

AGENDA

SCHOOL BOARD WORKSHOP

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

December 17, 2013

4:30 P.M.

THIS WORKSHOP IS OPEN TO THE PUBLIC

1. Call to order
2. Financial Data Report
3. Discussion Items
 - a. List of contractors and notification to Board regarding vendors with total payments greater than \$15,000 and other payment issues.
 - b. Update from Facilities
 - i. Agenda items for the establishment of the Capital Improvement Fund Budget for construction funds and the corresponding debt service
 - ii. Update from Wayne Shepard
 1. Notice to Proceed and update on Havana Construction Project
 2. Anticipate issuing a RFP early in the next calendar year for mowing services.
 3. Emergency repairs at East Gadsden High School
 - iii. Proposed e-rate agreement
 - c. Other agenda items
 - i. Governor's allocation disbursement for eligible teachers as of 12/10/13 methodology.
 - ii. Charter School
 1. First Quarter Financial Statements (FDOE change to form for GASB reporting changes)
 2. Audited Financial Statements for 2012-13 fiscal year
 - iii. Internal Accounts 2013-14 engagement letter priced on the three year proposal – RFP award.
 - iv. Update on the FDOE Fiscal Monitoring review for 2012-13 and request for the 2013-14 Fiscal Recovery Plan for the notification of the General Fund's assigned and unassigned fund balance at the November 19, 2013 Board workshop
 - v. Continued participation on the POWER buying group for food service items
 - vi. Close out of TCC invoices for the Academic Enrichment Camps
4. School Board Requests and Concerns
5. Adjournment

			BEGINNING BALANCE	DEBITS	CREDITS	CURRENT BALANCE
ASSETS	1109	BENEFITS ACCOUNT	.00	.00	.00	.00
	1111	GENERAL FUND CASH	.00	.00	.00	.00
	1112	CASH-CAPITAL CITY	4,488,353.18-	.00	.00	4,488,353.18-
	1113	CASH - PREMIER BANK	1,047,860.12	.00	.00	1,047,860.12
	1114	PAYROLL CLEARING ACCT	527,130.58-	.00	980,587.76	1,507,718.34-
	1115	ACCTS PAYABLE CLEARING ACCT	1,148,928.68-	.00	770,991.90	1,919,920.58-
	1116	PETTY CASH	.00	.00	.00	.00
	1117	WORKER'S COMPENSATION	110,541.46-	.00	6,970.54	117,512.00-
	1119	CASH EQUIVALENT AT SBA	4,503,706.55	.00	.00	4,503,706.55
	1121	TAXES RECEIVABLE CURRENT YEAR	.00	.00	.00	.00
	1122	TAXES RECEIVABLE PRIOR YEAR	.00	.00	.00	.00
	1130	ACCOUNTS RECEIVABLE	258.00	.00	.00	258.00
	1139	ACCOUNTS RECEIVABLE OTHER	.00	.00	.00	.00
	1141	GENERAL OPERATING FUND	.00	.00	.00	.00
	1142	DUE FROM INTERNAL FUND	.00	.00	.00	.00
	1143	CAPITAL IMPROVEMENT FUNDS	.00	.00	.00	.00
	1144	DUE FROM FOOD SERVICE FUND	304,498.12	.00	.00	304,498.12
	1145	DUE FROM 420 FUND	311,171.90	.00	.00	311,171.90
	1146	DUE FROM 431 FUNDS	.00	.00	.00	.00
	1147	OTHER FUNDS FOR A/C PAYABLE	.00	.00	.00	.00
	1148	LOAN TO SET UP BENEFITS ACCT	.00	.00	.00	.00
	1149	DUE FROM 432 FUNDS	3,000.00	.00	.00	3,000.00
	1150	INVENTORY	.00	.00	.00	.00
	1154	INSTRUCTIONAL MATERIALS	.00	.00	.00	.00
	1155	CUSTODIAL SUPPLIES	14,873.43	.00	.00	14,873.43
	1156	EQUIPMENT	.00	.00	.00	.00
	1158	TRANSPORTATION	103,444.22	.00	.00	103,444.22
	1159	MAINTENANCE	71,216.36	.00	.00	71,216.36
	1161	DUE FROM 433 FUND	.00	.00	.00	.00
	1162	DUE FROM 435 FUND	.00	.00	.00	.00
	1164	SBA INVESTMENTS POOL B	31,098.16	.00	.00	31,098.16
	1165	DUE FROM 434 FUND	4,625.52	.00	.00	4,625.52
	1169	Other Securities-Investments	.00	.00	.00	.00
	1220	DUE FROM OTHER AGENCIES	258.00-	.00	.00	258.00-
	1224	DUE FROM STATE	.00	.00	.00	.00
	1225	U.S. GOVERNMENT-R O T C	.00	.00	.00	.00
	1227	DUE FROM INTERNAL REVENUE SER	.00	.00	.00	.00
	1228	P THOMAS RETIR LIFE IN/OUT	.00	.00	.00	.00
	1229	OTHER	.00	.00	.00	.00
	1231	INSURANCE, ETC.	.00	.00	.00	.00
	1510	ESTIMATED REVENUE	42,420,457.25	.00	.00	42,420,457.25
	1520	ENCUMBRANCES	9,790,750.08	84,518.70	313,339.73	9,561,929.05
	1530	EXPENDITURES	14,695,448.38	2,105,709.27	.00	16,801,157.65
	*	TOTAL ASSETS AND OTHER DEBITS	67,027,196.19	2,190,227.97	2,071,889.93	67,145,534.23
LIABILITIES	2020	CLEARING ACCOUNT - PAYROLL	.00	.00	.00	.00
	2100	CLEARING	100.00-	.00	.00	100.00-
	2114	BOARD BENEFITS-OTHER	.00	98,245.16	310,599.75	212,354.59

	BEGINNING BALANCE	DEBITS	CREDITS	CURRENT BALANCE
2120 ACCOUNTS PAYABLE	.00	.00	.00	.00
2121 OTHER	.00	.00	.00	.00
2122 DEDUCT/CONTRIB FOR EMP ON LEAV	1,374.76-	150.17	.00	1,524.93-
2161 DUE TO GENERAL FUND	.00	.00	.00	.00
2162 DUE TO DEBT SERVICE FUND	.00	.00	.00	.00
2163 DUE TO CAPITAL PROJ. FUND	.00	.00	.00	.00
2164 DUE TO FOOD SERVICE FUND	.00	.00	.00	.00
2165 DUE TO CONTRACTED PROGRAM FUND	.00	.00	.00	.00
2167 DUE TO ACCOUNTS PAYABLE FUND	.00	.00	.00	.00
2170 PAYROLL DED & WITHOLDINGS	.00	1,366,720.30	1,366,720.30	.00
2171 DEDUCTIONS	.00	.00	.00	.00
2172 CURRENTLY AVAILABLE	.00	.00	.00	.00
2173 OTHER PAYROLL DEDUCTIONS	38.48	251,177.89	386,132.54	134,993.13
2179 BENEFIT ACCOUNT HOLDING RE1109	.00	.00	.00	.00
2220 DEPOSITS PAYABLE	.00	.00	.00	.00
2221 LIABILITY FOR CORP.CARD EXP.	.00	.00	.00	.00
2230 DUE TO OTHER AGENCIES	.00	.00	.00	.00
2235 DUE TO HRS	.00	.00	.00	.00
2271 STATE BOARD OF ADMINISTRATION	.00	.00	.00	.00
2500 BUDGETARY CREDITS	.00	.00	.00	.00
2510 APPROPRIATIONS	42,583,538.99	.00	.00	42,583,538.99
2520 REVENUE	12,528,118.68	.00	.00	12,528,118.68
2710 RESTRICTED FOR STATE CARRYOVER	.00	.00	.00	.00
2720 RESERVED FOR ENCUMBRANCES	9,790,750.08	313,339.73	84,518.70	9,561,929.05
2730 RESERVE FOR INVENTORY	.00	.00	.00	.00
2750 UNASSIGNED FUND BALANCE	1,053,515.95	.00	.00	1,053,515.95
2760 UNRESERVED FUND BALANCE	.00	.00	.00	.00
2763 DESIGNATED FOR ANNUAL LEAVE	.00	.00	.00	.00
2769 UNDESIGNATED FUND BALANCE	1,072,708.77	.00	.00	1,072,708.77
2891 ADJUSTMENTS TO FUND BALANCE	.00	.00	.00	.00
* TOTAL LIABILITIES	67,027,196.19	2,029,633.25	2,147,971.29	67,145,534.23

NUMBER-----ACCOUNT-----	BUDGETED	ACCRUED	RECEIVABLE	ACCRUED	COLLECTED-----	TOTAL	PCT
REV					UNACCRUED		
191 ROTC	125,083.28	.00	.00	.00	19,586.11	19,586.11	16%
202 MEDICAID	400,000.00	.00	.00	.00	.00	.00	0%
280 FEDERAL THROUGH LOCAL	475,000.00	.00	.00	.00	90,646.97	90,646.97	19%
310 FLA. EDU. FINANCE PROG (FEFP)	22,627,044.00	.00	.00	.00	8,198,756.00	8,198,756.00	36%
315 WORKFORCE DEVELOPMENT	666,405.00	.00	.00	.00	262,642.00	262,642.00	39%
318 ADULTS WITH DISABILITIES	255,703.31	.00	.00	.00	115,620.40	115,620.40	45%
341 RACING COMMISSION FUNDS	223,250.00	.00	.00	.00	.00	.00	0%
342 STATE FOREST FUNDS	4,000.00	.00	.00	.00	.00	.00	0%
343 STATE LICENSE TAX	17,000.00	.00	.00	.00	1,977.13	1,977.13	12%
355 CLASS SIZE REDUCTION	5,845,979.00	.00	.00	.00	1,948,660.00	1,948,660.00	33%
361 SCHOOL RECOGNITION FUNDS	214,841.00	.00	.00	.00	.00	.00	0%
371 Voluntary Pre-K Program	825,000.00	.00	.00	.00	233,222.84	233,222.84	28%
390 MISCELLANEOUS STATE REVENUE	23,000.00-	.00	.00	.00	17,081.00	17,081.00	0%
399 OTHER MISCELLANEOUS STATE REV	50,000.00	.00	.00	.00	16,127.44-	16,127.44-	32%
411 DISTRICT SCHOOL TAXES	8,603,151.66	.00	.00	.00	985,204.16	985,204.16	11%
421 TAX REDEMPTIONS	50,000.00	.00	.00	.00	6,328.85	6,328.85	13%
425 RENT	1,000.00	.00	.00	.00	2,708.00	2,708.00	271%
430 INTEREST, INCLUD PROFIT ON INVE	10,000.00	.00	.00	.00	.00	.00	0%
431 INTEREST ON INVESTMENTS	.00	.00	.00	.00	1,577.65	1,577.65	0%
433 NET INCR/DECR INVESTMENTS	.00	.00	.00	.00	68.42	68.42	0%
440 GIFTS, GRANTS, AND BEQUESTS	10,000.00	.00	.00	.00	8,478.10	8,478.10	85%
462 POSTSECONDARY VOC COURSE FEE	35,000.00	.00	.00	.00	.00	.00	0%
467 GENERAL ED DEVEL GED TEST FEES	5,000.00	.00	.00	.00	.00	.00	0%
490 MISCELLANEOUS LOCAL SOURCES	700,000.00	.00	.00	.00	547,084.75	547,084.75	78%
491 BUS FEES	.00	.00	.00	.00	19,172.25	19,172.25	0%
492 TRANS SVCS SCHOOL ACTITIVITES	.00	.00	.00	.00	3,040.20	3,040.20	0%
493 SALE OF JUNK	.00	.00	.00	.00	10,679.31	10,679.31	0%
494 REC OF FED INDIRECT COST RATE	.00	.00	.00	.00	4,095.23	4,095.23	0%
497 REFUNDS OF PRIOR YEAR'S EXPEND	.00	.00	.00	.00	3,417.19	3,417.19	0%
630 TRANSFERS FROM CAPITAL PROJ FD	1,300,000.00	.00	.00	.00	47,679.00	47,679.00	4%
732 SALE OF LAND AND BUILDINGS	.00	.00	.00	.00	13,711.00	13,711.00	0%
741 INSURANCE LOSS RECOVERY	.00	.00	.00	.00	2,809.56	2,809.56	0%
* 42,420,457.25		.00	.00	.00	12,528,118.68	12,528,118.68	30%

Gadsden County School District
 Contracted Services and Board Notification of Vendor Payments Near or over \$15,000
 12/17/13 Board Meeting

Contractors

Fund	Object #	Vendor	Description	Amount	Date	Purchase Order #
110	350	Grounds Maintenance	Mowing services - reel mower	780	12/3/2013	Invoice purchase - specialized services -total to vendor greater than \$15,000 for the FY
110	350	Grounds Maintenance	Mowing services - reel mower	1005	11/20/2013	Invoice purchase - specialized services -total to vendor greater than \$15,000 for the FY
110	350	Grounds Maintenance	Mowing services - reel mower	525	12/3/2013	Invoice purchase - specialized services -total to vendor greater than \$15,000 for the FY
110	350	Grounds Maintenance	Mowing services - reel mower	300	12/3/2013	Invoice purchase - specialized services -total to vendor greater than \$15,000 for the FY
110	351	Grounds Maintenance	Mowing services - reel mower	525	10/20/2013	Invoice purchase - specialized services -total to vendor greater than \$15,000 for the FY
110	352	Grounds Maintenance	Mowing services - reel mower	375	11/20/2013	Invoice purchase - specialized services -total to vendor greater than \$15,000 for the FY
110	353	Grounds Maintenance	Mowing services - reel mower	160	11/20/2013	Invoice purchase - specialized services -total to vendor greater than \$15,000 for the FY
434	310	Buc Technologies	Plant Bio contractor for EGHS	5000	11/12/2013	185966 - have written contact for deliverables on Federal program
110	350	Excavating to uncover lea	Emergency Repair for EGHS HVAC	7000	12/5/2013	186061 - Emergency PO, allowable transfer from 379 to replenish 110

Board Notification

Fund	Object #	Vendor	Description	Amount	Date	Purchase C Comment
420	360	Achieve 3000	Licenses Access	11260	12/5/2013	186044 Sole source; vendor total for the year \$52520
110	510	Graybar Electric	Bulbs	1980	12/5/2013	186059 local preference and over \$15,000 cumulative
420	510	Ashtin Technologies	headphones	8000	11/15/2013	185998 Perferred vendor, close to \$15,000 in cumulative purchases
110	510	SPA Concepts, Inc	Sanitation supplies	3216.8	12/5/2013	186054 Best quote; vendor has received \$26,546.92 YTD band uniforms purchased by band director in August, September, October 2012 paid from school band allocation
110	642	GTM Sportsware	Delinquent bill band uniforms	3500	12/10/2013	invoice band uniforms purchased by band director in August, September, October 2012 paid balance from general fund
110	642	GTM Sportsware	Delinquent bill band uniforms	1350	12/10/2013	invoice band uniforms purchased by band director in August, September, October 2012 paid balance from general fund

The School Board of Gadsden County



"Building A Brighter Future"

Reginald C. James
SUPERINTENDENT
OF SCHOOLS

35 MARTIN LUTHER KING, JR. BLVD.
QUINCY, FLORIDA 32351
TEL: (850) 627-9651
FAX: (850) 627-2760
www.gcps.k12.fl.us

To: Mr. Finley Cook—Cook Brothers, Inc.
From: Wayne Shepard—Director of Facilities
Re: Notice to Proceed—HMS Project
Date: November 26, 2013

NOTICE TO PROCEED

The School Board of Gadsden County Florida; on November 25, 2013 in a special called business meeting; approved your guaranteed maximum price for the construction of the new Pre-K thru 3rd Grade Classroom Wing at Havana Middle School. Guaranteed maximum price is \$4,821,118.00.

Please consider this as your Notice to Proceed letter from the Gadsden District School Board, contingent upon all permitting being issued for the Pre-K thru 3rd Grade Classroom Wing at Havana Middle School on or prior to December 16, 2013. In the event that permits are not issued by December 16, 2013, this Notice to Proceed becomes effective immediately upon permits being issued.

Any questions or comments concerning this notice to proceed will be directed to me in writing.

Questions or comments on the specifications and drawings for this project will be directed to the School Board's architect Clemons, Rutherford, & Associates, Inc. They, in turn, will forward information to me as the School Board's contact for the project.

I can be reached at my office (850) 627-9888, on my cell phone (850) 545-7918, or via e-mail at shepardw@gcpsmail.com.

RWS:dlr

C.C. Mr. Reginald C. James
Mr. Roger Milton
Mrs. Rosalyn Smith
Mrs. Kimberly Ferree
Mr. Greg Kelley—CRA

Audrey Lewis
DISTRICT NO. 1
HAVANA, FL 32333

Judge B. Helms, Jr.
DISTRICT NO. 2
QUINCY, FL 32351
HAVANA, FL 32333

ISAAC SIMMONS, JR.
DISTRICT NO. 3
CHATTACHOOCHEE, FL 32324
GREENSBORO, FL 32330

Charlie D. Frost
DISTRICT NO. 4
GREENSBORO, FL 32330
QUINCY, FL 32352

ROGER P. MILTON
DISTRICT NO. 5
QUINCY, FL 32351

BOARD MEETS FOURTH TUESDAY OF EACH MONTH
EQUAL OPPORTUNITY EMPLOYER



Kimberly Ferree <ferreek@gcpsmail.com>

EGHS HVAC Problems

2 Messages

Wayne Shepard <shepardw@gcpsmail.com>

Thu, Dec 5, 2013 at 3:33 PM

To: Kimberly Ferree <ferreek@gcpsmail.com>

Cc: Reginald James <jamesr@gcpsmail.com>, Rosalyn Smith <smithr@gcpsmail.com>, Jane Butler <butlerj@gcpsmail.com>, Mary Rutten <ruttenm@gcpsmail.com>, LeAnn Ranew <ranewl@gcpsmail.com>

MRS. Ferree

The maintenance department has an emergency situation going on at East Gadsden High School at the present time. We have a major leak in the HVAC lines underground between buildings one (1) and (3). We have called Barnes Equipment Company in to provide additional help with the excavation. My assistant sent paper work yesterday for a P.O. of \$7000.00 for Barnes. I'm guessing at that figure.

I have Miller Plumbing out of Tallahassee coming in tomorrow morning to help me assess the situation (They were the original installers) and if necessary provide labor to fix piping. I have not requested a P.O. for them. I will have a better handle on it by lunch tomorrow.

I wanted to keep you in the loop just in case I need more P.O.'s.

Kimberly Ferree <ferreek@gcpsmail.com>

Fri, Dec 6, 2013 at 8:24 AM

To: Wayne Shepard <shepardw@gcpsmail.com>

Thanks

[Quoted text hidden]



Kimberly Ferree <ferreek@gcpsmail.com>

Fwd: Repair U.G. Mechanical Piping at East Gadsden High School

2 messages

Wayne Shepard <shepardw@gcpsmail.com>

Tue, Dec 10, 2013 at 11:47 AM

To: Kimberly Ferree <ferreek@gcpsmail.com>

Cc: Reginald James <jamesr@gcpsmail.com>, Rosalyn Smith <smithr@gcpsmail.com>

MRS. Ferree

Please see the estimated cost from Miller Plumbing. This is a not to exceed price. This is the company that originally installed the piping.

I'm sending him back a go ahead email to start ASAP. Even if he gets started tomorrow we will be in to next week getting everything back together.

----- Forwarded message -----

From: **Bill Bice** <bill@millersplumbing.com>

Date: Tue, Dec 10, 2013 at 11:01 AM

Subject: Repair U.G. Mechanical Piping at East Gadsden High School

To: shepardw@gcpsmail.com

Cc: Heath Miller <heath@millersplumbing.com>, Bill Bice <bill@millersplumbing.com>

Mr. Shepard,

Please find attached our Proposal for repairing the underground mechanical piping that is leaking at the Gadsden East High School.

We can start this work on Monday the 16th. with your approval. Per our discussion, our price is a "Not to Exceed" Price. The actual invoice will be based on time and material of actual work required.

If we can be of any further assistance, please let us know.

Thanks,

Bill Bice

Vice President

Miller's Plumbing & Mechanical

2411 Fleischmann Rd.

Tallahassee, Florida 32308

Office-850-386-4622

bill@millersplumbing.com



Proposal.pdf

16K

Wayne Shepard <shepardw@gcpsmail.com>

Tue, Dec 10, 2013 at 11:58 AM

To: Bill Bice <bill@millersplumbing.com>

Cc: Kimberly Ferree <ferreek@gcpsmail.com>, Reginald James <jamesr@gcpsmail.com>, Rosalyn Smith <smithr@gcpsmail.com>, Mary Rutten <ruttenm@gcpsmail.com>, Jane Butler <butlerj@gcpsmail.com>

Bill

Per our conversation this morning about the repair work on the underground piping at East Gadsden High School. I received your estimated cost and see where we will be billed only for the actual labor and material cost. Hopefully we can come in under the estimate. You have permission to proceed with this work ASAP.

[Quoted text hidden]



Kimberly Ferree <ferreek@gcpsmail.com>

Gadsden Count DSB

4 messages

Kimberly Ferree <ferreek@gcpsmail.com>

Wed, Nov 20, 2013 at 4:21 PM

To: hugh@k12-consultants.com

Hi Hugh,

It was pleasant to meet with you today regarding the e-rate. Hopefully we can get the contract to the December board meeting if you can get it to us soon. Look forward to working with you. Please email me any relevant information that I will need to know as you go along. If you have any questions, please give me a call.

Kim Ferree

Hugh Manning <hugh@k12-consultants.com>

Wed, Nov 20, 2013 at 9:52 PM

To: Kimberly Ferree <ferreek@gcpsmail.com>, Bonnie Wood <woodb@gcpsmail.com>, Sheantika Wiggins <wiginss@gcpsmail.com>

Hello all: Thank you very much for your time today. I have attached a very custom agreement that is designed to maximize the E-rate benefit to your district and charge a fair fee for service. The details unique to GCSD are on pages 2-3.

I actually believe we can achieve incredible E-rate revenue and cost savings working together over the next year. Sheantika has what it takes to put technology into service so that instruction can benefit greatly.

I hope you get a chance to review the terms of this agreement and let me know of anything that needs addressed.

Thank You

Hugh Manning

K12 Consultants

724-350-4380

800-288-4914

706-243-6465 Fax


From: Kimberly Ferree [mailto:ferreek@gcpsmail.com]**Sent:** Wednesday, November 20, 2013 4:22 PM**To:** hugh@k12-consultants.com

Subject: Gadsden Count DSB

Hi Hugh,

It was pleasant to meet with you today regarding the e-rate. Hopefully we can get the contract to the December board meeting if you can get it to us soon. Look forward to working with you. Please email me any relevant information that I will need to know as you go along. If you have any questions, please give me a call.

Kim Ferree


 **K12 Consultants agreement Gadsden 2014-15.doc**
67K

Kimberly Ferree <ferreek@gcpsmail.com>
To: Sheantika Wiggins <wiginss@gcpsmail.com>

Mon, Nov 25, 2013 at 10:07 AM

Here is a copy of the contract for your electronci files

[Quoted text hidden]

 **K12 Consultants agreement Gadsden 2014-15.doc**
67K

Kimberly Ferree <ferreek@gcpsmail.com>
To: dminnis@ausley.com

Mon, Nov 25, 2013 at 10:14 AM

Hi Deborah,

I just left you a voice message. I did not know if it is an ordinary and customary practice for you the read the proposed contracts prior to presenting them to the Board or not. I plan to present this contract to the Board at the December meeting. FYI. If you have any questions please let me know. Thank you for your assistance with this.

Kim

[Quoted text hidden]

 **K12 Consultants agreement Gadsden 2014-15.doc**
67K

K12 Consultants

Technology Funding Agreement

This Agreement is made and entered into as of _____, 2013, between Manning Enterprises, Inc. dba K12 Consultants, 125 Avella Road, Hickory, PA 15340 and the Gadsden County School District ("District").

Recitals

WHEREAS, K12 Consultants is in the business of fund raising, grant writing, technology planning, Education Foundation creation, network planning, systems improvements and upgrades, designing voice, data, and video systems, project management, and the associated preparing and filing of E-rate forms with the Schools and Libraries Division of the Universal Services Administrative Corporation; and,

WHEREAS, in order to meet the anticipated deadline for the collection of funding application data, E-rate data, and E-rate filings, and in order for the school district to be eligible for funding, including SLD E-rate funds: there is a significant amount of work that must be performed prior to filing the associated forms.

NOW, THEREFORE, in consideration of the mutual promises herein contained and intending to be legally bound hereby, the parties agree as follows:

I. Scope of Work

- A. The District appoints K12 Consultants as its agent to effect technology fund raising activities with respect to all E-rate related matters.
- B. The District agrees to retain K12 Consultants as its contractor to perform all work set forth herein and in **Attachment A** to this Contract on the terms and conditions set forth herein.
- C. K12 Consultants will process the involved E-rate Applications through the administrative and regulatory approval process, involving the SLD/FCC. Administrative appeals of adverse, common, regulatory decisions, if any, are included in the fees. However, this does not include any appeals to state or federal courts.
- D. K12 Consultants involvement will include areas of Telecommunications, Internal Connections, Internet Access, intranet, interface with local exchange companies, new exchange providers, information services, leased lines, internal connections, electronic mail, transmission of information as part of a gateway to an information service, and others. This includes consulting on associated maintenance.

E. Internet access may include advice and assistance in terms of the implementation of a robust and cost effective network and related maintenance.

F. Specifically, during the contract term K12 Consultants will provide the following services as required: assistance in system design, planning, integration, and implementation; and assistance in contract preparation, negotiation, and review. These functions will be performed in close cooperation with the School District.

G. K12 Consultants will review the District documents required by the SLD pursuant to the application(s), which include among others:

1. An approved, current District Technology Plan
2. A District Budget reflecting requirements of the current funding request
3. A tabulation of Current expenditures for the voice network
4. Other existing communications contracts and expenditures
5. "Item 25" review

II. K12 Consultants will perform all SLD work associated with the E-rate year 2014 which covers the E-rate period 7/1/2014 through 6/30/2015.

III. The parties agree that any work not covered by this Contract and performed by K12 Consultants shall be charged separately at an agreed upon rate.

IV. K12 Consultants will not perform legal work. K12 Consultants, with approval from the district, may retain an experienced regulatory attorney.

V. Court appeals and attorney's fees and costs are not included in the fees.

VI. Term

The term of this Agreement shall commence upon the date first set forth above and continue until all E-rate Year 2014 tasks are completed.

VII. District's Payment Obligation to K12 Consultants

K12 Consultant's standard fee for its services is 10% of the approved funding that is spent by the district from whatever application(s) K12 Consultants has prepared.

With regards to this engagement, however, the custom terms below are designed to ensure that GCSD receives more money from this partnership than the fee that will be paid. The steps to be taken that will achieve new revenue and cost reductions are listed below, followed by the associated fee for service.

- a) Actual E-rate reimbursements for Priority One expenses (Local, LD, Cell, Internet Access, WAN connecting the schools) over the last several years has averaged about \$400,000. K12 Consultants recent experience with GCSD suggests that \$600,000 can be obtained. This feature alone would earn an extra \$200,000 for GCSD.
- b) Current annual TDS services cost GCSD about \$1,000,000. K12 Consultants will manage an in depth audit, with GCSD assistance, that we predict will identify as much as \$250,000-\$350,000 that may well be removed, at no loss of service to your district. There is no additional fee due K12 Consultants for this special audit.
- c) Priority Two expenses (wireless, cabling, switches, servers, Maintenance) have become difficult to obtain as the E-rate fund has not increased while demand for the funds has greatly increased. K12 Consultants' suggested strategy is to pursue these funds aggressively each year for all anticipated needs. This effort will not take substantial district staff effort, and it costs the district literally nothing unless funding is awarded and funding is actually spent. K12 Consultants fee is only due on money awarded by E-rate and spent by the district. District need for these monies is in the millions.
- d) More products/services are E-rate eligible for funding than districts typically know. For example, GCSD uses multiple vendors to provide network maintenance services. Maintenance has not been funded this year and is in doubt in future years. However, services from these same vendors can be included in other Priority Two funding requests which can greatly offset your maintenance costs. This benefit could be worth between \$50,000-\$100,000. Other additional eligible products/services could help reduce PC costs, reduce technical support needed, etc. Each of these have significant financial benefit to your district.

In summary, the total additional financial benefit of the K12 Consultant engagement could easily be \$500,000 as described above.

A two part fee for service will be charged as follows:

- a. There will be a 10% fee on Priority One expenses that are reimbursed to GCSD, not to exceed \$50,000.
- b. There will be a 10% fee on Priority Two expenses that are reimbursed to GCSD, not to exceed \$50,000.

Just to be clear, for example, if a likely scenario occurs that GCSD is reimbursed a total of \$600,000 for Priority One expenses and \$0 for Priority Two, then the fee will be a grand total of \$50,000. GCSD will achieve a net reimbursement from the E-rate effort of \$550,000.

As another example, if GCSD is reimbursed a total of \$600,000 for Priority One expenses and \$1,000,000 for Priority Two expenses, then the fee will be a grand total of \$100,000. GCSD will achieve a net reimbursement from the E-rate effort of \$1,500,000.

If an SLD decision is appealed, final payment shall be made when the District is notified that the appeal has been successful.

All fees are due and payable at K12 Consultant's office in Hickory, PA.

b) Independent Contractor

The parties acknowledge and agree that K12 Consultants is an independent contractor.

c) Mutual Cooperation

- A. Time is of the essence in performing all work under this Agreement.**
- B. The Parties shall cooperate with each other in the performance of their services hereunder, including securing and providing all information and data in a timely manner so that all filings may be completed in a timely manner.**

d) Confidentiality

- A. The Parties agree that all financial, statistical, or proprietary information provided by either Party, one to the other, or to the School District will be kept confidential, to the extent allowable by law.**
- B. K12 Consultants agrees that any technical, or marketing information owned or used by the District and designated, as proprietary under this Agreement shall not be used without the written consent of the District.**
- C. The District agrees that any technical or marketing information owned or used by K12 Consultants and designated, as proprietary under this Agreement shall not be used without the written consent of K12 Consultants.**

e) Assignment

Neither party may assign this Contract or any right or interest herein, without the prior written consent of the other party, which consent shall not be unreasonably withheld.

f) Miscellaneous

- A. Any amendment, supplement, or waiver of any provision of this Agreement must be in writing and signed by authorized representatives of both parties.
- B. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and permitted assigns.
- C. The WHEREAS and NOW THEREFORE clauses and paragraph headings are not solely for convenience, but in fact demonstrate the interpretation to be accorded this Agreement.
- D. All agreements and covenants herein are severable, and in the event any of them is held to be invalid by any competent court, the Agreement will be interpreted as if such invalid agreements or covenants were not contained herein. The parties further agree that in the event such portion is an essential part of this Agreement, they will immediately begin negotiations for a replacement.
- E. K12 Consultants will comply with all applicable federal, state, county and local laws, ordinances, regulations and codes in the performance of their obligations hereunder.
- F. No waiver by any party of the breach of any term or provision of the Agreement will be construed to be a waiver of any proceeding or succeeding breach of the same or any other term or provision.

g) Integration Clause

The Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior oral or written agreements. K12 Consultants and the District stipulate that neither has made any representations with respect to the subject matter of the Agreement or any other representations except such representations as are specifically set forth herein. K12 Consultants and the District further acknowledge that any representations that may have heretofore been made by either to the other are of no effect and that none of them have relied thereon in connection with their dealings with the other.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by duly authorized representatives all as of the date first above written.

For The District:

Signature

Name (Printed)

Title

For K12 Consultants:



Signature

Hugh Manning

Name (Printed)

President

Title

CONTRACT MANAGEMENT

- Assist in contract management.
- Train Client personnel regarding billing issues, if required.
- Interface with vendors.
- Consult with Client to insure vendors provide information, data, service, and products in compliance with E-rate rules and regulations to obtain maximum funding.

CONTRACT ISSUES

- Draft and review telecom proposals, bids prepared by the District, and contracts.
- Work under direction of Client's legal counsel on contract issues, as required.

SLD PROCESS

- Advise Client on responding to SLD problem resolution and audit.
- Respond to all SLD questions, request for documents, issues. Retain all files for Client for audit purposes. (Five-year record retention is mandatory.)

LEGAL CONSULTATION

- Work under direction of Client's legal counsel on regulatory issues.
- Monitor and keep Client advised of latest E-rate, Federal Communications Commission issues, and rulings.
- Experienced telecommunications attorney will be retained by K12 Consultants for E-rate, contract, telecommunications and regulatory issues. Attorney has prior E-rate, regulatory experience. (K12 Consultants will not perform legal work.)

E-RATE FILING

- Evaluate and document support for 470s.
- Prepare 470s, 471s, 472s, RFP's, 486s, 500s, PIA review responses, Selective Review Requests, Quality Assurance Requests, and any other E-rate forms necessary.
- Deliver to SLD or appropriate regulatory body.