personnel with access to the code. Bank shall not be liable for any transfers made pursuant to a compromised code which has not been reported to Bank.

10. Cancellations by Client. Client shall have no right to cancel or revoke any transfer request after its receipt by Bank. Client agrees that if it attempts to revoke or cancel any instructions for a transfer or other related act, Client will indemnify and hold Bank harmless for all expenses, costs or other liability incurred by Bank including its reasonable attorneys' fees, as a consequence of any attempted or accomplished cancellation or revocation. Any instructions which are revoked or canceled must be timely given and must comply with Bank's security procedures. Bank makes no representation or warranty as to its ability to revoke or cancel a transfer once made. Bank shall have no liability if it fails to affect same, even if such failure is due to willful failure or gross negligence of Bank.

11. Sufficient Funds and Settlement; Bank Right of Hold and Setoff. Client will maintain an account with Bank at all times during the term of this Agreement. Client will maintain in the account, as of the applicable settlement date or transmission date, collected funds sufficient to cover all credit transfers initiated by it. Client authorizes Bank to debit its account at the time of the transfer in the amount of each transfer. In the event there are no sufficient available collected funds in the account to cover Client's obligations under this Agreement, Client agrees that Bank may, in its discretion, refuse to process any requested transfer, require Client to deposit additional funds before the transfers are processed, and/or debit or place a hold on funds in any other account maintained by Client with Bank or any Affiliate of Bank and that Bank may setoff against any amount it owes to Client, in order to obtain payment of Client's obligations under this Agreement. "Affiliate of Bank" means Capital City

Bank Group, Inc. and any member of its "Affiliated Group" as that term is defined in section 1504(a) of the Internal Revenue Code of 1986, as amended.

12. Debits and Overdrafts. Bank may debit any account of Client for any transfer executed by Bank pursuant to this Agreement, even if the debit creates or increases an overdraft in that account. In the event that an overdraft is created or increased, Client shall cause sufficient available funds to pay the amount of the overdraft to be deposited into or credited to that account by the close of that banking day. Any overdraft existing at the close of a banking day is immediately due and payable without notice or demand.

13. Chargeback. Client agrees that if, for any reason, Bank does not receive payment for funds transferred to any account or any funds are inadvertently credited to the undersigned's account pursuant to a wire transfer order, Bank may, at its option, chargeback the account of the undersigned and/or demand return of funds withdrawn from Client's account, up to the amount of the transfer order. Bank may, at its option, pursue any other available remedies without waiver of its right to charge back and/or demand return of withdrawn funds at any notice to Client of any charge backs. Bank shall not be liable for any damages resulting from charge back of any accounts so long as Bank took reasonable steps in good faith to promptly notify Client of the charge backs. Bank shall not be liable for any damages resulting from Client's return of withdrawn funds pursuant to a demand made reasonably in good faith by Bank. Bank and Client agree that the sending bank and any intermediaries are not intended to be third party beneficiaries of this Agreement.

14. Account Reconciliation; Duty to Report Discrepancies. Transfers debited or credited to Client's account maintained with Bank will be reflected on Client's periodic statement or individual confirmations issued by Bank with respect to the account. Not more than 14 days after receipt of notification of such periodic statement or confirmation, Client will cause it to be examined and will immediately notify Bank in writing of any discrepancy or error therein. Failure of Client to notify Bank in writing of any discrepancy within that time will relieve Bank of any interest liability with respect to the transfer. Failure of Client to notify Bank in writing of any discrepancies within 30 days of receipt of mailing or delivery of such periodic statements or confirmations shall preclude Client from asserting any discrepancy, error, or lack of authority against Bank, and shall relieve Bank of any liability for any transfers reflected in the statement or confirmation and for any future erroneous transfers that could have reasonably been avoided had Client notified Bank within said 30-day period.

15. Recording of Communications. Bank is authorized to electronically record telephone conversations, data transmissions, or any other communications between Bank and Client and their agents. The decision to record communications is totally in Bank's discretion. The undersigned consents to same and agrees to indemnify and hold harmless Bank against any liability Bank may incur as a result of such recording.

16. Fees, Compensation, Interest and Costs. Client agrees to pay all fees and charges which Bank may, from time to time, impose for transfers and related acts and further agrees to reimburse Bank for any expenses incurred by Bank to make or revoke any transfer or related act requested by Client. Bank may change its fees and charges from time to time upon notice to Client. Except as stated, each party shall bear its own costs and expenses in connection with the use or provision of the funds transfer services contemplated by this Agreement. In the event Client fails to pay any amount due under this Agreement including any overdraft or amounts required by paragraphs 11, 12 and 13, Client shall pay Bank interest at the Chase Manhattan Prime Rate per annum.

17. Rejected Orders. In the event Bank rejects or fails to execute a transfer without giving notice thereof as provided in paragraph 4, Bank shall compensate Client for the use of funds at the rate specified in subparagraph 19(e) if, on the execution date of the transfer, there was a sufficient, withdrawable credit balance in Client's account to pay for the transfer. Compensation shall be computed based on the number of days elapsing after the execution date to the earlier of 5 days or the day the customer receives notice or learns that the payment order was not executed, counting the final day of the period as an elapsed day. If the withdrawal credit balance during that period falls below the amount of the transfer order, the amount of interest will be reduced accordingly. Notwithstanding the foregoing, no compensation will be due under this section if the account is an interest-bearing account. No compensation will be due hereunder for any funds withdrawn from the account.

18. Warranties and Indemnification by Client. Client warrants to Bank all warranties Client is deemed by law to make with respect to transfers originated by Client. Without limiting the foregoing, Client further warrants and agrees that: (a) each transfer is authorized, accurate, timely; and all required payments are included; (b) the Client will comply with terms of the Florida Uniform Commercial Code ("UCC") Article 4A as amended, as applicable, as well as federal law and regulations (including applicable C.F.R. provisions), and shall otherwise perform its obligations under the law and this Agreement in accordance with all applicable laws and regulations. Client shall indemnify and hold Bank harmless from and against any loss, liability, damages, costs, and expenses (including attorneys' fees and expenses before and after trial, and any claims of third parties) arising from, out of, or in any manner related to any breach of any of the foregoing warranties or this Agreement, or any of the following: (i) transfers processed or related actions taken by Bank in accordance with the instructions provided by Client; (ii) any decision by Bank not to affect a transfer for any specified reason herein; (iii) a circumstance that would relieve Bank of liability to Client pursuant to any paragraphs of this Agreement; (iv) acts or omissions of Client's agents; (v) any claim by a third party alleging that a Client transfer order contravenes or compromises the rights, title, or interest of any third party, or contravenes any law, rule, regulation, ordinance, court order, (and including any Client payment order or transfer to a prohibited country under any Foreign Assets Control Regulations or related laws, e.g., 31 C.F.R Parts 500 et seq.), or any other mandate or prohibition with the force or effect of law (a "Claim"), unless the Claim arises out of Bank's failure to act in good faith, or failure to act in accordance with Client's instructions given pursuant to this Agreement; or (vi) otherwise, so long as Bank acts in compliance with this Agreement.

19. Liability of Bank & Standard of Care.

(a) Generally. Bank shall be responsible only for performing the services expressly provided for in this Agreement, and shall not be liable, except as provided by applicable law for any error or delay so long as Bank has acted in accordance with the terms and conditions hereof. Bank shall not be liable for any decision to reject transfers or not to process transfers for any reasons provided herein, or if Client is in breach of any obligations hereunder, or if Bank reasonably believes there are or has actual notice of commencement of any proceeding by or against Client involving bankruptcy, reorganization, receivership, insolvency, or any other insolvency law or laws providing for the relief of debtors. To the extent provided for herein, Bank shall not be liable if Client fails to report any error or discrepancy reflected in a statement or confirmation (as provided in paragraph 14 above) or if Client fails to report a breach of confidentiality of security procedures. Bank shall not be liable to the extent Client receives the benefit of any entry, even if such entry is otherwise erroneous.

(b) No Agency. Bank shall not be responsible for acts or omissions of Client or its agents or of any third party, including, without limitation, any Federal Reserve Bank, courier service,

NACHA, any transmission or communications facility, or any other party involved with processing of any entry, and no such third party shall be deemed Bank's agent.

(c) Client's Agents. In the event Client authorizes any third party, such as an accounting service or payroll processing service, to perform obligations of or services to Client hereunder, Bank shall have no additional liability to Client occasioned by said agency so long as Bank acted in accordance with instructions hereunder. Client agrees to assume responsibility for any such errors or wrongdoing by such third party or any of its employees.

(d) Unauthorized Payment Orders. If a transfer in the name of Client accepted by Bank was not authorized by Client, the liability of the parties will be governed by the applicable provisions of UCC Article 4A as amended.

(e) Compensation and Limitation of Liability. Subject to the limitations herein, any damages or other compensation due Client resulting from Bank's performance hereunder, shall be limited to interest on the funds at issue at the "Federal Funds Rate" paid by Bank at the close of business on each day the error or delay remains uncorrected; provided, however, that if Bank is unable to recover funds as a result of Bank's negligence, Bank shall be liable for Client's actual loss, not to exceed the amount of funds that Bank is unable to recover, plus interest. *In no event shall Bank be liable to Client for indirect, consequential, special, punitive or exemplary damages, indirect loss or damages, lost profits, or the like, even if Bank has been advised of the possibility of such damages.*

(f) Required Notice. Bank will not be liable for any interest on the amount of any transfer or payment order that was not authorized or was erroneously executed unless Client notifies Bank in writing that the transfer or payment order was not authorized or properly executed within 14 calendar days following customer's receipt of notification either of the acceptance of the payment order or of the debiting of the payment order to a Client account.

(g) Standard of Care. With respect to the performance of services under this Agreement that are not covered by UCC Article 4A, the parties will be governed by a standard of ordinary care. Bank will be deemed to have exercised ordinary care if its action or failure to act has been in conformity with Bank's prescribed procedures and such procedures do not vary unreasonably from general banking uses and practices not disapproved by any provision of the UCC.

(h) Responsibility for the Detection of Errors. Bank is not responsible for detecting any error contained in any transfer or payment order sent by Client to Bank.

(i) Force Majeure. Bank shall not be responsible for any loss, damage, liability or damage arising, directly or indirectly, from any error, delay or failure in performance of any of its obligations hereunder which is caused by fire or other natural disaster, strike, civil unrest, accident, labor dispute, any inoperability or failure of communications or computer facilities, failure of any third party to provide any electronic or telecommunications service used in connection with the execution or cancellation of payment orders, or any other circumstances beyond the reasonable control of Bank. Client agrees to indemnify Bank and hold Bank harmless against all claims of Client or third parties arising out of or in any way relating to such failure to perform.

20. Verification. Bank, while not required to, shall be entitled, at its sole discretion, to seek verification or authentication of any transfers by contacting Client by telephone or by any other means deemed commercially reasonable by Bank, provided, however, that so long as Bank complies with its security procedures, Bank shall have no obligation to seek

verification or authentication. If Bank is unable to obtain verification or authentication sought by it, Bank may, in its sole discretion, either effect or refuse to effect the transfers.

21. Termination. This Agreement shall continue and remain in full force and effect until termination by either party. Client may terminate this Agreement by giving 10 days written notification to Bank of its intention to terminate and Bank has been afforded a reasonable opportunity to act on such notice. Bank may terminate this Agreement by giving 10 days prior written notice; provided, however, that Bank may terminate this Agreement immediately upon written notice to Client if Client fails to comply with its obligations hereunder, or if Bank reasonably believes there are or has actual notice of commencement of proceedings by or against Client involving bankruptcy, reorganization, receivership, insolvency, or any other insolvency law or laws providing for the relief of debtors. Termination of this Agreement shall in no way affect the obligations of a party hereto which were incurred prior to the termination.

22. Notices. Except as otherwise provided herein, all notices required or permitted to be given under this Agreement may be given by any commercially reasonable means including telephonic, facsimile, wire, electronic transmission, mail, or hand delivery). All notices shall be effective when received, except as may be otherwise provided in this Agreement or by applicable law. If a notice is not received because of the failure or disconnection of the addressed communication system, notice is effective at the time of transmission or dispatch. Each written notice given pursuant to this Agreement shall be hand delivered, or sent by First Class United States Mail, postage prepaid, or by express carrier, addressed to the address specified for that purpose at the signature lines below. Client and Bank may each change the address for service of written notice upon it by a notice in writing to the other.

23. Amendments. From time to time, Bank may, by written amendment, amend any of the terms and conditions contained in this Agreement. Such amendments shall become effective upon receipt of the notice by Client or such later date as may be stated in Bank's notice to Client. Any use of services provided hereunder after the date Client receives notice of amendment shall constitute acceptance of the terms of said amendment. This Agreement may not be amended or modified orally, and no amendments or modifications will be binding upon Bank unless such amendment or modification is in writing and signed by Bank.

24. Entire Agreement This Agreement, together with the general account agreement such as Bank's Terms and Conditions Account Agreement (personal or non-personal, as applicable to Client), is the complete and exclusive statement of the agreement between Bank and Client with respect to the subject matter hereof and supersedes any prior agreements between Bank and Client with respect to such subject matter. In the event of any inconsistency between the terms of this agreement and the general account Agreement, the terms of this Agreement shall govern.

25. Assignment. Neither party may assign or transfer any of its rights or obligations under this Agreement, except that, after 10 days prior notice to Client, Bank may transfer its rights and obligations under this Agreement to a wholly owned subsidiary of Bank or to an Affiliate of Bank directly or indirectly wholly owned by the corporate entity that directly or indirectly wholly owns Bank.

26. Binding Agreement: Benefit. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and permitted assigns. This Agreement is not for the benefit of any third party, and no third party shall have any right against Bank or Client hereunder.

27. Headings. Headings to sections of this Agreement or any Exhibits are included for ease of reference and shall not be deemed to create rights, remedies, claims, or defenses arising under the Agreement.

28. Severability No Waiver. In the event performance of the services provided herein in accordance with the terms of this Agreement would result in a violation of any present or future rules, statute, regulation or government policy to which Bank is subject, and which governs or affects the transactions contemplated by this Agreement, then this Agreement shall be deemed amended to the extent necessary to comply with such statute, regulation or policy, and Bank shall incur no liability to Client as a result of such violation or amendment. In the event that any court or tribunal of competent jurisdiction determines that any provision of this Agreement is illegal, invalid or unenforceable, the remainder of this Agreement shall not be affected thereby. If on any occasion Bank fails to enforce any of its rights hereunder, such failure shall not be deemed a waiver of said rights on any other occasion.

29. Survival. The terms, provisions, representations and warranties contained in this Agreement which by their sense and context are intended to survive the performance hereunder, including paragraph 18 (Warranties and Indemnifications) shall so survive the completion of performance and termination of this Agreement.

30. Governing Law; Jurisdiction; Venue.

(a) *Governing Law; Jurisdiction; Venue*. This Agreement is subject to the provisions of all applicable federal law. Except as so provided, this Agreement shall be governed by and interpreted in accordance with the laws of Florida, without regard to Florida's conflict or choice of law rules. Client consents to the personal jurisdiction of any federal or state court in Florida that has jurisdiction over any legal proceeding or matter arising out of or in any way relating to this Agreement. Client agrees that the exclusive, proper and convenient venue to any such proceeding shall be Leon County, Florida and Client waives any defense or motion that Leon County is an improper or inconvenient forum.

(b) *Fedwire and Other Applicable Rules*. Each transfer may be furthered by any Bank by use of the funds transfer system of the Federal Reserve Banks ("Fedwire"). The rights and obligations of Bank and Client with respect to any transfer or payment order, any part of which is carried out through the use of Fedwire, will be governed by any applicable laws, the regulations of the Board of Governors of the Federal Reserve system and the operating circulars of the Federal Reserve banks as in effect from time to time. Each transfer carried out through a funds transfer system will be governed by all applicable funds transfer system rules, whether or not Bank is a member of the system including operating circulars, Regulation J and the National Automated Clearinghouse Association ("NACHA") Operating Rules. Client acknowledges that Bank's right to reverse, adjust, stop payment, or delay posting of an executed entry or payment order is subject to the laws, regulations, circulars and rules described in this Agreement.

(c) *Consumer Transactions*. Client and Bank agree that if a transfer is a portion of a funds transfer in which other portions are subject to the Electronic Fund Transfer Act of 1978 (as in effect from time to time), all actions and disputes between Client and Bank that payment order shall be determined pursuant to Florida DCC Article 4A as amended, as varied by this Agreement.

31. No Extension of Credit. Nothing in this Agreement nor any course of dealing between Client and Bank constitutes a commitment or obligation of Bank to lend money to Client or obligates Bank to extend any credit to Client, to make a loan to Client or otherwise to

advance funds to Client to pay for any payment order contrary to Bank's published availability schedules.

32. Taxes. Client is responsible for all tariffs, duties or taxes (excluding U.S. federal, state, and local taxation on the income of Bank) that may be imposed by any government or governmental agency in connection with any entry executed pursuant to this Agreement.

33. Miscellaneous. Bank shall have no obligation to transmit transfers if Client is in default of any of its obligations under this Agreement, including the obligation to pay Bank for each credit entry.

The parties agree that this agreement is effective as of the date first indicated above.

Gadsden County School Board
Client Name

35 Martin Luther King, Jr., Blvd.
Address

Quincy, FL 32351
City State Zip

By: _____
Authorized Signature, Name and Title

Date Signed: _____

Electronic Services Manager
Capital City Bank
P O Box 900
Tallahassee, FL 32302

By: _____
Authorized Signature and Title

Date Signed: _____

EXHIBIT A
TO
FUNDS TRANSFER AGREEMENT
(Client and Account Information and Authorized Agent(s) for Funds
Transfer Instructions, Receipt, and Verification)

Client Name: Gadsden County School Board
Client Address: 35 Martin Luther King Jr. Blvd.
Quincy, FL 32351

Telephone Number: 850 627-9651
Account Number(s): _____

Bank is authorized to make funds transfers upon receipt of instructions, written or oral (including telephonic, facsimile, wire, electronic transmission, mail, or hand delivery) of anyone of the following named officers or agents of Client or its delegated agents. Authority to make the transfer and to issue other directions and instructions shall be conclusively presumed if the person making the request uses the confidential security code number assigned to Client.

This list supersedes all previously submitted Authorized Agents documentation. Current users not on this list will be deleted. Client may add or delete any Authorized Agent by written notice to Bank signed by at least two Authorized Agents other than that being added or deleted. One of the signers must be the person authorized to sign the foregoing Funds Transfer Agreement. Such notice shall be effective on the second business day following the Bank's receipt thereof. The Client must submit a new listing whenever Authorized Representatives are added or deleted. This Exhibit A form must be used to request any authorized Representative change. Letters are not acceptable.

<u>AUTHORIZED REPRESENTATIVE NAME(S)</u>	<u>AUTHORIZED REPRESENTATIVE SIGNATURE(S)</u>
<u>Reginald C. James, Superintendent</u> Print	_____
<u>850 627-9651</u> (Work Telephone #)(After Hours Telephone #)	Signature _____ Date _____
<u>Bonnie Wood, Asst. Supt. Business</u> Print	_____
<u>850 627-9651</u> (Work Telephone #)(After Hours Telephone #)	Signature _____ Date _____
<u>Melanie King, Asst. Comptroller</u> Print	_____
<u>850 627-9651</u> (Work Telephone #)(After Hours Telephone #)	Signature _____ Date _____

By: _____
*Print Name

*Authorized Signature: _____
Title: _____
Date: _____

*Must be person authorized to sign Funds Transfer Agreement. For additional signers, make copy of page and attach to contract.

**EXHIBIT B
TO
FUNDS TRANSFER AGREEMENT
(Acknowledgement)**

Receipt of the following items is hereby acknowledged:

Funds Transfer Agreement and Authorization

Holiday Schedule

Pricing Schedule as of 2/9/09

Client Name: _____

By: _____
Print Name

Signature: _____

Title: _____

Date: _____

Client Accounting Fees

Stop Payment Fee	\$32
Insufficient Item Fee*	\$32
Overdraft Item Fee*	\$32
Commercial Account Continuous Overdraft Fee [^]	\$ 5
Item Chargeback Fee, per item redeposited	\$ 6
Rejected Item Fee, per item**	\$ 1
Dormant Service Charge, per month	\$ 5
Monitoring Fee, per month if applicable	\$150
Levy	\$100
Garnishment	\$100
Foreign Draft	\$20
Account Reconciliation or Research, per hour (one hour minimum)	\$25
Instant Statement Printout	\$ 5
Return Statement Fee, per undeliverable statement	\$ 5
Special Handling Instructions, per statement	\$15
Copy of Imaged Document, per copy	\$ 5
Account Closed Within 90 Days of Opening	\$25
IRA Closing Fee	\$25

* Insufficient Item Fees and Overdraft Item Fees also apply to all savings accounts.

[^] Fee assessed each business day, beginning on the sixth consecutive business day that account is overdrawn \$10 or more.

** Fee applies to checks or deposit tickets that are not machine readable due to improper MICR encoding.

NOTE: These charges apply to clients of Capital City Bank. We reserve the right to charge non-clients the same or different fees when applicable.



For more information about Capital City Bank products and services, visit any of our offices or call Capital City Bank Direct at 850.402.7500 or toll-free at 888.671.0400.

Visit our Web site at www.ccbg.com.



Revised 12.08

2009 Capital City Bank Holiday Schedule

New Year's Day	Thursday, January 1, 2009
Martin Luther King's Birthday	Monday, January 19, 2009
Memorial Day	Monday, May 25, 2009
Independence Day	Saturday, July 4, 2009
Labor Day	Monday, September 7, 2009
Veterans Day	Wednesday, November 11, 2009
Thanksgiving Day	Thursday, November 26, 2009
Christmas Day	Friday, December 25, 2009

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 4b

DATE OF SCHOOL BOARD MEETING: August 4, 2009

TITLE OF AGENDA ITEMS: Contract for Uncollectible Checks for School Internal Funds

DIVISION: Finance Department

PURPOSE AND SUMMARY OF ITEMS:

Board approval is requested for a contract with Federal Automated Recovery Systems to guarantee insufficient funds checks made to schools' internal service funds. There would be no cost to the schools or the District for this service.

The service would guarantee non-sufficient funds checks to schools if the checks include a phone number either printed or written on the check.

FUND SOURCE: School Internal Funds

AMOUNT: Undetermined – based on individual school's needs

PREPARED BY: Bonnie Wood

POSITION: Assistant Superintendent for Business Services



Our School Check Recovery Guarantee Program

- ✓ Guarantees all NSF checks (R01 and R09) that include a phone number either printed or written on the check
- ✓ Electronically credits funds to all school accounts once a month (10th of the month for the previous month) for easy bank reconciliation
- ✓ Handles all phases of check collection at our "state of the art" Processing Center in Barbourville, KY
- ✓ Monitors, reviews and logs all calls at the Processing Center for quality assurance and excellent customer service
- ✓ Costs schools and districts nothing and requires no special equipment
- ✓ Provides easy to use notification to parents
- ✓ Provides 24/7 real time secure personal school websites with the ability to convert reports to Excel and PDF formats
- ✓ Requires no binding contracts
- ✓ Easy implementation
- ✓ Assigns designated personnel to school accounts
- ✓ Endorsed by the Arkansas School Boards Association
- ✓ Endorsed by the North Carolina School Boards Association
- ✓ Complies with all current Federal Reserve, NACHA, Federal and State Banking Regulations by employing an experienced IBG Legal and Compliance Management Team
- ✓ Allows schools and school districts to maintain control during the collection process
- ✓ Recognized nationally as a top 21st Century Payment Solutions Program developed by Infinity Business Group, one of the fastest growing companies in America that provides a variety of customized payment solutions

IBG/FARS School Solution Process

The Infinity Business Group/Federal Automated Recovery Systems (**IBG/FARS**) check recovery program offers an efficient method of electronically recovering the NSF (non-sufficient fund) checks that pass through school district accounts every day. It utilizes the federal and state laws allowing for electronic recovery of NSF checks.

The **IBG/FARS** school system solution program is extremely comprehensive from concept to implementation, through program tracking and review. Bookkeepers and finance managers from varying levels were at the forefront in providing program input to our school system structure planning team. The following points outline the major benefits of the NSF school check recovery process.

Why should a School district utilize FARS?

Most educational institutions find the traditional process of collecting dishonored checks to be costly, time-consuming and embarrassing. Traditional recovery procedures are usually tracked manually without any organized reporting system.

- School districts that use **IBG/FARS** for recovery of NSF checks are accountable to the public for monies which come into the district by checks. It allows bookkeepers and lunchroom managers to do the job for which they were hired instead of being bill collectors...another cost savings for the district.
- Writing a bad check violates the law. This “soft” approach allows a school district to uphold the law.
- A district's secure website allows 24/7 monitoring of accounts. The FARS websites are accessible from any standard computer terminal with internet access, but contain the highest measure of operational security protection. This technology provides data for the school district to compare, contrast and make recommendations for federal programs, etc. The district website provides all pertinent statement information for any period of time requested. For all the account holders (i.e. Daily, Weekly, Monthly, Quarterly, or Annually) the comprehensive details of the website provide all data needed to effectively reconcile accounts. All reports can be converted to Excel spreadsheets.
- Maintaining excellent public relations for the school district is at the heart of the school program. Parents are notified about the process prior to implementation. FARS has two attempts to electronically recover the face value of the NSF check. The parent is never contacted by FARS in the initial electronic check recovery stage.

IBG/FARS has never received a complaint from a school district regarding how parents are treated during the check recover process. One assistant superintendent for fiscal affairs commended the company on how parents appreciated having a third party with such professionalism handle this assignment.

A large list of references is available to testify to the efficient and professional manner in which school districts and parents are treated.



SCHOOL GUARANTEE AGREEMENT

This agreement is entered into on August 4, 2009 by and between

INFINITY BUSINESS GROUP, INC. (hereinafter "Company")

And Gadsden County School District (hereinafter "Client")

To provide electronic re-presentment of insufficient funds (NSF) checks and other dishonored check recovery services.

School Client Gadsden County School District Phone (850) 627-9651

Contact Email woodb@mail.gcps.k12.fl.us Fax (850) 627-5357

Address 35 Martin Luther King, Jr., Blvd.

City Quincy State FL Zip 32351 District Gadsden County School District

Enrollment Representative: _____ Phone: 803.957.0350 Fax: 803.957.0349

Terms & Conditions:

To provide ACH Services according to UCC and NACHA Rules and Regulations, the Company and the Client agree as follows:

1. Client (School/District) will post a sign, provided by Company, at or near the point of sale that meets NACHA requirements notifying a check writer of the Client's intent to electronically debit the check writer's bank account for the face amount of the check plus applicable fees if the check is returned as NSF.
2. Client (School/District) will sign a Release Form instructing Client's bank to mail returned checks to the Company's Processing Center, and Client agrees to instruct their bank(s) not to redeposit any returned paper check.
3. Each party represents warrants and mutually agrees that any information concerning the other party which comes into its possession shall be maintained as confidential and shall not be used or divulged to any other party except as necessary to permit the activities contemplated under the Agreement. Company may advise potential users of its service that Client has a relationship with Company.
4. Either party may terminate this agreement at any time by written notice. Any termination will not affect Company's or Client's rights and obligations arising before the termination.
5. Any Dispute between Company and Client shall be submitted to binding arbitration, to be conducted pursuant to the rules of the American Arbitration Association. Any award may include an award for attorney's fees and costs.
6. Company agrees to abide by all UCC and NACHA rules as they apply to electronic check re-presentment and electronic funds transfer in general.
7. Company shall guarantee to Client 100% of the face amount of all checks up to \$2500.00 with return codes of R01 or R09 which are permitted by the NACHA rules to be collected by electronic re-presentment provided the check writer's correct, working telephone number is provided to the Company on the returned check(s).
8. Company reserves the right not to guarantee checks from check writers with other uncollected checks already in Company's system.
9. Company will attempt to manually collect, but cannot guarantee, all checks returned with return codes other than R01 or R09 for a period of 60 days at no cost to the Client. These non-guaranteed checks include, but are not limited to, closed accounts, return to maker, stopped payments, third party and business to business checks. If Client wishes Company to pursue collection efforts beyond the 60-day no cost period, a separate Amendment to this Agreement will be executed. If not, the Company will return the checks to the Client after the 60 day period.
10. Company will attempt to collect the returned item fee that the Client's bank may charge Client and credit the fee back to Client's account, if collected and if allowed by state law where the Client is located. Client's returned item bank charge per check charged by their bank is \$_____.
11. There shall be no cost to the School/ District for implementation or provision of the check recovery service by the Company.

This agreement represents the entire agreement between Company and Client concerning ACH and other check recovery services. If any Provisions of this Agreement are deemed unenforceable, the remaining provisions shall continue to be enforceable.

Client Approval Signature _____ Title _____ Print Client Name _____

Contact Person (Bookkeeper, etc.) _____ Title _____ Print Contact Person's Name Here _____

(Infinity Business Group, Inc.) By: _____ Title: _____

Communicate FARS Services to your district

Tools included:

- Sample notice to bookkeepers, departments about FARS program enrollment
- Sample program announcement for parents, handbooks, newsletters, etc. – English/Spanish
- Sample website program announcement
- Sample PTO letter
- Countertop notification poster
- Sample of first notification to NSF check writer

SCHOOL DISTRICT LETTERHEAD

To: **(Enter department, Comptroller/Bookkeeper name)**

From: **(Enter office, ex. Finance Department)**

Subject: FARS Check Recovery Program Enrollment

1. We are pleased to announce the new affiliation for the members of the **(Enter school district name)** and the Federal Automated Recovery System, Inc. (FARS).
2. FARS will be providing an electronic recovery service for all “dishonored” checks received within the school district (activity funds, general, food service, etc.).
3. To expedite the establishment of this new service within the school district, please use the attached **FARS Application Instructions** form as a guide to complete the **FARS Electronic Check Recovery Agreement** accessible by downloading a blank copy of this Agreement from the FARS website (if a blank copy was not provided in this information packet):
 - www.farsmarketing.com
 - o Under the column heading “Merchant”- Select **Enroll Now!**
 - o Under File Type/Download (at bottom of this menu page):
 - o **Print** out the blank application
 - **Merchant Check Recovery Agreement Form** and
 - **Merchant Bank Authorization Agreement Form**
4. **Complete a separate application** for **each business checking account** that is maintained by your organization and forward the completed application, the associated “VOID” check for each account, and all current outstanding checks to:

(Enter office point of contact/routing address)
5. All applications and VOID checks, and current outstanding checks for your accounts are due to our office by: **(Enter Due date)**

Sincerely,

(Enter name)

(TITLE: Example, Finance Director)

FARS Program Announcement to Parents through District Handbooks, Letterhead, Newsletters, etc.

1. Copy and paste the following text to your school district letterhead to distribute to all parents within the district via book bag letter, registration packets, newsletters, or any other medium that you deem appropriate.

Text recommendation for official notice to parents/guardians

To: Parents and Guardians
From: *(ENTER NAME)*
(ENTER TITLE- Example: Chief Financial Officer)
Date: *(ENTER DATE)*
Subject: Non-Sufficiently Funded Checks

“Due to the volume of uncollectible checks that the district receives, the *(ENTER SCHOOL DISTRICT NAME HERE)* has contracted with the Federal Automated Recovery Systems (FARS) for the electronic collection of checks returned for insufficient funds (NSF).

The District will gladly accept your checks. **When you provide a check as payment, you authorize us either to use information from the check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. You authorize us to collect a fee through an electronic fund transfer from your account if your payment is returned unpaid.**

All checks that are currently past due will also be recovered through this process if not paid in full by the start date of the program on *(ENTER EFFECTIVE DATE of PROGRAM)*.

Please include the following on your check:

- Full Name
- Street Address
- Phone Numbers

If there are any questions, please contact *(ENTER CONTACT PERSON AT SCHOOL DISTRICT)*

-
2. Several school districts have used this text and photocopied the FARS sticker around the text box for the actual school level announcements.

“The *(ENTER SCHOOL DISTRICT NAME HERE)* has elected to use an outside company to recover returned checks. No longer will the district or school staff arrange for the repayment of checks returned for non-sufficient funds. FARS will be responsible for the electronic collection of NSF checks turned in to any school or district account.”

The District will gladly accept your checks. **When you provide a check as payment, you authorize us either to use information from the check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. You authorize us to collect a fee through an electronic fund transfer from your account if your payment is returned unpaid.**

*Then place copy of the sticker next to the text box for the school newsletters.

**Anuncio para Padres de Familia sobre el Programa FARS
(A través del diestro papel membreteado del Distrito, boletines informativos, etc.)**

1. Copie y pegue el siguiente texto al papel membreteado de su distrito escolar para distribuir a todos los padres de familia dentro del distrito vía carta de mochila, paquetes de registro, boletines informativos, o cualquier otro medio que juzgue apropiado.

Recomendación en Texto para notificación Oficial a padres de familia / guardianes.

Para: Padres de familia y Guardianes

De: (ESCRIBA NOMBRE)
(TITULO---Ejemplo: Jefe Oficial Financiero)

Fecha: (ESCRIBA FECHA)

Asunto: Cheques con insuficiencia de fondos

“Debido al volumen de cheques incobrables que el distrito recibe, el (ESCRIBA EL NOMBRE DEL DISTRITO AQUÍ) ha contratado al Federal Automated Recovery Systems (FARS) (Sistema de Recobro Automatizado Federal) para la colección electrónica de cheques devueltos por insuficiencia de fondos (NSF). El distrito con mucho gusto aceptará sus cheques; sin embargo, en caso tal de que su cheque nos sea regresado, se le cargará electrónicamente a su cuenta chequera el valor total y los honorarios permitidos por el estado de (NOMBRE DEL ESTADO).

Todos los cheques que estén actualmente atrasados también sera recobrados a través de este proceso de no ser pagados completamente para la fecha de comienzo del programa el (ESCRIBE N DEL PROGRAMA).LA FECHA DE EJECUCIO

Favor incluir lo siguiente en su cheque:

- Nombre completo
- Dirección residencial
- Números telefónicos

Si tiene preguntas, favor contactar a (ESCRIBA LA PERSONA PARA CONTACTAR EN EL DISTRITO ESCOLAR)

2. Varios distritos escolares han utilizado este texto y fotocopiado la etiqueta de FARS alrededor de la caja de texto para los anuncios del nivel escolar actual.

“El (ESCRIBIR EL NOMBRE DEL DISTRITO ESCOLAR) ha elegido utilizar una compañía externa para recobrar los cheques devueltos; por lo tanto, ni el distrito ni los empleados de la escuela se darán a la tarea de hacer el re-pago de cheques devueltos por insuficiencia de fondos. FARS será responsable de hacer la colección electrónica de cheques NSF depositados en cualquier cuenta de la escuela o el distrito.

*Luego coloque una copia de la etiqueta al lado de la caja de texto para los boletines informativos del colegio.

School District Website Program Announcement

(Pass this text and FARS Logo file to your IT Department for posting to the District's website).

The **(School District Name)** is always looking for ways to be more efficient and effective in our fiscal policies. While it may seem like a minor issue to some, receipt of non-sufficient fund (NSF) checks is a time consuming and costly issue. As with any business, the **(School District Name)** has an obligation to our clients, the community taxpayers, to be fiscally accountable. Processing NSF checks can take valuable time from the school district personnel. To manage this process, our District will begin using FARS (Federal Automated Recovery Systems) on **(ENTER EFFECTIVE DATE)** to protect the interest of all in our school system community against the time consuming and costly recovery of Non-Sufficiently funded checks.

FARS utilizes the federal and state laws allowing the electronic recovery process of NSF checks which results in a high rate of recovery at no cost to the school district. The cost becomes the responsibility of those who wrote non-sufficient fund checks with the electronic recovery of the face amount of the check and the electronic recovery of the state fee from the bad check writer's bank account. Utilizing FARS is an effort by the school District to be fiscally accountable in a more efficient and cost effective manner.

(School District Name) will gladly accept checks. When a check is used as payment, the check writer authorizes us either to use information from the check to make a one-time electronic fund transfer from the check writer's account or to process the payment as a check transaction. The check writer authorizes us to collect a fee through an electronic fund transfer from the check writer's account if the payment is returned unpaid.

(Enter Date)

Dear (Enter PTO President and Treasurer Names):

The (School District Name) appreciates all the effort and benefit that your organization brings to the betterment of the school system experience. Therefore, we would like to share the details of a program that we are implementing as the services provided will be beneficial to you as well.

Due to the volume of NSF (non-sufficient funds) checks that the District receives, the (School District Name) School Board has elected to partner with FARS (Federal Automated Recovery Systems, Inc.) to conduct the electronic recovery of all NSF checks passed through all district accounts. We know that this problem is present during your annual operations and especially during your fundraising drives.

FARS utilizes the National Automated Clearing House Association (NACHA) guidelines approved for the electronic collection of checks returned for insufficient funds (NSF). FARS collects 100% of the face amount of the check and returns the entire amount to the organization. There is no special equipment to purchase or install, and no fee for the lifetime of your PTO/PTA or Booster Club organization.

As we are implementing this program for the protection of our school district, we encourage you to contact Sandra Oxner, the FARS Assistant Director of Schools, at 803.957.0350 or soxner@ibgfars.com, to learn how the program will protect your organization as well.

Sincerely,

(Enter Name of Department Director)
(Enter Title: Ex. Chief Financial Officer)
(Enter School District Name)



ATTENTION CHECK WRITERS!!!

We gladly accept your checks.

WHEN YOU PROVIDE A CHECK AS PAYMENT, YOU AUTHORIZE US TO USE INFORMATION FROM THE CHECK TO MAKE A ONE-TIME ELECTRONIC FUND TRANSFER FROM YOUR ACCOUNT, OR TO PROCESS THE PAYMENT AS A CHECK TRANSACTION.

YOU AUTHORIZE US TO COLLECT A FEE AS INDICATED BELOW (plus a bank fee charged to the merchant if allowed by your state law) THROUGH ELECTRONIC FUND TRANSFER FROM YOUR ACCOUNT IF YOUR PAYMENT IS RETURNED UNPAID.

Please include the following information on your check:

- Full Name
- Street Address
- Phone Number

\$10 (NE)

\$20 (CO, CT, HI, ID, IN, NY, PA, UT)

\$25 (AZ, AR, IL, LA, MI, MO, NH, NV, NC, ND, OK, OR, RI, WV)

\$30 (AL, AK, CA, DC, GA, IA, KS, ME, MN, MT, NJ, NM, OH, SC, SD, TN, TX, WI, WY)

\$35 (MD, MA, VA)

\$40 (DE, MS, WA)

\$50 (VT, KY)

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 4c

DATE OF SCHOOL BOARD MEETING: **August 4, 2009**

TITLE OF AGENDA ITEM: **Solid Waste Collection Agreement**

DIVISION: Facilities

 This is a CONTINUATION of a current project, grant, etc.

PURPOSE AND SUMMARY OF ITEM: For Board approval of a one (1) year contract with Emerald Waste Services for collection of solid waste and recycled cardboard for all Gadsden County School Board facilities. Term of agreement will be from July 1, 2009 – June 30, 2010. Monthly cost for all facilities will be \$7,674.73; yearly \$92,096.76 (see attached breakdown sheet).

FUND SOURCE: 110

AMOUNT: month - \$7,674.73 / year - \$92,096.76

PREPARED BY: Wayne Shepard

POSITION: Director of Facilities

INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

 Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered

CHAIRMAN'S SIGNATURE: page(s) numbered

Be sure that the COMPTROLLER has signed the budget page.

This form is to be duplicated on light blue paper.



7833 McElvey Road
Panama City Beach, FL 32408

SOLID WASTE COLLECTION AGREEMENT

This Contract is made and serves as an agreement by and between Gadsden County School Systems and Emerald Waste Services.

Term:

The term of this Agreement shall be for (1) One Year between the dates of July 1, 2009 up to June 30, 2010.

Collector's Responsibilities:

All solid waste for Gadsden County Schools shall be collected by the Collector as an independent contractor of the County. The Collector shall convey the solid waste and disposal of it as provided under this agreement.

Rates for Commercial and Industrial Services:

The Collector shall provide the County with schedules including frequency and days of pick up for each School System. If any changes in the collection schedule occurs, then the County shall be immediately notified in writing. In the event of a permanent change in schedules that will alter the day of pickup, the collector shall immediately notify the customer affected in writing or other manner approved by the County not less than one week prior to the change.

Rates, Schedules and Frequency have been attached to this Agreement.

Service Guarantee:

Customer must provide Emerald Waste Services with written notice by Certified Mail of any deficiency in Emerald Waste Services service and Emerald Waste Services, shall within (30) thirty days, remedy said deficiency in a prudent manner. If such deficiency is not remedied with (30) days, Customer may then and only then cancel said Contract and our services.

1-800-847-6422
www.emeraldwaste.com



7833 McElvey Road
Panama City Beach, FL 32408

This written instrument constitutes this entire agreement between Gadsden County and Emerald Waste Services. All prior and contemporaneous agreements and understandings, whether verbal or written, are without effect in the construction of any provision if they alter or otherwise vary any term or condition set forth in this instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement on this date.

Gadsden County School Systems

Date

Emerald Waste Services

Date

SCHOOL	CONTAINER SIZE	# OF PICK UP	M	T	W	Th	F	Monthly Bill
Havana Elementary	8 yd recycle	1X			X			\$65.00
Havana Elementary	8 yd FEL	3X	X		X	X		\$520.64
Havana Middle	6 yd FEL	2X	X			X		\$347.09
Havana Middle	8 yd recycle	1X			X			\$65.00
Gretna Elementary	8 yd FEL	2X	X			X		\$347.09
Gretna Elementary	8 yd recycle	1X			X			\$65.00
St. John Elementary	8 yd FEL	2X	X			X		\$347.09
St. John Elementary	8 yd recycle	1X			X			\$65.00
Bus Garage	6 yd FEL	1X	X					\$156.00
Maintenance Dept.	6 yd FEL	1X	X					\$156.00
Warehouse	6 yd FEL	2X	X			X		\$260.32
Warehouse	2-6 yd recycle	1X			X			\$130.00
Administration Bldg.	6 yd FEL	2X	X			X		\$260.32
Administration Bldg.	2-6 yd recycle	1X			X			\$130.00
Gadsden Technical	6 yd FEL	2X	X			X		\$260.32
Gadsden Technical	8 yd recycle	1X			X			\$65.00
Carter Parramore	8 yd FEL - Compactor	2X	X			X		\$554.24
Carter Parramore	8 yd recycle	1X			X			\$65.00
George Munroe	8 yd FEL	3X	X		X	X		\$520.64
George Munroe	8 yd recycle	1X			X			\$65.00
James A. Shanks	8 yd FEL - Compactor	3X	X		X	X		\$831.36
James A Shanks	8 yd recycle	1X	X					\$65.00
Stewart St. Elementary	8 yd FEL - Compactor	3X	X		X	X		\$831.36
Stewart St. Elementary	8 yd recycle	1X			X			\$65.00
Gadsden Elementary Magnet	8 yd FEL	2X	X			X		\$347.09
	(lock)							\$12.71
Gadsden Elementary Magnet	8 yd recycle	1X			X			\$65.00
	(lock)							\$12.71
West Gadsden High	8 yd FEL	2X	X			X		\$347.09
West Gadsden High	8 yd recycle	1X			X			\$65.00
Midway Headstart	2 yd FEL	2X	X			X		\$97.86
	(lock)							\$12.71
Greensboro Elementary	8 yd recycle	1X			X			\$65.00
Greensboro Elementary	8 yd FEL	2X	X			X		\$347.09
East Gadsden High	8 yd recycle	1X			X			\$65.00
TOTAL								\$7,674.73

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 4d

DATE OF SCHOOL BOARD MEETING: August 4, 2009

TITLE OF AGENDA ITEM: Amendment to Charter for Crossroad Academy Charter School of Business

DIVISION:

_____ This is a CONTINUATION of a current project, grant, etc.

PURPOSE AND SUMMARY OF ITEM: As Superintendent of Schools, I recommend that the annual enrollment cap at Crossroad Academy Charter School of Business is increased from 225 to 285, contingent upon the provisions set forth as an addendum to the existing contract. This increase will accommodate the Charter School's request to enroll students based on their application to participate in the Federal NCLB Public School Options, Choice With Transportation and/or Voluntary Public School Choice.

FUND SOURCE: General Fund

AMOUNT: \$344,060.00

PREPARED BY: Bonnie Wood

POSITION: Assistant Superintendent of Business Services

INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

_____ Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered _____

CHAIRMAN'S SIGNATURE: page(s) numbered _____

This form is to be duplicated on light blue paper.

REVIEWED BY: _____



CROSSROAD ACADEMY

CHARTER SCHOOL OF BUSINESS

Mr. Kevin E. Forehand, Principal

July 22, 2009

Mr. Judge Helms, Chairman
Gadsden County School Board
35 Martin Luther King, Jr., Blvd.
Quincy, FL 32351

*Received on July 28, 2009
3:10 P.M.
[Signature]
cc SB members*

Dear Mr. Helms:

This letter is remitted to request that the charter between the Gadsden County School Board and the Community and Economic Development Organization of Gadsden County, Inc. be amended to increase the enrollment cap from 225 to 285 students. According to the "No Child Left Behind" federal mandate, Crossroad Academy Charter School has met the criteria to qualify as a school of choice for parents whose children attend failing schools or schools that have failed to meet AYP.

Annually, parents receive letters from the district office that indicate their eligibility to transfer their children to better performing schools. As a result, our office has been inundated with enrollment applications from parents who have expressed an interest in enrolling their children at our school. Thus, we increased our enrollment to accommodate those parents referred by the district under school choice.

If you would like to further discuss this request, please feel free to contact me at 850-875-9626.

Sincerely,

Millie-Forehand
Executive Director

Cc: Mrs. Inez Holt
Supt. Reginald James, Gadsden County School District
Dr. Sonja Bridges, Asst. Supt./Charter School Contact, Gadsden County School District

SCHOOL BOARD OF GADSDEN COUNTY

CHARTER FOR

CROSSROAD ACADEMY CHARTER SCHOOL OF BUSINESS

This agreement is between the School Board of Gadsden County, Florida herein referred to as the “Sponsor”, and Community and Economic Development Organization of Gadsden County, Inc., a nonprofit organization, organized under the Laws of the State of Florida on behalf of The Crossroad Academy Charter School of Business, herein referred to as the “School”. It is the intent of the parties that this contractual agreement shall constitute the School's Charter.

SCHOOL AUTHORIZATION

Pursuant to FS 1002.33(1) “charter schools shall be part of the state’s program of public education. All charter schools in Florida are public schools.” Therefore, Crossroad Academy shall be guided by the principles stated in 1002.33(2).

I CHARTER

A. School Mission

The mission of the Crossroad Academy Charter School of Business is to provide an, alternative educational system of choice to assist Gadsden County students in preparing academically, socially and culturally to be responsible participants in our society. The School is dedicated to providing a well-balanced academically challenging program with emphasis on **Business and Industry** reading, critical thinking character, and community service. CACS will provide an environment that is conducive to learning, a staff that is sensitive to the needs of students and a program that promotes innovative and creative ideas. The parties agree that the community of students to be served by this Charter is defined as follows:

Participation is open to student ages 4-15 and in grades PK-8, in the Gadsden County school district and having an interest in business and its related industry.

B. Curriculum

The **focus** of the Crossroad Academy Charter School of Business curriculum is reading and math emphasizing the basis of business and related industry. The curriculum will consist of an inter-disciplinary approach in which subject matters are linked together though specifically designed projects and programs. It will incorporate such subject areas as banking, finance, money, and credit management and will cover the basic subject areas of: **Reading, Writing, Math, Language Arts, Science, Social, Studies, and Physical Education**. Other electives which may be offered are courses in, Art, Music, Health, Critical Thinking Skills, Test Taking Strategies, and specific Business & Technology. All skills will be aligned and consistent with the Sunshine State Standards and the instructional strategies for reading will be grounded in scientifically based research. Additionally, the curriculum will be: **Challenging**-actively engaging each student in learning skills rather than just covering materials; **Integrative**-helping students convert school experiences into practical uses in their daily lives; **Exploratory**-enabling students to discover their abilities, interests and ways they can make contributions to the world of business and the society as a whole.

Instructional methods will include but not be limited to: whole class instruction, small group instruction, student centered instruction, project based learning, thematic units, simulations, and technology assisted learning. Computers and internet access is available to students along with other technology used to improve the educational performance of students. The technologies shall comply with legal and professional standards. Classroom instruction is provided in large

groups, small groups, and through individualized instruction. Instruction will not be limited to the traditional classroom setting, but will be limited only by the creativity of the teachers and staff.

The faculty of the Crossroad Academy will integrate **technology** and instruction so that students can take advantage of the many ways technology can be used to help them learn, and reach out to experience (and perhaps positively change) the larger society of which they are citizens.

C. Baseline Standard of Student Achievement

The Florida Comprehensive Assessment Test (FCAT) shall serve as incoming baseline standards of student academic achievement for student enrolling at Crossroad Academy. Students enrolling from another state may submit comparable data in substitution. All students are expected to achieve one year's growth as deemed by the FDOE. Crossroad Academy shall compare its progress to that of the Gadsden County School District Annually.

The Crossroad Academy staff views assessment as the process of measuring a student's progress toward a goal. Each student's academic education plan serves as the foundation from which to measure student outcomes. Outcomes will be congruent with the Sunshine State Standards that identify what Florida public school students should know and are able to do. At the end of each evaluation period, students will receive a written report from the faculty, which will include specific information on the student's progress toward the learning goals in his/her academic educational plan. The report will be based on the child's work, oral presentation, documented observation by the faculty, testing and project assignments.

D. Student Strengths and Needs

Crossroad Academy shall participate in the statewide assessment program created under FS 1008.22. The method to identify student strengths and needs of students and how well the educational goals and performance standards are met by the students attending Crossroad Academy shall be analyzed annually in the school's improvement plan and/or annual goals and objectives as a result of student performance.

E. Disputes

All disagreements relating to or arising out of this Charter, which the parties are unable to resolve informally, shall be resolved in accordance with Section 1002.33(6)(h), Florida Statutes

F. Admissions

The School will admit students without regard to race, color, national origin, religion, disability, (ESOL) or gender as describe in section 1002.33 (10) "Eligible Students." CACS has an open and equitable admission policy whereby admission is completed on a first-come first-serve basis with a maximum enrollment of up 285 students serving the PK-8 population. Admission procedures for the School consist of the following steps:

- (1) The student applications and test are reviewed to identify those who meet the eligibility criteria.
- (2) Parent(s) and student(s) will then be notified of the selection and are scheduled for a meeting with the School's staff.

(3) A conference occurs between the staff, the parent(s) and the prospective student(s) to determine final placement. Parent(s) and student(s) must agree to participate in the program and sign a contract stating their willingness to abide by the Crossroad Academy Guidelines. (The student(s) will be placed in the program only after parent(s) and child have agreed in writing.)

(4) A contract is then executed which outlines rules, guidelines and responsibilities of all parties. Failure by parent(s) to live up to the contract may result in their child's dismissal.

(5) All enrollments of the School are on a voluntary basis and must have parental approval.

(6) Enrollment is subject to compliance with the provisions of Sections 232.0315 & 32.032, Florida Statutes, concerning school entry health examinations and immunizations.

G. Ethnic Balance

The School will continue to work toward maintaining a student population ratio that is at least representative to that of the district.

H. Discipline

(1) The School agrees to maintain a safe learning environment at all times. In order to provide criteria for addressing discipline issues that will ensure the health, safety and welfare of all students attending the school, the School will adopt and follow a code of student conduct. (See Appendix ?)

The School and the sponsor may agree to a reasonable exception to the discipline, however, any failure to agree to such an exception shall not be considered.

(2) Dismissal of students shall be as described in Appendix ?.

I Financial and Administrative Management

The parent company, CEDO has 25 years of administrative and financial management experience including utilization of an independent auditing firm. The day to day operation of the school affairs is performed by employees within the parent company organization with ultimate oversight by the Board of Directors.

Additionally, the school and Sponsor agree to the following administrative and financial issues:

(1) The Sponsor shall withhold 5% from public revenues as identified in Section 1002.33 (20) (a), Florida Statutes, for administrative costs.

(2) The School will utilize the standard state codification of accounts as contained in the Financial and Program Cost Accounting and Reporting for Florida Schools, as a means of codifying all transactions pertaining to its operations. Federal, state and local funds shall be maintained according to existing mandates and practices, i.e., separate funds and bank accounts for federal and state/local.

(3) The School shall provide a monthly financial statements to the sponsor, which shall include a balance sheet and a statement of revenues and expenditures and changes in fund balances prepared in accordance with Generally Accepted Accounting Principles and in a format to include a detail of all revenue and expenditure activities relating to its operations, and file the appropriate reports with the respective state and federal agencies. The School shall provide the Sponsor with an audited annual financial report for the fiscal year ending June 30, which shall include a complete set of financial statements and notes thereto prepared in accordance with Generally Accepted Accounting Principles for including into the Sponsor's financial statements annually, formatted by revenue source and expenditures, detailed by function and object **no later**

than September 30 of each year. The financial audit shall be performed by a qualified Certified Public Accountant. The audit shall be performed in accordance with Generally Accepted Auditing Standards; Government Auditing Standards, issued by the Comptroller General of the United States; and the Rules of the Auditor General, State of Florida. Funding for any subsequent year or Charter extension, if approved by the School Board, shall be contingent upon the receipt and subsequent review of the audit by the sponsor and/or its representatives. The Sponsor reserves the right to perform additional audits at no cost to the School as part of the Sponsor's financial monitoring responsibilities as it deems necessary. The Sponsor will notify the School of this procedure in a timely manner.

J. Term

(1) This Charter shall become effective July 1, 2006, and shall cover ten (10) years (commencing on July 1, 2006) ending on June 30, 2016.

(2) Pursuant to Section 1002.33(7)(b), Florida Statutes, this Charter may be renewed for fifteen (15) school years provided that a program review demonstrates exemplary academic progress and fiscal management and that it has met the requirements of 1002.33(7)(a) and that none of the criteria in 1002.33(8)(a) has been documented.

(3) This Charter remains subject to annual renewal and may be terminated during the term of the Charter. This Charter may also be modified during its term by mutual agreement of the parties and such modifications shall be agreed to in writing and executed by both parties.

(4) At the end of the term of the Charter, the Sponsor may choose not to renew the Charter for any of the following grounds:

(a) Failure to participate in the State's accountability system created in Section 1008.31 or failure to meet the requirements for student performance as set out in this Charter.

(b) Failure to meet generally accepted standards of fiscal management.

(c) Violation of law.

(d) Other good cause shown.

(5) During the term of the Charter, the Sponsor may terminate the Charter for any of the grounds listed above in (4) (a - d).

(6) This Charter may be terminated immediately if the Sponsor determines that there is good cause or if the health, safety, or welfare of the students is threatened. The Sponsor shall assume the operation of the School under these circumstances. The School agrees to submit all school records without delay in the event the Charter is terminated pursuant to this paragraph.

(7) At least 90 days prior to renewing or terminating the Charter, the Sponsor shall notify the governing body of the school of the proposed action in writing. The notice shall state in reasonable detail the grounds for the proposed action and stipulate that the School's governing body may, within 14 days of receiving the notice, request an informal hearing before the Sponsor. The Sponsor shall conduct the informal hearing within 30 days of receiving a written request. The School's governing body may, within 14 days after receiving the Sponsor's decision to terminate or refuse to renew the Charter, appeal the decision to the State Board of Education pursuant to the procedure established in Section 1002.33(8)(c) and (d), Florida Statutes. The School agrees to submit all school records without delay upon of the expiration of the Charter.

K. Facilities and Location

The facility used to house Crossroad Academy Charter School of Business is located at 635 Strong Road. The school is requesting a 10 renewal to facilitate a longer term for financing the construction of a new a larger facility. The parties agree to adhere to section 1002.33 (18), Facilities.

L. Human Resources

1. Employment

Employment shall be guided by 1002.33 (12)

- (1) The parties to this Charter agree that the School shall select its own employees.
- (2) The School agrees that its employment practices shall be nonsectarian.
- (3) The Teachers employed by or under contract to the School shall be certified as required by chapter 1012, Florida Statutes. The School may employ or contract with skilled selected non-certified personnel to provide instructional services or to assist instructional staff members as paraprofessionals in the same manner as defined in chapter 1012, Florida Statutes.
- (4) It is further agreed that the School may not employ an individual to provide instructional services or to serve as a paraprofessional if the individual's certification or licensure as an educator is suspended or revoked by this or any other state.
- (5) The School agrees to disclose to the parents the qualifications of its teachers.
- (6) The School agrees to implement the practices and procedures for hiring and dismissal; policies governing salaries, contracts, and benefit packages; and targeted staff size, staffing plan, and projected student-teacher ratio as described in Appendix?.

(7) The School agrees to require all employees to comply with the fingerprinting requirements of section 1012.32, Florida Statutes.

(8) The School shall not violate the anti-discrimination provisions of Section 1000.05, Florida Statutes, the Florida Education Equity Act.

(9) The School agrees to comply with all state and federal laws prohibiting discrimination.

2. Collective Bargaining [If employees choose to do so]

(1) The School employees have the option to bargain collectively as a separate unit or as part of the existing district collective bargaining units.

(2) The School, as a public employer, may participate in the Florida Retirement System upon application and approval as a "covered group" under Section 121.021(34), Florida Statutes. If the School participates in the Florida Retirement System, the School employees shall be compulsory members of FRS.

3. Private Employees

Teachers may choose to be part of a professional group that subcontracts with the School to operate the instructional program under the auspices of a partnership or cooperative that they collectively own. Under this arrangement, the teachers would not be public employees.

M. Governance Structure

(1) *The incorporating organization of the School is the Community and Economic Development Organization of Gadsden County, Inc. (CEDO). CEDO, a non-profit 501(c) 3, Community Development Corporation, was incorporated in April 1981 under the laws of the State of Florida. This governing board also serves as the School's Advisory Council members.*

(2) The corporation is a membership organization, and its activities and affairs are managed by a Board of Directors with a maximum of 25 members. Membership on the Board, term of office and voting privileges are controlled by the corporate by-laws.

(3) The School governing Board, which is the Board of Directors of CEDO will define and refine policies regarding educational philosophy, and oversee assessment and accountability to ensure that the School's student performance standards are met or exceeded.

(4) The teachers support and contractual staff will be directly supervised by an administrator who will be in charge of the school's routine operations. The Executive Director is appointed by, and reports directly to, the Board of Directors. All school staff shall work directly under the administrator who reports to the Executive Director.

(5) The Executive Director, in consultation with School staff, will be responsible for the over-all management of the school, to include creating/adjusting the curriculum and developing an annual budget. Other duties of the Executive Director will include:

selecting the school's administrator(s)

ratifying staffing recommendations

reviewing and approving the budget

overseeing the implementation of the board's policies, guidelines, the curriculum, and contractual agreements

ratifying and monitoring any changes in the contractual agreements

acting as a liaison with the community at large, and assisting with fundraising.

(6) No members of CEDO's Board of Directors will receive financial benefit from the School's operations.

(7) The School will comply with Chapter 119, Florida Statutes, relating to public records. . Furthermore, Board meetings shall be open to the public as per Section 286.011, Florida Statutes.

II. OTHER REQUIREMENTS

A. Annual Accountability Reporting

(1) The School shall prepare progress reports to the Sponsor, as described in 1002.33(9)(l).

B. Length of School Year

(1) The School shall provide instruction for at least 180 days for each school year.

C. Participation in Interscholastic Extracurricular Activities.

Parties agree that individual students of Crossroad Academy Charter School are eligible to participate in an interscholastic extracurricular activity at the public school to which the student would be otherwise assigned to attend pursuant to s.1006.15(3)(d).

D. Exemption

Crossroad Academy Charter School shall be exempt from and/or comply with statues as outlined in accordance with 1002.33(16).

E. Return of Agreements

All executed agreements or amendments to agreements shall be returned to Sponsor within 30 days of execution.

F. Requests for reimbursement for any special program funds shall be submitted to the Sponsor on a monthly basis.

III. FUNDING

The parties agree to comply with 1002.33(17)(a-d) stating that students enrolled in charter schools, shall be funded as if they are in a basic or special program, the same as students enrolled in other public schools in the school district.

The parties agree that Crossroad Academy Charter School will remain eligible for capital outlay funds pursuant to s. 1013.62.

A. REVENUE VIA FTE

(1) The Sponsor agrees to fund the School in accordance with the legislative guidelines. The basis of the funding shall be the sum of the Sponsor's operating funds from the Florida Education Finance Program (FEFP) as provided in Section 1011.62, Florida Statutes, and

the General Appropriations Act, including gross state and local funds, discretionary lottery funds, and funds from the Sponsor's district current operating discretionary millage levy; divided by the total funded weighted full-time equivalent students (WFTE) in the Sponsor's district; multiplied by the WFTE of the School. The School agrees that it will submit in a timely manner the information required in Section 1011.62 and 1011.61, Florida Statutes. The School will submit its projected FTE to Sponsor no later than the November before the beginning of the up coming school year.

(2) If the School's students or programs meet the eligibility criteria in law, the School shall be entitled to their proportionate share of categorical program funds included in the total funds available in the FEFP by the Legislature, including transportation.

(3) Total funding for the School shall be recalculated during the year to reflect the revised calculations under the FEFP by the State and the **actual** WFTE students reported by the School during the FTE survey periods.

Additionally, funding for the School shall be adjusted during the year as follows:

(a) In the event of a state holdback or a proration, which reduces district funding, the School's funding will be reduced proportionately.

(b) In the event that the district exceeds the state cap for WFTE for Group 2 programs established by the Legislature, resulting in unfunded WFTE for the district, then the Sponsor will review the School's funding to determine the required reduction, if any, that will be made. Payment shall be adjusted both after the October and February FTE surveys to reflect funding for the actual number of WFTE's reported and accepted by the Department of Education.

(4) In any program or services provided by the Sponsor which are funded by federal funds and for which federal dollars follow the eligible student, the Sponsor agrees, upon adequate documentation from the School, to provide the School with the federal funds received by the Sponsor's district if the same level of service is provided by the School, provided that federal law or regulation does not prohibit this transfer of funds. Any eligible student enrolled in the School shall be provided Federal funds for the same level of service provided other eligible students in the schools operated by the Sponsor, including Title I funding.

(5) The School shall not levy taxes or issue bonds secured by tax revenue.

(6) If the School Charter is not renewed or is terminated, any state or federal unencumbered funds disbursed by the Sponsor to the School shall revert to the Sponsor. In that event, all School property and improvements, furnishings, and equipment purchased with state or federal funds shall revert automatically to full ownership by the Sponsor. If the School's accounting records fail to clearly establish whether a particular asset was purchased with state or federal funds or non-public funds, ownership of the asset will revert to the Sponsor.

B. TITLE I

Title I funds allocated to the School must be used to supplement the reading/writing and mathematics services, and parental involvement for eligible students participating in the Title I Program. If the School accepts Title I funds, at least one percent of the School's budget must be spent in support of parental involvement activities. Title I students will be identified utilizing the Economic Survey conducted annually during the prior fiscal year. The per pupil allocation of Title I funds will correlate with the per pupil allocation of other district schools. The School shall submit Title I reimbursement requests to the Sponsor on a monthly basis.

Any equipment item purchased with Title I funds costing \$500 or more which is classified as Capitalized Audio Visual or Equipment remains the property of Title I. This property must be identified and labeled for Title I property audits.

The district and region Title I staff will provide technical assistance and support in order to ensure that Title I guidelines are being followed at the School and that students are meeting high content and performance standards.

C. FUND DISBURSEMENT.

Payment shall be made to the School no later than five (5) working days after the second monthly transfer from DOE. Until the October count is official, payments will be based on the previous year's FTE. An adjustment will be made twice a year based on the October and February FTE Surveys.

D. REPORTING OF STUDENTS -- FTE GENERATION

If the School submits data relevant to FTE funding that is later determined through the audit procedure to be inaccurate, the School shall be responsible for any reimbursement to the State for any errors or omissions that the School is responsible for.

IV GENERAL PROVISIONS.

A. The School will adhere to charter school requirements according to 1002.33(9).

B. The sponsor agrees to provide services as describe in 1002.33(20) and **shall perform duties at describe in 1002.33(5)(b)(1)-(6).**

(1) The School will adopt the Sponsor's Pupil Progression Plan (PPP) for applicable grades served.

(2) The School will input all required data into the Sponsor's Information Technology Services system in accordance with sponsor's guidelines.

(3) The School agrees to allow the Sponsor reasonable access to review data sources, including collection and recording procedures upon request.

(4) The parties agree that the Sponsor will utilize results from the state and district required assessment programs to provide to the State Board of Education an analysis and comparison of the overall performance of the School students.

(5) The School agrees to use the records and grades procedures that are consistent with the Sponsor's current records and grades procedure.

(6) The School will maintain both active and archival records for current/former students in accordance with Florida Statutes.

(7) All permanent (Category A) records of students leaving the School, whether by promotion, transfer to the public school system, or inter-district or intra-district withdrawal to attend another school, will be transferred to the Sponsor in accordance with Florida Statutes.

(8) Records of student progress (Category B) will be transferred to the appropriate school if a student withdraws to return to the regular Gadsden County Public School System or to another school system.

(9) Exceptional students shall be provided with programs implemented in accordance with Federal, state, and local policies and procedures. Specifically, the Individuals with Disabilities Education Act (IDEA), Section 504 of the Rehabilitation Act of 1973, Sections 1003.01(3) and 1003.57, Florida Statutes, Section 1002.33, Florida Statutes, and Chapter 6A-6 of the Florida Administrative Code.

(10) Students at the School who are limited English proficient will be served by English for Speakers of Other Languages-endorsed/certified personnel. The School will meet the requirements of the LULAC, et al. vs. State Board of Education Consent Decree.

C. TRANSPORTATION

The School agrees to provide for transportation of the School's students consistent with the requirements of Sections 1006.21-24, Florida Statutes, through a separate agreement. See Appendix ?.

D. FOOD SERVICE

(1) Through a separate contractual agreement, the Sponsor shall provide the School with breakfast and lunch for its students. See Appendix?. The Sponsor will be responsible for the processing of applications for free and reduced meals. The Sponsor will make all necessary reporting, filings and reimbursement requests from the appropriate state and federal agencies as a means of reimbursing the Sponsor. Moreover, proceeds for reduced and paid meals collected by the School shall be remitted to the Sponsor to offset cost of providing the meal service.

E. INSURANCE

- (1) The School agrees to secure insurance coverage for its own buildings and contents.
- (2) The School further agrees to secure and maintain personal property insurance if the School is leasing personal property from the Sponsor.
- (3) The School agrees to provide insurance as follows:
 - (a) **COMMERCIAL GENERAL LIABILITY INSURANCE**

Except as otherwise provided, the Commercial General Liability Insurance provided by the School shall conform to the requirements hereinafter set forth:

(1) The School's insurance shall cover the School for those sources of liability (including, but not by way of limitation, coverage for operations, Products/Completed Operations, independent contractors, and liability contractually assumed) which would be covered by the latest occurrence form edition of the standard Commercial General Liability Coverage Form (ISO Form CG 00 01), as filed for use in the State of Florida by the Insurance Services Office.

(2) The minimum limits to be maintained by the School (inclusive of any amounts provided by an umbrella or excess policy) shall be \$1 million per occurrence/\$3 million annual aggregate.

(3) Except with respect to coverage for Property Damage Liability, the Commercial General Liability coverage shall apply on a first dollar basis without application of any deductible or self-insured retention. The coverage for Property Damage Liability may be subject to a maximum deductible of \$1,000 per occurrence.

(4) The School shall include the Sponsor and its members, officers and employees as "Additional Insured" on the required Commercial General Liability Insurance as to property owned by or that will revert to Sponsor and as to members, officers, and employees employed by or performing services for the school. The coverage afforded such Additional Insured shall be no more restrictive than that which would be afforded by adding the Board as Additional Insured using the latest Additional insured - Owners, Lessees or Contractors (Form B) Endorsement (ISO Form CG 20 10). The certificate of insurance shall be clearly marked to reflect "The Sponsor, its members, officers, employees and agents as additional insured".

(b) AUTOMOBILE LIABILITY INSURANCE

The Automobile Liability Insurance provided by the School shall conform to the following requirements:

(1) The School's insurance shall cover the School for those sources of liability which would be covered by Section II of the latest occurrence edition of the standard Business Auto Policy (ISO Form CA 00 01), including coverage for liability contractually assumed, as filed for use in the State of Florida by the Insurance Services Office.

(2) Coverage shall be included on all owned, non-owned and hired autos used in connection with this Charter.

(3) The minimum limits to be maintained by the School (inclusive of any amounts provided by an umbrella or excess policy) shall be \$1 million per occurrence, and if subject to an annual aggregate, \$3 million annual aggregate.

(c) WORKERS' COMPENSATION/EMPLOYERS' LIABILITY

The Workers' Compensation/Employers' Liability Insurance provided by the School shall be as required by Florida law.

(d) APPLICABLE TO ALL COVERAGES

The School shall provide evidence of such insurance in the following manner:

(1) As evidence of compliance with the insurance required by this agreement, the School shall furnish the Sponsor with fully completed certificate(s) of insurance signed by an authorized representative of the insurer(s) providing the coverages before the initial opening day of classes.

(2) The evidence of insurance shall provide that the Sponsor be given no less than sixty- (60) days written notice prior to cancellation.

(3) Until such time as the insurance is no longer required to be maintained by the School, the School shall provide the Sponsor with evidence of the renewal or replacement of the insurance no less than thirty (30) days before the expiration or termination of the required insurance for which evidence was provided.

Insurers providing the insurance required by the School by this agreement must meet the following minimum requirements:

(a) Be (I) authorized by subsisting certificates of authority by the Department of Insurance of the State of Florida, or (II) an eligible surplus lines insurer under Florida Statutes. In addition, the insurer must have a Best's Rating of "A-" or better and a Financial Size Category of "VI" or better, according to the latest edition of Best's Key Rating Guide, published by A.M. Best Company;

(b) If, during this period when an insurer is providing the insurance as required by this agreement, an insurer shall fail to comply with the foregoing minimum requirements, as soon as the School has knowledge of any such failure, the School shall immediately notify the Sponsor and immediately replace the insurance provided by the insurer with an insurer meeting the requirements.

Without limiting any of the other obligations or liabilities of the School, the School shall at the School's sole expense, procure, maintain and keep in force the amounts and types of insurance conforming to the minimum requirements set forth in this Charter. Except as otherwise specified in this Charter, the insurance shall commence prior to the commencement of the opening of the School and shall be maintained in force, without interruption, until this Charter is terminated.

The insurance provided by the School shall apply on a primary basis and any other insurance or self-insurance maintained by its Board of Directors or its members, officers, employees or agents, shall be in excess of the insurance provided by or on behalf of the School.

Except as otherwise specified, the insurance maintained by the School shall apply on a first dollar basis without application of a deductible or self-insurance retention.

Compliance with the insurance requirements of this Charter shall not limit the liability of the School its subcontractors, its sub-subcontractors, its employees or its agents to the Board or others. Any remedy provided to the Board or its members, officers, employees or agents by the insurance shall be in addition to and not in lieu of any other remedy available under this Charter or otherwise.

The School shall require its subcontractors and its sub-subcontractors to maintain any and all insurance required by law. Except to the extent required by law, this Charter does not establish minimum insurance requirements for subcontractors or sub-subcontractors.

Neither approval by the Sponsor nor failure to disapprove the insurance furnished by the School shall relieve the School of the School's full responsibility to provide the insurance as required by this Charter.

The School shall be in default of this Charter for failure to maintain such insurance as required by this Charter.

(e) INDEMNIFICATION

(1) The School, to the extent immunity may be waived pursuant to Section 768.28, Florida Statutes, agrees to indemnify, defend with competent counsel selected by the School with Sponsors reasonable approval and agrees to hold the Sponsor, its members, officers, employees, and agents, harmless from any and all claims, actions, costs, expenses, damages, and liabilities, including reasonable attorney's fees, arising out of, connected with or resulting from: (a) the negligence, intentional wrongful act, misconduct or culpability of the School's employees or other agents in connection with and arising out of their services within the scope of this

agreement; (b) the School's material breach of this agreement or state or federal law; (c) any failure by the School to pay its suppliers or any subcontractors. However, the School shall not be obligated to indemnify the Sponsor, against claims, damages, expenses or liabilities to the extent these may result from the negligence of the Sponsor, its directors, officers, employees, subcontractors, or others acting on its behalf. The School shall indemnify, defend and protect and hold the Sponsor, harmless against all claims and actions brought against The Sponsor by reason of any actual or alleged infringement of patent or other proprietary rights in any material, process, machine or appliance used by the School. If the School's Charter is not renewed or is terminated, the governing body of the School is responsible for all of its debts.

(2) The School and the Sponsor shall notify each other of the existence of any third party claim, demand or other action giving first to a claim for indemnification under this provision (a "Third Party Claim") and shall give each other a reasonable opportunity to defend the same at its own expense and with its own counsel, provided that the School or Sponsor shall at all times have the right to participate in such defense at its own expense. If, within a reasonable amount of time after receipt of notice of a Third Party Claim, the School or Sponsor shall fail to undertake to so defend, the other party shall have the right, but not the obligation, to defend and to compromise or settle (exercising reasonable business judgment) the Third Party Claim for the account and at the risk and expense of the School or Sponsor which they agree to assume. The School or the Sponsor shall make available to each other, at their expense such information and assistance as each shall request in connection with the defense of a Third Party Claim.

F. MISCELLANEOUS

(1) Neither party shall be in default of this Charter, if the performance of any part or all of this Charter is prevented, delayed, hindered or otherwise made impracticable or impossible by reason of any strike, flood, hurricane, riot, fire, explosion, war, act of god, sabotage, accident or any other casualty or cause beyond either party's control, and which cannot be overcome by reasonable diligence and without unusual expense.

(2) This Charter in conjunction with any contracts signed by the parties shall constitute the full, entire and complete agreement between the parties hereto. All prior representations, understandings and Charters are superseded and replaced by this Charter. This Charter may be altered, changed, added to, deleted from or modified only through the voluntary, mutual consent of the parties. Any amendment to this Charter shall require approval of the Sponsor.

(3) This Charter shall not be assigned by either party without the prior written consent of the other party; however, the School may without the consent of the Sponsor enter into contracts for services with an individual or group of individuals organized as a partnership or cooperative.

(4) No waiver of any provision of this Charter shall be deemed or shall constitute a waiver of any other provision unless expressly stated.

(5) All representations and warranties made herein shall survive termination of this Charter.

(6) If any provision or any part of this Charter is determined to be unlawful, void or invalid, that determination shall not affect any other provision or any part of any other provision of this Charter and all such provisions shall remain in full force and effect.

(7) This Charter is not intended to create any rights of a third party beneficiary. This clause shall not be construed, however, as a waiver of any right of a member of the community, a student, or parent.

(8) This Charter is made and entered into in the State of Florida and shall be interpreted according to the laws of that State.

(9) Every notice, approval, consent or other communication authorized or required by this Charter shall not be effective unless same shall be in writing and sent postage prepaid by United States mail, directed to the other party at its address hereinafter provided or such other address as either party may designate by notice from time to time in accordance herewith:

The School Board of Gadsden County
35 Martin Luther King, Jr. Blvd.
Quincy, Florida 32351
Attn: Deputy Superintendent

CEDO
20 East Washington St., Suite A
Quincy, Florida 32351
ATTN: Executive Director

Copies of All Notices to:

Clerk of the School Board

(10) The School and the Sponsor both represent that they have been represented in connection with the negotiation and execution of this Charter and they are satisfied with the representation.

(11) The headings in the Charter are for convenience and reference only and in no way define, limit or describe the scope of the Charter and shall not be considered in the interpretation of the Charter or any provision hereof.

(12) This Charter may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one Charter.

(13) Each of the persons executing this Charter has the full power and authority to execute the Charter on behalf of the party for whom he or she signs.

IN WITNESS WHEREOF, the parties hereto have executed this Charter as of the day and year first above written

EXECUTED at _____, Florida, this ____ day of _____, 2009.

Community and Economic Development
Organization of Gadsden County, Inc

Witness

BY: _____
MILLIE FOREHAND
Executive Director

EXECUTED at Quincy, Florida, this ____ day of _____, 2009.

The School Board Of Gadsden
County, Florida

Witness

BY: _____
Judge Helms, Chair

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 4e

DATE OF SCHOOL BOARD MEETING: August 4, 2009

TITLE OF AGENDA ITEM: Florida Virtual Instruction Contracts, 2009-2010

DIVISION:

 This is a CONTINUATION of a current project, grant, etc.

PURPOSE AND SUMMARY OF ITEM:

The State of Florida requires each district to have a virtual instruction program pursuant to F.S. 1002.45. Approval of the Contracts is requested in order to provide a virtual instruction program to the students of Gadsden County as a school choice option.

FUND SOURCE: FEFP

AMOUNT: Undetermined -- based upon enrollment

PREPARED BY: Sonja Bridges, Ed.D. 

POSITION: Assistant Superintendent for Academic Services

INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

2 Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered _____

CHAIRMAN'S SIGNATURE: page(s) numbered _____

REVIEWED BY: 

Senate Bill 1676: Education Conforming Bill

Virtual Education

Section 10:

- Amends s. 1002.37, F.S., to clarify that the Florida Virtual School shall not receive funding through the FEFP for the purpose of meeting class size reduction requirements.

Section 11:

- Amends s. 1002.45, F.S., to modify the school district virtual instruction program.
- Defines virtual instruction to be that which is provided in an interactive environment created by using technology where the student and teacher are separated by space or time or both.
- Requires direct instruction by a certified teacher for 80 percent of instruction in grades 6-12 and 50 percent for grades K-5.
- Allows districts to meet the requirement for virtual programs by contracting with the Florida Virtual School, establishing a Florida Virtual School franchise, contracting with other DOE-approved providers, execution of multidistrict contractual agreements by regional consortia, or through an agreement with another district. Neither the multidistrict contract nor agreements between districts must require the school districts to be contiguous.
- Requires districts to provide an option for a virtual instruction program that is:
 - Full-time for students in grades kindergarten through grade 12.
 - Full-time or part-time for grade 9-12 students enrolled in dropout prevention, academic intervention programs, or Department of Juvenile Justice (DJJ) programs.
- Specifies minimum contract requirements with approved providers.
- Modifies the accountability requirements for virtual instruction programs to:
 - Remove the school grade requirement for a school district aggregate virtual school program.
 - Require DOE to aggregate the student performance data for all students served by a particular provider to provide each program provider a statewide grade or school improvement rating.
 - Apply sanctions for failure or low performance to the provider.
- Modifies provider qualifications to add the requirement for providers to document background screenings for all employees or contracted personnel. Deletes requirements for a provider to document the use of an instructional model that relies primarily on certified teachers and to document compliance with all requirements of this section of law.
- Clarifies the accreditation requirements for virtual instruction programs.
- Revises funding for students in grades 6-8 to be based on successful credit course completions rather than promotion to a higher grade. Grade K-5 funding is still based on promotion to a higher grade level and grade 9-12 funding is still based on successful credit course completions.
- Requires the DOE to study the advisability of legislatively authorizing school districts to contract with approved private providers for the provision of part-time virtual instruction programs for students in grades 9-12 who are not enrolled in programs under ss. 1003.52 and 1003.53, F.S. Findings and recommendations are to be reported to the Legislature and to the Governor by January 15, 2010.

Section 28:

- Amends s. 1011.61., F.S., to clarify definitions for full-time equivalent (FTE) student membership reporting for students in school district virtual instruction programs for the FEFP as:
 - In kindergarten through grade 5, a student who is promoted to a higher grade level; and
 - In grades 6-12, a student who has six full credit completions.



Florida Virtual School



GADSDEN COUNTY DISTRICT CONTRACT

Table with 2 columns: Gadsden County School District, Name of Contractor: Florida Virtual School, 2145 Metro Center Boulevard, Suite 200, Orlando, Florida 32835, 407.513.3587

THIS CONTRACT ("Contract") is entered into as a contractual undertaking by and between Gadsden County School District ("District") and Florida Virtual School ("Contractor") as of the Effective Date concerning the project identified below ("Project").

i. Name of Project: Virtual Instruction Program

ii. Brief Summary of Nature and Purpose of Project:

The 2008 Legislature created 1002.45 Florida Statute, an act relating to virtual instruction programs that authorizes school districts to implement K-12 virtual instruction programs in the 2009-10 School year. The Virtual Instruction Program was amended in 2009 through SB 1676, the conforming bill, to include the following requirements. Students must have spent the prior school year in attendance at a public school in Florida. Also, students must have been enrolled and reported by a public school district for funding during the preceding October and February for purposes of the Florida Education Finance Program surveys in order to attend or must be a dependent child of a member of the United States Armed Forces who was transferred according to defined parameters. Each student must meet compulsory attendance requirements and take state assessment tests. Funding will be provided for full-time equivalent students in grades K-5 who successfully complete a basic program and are promoted to a higher grade. Funding will be provided upon successful completion of courses for grades 6-12. The State Board of Education will adopt rules as necessary to administer the bill.

Florida Virtual School is authorized in 1002.45 FS to contract with the Districts.

iii. Contract Documents: The documents establishing and constituting the contractual relationship between the District and the Contractor (referred to collectively as the "Contract") supersedes all prior agreements and understandings, written or oral, regarding this Project and consist of the following:

- 1. Attachment A: Detailed Description of Performance Duties
2. Attachment B: Payment Schedule
3. Attachment C: Standard Terms and Conditions

Please check the full-time options your district wishes to execute. Contract serves to meet K-12 Virtual Instruction Program (VIP) requirements in the following areas:

- a. [X] FLVSCA serving grades K-5
b. [X] FLVSCA serving grades 6-8
c. [X] FLVSFT serving grades 6-8
d. [X] FLVSFT serving grades 9-12



The provisions of this Contract and Attachments A, B and C shall govern any inconsistent or conflicting provisions in the other Contract documents identified above. Provisions in each document made a part thereof shall govern any inconsistent or conflicting provisions in the Contract and each document made a part thereof.

This contract is subject to ratification and approval of the District's school board.

IV. Project Management:

The District and the Contractor designate their respective representatives, identified below ("Contract Manager") for coordination, communication and management of the Project.

For the District: Gadsden County	For the Contractor: Cathy Brown Florida Virtual School 2145 MetroCenter Boulevard, Suite 200 Orlando, FL 32835
----------------------------------	--

VI. Terms of Agreement:

This Contract shall be effective upon May 1, 2009, or on the date upon which it is signed by both the District and the Contractor, whichever is later. The contract is a five-year contract with the option to renew for a one-year period every year for four years and shall expire on June 30, 2014, unless cancelled earlier in accordance with its terms.

V. Notice:

Notice given pursuant to the terms and conditions of this Contract shall be sufficient if given to the receiving party's Contract Manager either 1) in writing addressed to that Contract Manager by certified mail, return receipt requested, or 2) by hand delivery.

VI. Approval and Execution:

The District and the Contractor have caused this Contract to be executed by their undersigned officials, duly authorized.

Florida Virtual School By: <u><i>Julie Young</i></u> Printed Name: Julie Young Title: President and CEO Date: <u>7-29-09</u>	Gadsden County School District, Florida By: _____ Printed Name: <u>Reginald C. James</u> Title: <u>Superintendent of Schools</u> Date: _____
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**ATTACHMENT A
DETAILED DESCRIPTION OF PERFORMANCE DUTIES**

GADSDEN COUNTY PUBLIC SCHOOL DISTRICT

The detailed description of the Contractor's performance duties and related provisions for the procurement Contract awarded to Florida Virtual School are as follows:

I. Project Overview

A. Program Background and Purpose of Project

The 2009 Legislature required in Section 1002.45, Florida Statutes, school districts to provide K-12 virtual instruction programs for full-time students. Florida Virtual School is an approved contractor with a proven track record of performance. The District wants to use this contractor to operate VIP programs for its resident students under the terms of 1002.45 FS for the 2009-2010 school year (SY).

B. Scope of Work

The Contractor is to operate a K-12 virtual school to provide a free, full-time, 180-day online instructional program to eligible students for the 2009-2010 school year. Funding is limited to K-5 students who complete a basic program and are promoted to the next grade according to the terms of the Statute and the rules to be developed by the Board of Education. Funding is limited to 6-12 students who complete courses according to the terms of the Statute and the rules developed by the Board of Education. The virtual school is to provide each student with all necessary instructional materials as defined by the Department and the Statute, and through guidelines established by the District which may include a computer, monitor, printer and access to or reimbursement for Internet services. All students are required to participate in the state assessment program created in Section 1008.22 Florida Statutes, and all instructional staff must be highly qualified as identified by NCLB standards and hold valid Florida teaching certificates under provisions of Chapter 1012, Florida Statutes. All curriculum and course content must align to Florida's Sunshine State Standards. The school is to participate in Florida's school accountability system established in Section 1008.31, Florida Statutes. The contractor agrees to align its practices with the district student progression plan and other district policies. The VIP program will provide a detailed curriculum plan that illustrates how students will be provided services to attain proficiency in the Sunshine State Standards and a method for determining a student has satisfied the requirements for graduation.

C. Governing Statutory and Administrative Requirements

The statutes and administrative rules or regulations to be implemented by this project are as follows:

- State: Florida Statute 1002.45
- Federal: NA

D. Required Outcome of the Project

The Contractor agrees to deliver a full-time, 180-day online instructional program for eligible students in kindergarten through grade 12. The virtual school will participate in Florida's school grading system under provision of Section 1008.31, Florida Statutes.



ATTACHMENT A - CONTINUED

- E. Role of Contractor in the Project Outcome
1. Provide a free, full-time, 180-day instructional program using online and distance learning technology for eligible kindergarten through grade 12 students.
 2. Be nonsectarian in its programs, admissions policies, employment practices and operations.
 3. Provide advising, as appropriate, to ensure proper grade placement and course selection.
 4. Conform all curriculum and course content to Florida's Sunshine State Standards school program requirements as delineated in Chapter 2007-28, Laws of Florida.
 5. Verify student eligibility to participate in the program as delineated in 1002.45FS and to verify that students reside in Florida and in the District.
 6. Keep complete and accurate attendance records for each enrolled student including days present, days absent (excused/unexcused) and minutes of instruction. Contractor will provide summary upon written request by District or Department for attendance verification. The attendance recordkeeping system shall provide complete and accurate attendance data and shall make provision for maintaining auditable records for three years or until applicable audits completed.
 7. Hire instructional staff who are highly qualified by NCLB standards, ESOL endorsed and hold valid Florida teaching certificates under provisions of Chapter 1012, Florida Statutes, and administrative staff who are residents of Florida as required by the Statute.
 8. Comply with antidiscrimination provisions of Section 1000.05, Florida Statutes, and ensure employees have undergone background screening required by Section 1002.32, Florida Statutes.
 9. Participate in Florida's school accountability system created in Section 1008.31, Florida Statutes.
 10. Coordinate with the Department, the District, and families to ensure entering kindergarten students are screened for school readiness and students in grades 3-10 participate in FCAT testing.
 11. Submit required record formats to the District in the form required by the Department's Database for Surveys 2, 3, 4 and 5 and any other requirements specified by the Department for participation in Florida's School Accountability and Information Systems.
 12. Provide the Enrollment/Attendance reports specified in Section II, B.5. Project Phases and Deliverables to support payments and other information, as requested by the Department or the District for accountability and evaluation.
 13. Locate the virtual school administrative office in Florida.
 14. Provide at least 50% of the direct instruction to students in kindergarten through grade 5.
 15. Provide at least 80% of the direct instruction to students in grades 6 through 12.
 16. Provide method for determining that 9-12 students have satisfied graduation requirements.
- F. Role of the District
1. Assign District VIP students to school number 7001 and other actions required by Department.
 2. Verify the enrolled students are residents of the District.
 3. Provide testing locations for all students for the FCAT and to administer any required testing; to provide readiness screening for students entering grade K.
 4. Provide any required services to support a student's IEP consistent with the legal requirements for serving students with special needs in a virtual school.
 5. Designate to the Contractor, a District Liaison to act for the District in all matters pertaining to this Contract and to accept and approve all deliverables and invoices.
 6. Pay the Contractor in accordance with Attachment B.
 7. Provide information to parents and students about right to participate in district VIP.
 8. Provide a diploma for graduating seniors.



ATTACHMENT A - CONTINUED

II. Project Phases and Deliverables

A. Description of the Major Phases, Stages, or Other Organizational Structure of the Project. (See Attachment B)

B. Deliverables

The Contractor is required to provide to the Department of Education and the District, such reports as may be required by the regulations, issues or to be issued by the Department which may include:

1. List of students including each student's full name, State ID number, grade level, birth date (YYYYMMDD), school district of residence and district number.
2. List of all school staff including employee's full name, verified Florida county of residence and employment assignment (administrative, instructional, support) for all employees. In addition, for instructional staff, the list must include the grade level(s) and subject(s) taught, their Florida certification, area(s) of coverage and certificate (Department of Education) number. In no event will any of the Contractor's staff be considered employees of the District.
3. Timely submission of the required Department database record formats in Surveys 2, 3, 4 and 5 or such others as may be required by the District or the Department for inclusion in Florida's school accountability and information systems, as well as any additional information necessary for required DOE reporting.
4. Such attendance data in a form and on a schedule as is required by the Department or the District.
5. Provide District with additional student and staff data upon request.

C. Criteria for Final Completion of the Contract

The criteria for final completion of the Contract are the delivery to, and approval by, the District of the Deliverables required by the Contract.



**ATTACHMENT B
PROCUREMENT CONTRACT – PAYMENT TERMS AND SCHEDULE**

GADSDEN COUNTY PUBLIC SCHOOL DISTRICT

Cost of Services

Option 1: No equipment or Internet services:

\$3,995.00 per funded full-time FTE under the terms of 1002.45. For any student in grades 6-12 funded at less than 1.0 FTE, pricing will be pro rata on a per successful half credit enrollment basis of \$333 per half credit enrollment. In the event that the district enrolls and the state funds K-5 students on a .5 FTE basis for students enrolled for at least 90 days who complete the year and are promoted, the cost for these students will be \$1,997.50.

Option 2: Equipment, Internet and other technology support services (see Attachment D-Equipment, Internet, and Other Technology Support Services):

\$3,995.00 plus a \$655 technology fee per funded full-time FTE. For any student in grades 6-12 funded at less than 1.0 FTE, pricing will be pro rata on a per successful half credit enrollment basis of \$333 per half credit enrollment plus a \$655 technology fee per student. In the event that the district enrolls and the state funds K-5 students on a .5 FTE basis for students enrolled for at least 90 days who complete the year and are promoted, the cost for these students will be \$1,997.50 plus a \$327.50 technology fee per student. The District shall determine the criteria and select those students who will receive these services from Contractor.

For both options:

- There are no set up or training fees.
- Training will be provided for up to five District personnel using virtual instruction.
- Prices include oversight and program monitoring by the assigned FLVS program manager.
- Contractor and the District will mutually agree on enrollment requirements and procedures.
- Contractor and the District will mutually agree on outreach activities to resident students, which will include information to be provided by Contractor for inclusion on the District's web site. Contractor will host at least one in-person open house and one virtual open house at times and locations agreeable to the District.

In the event that legislation is altered or DOE implements differing requirements that require technology services be provided to additional students, the funding agreement will be addressed based on the new requirements.

If Contractor provides the technology, there is no recourse back to the District if any equipment is not recovered or is damaged beyond repair beyond the value of the technology fee required in Option 2 above.

Invoicing terms will be as follows:

The schedule of progress payments, the deliverable(s) required to be received and approved, and the projected payment dates are set forth below. The actual date of payment shall be governed by the receipt of funds by the district from the State of Florida for the enrolled students in the K-12 virtual school programs selected, not by the projected payment date which is included to assist in planning any contracted activities and managing the project. The District shall pay a total of \$3,995 or \$4,650 for each "full-time equivalent



ATTACHMENT B - CONTINUED

student" (as that term is defined in sec. 1011.61(1)(c) 1.b. (III) or (IV), Fla. Stat.) enrolled in the District's virtual school as follows.

<u>Amount of Payment</u>	<u>Projected Date</u>	<u>Description of Deliverables</u>
\$1,997.50 times the number of students funded by DOE, plus \$327.50 times the number of students funded by the DOE requiring technology as determined by the school district and provided by Contractor.	December 1, 2009	Submission of Survey 2 data accepted by the department resulting in a payment to the District for enrolled students.
\$1,997.50 times the number of students funded by DOE, plus \$327.50 times the number of students funded by the DOE requiring technology as determined by the school district and provided by Contractor not previously invoiced above.	April 1, 2010	Submission of Survey 3 data accepted by the department resulting in a payment to the District for enrolled students.
The difference between the total number of students funded by the Department times \$3,995 or \$4,650 and amounts paid by the District to the Contractor. If the amount due to the Contractor is higher than the amount paid, the district shall remit such funds to the contractor by August 31. If the amount due to the Contractor is less than the amount paid, then the Contractor shall remit such funds to the District by August 31.	July 31, 2010	Submission of Survey 5 data (or such other reports as may be required by the department) accepted by the department resulting in a final payment under the terms of the Statute.



**ATTACHMENT C
OTHER TERMS AND CONDITIONS**

GADSDEN COUNTY PUBLIC SCHOOL DISTRICT

- I. Contractor in delivering the services contracted for shall provide Deliverables in the form of instructional tools and supplies, instructional materials, and computer hardware and software as are necessary to deliver the Project, but will retain ownership of all such Deliverables.
- II. To the best of the Contractor's knowledge, the Contractor further warrants that as to each Deliverable produced pursuant to this Contract, Contractor's production of the Deliverable and the District's use of the Deliverable, will not infringe on the copyrights of any third party. This provision applies to each work of authorship in which copyrights subsist pursuant to 17 U.S.C. Sections 102-105 and to each exclusive right established in 17 U.S. C. Section 106. To the best of the Contractor's knowledge, in furtherance of this provision, the Contractor warrants that:
 - a. As to each work of software or other "information technology" as identified in Section 287.012(15), Florida Statutes, in which copyrights subsist, the Contractor has acquired the rights by conveyance or license to any third party software or other information technology, which was used to produce the Deliverables.
 - b. As to each image and sound recording incorporated into a Deliverable, the Contractor has acquired the necessary rights, releases and waivers from the person whose image or sound is included, or from the holder of the copyrights subsisting in the literary, musical, dramatic, pantomime, choreographic, pictorial, graphic, sculptural, motion pictures, audiovisual, work or sound recording from which the included image or sound was taken.
- III. If there is a modification to the rules and regulations approved by the State Board of Education in contradiction to the terms outlined in this Contract, the Parties will amend the Contract as necessary to bring the Contract into accord with the rules and regulations so long as such change does not materially change the Deliverables as currently defined.
- IV. Contractor will comply with all applicable laws including, but not limited to, those requiring confidentiality of student records.
- V. Contractor has filed for or is the owner of various trademarks and logos. The District will be granted the use of such logos and trademarks in connection with its virtual school offering but shall be limited to those services provided under this Contract.
- VI. Contractor will maintain and keep in force Worker's Compensation, Liability and Property Damage Insurance to protect it from claims under worker's compensation claims for personal injury, including death, and claims for damages to any property of the District, or of the public, which may arise from operations under this Contract, whether such operations be by Contractor, or by any subcontractor or anyone directly or indirectly employed by any of them.
- VII. In no event will the District, Board members, District officers, employees, or agents be responsible or liable for the debts, acts or omissions of Contractor, its officers, employees, or agents.
- VIII. To the extent permitted by law, Contractor agrees to indemnify and hold District, its board members, officers, employees, and agents harmless from all liability, claims and demands arising from any suit,



action, grievance, charge or proceeding brought in connection with or related to Contractor's operation or conduct of any of Contractor's employees, agents, or representatives. This provision will not be deemed a relinquishment or waiver of applicable limitations of liability and sovereign immunity available to Contractor or District under law.

- IX. This Contract can only be terminated before its expiration if:
 - a. Both parties agree in writing to the termination
 - b. Either party materially breaches this Contract, and fails to cure such breach within a reasonable time following written notification of such breach from the other party.
 - c. Any filing of bankruptcy or insolvency of the Contractor occurs.
- X. Dispute Resolution and Arbitration- The parties agree that if there is a disagreement regarding the terms of this agreement, the parties will engage in discussions to resolve the dispute prior to any litigation being filed.
- XI. Contractor agrees to be bound by and meet all requirements in Section 1002.45, Florida Statutes, as may be amended from time to time, including, but not limited to, the requirements for background screening for all employees.
- XII. Contractor agrees and acknowledges that this agreement shall be governed by and interpreted in accordance with Florida law and that venue for any dispute regarding this agreement shall lie in the state courts serving Orange County, Florida.



Attachment D

Equipment, Internet, and Other Technology Support Services

Detailed breakdown of technology costs:

Hardware and software	\$505.00 (see below for breakdown)
Technical support	\$ 50.00 (see below for breakdown)
Internet subsidy	\$100.00 (see below for breakdown)
Total	\$655.00

Hardware and Software Cost Components			
	Lease Cost (\$685.59 purchase cost, including tax, leased over 3 years)	1	\$200.00
	Imaging Costs (\$30 purchase cost leased over 3 years)		\$10.00
	Annual Software License (MS, filter, virus)		\$64.00
	End of Life Disposal (\$28 spread over 3 years)		\$9.33
	Outbound Shipping/handling to Student (incl. insurance)		\$25.59
	Loss Estimate (3%)	2	\$20.57
	Receive/Test/ Re-image ¹ /Clean/Dust	3	\$46.00
	Packing Boxes for Shipment	4	\$24.92
	Printer		\$43.31
	Printer Shipping (outbound)		\$6.70
	Printer Repairs/Replacement (4%)		\$1.73
	Warehousing		\$20.34
	Logistics Management (time, phone expense, etc.)	5	\$20.00
	General Overhead	6	\$12.51
	Total		\$505.00

The hardware specifications shall equal or exceed the following:

Hewlett Packard® desktop:

- Intel® Processor, 3.06 GHz or better
- 256MB DDRAM
- 80GB Hard Drive
- Integrated Graphics and Sound
- 1.44mb Floppy Disk Drive
- 48X CD-ROM or better
- Integrated 10/100 Networking
- 4 USB Interfaces
- V 90 56k Modem
- Standard PS/2 Keyboard
- 2-button PS/2 Scroll Mouse



- 17" Color CRT
- Software
- Microsoft® Windows® XP Professional
- Microsoft Office
- Trend Micro® AntiVirus
- Ad-Aware® SE Anti-spyware protection
- Other software installed includes: Adobe Acrobat Reader®, Flash® Player, Shockwave® Player, and Windows Media® Player
- Net Nanny® Internet filtering software is available upon request
- Extras
- Headset/Microphone combo
- Unlimited Technical Support

Printers: Printers are HP Color Deskjet printers. Printers come with one tri-color ink cartridge and a USB cable. Printers are updated for returning students at least once every three years. Only the initial cartridge with the new printer is provided. Printers meet the following specifications:

- USB-connected
- B/W print speed up to 12.5 PPM (page per minute)
- Color print speed up to 12.5 PPM (page per minute)
- Resolution up to 4800x1200 dpi (page per minute)

Technical Support: A payment of \$5 per month will also be charged for each month that a student who has received a computer is enrolled, up to a maximum of \$50 for a complete school year. Invoicing will be reconciled at the end of each school year.

Internet Reimbursement: Contractor pays to each qualifying household \$9.95 per month paid for a nine-month period and paid in three installments. Contractor charges \$3.48 per payment for processing and mailing each Internet reimbursement payment for a total of \$100.00.



K¹² Virtual School Program

K12 VIRTUAL SCHOOL PROGRAM CURRICULUM AND MATERIALS AGREEMENT

K12 Florida LLC will provide Gadsden County Schools ("Customer") with a non-exclusive, non-transferable license for access to the K12 online courses, curriculum, learning management system and related instructional tools, and with other products and services selected by Customer, all as described below (pursuant to this "Agreement"), for the period from July 29th, 2009 to June 30th, 2010 ("Term"):

Student Courses and Curriculum

K12 will provide access to its learning management system, including its standard placement tests, and Total View Student system for customer to enroll students in courses including: Language Arts, Math, Science, History, Art and Music courses for grades kindergarten through eight. Foreign language courses may be substituted for Music at the request of Customer. Each student may enroll in up to six concurrent courses. Customer is solely responsible for placement of students in courses.

K12 Teacher Group

K12 will provide qualified, Florida-certified teachers, who have cleared background checks required by the Jessica Lunsford Act, for instruction to enrolled students for all offered courses

K12 Materials

K12 will provide integrated instructional tools and supplies, including textbooks and multimedia teaching tools. At its discretion, upon course completion or withdrawal, K12 will reclaim durable materials. K12 will inform Customer and/or its students which materials need to be returned and provide USP COD return shipping labels. K12 materials are intended solely for the use of the students enrolled in K12 courses. Customer shall not, and shall not permit its students, to resell or transfer the materials or intellectual property in those products to any person who is not enrolled by Customer in the K12 course. Should a student require a replacement component due to damage or loss, the Customer will be invoiced for the entire kit containing that component at the applicable rate shown on the then-current K12 Florida Distance Learning Educational Program Price List ("K12 Florida Price List"; a copy of the current K12 Florida Price List is attached hereto as Attachment A). Customer will provide K12 with reasonable assistance in obtaining materials from students and their parents.

Computers

Upon request of a family of an enrolled student, K12 will provide the family with a computer, monitor, printer and software as K12 has determined to be appropriate for access to the student courses and curriculum. Each family will receive no more than one (1) computer, monitor, printer and software bundle. Upon student withdrawal or termination of the Agreement, K12 will provide families with shipping labels to return computers, monitors, printers and software, and families shall be responsible for returning same. The Customer shall make all reasonable efforts to assist K12 in obtaining the return of all computers, monitors, printers and software provided to the families.

ISP Subsidy

K12 will provide an internet service provider ("ISP") subsidy, upon request of a family that has qualified for a free or reduced lunch under the National School Lunch Program. The subsidy shall be \$10.95 for each month a student is actively enrolled in the K12 courses through the Customer. The ISP subsidy will not exceed ten (10) months per academic year and is limited to one (1) per family.

Administrative and Technical Services

K12 will provide program launch and ongoing operational support, manage student enrollment, provide parent/mentor training and support, provide survey and academic reporting including inputs for school accountability reports, online community newsletters and calendars of events, support for online clubs and activities, educational outings and other face-to-face instructional meetings as required, virtual FCAT preparation, assist Customer with audits related to attendance, provide off-site technical support for parents and students for technology systems, generate reports on academic performance, attendance and progress, provide a web-filtering software to restrict student access to inappropriate materials on the Internet and prepare for, supervise and implement year-end system rollovers.

PRICE AND PAYMENT: For the Term the prices for the services, licenses and materials provided pursuant to this Agreement will be as set forth in Attachment A for each full-time student enrolled in the program for grades K-8. K12 may revise the prices set forth in Attachment A once annually. Customer shall pay K12 at the rates in the new price list provided that K12 provided at least thirty days written notice of any price increase, that the new prices do not apply to classes already in progress and that Customer may cancel the Agreement by providing written notice to K12 prior to the effective date of the new rates.

On a quarterly basis (in October, January, April and July), K12 will submit to the Customer an invoice for students enrolled in the K12 courses ("Enrolled Students") during the prior calendar quarter. Such invoices shall be based on the agreed-upon annual fee amortized equally on a quarterly basis. Full payment is due no more than thirty (30) days from the date of the invoice. If full payment is not timely received, K12, in its sole discretion, may cease the provision of any or all services, materials and licenses. Customer agrees to pay interest at one and one quarter percent (1.25%) per month on any unpaid balance from thirty (30) days after the due date.

TAXES: All fees charged pursuant to this Agreement are exclusive of all federal, state, municipal or other governmental sales and other taxes. Customer agrees to pay all applicable taxes, unless it is tax-exempt. If Customer is tax-exempt, Customer must provide K12 with Customer exemption certificates or other proof of Customer tax-exempt status.

FLORIDA SCHOOL DISTRICT VIRTUAL INSTRUCTION PROGRAM REQUIREMENTS: K12 represents that it is in compliance with all K-8 Virtual School requirements set forth in Florida Statutes, §1002.45(3).

INFORMATION REQUIREMENTS: Customer will provide K12 will all information reasonably required by K12 to provide the services, licenses and materials and is required to approve all enrolments prior to the provision of any services, licenses or materials.

FERPA: Customer warrants and represents that it has taken all required and necessary actions to designate K12 as a "school official" with a "legitimate educational interest" as those terms are defined under the Family Educational Rights and Privacy Act ("FERPA"). K12 agrees to develop, implement, maintain and use appropriate administrative, technical or physical security measures to the full extent required by FERPA in order to maintain the confidentiality of "education records" as that term is defined by FERPA. Customer recognizes and agrees that for purposes of all applicable laws, K12 has a legitimate educational interest for purposes of Customer disclosing to K12 students' education records.

SPECIAL EDUCATION AND DISABILITIES: Customer agrees that K12 has no responsibility for the provision of special education, the creation, implementation or provision of Individualized Education Programs, the provision of any reasonable accommodations or any services of any nature under the Individuals with Disabilities Education Act, the Americans with Disabilities Act, section 504 of the Rehabilitation Act or any similar law, whether federal, state or local.

WARRANTY: K12 warrants that the services will be performed in a professional and workmanlike manner in accordance with commercially reasonable industry standards. THE FOREGOING WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND K12 MAKES NO GUARANTEES AS TO THE RESULTS OR ACHIEVEMENTS OF THE STUDENTS. WITHOUT LIMITING THE FOREGOING, K12 MAKES NO GUARANTEES AND SHALL NOT BE LIABLE FOR OUTAGES OR OTHER NON-ACCESSIBILITY TO THE K12 WEBSITE, END-USER CONNECTION SPEED OR CONNECTIVITY PROBLEMS REGARDLESS OF THE CAUSE.

TERMS OF USE: Customer and each student or other visitor or user of any K12 web site is subject to the terms of use which are hereby made a part of this agreement and are posted on the K12 web site at [HTTP://WWW.K12.COM/TERMS_OF_USE](http://www.k12.com/terms_of_use).

INTELLECTUAL PROPERTY: Customer acknowledges and agrees that all content, software, graphics, pictures, documents, licenses, designs and materials (collectively, Works) made available to Customer pursuant to this order are protected by copyrights, trademarks, service marks, patents, trade secrets, or other proprietary rights and laws. Customer acknowledges and agrees that it has no intellectual property interest or claims in the Works and has no rights to make any use of such Works except as expressly granted herein. Except as expressly authorized in writing by an officer of K12, Customer agrees not to sell, license, sub-license, rent, modify, distribute, copy, reproduce, transmit, publicly display, publicly perform, publish, adapt, edit or create derivative works from any of the Works. Customer will not act or permit any action that would impair any of K12's rights in the Works. Customer acknowledges that in the event Customer breaches any provision contained in this paragraph, K12's interests will be irreparably injured, the full extent of K12's damages may be impossible to ascertain, and monetary damages will not be an adequate remedy. Customer agrees that K12 will be entitled to enforce this agreement by an injunction or other legal or equitable relief in any court of its choice without the necessity of posting bond or security, in addition to its right to seek monetary damages or any other remedy.

INDEMNIFICATION AND LIMITATION OF LIABILITY: K12 agrees to defend, indemnify, and hold harmless Customer and its employees, contractors, officers, and board members from and against any and all liabilities, claims, damages, injuries, judgments, demands and expenses, including court costs and attorney's fees, that arise out of or in connection with any acts or omissions of K12 related to or arising from this Agreement subject to the condition precedent that Customer provide written notice to K12 as soon as practicable. IN NO EVENT SHALL K12'S LIABILITY TO CUSTOMER AND ITS EMPLOYEES, CONTRACTORS, OFFICERS AND BOARD MEMBERS UNDER THIS AGREEMENT OR FOR ANY MATTER OR CAUSE OF ACTION ARISING IN CONNECTION HERewith EXCEED THE AMOUNT PAID BY CUSTOMER TO K12 HEREUNDER.

DISPUTE RESOLUTION: The parties agree that they will use best efforts to settle any and all disputes arising out of, under or in connection with this Agreement, including without limitation the validity, interpretation, performance and breach hereof, prior to initiating any legal proceeding, whether judicial or administrative in nature. The efforts shall be primarily between the SVP of School Services for K12 and the Superintendent of the Customer.

MISCELLANEOUS: a) A waiver of any part of this Agreement in one instance is not a waiver of any other part or any other instance; b) If any part of this Agreement is held invalid or if the applicability of any part of this Agreement is held invalid to a particular set of circumstances for any reason, such holding or declaration shall not in any way affect or impair the remaining provisions or the application to a different set of circumstances; c) Except as otherwise provided in this Agreement, neither party may assign or delegate any rights or obligations under this Agreement without the prior written consent of the other party and any such assignments shall be void and of no effect, except that K12 may assign all of its rights and obligations under this Agreement to any person or entity that controls K12, is controlled by K12, or is under common control with K12 or to any successor in interest that acquires all or substantially all of the assets of K12; d) This Agreement does not create any legal or equitable rights on the part of any third party, as a third party beneficiary or otherwise; e) K12 is not a division or any part of Customer. Customer is not a division or any part of K12. Nothing herein is intended to be construed as or to create a partnership or joint venture by or between K12 and Customer; f) Notwithstanding any other section of this Agreement, no party will be liable for any delay in performance or inability to perform due to acts of God or due to war (declared or undeclared), riot,

ATTACHMENT A

**K12 Florida Distance Learning Educational Program Price List
School Year 2009-2010**

Annual Student Service Fee (billed quarterly) Includes up to six courses per student plus materials and reclamation of durable and unused goods.	\$3995
Replacement/additional materials kits (as requested) Includes shipping	\$150
Annual Student Computer Services Fee (billed quarterly) Includes desktop computer, scanner/printer, shipping, technical support, and reclamation of hardware	\$500

terrorism, civil war, embargo, fire, flood, explosion, sabotage, labor strike, internet outage or other acts beyond its reasonable control and unrelated to its fault or negligence; h) All representations, warranties and indemnities made in this Agreement will survive termination of this agreement; i) This Agreement and the documents to which it refers form the entire Agreement between the parties with respect to the subject matter herein. Customer may not rely on any other documents, statements, or representations by any sales or service representatives or other parties, unless expressly contained herein; j) K12 Florida LLC will provide all services, licenses and materials under this Agreement either directly or in conjunction with its Affiliates. An "Affiliate" of K12 Florida LLC is an entity that controls, is controlled by, or under common control with, K12 Florida LLC and "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of an entity, whether through the ownership of securities, by contract or otherwise. K12 Florida LLC and its Affiliates shall be referred to collectively as K12.

The person signing hereunder represents and warrants that he or she is duly authorized by Customer and has full authority to enter into this Agreement.

Signature

Date

Reginald C. James
Print Name

Superintendent of Schools
Title

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 5a

DATE OF SCHOOL BOARD MEETING: August 4, 2009

TITLE OF AGENDA ITEMS: Approval of 2009-2010 Finance Handbook Procedures

DIVISION: Finance Department

PURPOSE AND SUMMARY OF ITEMS:

Board approval is requested for the revised Finance Handbook that contains procedures applicable for 2009-2010.

FUND SOURCE: Applies to All Funds

AMOUNT: Not Applicable

PREPARED BY: Bonnie Wood

POSITION: Assistant Superintendent for Business Services

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 6a

DATE OF SCHOOL BOARD MEETING: August 4, 2009

TITLE OF AGENDA ITEMS: Contracts for Lease/Purchase of School Buses

DIVISION: Transportation and Finance Departments

PURPOSE AND SUMMARY OF ITEMS:

Discussion by the Board is requested for the provisions for the Lease/Purchase of School Buses. The District's Attorney has been reviewing the attached documentation.

FUND SOURCE: Capital Improvements Fund

AMOUNT: Loan Amount \$2,318,042.00 if rate locked in at 3.487%

	<u>DATE</u>	<u>PAYMENT</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>
1)	12/1/09	\$502,962.33	\$30,425.34	\$472,536.99
2)	12/1/10	\$502,962.33	\$65,399.39	\$437,562.94
3)	12/1/11	\$502,962.33	\$49,893.42	\$453,068.91
4)	12/1/12	\$502,962.33	\$33,837.96	\$469,124.37
5)	12/1/13	\$502,962.33	\$17,213.54	\$485,748.79
	Total	\$2,514,811.65	\$196,769.65	\$2,318,042.00

PREPARED BY: Rocky Pace and Bonnie Wood

POSITION: Director of Transportation and Assistant Superintendent for Business Services

MASTER INSTALLMENT PURCHASE AGREEMENT

This Master Installment Purchase Agreement dated as of July 17, 2009, and entered into between DCFS USA LLC, a Delaware limited liability company, and its successors, transferees and assigns ("Lender"), and GADSDEN COUNTY SCHOOL DISTRICT, a body corporate and politic existing under the laws of the State of FLORIDA ("Borrower").

1. Agreement. Borrower agrees to finance from Lender certain "Equipment" as described in each Equipment Schedule (Exhibit A), which together with an Installment Payment Schedule (Exhibit A-1) constitute a "Schedule", subject to the terms and conditions of and for the purposes set forth in each Contract. Items of equipment may be added to the Equipment from time to time by execution of additional Schedules by the parties hereto and as otherwise provided herein. Each Schedule and the terms and provisions of this Agreement (which includes all exhibits hereto, together with any amendments and modifications pursuant thereto) which are incorporated by reference into such Schedule shall constitute a separate and independent contract and installment purchase of the Equipment therein described and are referred to herein as a "Contract".

2. Term. The "Commencement Date" for each Contract is the date when interest commences to accrue under such Contract which date shall be the earlier of (i) the date on which the Equipment listed in such Contract is accepted by Borrower in the manner described in Section 11, or (ii) the date on which sufficient monies to purchase the Equipment listed in such Contract are deposited for that purpose with an escrow agent, or (iii) the date sufficient monies are set aside for acquisition of Equipment as evidenced in Exhibit D, if applicable. The "Contract Term" for each Contract means the Original Term and all Renewal Terms therein provided and for this Agreement means the period from the date hereof until this Agreement is terminated. The "Original Term" means the period from the Commencement Date for each Contract until the end of Borrower's fiscal year or biennium (as the case may be) (the "Fiscal Period") in effect at such Commencement Date. The "Renewal Term" for each Contract is each term having a duration that is coextensive with the Fiscal Period.

3. Representations and Covenants of Borrower. Borrower represents, covenants and warrants for the benefit of Lender on the date hereof and as of the Commencement Date of each Contract as follows: (a) Borrower is a public body corporate and politic duly organized and existing under the constitution and laws of the State with full power and authority under the constitution and laws of the state where the Borrower is located ("State") to enter into this Agreement and each Contract and the transactions contemplated hereby and to perform all of its obligations hereunder and under each Contract; (b) Borrower has duly authorized the execution and delivery of this Agreement and each Contract by proper action of its governing body at a meeting duly called and held in accordance with State law, or by other appropriate official approval, and all requirements have been met and procedures have occurred to ensure the validity and enforceability of this Agreement and each Contract; (c) Borrower will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic; (d) Borrower has complied with such public bidding requirements as may be applicable to this Agreement and each Contract and the acquisition by Borrower of the Equipment as provided in each Contract; (e) during the Contract Term, the Equipment will be used by Borrower solely and exclusively for the purpose of performing essential governmental or proprietary functions of Borrower consistent with the permissible scope of Borrower's authority; (f) Borrower will annually provide Lender with current financial statements, budgets, proof of appropriation for the ensuing Fiscal Period, and such other financial information relating to the ability of Borrower to continue each Contract as may be requested by Lender; and (g) Borrower has an immediate need for the Equipment listed on each Schedule and expects to make immediate use of the Equipment listed on each Schedule.

4. Tax and Arbitrage Representations. Borrower hereby represents as follows: (a) the estimated total costs of the Equipment listed in each Schedule will not be less than the total principal portion of the Installment Payment listed in such Installment Payment Schedule; (b) the Equipment listed in each Schedule has been ordered or is expected to be ordered within 6 months of the Commencement Date, and all amounts deposited in escrow to pay for the Equipment, and interest earnings, will be expended on costs of the Equipment and the financing within 3 years of Commencement Date; (c) no proceeds of any Contract will be used to reimburse Borrower for expenditures made more than 60 days prior to the Commencement Date or, if earlier, more than 60 days prior to any official action taken to evidence an intent to finance; (d) Borrower has not created or established, and does not expect to create or establish, any sinking fund or similar fund (i) that is reasonably expected to be used to pay the Installment Payment, or (ii) that may be used solely to prevent a default in the payment of the Installment Payment; (e) the Equipment listed in each Schedule has not been and is not expected to be sold or otherwise disposed of by Borrower, either in whole or in part, prior to the last maturity of Installment Payment; (f) Borrower will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended ("Code"), including without limitation Sections 103 and 148

thereof, and the applicable regulations of the Treasury Department to maintain the exclusion of the interest components of Installment Payments from gross income for purposes of federal income taxation; and (g) Borrower intends that each Contract not constitute a "true" lease for federal income tax purposes.

5. Finance of Equipment. Upon the execution of each Contract, Lender demises, finances, transfers, and lets to Borrower, and Borrower acquires, rents, finances and hires from Lender, the Equipment in accordance with the terms thereof. The Contract Term for each Contract may be continued, solely at the option of Borrower, at the end of the Original Term or any Renewal Term for the next succeeding Renewal Term up to the maximum Contract Term set forth in such Contract. At the end of the Original Term and at the end of each Renewal Term the Contract Term shall be automatically extended upon the successive appropriation by Borrower's governing body of amounts sufficient to pay Installment Payments and other amounts payable under the related Contract during the next succeeding Fiscal Period until all Installment Payments payable under such Contract have been paid in full, unless Borrower shall have terminated such Contract pursuant to Section 7 or Section 22. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Installment Payments shall be as provided in the applicable Contract.

6. Continuation of Contract Term. Borrower currently intends, subject to Section 7, to continue the Contract Term of each Contract through the Original Term and all Renewal Terms and to pay the Installment Payments thereunder. Borrower reasonably believes that legally available funds in an amount sufficient to make all Installment Payments during the maximum Contract Term of each Contract can be obtained. Borrower currently intends to do all things lawfully within its power to obtain and maintain funds from which the Installment Payments may be made, including making provision for such payments to the extent necessary in each budget or appropriation request submitted and adopted in accordance with applicable provisions of law. Notwithstanding the foregoing, the decision whether or not to budget and appropriate funds or to extend the applicable Schedule for any Renewal Term is within the discretion of the governing body of Borrower.

7. Nonappropriation. Borrower is obligated only to pay such Installment Payments under each Contract as may lawfully be made from funds budgeted and appropriated for that purpose. Should Borrower fail to budget, appropriate or otherwise make available funds to pay Installment Payments under any Contract following the then current Original Term or Renewal Term, such Contract or Contracts shall be deemed terminated at the end of the then current Original Term or Renewal Term. Borrower agrees to deliver notice to Lender of such termination at least 30 days prior to the end of the then current Original Term or Renewal Term, but failure to give such notice shall not extend the term beyond such Original Term or Renewal Term. If any Contract is terminated in accordance with this Section, Borrower agrees to peaceably deliver the Equipment to Lender at the location(s) to be specified by Lender.

8. Conditions to Lender's Performance. This Agreement is not a commitment by Lender to enter into any Contract not currently in existence, and nothing in this Agreement shall be construed to impose any obligation upon Lender to enter into any proposed Contract, it being understood that whether Lender enters into any proposed Contract shall be a decision solely within Lender's discretion. Borrower will cooperate with Lender in Lender's review of any proposed Contract. Borrower understands that Lender requires certain documentation and information necessary to enter into any Contract and Borrower agrees to provide Lender with any documentation or information Lender may request in connection with Lender's review of any proposed Contract. Such documentation may include, without limitation, documentation concerning the Equipment and its contemplated use and location and documentation or information concerning the financial status of Borrower and other matters related to Borrower.

9. Installment Payments. Borrower shall promptly pay "Installment Payments" as described in Exhibit A-1 to each Contract, exclusively from legally available funds, to Lender on the dates and in such amounts as provided in each Contract. Borrower shall pay Lender a charge on any Installment Payment not paid on the date such payment is due at the rate of 12% per annum or the maximum rate permitted by law, whichever is less, from such date until paid. Installment Payments consist of principal and interest portions. Lender and Borrower understand and intend that the obligation of Borrower to pay Installment Payments under each Contract shall constitute a current expense of Borrower and shall not in any way be construed to be a debt of Borrower in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Borrower, nor shall anything contained herein or in a Contract constitute a pledge of the general tax revenues, funds or monies of Borrower.

DaimlerChrysler Truck Financial

10. INSTALLMENT PAYMENTS TO BE UNCONDITIONAL. EXCEPT AS PROVIDED IN SECTION 7, THE OBLIGATIONS OF BORROWER TO MAKE INSTALLMENT PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED IN EACH LEASE SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION ANY FAILURE OF THE EQUIPMENT TO BE DELIVERED OR INSTALLED, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE EQUIPMENT OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES.

11. Delivery; Installation; Acceptance. Borrower shall order the Equipment, cause the Equipment to be delivered and installed at the location specified in each Contract, and pay any and all delivery and installation costs in connection therewith. When the Equipment listed in any Contract has been delivered and acceptance tested, Borrower shall immediately accept such Equipment and evidence said acceptance by executing and delivering to Lender an Acceptance Certificate (Exhibit B). Lender shall provide Borrower with quiet use and enjoyment of the Equipment during the Contract Term.

12. Location; Inspection. Once installed, no item of the Equipment will be moved from the location specified for it in the Contract on which such item is listed without Lender's consent, which consent shall not be unreasonably withheld. Lender shall have the right at all reasonable times during regular business hours to enter into and upon the property of Borrower for the purpose of inspecting the Equipment.

13. Use; Maintenance. Borrower will not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by the related Contract. Borrower shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Borrower agrees to comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body. Borrower agrees that it will, at Borrower's own cost and expense, maintain, preserve and keep the Equipment in good repair and working order. Borrower will enter into a maintenance contract for the Equipment that is acceptable to Lender.

14. Title. Upon acceptance of the Equipment under a Contract by Borrower, title to the Equipment shall vest in Borrower subject to Lender's rights under the Contract, provided that title shall thereafter immediately and without any action by Borrower vest in Lender, and Borrower shall immediately surrender possession of the Equipment to Lender, upon (a) any termination of the applicable Contract other than termination pursuant to Section 22 or (b) the occurrence of an Event of Default. Transfer of title to Lender pursuant to this Section shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Borrower shall, nevertheless, execute and deliver any such instruments as Lender may request to evidence such transfer.

15. Security Interest. To secure the payment of all of Borrower's obligations under each Contract, upon the execution of such Contract, Borrower grants to Lender a security interest constituting a first and exclusive lien on the Equipment applicable to such Contract and on all proceeds therefrom. Borrower agrees to execute such additional documents, in form satisfactory to Lender, which Lender deems necessary or appropriate to establish and maintain its security interest in the Equipment. The Equipment is and will remain personal property and will not be deemed to be affixed to or a part of the real estate on which it may be situated.

16. Liens, Taxes, Other Governmental Charges and Utility Charges. Borrower shall keep the Equipment free of all levies, liens and encumbrances except those created by each Contract. The parties to this Agreement contemplate that the Equipment will be used for governmental or proprietary purposes of Borrower and that the Equipment will therefore be exempt from all property taxes. If the use, possession or acquisition of any Equipment is nevertheless determined to be subject to taxation, Borrower shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to such Equipment. Borrower shall pay all utility and other charges incurred in the use and maintenance of the Equipment. Borrower shall pay such taxes or charges as the same may become due.

17. Insurance. At its own expense, Borrower shall during each Contract Term maintain (a) casualty insurance insuring the Equipment against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lender, in an amount at least equal to the then applicable "Purchase Price" of the Equipment as described in Exhibit A-1 of each Contract; (b) liability insurance that protects Borrower from liability in all events in form and amount satisfactory to Lender; and (c) workers' compensation coverage as required by the laws of the State; provided that, with Lender's prior written consent, Borrower may self-insure against the risks described in clauses (a) and (b). Borrower shall furnish to Lender evidence of such insurance or self-insurance coverage throughout each Contract Term. Borrower shall not materially modify or cancel such insurance or self-insurance coverage without first giving written notice thereof to Lender at least 10 days in advance of such

cancellation or modification. All such insurance described in clauses (a) and (b) above shall contain a provision naming Lender as a loss payee and additional insured.

18. Advances. In the event Borrower shall fail to keep the Equipment in good repair and working order, Lender may, but shall be under no obligation to, maintain and repair the Equipment and pay the cost thereof. All amounts so advanced by Lender shall constitute additional rent for the then current Original Term or Renewal Term and Borrower agrees to pay such amounts so advanced by Lender with interest thereon from the advance date until paid at the rate of 12% per annum or the maximum rate permitted by law, whichever is less.

19. Damage, Destruction and Condemnation. If (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, Borrower and Lender will cause the Net Proceeds to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment to substantially the same condition as existed prior to the event causing such damage, destruction, or condemnation, unless Borrower shall have exercised its option to purchase the Equipment pursuant to Section 22. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to Borrower.

For purposes of this Section, the term "Net Proceeds" shall mean (y) the amount of insurance proceeds received by Borrower for replacing, repairing, restoring, modifying, or improving damaged or destroyed Equipment, or (z) the amount remaining from the gross proceeds of any condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof. If the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement referred to herein, Borrower shall either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) pursuant to Section 22 purchase Lender's interest in the Equipment and in any other Equipment listed in the same Contract. The amount of the Net Proceeds, if any, remaining after completing such replacement, repair, restoration, modification or improvement or after purchasing Lender's interest in the Equipment and such other Equipment shall be retained by Borrower. If Borrower shall make any payments pursuant to this Section, Borrower shall not be entitled to any reimbursement therefrom from Lender nor shall Borrower be entitled to any diminution of the amounts payable under Section 9.

20. DISCLAIMER OF WARRANTIES. LENDER MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE EQUIPMENT, OR WARRANTY WITH RESPECT THERETO WHETHER EXPRESS OR IMPLIED, AND BORROWER ACCEPTS SUCH EQUIPMENT AS IS AND WITH ALL FAULTS. IN NO EVENT SHALL LENDER BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF ANY LEASE OR THE EXISTENCE, FURNISHING, FUNCTIONING OR BORROWER'S USE OF ANY ITEM, PRODUCT OR SERVICE PROVIDED FOR IN ANY LEASE.

21. Vendor's Warranties. Lender hereby irrevocably appoints Borrower as its agent and attorney-in-fact during each Contract Term, so long as Borrower shall not be in default under the related Contract, to assert from time to time whatever claims and rights (including without limitation warranties) relating to the Equipment that Lender may have against Vendor. The term "Vendor" means any supplier or manufacturer of the Equipment as well as the agents or dealers of the manufacturer or supplier from whom Lender purchased or is purchasing such Equipment. Borrower's sole remedy for the breach of such warranty, indemnification or representation shall be against Vendor of the Equipment, and not against Lender. Any such matter shall not have any effect whatsoever on the rights or obligations of Lender with respect to any Contract, including the right to receive full and timely payments under a Contract. Borrower expressly acknowledges that Lender makes, and has made no representations or warranties whatsoever as to the existence or the availability of such warranties by Vendor of the Equipment.

22. Purchase Option. Borrower shall have the option to purchase Lender's interest in all of the Equipment listed in any Contract, upon giving written notice to Lender at least 60 days before the date of purchase, at the following times and upon the following terms: (a) on the Installment Payment dates specified in each Contract, upon payment in full of the Installment Payments then due under such Contract plus the then applicable Purchase Price as referenced in Exhibit A-1; or (b) in the event of substantial damage to or destruction or condemnation of substantially all of the Equipment listed in a Contract, on the day specified in Borrower's notice to Lender of its exercise of the purchase option upon payment in full to Lender of the Installment Payments then due under such Contract plus the then applicable Purchase Price plus accrued interest from the immediately preceding Installment Payment date to such purchase date.

DaimlerChrysler Truck Financial

23. Assignment. Lender's right, title and interest in and to each Contract, including Installment Payments and any other amounts payable by Borrower thereunder and all proceeds therefrom, may be assigned and reassigned to one or more assignees or subassignees by Lender without the necessity of obtaining the consent of Borrower. During the term of this Agreement, Borrower shall keep, or cause to be kept, a complete and accurate record of all such assignments in form necessary to comply with Section 149 of the Code. For this purpose, Borrower appoints Lender to act as its registration agent, which appointment Lender hereby accepts. Lender agrees on Borrower's behalf to maintain such record of all assignments. Borrower agrees to execute all documents that may be reasonably requested by Lender or any assignee to protect its interests and property assigned pursuant to this Section. Borrower shall not have the right to and shall not assert against any assignee any claim, counterclaim or other right Borrower may have against Lender or Vendor. Assignments may include without limitation assignment of all of Lender's security interest in and to the Equipment listed in a particular Contract and all rights in, to and under the Contract related to such Equipment. Borrower hereby agrees that Lender may, without notice to Borrower, sell, dispose of, or assign this Agreement or any particular Contract or Contracts through a pool, trust, limited partnership, or other similar entity, whereby one or more interests are created in this Agreement or in a Contract or Contracts, or in the Equipment listed in or the Installment Payments under a particular Contract or Contracts.

None of Borrower's right, title and interest in, to and under any Contract or any portion of the Equipment listed in each Contract may be assigned, subleased, or encumbered by Borrower for any reason without obtaining prior written consent of Lender.

24. Events of Default. Any of the following events shall constitute an "Event of Default" under a Contract: (a) failure by Borrower to pay any Installment Payment or other payment required to be paid under a Contract at the time specified therein; (b) failure by Borrower to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in subparagraph (a) above, for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to Borrower by Lender; (c) any statement, representation or warranty made by Borrower in or pursuant to any Contract shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made; or (d) Borrower institutes any proceedings under any bankruptcy, insolvency, reorganization or similar law or a receiver or similar official is appointed for Borrower or any of its property.

25. Remedies on Default. Whenever any Event of Default exists, Lender shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps: (a) by written notice to Borrower, Lender may declare all Installment Payments payable by Borrower pursuant to such Contract and other amounts payable by Borrower under such Contract to the end of the then current Original Term or Renewal Term to be immediately due and payable; (b) with or without terminating the Contract Term under such Contract, Lender may enter the premises where the Equipment listed in such Contract is located and retake possession of such Equipment or require Borrower at Borrower's expense to promptly return any or all of such Equipment to the possession of Lender at such place within the United States as Lender shall specify, and sell or finance such Equipment or, for the account of Borrower, sublease such Equipment, continuing to hold Borrower liable for the difference between (i) the Installment Payments payable by Borrower pursuant to such Contract and other amounts related to such Contract of the Equipment listed therein that are payable by Borrower to the end of the then current Original Term or Renewal Term, as the case may be, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lender in exercising its remedies under such Contract,

including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer's and attorney's fees), subject, however, to the provisions of Section 7 hereof. The exercise of any such remedies in respect of any such Event of Default shall not relieve Borrower of any other liabilities under any other Contract or the Equipment listed therein; and (c) Lender may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under such Contract or as a secured party in any or all of the Equipment. Any net proceeds from the exercise of any remedy under a Contract (after deducting all costs and expenses referenced in the Section) shall be applied as follows: (i) if such remedy is exercised solely with respect to a single Contract, Equipment listed in such Contract or rights thereunder, then to amounts due pursuant to such Contract and other amounts related to such Contract or such Equipment; or (ii) if such remedy is exercised with respect to more than one Contract, Equipment listed in more than one Contract or rights under more than one Contract, then to amounts due pursuant to such Contracts pro-rata.

26. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lender is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under a Contract now or hereafter existing at law or in equity.

27. Notices. All notices or other communications under any Contract shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties hereto at the addresses listed below (or at such other address as either party hereto shall designate in writing to the other for notices to such party), or to any assignee at its address as it appears on the registration books maintained by Borrower.

28. Release and Indemnification. To the extent permitted by State law, and subject to Section 7, Borrower shall indemnify, release, protect, hold harmless, save and keep harmless Lender from and against any and all liability, obligation, loss, claim, tax and damage whatsoever, regardless of cause thereof, and all expenses in connection therewith (including, without limitation, attorney's fees and expenses, penalties connected therewith imposed on interest received) arising out of or as result of (a) entering into any Contract, (b) the ownership of any item of Equipment, (c) the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of Equipment, (d) any accident in connection with the operation, use, condition, possession, storage or return of any item of Equipment resulting in damage to property or injury to or death to any person, and/or (e) the breach of any covenant or any material representation contained in a Contract. The indemnification arising under this Section shall continue in full force and effect notwithstanding the full payment of all obligations under all Contracts or the termination of the Contract Term under all Contracts for any reason.

29. Miscellaneous Provisions. Each Contract shall inure to the benefit of and shall be binding upon Lender and Borrower and their respective successors and assigns. References herein to "Lender" shall be deemed to include each of its assignees and subsequent assignees from and after the effective date of each assignment as permitted by Section 23. In the event any provision of any Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision thereof. Each Contract may be amended by mutual written consent of Lender and Borrower. Each Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. The captions or headings in this Agreement and in each Contract are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement or any Contract. This Agreement and each Contract shall be governed by and construed in accordance with the laws of the State.

30. Waiver of Jury Trial. Borrower expressly waives any and all right to a jury trial in any dispute regarding or arising out of this Agreement.

IN WITNESS WHEREOF, Lender and Borrower have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

(LENDER)
DCFS USA LLC
13650 Heritage Parkway
Fort Worth, TX 76111

(BORROWER)
GADSDEN COUNTY SCHOOL DISTRICT
35 Martin Luther King Jr., Blvd
Quincy, FL 32351

Attest:

By X _____
Name _____
Title _____

By X _____
Name _____
Title _____

By X _____
Name _____
Title _____

EXHIBIT A

SCHEDULE OF PROPERTY NO. 1

RE: MASTER INSTALLMENT PURCHASE AGREEMENT entered into as of July 17, 2009, ("Agreement"), between DCFS USA LLC, and its successors, transferees and assigns ("Lender") and GADSDEN COUNTY SCHOOL DISTRICT ("Borrower"). All terms used and not otherwise defined herein have the meanings ascribed to them in the Agreement.

The following items of Equipment are hereby included under this Schedule to the Agreement.

Ninety five percent of the financing costs are being used to acquire assets that will be capitalized.

DESCRIPTION OF EQUIPMENT			
Quantity	Description	Model No.	Serial No.
24 ea.	Thomas Built Buses	TBD	TBD

Borrower hereby represents, warrants and covenants that its representations, warranties and covenants set forth in the Agreement are true and correct as though made on the Commencement Date of Installment Payments under this Schedule. **The terms and provisions of the Agreement (other than to the extent that they relate solely to other Schedules or Equipment listed on other Schedules) are hereby incorporated into this Schedule by reference and made a part hereof.**

Borrower hereby designates the Schedule as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. The aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds) issued or to be issued by Borrower and all subordinate entities thereof during the calendar year in which the Schedule is executed is not reasonably expected to exceed \$10,000,000. Borrower and all subordinate entities thereof will not issue in excess of \$10,000,000 of tax-exempt obligations (including the Schedule but excluding private activity bonds other than qualified 501(c)(3) bonds) during the calendar year in which this Schedule is executed without first obtaining an opinion of nationally recognized counsel acceptable to Lender that the designation of the Schedule as a "qualified tax-exempt obligation" will not be adversely affected. The aggregate face amount of all tax-exempt obligations (other than private activity bonds) issued or to be issued by Borrower and all subordinate entities thereof during the calendar year in which this Schedule is executed is not reasonably expected to exceed \$5,000,000. Borrower and all subordinate entities thereof will not issue in excess of \$5,000,000 of tax-exempt obligations (including the Schedule but excluding private activity bonds) during the calendar year in which this Schedule is executed without first obtaining an opinion of nationally recognized counsel acceptable to Lender that the excludability of the interest under the Schedule from gross income for federal income tax purposes will not be adversely affected.

Dated: July 17, 2009
 Borrower: GADSDEN COUNTY SCHOOL DISTRICT

Lender: DCFS USA LLC

By X _____
 Name _____
 Title _____

By _____
 Name _____
 Title _____

EXHIBIT A-1

INSTALLMENT PAYMENT SCHEDULE

Compound Period: Monthly
Nominal Annual Rate: 3.487 %

AMORTIZATION SCHEDULE - Normal Amortization

	Date	Loan	Payment	Interest	Principal	Payoff
Loan	07/17/2009	2,318,042.00				2,318,042.00
1	12/01/2009		502,962.33	30,425.34	472,536.99	1,849,915.51
2	12/01/2010		502,962.33	65,399.39	437,562.94	1,410,648.94
3	12/01/2011		502,962.33	49,893.42	453,068.91	956,257.67
4	12/01/2012		502,962.33	33,837.96	469,124.37	486,220.93
5	12/01/2013		<u>502,962.33</u>	<u>17,213.54</u>	<u>485,748.79</u>	0.00
	Grand Totals	2,318,042.00	2,514,811.65	196,769.65	2,318,042.00	

COMMENCEMENT DATE: July 17, 2009

GADSDEN COUNTY SCHOOL DISTRICT

By X _____
Title _____

EXHIBIT B

PLEASE COMPLETE EITHER FINAL OR PARTIAL ACCEPTANCE, AS RELEVANT

FINAL ACCEPTANCE CERTIFICATE

Re: Schedule of Property No. 1, dated July 17, 2009, to Master Installment Purchase Agreement, dated as of July 17, 2009, between DCFS USA LLC, and its successors, transferees and assigns, as Lender, and GADSDEN COUNTY SCHOOL DISTRICT Borrower, as Borrower.

In accordance with the Master Installment Purchase Agreement (the "Agreement"), the undersigned Borrower hereby certifies and represents to, and agrees with Lender as follows:

- (1) All of the Equipment (as such term is defined in the Agreement) listed in the above-referenced Schedule of Property (the "Schedule") has been delivered, installed and accepted on the date hereof.
- (2) Borrower has conducted such inspection and/or testing of the Equipment listed in the Schedule as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
- (3) Borrower is currently maintaining the insurance coverage required by Section 17 of the Agreement.
- (4) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.

BORROWER
GADSDEN COUNTY SCHOOL DISTRICT

By **X**: _____

Title: _____

Acceptance Date: _____

> OR <

PAYMENT REQUEST and PARTIAL ACCEPTANCE CERTIFICATE

DCFS USA LLC is hereby requested to pay the person or entity designated below as Payee, the sum set forth below in payment of a portion or all of the cost of the acquisition described below. The amount shown below is due and payable under the invoice of the Payee attached hereto with respect to the cost of the acquisition of the equipment and has not formed the basis of any prior request for payment. The equipment described below is part or all of the "Equipment" listed in Exhibit A to the Master Installment Purchase Agreement referenced above.

Quantity	Serial Number/Description:	Amount:

Payee: GADSDEN COUNTY SCHOOL DISTRICT

Payee's Federal ID Number: _____

Borrower hereby certifies and represents to and agrees with Lender as follows: (i) the equipment described above has been delivered, installed and accepted on the date hereof; (ii) Borrower has conducted such inspection and/or testing of said equipment as it deems necessary and appropriate and hereby acknowledges that it accepts said equipment for all purposes; (iii) Borrower is currently maintaining the insurance coverage required by Section 17 of the Agreement; (iv) no event or condition that constitutes, or with notice or lapse of time or both would constitute, an Event of Default (as such term is defined in the Agreement) exists at the date hereof.

Dated: _____

BORROWER
GADSDEN COUNTY SCHOOL DISTRICT

By **X** _____

Title _____

PLEASE RETURN PAYMENT REQUEST TO:

DCFS USA LLC
13650 Heritage Parkway
Fort Worth, TX 76111

EXHIBIT C
(To be put on Attorney's Letterhead)

DCFS USA LLC
13650 Heritage Parkway
Fort Worth, TX 76111

Re: Schedule of Property No. 1, dated July 17, 2009, to Master Installment Purchase Agreement dated as of July 17, 2009, between DCFS USA LLC, and its successors, transferees and assigns, as Lender, and GADSDEN COUNTY SCHOOL DISTRICT, as Borrower.

Ladies and Gentlemen:

As legal counsel to GADSDEN COUNTY SCHOOL DISTRICT, (the "Borrower"), I have examined (a) an executed counterpart of a certain Master Installment Purchase Agreement, dated as of July 17, 2009, and Exhibits thereto by and between DCFS USA LLC, and its successors, transferees and assigns (the "Lender") and Borrower, (the "Agreement") and an executed counterpart of Schedule of Property No. 1, dated July 17, 2009, by and between Lender and Borrower (the "Schedule"), which, among other things, provides for the financing of certain property listed in the Schedule (the "Equipment"), (b) an executed counterpart of the ordinances or resolutions of Borrower which, among other things, authorize Borrower to execute the Agreement and the Schedule and (c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinion. The Schedule and the terms and provisions of the Agreement incorporated therein by reference together with the Installment Payment Schedule attached to the Schedule are herein referred to collectively as the "Contract".

In rendering this opinion, we have assumed without inquiry:

- (a) The authenticity of all documents submitted to us as copies of the originals, and the conformity of such copies to the originals as they are finally executed and delivered by Borrower and Lender;
- (b) That the Contract has been or will be duly authorized, executed and delivered by Lender;
- (c) That the Contract constitutes valid, legal and binding obligations of Lender enforceable against Lender in accordance with its terms; and
- (d) That the Contract accurately describes and contains the mutual understandings of the parties, and that there are not oral or written statements or agreements that modify, amend or vary, or purport to modify, amend or vary, any of the terms thereof.

Based on the foregoing, I am of the following opinion:

- (a) Borrower is a public body corporate and politic, duly organized and existing under the laws of the State, or has a substantial amount of one the following sovereign powers: (i) the power to tax, (ii) the power of eminent domain, or (iii) police power;
- (b) The name of the Borrower contained in the Contract is the correct legal name of the Borrower;
- (c) Borrower has the requisite power and authority to acquire and finance the Equipment and to execute and deliver the Contract and to perform its obligations under the Contract;
- (d) The Contract has been duly authorized, approved, executed, and delivered by and on behalf of Borrower and the Contract is a legal, valid and binding obligation of Borrower enforceable in accordance with its terms, subject to

(i) all applicable bankruptcy, reorganization, insolvency, fraudulent conveyance, moratorium and other similar laws; (ii) the qualification that certain waivers, restrictions and remedies provided for in this Contract, including without limitation certain indemnification obligations, may be wholly or partially unenforceable under Florida law; and (iii) general principles of equity.

- (e5) The authorization, approval, execution, and delivery of the Contract and all other proceedings of Borrower relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state laws; and
- (6) To the best of my knowledge, there is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Contract or the security interest of Lender or its assigns, as the case may be, in the Equipment thereunder.

All of the opinions set forth above are also subject to the following qualifications, limitations and exceptions:

- (a) The opinions expressed herein are limited to matters governed by the laws of the State of Florida. No opinion is expressed regarding the laws of any other jurisdiction.
- (b) The opinions expressed herein are based upon the law in effect on the date hereof, and we assume no obligation to revise or supplement them if the law is changed by legislative action, judicial decision or otherwise.

All capitalized terms herein shall have the same meanings as in the Contract unless otherwise provided herein. Lender, its successors and assigns, and any counsel rendering an opinion on the tax-exempt status of the interest components of the Installment Payments, are entitled to rely on this opinion.

Printed Name _____

Signature X _____

[TO BE TYPED ON LESSEE'S LETTERHEAD]

July 17, 2009

DCFS USA LLC
13650 Heritage Parkway
Fort worth, TX 76111

Re: Schedule of Property No. 1, dated **July 17, 2009**, to Master Installment Purchase Agreement dated as of **July 17, 2009** between DCFS USA LLC as lender, and **Gadsden County School District**, as borrower - Essential Use of Equipment.

Gentlemen:

This letter is to confirm and affirm that the personal property (the "Equipment") subject to the above-referenced Agreement is essential to the governmental functions of Lessee.

The Equipment will be used by Borrower for the purpose of performing one or more of Borrower's governmental functions consistent with the permissible scope of Borrower's authority and not in any trade or business carried on by any person other than Borrower.

Very truly yours,

Lessee

cc: Banc of America Public Capital Corp
as Agent for DCFS USA LLC

EXHIBIT D

ACCEPTANCE OF INSTALLMENT PAYMENT OBLIGATION

Re: Schedule of Property No. 1, dated July 17, 2009 to Master Installment Purchase Agreement, dated as of July 17, 2009 between DCFS USA LLC, and its successors, transferees and assigns, as Lender, and GADSDEN COUNTY SCHOOL DISTRICT, as Borrower.

In accordance with the Master Installment Purchase Agreement (the "Agreement"), the undersigned hereby acknowledges and represents that:

All or a portion of the Equipment (as such term is defined in the Agreement) listed in the above-referenced Schedule of Property (the "Schedule") has not been delivered, installed, or available for use and has not been placed in service as of the date hereof;

Borrower acknowledges that Lender has agreed to set aside funds in an amount sufficient to provide financing (to the extent requested by Borrower and agreed to by Lender) for the Equipment listed in the Schedule (the "Financed Amount");

The Financed Amount is set forth as the "Principal Component" of Installment Payments in the Installment Payment Schedule attached to the Schedule as Exhibit A-1 ("Exhibit A-1"); and

Borrower agrees to execute a Payment Request Form, attached to the Agreement as Exhibit B, authorizing payment of the Financed Amount, or a portion thereof, for each disbursement of funds.

NOTWITHSTANDING that all or a portion of the Equipment has not been delivered to, or accepted by, Borrower on the date hereof, Borrower warrants that:

(a) Borrower's obligation to commence Installment Payments as set forth in Exhibit A-1 is absolute and unconditional as of the Commencement Date of the Schedule and on each date set forth in Exhibit A-1 thereafter, subject to the terms and conditions of the Agreement;

(b) Immediately upon delivery and acceptance of all the Equipment, Borrower will notify Lender of Borrower's final acceptance of the Equipment by delivering to Lender a "Final Acceptance Certificate" in the form set forth as Exhibit B to the Agreement;

(c) In the event that any surplus amount remains from the funds set aside or an event of nonappropriation under the Agreement occurs, any amount then remaining shall be applied or distributed in accordance with Lender's standard servicing procedures, which includes, but is not limited to, application of the remaining amount to the next Installment Payment and other amounts due; and

(d) Regardless of whether Borrower delivers a Final Acceptance Certificate, Borrower shall be obligated to pay all Installment Payments (including principal and interest) as they become due as set forth in Exhibit A-1.

AGREED TO on July 17, 2009

GADSDEN COUNTY SCHOOL DISTRICT

By X _____

Title _____

INSURANCE COVERAGE REQUIREMENTS

LENDER: DCFS USA LLC, and its successors, transferees and assigns

BORROWER: GADSDEN COUNTY SCHOOL DISTRICT

1. In accordance with Section 17 of the Agreement, we have instructed the insurance agent named below:
(Please fill in name, address and telephone number).

_____	Telephone:	()
_____	Fax:	()
_____	To issue:	()

a. All Risk Physical Damage Insurance on the leased equipment evidenced by a Certificate of Insurance and Long Form Loss Payable Clause naming DCFS USA LLC and/or its successors, transferees and assigns, as loss payee.

Coverage Required: Full Replacement Value

b. Public Liability Insurance evidenced by a Certificate of Insurance naming DCFS USA LLC and/or its successors, transferees and assigns as Additional Insured.

Minimum Coverage Required:
\$500,000.00 per person; \$500,000.00 aggregate bodily injury liability; \$100,000.00 property damage liability

OR

2. Pursuant to Section 17 of the Agreement, we are self-insured for all risk, physical damage, and public liability and will provide proof of such self-insurance in letter form together with a copy of the statute authorizing this form of insurance.

Proof of insurance coverage will be provided prior to the time the Equipment is delivered to us.

PAYMENT INSTRUCTIONS

Pursuant to the Master Installment Purchase Agreement dated July 17, 2009 (the "Agreement"), Schedule of Property No. 1, dated July 17, 2009, between DCFS USA LLC, and its successors, transferees and assigns (the "Lender") and GADSDEN COUNTY SCHOOL DISTRICT (the "Borrower"), Borrower hereby acknowledges the obligations to make Installment Payments promptly when due, in accordance with Exhibit A-1 to the Agreement.

BORROWER NAME: GADSDEN COUNTY SCHOOL DISTRICT **TAX ID#:** _____

INVOICE MAILING ADDRESS: 35 Martin Luther King Jr. Blvd., Quincy, FL 32351

Mail invoices to the attention of: _____ Phone () _____ Fax () _____

Approval of Invoices required by: _____ Phone () _____ Fax () _____

Accounts Payable Contact: _____ Phone () _____ Fax () _____

Processing time for Invoices: _____ Approval: _____ Checks: _____

Do you have a Purchase Order Number that you would like included on the invoice? No _____ Yes _____ PO# _____

Do your Purchase order numbers change annually? No _____ Yes _____ Processing time for new purchase orders: _____

BORROWER: GADSDEN COUNTY SCHOOL DISTRICT

By **X**: _____

Title: _____

Date: _____

CERTIFICATE OF SIGNATURE AUTHORITY OF BORROWER

July 11, 2009

DCFS USA LLC
13650 Heritage Parkway
Fort worth, TX 76111

RE: Master Installment Purchase Agreement dated July 17, 2009, ("Agreement"), by and between GADSDEN COUNTY SCHOOL DISTRICT ("Borrower") and DCFS USA LLC, ("Lender").

Dear DCFS USA LLC,

I, the undersigned, do hereby certify

(i) that _____
(name of person who signed the documents)

the officer of Borrower who executed the foregoing Agreement on behalf of Borrower and whose genuine signature appears thereon, is the duly qualified and acting officer of Borrower as stated beneath his or her signature and has been authorized to execute the foregoing Agreement on behalf of Borrower, and

(ii) that the budget year of Borrower is from _____ to _____

Sincerely,

By X: _____

Title: _____

Dated: _____

The Certificate of Signature Authority of Borrower should be executed by an authorized individual confirming the execution of the remaining documents is authorized. This document cannot be signed by the person signing the contract documents.

FORM OF
RESOLUTION OF GOVERNING BODY/EXTRACT OF MINUTES

Borrower: **GADSDEN COUNTY SCHOOL DISTRICT**

Master Installment Purchase Agreement with DCFS USA LLC

At a duly called meeting of the governing body of Borrower held in accordance with all applicable legal requirements, including open meeting laws, on the ___ day of _____, 200_, the following resolution was introduced and adopted:

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN MASTER
INSTALLMENT PURCHASE AGREEMENT, AND RELATED INSTRUMENTS, AND DETERMINING
OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the governing body of **GADSDEN COUNTY SCHOOL DISTRICT** ("Borrower") has determined that a true and very real need exists for the Equipment (the "Equipment") described in the proposed Master Installment Purchase Agreement (the "Agreement") by and between DCFS USA LLC, as Lender, and Borrower, as borrower, presented to this meeting; and

WHEREAS, Borrower has taken the necessary steps, including those relating to any applicable legal bidding requirements, to arrange for the acquisition of the Equipment; and

WHEREAS, Borrower reasonably anticipates that it and its subordinate units will not issue tax-exempt obligations in the face amount of more than \$10,000,000 during the current calendar year; and

WHEREAS, Borrower proposes to enter into the Agreement with DCFS USA LLC, a Michigan limited liability company substantially in the proposed form presented to this meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF BORROWER AS FOLLOWS:

Section 1. It is hereby found and determined that the terms of the Agreement in the form presented to this meeting and incorporated in this resolution, are in the best interests of Borrower for the acquisition of the Equipment.

Section 2. The Agreement is hereby approved. The _____ of Borrower and any other officer of Borrower who shall have power to execute contracts on behalf of Borrower be, and each of them hereby is, authorized to execute, acknowledge and deliver the Agreement with any changes, insertions and omissions therein as may be approved by the officers who execute the Agreement, such approval to be conclusively evidenced by such execution and delivery of the Agreement. The _____ of Borrower and any other officer of Borrower who shall have power to do so be, and each of them hereby is, authorized to affix the official seal of Borrower to the Agreement and attest the same.

Section 3. The proper officers of Borrower be, and each of them hereby is, authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do or cause to be done any and all other acts and things necessary or proper for carrying out this resolution and the Agreement.

Section 4. Borrower hereby designates the Agreement as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

[SEAL]

(Secretary/Clerk)

Date: _____, 200 __

SCHEDULE 1

FORM OF DISBURSEMENT REQUEST

Re: Installment Payment Schedule No.1, incorporating by reference Master Installment Purchase Agreement dated as of **July 17, 2009** by and between **DCFS USA LLC**, as Lender and **GADSDEN COUNTY SCHOOL DISTRICT**, as Borrower (the "Contract")

In accordance with the terms of the Acquisition Fund and Account Control Agreement, dated as of **July 17, 2009** (the "Acquisition Fund and Account Control Agreement") by and among **DCFS USA LLC** ("Lender"), **GADSDEN COUNTY SCHOOL DISTRICT** ("Borrower") and Deutsche Bank National Trust Company (the "Acquisition Fund Custodian"), the undersigned hereby requests the Acquisition Fund Custodian pay the following persons the following amounts from the Acquisition Fund created under the Acquisition Fund and Account Control Agreement (the "Acquisition Fund") for the following purposes.

Payee's Name and Address	Invoice Number	Dollar Amount	Purpose

The undersigned hereby certifies as follows:

(i) An obligation in the stated amount has been incurred by Borrower, and the same is a proper charge against the Acquisition Fund for costs relating to the Equipment identified in the Contract, and has not been paid. Attached hereto is the original invoice with respect to such obligation.

(ii) The undersigned, as Authorized Representative, has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

(iii) This requisition contains no item representing payment on account, or any retained percentages which Borrower is, at the date hereof, entitled to retain.

(iv) The Equipment is insured in accordance with the Contract.

(v) No Event of Default, and no event which with notice or lapse of time, or both, would become an Event of Default, under the Contract has occurred and is continuing at the date hereof.

(vi) The disbursement shall occur within 6 months after the Commencement Date.

(vii) No material adverse change in Borrower's or any guarantor's financial condition shall have occurred since the date of the Contract.

Signatures on following Page

In Witness Whereof, the parties have executed this Schedule 1, Disbursement Request as of the date written below.

Dated: _____

GADSDEN COUNTY SCHOOL DISTRICT

By: _____
Authorized Representative

Disbursement of funds from the Acquisition
Fund in accordance with the foregoing
Disbursement Request hereby is authorized

DCFS USA LLC
as Lender under the Contract

By: _____
Title: _____

MUNICIPAL DOCUMENT CHECKLIST

Customer Name: GADSDEN COUNTY SCHOOL DISTRICT

- ❖ Master Installment Purchase Agreement: to be executed by authorized signer on last page and attested to
- ❖ Schedule of Property No. 1 (Exhibit A): to be dated and executed at bottom. As soon as the VIN numbers are available, this Exhibit will be replaced with a corrected Exhibit A.
- ❖ Installment Payment Schedule (Exhibit A-1): to be executed, assumes a July 17th funding date
- ❖ Acceptance Certificate (Exhibit B): FINAL ACCEPTANCE (top part) to be executed when all of the Equipment has been delivered and accepted and payment for all the Equipment is being requested to be paid from the Escrow Account.
- ❖ Payment Request Form: (Exhibit B): PARTIAL ACCEPTANCE (bottom part) to be executed when only a portion of the Equipment has been delivered and accepted and partial payment for some of the Equipment is being requested to be paid from the Escrow Account.
- ❖ Opinion of Counsel (Exhibit C): to be typed on your attorney's letterhead and executed by your legal counsel.
- ❖ Acceptance of Installment Payment Obligation (Exhibit D): to be dated and executed at bottom
- ❖ Insurance Coverage Requirements and Payment Instructions: to be completed when all or any portion of the Equipment has been delivered and accepted. PLEASE NOTE: You must have insurance coverage on all vehicles for the invoices to be paid from the Escrow Account.
- ❖ Certificate of Signature Authority of Borrower: Please read bold note at bottom of form for instructions
- ❖ Essential Use Letter: to be typed on lessee's letterhead and executed
- ❖ Form of Resolution: Attach your Resolution (or certified copy of Board approved minutes). If you have not passed a formal resolution, you can use the format attached to prepare your resolution for Board approval
- ❖ 8038-G IRS Form: to be completed as follows:
 - Section 2: Fill in or check EIN to make sure it is correct
 - Section 4: insert the number of tax exempt obligations that you have entered into during the current calendar year.
 - Section 9: Insert the name of the authorized individual executing this form
 - Section 10: insert the phone number of the person executing this form
 - Bottom: execute and date where indicated
- ❖ Acquisition Fund and Account Control Agreement (Escrow): Initial each page (bottom) and sign on last page
- ❖ Form of Disbursement Request: To be filled out at the time you request the Escrow Agent to disburse payment on the invoices you are submitting, please attach invoices
- ❖ Investment Direction Letter: The Escrow Agent will send a Direction Letter to you. Select the investment option chosen by you by circling the option number and execute at end of page. Return to the Escrow Agent.
- ❖ Invoices: Invoices must be attached to all Requests for Payment to the Escrow Agent.
- ❖ Manufacturers Statement of Origin (MSO): Submit copies of each vehicle's MSO
- ❖ Titles: Each Title Application must reflect DCFS USA LLC as Lien holder. A copy of all title applications must be sent to the address below for payment to be made by the Escrow Agent.
- ❖

RETURN ALL DOCUMENTS TO:

Maria Herrera, Servicing Agent
Banc of America Public Capital Corp.
Mail IL1-231-08-18
231 South LaSalle Street
Chicago, IL 60604

Please return all documents for funding. If you have any questions, please feel free to call either Bill Rogalla at (312) 992-4541 or Maria Herrera at (312) 828-3564.

Thank you

ACQUISITION FUND AND ACCOUNT CONTROL AGREEMENT

This Acquisition Fund and Account Control Agreement (this "Agreement"), dated as of **July 17, 2009**, by and among **DCFS USA LLC**, a Delaware limited liability company (hereinafter referred to as "Lender"), **GADSDEN COUNTY SCHOOL DISTRICT**, a political subdivision of the State of **FLORIDA** (hereinafter referred to as "Borrower") and Deutsche Bank National Trust Company, a national trust company (hereinafter referred to as "Acquisition Fund Custodian").

Reference is made to that certain Installment Payment Schedule No. **1**, dated as of **July 17, 2009** (the "Schedule") which incorporates by reference the terms of the Master Installment Purchase Agreement dated as of **July 17, 2009** (the "Master Purchase Agreement"), each between Lender and Borrower (the Schedule and the Purchase Agreement together are hereinafter referred to collectively as the "Contract"), covering the installment purchase of certain Equipment described therein (the "Equipment"). The Contract permits the purchase price for the Equipment (an amount not to exceed **\$2,318,042.00** to be deposited into an escrow under terms satisfactory to Lender, for the purpose of fully funding the Contract, and providing a mechanism for the application of such amounts to the purchase of and payment for the Equipment.

The parties agree as follows:

1. Creation of Acquisition Fund.

A. There is hereby created a special trust fund to be known as the "**GADSDEN COUNTY SCHOOL DISTRICT FUND**" (the "Acquisition Fund") to be held in trust by the Acquisition Fund Custodian for the purposes stated herein, for the benefit of Lender and Borrower, to be held, disbursed and returned in accordance with the terms hereof.

B. The Acquisition Fund Custodian shall invest and reinvest moneys on deposit in the Acquisition Fund in Qualified Investments in accordance with written instructions received from Borrower. Borrower shall be solely responsible for ascertaining that all proposed investments and reinvestments are Qualified Investments and that they comply with federal, state and local laws, regulations and ordinances governing investment of such funds and for providing appropriate notice to the Acquisition Fund Custodian for the reinvestment of any maturing investment. Accordingly, neither the Acquisition Fund Custodian nor Lender shall be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to the investment or reinvestment of all or any portion of the moneys on deposit in the Acquisition Fund, and Borrower agrees to and does hereby release the Acquisition Fund Custodian and Lender from any such liability, cost, expenses, loss or claim. Interest on the Acquisition Fund shall become part of the Acquisition Fund, and gains and losses on the investment of the moneys on deposit in the Acquisition Fund shall be borne by the Acquisition Fund. For purposes of this agreement, "Qualified Investments" means any investments which meet the requirements of applicable state law. **IN THE ABSENCE OF WRITTEN INSTRUCTIONS, THE ACQUISITION FUND CUSTODIAN IS HEREBY AUTHORIZED AND DIRECTED TO INVEST AND RE-INVEST ALL FUNDS ON HAND IN THE GOLDMAN SACHS FINANCIAL SQUARE (FSQ) MONEY MARKET FUNDS, TREASURY OBLIGATIONS, FUND#470 (AAA/ Aaa).**

C. Unless the Acquisition Fund is earlier terminated in accordance with the provisions of paragraph D. below, amounts in the Acquisition Fund shall be disbursed by the Acquisition Fund Custodian in payment of amounts described in Section 2 hereof upon receipt of written authorization(s) from Lender, as is more fully described in Section 2 hereof. If the amounts in the Acquisition Fund are insufficient to pay such amounts, Borrower shall provide any balance of the funds needed to complete the acquisition of the Equipment. Any moneys remaining in the Acquisition Fund after twelve (12) months from the date hereof (the "Acquisition Period") shall be applied as provided in Section 4 hereof.

Lender Initials _____
Borrower Initials: _____
Acquisition Fund Custodian Initials: _____

D. The Acquisition Fund shall be terminated at the earliest of (i) the final distribution of amounts in the Acquisition Fund or (ii) written notice given by Lender of the occurrence of a default or termination of the Contract due to non-appropriation.

E. The Acquisition Fund Custodian may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Acquisition Fund Custodian shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Acquisition Fund Custodian, and for the disposition of the same in accordance herewith.

F. Unless the Acquisition Fund Custodian is guilty of gross negligence or willful misconduct with regard to its duties hereunder, Borrower agrees to and does hereby release and indemnify the Acquisition Fund Custodian and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Acquisition Fund Custodian under this agreement; and in connection therewith, does to the extent permitted by law indemnify the Acquisition Fund Custodian against any and all expenses; including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim.

G. If Borrower and Lender shall be in disagreement about the interpretation of the Contract, or about the rights and obligations, or the propriety of any action contemplated by the Acquisition Fund Custodian hereunder, the Acquisition Fund Custodian may, but shall not be required to, file an appropriate civil action to resolve the disagreement. The Acquisition Fund Custodian shall be reimbursed by Borrower for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under the Contract until a final judgment in such action is received.

H. The Acquisition Fund Custodian may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. The Acquisition Fund Custodian shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct.

I. Borrower shall reimburse the Acquisition Fund Custodian for all reasonable costs and expenses, including those of the Acquisition Fund Custodian's attorneys, agents and employees incurred for extra-ordinary administration of the Acquisition Fund and the performance of the Acquisition Fund Custodian's powers and duties hereunder in connection with any Event of Default under the Contract, or in connection with any dispute between Lender and Borrower concerning the Acquisition Fund.

2. Acquisition of Property.

A. Acquisition Contracts. Borrower will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition of the Equipment, with moneys available in the Acquisition Fund. Borrower represents the estimated costs of the Equipment are within the funds estimated to be available therefor, and Lender makes no warranty or representation with respect thereto. Lender shall have no liability under any of the acquisition or construction contracts. Borrower shall obtain all necessary permits and approvals, if any, for the acquisition, equipping and installation of the Equipment, and the operation and maintenance thereof.

B. Authorized Acquisition Fund Disbursements. Disbursements from the Acquisition Fund shall be made for the purpose of paying (including the reimbursement to Borrower for advances from its own funds to accomplish the purposes hereinafter described) the cost of acquiring the Equipment.

Lender Initials _____
Borrower Initials: _____
Acquisition Fund Custodian Initials: _____

C. Requisition Procedure. No disbursement from the Acquisition Fund shall be made unless and until Lender has approved such requisition. Prior to disbursement from the Acquisition Fund there shall be filed with the Acquisition Fund Custodian a requisition for such payment in the form of Disbursement Request attached hereto as Schedule 1, stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due. Each such requisition shall be signed by an authorized representative of Borrower (an "Authorized Representative") and by Lender, and shall be subject to the following:

- (1) Delivery to Lender of a certificate of Borrower to the effect that:
 - (a) an obligation in the stated amount has been incurred by Borrower, and that the same is a proper charge against the Acquisition Fund for costs relating to the Equipment identified in the Contract, and has not been paid;
 - (b) the Authorized Representative has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made;
 - (c) such requisition contains no item representing payment on account, or any retained percentages which Borrower is, at the date of such certificate, entitled to retain; and
 - (d) the Equipment is insured in accordance with the Contract.
- (2) Delivery to Lender of an Acceptance Certificate executed by Borrower;
- (3) The disbursement shall occur no later than 6 months after the Commencement Date;
- (4) There shall exist no Event of Default (nor any event which, with notice or lapse of time or both, would become an Event of Default) under the Contract or this Agreement; and
- (5) No material adverse change in Borrower's or any guarantor's financial condition shall have occurred since the date of the Contract.

3. Deposit to Acquisition Fund. Upon satisfaction of the conditions specified in the Contract, Lender will cause the purchase price to be deposited in the Acquisition Fund. Borrower agrees to pay any costs with respect to the Equipment in excess of amounts available therefor in the Acquisition Fund.

4. Excessive Acquisition Fund. Following the final disbursement from the Acquisition Fund at the end of the Acquisition Period, or termination of the Acquisition Fund as otherwise provided herein, the Acquisition Fund Custodian shall transfer any remainder from the Acquisition Fund to Lender for application to amounts owed under the Contract.

5. Security Interest. The Acquisition Fund Custodian and Borrower acknowledge and agree that the Acquisition Fund and all proceeds thereof are being held by Acquisition Fund Custodian for disbursement or return as set forth herein. Borrower hereby grants to Lender a first priority perfected security interest in the Acquisition Fund, and all proceeds thereof and all investments made with any amounts in the Acquisition Fund. If the Acquisition Fund, or any part thereof, is converted to investments as set forth in this agreement, such investments shall be made in the name of Acquisition Fund Custodian and the Acquisition Fund Custodian hereby agrees to hold such investments as bailee for Lender so that Lender is deemed to have possession of such investments for the purpose of perfecting its security interest.

Lender Initials _____
Borrower Initials: _____
Acquisition Fund Custodian Initials: _____

6. Control of Acquisition Account. In order to perfect Lender's security interest by means of control in (i) the Acquisition Fund established hereunder, (ii) all securities entitlements, investment property and other financial assets now or hereafter credited to the Acquisition Fund, (iii) all of Borrower's rights in respect of the Acquisition Fund, such securities entitlements, investment property and other financial assets, and (iv) all products, proceeds and revenues of and from any of the foregoing personal property (collectively, the "Collateral"), Lender, Borrower and Acquisition Fund Custodian further agree as follows:

A. All terms used in this Section 6 which are defined in the Uniform Commercial Code as adopted in the state of Illinois ("Commercial Code") but are not otherwise defined herein shall have the meanings assigned to such terms in the Commercial Code, as in effect on the date of this Agreement.

B. Acquisition Fund Custodian will comply with all entitlement orders originated by Lender with respect to the Collateral, or any portion of the Collateral, without further consent by Borrower.

C. Acquisition Fund Custodian hereby represents and warrants (i) that the records of Acquisition Fund Custodian show that Borrower is the sole owner of the Collateral, (ii) that Acquisition Fund Custodian has not been served with any notice of levy or received any notice of any security interest in or other claim to the Collateral, or any portion of the Collateral, other than Lender's claim pursuant to this Agreement, and (iii) that Acquisition Fund Custodian is not presently obligated to accept any entitlement order from any person with respect to the Collateral, except for entitlement orders that Acquisition Fund Custodian is obligated to accept from Lender under this Agreement and entitlement orders that Acquisition Fund Custodian, subject to the provisions of paragraph E. below, is obligated to accept from Borrower.

D. Without the prior written consent of Lender, Acquisition Fund Custodian will not enter into any agreement by which Acquisition Fund Custodian agrees to comply with any entitlement order of any person other than Lender or, subject to the provisions of paragraph E. below, Borrower, with respect to any portion or all of the Collateral. Acquisition Fund Custodian shall promptly notify Lender if any person requests Acquisition Fund Custodian to enter into any such agreement or otherwise asserts or seeks to assert a lien, encumbrance or adverse claim against any portion or all of the Collateral.

E. Except as otherwise provided in this paragraph E. and subject to Section 1B. hereof, Acquisition Fund Custodian may allow Borrower to effect sales, trades, transfers and exchanges of Collateral within the Acquisition Fund, but will not, without the prior written consent of Lender, allow Borrower to withdraw any Collateral from the Acquisition Fund. Acquisition Fund Custodian acknowledges that Lender reserves the right, by delivery of written notice to Acquisition Fund Custodian, to prohibit Borrower from effecting any withdrawals (including withdrawals of ordinary cash dividends and interest income), sales, trades, transfers or exchanges of any Collateral held in the Acquisition Fund. Further, Acquisition Fund Custodian hereby agrees to comply with any and all written instructions delivered by Lender to Acquisition Fund Custodian (once it has had a reasonable opportunity to comply therewith) and has no obligation to, and will not, investigate the reason for any action taken by Lender, the amount of any obligations of Borrower to Lender, the validity of any of Lender's claims against or agreements with Borrower, the existence of any defaults under such agreements, or any other matter.

F. Borrower hereby irrevocably authorizes Acquisition Fund Custodian to comply with all instructions and entitlement orders delivered by Lender to Acquisition Fund Custodian.

G. Acquisition Fund Custodian will not attempt to assert control, and does not claim and will not accept any security or other interest in, any part of the Collateral, and Acquisition Fund Custodian will not exercise, enforce or attempt to enforce any right of setoff against the Collateral, or otherwise charge or deduct from the Collateral any amount whatsoever.

H. Acquisition Fund Custodian and Borrower hereby agree that any property held in the Acquisition Fund shall be treated as a financial asset under Section 8-102 of the Uniform Commercial Code,

Lender Initials _____
Borrower Initials: _____
Acquisition Fund Custodian Initials: _____

notwithstanding any contrary provision of any other agreement to which Acquisition Fund Custodian may be a party.

I. Acquisition Fund Custodian is hereby authorized and instructed, and hereby agrees, to send to Lender at its address set forth in Section 7 below, concurrently with the sending thereof to Borrower, duplicate copies of any and all monthly Acquisition Fund statements or reports issued or sent to Borrower with respect to the Acquisition Fund.

7. Miscellaneous. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Contract. This agreement may not be amended except in writing signed by all parties hereto. This agreement may be executed in one or more counterparts, each of which shall be deemed to be an original instrument and each shall have the force and effect of an original and all of which together constitute, and shall be deemed to constitute, one and the same instrument. Notices hereunder shall be made in writing and shall be deemed to have been duly given when personally delivered or when deposited in the mail, first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below:

If to Lender: **DCFS USA LLC**
C/O Banc of America Public Capital Corp, as Agent
231 S. LaSalle Street
Mail Code: IL1-231-08-18
Chicago, IL 60604
Attn: Administration Manager
Fax: 312-453-5424

If to Borrower: **GADSDEN COUNTY SCHOOL DISTRICT**
35 Martin Luther King, Jr., Blvd
Quincy, FL 32351
Attn: _____
Fax: _____

If to Acquisition Fund Custodian: **DEUTSCHE BANK NATIONAL TRUST COMPANY**
222 South Riverside Plaza, 25th Floor
Chicago, IL 60606
Attn: George Kubin
Phone: 312-537-1159
Fax: 312-537-1009

Lender Initials _____
Borrower Initials: _____
Acquisition Fund Custodian Initials: _____

In Witness Whereof, the parties have executed this Acquisition Fund and Account Control Agreement as of the date first above written.

DCFS USA LLC,
as Lender

GADSDEN COUNTY SCHOOL DISTRICT,
as Borrower

By: _____

By: _____

Title: _____

Title: _____

DEUTSCHE BANK NATIONAL TRUST COMPANY
As Acquisition Fund Custodian

By: _____

Title: _____

By: _____

Title: _____

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 6b

DATE OF SCHOOL BOARD MEETING: August 4, 2009

TITLE OF AGENDA ITEMS: Health Insurance Coverage for 2009-2010

DIVISION: Finance Department

PURPOSE AND SUMMARY OF ITEMS:

Board approval is requested for the health insurance coverage changes by Capital Health Plan. No changes are proposed in the Blue Cross Blue Shield coverages. Highlights of the coverage changes for the SELECT I PLAN are:

Prescriptions Payments:	· remaining same at \$15/\$30/\$50
Hospitalization:	· \$250 per admission (regardless of days)
Office visit to primary care physician:	· remaining same at \$15/visit

FUND SOURCE: All Funds with Payroll

AMOUNT: At least \$176,358.96 at this time – subject to Collective Bargaining negotiations

PREPARED BY: Bonnie Wood

POSITION: Assistant Superintendent for Business Services

FOR COMPARISON PURPOSES ONLY

CAPITAL HEALTH PLAN SCHEDULE OF CO-PAYMENTS

Physician Services	Unit	Capital Premier Co-payment	Capital Select I Co-payment
Office visit(s) for services provided by member's primary care physician or other CHP personnel during regular office hours	Per Visit	\$15	\$15
Urgent Care service provided by CHP Urgent Care Center or by primary care physician after regular office hours	Per Visit	\$25	\$25
Office visit(s) for services provided by a participating provider when authorized by the primary care physician	Per Visit	\$30	\$40
Outpatient surgical procedures, surgical services, and other medical care provided by a participating provider when authorized by the primary care physician	Per procedure	\$30	\$40
Behavioral health outpatient care for short-term evaluative or crisis intervention for 20 visits per calendar year when authorized by primary care physician	Per Visit	\$30	

Hospital Services	Unit	Co-payment	Co-payment
All hospital benefits covered under this agreement	Per day for first 5 days	\$200 per day	\$250 per admission
Outpatient surgical procedures performed in a hospital	Per visit	\$100	\$250
Outpatient surgical procedures performed in an ambulatory surgical center	Per visit	\$100	\$100
Mental health inpatient care for crisis intervention for 31 days per calendar year	Per day for first 5 days	\$200	\$250

Maternity Services	UNIT	Co-payment	Co-payment
Physician Services			
Office visit(s) for services provided by a member's primary care physician	Per visit	\$15	\$15
Office visit(s) for services provided by a participating provider when authorized by the primary care physician or non-plan provider when authorized by the Medical Director of CHP	Per visit	\$30	\$40
Hospital Services: All maternity inpatient care	Per day for first 5 days	\$200 per day	\$250 per admission

Emergency Services	Unit	Co-payment	Co-payment
Emergency room visits	Per episode	\$100	\$250
Emergency services outside the service area	Per episode	\$100	
Medically necessary ambulance service	Per episode	\$100	\$100

Other Benefits	Unit	Co-payment	Co-payment
Home health services	Per occurrence	\$0	\$0
Hospice home care	Per occurrence	\$0	\$0
Hospice outpatient care	Per occurrence	\$0	\$0
Hospice inpatient care	Per occurrence	\$0	\$0
Skilled nursing facility for up to 60 days per admission with subsequent admission available following 180 days from discharge date of the previous admission	Per confinement	\$0	\$0
Alcohol and drug abuse treatment	See Behavioral Health Benefit		
Durable medical equipment and prosthetic medical appliances	Per device	\$0	\$0 up to \$2500
Outpatient prescription drugs	Covered by endorsement only		
Diagnostic MRI, PET and CT Scans	Per Scan	\$100	\$100
Visits for short-term physical/speech or other rehabilitation therapies	Per visit	\$30	\$40
Routine eye exams for vision correction	Per visit	\$15	\$15

Exclusions – Co-payments not applicable

- The maximum amount of co-payment required from any member in any contract year is limited to an amount equal to twice the annual Prepayment Fee applicable to each member or contract.
- The maximum amount of co-payment required for any calendar year is limited to \$2000 per member and \$4500 per family, excluding co-payments for prescription drugs.
- It is the member's responsibility to retain receipts and to notify and document to the satisfaction of CHP that the co-payment limit has been reached. After that notification and documentation, services will be provided with no co-payment charge for the remainder of the contract year.

HEALTH INSURANCE COMPARISON 2009-2010

CAPITAL HEALTH PLAN	PREMIUM			SELECT I		
	2009-2010			2009-2010		
	CAPITAL PREMIUM	CAPITAL PREMIUM	TOTAL PREMIUM	CAPITAL SELECT I	CAPITAL SELECT I	TOTAL SELECT I
	RX 15/30/50			RX 15/30/50		
	EMPLOYEE	BOARD		EMPLOYEE	BOARD	
EMPLOYEE	104.94	302.89	407.83	98.81	302.89	401.70
EMPLOYEE & SPOUSE	471.98	302.89	774.87	460.35	302.89	763.24
EMPLOYEE & Child	390.43	302.89	693.32	380.01	302.89	682.90
FAMILY	839.03	302.89	1,141.92	821.87	302.89	1,124.76
	EMPLOYEE ONLY INCREASE PER MONTH CHP + \$20.17 BC/BS + \$24.02 BOARD INCREASE PER MONTH CHP + \$18.11 BC/BS + \$20.83			EMPLOYEE ONLY INCREASE PER MONTH CHP + \$14.04 BC/BS + \$16.14 BOARD INCREASE PER MONTH CHP + \$18.11 BC/BS + \$20.83		
BLUE CROSS BLUE SHIELD	2009-2010			2009-2010		
	BCBS	BCBS	TOTAL	BCBS	CAPITAL	TOTAL
	OPT 1359	OPT 1359	PREMIUM	OPTION	OPTION	PREMIUM
	EMPLOYEE	BOARD		EMPLOYEE	BOARD	
	RX 15/30/50			RX 15/30/50		
EMPLOYEE	136.00	333.83	469.83	128.12	333.83	461.95
EMPLOYEE & SPOUSE	557.28	333.83	891.11	543.89	333.83	877.72
EMPLOYEE & Child	463.49	333.83	797.32	451.51	333.83	785.34
FAMILY	979.38	333.83	1,313.21	959.65	333.83	1,293.48
BASED ON : 708 CHP EMP.OYEES BASED ON : 90 BCBS EMP.OYEES TOTAL ADDITIONAL COST TO BOARD	153,862.56 22,496.40 <hr/> 176,358.96			153,862.56 22,496.40 <hr/> 176,358.96		

HEALTH INSURANCE COMPARISON 2009-2010

CAPITAL HEALTH PLAN	PREMIUM			PREMIUM			SELECT I			SELECT II		
	2008-2009			2009-2010			2009-2010			2009-2010		
	CAPITAL	CAPITAL	TOTAL	CAPITAL	CAPITAL	TOTAL	CAPITAL	CAPITAL	TOTAL	CAPITAL	CAPITAL	TOTAL
	PREMIUM	PREMIUM	PREMIUM	PREMIUM	PREMIUM	PREMIUM	SELECT I	SELECT I	SELECT I	SELECT II	SELECT II	SELECT II
	RX 15/30/50			RX 15/30/50			RX 15/30/50			RX 15/50/100		
	EMPLOYEE	BOARD		EMPLOYEE	BOARD		EMPLOYEE	BOARD		EMPLOYEE	BOARD	
EMPLOYEE	84.77	284.78	369.55	84.77	323.06	407.83	84.77	316.93	401.70	84.77	302.89	387.66
EMPLOYEE & SPOUSE	417.37	284.78	702.15	451.81	323.06	774.87	446.31	316.93	763.24	433.67	302.89	736.56
EMPLOYEE & Child	343.46	284.78	628.24	370.26	323.06	693.32	365.97	316.93	682.90	356.15	302.89	659.04
FAMILY	749.96	284.78	1,034.74	818.86	323.06	1,141.92	807.83	316.93	1,124.76	782.57	302.89	1,085.46
				BOARD INCREASE PER MONTH CHP + \$38.28 BC/BS + \$44.85			BOARD INCREASE PER MONTH CHP + \$32.15 BC/BS + \$36.97			BOARD INCREASE PER MONTH CHP + \$18.11 BC/BS + \$20.83		
BLUE CROSS BLUE SHIELD												
	2008-2009			2009-2010			2009-2010			2009-2010		
	BCBS	BCBS	TOTAL	BCBS	BCBS	TOTAL	BCBS	CAPITAL	TOTAL	BCBS	CAPITAL	TOTAL
	OPT 1359	OPT 1359	PREMIUM	OPT 1359	OPT 1359	PREMIUM	OPTION	OPTION	PREMIUM	OPTION	OPTION	PREMIUM
	EMPLOYEE	BOARD		EMPLOYEE	BOARD		EMPLOYEE	BOARD		EMPLOYEE	BOARD	
	RX 15/30/50			RX 15/30/50			RX 15/30/50			RX 15/50/80		
EMPLOYEE	111.98	313.00	424.98	111.98	357.85	469.83	111.98	349.97	461.95	111.98	333.83	445.81
EMPLOYEE & SPOUSE	494.47	313.00	807.47	533.26	357.85	891.11	527.75	349.97	877.72	513.22	333.83	847.05
EMPLOYEE & Child	409.48	313.00	722.48	439.47	357.85	797.32	435.37	349.97	785.34	424.07	333.83	757.90
FAMILY	876.95	313.00	1,189.95	955.36	357.85	1,313.21	943.51	349.97	1,293.48	914.45	333.83	1,248.28
BASED ON : 708 CHP EMP.OYEES BASED ON : 90 BCBS EMP.OYEES TOTAL ADDITIONAL COST TO BOARD				325,226.88 48,438.00 373,664.88			273,146.40 39,927.60 313,074.00			153,862.56 22,496.40 176,358.96		

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 6c

DATE OF SCHOOL BOARD MEETING: August 4, 2009

TITLE OF AGENDA ITEMS: Life Insurance Contract for 2009-2010

DIVISION: Finance Department

PURPOSE AND SUMMARY OF ITEMS:

Board approval is requested for 2009-2010 increases in life insurance from Assurant Employee Benefits as follows:

	<u>Monthly Current</u>	<u>Monthly Renewal Option</u>
Base Life	\$.52/\$1,000 Sal.	\$.60/\$1,000 Sal.
Base Life (Retirees)	\$2.25	\$2.81
Voluntary Life	No increase in 08-09	12.5% Increase

FUND SOURCE: All Funds with Payroll

AMOUNT: \$204,220.80 annualized

PREPARED BY: Bonnie Wood

POSITION: Assistant Superintendent for Business Services

The School Board of Gadsden County
Policy # 4029111
Group Term Life
Period April 1, 2004 through March 31, 2009

Basic/Retiree Life Premium	\$1,455,554
Basic/Retiree Life Incurred Claims	\$1,281,401
Incurred Loss Ratio	88%
Current Rates	
Life – Active Employees (955)	\$0.52
Retirees (402)	\$2.25
Voluntary Life Premium	\$643,206
Voluntary Life Incurred Claims	\$624,143
Incurred Loss Ratio	97%

Renewal

	Current		Renewal Option	
Base Life (Active)	\$0.52	\$14,749.28	\$0.60	\$17,018.40
Base Life (Retiree)	\$2.25		\$2.81	
Voluntary Life (Active)	No increase		12.5% increase	
Additional Cost for Base Life (Active)			\$2,269.12	

Products and services are marketed by Assurant Employee Benefits and underwritten or provided by Union Security Insurance Company.

Voluntary Life

Life Rates per \$1,000 of benefit

The employee's and spouse's ages on each policy anniversary determines which rate applies.

Age	Current Employee	Renewal Employee	Current Spouse	Renewal Spouse
<20	\$0.026	\$0.029	\$0.390	\$0.439
20-24	\$0.040	\$0.045	\$0.390	\$0.439
25-29	\$0.048	\$0.054	\$0.390	\$0.439
30-34	\$0.064	\$0.072	\$0.390	\$0.439
35-39	\$0.086	\$0.097	\$0.390	\$0.439
40-44	\$0.146	\$0.164	\$0.390	\$0.439
45-49	\$0.208	\$0.234	\$0.390	\$0.439
50-54	\$0.390	\$0.439	\$0.390	\$0.439
55-59	\$0.734	\$0.826	\$0.390	\$0.439
60-64	\$0.987	\$1.110	\$0.390	\$0.439
65-69	\$1.557	\$1.752	\$0.390	\$0.439
70-74	\$2.165	\$2.436	\$0.390	\$0.439
75+	\$4.073	\$4.582	\$0.390	\$0.439

Voluntary Employee AD&D

Rates per \$1000 of benefit

Age	Current	Renewal
<100	\$0.030	\$0.030

Voluntary Child(ren) Life

Rates per \$1000 of benefit

Current	Renewal
\$0.150	\$0.150

In determining your new Voluntary Life plan rate(s) many factors have been taken into consideration which may include average age, gender distribution, benefit distribution, and claims incidence as well as the specific industry in which your group operates. Our review of your plan has brought about an adjustment to the group life insurance rate(s).

The summary claims experience report is attached for your review.



Assurant Employee Benefits
 5401 West Kennedy Blvd., Suite 760, 7th Floor
 Tampa, FL 33609
 T 813.286.7736 800.654.7808 F 813.289.8315

Monthly Payroll Deduction Chart for School Board of Gadsden County

Unismoke - Employee Life/AD&D Schedule													
Age	<20	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75 +
\$10,000	0.59	0.75	0.84	1.02	1.27	1.94	2.64	4.69	8.56	11.40	17.82	24.66	46.12
\$25,000	1.48	1.88	2.10	2.55	3.18	4.85	6.60	11.73	21.40	28.50	44.55	61.65	115.30
\$50,000	2.95	3.75	4.20	5.10	6.35	9.70	13.20	23.45	42.80	57.00	89.10	123.30	230.60
\$75,000	4.43	5.63	6.30	7.65	9.53	14.55	19.80	35.18	64.20	85.50	133.65	184.95	345.90
\$100,000	5.90	7.50	8.40	10.20	12.70	19.40	26.40	46.90	85.60	114.00	178.20	246.60	461.20

Spouse Life Schedule	
\$10,000	4.90

Child Life Schedule	
\$5,000	0.75

If you are a new employee enrolling within 31 days of first becoming eligible and have not yet reached age 70, you may choose an amount of insurance equal to \$10,000, \$25,000, \$50,000, \$75,000 or \$100,000. Proof of Good Health will be required for any amount of coverage if application is not made within 31 days of eligibility. Late Applicants may only apply during the annual enrollment period.

* If you have reached age 70 or more, the amount of insurance and premiums charged will be 50% of the amount shown in the chart.

All current employees have the option to increase the amount of insurance with the approval of Assurant during each August, the annual enrollment period agreed upon by the policyholder and us. * You must submit proof of good health for any such increase.

The insurance policy or policies described in this document are underwritten by Union Security Insurance Company, a subsidiary of Assurant, Inc. Assurant Employee Benefits, a business unit of Assurant, Inc., markets life, disability and dental benefits plans as well as related products and services.

CURRENT

FORTIS BENEFITS - VOLUNTARY LIFE & AD&D MONTHLY DEDUCTIONS

The following chart is the current rates. Rates beginning 10/01/2003 will stay the same.

Age	< 20	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70-74	75 +
\$10,000	0.56	0.70	0.78	0.94	1.16	1.76	2.38	4.20	7.64	10.17	15.87	21.95	41.03
\$25,000	1.40	1.75	1.95	2.35	2.90	4.40	5.95	10.50	19.10	25.43	39.68	54.88	102.58
\$50,000	2.80	3.50	3.90	4.70	5.80	8.80	11.90	21.00	38.20	50.85	79.35	109.75	205.15
\$75,000	4.21	5.25	5.85	7.05	8.70	13.20	17.85	31.50	57.30	76.28	119.03	164.63	307.73
\$100,000	5.60	7.00	7.80	9.40	11.60	17.60	23.80	42.00	76.40	101.70	158.70	219.50	410.30

If you are a new employee and have not yet reached age 70, you may choose an amount of insurance equal to \$10,000, \$25,000, \$50,000, \$75,000, or \$100,000.

SPOUSE LIFE
\$ 10,000 3.90

CHILD LIFE
\$ 5,000 0.75

If you have reached age 70 or more, the amount of insurance and premiums charged will be 50% of the amount show in the chart.

All current employees have the option to increase the amount of insurance with the approval of Fortis, during each August, the annual enrollment period agreed upon by the policyholder and us. *You must submit proof of good health for any such increase.

Voluntary Life Renewal for School Board of Gadsden County

Policy: 4029111
Plan Type: Voluntary Life
Anniversary Date: 10/01/2009
Rate Effective Date: 10/01/2009
Enrollment Period: 09/01/2009 - 09/30/2009

Group life insurance is among the most frequently offered employee benefits in the United States, according to the 2006 study "Group Life Insurance: Factors Affecting Industry Prospects", published by LIMRA, an industry research organization. Your decision to offer life insurance to your employees is an excellent one.

Because your employees' needs can change over time, our voluntary plans include an annual enrollment period. During this time, employees should be encouraged to evaluate their current benefit elections. Current participants may wish to increase coverage or add coverage to dependents. Those who did not enroll previously may have reconsidered their decision. With this letter, you'll find the materials you need to help your employees make the most of this opportunity.

This letter also provides you advance notification of deduction changes that are a result of recalculated ages on the policy anniversary. For your convenience, we have provided a listing outlining each of your employees' current elections, their age as of the policy anniversary, and the new payroll deduction (assuming no other changes to the benefit election).

For your convenience, the table(s) below shows the monthly rate changes effective October 1, 2009.



ASSURANT

Employee
Benefits

2323 Grand Boulevard
Kansas City, MO 64108-2670
www.assurant.com

July 24, 2009

Ms. Bonnie Wood
School Board of Gadsden County
35 Martin Luther King Jr Blvd
Quincy, FL 32351

Re: School Board of Gadsden County
Policy: 4029111
Anniversary Date: 10/01/2009
Rate Effective Date: 10/01/2009

Dear Ms. Wood,

Thank you for your business and for choosing Assurant Employee Benefits. We are committed to helping you realize the best value for your benefit dollars. Your decision to provide Life and Voluntary Life benefits to your employees is an excellent one. A comprehensive benefit package may play an important role in retaining your valued employees, which enhances the future of your business.

A thorough review of your plans has been completed. For your convenience, we have enclosed a separate attachment for each coverage on your policy highlighting renewal actions.

Should you have any questions regarding your renewal, please contact the account management team in the Tampa sales office at 800.654.7808 or e-mail Tampa.Team@Assurant.com. This team is dedicated to servicing your account and employee benefit needs.

They will be happy to assist you with ...

- Recommending plan options for you and your employees.
- Your annual enrollment meeting.
- Streamlining your administration with our online tools.
- Adding additional employee benefits.

Assurant Employee Benefits offers the strength and stability you can count on. We are part of Assurant, Inc., a Fortune 500 company. We specialize in small to mid-sized businesses, offering both employer and employee-paid plans. We offer disability, life, and dental plans tailored to meet your needs.

Products and services are marketed by Assurant Employee Benefits and underwritten or provided by Union Security Insurance Company.

Again, thank you for your business.

Sincerely,



Monet Kietzman
Renewal Underwriter
Assurant Employee Benefits
816.881.8730
Monet.Kietzman@Assurant.com

<p>Financial Ratings Union Security Insurance Company A.M. Best A- (Excellent) Moody's A2 (Good) Standard & Poor's A- (Strong) 11/25/2008</p>
--

cc: Tampa Group Sales Office
Mr. Carlton B Butler

Enclosure(s): Policyholder's Copy
Life Attachment
Voluntary Life Attachment
Experience Summary
Voluntary Life Enrollment Instructions
Voluntary Listing and Age Change Report
Enrollment Forms

2193570 0 20090723 15:32:35

Life Renewal for School Board of Gadsden County

Policy: 4029111
 Plan Type: Life
 Anniversary Date: 10/01/2009
 Rate Effective Date: 10/01/2009

Group life insurance is among the most frequently offered employee benefits in the United States, according to the 2006 study "Group Life Insurance: Factors Affecting Industry Prospects", published by LIMRA, an industry research organization. Your decision to offer life insurance to your employees is an excellent one.

For your convenience, the table(s) below shows the monthly rate changes effective October 1, 2009.

Plan(s)	Current	Renewal
Life		
Per \$1000 of benefit	\$0.52	\$0.60
AD&D per \$1000 of benefit	\$0.03	\$0.03

In determining your new Life plan rate(s), we have reviewed your past claims experience and your current demographics, including average age, gender distribution, and benefit distribution. The change in one or more of these factors has brought about an adjustment to the group life insurance rate(s).

The summary claims experience report is attached for your review.

Plan(s)	Current	Renewal
Life - Retirees		
Per \$1000 of benefit	\$2.25	\$2.81

In determining your new Life - Retirees plan rate(s), we have reviewed your past claims experience and your current demographics, including average age, gender distribution, and benefit distribution. The change in one or more of these factors has brought about an adjustment to the group life insurance rate(s).

The summary claims experience report is attached for your review.

Voluntary Group Term Life and Accidental Death & Dismemberment Insurance
For
School Board of Gadsden County

FEATURING

- Competitive Group Rates¹
- Convenient Payroll Deductions
- Coverage for You and Your Family
- Guaranteed Issue Amounts

Am I eligible for coverage?

You're eligible to participate in this plan if you are an active full-time employee.

How much can I buy?

You may select one of the following amounts: \$10,000, \$25,000, \$50,000, \$75,000 or \$100,000. You will be automatically covered for a matching amount of Accidental Death and Dismemberment (AD&D) coverage.

What is AD&D coverage?

24-hour Accidental Death and Dismemberment (AD&D) coverage provides a payment in the event of your loss of life, limb or eyesight, as a direct result of an accident, provided the loss occurs within 365 days of the accident.

This limit is extended if you are in a coma or on life support. The amount payable in the event of an accidental death is equal to your Voluntary Life insurance amount. In the event of an accidental dismemberment, it is based on the nature of the loss:

- ◆ *One hand, one foot or the sight of one eye.....*
50% of the amount of AD&D;
- ◆ *Any two or more of the above.....*
100% of the amount of AD&D

The AD&D option includes the following features which pay an additional amount of benefit if accidental death occurs:

- ◆ *Higher Education Benefit* – \$3,000 per year up to four consecutive years for eligible dependent students.
- ◆ *Automobile Accident Benefit* – 20% of the scheduled AD&D benefit to a maximum of \$100,000 if you die from an automobile accident injury while wearing a seat belt.

What about coverage for my family?

You must buy employee coverage in order to buy coverage for your family. If you buy coverage for yourself, you may insure your lawful spouse in the amount of \$10,000. You may also purchase \$5,000 of coverage for your children.

Eligible children include your unmarried children, from live birth through age 18 (through age 24 if a full-time student).

If you and your spouse work for the same employer and are both eligible for this insurance as employees, you cannot cover each other as dependents and only one of you may insure any dependent children. Accidental Death and Dismemberment (AD&D) is not available for dependent coverage.

What about medical questions?

For newly eligible employees who are applying within 31 days of their initial eligibility:

You can purchase up to \$100,000 (\$10,000 for your spouse/\$5,000 for your children) of life insurance without having to answer medical questions provided you apply within 31 days of eligibility. Coverage for your dependent children is also available without proof of good health provided they are enrolled within 31 days of eligibility. Proof of good health will be required for any amount of coverage if application is not made within 31 days of eligibility. Late applicants may only apply during the annual enrollment period.

Will my coverage reduce as I get older?

Your coverage will reduce by 50%, at age 70.

What happens if I get sick?

The Disability Benefit provision of the policy addresses this situation. If you become disabled prior to age 60 while insured for Voluntary Life and remain continuously disabled as defined in the policy for 6 months, your coverage (including any Dependent Life coverage) will continue without further premium payment until the earlier of the date you recover, attain age 70 or retire. If you become *disabled* on or after your 60th birthday, but before age 70, your insurance may continue for up to 1 year, but not past the earlier of age 70, or the date you *retire*. Your AD&D coverage will also continue for up to one year from the date of disability.

Is there an accelerated benefit?

Yes. If you or your insured spouse have at least \$10,000 of coverage, and have a medical condition which has been diagnosed by a doctor as life-threatening and which results in an expected life span of 12 months or less, you can request up to 80% of your Voluntary Life coverage be paid immediately, to a maximum of \$80,000 (\$8,000 for your spouse). The written consent of the beneficiary must be obtained for any request over 50% of the death benefit. The remainder of you or your spouse's benefit (minus an interest charge) is still payable to the beneficiary after the insured person's death.

¹ Rates subject to change

What if I terminate my employment?

If you terminate your employment you may continue Life coverage for yourself and your dependents until you reach age 65 by paying premiums to Assurant Employee Benefits via direct billing to your home. Proof of good health isn't required for portability, but you must apply for portability within 31 days of the date your group coverage ends. This portable coverage is for Life and Dependent Life only and has no cash value. You are not eligible to continue your coverage under portability if: your amount of Life insurance is less than \$10,000; you convert your group Voluntary Life insurance to an individual policy; you are disabled; you qualify and are approved for the Disability Benefit or your Disability Benefits ends; you are age 65 or older; or your Life insurance ends because you did not pay your share of the premium. Portability is not available if the group policy ends. This portable coverage does not have a disability benefit. All other provisions continue with a portable certificate.

Are there any limitations or exclusions?

In the case of AD&D, we will not pay benefits if the loss results directly from: war or any act of war, whether declared or not; taking part in a riot or insurrection, or an act of riot or insurrection; service in the armed forces of any country, combination of countries or international organization at war, whether declared or not; any physical or mental disease; any infection, except a pyogenic infection that occurs from an accidental wound; an assault or felony committed by the covered person; suicide or attempted suicide, while sane or insane, intentionally self-inflicted injury, while sane or insane; the use of any drug unless it is used as prescribed by a doctor; or your intoxication, including but not limited to operating a motor vehicle while you are intoxicated.

The Disability Benefit, the Accelerated Benefit and portability all have some limitations or exclusions. There is also a suicide limitation for both employees and dependents which disallows payment of benefits for death from suicide during the first year of new or additional coverage. Only a return of premium payments would be paid to the beneficiary.

How do I sign up?

Complete the Voluntary Term Life Insurance Employee Application. Make sure you answer all questions that apply to your benefit elections. Your coverage will become effective on the entry date specified in the group policy, provided you are actively at work on that date. Otherwise, your coverage will become effective on the day you return to your full-time duties. Dependent coverage will become effective according to the policy entry date unless your dependent is in a hospital or similar facility on that day, or if your spouse is disabled on the effective date.

Union Security Insurance Company reserves the right to cancel the policy after 31 days with written notice to the policyholder in the event the minimum participation falls below the required amount or premiums are not paid.

This summary provides only a brief overview of this plan. A detailed description of the provisions, limitations and exclusions of the plan are provided in the certificate of insurance, which you will receive if you decide to enroll. Not all plan provisions or options are available in all states. In addition, some states require modifications to the benefits described here. Assurant Employee Benefits' plans comply with applicable state laws.

This summary is not a certificate of insurance or a summary plan description required by ERISA but rather an overview of available coverage. The Policyholder or BancorpSouth as Trustee holds the master policy containing all the provisions of the group plan.

Products and services marketed by Assurant Employee Benefits are underwritten and/or provided by Union Security Insurance Company.

**Assurant Employee Benefits
2323 Grand Blvd.
Kansas City, MO 64108**

School Board of Gadsden County (06/2007)

SUMMARY SHEET

RECOMMENDATION TO SUPERINTENDENT FOR SCHOOL BOARD AGENDA

AGENDA ITEM NO. 7a

DATE OF SCHOOL BOARD MEETING: August 4, 2009

TITLE OF AGENDA ITEM: Discussion and Request to Advertise the Board's Intent to Amend School Board Rules 2.25 subsections Position Descriptions and 7.51, (Payroll Procedures).

DIVISION: Administration

 This is a CONTINUATION of a current project, grant, etc.

PURPOSE AND SUMMARY OF ITEM:

The purpose of this item is to discuss the request to amend School Board Rules 2.25 subsections Position Descriptions and 7.51 (Payroll Procedures), to obtain tentative approval of the proposed amendment, and to request approval to advertise the Board's intent to amend School Board Rules.

FUND SOURCE: N/A

AMOUNT: N/A

PREPARED BY: Sonja Bridges, Ed.D. *S Bridges*

POSITION: Assistant Superintendent for Academic Services

INTERNAL INSTRUCTIONS TO BE COMPLETED BY PREPARER

 Number of ORIGINAL SIGNATURES NEEDED by preparer.

SUPERINTENDENT'S SIGNATURE: page(s) numbered

CHAIRMAN'S SIGNATURE: page(s) numbered

Be sure that the COMPTROLLER has signed the budget page.

Reviewed By: *J. Butler*

**THE SCHOOL BOARD OF GADSDEN COUNTY, FLORIDA
NOTICE OF INTENT TO AMEND A RULE**

DATE OF THIS NOTICE: August 4, 2009

The School Board of Gadsden County, Florida hereby gives notice of its intent to amend its Gadsden County School Board Rules Numbered 2.25 subsections Position Descriptions and 7.51 (Payroll Procedures).

PURPOSE AND EFFECT: The purpose and effect of these rule revisions is to create position (job) descriptions and to establish specific guidelines for payroll procedures.

RULEMAKING AUTHORITY: Subsection 1000.41, and 1000.43, Florida Statutes

LAWS IMPLEMENTED: 1000.40, 1000.42, and 1000.43, 1003.31 Florida Statutes

SUMMARY OF THE ESTIMATED ECONOMIC IMPACT: NONE

FACTS AND CIRCUMSTANCES JUSTIFYING RULE: It is necessary to amend 2.25 and 7.51 in an effort to meet School Board needs and to establish specific guidelines for payroll procedures.

A PUBLIC HEARING WILL BE HELD DURING THE BOARD MEETING SCHEDULED FOR 6:00 P.M. ON: Tuesday, September 24, 2009.

PLACE: Max D. Walker School Administration Building
35 Martin Luther King, Jr., Blvd.
Quincy, Florida 32351

IF A PERSON DESIRES TO APPEAL ANY DECISION MADE BY THE SCHOOL BOARD WITH RESPECT TO ANY MATTER CONSIDERED AT ANY SUCH HEARING, HE/SHE WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE HE/SHE MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

NAME OF THE PERSON ORIGINATING THIS RULE: Dr. Sonja Bridges
Assistant Superintendent for Academic Services

NAME OF THE PERSON WHO APPROVED THIS RULE: Reginald C. James
Superintendent of Schools

DATE OF SUCH APPROVAL: August 4, 2009

A COPY OF THE RULE PROPOSED FOR AMENDMENT MAY BE EXAMINED DURING BUSINESS HOURS AT THE MAX D. WALKER SCHOOL ADMINISTRATION BUILDING, 35 MARTIN LUTHER KING, JR. BLVD., QUINCY, FLORIDA 32351.

Reginald C. James, Superintendent of Schools
For Gadsden County, Florida, and Secretary and
Chief Executive Officer of the School Board of
Gadsden County, Florida.

SCHOOL BOARD OF GADSDEN COUNTYJOB DESCRIPTION**FIELD TRIPS/ACTIVITY BUS COORDINATOR****QUALIFICATIONS:**

- (1) High School Diploma or equivalent
- (2) Two years bookkeeping experience preferred
- (3) Ability to operate a computer and utilize software as appropriate
- (4) A valid Florida CDL driver's license with Passenger Endorsement preferred
- (5) Ability to communicate, read, write and speak in the English language

KNOWLEDGE, SKILLS AND ABILITIES:

Demonstrated knowledge of district geography and surrounding area; knowledge of basic computer operations, prior experience with coordinating field trips preferred. Ability to effectively communicate in English orally and in writing.

REPORTS TO: Director of Transportation

JOB GOAL

To provide the safest, highest level of service to schools and students desiring to take field and activity trips.

PERFORMANCE RESPONSIBILITIES:**Service Delivery**

- * (1) Maintain field trip rosters of operator seniority for bidding and assigning field trips.
- * (2) Operate field trip software.
- * (3) Coordinate field trip requests from schools and outside agencies.
- * (4) Provide appropriate travel instructions to field trip drivers.
- * (5) Provide clerical assistance as needed to the Director of Transportation.
- * (6) Assist with compiling payroll data for input into Terms.
- * (7) Process bills to schools and outside agencies as needed.
- * (8) Compile necessary information and complete financial reports as directed.
- * (9) Demonstrate initiative in the performance of assigned responsibilities.

Employee Qualities/Responsibilities

- * (10) Meet and deal effectively with the general public, staff members, parents, administrators and other contact persons using tact and good judgment.
- * (11) Be in regular attendance, punctuality and other qualities of an appropriate work ethic.
- * (12) Ensure adherence to good safety standards.
- * (13) Maintain confidentiality regarding school/workplace matters.

@EMCS

Board Approved 00/00/0000

- *(14) Model and maintain high ethical standards.
- *(15) Maintain expertise in assigned area to fulfill position goals and objectives.
- *(16) Participate successfully in the training programs offered to increase skill and proficiency related to assignment.

Inter/Intra-Agency Communication and Delivery

- *(17) Exercise service orientation when working with others.
- *(18) Keep supervisor informed of potential problems or unusual events.
- *(19) Use effective, positive interpersonal communication skills.
- *(20) Respond to inquiries and concerns in a timely manner.

System Support

- *(21) Exhibit interpersonal skills to work as an effective team member.
- *(22) Follow federal and state laws as well as School Board policies, rules and regulations.
- *(23) Demonstrate support for the school district and its goals and priorities.
- *(24) Demonstrate initiative in identifying potential problems or opportunities for improvement.
- *(25) Prepare or assist in the preparation of all required reports and maintain all appropriate records.
- *(26) Participate in cross-training activities as required.
- *(27) Perform other duties as assigned.

PHYSICAL REQUIREMENTS:

Medium Work: Exerting up to 50 pounds of force occasionally and/or up to 20 pounds of force frequently and/or up to 10 pounds of force as needed to move objects

TERMS OF EMPLOYMENT:

Salary and benefits shall be paid consistent with the district's approved compensation plan.
Length of the work year and hours of employment shall be those established by the district.

EVALUATION:

Performance of this job will be evaluated in accordance with provisions of the Board's policy on evaluation of personnel.

*Essential Performance Responsibilities

SCHOOL DISTRICT OF GADSDEN COUNTYJOB DESCRIPTION**SCHOOL FOOD SERVICE FINANCIAL COORDINATOR**QUALIFICATIONS:

- (1) High School diploma or equivalent
- (2) Minimum of three (3) years of experience in school food service finance and auditing
- (3) Experience in using computer equipment and in determining needs for continuing software development

KNOWLEDGE, SKILLS AND ABILITIES:

Knowledge of State Board of Education regulations, state statues, federal laws, USDA regulations as they relate to food service. Proficient in basic English and accounting skills. Skilled in computer applications for revenue reporting, meal claming and free/reduced lunch application approval. Knowledge of general accounting principles and cash control standards. Knowledge of and skill in electronic spreadsheets and other computer applications. Ability to work independently. Effective oral and written communication skills. Possess good mathematical skills.

REPORTS TO:

Assistant Superintendent for Business Services

JOB GOAL

To provide services to all district schools and departments in the most accurate, efficient and timely manner. Administer the Food Service Program at the highest level and most efficient manner to meet nutritional needs and program acceptability for students and staff in accordance with federal, state and local requirements.

SUPERVISES:

Assigned Personnel

PHYSICAL REQUIREMENTS:

Light Work: Exerting up to 20 pounds of force occasionally and/or up to 10 pounds of force as frequently as needed to move objects.

TERMS OF EMPLOYMENT:

Salary and benefits shall be paid consistent with the District's approved compensation plan. Length of the work year and hours of employment shall be those established by the District.

EVALUATION:

Performance of this job will be evaluated in accordance with provisions of the Board's policy on evaluation of personnel.

PERFORMANCE RESPONSIBILITIES:**Service Delivery**

- *(1) Manage the school food service financial operations to ensure compliance with federal, state and local regulations.
- *(2) Supervise school food service personnel jointly with the SFS Production Coordinator.
- *(3) Assume responsibility for accurate meal counts, cash collections and deposits.
- *(4) Responsible for food service program revenue claim reporting and oversight of expenditures for payroll and accounts payable.
- *(5) Responsible for coordinating requests by auditors in a timely and efficient manner.
- *(6) Maintain records and submit reports as required.
- *(7) Supervise all food and non-food orders from District and outside vendors.
- *(8) Maintain accurate inventory of food and non-food items.
- *(9) Maintain high standards of safety, security and sanitation.
- *(10) Exercise managerial skills to control food, labor and non-labor costs.
- *(11) Assist the Production Supervisor with employment, re-employment, transfers and resignations.
- *(12) Work with Principals and teachers in planning, developing and utilizing the school food service program as a service and educational asset in the school program.
- *(13) Performs other duties as assigned by the Assistant Superintendent for Business Services.

Employee Qualities/Responsibilities

- *(14) Maintain confidentiality regarding all matters related to assignment.
- *(15) Participate in workshops and training sessions as required.
- *(16) Maintain work area in a safe and secure manner.
- *(17) Provide for positive communication among staff.
- *(18) Model and maintains high ethical standards.
- *(19) Communicate well with co-worker, school personnel and the Production Coordinator.
- *(20) Follow attendance and proper dress rules as required.
- *(21) Display an appropriate work ethic.

System Support

- *(22) Prepare all required reports and maintain all appropriate records.
- *(23) Knowledge of and the ability to utilize the computer for a variety of functions relative to the program.
- *(24) Represent the School Board in an appropriate manner.
- *(25) Perform other incidental tasks consistent with the goals and objectives of the District and this position.
- *(26) Provide ongoing in-service training for food service personnel.
- *(27) Perform other duties as assigned.

*Essential Performance Responsibilities

SCHOOL DISTRICT OF GADSDEN COUNTYJOB DESCRIPTION**SCHOOL FOOD SERVICE PRODUCTION COORDINATOR****QUALIFICATIONS:**

- (1) High School diploma or equivalent
- (2) Minimum of ten (10) years of experience in school food service management
- (3) Experience in menu planning, food purchasing, food preparations and serving in a food service situation
- (4) Extensive knowledge and experience in large quantity cooking and food handling
- (5) Prior experience in supervision and evaluation

KNOWLEDGE, SKILLS AND ABILITIES:

Knowledge of State Board of Education regulations, state statues, federal laws, USDA regulations as they relate to food service. Ability to work with volunteers, students, and teachers to increase knowledge of healthy choices and promote meal participation through various activities. Knowledge of the principles of quantity food preparation. Knowledge of and use of a wide variety of food service equipment. Extensive knowledge of planning, preparation and service of a large variety of foods. Knowledge of health, safety and sanitary practices in HAACP/SERVSAFE relative to the school food service operation. Considerable knowledge of nutrition and food value. Ability to requisition food and supplies and maintain an inventory. Ability to work at a fast pace.

REPORTS TO:

Assistant Superintendent for Business Services

JOB GOAL

To plan, organize and direct the production of the School Food Service program for the School District. Administer the Food Service Program at the level in an efficient manner to meet nutritional needs and program acceptability for students and staff in accordance with federal, state and local requirement.

SUPERVISES:

Cafeteria Managers
Cafeteria Workers

PHYSICAL REQUIREMENTS:

Medium Work: Exerting up to 20 pounds of force occasionally and/or up to 10 pounds of force as frequently as needed to move objects.

TERMS OF EMPLOYMENT:

Salary and benefits shall be paid consistent with the District's approved compensation plan.
Length of the work year and hours of employment shall be those established by the District.

EVALUATION:

Performance of this job will be evaluated in accordance with provisions of the Boards policy on evaluation of personnel.

PERFORMANCE RESPONSIBILITIES:**Service Delivery**

- *(1) Manage the entire school meal service production to ensure compliance with federal, state and local regulations.
- *(2) Supervise school food service personnel jointly with the SFS Financial Coordinator.
- *(3) Prepare work schedules and specific duties for school food service personnel.
- *(4) Assume responsibility for accurate meal counts, cash collections and deposits.
- *(5) Responsible for coordinating requests by auditors in a timely and efficient manner.
- *(6) Maintain records and submit reports as required.
- *(7) Supervise all food and non-food orders from District and outside vendors.
- *(8) Maintain accurate inventory of food and non-food items.
- *(9) Maintain high standards of safety, security and sanitation.
- *(10) Exercise managerial skills to control food, labor and non-labor costs.
- *(11) Supervise employment, re-employment, transfers and resignations.
- *(12) Work with Principals and teachers in planning, developing and utilizing the school food service program as a service and educational asset in the school program.
- *(13) Perform other duties as assigned by the Assistant Superintendent for Business Services.

Employee Qualities/Responsibilities

- *(14) Maintain confidentiality regarding all matters related to assignment.
- *(15) Participate in workshops and training sessions as required.
- *(16) Maintain work area in a safe and secure manner.
- *(17) Provide for positive communication among staff.
- *(18) Model and maintain high ethical standards.
- *(19) Communicate well with co-workers, school personnel and the Financial Coordinator.
- *(20) Follow attendance and proper dress rules as required.
- *(21) Display an appropriate work ethic.

System Support

- *(22) Knowledge of and the ability to utilize the computer for a variety of functions relative to the program.
- *(23) Represent the School Board in an appropriate manner.
- *(24) Perform other incidental tasks consistent with the goals and objectives of the District and this position.
- *(25) Provide ongoing in-service training for food service personnel.
- *(26) Attend School Food Service Association Meetings and related functions.
- *(27) Respond immediately to emergency problems.
- *(28) Develop an annual needs assessment for the food service program.
- *(29) Perform other duties as assigned.

*Essential Performance Responsibilities

CHAPTER 7.00 - BUSINESS SERVICES

PAYROLL PROCEDURES

7.51

- (1) Payrolls shall be submitted for all School Board employees and shall be properly signed by a designated administrative employee. Such payrolls shall be supported, where applicable, by time records.
- (2) Payroll checks or warrant distribution dates shall be established administratively to ensure that the employees are paid promptly in accordance with Florida Statutes.
- (3) No payment shall be made except to properly authorized and approved personnel.
- (4) Payment shall be based on the duly adopted salary schedule for each position. From time-to-time payments in the form of a bonus or other legally authorized payment may be made. These payments require prior approval by the School Board.
- (5) Full-time and part-time regular, probationary, and temporary employees shall be paid at the regular established pay period.
- (6) Principals shall be responsible for submitting accurate payrolls in accordance with the payroll time schedules and procedures.
- (7) Salary adjustments shall be paid at subsequent payroll periods. A person whose services are terminated shall be paid the full salary balance at the regular pay period following termination. Any exceptions shall be approved by the Superintendent or designee.
- (8) A payroll deduction for an employee beyond those required by Florida Statutes shall have the Superintendent's approval and shall be made only upon the written request of the employee. Such deductions shall not be granted to any group or organization with a membership of less than twenty-five employees. An authorized payroll deduction may be initiated during any fiscal year in which the group or organization deduction authorization and the written request of the employee(s) are in the district office on or before the date established as the final date for the initiation of employee deductions.
- (9) Any employee organization certified by the Florida Public Employees Relations Commission as the official bargaining agent for a group of District employees or other groups designated by law, may be entitled to a payroll deduction for membership dues. The organization may be billed

CHAPTER 7.00 - BUSINESS SERVICES

annually for the cost of deducting and transmitting such dues to the organization.

- (10) No payments shall be made for overtime services without prior approval of the Superintendent or designee.
- (11) There shall be no payroll deductions permitted in violation of section 106.15, Florida Statutes.

STATUTORY AUTHORITY:

1001.41, 1001.42, F. S.

LAWS IMPLEMENTED:

106.15, 1001.43,
1011.60, 1012.22, F.S.

HISTORY:

ADOPTED:
REVISION DATE(S): 09/15/02, 06/02/09
FORMERLY: 6.116