

LAMAR CISD BOARD OF TRUSTEES
REGULAR BOARD MEETING
BRAZOS CROSSING ADMINISTRATION BUILDING
3911 AVENUE I, ROSENBERG, TEXAS
JULY 27, 2022
6:30 PM

AGENDA

1. Call to order and establishment of a quorum
2. Opening of meeting
3. Recognitions/awards
4. Introductions
5. Public Comments
6. Board members reports
 - A. Meetings and events
7. Superintendent reports
 - A. Meetings and events
 - B. Information for immediate attention
8. **CONSENT AGENDA**
 - A. Approval of minutes
 1. June 7, 2022 - Regular Board Meeting 4
 2. June 7, 2022 - Bond Workshop 10
 - B. Consider ratification of Financial and Investment Reports 12
 - C. Consider approval of budget amendment requests 16
 - D. Discussion and possible approval of amendment #3 to Texas AirSystems contract for additional maintenance on HVAC equipment 19
 - E. Consider approval of interlocal cooperation agreement for the collection of taxes (by the Fort Bend County Tax Assessor-Collector) 22
 - F. Consider approval of interagency program agreement between Lamar Consolidated Independent School District and the Behavior Treatment and Training Center (BTTC), Texana Center 31
 - G. Consider approval of resolution proclaiming Hispanic Heritage Month 38
9. **ACTION ITEMS**
 - A. Consider approval of date for public meeting to discuss budget and proposed tax rate 40
 - B. Consider approval of proposed tax rate that will be published in the notice for public meeting 41
 - C. Consider approval of designation of officer/employee responsible for calculating the no-new-revenue tax rate and the voter-approval tax rate 42
 - D. Consider approval of revisions for library book selection and school mascot policies 43
 - E. Discussion and possible approval of prevailing wage rate schedule for construction project specifications 57
10. **INFORMATION ITEMS**
 - A. Safety and Security Audit 61
 - B. STAAR and EOC Update 62
 - C. Bond Workshop 63
11. **FUTURE ACTION ITEMS**
 - A. Budget Workshop
 1. Adoption of 2022-2023 budgets 64
 2. Adoption by ordinance, of the 2022 tax rate for the 2022-2023 school year 65
 3. Approval of the 2022-2023 Compensation Plan 67
12. **FUTURE CONSENT AGENDA**

A.	Discussion of staff/visitor meal price increases for 2022-2023 school year	68
B.	Discussion of service agreement, tap and inspection fees for water and wastewater at Terrell Elementary School	69
C.	Discussion of ratification of Financial and Investment Reports	75
D.	Discussion of budget amendment requests	76
E.	Discussion of ratification of Quarterly Investment Report	77
F.	Discussion of approval of Lamar CISD Investment Policy	78
G.	Discussion of resolution for commitment of fund balance as of August 31, 2022	112
H.	Discussion of 2022 tax year appraisal roll and new property value	114
I.	Discussion of certification of 2022 tax year anticipated collection rate	115
J.	Discussion of restatement of Qualified Retirement Plan by Resolution	116
K.	Discussion of RFP 32-2022SE for events & entertainment	167
L.	Discussion of RFP 33-2022SE for catering and banquet services	168
M.	Discussion of RFP 34-2022SE for maintenance and operations supplies and repair	169
N.	Discussion of ratification of donations to the District	170
O.	Discussion of new appraisers for teaching staff	171
P.	Discussion of request for 2022 historic site exemption qualification for the Simonton School	172
13.	CLOSED SESSION	
A.	Adjournment to closed session pursuant to Texas Government Code Sections 551.071, 551.072, 551.074, and 551.082, the Open Meetings Act, for the following purposes: (Time _____)	
1.	Section 551.074 - For the purpose of considering the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear complaints or charges against a public officer or employee.	
a.	Approval of personnel recommendations for employment of professional personnel	
b.	Employment of professional personnel (Information)	176
c.	Employee resignations and retirements (Information)	197
2.	Section 551.072 - For the purpose of discussing the purchase, exchange, lease or value of real property	
a.	Land	
3.	Section 551.071 - To meet with the District's attorney to discuss matters in which the duty of the attorney to the District under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Open Meetings Act, including the grievance/complaint hearing.	
a.	Any item listed on the agenda	
b.	Discuss pending, threatened, or potential litigation, including school finance litigation	

RECONVENE IN OPEN SESSION

14. ACTION ITEMS

A.

ADJOURNMENT: (Time _____)

If during the course of the meeting covered by this notice, the Board should determine that a closed session of the Board should be held or is required in relation to an item noticed in this meeting, then such closed session as authorized by Section 551.001 et seq. of the Texas Government Code (the Open Meetings Act) will be held by the Board at that date, hour or place given in this notice or as soon after the commencement of the meeting covered by this notice as the Board may conveniently meet in such closed

session concerning any and all subjects and for any and all purposes permitted by Section 551.071-551.084, inclusive, of the Open Meetings Act, including, but not limited to:

Section 551.084 - For the purpose of excluding witness or witnesses from a hearing during examination of another witness.

Section 551.071 - For the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law.

Section 551.072 - For the purpose of discussing the purchase, exchange, lease or value of real property.

Section 551.073 - For the purpose of considering a negotiated contract for a prospective gift or donation.

Section 551.074 - For the purpose of considering the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear complaints or charges against a public officer or employee.

Section 551.082 - For the purpose of considering discipline of a public school child or children or to hear a complaint by an employee against another employee if the complaint or charge directly results in a need for a hearing.

Section 551.076 - To consider the deployment, or specific occasions for implementation, of security personnel or devices.

Section 551.083 - For the purpose of considering the standards, guidelines, terms or conditions the Board will follow, or instruct its representatives to follow, in consultation with representatives of employee groups in connection with consultation agreements provided for by Section 13.901 of the Texas Education Code.

Section 551.0821 – For the purpose of deliberating a matter regarding a public school student if personally identifiable information about the student will necessarily be revealed by the deliberation.

Should any final action, final decision or final vote be required in the opinion of the Board with regard to any matter considered in such closed session, then such final action, final decision or final vote shall be at either:

- a. the open meeting covered by this notice upon the reconvening of this public meeting, or
- b. at a subsequent public meeting of the Board upon notice thereof, as the Board may determine.

CERTIFICATE AS TO POSTING OR GIVING OF NOTICE

On this 21st day of July 2022 at 3:00 p.m., this notice was posted on a bulletin board located at a place convenient to the public in the central administrative offices of the Lamar Consolidated Independent School District, 3911 Avenue I, Rosenberg, Texas 77471, and in a place readily accessible to the general public at all times.

Barbara Johnson
Executive Assistant
Office of the Superintendent and the Board of Trustees

Regular Meeting

Be It Remembered

The State of Texas §
County of Fort Bend §
Lamar Consolidated Independent School District §

Notice of Regular Meeting Held

On this the 7th day of June 2022, the Board of Trustees of the Lamar Consolidated Independent School District of Fort Bend County, Texas met in Regular Session in Rosenberg, Fort Bend County, Texas.

CALL TO ORDER AND ESTABLISHMENT OF A QUORUM

This meeting was duly called to order by the President of the Board of Trustees, Mr. Alex Hunt, at 5:30 p.m.

Members Present:

Alex Hunt	President
Joy Williams	Vice President
Zach Lambert	Secretary
Mandi Bronsell	Member
Kay Danziger	Member
Joe Hubenak	Member
Jon Welch	Member

Members Absent:

None

Others Present:

Dr. Roosevelt Nivens	Superintendent
Alphonso Bates	Chief Student Services Officer
Sonya Cole-Hamilton	Chief Communications Officer
Jill Ludwig	Chief Financial Officer
Greg Buchanan	Chief Operations Officer
Dr. Terri Mossige	Chief Learning Officer
Dallis Warren	Chief of Police

BUSINESS TRANSACTED

Business properly coming before the Board was transacted as follows: to witness—

OPENING OF MEETING

A moment of silence was observed. The pledge of allegiance and pledge to the Texas Flag were led by Cadet Lieutenant Colonel Armani Welch and Cadet Major Joselyn Galindo from Terry High School.

Minutes of Regular Board Meeting June 7, 2022 – page 2

RECOGNITIONS/AWARDS

UIL State Track Meet

Shane Gardner, a senior at George Ranch High School, was recognized by the Board of Trustees for finishing third at the UIL State Track Meet in the 110-meter hurdles at the 6A level.

Retirement

Joe Klutts, A/V Technician, was recognized by the Board of Trustees for his support of the Board for the past 25 years.

Acknowledgement

Joy Williams, School Board Vice President, was recognized by the Board of Trustees for her work as School Board President from May 2020 – May 2022.

INTRODUCTIONS

None

PUBLIC COMMENT

None

BOARD MEMBER REPORTS

Meetings and Events

Mrs. Danziger attended all graduations and acknowledged the staff that helped plan and execute the ceremonies. She also visited several of the Meet and Greet events that were held for the newly appointed principals and assistant principals. Mrs. Danziger went to the Central Office Family Reunion Field Day.

Mr. Welch attended graduations and acknowledged the staff that helped plan and execute the events.

Mr. Lambert attended the Long Elementary School end of year parade.

Mr. Hunt participated in a budget committee meeting.

SUPERINTENDENT REPORTS

Meetings and Events

Dr. Nivens acknowledged the staff that helped plan and execute the graduation ceremonies. He also spoke about his son graduating from Fulshear High School and his father and family being able to attend.

Information for Immediate Attention

None

ITEMS FOR CONSENT OF APPROVAL:

It was moved by Mrs. Danziger and seconded by Mr. Welch that the Board of Trustees approve these consent agenda items as presented. The motion carried unanimously.

CONSENT AGENDA

Approval of minutes

May 17, 2022 – Bond Workshop

Approved minutes.

May 17, 2022 – Regular Board Meeting

Approved minutes.

Consider Ratification of Financial and Investment Reports

Ratified the Financial and Investment Reports.

Consider Approval of Budget Amendment Requests

Approved the Budget Amendment Requests.

Consider Approval of Purchase of Operation Services for District Water and Sewer Treatment Facilities

Approved the purchase of operation services for District water and sewer treatment facilities.

Consider Approval of Paving for Bus and Parent Loop at Williams Elementary School

Approved paving for bus and parent loop at Williams Elementary School.

Consider Approval of Purchase Agreement with TASB Energy Cooperative for Vehicle Fuel

Approved purchase agreement with TASB Energy Cooperative for vehicle fuel.

Consider Approval of Design Development for Terry High School and George Junior High School Phase 2

Approved design development for Terry High School and George Junior High School Phase 2.

Consider Approval of Final Payment and Deductive Change Order for Terry High School and George Junior High School Additions and Renovations Phase 1 GMP#2

Approved the final payment and deductive change order for Terry High School and George Junior High School additions and renovations Phase 1 GMP#2

Consider Approval of 2022-2023 Student Code of Conduct

Approved the 2022-2023 Student Code of Conduct.

Consider Approval of Capital Recovery Fee and Service Agreement for Water and Sewer at Gray Elementary School and Ag Barn #3

Approved the capital recovery fee and service agreement for water and sewer at Gray Elementary School and Ag Barn #3.

Minutes of Regular Board Meeting June 7, 2022 – page 4

Consider Approval of Instructional Materials Recommendations for 6th – 8th Grade Science

Approved the instructional materials recommendations for 6th – 8th grade Science.

ACTION ITEMS

Consider Approval of Memorandum of Understanding (MOU) with Kickstart Kids Program

Ms. Nelson presented information on the Kickstart Kids Program.

Mr. Welch asked if the Kickstart Kids Program would be offered as a class to students and if the instructor would be a Lamar CISD employee. Ms. Nelson said the program would be offered in place of a student's physical education class and would be taught by a contracted teacher through Kickstart. Mr. Welch asked if the MOU allowed for additional schools to be added without Board approval. Dr. Nivens stated that this MOU was only for Ryon Middle School and additional campuses will need Trustee approval.

It was moved by Mr. Welch and seconded by Mr. Hubenak that the Board of Trustees approve the Memorandum of Understanding (MOU) with Kickstart Kids Program. The motion carried unanimously.

Consider Approval of Contract for Construction of Lamar CISD Police Station

Mr. Buchanan presented information on the construction of Lamar CISD Police Station.

It was moved by Mr. Lambert and seconded by Mr. Hubenak that the Board of Trustees reject the contract for construction of Lamar CISD Police Station. The motion carried unanimously.

Consider Approval of Salary Increases

Ms. Ludwig presented information on salary increases.

Dr. Nivens addressed staff concerns regarding the salary schedule for newly hired teachers versus the salary schedule for veteran Lamar CISD teachers.

It was moved by Mrs. Danziger and seconded by Mrs. Bronsell that the Board of Trustees approve the salary increases as presented. The motion carried unanimously.

INFORMATION ITEMS

Bond Update

Mr. Buchanan presented the bond update to the Board.

Safety and Security Update

Chief Warren presented the safety and security update to the Board.

Mrs. Williams asked about the work schedule of the canine officer, Jumbo. Chief Warren said the police department is still refining his schedule, but the plan is that he will work every day.

Mr. Hunt asked why the presentation didn't include more specific things that the police department was doing. Chief Warren said the police department does not want to reveal any strategies or plans that could undermine the police department's ability to respond effectively.

Minutes of Regular Board Meeting June 7, 2022 – page 5

Budget Workshop Update

Ms. Ludwig presented information on salary increases.

Dr. Nivens asked Ms. Ludwig to explain the fast growth allotment and how it impacts funding.

FUTURE ACTION ITEMS

Discussion of Date for Public Meeting to Discuss Budget and Proposed Tax Rate

Ms. Ludwig presented a date for the public meeting to discuss the budget and the proposed tax rate.

Discussion of Proposed Tax Rate That Will Be Published in the Notice for Public Meeting

Ms. Ludwig presented the proposed tax rate that will be published in the notice for public meeting.

Discussion of Designation of Officer/Employee Responsible for Calculating the No-New-Revenue Tax Rate and the Voter-Approval Tax Rate

Ms. Ludwig presented information on the designation of the officer/employee responsible for calculating the no-new-revenue tax rate and the voter-approval tax rate.

Discussion of Policy Additions, Revisions and Recommendations

Dr. Chad Jones presented information on Board Policy EF (Local).

Mr. Welch recommended that the Trustees read and compare the TEA policy, the TASB recommendations and administration's recommendations prior to the next Board meeting.

Mr. Hunt asked how many books are in the Lamar CISD's libraries. Dr. Jones said there are approximately 500,000 unique titles in the libraries. Mr. Hunt asked about the purchasing process for library books. Dr. Jones explained that library books are purchased throughout the year and not at set times.

Mr. Bates presented information on the proposed Board Policy CW (Local).

Mr. Welch asked that the words junior high be added to the proposed policy.

ADJOURNMENT TO CLOSED SESSION PURSUANT TO TEXAS GOVERNMENT CODE SECTIONS 551.071, 551.072, 551.074, and 551.082, THE OPEN MEETINGS ACT, FOR THE FOLLOWING PURPOSES:

1. Section 551.074 - For the purpose of considering the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear complaints or charges against a public officer or employee.
 - a. Approval of personnel recommendations for employment of professional personnel
 - b. Employment of professional personnel (Information)
 - c. Employee resignations and retirements (Information)
 - d. Deliberate recommendation to terminate probationary and term contracts for good cause pursuant to Texas Government Code Section 551.074
2. Section 551.072 - For the purpose of discussing the purchase, exchange, lease or value of real property
 - a. Land

Minutes of Regular Board Meeting June 7, 2022 – page 6

3. Section 551.071 - To meet with the District's attorney to discuss matters in which the duty of the attorney to the District under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Open Meetings Act, including the grievance/complaint hearing.

- a. Any item listed on the agenda
- b. Discuss pending, threatened, or potential litigation, including school finance litigation

The Board adjourned to Closed Session at 6:59 p.m. for the purposes listed above.

RECONVENE IN OPEN SESSION – ACTION ON CLOSED SESSION

The Board reconvened in Open Session at 8:19 p.m.

Discussion and Possible Approval of Redistricting Resolution and Public Forum Dates

Chris Elam presented information on redistricting to the Board.

It was moved by Mrs. Bronsell and seconded by Mr. Hubenak that the Board of Trustees approve the resolution adopting criteria for the redistricting process. The motion carried unanimously.

Discussion and Possible Approval of Purchase, Exchange, Lease or Value of Real Property

It was moved by Mrs. Danziger and seconded by Mr. Welch that the Board of Trustees approve the purchase, exchange, lease or value of real property as discussed in closed session. The motion carried unanimously.

FUTURE AGENDA ITEMS

None

UPCOMING MEETINGS AND EVENTS

TASB Summer Leadership Institute Conference

ADJOURNMENT

The meeting adjourned at 8:31p.m.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Signed:

Alex Hunt
President of the Board of Trustees

Zach Lambert
Secretary of the Board of Trustees

Bond Workshop Meeting Minutes Tuesday, June 7, 2022 6:30pm

Mr. Hunt opened the bond workshop meeting at 8:38pm.

In attendance:

Alex Hunt	Board President
Joy Williams	Board Vice President
Zach Lambert	Board Secretary
Mandi Bronsell	Board Member
Kay Danziger	Board Member
Joe Hubenak	Board Member
Jon Welch	Board Member

Others in attendance:

Roosevelt Nivens	Superintendent
Alphonso Bates	Chief Student Services Officer
Sonya Cole-Hamilton	Chief Communications Officer
Jill Ludwig	Chief Financial Officer
Greg Buchanan	Chief Operations Officer
Terri Mossige	Chief Learning Officer
Dallis Warren	Chief of Police

Dr. Nivens explained the purposed of the workshop and turned the meeting over to Mr. Buchanan.

Mr. Buchanan presented information on the items to be considered in the 2022 Bond referendum.

Mr. Hunt asked if the practice pools must be a separate proposition. Mr. Buchanan said the practice pools must be separate from the proposition that includes schools.

Dr. Nivens explained that Mr. Hunt had the idea that the Trustees would discuss all bond items being presented, but Trustees would also create a bond citizen's committee that would be charged with reviewing the items and offer input.

Mrs. Danziger asked if the District could financially sustain a 2-year bond cycle. Ms. Ludwig said that would depend on how fast the values grow and how fast we pay off current debt.

Mr. Hunt asked Coach Nelson to explain why a second stadium has become a need for the District rather than a want.

Mr. Hunt asked if it is possible to combine some of the projects on the list so that the voters would be aware that the facilities would be multi-purpose for staff and students. Dr. Nivens said that would be an option and we would want the facilities to be student driven.

Dr. Nivens asked Ms. Ludwig to explain bond authorization and when the District would sell bonds.

Minutes of Bond Workshop June 7, 2022 – page 2

Ms. Cole-Hamilton explained the Bond Citizen’s Committee and the applicant criteria.

The meeting adjourned at 9:27 p.m.

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Signed:

Alex Hunt
President of the Board of Trustees

Zach Lambert
Secretary of the Board of Trustees

CONSIDER RATIFICATION OF FINANCIAL AND INVESTMENT REPORTS

RECOMMENDATION:

That the Board of Trustees ratify the Financial and Investment Reports as presented.

PROGRAM DESCRIPTION:

Financial reporting is intended to provide information useful for many purposes. The reporting function helps fulfill government's duty to be publicly accountable, as well as to help satisfy the needs of users who rely on the reports as an important source of information for decision making.

Financial reports and statements are the end products of the accounting process. You will find attached the following reports:

- Ratification of June 30, 2022 Disbursements, all funds
 - List of disbursements for the month by type of expenditure
- Financial Reports
 - Year-to-Date Cash Receipts and Expenditures, General Fund only
 - Investment Report

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Michele Reynolds, CPA, Director of Finance

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

SCHEDULE OF JUNE 2022 DISBURSEMENTS

IMPACT/RATIONALE:

All disbursements made by the Accounting Department are submitted to the Board of Trustees for ratification on a monthly basis. Disbursements made during the month of June total \$43,917,793 and are shown below by category.

			May 2022
			For Reference
<u>3-Digit Object</u>	<u>Description</u>	<u>Disbursements</u>	<u>Only</u>
611/612	Salaries and Wages, All Personnel	22,914,539	23,596,290
614	Employee Benefits	1,223,744	1,272,488
621	Professional Services	647,264	43,648
622	Tuition and Transfer Payments	884	-
623	Education Services Center	56,774	2,505
624	Contracted Maintenance and Repair Services	568,715	596,850
625	Utilities	1,047,222	786,751
626	Rentals and Operating Leases	418,232	437,737
629	Miscellaneous Contracted Services	1,211,504	1,081,179
631	Supplies and Materials for Maintenance and Operations	465,210	489,352
632	Textbooks and Other Reading Materials	187,463	82,329
633	Testing Materials	110,661	18,596
634	Food Service	261,345	1,333,987
639	General Supplies and Materials	3,593,723	2,872,288
641	Travel and Subsistence -- Employee and Student	87,888	157,408
642	Insurance and Bonding Costs	604,502	-
649	Miscellaneous Operating Costs/Fees and Dues	81,931	65,870
661	Land Purchase and/or Improvements	19	11
662	Building Purchase, Construction, and/or Improvements	8,006,973	7,001,741
663	Furniture & Equipment - \$5,000 or more per unit cost	623,518	1,608,495
141	Pre-paid	1,797,758	-
217	Operating Transfers, Loans and Reimbursements	-	6,434
573/575/592	Miscellaneous Refunds/Reimbursements to Campuses	7,924	3,228
Total		43,917,793	41,457,187

PROGRAM DESCRIPTION:

The report above represents all expenditures made during the month of June 2022. The detailed check information is available upon request.

Submitted by,



Michele Reynolds,
Director of Finance

Recommended for approval,



Dr. Roosevelt Nivens
Superintendent

**LAMAR CONSOLIDATED I.S.D.
GENERAL FUND
YEAR TO DATE CASH RECEIPTS AND EXPENDITURES
(BUDGET AND ACTUAL)
AS OF JUNE 30, 2022**

CASH RECEIPTS	AMENDED BUDGET	ACTUAL	BUDGET VARIANCE	PERCENT ACTUAL/ BUDGET
5700-LOCAL REVENUES	186,199,061.00	183,786,632.00	(2,412,429.00)	98.7%
5800-STATE PROGRAM REVENUES	185,811,382.00	124,905,407.00	(60,905,975.00)	67.2%
5900-FEDERAL PROGRAM REVENUES	3,925,000.00	5,550,511.00	1,625,511.00	141.4%
TOTAL- REVENUES	375,935,443.00	314,242,550.00	(61,692,893.00)	83.6%
EXPENDITURES				
6100-PAYROLL COSTS	317,042,974.00	250,810,730.00	66,232,244.00	79.1%
6200-PROFESSIONAL/CONTRACTED SVCS.	34,392,662.00	22,164,956.00	12,227,706.00	64.4%
6300-SUPPLIES AND MATERIALS	22,952,656.00	11,772,211.00	11,180,445.00	51.3%
6400-OTHER OPERATING EXPENDITURES	6,927,934.00	5,057,833.00	1,870,101.00	73.0%
6600-CAPITAL OUTLAY	4,473,820.00	1,986,755.00	2,487,065.00	44.4%
TOTAL-EXPENDITURES	385,790,046.00	291,792,485.00	93,997,561.00	75.6%

Local Investment Pools
as of June 30, 2022

ACCOUNT NAME	BEGINNING BALANCE	TOTAL DEPOSIT	TOTAL WITHDRAWAL	TOTAL INTEREST	MONTH END BALANCE
TexPool accounts are as follows:					
Food Service	8,103,648.46	0.00	0.00	6,669.08	8,110,317.54
General Account	74,179,098.16	0.00	17,268,230.50	51,067.86	56,961,935.52
Health Insurance	3,301,442.72	2,251,563.83	3,300,000.00	3,428.60	2,256,435.15
Workmen's Comp	40,306.00	41,666.67	60,000.00	35.44	22,008.11
Property Tax	24,366,661.16	937,968.91	0.00	20,629.18	25,325,259.25
Vending Contract Sponsor	304,906.66	0.00	0.00	250.93	305,157.59
Deferred Compensation	2.55	0.00	0.00	0.00	2.55
Capital Projects Series 2005	1,067,500.25	0.00	0.00	878.50	1,068,378.75
Student Activity Funds	35,118.08	0.00	0.00	28.86	35,146.94
Taylor Ray Donation Account	54.72	0.00	0.00	0.00	54.72
Capital Projects Series 2007	119,457.85	0.00	0.00	98.31	119,556.16
Common Threads Donation	56,470.44	0.00	0.00	46.52	56,516.96
Debt Service 2012A	2,992,758.97	0.00	0.00	2,462.97	2,995,221.94
Debt Service 2012B	63.20	0.00	0.00	0.00	63.20
Debt Service 2014A	623.83	0.00	0.00	0.45	624.28
Debt Service 2014B	251,110.89	0.00	0.00	206.66	251,317.55
Debt Service 2013	24.64	0.00	0.00	0.00	24.64
Debt Service 2013A	1,965.46	0.00	0.00	1.63	1,967.09
Debt Service 2015	1,289,048.44	0.00	0.00	1,060.85	1,290,109.29
Capital Projects 2015	0.00	0.00	0.00	0.00	0.00
Debt Service 2016A	1,622,467.02	0.00	0.00	1,335.25	1,623,802.27
Debt Service 2016B	10.43	0.00	0.00	0.00	10.43
Debt Service 2017	1,007,794.11	0.00	0.00	829.36	1,008,623.47
Capital Projects 2017	1.00	0.00	0.00	0.00	1.00
Debt Service 2018	4,390,981.40	0.00	0.00	3,613.68	4,394,595.08
Capital Projects 2018	2,047.66	0.00	0.00	1.65	2,049.31
Debt Service 2019	6,263,109.25	0.00	0.00	5,154.37	6,268,263.62
Debt Service Capitalized Interest 2019	27,054.93	0.00	0.00	22.22	27,077.15
Debt Service 2020	1,007,511.10	0.00	0.00	829.19	1,008,340.29
Debt Service 2021	2,338,723.62	0.00	0.00	1,924.70	2,340,648.32
Debt Service Capitalized Interest 2021	5,020,869.87	0.00	0.00	4,132.04	5,025,001.91
Capital Projects 2021	69,226,128.84	0.00	5,763,771.83	54,704.68	63,517,061.69
Capital Projects 2022	145,089,396.09	0.00	0.00	119,405.23	145,208,801.32
Debt Service 2022	17,469.58	0.00	0.00	14.35	17,483.93
Debt Service Capitalized Interest 2022	13,008,015.59	0.00	0.00	10,705.25	13,018,720.84
Lone Star Investment Pool Government Overnight Fund					
Capital Projects Fund	90,834.20	0.00	0.00	72.95	90,907.15
Workers' Comp	299,243.50	0.00	0.00	240.32	299,483.82
Property Tax Fund	34,089.20	0.00	0.00	27.38	34,116.58
General Fund	2,926,002.95	0.00	0.00	2,349.85	2,928,352.80
Food Service Fund	45,870.01	0.00	0.00	36.84	45,906.85
Debt Service Series 1996	325.12	0.00	0.00	0.26	325.38
Capital Project Series 1998	742.64	0.00	0.00	0.60	743.24
Debt Service Series 1990	0.04	0.00	0.00	0.00	0.04
Debt Service Series 1999	2.43	0.00	0.00	0.00	2.43
Capital Project Series 1999	0.01	0.00	0.00	0.00	0.01
Capital Projects 2007	407.12	0.00	0.00	0.33	407.45
Capital Projects 2008	0.31	0.00	0.00	0.00	0.31
Capital Projects 2012A	0.06	0.00	0.00	0.00	0.06
Capital Projects 2014B	18.03	0.00	0.00	0.01	18.04
Capital Projects 2015	54.02	0.00	0.00	0.04	54.06
Debt Service Series 2015	382.76	0.00	0.00	0.31	383.07
Capital Projects 2017	0.12	0.00	0.00	0.00	0.12
Capital Projects 2018	7,209,132.61	0.00	1,464,263.96	5,489.58	5,750,358.23
Debt Service Series 2018	10.74	0.00	0.00	0.01	10.75
Capital Projects 2019	817,042.52	0.00	0.00	656.16	817,698.68
Capital Projects 2021	10,293,591.58	0.00	0.00	8,266.69	10,301,858.27
Capital Projects 2022	115,064,702.77	0.00	0.00	92,407.45	115,157,110.22
MBIA Texas CLASS Fund					
General Account	16,522,897.03	0.00	0.00	15,728.69	16,538,615.72
Capital Project Series 1998	973.54	0.00	0.00	0.98	974.52
Capital Projects Series 2007	1.00	0.00	0.00	0.00	1.00
Debt Service Series 2007	1.00	0.00	0.00	0.00	1.00
Capital Projects Series 2012A	2,046,345.10	0.00	0.00	1,947.98	2,048,293.08
Debt Service 2015	834.89	0.00	0.00	0.76	835.65
Capital Projects 2017	9,370,415.48	0.00	23,576.75	6,656.79	9,353,495.52
Capital Projects 2019	7,925,516.52	0.00	4,021,909.91	6,579.43	3,910,186.04
Capital Projects 2021	6,074,651.94	0.00	0.00	5,782.67	6,080,434.61
TEXSTAR					
Capital Projects Series 2007	786.93	0.00	0.00	0.64	787.57
Debt Service Series 2008	13.86	0.00	0.00	0.00	13.86
Capital Projects Series 2008	137.98	0.00	0.00	0.05	138.03
Debt Service Series 2012A	0.03	0.00	0.00	0.00	0.03
Debt Service Series 2012B	0.17	0.00	0.00	0.00	0.17
Capital Projects Series 2012A	12.21	0.00	0.00	0.00	12.21
Debt Service 2013	2.67	0.00	0.00	0.00	2.67
Capital Projects 2014A	4,866.91	0.00	0.00	3.94	4,870.85
Capital Projects 2014B	2.65	0.00	0.00	0.00	2.65
Debt Service 2015	2,661.48	0.00	0.00	2.13	2,663.61
Capital Projects 2015	1.40	0.00	0.00	1.40	1.40
Capital Projects 2017	1.00	0.00	0.00	0.00	1.00
Capital Projects 2018	20,219,356.25	0.00	0.00	16,369.12	20,235,725.37
Debt Service 2018	1.65	0.00	0.00	0.00	1.65
Debt Service 2019	506,070.95	0.00	0.00	409.70	506,480.65
Capital Projects 2019	32,042,505.76	0.00	0.00	25,940.85	32,068,446.61
Capital Projects 2021	24,023,692.62	0.00	0.00	19,449.00	24,043,141.62
Capital Projects 2022	116,886,087.75	0.00	0.00	94,628.15	116,980,715.90
Texas Range Fund					
Capital Projects Series 2007	1,068,259.82	0.00	0.00	881.88	1,069,141.70
Capital Projects Series 2008	149.61	0.00	0.00	0.12	149.73
Capital Projects Series 2012A	0.21	0.00	0.00	0.00	0.21
Capital Projects Series 2014A	112,050.57	0.00	0.00	92.50	112,143.07
Capital Projects Series 2014B	500,737.17	0.00	0.00	413.37	501,150.54
Debt Service 2015	115.09	0.00	0.00	0.10	115.19
Capital Projects 2015	3,346,578.21	0.00	0.00	2,762.71	3,349,340.92
Capital Projects 2017	41.87	0.00	0.00	0.03	41.90
Capital Projects 2018	7.15	0.00	0.00	0.01	7.16
Debt Service 2018	1.48	0.00	0.00	0.00	1.48
Capital Projects 2019	15,163,670.34	0.00	0.00	12,518.11	15,176,188.45
Capital Projects 2021	94,173,748.45	0.00	0.00	77,743.52	94,251,491.97
Capital Projects 2022	50,033,356.92	0.00	0.00	41,304.18	50,074,661.10

ACCOUNT TYPE	AVG. RATE OF RETURN	CURRENT MONTH EARNINGS
TEXPOOL ACCOUNT INTEREST	0.94	\$289,537.81
LONE STAR ACCOUNT INTEREST	0.98	\$109,548.78
MBIA TEXAS CLASS ACCOUNT INTEREST	1.16	\$36,697.30
TEXSTAR ACCOUNT INTEREST	0.99	\$156,803.58
TEXAS RANGE ACCOUNT INTEREST	1.00	\$135,716.53
TOTAL CURRENT MONTH EARNINGS		\$728,304.00
EARNINGS 9-01-21 THRU 5-31-22		\$800,435.94
TOTAL CURRENT SCHOOL YEAR EARNINGS		\$1,528,739.94

CONSIDER APPROVAL OF BUDGET AMENDMENT REQUESTS

RECOMMENDATION:

That the Board of Trustees consider approval of budget amendment requests.

IMPACT/RATIONALE:

The proposed budget amendments require school board approval because budgeted funds are being reallocated between functional categories and/or new budgets are being established.

PROGRAM DESCRIPTION:

Budget amendments are mandated by the state for budgeted funds reallocated from one functional level, and state and/or federal program to another. These budget changes are usually the result of unexpected levels of expenditures in certain categories and amendments are for legal compliance. Other budget amendments are determined by the School Board.

Since the operating budget for Lamar CISD is adopted at the functional level, budget revisions are required for reallocations between functional levels or when new budgets are being established. All necessary budget amendments must be formally adopted by the School Board and recorded in the Board minutes. (TEA Financial Accountability System Resource Guide, Financial Accounting & Reporting, Update 17.0)

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Yvonne Dawson, RTSBA, Director of Budget and Treasury

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

Terry High School is requesting a budget change to pay for the 2022-2023 beginning of year planning expenses for the staff in August.

199-36	Extra-curricular Activities	(4,594.00)
199-23	School Leadership	4,594.00

Fulshear High School is requesting a budget change to purchase cafeteria tables to accommodate student growth.

199-36	Extra-curricular Activities	(8,331.00)
199-35	Food Services	8,331.00

The Career and Technical Education Department is requesting two budget changes:

The first budget amendment is to purchase student computers and tables to accommodate the increase in the student to teacher ratios in the CTE classrooms at three high school campuses.

199-36	Extra-curricular Activities	(121,842.00)
199-11	Instruction	121,842.00

The second budget amendment is to purchase furniture for the CTE department office relocation.

199-36	Extra-curricular Activities	(28,783.00)
199-21	Instructional Leadership	28,783.00

The Bond Program Office is requesting a budget change to pay for E-Builder training courses.

199-51	Facilities Maintenance and Operations	(1,570.00)
199-81	Facilities Acquisitions and Construction	1,570.00

The Student Programs Department is requesting a budget change to purchase software and program support for training of all teachers, counselors, and administrators to assist students with social and emotional learning and mental wellness.

199-11	Instruction	(89,500.00)
199-31	Guidance, Counseling, & Evaluation Svc	89,500.00

The Office of the Chief Financial Officer and the Maintenance and Operations Department are requesting an amendment to the budget for insurance recovery funds received for vehicle damage.

199-00	Revenue	1,000.00
199-51	Facilities Maintenance & Operations	1,000.00

**CONSIDER APPROVAL OF AMENDMENT NO. 3 TO RFP 12-2021RF,
THE HVAC FULL COVERAGE MAINTENANCE AND SERVICE AGREEMENT**

RECOMMENDATION:

That the Board Trustees approve Amendment 3 of \$23,175 per year to the RFP 12-2021RF, Full Coverage Maintenance and Service Agreement with Texas AirSystems, and authorize the Superintendent or Designee to execute the agreement.

IMPACT/RATIONALE:

The current contract with Texas AirSystems does not include water treatment for the Randle High School Central Plant and the preventative maintenance for HVAC units installed for the IDF/MDF Project at Foster High School, Briscoe Junior High, and Wertheimer Middle School. Amendment 3 will add the water treatment service at Randle High School Central Plant and the preventative maintenance to 18 units and associated equipment at Foster High School, Briscoe Junior High, and Wertheimer Middle School to the Full Coverage Maintenance and Service Agreement. The funding is the general fund maintenance budget.

PROGRAM DESCRIPTION:

Upon approval, the Board President will execute the agreement document to Texas AirSystems to include water treatment for the Randle High School Central Plant and the preventative maintenance for the HVAC units installed for the IDF/MDF Project at Foster High School, Briscoe Junior High, and Wertheimer Middle School to the RFP 12-2021RF, HVAC Full Coverage Maintenance and Service Agreement.

Submitted by: Greg Buchanan, Chief Operations Officer
 Hector Gomez, Director of Maintenance and Operations
 Paul Gutowsky, RTSBA, ATEM, Energy Coordinator

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

Amendment III to RFP 12-2021RF

HVAC Full Coverage Maintenance & Service Agreement

August 16, 2022

This Agreement is made between Lamar Consolidated Independent School District, 3911 Avenue I, Rosenberg, Texas 77471; and Texas AirSystems, 12650 Directors Dr., Suite 600, Stafford, Texas 77477.

In this Agreement, the party who is contracting to receive services shall be referred to as “LCISD,” and the party who will be providing the services shall be referred to as “TAS.”

Therefore the parties agree to the following:

LCISD will pay TAS in the amount of Twenty-Three Thousand One Hundred Seventy-five Dollars (\$23,175.00) per year to perform these tasks at the following locations:

- Randle HS Central Plant Water Treatment \$6,000.00
 - HVAC water treatment for the Randle/Wright Complex

- IDF/MDF Project, Foster HS, Briscoe JH, Wertheimer MS \$17,175.00
 - Preventative Maintenance of 18 HVAC systems and associated equipment.

Performance of Scope of Services will correspond with RFP 12-2021, HVAC Full Coverage Maintenance & Service Agreement Documents.

Length of the Agreement: June 1, 2022, to June 30, 2024.

Both Parties agree that the complete agreement between us about these services will consist of this RFP 12-2021, HVAC Full Coverage Maintenance & Service Agreement.

Agreed to:
Lamar Consolidated Independent School District

Agreed to:
Texas AirSystems

By: _____
Authorized Signature

By: _____
Authorized Signature

Authorized Name (print)

Authorized Name (print)

Customer Address:
Lamar Consolidated Independent School District
3911 Avenue
Rosenberg, Texas 77471
(832) 223- 0000

Contractor Address:
Texas AirSystems
9021 S. Sam Houston Pkwy W #100
Missouri City, Texas 77489
(832) 342-7000



April 11, 2022

Paul Gutowsky
Energy Coordinator
Lamar Consolidated ISD

Reference:

- Randle HS Central Plant Water Treatment
- IDF/MDF Project, Foster HS, Briscoe JH, Wertheimer MS

Texas AirSystems is pleased to provide the following pricing for your review:

- Randle HS Central Plant Water Treatment \$6,000.00
 - HVAC water treatment for the Randle/Wright Complex
- IDF/MDF Project, Foster HS, Briscoe JH, Wertheimer MS \$17,175.00
 - Preventative Maintenance of 18 HVAC systems and associated equipment.

The total costs for these services will be \$23,175.00 per year.

Performance of scope will be as it pertains to the HVAC Service Agreement, RFP 12-2021RF.
Services will begin June 1, 2022, and continue for the duration of the current RFP 12-2021RF.

Regards,

Scott Sory

Scott Sory
Regional Operations Manager

CONSIDER APPROVAL OF DESIGNATION OF CARMEN P. TURNER, MPA AS TAX ASSESSOR-COLLECTOR FOR LAMAR CISD

RECOMMENDATION:

That the Board of Trustees consider renewing the designation of Carmen P. Turner, MPA as Tax Assessor-Collector for Lamar CISD by interlocal agreement.

RATIONALE:

Lamar CISD has contracted with the Fort Bend County Tax Assessor-Collector (“the County”), via interlocal agreement and renewal terms, for the assessment and collection of taxes since September 1, 1999. Services provided by the County have been of high quality and have created operational efficiencies for the District.

The costs of the services provided in the attached agreement for the 2022-2023 year are:

- Forty cents (\$0.40) per parcel per year, an increase of \$0.05 per parcel per year;
- One dollar (\$1.00) per account to add delinquent accounts to the County’s records;
- Two dollars, seventy-seven cents (\$2.77) per account outside of Fort Bend County; and
- Other costs as incurred by the County for additional services requested by the District or mandated by state statute.

The current year costs for 2021-2022 are \$37,485.35 (107,101 parcels at \$0.35 per parcel).

PROGRAM DESCRIPTION:

The agreement shall be effective as of the date executed by both parties and shall terminate on June 30, 2023. Automatic annual renewal terms are provided for upon mutual agreement thereafter and through June 30, 2027 unless terminated sooner by the parties.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Michele Reynolds, CPA, Director of Finance

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent



COUNTY TAX ASSESSOR-COLLECTOR

Fort Bend County, Texas

Carmen P. Turner, MPA
County Tax Assessor-Collector

(281) 341-3710
Fax (832) 471-1830
www.fbctx.gov

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

INTERLOCAL COOPERATION AGREEMENT FOR THE COLLECTION OF TAXES

This Agreement (“Agreement”) is made and entered into by and between the County of Fort Bend, Texas, with the agreement, consent, and participation of the Fort Bend County Tax Assessor/Collector (singularly or collectively referred to as "County" or “County Tax Assessor/Collector”), and Lamar Consolidated Independent School District, a taxing entity in the State of Texas.

RECITALS

WHEREAS, Section 6.24 of the Texas Property Tax Code and the Interlocal Cooperation Act, Chapter 791, Texas Government Code, as amended, authorize political subdivisions of the State of Texas to enter into interlocal contracts for the provision of tax assessing and collecting services; and

WHEREAS, Fort Bend County acting by and through its Commissioner's Court with the approval of the County Tax Assessor-Collector, hereinafter referred to as the "County," has agreed to provide tax assessing and collecting services for Lamar Consolidated Independent School District; and

WHEREAS, Lamar Consolidated Independent School District acting by and through its governing body, having authorized their President to execute this Agreement has agreed to authorize the County to provide tax assessing and collecting services for it in the form and manner most efficient and economical to it and its taxpayers; and

WHEREAS, Lamar Consolidated Independent School District has the authority to authorize the County to act as its tax assessor and collector, and the County has the authority to act in that capacity;

NOW, THEREFORE, for and in consideration as hereinafter expressed and the mutual condition set out herein, it is agreed by and between the County and Lamar Consolidated Independent School District as follows:

ARTICLE I
PURPOSE

The purpose of this Agreement is to designate and allow the Fort Bend County Tax Assessor/Collector as the Tax Assessor/Collector for Lamar Consolidated Independent School District for the collection of ad valorem taxes, including penalties, interest and attorney's fees for the collection of taxes owed Lamar Consolidated Independent School District in Fort Bend County.

ARTICLE II
TERM

- 2.01 This Agreement shall be effective as of date executed by both Parties and shall terminate on June 30, 2023.
- 2.02 This Agreement shall automatically renew each July 1 for up a one (1) year term thereafter and through June 30, 2027, unless sooner terminated as provided herein.
- 2.03 Lamar Consolidated Independent School District may terminate this agreement at any time by providing ninety (90) days advanced written notice to County.
- 2.04 County may terminate this agreement without cause by providing written notice to Lamar Consolidated Independent School District no later than six (6) months in advance of the expiration of the initial term of this Agreement or any renewal term.
- 2.05 In the event of termination of this Agreement by Lamar Consolidated Independent School District, Lamar Consolidated Independent School District shall assume all contractual obligations entered into with County for services rendered Lamar Consolidated Independent School District for the duration of the term of the Agreement and any renewal, and County shall be relieved of all contractual obligations under this agreement.
- 2.06 As soon as practicable after the date of termination or the expiration of this Agreement, the County shall submit a final report containing the information set forth in Article III. At that time, distribution of the amount due to Katy Independent School District shall be made or Lamar Consolidated Independent School District shall be invoiced for any amounts due from Lamar Consolidated Independent School District pursuant to the terms of this Agreement. Payment by Lamar Consolidated Independent School District shall be due and payable, no later than thirty (30) days after receipt of an invoice. Copies of all reports and all records of Lamar Consolidated Independent School District shall be delivered to Lamar Consolidated Independent School District when and if this Agreement is terminated or upon its expiration if not sooner terminated.

ARTICLE III
OBLIGATION OF COUNTY

- 3.01 For the purposes and consideration herein stated and contemplated, County shall provide tax collection services by and through the Tax Assessor for Lamar Consolidated Independent School District for tax accounts within the jurisdiction of

- Lamar Consolidated Independent School District, limited to Fort Bend County accounts.
- 3.02 Lamar Consolidated Independent School District hereby designates the County Tax Assessor/Collector as its Tax Assessor/Collector for purposes of compliance with Chapter 26 of the Texas Property Tax Code, as amended, for Fort Bend County accounts.
- 3.03 County shall perform all the duties required by law of the Tax Assessor-Collector of Lamar Consolidated Independent School District with regard to assessing and collection of ad valorem taxes.
- 3.04 Lamar Consolidated Independent School District shall adopt a tax rate in accordance with Tax Code 26.05 (a)
- 3.05 Lamar Consolidated Independent School District hereby expressly authorizes County to do and perform all acts necessary and proper to collect taxes for Lamar Consolidated Independent School District, including but not limited to:
- A. Calculation of taxes, preparation of current and delinquent tax rolls, proration of taxes, correction of clerical errors in tax rolls, collection of current liabilities, collection of delinquent taxes, issuance of refunds.
 - B. County shall assess and collect the ad valorem property taxes owing to the Lamar Consolidated Independent School District. The term “assess” does not include those functions defined as “appraisal” by the Property Tax Code.
 - C. The county shall produce a consolidated tax statement for both County and Lamar Consolidated Independent School District taxes.
 - D. County shall prepare consolidated tax statements for each parcel on the tax rolls of Lamar Consolidated Independent School District.
 - E. County shall mail statements.
 - F. County shall mail notices of delinquent service charges in accordance with Section 33.07, 33.08 and 33.11 of the Texas Property Tax Code.
 - G. County shall perform for Lamar Consolidated Independent School District all duties provided by law of the State of Texas for the collection of taxes.
 - H. County shall perform any additional, reasonable services, which may be requested by Lamar Consolidated Independent School District. County shall bill all additional services to Lamar Consolidated Independent School District at actual costs.
- 3.06 County shall provide the following reports, upon request, by Lamar Consolidated Independent School District:
- A. Report of the current year tax levy, showing taxable value, exemptions, abatements, net taxable values, tax rate, and tax levy for each parcel of property;
 - B. Remittance report with each remittance to Lamar Consolidated Independent School District showing the taxes paid by year, amount paid, principal and interest paid, service charge paid, etc.;
 - C. Monthly report of tax activity showing the amount of initial levy, collections during month for both current and delinquent taxes, adjustments during the month, and the year-to-date collections percentage of current levy; and

- D. Any additional reports, which may be requested by the Lamar Consolidated Independent School District.
- 3.07 The taxes collected by County for Lamar Consolidated Independent School District shall be remitted as follows:
 - A. a credit/debit memo within same depository bank; or
 - B. by ACH; or
 - C. by wire to Lamar Consolidated Independent School District's designated depository or agent; or
 - D. By check mailed to Lamar Consolidated Independent School District.
- 3.08 Lamar Consolidated Independent School District shall provide written notification to County of the manner in which taxes shall be remitted, as described in Section 3.07 above.
- 3.09 The taxes collected by County shall be remitted at least once per week.
- 3.10 Wire transfers shall incur a charge of five dollars (\$5.00) for each transfer.
- 3.11 Refunds to taxpayers and taxpayer checks returned from banks shall be deducted from the County's remittance to Lamar Consolidated Independent School District.

ARTICLE IV
OBLIGATIONS OF Lamar Consolidated Independent School District

- 4.01 Lamar Consolidated Independent School District agrees to promptly deliver to County all records necessary to perform its duties under the terms of this Agreement.
- 4.02 For services rendered pursuant to this Agreement, Lamar Consolidated Independent School District agrees to pay County for the actual costs incurred, for assessing or collecting taxes Lamar Consolidated Independent School District in accordance with Tax Code Section 6.27. The Parties acknowledge and agree that these amounts as of the date of this Execution are as follows:
 - A. **Forty cents (\$0.40) per parcel per year;**
 - B. **One dollar (\$1.00) per account to add delinquent accounts to County's records; and**
 - C. **Two dollars and seventy-seven cents (\$2.77) per account outside of Fort Bend County.**
 - D. **Other costs for which Lamar Consolidated Independent School District will reimburse the County for actual costs incurred for any additional services requested by Lamar Consolidated Independent School District or mandated by state statute.**
- 4.03 County will review actual costs annually and advise Lamar Consolidated Independent School District of any cost change in advance of the auto renewal. The Agreement will then renew at those rates without need to amend this document unless otherwise terminated by the Parties.
- 4.04 Lamar Consolidated Independent School District shall pay to County the cost of assessment and collection as provided in Section 4.02. The payment shall be remitted to County after the mailing of consolidated tax statements and no more than 30 days after receipt of County invoice.

ARTICLE V
ADMINISTRATIVE PROVISIONS

- 5.01 All records necessary to be maintained by County for the assessment and collections of taxes shall be kept clearly on the books and records of County, and a designated representative of Lamar Consolidated Independent School District, including Lamar Consolidated Independent School District's auditors, is authorized to examine the records maintained by County at such reasonable time and interval as Lamar Consolidated Independent School District deems necessary. Such books and records will be kept in the offices of County.
- 5.02 Lamar Consolidated Independent School District shall maintain a Public Fidelity Bond covering all offices, officials and employees for one hundred thousand dollars (\$100,000.00).
- 5.03 Lamar Consolidated Independent School District shall transfer to the possession and control of County, without charge, copies of all records necessary for the performance of the duties and responsibilities of County pursuant to this Agreement, which shall include all tax records, including the delinquent tax rolls.
- 5.04 County shall not be legally responsible to Lamar Consolidated Independent School District for any failure to collect taxes, nor shall the County Tax Assessor-Collector be legally responsible unless the failure to collect taxes results from failure to perform the duties imposed by law and by this Agreement.
- 5.05 Lamar Consolidated Independent School District reserves the right to institute such suits for the collection of delinquent taxes, as Lamar Consolidated Independent School District deems necessary and to contract with an attorney for collection of delinquent taxes.
- 5.06 County shall comply with all provisions of the Texas Property Tax Code, as amended, and any policies and procedures regarding collection of ad valorem property taxes which Lamar Consolidated Independent School District may adopt.
- 5.07 In the event County waives any penalty and/or interest on any parcel, pursuant to Section 33.011 of the Property Tax Code, Lamar Consolidated Independent School District consents to the waiver of the penalty and/or interest on the same parcel(s), and hereby authorizes County to waive such penalty and/or interest on behalf of Lamar Consolidated Independent School District.
- 5.08 Lamar Consolidated Independent School District performance under this Agreement is conditioned on the appropriation of funds by Lamar Consolidated Independent School District on a yearly basis for payment of the Collection Fee, and shall constitute a commitment of current revenues only. The failure by Lamar Consolidated Independent School District's governing body to appropriate funds sufficient for payment of such Collection Fee shall be grounds for termination of this Agreement.

ARTICLE VI
LIABILITY

- 6.01 Each party to this Agreement agrees that it shall have no liability whatsoever for the actions or omissions of an individual employed by another party, regardless of where the

individual's actions occurred. Each party is solely responsible for the actions and/or omissions of its employees and officers.

ARTICLE VII
MISCELLANEOUS

7.01 This Agreement shall be governed by and constructed in accordance with the laws of the State of Texas.

7.02 No assignment of this Agreement or of any right accrued hereunder shall be made, in whole or in part, by either party without the prior written consent of the other party. Venue shall be in Fort Bend County, Texas.

7.03 The undersigned officer and/or agents of the parties hereto are the properly authorized officials of the party presented and have the necessary authority to execute this Agreement on behalf of the parties hereto and each party hereby certifies to the other that any necessary approvals have been duly passed and approved and are now in full force and effect.

7.04 The parties to this Agreement do not intend by this Agreement that any specific third party may obtain a right by virtue of the execution of performance of this Agreement.

7.05 In the event that any one or more of the terms, provisions or conditions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the other terms, provisions or conditions; and the Agreement shall be construed as if such invalid, illegal, or unenforceable term, provision or condition had never been contained in it.

7.06 The parties may not amend or waive this Agreement, except by a written agreement executed by both parties.

7.07 This executed instrument is understood and intended to be the final expression of the parties' agreement and is a complete and exclusive statement of the terms and conditions with respect thereto, superseding all prior agreements or representations, oral or written, and all other communication between the parties relating to the subject matter of this agreement. Any oral representations or modifications concerning this instrument shall be of no force or effect excepting a subsequent modification in writing signed by all the parties hereto.

ARTICLE VIII
NOTICES

8.01 Any notice required to be given under the provisions of this Agreement shall be in writing and shall be duly served when it shall have been deposited, enclosed in a wrapper with the proper postage prepaid thereon, and duly registered or certified, return receipt requested, in a United States Post Office, addressed to the Owner at the mailing address as hereinafter set out. If mailed, any notice of communication shall be deemed to be received three (3) days after the date of deposit in the United States Mail. Unless otherwise provided in this Agreement, all notices shall be delivered to the Owner or the County at the following addresses:

To County: The Honorable Carmen Turner
Fort Bend County Tax Assessor-Collector
1317 Eugene Heimann Circle
Richmond, Texas 77469-3623

To Lamar Consolidated Independent School District:
Lamar Consolidated Independent School District
Attn: Jill Ludwig, CFO
3911 Ave I
Rosenberg, TX 77471-3901

Either party may designate a different address by giving the other party ten (10) days written notice thereof.

ARTICLE IX
ENTIRE AGREEMENT

9.01 This executed instrument is understood and intended to be the final expression of the parties' agreement and is a complete and exclusive statement of the terms and conditions with respect thereto, superseding all prior agreements or representations, oral or written, and all other communication between the parties relating to the subject matter of this agreement. Any oral representations or modifications concerning this instrument shall be of no force or effect excepting a subsequent modification in writing signed by all the parties hereto, except as provided in Section 4.03 of this Agreement.

FORT BEND COUNTY:

Attest:

KP George
County Judge

Laura Richard, County Clerk

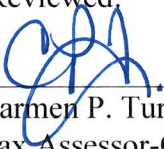
Date: _____

Lamar Consolidated Independent School District:

Attest:

Date: _____

Reviewed:



Carmen P. Turner, MPA
Tax Assessor-Collector

c:\users\rangemic\documents\tax collection interlocal master 5.2.22.doc

**CONSIDER APPROVAL OF INTERAGENCY PROGRAM AGREEMENT BETWEEN
LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT AND THE
BEHAVIOR TREATMENT AND TRAINING CENTER (BTTC), TEXANA CENTER**

RECOMMENDATION:

That the Board of Trustees approve the Interagency Program Agreement between Lamar Consolidated Independent School District and the Behavior Treatment and Training Center (BTTC), Texana Center for the 2022-2023 school year.

IMPACT/RATIONALE:

Lamar CISD is required to educate all school age children who reside within district boundaries, regardless of where the parent or guardian resides, and Lamar CISD has been educating residents residing at BTTC since the facility opened. In the spring of 2001, the program and fiscal responsibility for the BTTC shifted from the Richmond State School to Texana, Mental Health and Retardation Authority. Education is being provided through the Lamar CISD Community Center staff. State foundation special education contact hours and federal special education funds support the services provided at the BTTC.

PROGRAM DESCRIPTION:

The Agreement with Texana Center governs the responsibilities of both BTTC and Lamar CISD staff. The current agreement is being recommended to govern responsibilities for the 2022-2023 school year and provides a system for Lamar CISD/BTTC teachers to assist other district teachers in the areas of autism and use of behavioral analysis in instruction. Severely intellectually disabled and behaviorally disturbed children, usually 10-12 in number, reside at BTTC with an average length of stay between 3 and 6 months. Due to the severity of needs demonstrated by the students, services are provided to these students at the BTTC.

Submitted by: Dr. Terri Mossige, Chief Academic Officer
Tiffany Mathis, Executive Director of Special Education

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

**INTERAGENCY PROGRAM AGREEMENT BETWEEN
LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT AND
THE BEHAVIOR TREATMENT AND TRAINING CENTER (BTTC),
TEXANA CENTER**

THIS AGREEMENT is made at the request of the Lamar Consolidated Independent School District through its Board of Trustees hereinafter referred to as the "District", and The Behavior Treatment and Training Center (BTTC), Texana Center, hereinafter referred to as "BTTC/Texana".

WHEREAS, the District and BTTC/Texana recognizes the desirability of providing education and treatment programs in the least restrictive environment to school age youth residing at BTTC/Texana; and

WHEREAS, the District and the BTTC/Texana mutually recognize that the Memorandum of Agreement between the Texas Department of Mental Health and Mental Retardation and the Texas Education agency dated October 9, 1985 designates the District, at the present time, the appropriate source to supply education to these students;

NOW, THEREFORE, for and in consideration of these premises and in future consideration of the matters hereinafter set forth, the District and BTTC/Texana to hereby stipulate and agree as follows:

I.

ELIGIBILITY

To be eligible for special education services under this agreement, a student must be identified as disabled according to the criteria developed by the Texas Education Agency and meet other state requirements for attendance and service provisions. Each eligible student must be enrolled in the District and must have an Individual Education Plan (IEP) designated by the Admission Review and Dismissal/Individual Education Plan (ARD/IEP) committee before educational services are provided.

II.

RESPONSIBILITIES OF THE BTTC/TEXANA

BTTC/Texana agrees to:

- A. Make available to the District all referral and assessment information: current medical diagnosis and conditions, including immunizations and potential carrier status for any communicable disease; proof of birth; and copies of each student's current Individual Program Plan (IPP). Access to client records (POR) will be provided for information necessary to facilitate District instructional services.

The Individual Program Plan (IPP) is generally defined to include the following services based on need:

- 1. Dental services

2. Training and habilitation services
 3. Food and nutrition services
 4. Medical services
 5. Nursing services
 6. Pharmacy services
 7. Physical and occupational services
 8. Psychological services
 9. Recreation services
 10. Social services
- B. Designate staff member(s) to serve as liaisons for the following activities:
1. Attend the ARD/IEP Committee meetings.
 2. Resolve issues that arise in the area of student need.
 3. Resolve issues that arise in the areas of general BTTC/Texana and District services.
 4. BTTC/Texana Management and District Management shall discuss new District staff members regarding assignment to BTTC/Texana.
- C. Provide care, active treatment, and other customary services, as deemed appropriate by the BTTC/Texana's Interdisciplinary Team and each student's Individual Program Plan (IPP), to support a student's entry and ongoing participation in an educational program by the District.
- D. Provide and maintain appropriate instructional space for students the ARD determines need to be instructed at the Behavior Treatment and Training Center, including access to students as appropriate on scheduled class days.
1. Provide classroom space and furniture for instruction by District staff at the BTTC, at no cost to the District for the duration of the instructional schedule designated in the student's IEP.
 2. When instructional space must be shared by BTTC/Texana and District personnel, provide locked cabinets for the storage of District instructional materials and equipment.
 3. Provide needed housekeeping/janitorial services in District class space at the BTTC/Texana at the end of each instructional day and on an emergency basis.
 4. Deliver any needed linen to instructional settings at BTTC/Texana.
- E. Coordinate services in the BTTC/Texana's Individual Program Plan (IPP) of active treatment with services provided in accordance with the Individual Education Plan (IEP).
- F. Communicate necessary information regarding client care and treatment daily or as needed to District staff.
- G. Provide transportation of students to and from the classroom and the student's living quarters.
- H. Continue to provide services needed for care, treatment, and habilitation as determined by the IPP and which has been provided prior to the provision of education services by the District.

- I. Provide nursing services for those students that the ARD determines need instruction at the BTTC/Texana campus. For students that the ARD determines need instruction off campus in District classes, provide the following services:
 - 1. Follow the health policy of the District and BTTC/Texana when illness or infectious/communicable diseases occur.
 - 2. Provide prescribed medication with physician's orders and recommendations for any special nursing services the student may need to appropriate District nurse.
- J. Provide meals during the instructional day for those students the ARD determines need to be served by the District at BTTC/Texana.
- K. Collaborate with the District in the Teacher Training Partnership to increase teacher skills in serving students with severe behavior disabilities.
- L. Adhere to the District student attendance policies and make every effort to avoid elective absences during school hours/days. Any situation that precludes educational services as scheduled will be resolved by the BTTC Manager and the designee of the Director of Special Programs at the District.
- M. Follow all federal and state requirements governing the development and implementation of the IPP, Texana policy, and mutually agreed upon guideline for the implementation of this Agreement.

III.

RESPONSIBILITIES OF THE DISTRICT

- A. Make available to BTTC/Texana, educational assessments and updates, provide access to student records for information necessary to facilitate BTTC/Texana's care, treatment and habilitation; and provide copies of the current/revised IEP. Utilize, to the maximum extent possible, referral and assessment information from BTTC/Texana's records in order to avoid unnecessary duplication of services.
- B. Designate staff member(s) to serve as liaisons for the following activities:
 - 1. Attend the IPP interdisciplinary team meetings as needed.
 - 2. Resolve issues that arise in areas of student needs.
 - 3. Resolve issues that arise in areas of District and BTTC/Texana services.
 - 4. BTTC/Texana Management and District Management shall discuss new District staff members regarding assignment to BTTC/Texana.
- C. Provide and/or make available instructional services, including needed speech and language therapy, to BTTC/Texana residents as determined by the ARD/IEP Committee in accordance with State Board of Education Rules for Special Education and federal regulations. Provide instructional staff assigned to the BTTC/Texana students with Crisis Prevention Institute training, which includes methods and strategies for appropriate intervention with aggressive students. To the extent possible minimize disruptions in assignment of instructional staff in order to provide a therapeutic environment for autistic children with problem behaviors.

- D. Make available a six-hour instructional day in the least restrictive environment with any variation determined by the ARD/IEP Committee. Utilize a variety of instructional settings to meet student needs including District classes off the BTTC/Texana campus, classes on BTTC/Texana campus. Resolve conflicts between ARD/IEP and IDT Committee decisions through a joint committee meeting.
- E. Coordinate services of the District's Individual Education Plan (IEP) of active treatment.
- F. Communicate necessary information regarding student education daily or as needed to Texana staff.
- G. Provide the related services that the ARD deems necessary for the provision of appropriate instructional services. Services include but are not limited to direct and/or consultative services in the areas listed below:
 - 1. Speech and Language therapy
 - 2. Occupational therapy
 - 3. Physical therapy
 - 4. Adaptive equipment
 - 5. Psychological services
 - 6. Diagnostic services
 - 7. Orientation and Mobility training
 - 8. Special transportation for District students as appropriate
 - 9. Counseling
- H. Collaborate with BTTC/Texana in the Teacher Training Partnership to increase teacher skills in serving students with severe behavioral disabilities.
- I. Inform BTTC/Texana regarding District attendance policies. Minimize removal from instruction, enacting emergency removal only for health and safety reasons.
- J. Follow all federal and state requirements governing the development and implementation of the IEP, District policy, and mutually agreed upon guidelines for the implementation of this agreement.

IV.

CONSULTATION BETWEEN PARTIES

It is understood that after the execution of the agreement, representatives of the District and representatives of BTTC/Texana will meet to formulate guidelines in furtherance of the agreement. These mutually agreed upon guidelines will specify the procedures to be used to fully implement this Agreement.

V.

LIMITATIONS

It is understood that the educational program, which is the subject of this agreement, will be

offered in accordance with each student's IEP and the District's school calendar designating holidays. Both parties concur that the District agrees to provide education services only under the terms in this agreement. The District assumes no responsibility for students upon dismissal from residence at BTTC/Texana unless the student is or becomes a resident of the District. The terms of this Agreement constitute the total agreement between the District and BTTC/Texana.

VI.

TERM

This Agreement shall be effective beginning August 2022, upon execution by both parties, and shall continue in full force and effect through July 2023. If the agreement made in this Agreement is to be continued beyond July 2023, a new Agreement will be executed.

VII.

PROVISION FOR OTHER AGREEMENTS

It is recognized that either party may enter into other agreements and affiliations so long as these are not inconsistent with the terms and provisions of this Agreement.

VIII.

AMENDMENTS

This Agreement may be amended only by written instrument duly executed by both parties and attached to this Agreement.

IX.

BINDING ON SUCCESSORS

This Agreement shall bind and benefit the respective parties and their legal successors, but shall not otherwise be assignable, in whole or in part, by either party without first obtaining the written consent of the other party.

X.

LEGALITY

This Agreement shall be subject to all present and future valid laws, orders, rules, and regulations of The United States of America, The State of Texas, and other regulatory bodies thereof having jurisdiction.

XI.

CONFIDENTIALITY

The District and BTTC/Texana offer mutual assurance that all matters relative to the sharing of information will be treated in a confidential manner in accordance with all applicable State and

Federal rules and regulations, including but not limited to the Texas Open Records Act and the Family Educational Rights and Privacy Act of 1974.

IN WITNESS WHEREOF, this Agreement has been executed on behalf of the parties hereto as follows, to-wit:

- a) It has on the ____ day of _____, 20____, been executed by a representative of Texana Center duly acting upon the approval of its governing body: and
- b) It has on the ____ day of _____, 20____, been executed by a representative of Lamar Consolidated Independent School District duly acting upon the approval of the Board of Trustees of the Lamar Consolidated Independent School District.

ATTEST:

Texana Center

Lamar Consolidated Independent School District

George Patterson, CEO

Dr. Roosevelt Nivens, Superintendent

THE STATE OF TEXAS
COUNTY OF _____

BEFORE ME, the undersigning authority, on this the ____ day of _____, 20 __, personally appeared _____, the CEO of Texana Center, who after being duly sworn, on his oath deposed and stated that he signed the foregoing document for the consideration and purposes stated therein.

Notary Public in and for _____, Texas

My commission Expires:

THE STATE OF TEXAS
COUNTY OF FORT BEND

BEFORE ME, the undersigning authority, on this the ____ day of _____, 20 __, personally appeared _____, the Superintendent of the Lamar Consolidated Independent School District, who after being duly sworn, on his oath deposed and stated that he signed the foregoing document for the consideration and purposes stated therein.

Notary Public in and for Fort Bend County, Texas

My commission Expires:

**CONSIDER APPROVAL OF RESOLUTION PROCLAIMING
HISPANIC HERITAGE MONTH**

RECOMMENDATION:

That the Board of Trustees approve the attached resolution designating September 15 – October 15, 2022 as “Hispanic Heritage Month” in the Lamar Consolidated Independent School District.

IMPACT/RATIONALE:

September 15 – October 15 was designated by presidential proclamation as the time to celebrate the rich heritage of Hispanic Americans and the many contributions they have made to American culture.

Hispanic Heritage Month begins on September 15, the anniversary of independence for five Latin American countries—Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua. In addition, Mexico declared its independence on September 16 and Chile on September 18.

Submitted by: Sonya Cole-Hamilton, Chief Communications Officer

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

Resolution

Whereas, September 15 is the anniversary of Independence Day for five Latin American countries, and is celebrated as a major cultural event by Hispanics in this country and across the Americas; and

Whereas, it is appropriate to recognize the rich heritage and the significant contributions to American life by persons of Hispanic ancestry; and

Whereas, schools are in a unique position to share an appreciation of Hispanics among children from all races and backgrounds; and

Whereas, Lamar CISD schools commemorate Hispanic Heritage Month with special activities and observances;

Therefore, the Board of Trustees of the Lamar Consolidated Independent School District declares September 15 – October 15, 2022 as **Hispanic Heritage Month in Lamar CISD** and encourages members of our community to share in this celebration of our diverse American heritage.

August __, 2022



Alex Hunt, President

Zach Lambert, Secretary

**CONSIDER APPROVAL OF DATE FOR PUBLIC MEETING TO
DISCUSS BUDGET AND PROPOSED TAX RATE**

RECOMMENDATION:

That the Board of Trustees approve August 22, 2022 as the date for the public meeting to discuss budget and the proposed tax rate.

PROGRAM DESCRIPTION:

After the Board agrees upon the proposed tax rate and publishes the notice, the Board must call the required public meeting to discuss the budget and proposed tax rate. At least 10, but no more than 30, days before the public meeting the Notice of Public Meeting to Discuss Budget and Proposed Tax Rate must be published in strict accordance with the requirements of Texas Education Code Section 44.004. The budget must be approved by law prior to September 1.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Yvonne Dawson, RTSBA, Director of Budget and Treasury

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

CONSIDER APPROVAL OF PROPOSED TAX RATE THAT WILL BE PUBLISHED IN THE NOTICE FOR THE PUBLIC MEETING

RECOMMENDATION:

That the Board of Trustees approve the tax rate to be published in the newspaper in the Notice of Public Meeting to Discuss Budget and Proposed Tax Rate.

M&O Rate: \$ _____

I&S Rate: \$ _____

Total Rate: \$ _____

IMPACT RATIONALE:

The two-part tax rate and additional information will be presented at the meeting during the Budget Workshop. The Maintenance and Operations rate will be proposed separately from the Interest and Sinking rate.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Yvonne Dawson, RTSBA, Director of Budget and Treasury

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

**CONSIDER APPROVAL OF DESIGNATION OF OFFICER/EMPLOYEE
RESPONSIBLE FOR CALCULATING THE NO-NEW-REVENUE TAX RATE AND
VOTER-APPROVAL RATE**

RECOMMENDATION:

That the Board of Trustees approve Yvonne Dawson as the designated officer/employee responsible for calculating the no-new-revenue tax rate and the voter-approval tax rate.

IMPACT/RATIONALE:

The calculation of these two rates is a legal requirement and provides additional transparency to taxpayers.

PROGRAM DESCRIPTION:

In accordance with the requirements of Texas Education Code Section 26.04 (c-2), the officer or employee designated by the governing body of the taxing unit shall calculate the no-new-revenue tax rate and voter-approval tax rate using the certified estimate of taxable value.

The no-new-revenue tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year, based on a tax rate that would produce the same amount of taxes if applied to the same properties taxed in both years (no new taxes). The voter-approval tax rate is the maximum rate that a taxing entity can levy without requiring a tax rate ratification election for approval by voters.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Yvonne Dawson, RTSBA, Director of Budget and Treasury

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

CONSIDER APPROVAL OF REVISIONS FOR LIBRARY BOOK SELECTION AND SCHOOL MASCOT POLICIES

RECOMMENDATION:

That the Board of Trustees remove current EF (Local) policy and adopt EFA (Local) from TASB and EFB (Local) written by Lamar CISD (combination of TEA and TASB) and also that the Board of Trustees approve the revised CW (Local) Policy, related to the approval of school mascots, as presented.

IMPACT/RATIONALE:

Texas Education Agency and Texas Association of School Boards have provided recommended policy options for EF, EFA, and/or EFB. A committee of Lamar CISD teachers, parents, campus administrators, district administrators, students, and librarians met to review policy recommendations from the Texas Education Agency and the Texas Association of School Boards. The committee made recommendations regarding key items they felt should be included in a final Lamar Consolidated Independent School Board policy regarding the selection and review of library books. Policy options, committee votes and feedback, and summary of key elements found in each policy were provided at the previous Board of Trustees meeting.

To ensure that all mascots chosen for Lamar CISD campuses are appropriate for branding and meets Lamar CISD standards, the proposed policy will allow for the final approval of school mascots to rest with the Board of Trustees.

PROGRAM DESCRIPTION:

EF, EFA, and EFB policies establish requirements related to instructional materials in Lamar Consolidated ISD. These policies include guidance on parent engagement and considerations, protection from inappropriate material, selection guidelines, challenged resource procedures, and library maintenance.

The District is aligning Board Policy to the current practice of the Board of Trustees approving all campus mascots.

Submitted by: Dr. Terri Mossige, Chief Learning Officer
Katie Marchena-Roldan, Executive Director of Teaching and Learning
Dr. Chad Jones, Director of Digital Learning
Alphonso Bates, Chief Student Services Officer and Human Resource

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

DELETE POLICY

Note: For information related to the selection process and accounting of instructional materials, as this term is defined by state law and rule, see CMD and EFA.

Objectives

The District shall provide a wide range of instructional resources for students and faculty that present varying levels of difficulty, diversity of appeal, and a variety of points of view. Although professional staff members may select instructional resources for their use in accordance with District policy and administrative regulations, the ultimate authority for determining and approving the curriculum and instructional program of the District lies with the Board.

In this policy, "instructional resources" may include textbooks, library acquisitions, supplementary resources for classroom use, and any other instructional resources, including electronic resources, used for formal or informal teaching and learning purposes. The primary objectives of instructional resources are to implement, enrich, and support the District's educational program.

The Board shall rely on District professional staff to select and acquire instructional resources that:

1. Enrich and support the curriculum, taking into consideration students' varied interests, abilities, learning styles, and maturity levels.
2. Stimulate growth in factual knowledge, enjoyment of reading, literary appreciation, aesthetic values, and societal standards.
3. Present various sides of controversial issues so that students have an opportunity to develop, under guidance, skills in critical analysis and in making informed judgments in their daily lives.
4. Represent many ethnic, religious, and cultural groups and their contributions to the national heritage and world community.
5. Provide a wide range of background information that will enable students to make intelligent judgments in their daily lives.

Selection Criteria

In the selection of instructional resources, professional staff shall ensure that the resources:

1. Support and are consistent with the general educational goals of the state and District and the aims and objectives of

INSTRUCTIONAL RESOURCES

EF
(LOCAL)

individual schools and specific courses consistent with the District and campus improvement plans.

2. Meet high standards for artistic quality and/or literary style, authenticity, educational significance, factual content, physical format, presentation, readability, and technical quality.
3. Are appropriate for the subject area and for the age, ability level, learning styles, and social and emotional development of the students for whom they are selected.
4. Are designed to help students gain an awareness of our pluralistic society.
5. Are designed to provide information that will motivate students and staff to examine their own attitudes and behavior; to understand their duties, responsibilities, rights, and privileges as citizens participating in our society; and to make informed choices in their daily lives.
6. For library selections, are integral to the instructional program, are appropriate for the reading levels and understanding of students, reflect the interests and needs of the students and faculty, are included because of their literary or artistic value and merit, and present information with the greatest degree of accuracy and clarity.

Administrators, teachers, library media specialists, other District personnel, parents, and community members, as appropriate, may recommend instructional resources for selection. Gifts of instructional resources shall be evaluated according to these criteria and accepted or rejected in accordance with CDC(LOCAL).

Selection of resources is an ongoing process that includes the removal of resources no longer appropriate and the periodic replacement or repair of resources that still have educational value.

Controversial Issues

District professional staff shall endeavor to maintain a balanced collection representing various views when selecting instructional resources on controversial issues. Resources shall be chosen to clarify historical and contemporary forces by presenting and analyzing intergroup tension and conflict objectively, placing emphasis on recognizing and understanding social and economic problems. [See also EMB regarding instruction about controversial issues and EHAA regarding human sexuality instruction.]

Challenged Resources

A parent of a District student, any employee, or any District resident may formally challenge an instructional resource used in the District's educational program on the basis of appropriateness.

INSTRUCTIONAL RESOURCES

EF
(LOCAL)

Informal
Reconsideration

The school receiving a complaint about the appropriateness of an instructional resource shall try to resolve the matter informally using the following procedure:

1. The principal or designee shall explain the school's selection process, the criteria for selection, and the qualifications of the professional staff who selected the questioned resource.
2. The principal or designee shall explain the intended educational purpose of the resource and any additional information regarding its use.
3. If appropriate, the principal or designee may offer a concerned parent an alternative instructional resource to be used by that parent's child in place of the challenged resource.
4. If the complainant wishes to make a formal challenge, the principal or designee shall provide the complainant a copy of this policy and a form to request a formal reconsideration of the resource.

Formal
Reconsideration

A complainant shall make any formal objection to an instructional resource on the form provided by the District and shall submit the completed and signed form to the principal. Upon receipt of the form, the principal shall appoint a reconsideration committee.

The reconsideration committee shall include at least one member of the instructional staff who has experience using the challenged resource with students or is familiar with the challenged resource's content. Other members of the committee may include District-level staff, library staff, secondary-level students, parents, and any other appropriate individuals.

All members of the committee shall review the challenged resource in its entirety. As soon as reasonably possible, the committee shall meet and determine whether the challenged resource conforms to the principles of selection set out in this policy. The committee shall prepare a written report of its findings and provide copies to the principal, the Superintendent or designee, and the complainant.

Appeal

The complainant may appeal the decision of the reconsideration committee in accordance with appropriate complaint policies, starting with the appropriate administrator. [See DGBA, FNG, and GF]

Guiding Principles

The following principles shall guide the Board and staff in responding to challenges of instructional resources:

1. A complainant may raise an objection to an instructional resource used in a school's educational program, despite the fact that the professional staff selecting the resources were

INSTRUCTIONAL RESOURCES

EF
(LOCAL)

qualified to make the selection, followed the proper procedure, and adhered to the objectives and criteria for instructional resources set out in this policy.

2. A parent's ability to exercise control over reading, listening, or viewing matter extends only to his or her own child.
3. Access to a challenged resource shall not be restricted during the reconsideration process, except the District may deny access to a child if requested by the child's parent.

The major criterion for the final decision on challenged resources is the appropriateness of the resource for its intended educational use. No challenged instructional resource shall be removed solely because of the ideas expressed therein.

ADD POLICY

Note: For information related to the accounting of instructional materials, as this term is defined by state law and rule, see CMD.

For information related to the selection process of library materials, see EFB(LOCAL).

The District shall provide instructional materials designed to teach the Texas Essential Knowledge and Skills and further the District's educational mission. Although the Superintendent shall ensure that professional staff select instructional materials in accordance with District policy and administrative regulations, the ultimate authority for determining and approving the curriculum and instructional program of the District lies with the Board.

Objectives

In this policy, "instructional materials" may include textbooks, supplementary resources for classroom use, and any other instructional resources, including electronic resources, used for formal or informal teaching and learning purposes. The primary objectives of instructional materials are to implement, enrich, and support the District's educational program.

Selection

Instructional materials that are textbooks and related supplemental materials shall be chosen from the list of resources adopted by the State Board of Education in accordance with administrative regulations and the objectives above.

The Board shall rely on District professional staff to select and acquire instructional materials that:

1. Enrich and support the curriculum consistent with the general educational goals of the state and District, the aims and objectives of individual schools and specific courses, and the District and campus improvement plans.
2. Are appropriate for the subject area and for the age, ability level, learning styles, interests, and social and emotional development of the students for whom they are selected.
3. Meet high standards for artistic quality, literary style, authenticity, educational significance, factual content, physical format, presentation, readability, and technical quality.
4. Present various sides of controversial issues so that students have an opportunity to develop, under guidance, skills in critical analysis and in making informed judgments in their daily

lives. [See also EMB regarding instruction about controversial issues.]

5. Promote literacy.

District professional staff may select additional instructional materials in accordance with administrative regulations and the criteria above.

Administrators, teachers, other District personnel, parents, and community members, as appropriate, may recommend instructional materials for selection. Gifts of instructional materials shall be evaluated according to these criteria and accepted or rejected in accordance with CDC(LOCAL).

Selection of instructional materials is an ongoing process that includes the removal of materials no longer appropriate and the periodic replacement or repair of materials that still have educational value.

**Challenged
Resources**

A parent of a District student, a student who is 18 years of age or older, an individual employee, or any District resident may challenge an instructional material used in the District's educational program on the basis that the instructional material fails to meet the standards set forth in this policy.

Guiding Principles

The following principles shall guide the Board and staff in responding to challenges of instructional materials:

1. A complainant may raise an objection to an instructional material used in a school's educational program, despite the fact that the professional staff selecting the materials were qualified to make the selection, followed the proper procedure, and adhered to the objectives for instructional materials set out in this policy.
2. A parent's ability to exercise control over instruction extends only to his or her own child as set forth in Education Code Chapter 26.
3. Access to a challenged material shall not be restricted during the reconsideration process, except the District may deny access to a child if requested by the child's parent.

The major criterion for the final decision on challenged instructional materials is the appropriateness of the material for its intended educational use. No challenged instructional material shall be removed solely because of the ideas expressed therein.

Informal
Reconsideration

When the District or a campus receives an objection to the appropriateness of an instructional material, the appropriate administrator shall try to resolve the matter informally. The administrator shall explain the selection process and discuss the intended educational purpose for the instructional material. If appropriate, the administrator may offer a concerned parent an alternative instructional material to be used by that parent's child in place of the challenged material.

If the complainant wishes to make a formal challenge, the administrator shall provide the complainant a copy of this policy and a form to request a formal reconsideration of the instructional material.

Formal
Reconsideration

A complainant shall make any formal challenge to an instructional material on the form provided by the District and shall submit the completed and signed form to the campus principal. Upon receipt of the form, the campus principal shall forward the formal challenge to the requisite district instructional coordinator who shall appoint a reconsideration committee.

The reconsideration committee shall include at least one member of the instructional staff who has experience using the challenged material with students or is familiar with the challenged material's content. Other members of the committee may include District-level staff, secondary-level students, parents, and any other appropriate individuals.

All members of the committee shall review the challenged instructional material in its entirety. As soon as reasonably possible, the committee shall meet and determine whether the challenged material conforms to the principles of selection set out in this policy and whether the challenged material will continue to be used in the educational program. The committee shall prepare a written report of its findings. The Superintendent, other appropriate administrators, and the complainant shall receive copies of the report.

*Frequency of
Review*

After an instructional material has been reviewed through formal reconsideration, it shall not be reviewed again until it is evaluated in the periodic local selection process.

Appeal

The complainant may appeal the decision of the reconsideration committee in accordance with appropriate complaint policies, starting at the appropriate level. [See DGBA, FNG, and GF]

ADD POLICY

Note: For information related to the selection of instructional materials, see EF(LEGAL) and EFA.

The District shall provide a wide range of library materials for students and faculty that support student achievement and present varying levels of difficulty, diversity of appeal, and a variety of points of view. The Superintendent shall ensure that librarians and other designated professional staff select library materials in accordance with District policy and administrative regulations.

Objectives

In this policy, "library materials" may include printed and electronic library acquisitions and other ancillary or supplementary materials maintained in a campus library. In accordance with state and local guidelines, library collections should enrich and support the state and local curriculum. Collections should also provide materials of high interest to encourage student reading and learning for pleasure.

Library materials may be used to enhance the instructional program, for formal or informal teaching and learning purposes, and for voluntary inquiry or self-selected reading.

In accordance with state and local standards, school libraries are essential interactive collaborative learning environments, ever evolving to provide equitable physical and virtual access to ideas, information, and learning tools for the entire school community.

School libraries are essential, safe, and inviting centers for teaching and learning that provide equitable access to emerging technologies and physical and virtual collections of high quality, reflecting input from stakeholders.

Parental Involvement

The District shall focus on maximizing transparency with parents and community members while meeting student needs and providing enrichment opportunities with library materials. Parental involvement in library acquisition, maintenance, and campus activities is encouraged.

To support transparency and access for the school community, the District shall establish means for parents and the public to review holdings, including information about titles and how materials are assessed.

Protection from Inappropriate Material

In addition to the criteria for selection listed in this policy, all materials should be appropriate for students. Texas Penal Code §43.24(a)(2) describes harmful material as material whose dominant theme taken as a whole: (1) appeals to the prurient interest of

Selection

a minor, in sex, nudity, or excretion; (2) is patently offensive to prevailing standards in the adult community as a whole with respect to what is suitable for minors; and (3) is utterly without redeeming social value for minors. It is an offense in Texas to distribute this material in violation of Texas Penal Code §43.24(b). No library material shall be used if it contains content that can meet the harmful material standard. Finally, collection development policies must demonstrate a commitment to compliance with the Children's Internet Protection Act (CIPA) as specified in 47 U.S.C. §254(h)(5), including technology protection measures.

Library materials shall be chosen in accordance with guidelines adopted by the Texas State Library and Archives Commission and Lamar CISD procedures. In the selection of library materials, librarians and other professional staff shall ensure that the materials:

1. Enrich and support the curriculum, taking into consideration students' varied interests, abilities, learning styles, and maturity levels.
2. Be appropriate for the subject area and for the age, intellectual development, and ability level of the students for whom the materials are selected.
3. Stimulate growth in factual knowledge, enjoyment of reading, literary appreciation, aesthetic values, and societal standards.
4. Develop a balanced collection presenting multiple viewpoints related to controversial issues to foster critical thinking skills and encourage discussion based on rational analysis [see EMB regarding instruction about controversial issues].
5. Represent many ethnic, religious, and cultural groups and their contributions to the national heritage and world community.
6. Provide a wide range of background information that will enable students to make intelligent decisions in their daily lives.
7. Demonstrate literary merit, quality, value, and significance.
8. Have received favorable professional library reviews from state- and nationally recognized review publications.
9. Have received state or national awards or are included on recommended reading lists developed by library professionals and educators.
10. Cover topics, authors, series, or genres that fill gaps in the school library collection.

INSTRUCTIONAL RESOURCES
LIBRARY MATERIALS

EFB
(LOCAL)

11. Include accurate and authentic factual content from authoritative sources.
12. Have a high degree of potential user appeal and interest.
13. Offer a global perspective that promotes equity of access, including print and nonprint materials such as electronic and multimedia, to meet the needs of individual learners.
14. Are requested or recommended by students and teachers.
15. Represent diverse viewpoints and cultures appropriate to each campus to ensure the collection embodies the unique background of its student population.

Parent Consideration

In school libraries, students are afforded the opportunity to self-select texts as part of literacy development. While librarians are trained in selecting materials in accordance with Board policy and the outlined selection criteria and may provide guidance to students in selecting texts, the ultimate determination of appropriateness lies with the student and parent.

School librarians, or designated campus administrators, are to encourage parents to share any considerations regarding their students' book selections. In accordance with state law and administrative regulations, parents may select alternative library materials for their student. [For information on parental rights regarding instructional materials and other instructional resources see EF(LEGAL).]

Challenged Resources

A parent of a District student, a student who is 18 years of age or older, an individual employee, or any District resident may challenge a library material maintained in the District's library program on the basis that the library material fails to meet the standards set forth in this policy.

Guiding Principles

The following principles shall guide the Board and staff in responding to challenges of library materials:

1. A complainant may raise an objection to a library material used in the District's library program, despite the fact that the professional staff selecting the materials were qualified to make the selection, followed the proper procedure, and adhered to the objectives and criteria for library materials set out in this policy.
2. A parent's ability to exercise control over instruction and instructional resources, including library materials, extends only to his or her own child as set forth in Education Code Chapter 26.

INSTRUCTIONAL RESOURCES
LIBRARY MATERIALS

EFB
(LOCAL)

3. Access to a challenged material shall not be restricted during the reconsideration process, except the District may deny access to a child if requested by the child's parent.

The major criterion for the final decision on challenged library materials is the appropriateness of the material for its intended use. No challenged library material shall be removed solely because of the ideas expressed therein.

Informal
Reconsideration

When the District or a campus receives an objection to the appropriateness of a library material, the appropriate librarian or administrator shall try to resolve the matter informally. The librarian or administrator shall explain the selection process and discuss the intended purpose for the library material. If appropriate, the librarian or administrator may offer a concerned parent an alternative library material to be used by that parent's child in place of the challenged material.

If the complainant wishes to make a formal challenge, the administrator shall provide the complainant a copy of this policy and a form to request a formal reconsideration of the library material.

Formal
Reconsideration

A complainant shall make any formal challenge to a library material on the form provided by the District and shall submit the completed and signed form to the campus principal. Upon receipt of the form, the campus principal shall forward the formal challenge to the district library coordinator who shall appoint a reconsideration committee.

The reconsideration committee shall include the librarian and at least one member of the instructional staff who has experience using the challenged material with students or is familiar with the challenged material's content. Other members of the committee may include District-level staff, secondary-level students, parents, and any other appropriate individuals.

All members of the committee shall review the challenged library material in its entirety. As soon as reasonably possible, the committee shall meet and determine whether the challenged material conforms to the principles of selection set out in this policy and whether the challenged material will continue to be used in the educational program. The committee shall prepare a written report of its findings. The Superintendent, other appropriate administrators, and the complainant shall receive copies of the report.

*Frequency of
Review*

A specific library material that completes the formal challenge process and remains in the library will not be reconsidered within one year of final determination. After a library material has been reviewed through formal reconsideration and removed, it shall not be

INSTRUCTIONAL RESOURCES
LIBRARY MATERIALS

EFB
(LOCAL)

reviewed again until it is evaluated in the regular maintenance of the library collection. [See Maintenance of Library Materials, below.]

Appeal

The complainant may appeal the decision of the reconsideration committee in accordance with appropriate complaint policies, starting at the appropriate level. [See DGBA, FNG, and GF]

Gifts and Donations

The District shall accept gifts and donations to a campus library with the understanding that the use and disposition of the materials and monies will be in accordance with District policy and the selection criteria noted above. [See CDC]

**Maintenance of
Library Materials**

In accordance with state and local guidelines, collections shall be evaluated and updated regularly based on the collections' age, relevance, diversity, and variety. The Superintendent shall ensure administrative procedures are established for regular maintenance of the library collection on each campus. Standard maintenance procedures for any library collection include repair, replacement, and removal of materials as necessary. Regular maintenance shall also include scheduled inventories of the collection. Disposal of any District-owned library materials shall be in accordance with District policy and procedures. [See CI]

PROPOSED REVISIONS

The responsibility for naming a facility rests with the Board. A student, staff member, parent, or District resident may submit a nomination.

A school facility shall generally be named for a person or place according to the following criteria outlined below.

For a facility named after a person, the following shall apply:

1. The nominee may be deceased or living and shall have attained prominence locally or nationally, with local prominence taking precedence, in the fields of education, science, art, statesmanship, political science, or military achievement.
2. The nominee may have been an early Texas pioneer or an outstanding president of the United States.
3. The nominee shall have made a significant contribution to society.
4. The name should lend prestige and status to an institution of learning.
5. The nomination must be presented in a form that contains:
 - a. Biographical/historical data; and
 - b. Reasons justifying the choice.

For a facility named after a place, the nomination should include its historical relevance.

Dedication Ceremony

A new school building shall be dedicated at an appropriate ceremony held as soon as possible after occupancy.

Dedication Plaque

The Board shall have a plaque presented bearing the names of the Board members, administrators, architects, and contractors directly connected with each project.

Mascots

The Superintendent shall determine the process to seek appropriate stakeholder input when choosing a mascot for a District campus. In consultation with administration, the Board shall have final approval in selecting school mascots.

**DISCUSSION AND POSSIBLE APPROVAL OF PREVAILING WAGE RATE
SCHEDULE FOR CONSTRUCTION PROJECT SPECIFICATIONS**

RECOMMENDATION:

That the Board of Trustees approve this prevailing wage rate schedule for all upcoming construction projects where applicable.

IMPACT/RATIONAL:

A current prevailing wage rate schedule must be in each bid specification for construction projects to ensure workers are being paid no less than the current prevailing wage rate, according to the Texas Government Code, Chapter 2258. The prevailing wage rate must be updated every three years. The survey for this prevailing wage rate was conducted in June 2019 and is effective June 1, 2022 – June 1, 2025.

PROGRAM DESCRIPTION:

Upon approval, all future projects requiring bid specifications will use this prevailing Wage Rate Schedule.

Attachment: Prevailing Wage Rates

Submitted by: Greg Buchanan, Chief Operating Officer
J. Kevin McKeever, Bond Program Office Director

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

Prevailing Wage Rate Determination Information

The following information is from Chapter 2258 Texas Government Code:

Sec. 2258.021. Right to be Paid Prevailing Wage Rates.

- (a) A worker employed on a public work by or on behalf of the state or a political subdivision of the state shall be paid:
 - (1) not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed; and
 - (2) not less than the general prevailing rate of per diem wages for legal holiday and overtime work.
- (b) Subsection (a) does not apply to maintenance work.
- (c) A worker is employed on a public work for the purposes of this section if the worker is employed by a contractor or subcontractor in the execution of a contract for the public work with the state, a political subdivision of the state, or any officer or public body of the state or a political subdivision of the state.

Sec. 2258.023. Prevailing Wage Rates to be paid by Contractor and Subcontractor; Penalty.

- (a) The contractor who is awarded a contract by a public body or a subcontractor of the contractor shall pay not less than the rates determined under Section [2258.022](#) to a worker employed by it in the execution of the contract.
- (b) A contractor or subcontractor who violates this section shall pay to the state or a political subdivision of the state on whose behalf the contract is made, \$60 for each worker employed for each calendar day or part of the day that the worker is paid less than the wage rates stipulated in the contract. A public body awarding a contract shall specify this penalty in the contract.
- (c) A contractor or subcontractor does not violate this section if a public body awarding a contract does not determine the prevailing wage rates and specify the rates in the contract as provided by Section [2258.022](#).
- (d) The public body shall use any money collected under this section to offset the costs incurred in the administration of this chapter.
- (e) A municipality is entitled to collect a penalty under this section only if the municipality has a population of more than 10,000.

Sec. 2258.051. Duty of Public Body to Hear Complaints and Withhold Payment.

A public body awarding a contract, and an agent or officer of the public body, shall:

- (1) take cognizance of complaints of all violations of this chapter committed in the execution of the contract; and
- (2) withhold money forfeited or required to be withheld under this chapter from the payments to the contractor under the contract, except that the public body may not withhold money from other than the final payment without a determination by the public body that there is good cause to believe that the contractor has violated this chapter.

Prevailing Wage Rates – School Construction Trades

June 1, 2022

Texas Gulf Coast Area

CLASSIFICATION	2022 HOURLY RATE
ASBESTOS WORKER	\$22.17
BRICKLAYER; MASON	\$25.32
CARPENTER; CASEWORKER	\$23.38
CARPET LAYER; FLOOR INSTALLER	\$25.12
CONCRETE FINISHER	\$23.40
DATA COMM/TELE COMM	\$23.50
DRYWALL INSTALLER; CEILING INSTALLER	\$27.56
ELECTRICIAN	\$25.93
ELEVATOR MECHANIC	\$31.13
FIREPROOFING INSTALLER	\$22.38
GLAZIER	\$22.30
HEAVY EQUIPMENT OPERATOR	\$22.33
INSULATOR	\$20.50
IRONWORKER	\$27.33
LABORER, HELPER	\$16.71
LATHERER; PLASTERER	\$23.25
LIGHT EQUIPMENT OPERATOR	\$20.50
METAL BUILDING ASSEMBLER	\$23.25
MILLWRIGHT	\$33.63
PAINTER; WALL COVERING INSTALLER	\$19.60
PIPEFITTER	\$26.97
PLUMBER	\$26.71
ROOFER	\$20.50
SHEET METAL WORKER	\$21.67
SPRINKLER FITTER	\$26.13
STEEL ERECTOR	\$23.25
TERRAZZO WORKER	\$23.50
TILE SETTER	\$19.58
WATERPROOFER; CAULKER	\$19.88

This document was developed by PBK Architects, Inc., in strict accordance with Chapter 2258 of the Texas Government Code.

Prevailing Wage Rates

Worker Classification Definition Sheet

CLASSIFICATION	DEFINITION
ASBESTOS WORKER	Worker who removes and disposes of asbestos materials.
BRICKLAYER; MASON	Craftsman who works with masonry products, stone, brick, block, or any material substituting those materials and accessories.
CARPENTER; CASEWORKER	Worker who build wood structures or structures of any material which has replaces wood. Includes rough and finish carpentry, hardware and trim.
CARPET LAYER; FLOOR INSTALLER	Worker who installs carpets and /or floor coverings, vinyl tile.
CONCRETE FINISHER	Worker who floats, trowels, and finishes concrete.
DATA COMM/TELE COMM	Worker who installs data/telephone and television cable and associate equipment and accessories.
DRYWALL; CEILING INSTALLER	Worker who installs metal framed walls and ceiling, drywall coverings, ceiling grids, and ceilings.
ELECTRICIAN	Skilled craftsman who installs or repairs electrical wiring and devices. Includes fire alarm systems and HVAC electrical controls.
ELEVATOR MECHANIC	Craftsman skilled in the installation and maintenance of elevators.
FIREPROOFING INSTALLER	Worker who sprays or applies fire proofing materials.
GLAZIER	Worker who installs glass, glazing, and glass framing.
HEAVY EQUIPMENT OPERATOR	Includes but not limited to: all CAT tractors, all derrick-powered, all power operated cranes, back-hoes, back-fillers, power operated shovels, winch trucks, and all trenching machines.
INSULATOR	Worker who applies, sprays, or installs insulation.
IRONWORKER	Skilled craftsman who erects structural steel framing, and installs structural concrete Rebar.
LABORER, HELPER	Worker qualified for only unskilled or semi-skilled work. Lifting, carrying materials or tools, hauling, digging, clean up.
LATHERER; PLASTERER	Worker who installs metal framing and lath. Worker who applies plaster to lathing and installs associated accessories.
LIGHT EQUIPMENT OPERATOR	Includes but not limited to , air compressors, truck crane drivers, flex planes, building elevators, form graders, concrete mixers less than 14cf), conveyers.
METAL BUILDING ASSEMBLER	Worker who assembles pre-made metal buildings.
MILLWRIGHT	Mechanic specializing in the installation of heavy machinery, conveyance, wrenches, dock levelers, hydraulic lifts, and align pumps.
PAINTER; WALL COVERING INSTALLER	Worker who prepares wall surfaces and applies paint and/or wall coverings, tape, and bedding.
PIPEFITTER	Trained worker who installs piping systems, chilled water piping and hot water (boiler) piping, pneumatic tubing controls, chillers, boilers, and associated mechanical equipment.
PLUMBER	Skilled craftsman who installs domestic hot and cold water piping, waste piping, storm system piping, water closets, sinks, urinals, and related work.
ROOFER	Worker who installs roofing materials, Bitumen (asphalt and coal tar) felts, flashings, all types of roofing membranes, and associated products.
SHEET METAL WORKER	Worker who installs sheet metal products, Roof metal, flashings and curbs, ductwork, mechanical equipment, and associated metals.
SPRINKLER FITTER	Worker who installs fire sprinklers systems and fire protectant equipment.
STEEL ERECTOR	Worker who erects and dismantles structural steel frames of buildings and other structures.
TERRAZZO WORKER	Craftsman who places and finishes Terrazzo
TILE SETTER	Worker who prepares wall and/or floor surfaces and applies ceramic tiles to these surfaces.
WATERPROOFER; CAULKER	Worker who applies water proofing material to buildings. Products include sealant, caulk, sheet membranes, and liquid membranes, sprayed, rolled or brushed.

INFORMATION ITEM: SAFETY AND SECURITY AUDITS

School district safety and security audits are required by Texas Education Code 37.108 and must be completed during each three-year cycle. The current three-year school district safety and security audit cycle for school districts will end on August 31, 2023. These audits will be conducted in three Phases. Phase 1 will include all summer school campuses. Phase 2 will include all elementary campuses and the early childhood development center. Phase 3 will include all high school, junior high and middle school campuses as well as our three special sites.

The final report at the conclusion of the audits includes a list of findings, recommendations, and commendations. Districts are required to report specified audit results to the Texas School Safety Center (TxSSC) by September 15, 2023.

Resource Persons: Dallis Warren, Chief of Police

INFORMATION ITEM: PRELIMINARY 2022 STAAR PERFORMANCE UPDATE

TEA has notified districts that official STAAR Performance and Accountability Ratings will be provided August 15, 2022.

A preliminary report based on 2022 STAAR performance will be presented to the board that will also compare data sets from pre-COVID (2019) and COVID (2021) time periods. In addition, information regarding Lamar CISD performance compared to other surrounding districts will be shared.

Any updates will be presented at the September 2022 board meeting.

Resource Person: Dr. Terri Mossige, Chief Learning Officer

INFORMATION ITEM: BOND WORKSHOP

Lamar CISD is the number one fastest growing district of its size in the state of Texas. Demographers project that the community will add more than 48,000 new single-family homes within the next decade.

To keep up with growth, the District is frequently building and opening new schools and facilities—while regularly reviewing enrollment trends, District finances and housing developments within the District.

A Bond Workshop is the next step in determining what is included in the next bond package.

Resource Persons: Greg Buchanan, Chief Operations Officer
 Kevin McKeever, Bond Program Office Director

DISCUSSION OF ADOPTION OF THE 2022-2023 BUDGETS

RECOMMENDATION:

That the Board of Trustees consider adoption of the 2022-2023 General Operating, Child Nutrition, and Debt Service Fund budgets*, at the function level, in the following amounts, as presented:

General Operating Fund	\$395,917,694.
Child Nutrition Fund	\$ 24,875,500.
Debt Service Fund	\$102,221,594.

*Amount subject to change as final calculations are ongoing.

IMPACT/RATIONALE:

The budgets will be presented at a Public Hearing on August 22, 2022. Budget approval is requested at the function level instead of the line item or object level.

PROGRAM DESCRIPTION:

The Texas Education Code requires school districts to prepare a budget by August 20 each year. The Texas Education Agency further requires that the budget be adopted by the Board of Trustees by August 31st of each year. Prior to adoption, notice must be given, in a newspaper published within the District, of a meeting ten (10) days prior to the date of the meeting to allow any taxpayer of the District to attend and address the Board of Trustees regarding the proposed budget. These requirements have been met.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Yvonne Dawson, Director of Budget and Treasury

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

**DISCUSSION OF ADOPTION, BY ORDINANCE, THE 2022 TAX RATE
FOR THE 2022-23 SCHOOL YEAR**

RECOMMENDATION:

That the Board of Trustees consider adoption, by ordinance, the 2022 tax rate.

IMPACT/RATIONALE:

A total tax rate of \$1.2420 (per \$100 valuation) is needed to fund the 2022-23 General Fund and Debt Service Fund budgets that are being presented to the Board of Trustees on August 22, 2022. This rate is same as the current 2021 tax rate.

The Maintenance and Operations (M&O) component of the tax rate will be \$0.8546 per one hundred dollars of valuation, and the Debt Service component of the tax rate will be \$0.3874 per one hundred dollars of valuation.

Upon adoption, the attached Ordinance will be submitted to the Fort Bend County Tax Assessor-Collector for assessment and collection.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
 Yvonne Dawson, Director of Budget and Treasury

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

ORDINANCE SETTING TAX RATE

FOR THE TAX YEAR 2022 (SCHOOL YEAR 2022-23)

Date: August 22, 2022

On this day, we, the Board of Trustees of the Lamar Consolidated Independent School District, hereby levy or set the tax rate for the District for the tax year 2022 at a total tax rate of \$1.2420 per \$100 valuation, to be assessed and collected by the duly specified assessor and collector as follows:

\$0.8546 for the purpose of maintenance and operations, and

\$0.3874 for the purpose of payment of principal, interest, and related costs on debts.

Such taxes are to be assessed and collected by the tax officials designated by the District.

IN CERTIFICATION THEREOF:

Signed: _____
President

Attest: _____
Secretary

Seal:

DISCUSSION OF APPROVAL OF 2022-2023 COMPENSATION PLAN

RECOMMENDATION:

That the Board of Trustees consider approval of the 2022-2023 Compensation Plan, as presented.

IMPACT/RATIONALE:

Funds will be included in the 2022-2023 budget, as per direction from the Board of Trustees, for each classification of employee outlined in the plan. The Compensation Plan reflects salary information for the 2022-2023 school year.

PROGRAM DESCRIPTION:

Each year the Administration prepares the Compensation Plan for approval by the Board of Trustees. This plan represents all pay information including salary supplements and guest instructor pay.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Alphonso Bates, Chief Student Services Officer

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

DISCUSSION OF STAFF/VISITOR MEAL PRICE INCREASES FOR 2022-2023 SCHOOL YEAR

RECOMMENDATION:

That the Board of Trustees approve increasing staff/visitor meal prices for breakfast and lunch during the 2022-2023 school year.

IMPACT/RATIONALE:

In compliance with the United States Department of Agriculture and the Texas Department of Agriculture the charge for adult meals must, at a minimum, be greater than the amount of total reimbursement received for free meals plus any other supplemental payments received by the CE plus per-meal values of USDA Foods used for the meal service.

PROGRAM DESCRIPTION:

The following table is an example of the 2021-2022 school year calculator that calculates the minimum required adult breakfast/lunch pricing. The Texas Department of Agriculture has not released the Free Reimbursement Rates to use in the 2022-2023 school year calculator. Rates are expected to be released by July 30, 2022.

Method 2 Lunch		Method 2 Breakfast	
Federal Funds/Reimbursement Rate	Amount CE Receives	Federal Funds/Reimbursement Rate	Amount CE Receives
Free Reimbursement Rate	\$ 3.66	Free Reimbursement Rate	
Performance-Based Rate	\$ 0.07	Severe Need Breakfast Rate	\$ 2.35
Severe Need Lunch Rate	\$ 0.02	USDA Foods Rate (Add if USDA Foods are used at breakfast)	\$ 0.40
USDA Foods Rate	\$ 0.40		
Total Federal Funds Received	\$ 4.15	Total Federal Funds Received	\$ 2.75
Minimum Adult Charge	\$ 4.15	Minimum Adult Breakfast Charge	\$ 2.75

Submitted by: Greg Buchanan, Chief Operations Officer
 Monica Tomas, Child Nutrition Director

Recommended for approval:



Dr. Roosevelt Nivens
 Superintendent

**DISCUSSION OF FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT (MUD)
#229 SERVICE AGREEMENT AND FEES FOR BERNARD CLIFTON TERRELL JR.
ELEMENTARY SCHOOL**

RECOMMENDATION:

That the Board of Trustees approve service agreement and fees to Fort Bend County Municipal Utility District (MUD) #229 for the new Bernard Clifton Terrell Jr. Elementary School in the amount of \$204,923.00 and authorize the Superintendent or designee to execute the agreement.

IMPACT/RATIONALE:

Fort Bend County MUD #229 will provide water and wastewater service to the facility. The \$204,923.00 fee includes tax exempt fees required by the District and are related to "Non-Taxable Entity". Also included are inspections, tap and meter fees.

PROGRAM DESCRIPTION:

Upon approval of this agreement Fort Bend County MUD #229 will provide service to Bernard Clifton Terrell Jr. Elementary School.

Submitted by: Greg Buchanan, Chief Operations Officer
Kevin McKeever, Bond Program Office Director

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

SERVICE AGREEMENT

- I. **PURPOSE.** Fort Bend County MUD #229 is responsible for protecting the drinking water supply from contamination or pollution which could result from improper private water distribution system construction or configuration. The purpose of this service agreement is to notify each customer of the restrictions which are in place to provide this protection. The utility enforces these restrictions to ensure the public health and welfare. Each customer must sign this agreement before the FB MUD #229 will begin service. In addition, when service to an existing connection has been suspended or terminated, the water system will not re-establish service unless it has a signed copy of this agreement.
- II. **RESTRICTIONS.** The following unacceptable practices are prohibited by State regulations.
- A. No direct connection between the public drinking water supply and a potential source of contamination is permitted. Potential sources of contamination shall be isolated from the public water system by an air-gap or an appropriate backflow prevention device.
 - B. No cross-connection between the public drinking water supply and a private water system is permitted. These potential threats to the public drinking water supply shall be eliminated at the service connection by the installation of an air-gap or a reduced pressure-zone backflow prevention device.
 - C. No connection which allows water to be returned to the public drinking water supply is permitted.
 - D. No pipe or pipe fitting which contains more than .25% lead may be used for the installation or repair of plumbing at any connection which provides water for human use.
 - E. No solder or flux which contains more than 0.2% lead can be used for the installation or repair of plumbing at any connection which provides water for human use.
- III. **SERVICE AGREEMENT.** The following are the terms of the service agreement between the Fort Bend County MUD #229 (the Water System) and _____ (The Customer).
- A. The Water System will maintain a copy of this agreement as long as the Customer and/or the premises are connected to the Water System.
 - B. The Customer shall allow his property to be inspected for possible cross-connections and other potential contamination hazards. These inspections shall be conducted by the Water System or its designated agent prior to initiating

new water service; when there is reason to believe that cross-connections or other potential contamination hazards exist; or after any major changes to the private water distribution facilities. The inspections shall be conducted during the Water System's normal business hours.

- C. The Water System shall notify the Customer in writing of any cross-connection or other potential contamination hazard which has been identified during the initial inspection or the periodic re-inspection.
 - D. The Customer shall immediately remove or adequately isolate any potential cross-connections or other potential contamination hazards on his premises.
 - E. The Customer shall, at his expense, properly install, test, and maintain any backflow prevention device required by the Water System. Copies of all testing and maintenance records shall be provided to the Water System.
- IV. ENFORCEMENT. If the Customer fails to comply with the terms of the Service Agreement, the Water System shall, at its option, either terminate service or properly install, test, and maintain an appropriate backflow prevention device at the service connection. Any expenses associated with the enforcement of this agreement shall be billed to the Customer.

CUSTOMER'S SIGNATURE: _____

SERVICE ADDRESS: _____

DATE: _____

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 229

17495 Village Green Drive

Houston, Texas 77040

713-395-3100

Fax 832-467-1610

May 25, 2022

Lamar Consolidated Independent School District

Kevin McKeever

3911 Ave I

Rosenberg, Texas 77471

Email: McKeever@lcisd.org

Re: Tap and Inspection Fee Letter for Bernard C. T. Jr. Elem. @ 26229 Fulshear Gaston Rd.

Dear Mr. McKeever:

The district received the plans for the above referenced project. Based on the plans approved by the District's Engineer, we are providing the costs associated with the water tap and meter installations to include one (1) 4" inch domestic tap and meter, (2) 2" inch irrigation taps and meters, and (1) 8" Single Detector Check Fire Assembly Tap. Below are the fees for the tap and meter installations:

• One (1) 12"x4" TS&V with a 4" inch domestic tap and meter.	\$ 35,000.00
• Two (2) 2" irrigation tap and meters.	\$ 9,000.00
• One (1) 12"x8" TS&V with 8" fire single detector check meter assembly.	\$ 35,000.00
Tap Fee Subtotal	\$ 79,000.00

The following tax exempt fees are required by the District and are related to a "Non-Taxable Entity". Non-Taxable User" means any Other User of the District's system not subject to taxation by governmental entities, including, but not limited to, churches and schools.

• In Lieu of Taxes	\$ 117,833.00
Subtotal	\$ 117,833.00

The following are fees associated with providing the minimum inspections required by the District's Rate Order. If additional inspections are requested or required, they will be billed at the rates per the District's Rate Order.

• Pre-Construction Inspection	\$ 75.00
• Sanitary Sewer Inspection x 5	\$ 247.50
• Storm Sewer Inspection x 10	\$ 495.00
• Customer Service Inspection x 5	\$ 247.50
• Final Inspection	\$ 75.00
• Grease Trap Inspection x 2	\$ 200.00
• Sample Well Inspection	\$ 100.00
• Backflow Test/Inspection	\$ 100.00
• Plan Review	\$ 200.00
Inspections Subtotal	\$ 1,740.00

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 229

17495 Village Green Drive

Houston, Texas 77040

713-395-3100

Fax 832-467-1610

Other fees and deposits:

• Application Fee x 4 accounts \$25 each	\$ 100.00
• Builder Deposit	\$ 2,000.00
• Customer Security Deposit – Domestic	\$ 2,400.00
• Customer Security Deposit – Irrigation x 2	\$ 1,600.00
• Customer Security Deposit – Fire Line	\$ 250.00
Application and Security Deposit Subtotal	\$ 6,350.00
<hr/>	
Total Fees Due	\$ 204,923.00

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 229

17495 Village Green Drive

Houston, Texas 77040

713-395-3100

Fax 832-467-1610

Please make payment to **Fort Bend County M.U.D. No. 229** for the total amount listed above. Payment should be sent to the address above with the following completed documents: (1) Application for Water and Sewer Service and (2) Customer Service Agreement. These fees are subject to change if payment is not received within 7 days from the date of this letter.

The above fees do not include any repairs to concrete, landscape or other improvements damaged during the tap installation. If these repairs are required, it will be at the sole cost of the applicant. Additionally, the above fees do not include any fees associated with permits, bonds, or the engineered plans required by the County for work to be performed in the County Right of Way to get water and/or wastewater service to this project. All of the associated fees and/or plans will be the responsibility of the applicant.

This District's Rate Order requires certain inspections be performed prior to providing permanent water and sewer service. The inspections include; (1) Pre-Construction Inspection to confirm all District owned utilities are accessible and are in working order, (2) Customer Service Inspection to include the inspection of all plumbing fixtures, and any associated potential cross-connections, and a (3) Sewer Inspection to verify compliance with the District's Rate Order regarding sewer lines, a (4) Final Construction Inspection to confirm the condition of District owned facilities following completion of construction, (5) Grease Trap Inspection(s) is to determine proper connection(s) of the device designed to intercept most greases and solids before they enter a wastewater disposal system and (6) The customer is responsible for the installation and testing of the backflow prevention assembly. Testing of the device must be performed by a certified assembly tester and a signed and dated original copy of the Backflow Prevention Assembly Test and Maintenance Report must be submitted to the District's Operator within 7 days from the date of the installation. Any additional inspections will be billed to the account.

In accordance with the District's Rate Order, the installation of the water taps, and the inspections required by the district cannot be performed until the tap and inspection fees have been paid, all conditions of the capacity commitment letter have been met, the construction plans for the property have been approved by the District's Engineer and the following documents that have been requested by the District's Operator have been received.

1. Completed Application for Water Service; one for each of the accounts.
2. Completed Customer Service Agreement; one for each of the accounts.

Please feel free to contact me at the number above should there be any questions regarding this matter.

Sincerely,



Bart Downum
Builder Services Manager
Environmental Development Partners, L.L.C.
Operator for the District

cc: Breah Campbell, District Manager, Environmental Development Partners, L.L.C.

DISCUSSION OF RATIFICATION OF FINANCIAL AND INVESTMENT REPORTS – JULY 2022

RECOMMENDATION:

That the Board of Trustees ratify the Financial and Investment Reports as presented for the month ending July 31, 2022.

PROGRAM DESCRIPTION:

Financial reporting is intended to provide information useful for many purposes. The reporting function helps fulfill government's duty to be publicly accountable, as well as to help satisfy the needs of users who rely on the reports as an important source of information for decision making.

Financial reports and statements are the end products of the accounting process. You will find attached the following reports:

- Ratification of Disbursements, all funds
 - List of disbursements for the month by type of expenditure
- Financial Reports
 - Year-to-Date Cash Receipts and Expenditures, General Fund only
 - Investment Report

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Michele Reynolds, CPA, Director of Finance

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

DISCUSSION OF BUDGET AMENDMENT REQUESTS – AUGUST 2022

RECOMMENDATION:

That the Board of Trustees consider approval of budget amendment requests submitted between the date of board agenda preparation for the July 2022 meeting and the date of board agenda preparation for the August 2022 meeting.

IMPACT/RATIONALE:

The proposed budget amendments require school board approval because budgeted funds are being reallocated between functional categories and/or new budgets are being established.

PROGRAM DESCRIPTION:

Budget amendments are mandated by the state for budgeted funds reallocated from one functional level, and state and/or federal program to another. These budget changes are usually the result of unexpected levels of expenditures in certain categories and amendments are for legal compliance. Other budget amendments are determined by the School Board.

Since the operating budget for Lamar CISD is adopted at the functional level, budget revisions are required for reallocations between functional levels or when new budgets are being established. All necessary budget amendments must be formally adopted by the School Board and recorded in the Board minutes. (TEA Financial Accountability System Resource Guide, Financial Accounting & Reporting, Update 17.0)

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Yvonne Dawson, RTSBA, Director of Budget and Treasury

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

**DISCUSSION OF RATIFICATION OF QUARTERLY INVESTMENT REPORT
MARCH 1, 2022 THROUGH MAY 31, 2022**

RECOMMENDATION:

That the Board of Trustees ratify the quarterly investment report as submitted for the quarter ending May 31, 2022.

IMPACT/RATIONALE:

This report is required by state law and local policy CDA and includes all the pertinent information regarding the District's current investments. Investment officers for the District will be present at the meeting to answer any questions about the report and the District's cash and investment position.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Yvonne Dawson, RTSBA, Director of Budget and Treasury
Michele Reynolds, CPA, Director of Finance

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

DISCUSSION OF APPROVAL OF LAMAR CISD INVESTMENT POLICY

RECOMMENDATION:

That the Board of Trustees review and approve the District's investment policy to comply with the Public Funds Investment Act (Texas Government Code Chapter 2256, Subchapter A).

IMPACT/RATIONALE:

Policies CDA (LEGAL) and CDA (LOCAL) follow for your review.

The Public Funds Investment Act requires that the investment policy and investment strategies of the District be reviewed annually. For compliance with the Act, the Board shall adopt a written instrument stating that it has reviewed the investment policy and investment strategies. The written instrument so adopted shall record any changes made to either the investment policy or investment strategies. The attached resolution shall serve as that written instrument.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Yvonne Dawson, RTSBA, Director of Budget & Treasury
Michele Reynolds, CPA, Director of Finance

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

LAMAR CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

RESOLUTION OF ANNUAL REVIEW OF THE INVESTMENT POLICY OF Lamar Consolidated Independent School District

WHEREAS, Lamar Consolidated ISD, (the “District”) has been legally created and operates pursuant to the general laws of the State of Texas applicable to Independent School Districts; and

Whereas, the Board of Trustees has convened on this date at a meeting open to the public and wishes to review the Investment Policy for the District, in the form attached hereto, pursuant to Chapter 2256, The Texas Government Code, as amended from time to time; Now, therefore,

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE DISTRICT THAT:

Section 1: The Investment Policy, in the form attached hereto is hereby reviewed and approved at its annual review.

Section 2: The provisions of this resolution shall be effective as of the date reviewed and shall remain in effect until modified by action of the Board of Trustees.

PASSED AND APPROVED this 22nd day of August 2022.

Alex Hunt
President, Board of Trustees

ATTEST:

Zach Lambert
Secretary, Board of Trustees

Policy It is the policy of the District to invest public funds in a manner that ensures the safety of invested funds, maintains sufficient liquidity to provide for the daily needs of the District, and achieves maximum yield in relation to the risk assumed. Safety of invested principal, however, remains highest in priority.

Investment Authority The chief financial officer, the budget and treasury officer, and the director of finance shall serve as the investment officers of the District and shall invest District funds as directed by the Board and in accordance with the District's written investment policy and generally accepted accounting procedures.

Scope This investment policy applies to all financial assets of the District. These funds are accounted for in the District's comprehensive annual financial report and include:

General Fund The general fund usually includes transactions as a result of revenues from local maintenance taxes, Foundation School Program entitlements, and other locally generated sources.

Special Revenue Funds Special revenue funds are governmental funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Debt Service Funds A debt service fund is a governmental fund, with budgetary control, that must be used to account for general long-term debt principal and interest for debt issues and other long-term debts for which a tax has been dedicated.

Capital Projects Funds A capital projects fund is a governmental fund that must be used to account, on a project basis, for projects financed by the proceeds from bond issues, or for capital projects otherwise mandated to be accounted for in this fund.

Internal Service Funds Internal service funds are proprietary funds accounted for on the accrual basis.

Trust and Custodial Funds This group of funds is used to account for assets held by a school district in a trustee capacity of the District, or as an agent for individuals, private organizations, other governmental units and/or other funds. This fund type consists of expendable trust funds, non-expendable trust funds, pension trust funds and custodial funds.

Texas Teacher Retirement Fund The Texas Teacher Retirement Fund shall not be covered by this policy.

All employees of the District employed for one-half or more of the standard work load, and who are not exempted from membership under Government Code, Section 822.002, are required to partici-

pate in the Teacher Retirement System of Texas, a multiple-employer public employee retirement system. It is a cost-sharing public employee retirement system with one exception—all risks and costs are not shared by the District, but are the liability of the state of Texas, and as such, all investments are maintained by the Teacher Retirement System.

Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

Safety

1. Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
 - a. The District will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:
 - (1) Limiting investments to the types of securities listed in this investment policy;
 - (2) Pre-qualifying the financial institutions, brokers/dealers, and advisors with which the District will do business in accordance with this policy; and
 - (3) Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.
 - b. To reduce exposure to changes in interest rates that could adversely affect the value of investments, the District shall use final and weighted-average-maturity limits and diversification.

The District shall monitor interest rate risk using weighted average maturity and specific identification.

Liquidity

2. The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the portfolio may be placed in money market mutual funds or

local government investment pools that offer same-day liquidity for short-term funds.

Yield

3. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:
 - a. A security with declining credit may be sold early to minimize loss of principal.
 - b. A security swap would improve the quality, yield, or target duration in the portfolio.
 - c. Liquidity needs of the portfolio require that the security be sold.

Fund Strategies

Appropriate investment strategies shall be developed by fund category. The strategies must define the investment objectives for each fund type, with priority consideration being given to the suitability of the investment for the type of funds being invested, the preservation and safety of principal, liquidity, marketability, diversification, and yield. Investments shall be made in accordance with these objectives, and the maximum allowable stated maturity for any individual security may exceed one year provided legal limits are not exceeded.

The District shall have a similar investment strategy for each of the following covered funds:

1. General fund.
2. Special revenue fund(s)—including funds used to account for federal, state, and local grants, as well as the food service fund and the campus activity fund.
3. Debt service fund(s).
4. Capital project fund(s).
5. Proprietary fund(s)—including the funds used to account for the workers' compensation and medical self-insurance programs.
6. Trust and custodial funds—including the student activity fund.

The District shall follow the investment strategies listed below (in order of importance) for each covered fund:

1. Each investment option shall be reviewed to ensure understanding of the suitability of the investment to the financial requirements of the District;
2. Investments shall be selected that provide preservation and safety of invested funds;
3. Investment strategies for all covered funds shall have as their objective sufficient investment liquidity to timely meet obligations. Maturities longer than one year are authorized provided legal limits are not exceeded;
4. The investment shall be marketable if the need arises to liquidate invested funds before maturity;
5. The investment type shall be consistent with the Board's desired diversification of the investment portfolio; and
6. All invested funds of the District shall attain a rate of return commensurate with the District's investment risk constraints and the cash flow characteristics of the portfolio.

The District shall diversify its investments in all funds by security type and institution. The District shall consider purchase of high quality short-term to medium-term securities that will complement each other in a ladder or liability-matching portfolio structure.

Prudence

Investments shall be made with judgment and care—under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

In determining whether an investment official has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds over which the official had responsibility rather than consideration

as to the prudence of a single investment and, whether the investment decision was consistent with the District's investment policy and written investment procedures.

**Ethics and Conflicts
of Interest**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Officers and employees involved in the investment process shall sign annual statements agreeing to abide by this section of the investment policy and affirming no known conflicts of interest.

An officer or employee involved in the investment process has a personal business relationship with a business organization if:

1. The officer or employee owns ten percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
2. Funds received by the officer or employee from the business organization exceed ten percent of his/her gross income for the previous year;
3. The officer or employee has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for his/her personal account; or
4. The officer is related within the second degree by affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to transact investment business with the entity.

If the investment officer has a personal business relationship with a business organization, a disclosure statement must be filed with the Texas Ethics Commission.

**Authorized
Investments**

From those investments authorized by law and described further in CDA(LEGAL) under Authorized Investments, the Board shall permit investment of District funds, including bond proceeds and pledged revenue to the extent allowed by law, in only the following investment types, consistent with the strategies and maturities defined in this policy:

1. Obligations of the United States or its agencies and instrumentalities; direct obligations of the state of Texas or its agencies; other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the state of Texas, the United States, or its

instrumentalities; including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or by the explicit full faith and credit of the United States; obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent. *Gov't Code 2256.009*

2. Certificates of deposit or share certificates issued by a depository institution that has its main office or a branch office in Texas that is guaranteed or insured by the FDIC or its successor or the National Credit Union Share Insurance Fund or its successor and is secured by obligations described in item 1 above, including mortgage-backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates or are secured in any other manner and amount provided by law for the deposits of the investment entity. *Gov't Code 2256.010*
3. In addition to the authority to invest funds in certificates of deposit under the previous section, an investment in certificates of deposit made in accordance with the following conditions is an authorized investment under Government Code 2256.010:
 - a. The funds are invested by the District through a broker that has its main office or a branch office in this state and is selected from a list adopted by the District as required by Government Code 2256.025, or a depository institution that has its main office or a branch office in this state and that is selected by the District;
 - b. The broker or depository institution selected by the District arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the District;
 - c. The full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and
 - d. The District appoints the depository institution selected by the District, an entity described by Government Code 2257.041(d), or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for

the District with respect to the certificates of deposit issued for the account of the District entity.

Gov't Code 2256.010(b)

4. Fully collateralized repurchase agreements that have a defined termination date, are secured by a combination of cash and obligations of the United States or its agencies and instrumentalities, require the securities being purchased by the District or cash held by the District to be pledged to the District, held in the District's name, and deposited with a third party selected and approved by the investment committee, and placed through a primary government securities dealer, as defined by the Federal Reserve or a financial institution doing business in the State of Texas. *Gov't Code 2256.011*
5. The District shall have a master repurchase agreement signed with the bank or dealer with whom all repurchase agreements are traded.
6. Commercial paper that has a stated maturity of 270 days or fewer from the date of issuance and is rated not less than A1-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies or by one nationally recognized credit rating agency provided the commercial paper is fully secured by an irrevocable letter of credit issued by a bank organized and existing under U.S. law or the law of any state; and to the extent that commercial paper is held through an investment pool and not as an individual issue through the District. *Gov't Code 2256.013.*
7. No-load mutual funds, except for bond proceeds, and no-load money market mutual funds, as permitted by Government Code 2256.014.
8. A public funds investment pool meeting the requirements of Government Code 2256.016, are rated no lower than AAA or an equivalent rating by at least one nationally recognized rating service, and are authorized by resolution or ordinance by the Board. In addition, a local government investment pool created to function as a money market mutual fund must mark its portfolio to the market daily and, to the extent reasonably possible, stabilize at \$1 net asset value. *Gov't Code 2256.016.*
9. Guaranteed investment contracts that have a defined termination date and are secured by obligations described by Government Code 2256.09(a)(1), excluding those obligations described by Government Code 2256.09(b), in an amount at

least equal to the amount of bond proceeds invested under the contract; such obligations must be pledged to the District and held in the District's name with an approved third party. *Gov't Code 2256.015.*

Corporate bonds are not an eligible investment for a public funds investment pool. *Gov't Code 2256.0204(g)*

Sellers of Investments

The investment officers will maintain a list of financial institutions, approved by the investment committee, who are authorized to provide investment services. Prior to handling investments on behalf of the District, a broker/dealer or a qualified representative of a business organization must submit required written documents in accordance with law. [See Sellers of Investments, CDA(LEGAL)]

Representatives of brokers/dealers shall be registered with the Texas State Securities Board and must have membership in the Securities Investor Protection Corporation (SIPC) and be in good standing with the Financial Industry Regulatory Authority (FINRA).

A periodic review, at least annually, of the financial condition and registration of new qualified bidders will be conducted by the investment committee. Recommendations will be provided for consideration by the Board as necessary.

Monitoring Market Prices

The investment officers shall keep the Board informed of significant declines in the market value of the District's investment portfolio. Information sources may include financial/investment publications and electronic media, available software for tracking investments, commercial or investment banks, financial advisors, and representatives/advisors of investment pools or money market funds. Monitoring shall be done monthly or more often as economic conditions warrant by using appropriate reports, indices, or benchmarks for the type of investment.

Monitoring Rating Changes

In accordance with Government Code 2256.005(b), the investment officers shall develop a procedure to monitor changes in investment ratings and to liquidate investments that do not maintain satisfactory ratings.

Selection of Depository

The Board shall select and designate a depository institution in accordance with CDA(LEGAL). The depository shall be selected based upon its solvency and stability of leadership as well as on the services provided. The depository shall be selected through a formalized bidding process in response to the District's request for bid (RFB) outlining all services required. Such services should provide the greatest flexibility for money management and should in-

clude online account management, positive pay accounts, purchasing card capabilities, and other services considered necessary by District management.

The District shall have the discretion to determine the time span for rebidding the depository contract; however, a three-year period will be the maximum length of time between bidding.

Competitive Bidding

It is the strategy of the District to require competitive bidding for all individual security purchases and sales except for:

1. Transactions with money market mutual funds and local government investment pools (which are deemed to be made at prevailing market rates);
2. Treasury and agency securities purchased at issue through an approved broker/dealer or financial institution; or
3. Automatic overnight "sweep" transactions with the District Depository.

At least three bids or offers must be solicited for all other transactions involving individual securities. The District's investment advisor is also required to solicit at least three bids or offers when transacting trades on the District's behalf. In situations where other dealers do not offer the exact security being offered, offers on the closest comparable investment may be used to establish a fair market price for the security.

Collateral

The investment officers shall ensure that all District funds (principal and accrued interest) are fully collateralized to 110 percent or insured in one or more of the following manners:

1. FDIC insurance coverage; and/or
2. 110 percent of the uninsured value in obligations of the United States or its agencies or instrumentalities or other authorized securities as outlined in item 4 below.
3. All pledged securities shall be held in safekeeping by the District, in a custodial account approved by the District in a third party financial institution, or with a Federal Reserve Bank. The third party custodian shall be required to issue safekeeping receipts directly to the District and to provide a monthly listing of each specific security, rate, description, maturity, CUSIP number, and other information as may be deemed necessary and appropriate by the District. In order to anticipate market changes and provide a level of additional security for all funds, the collateralization level required shall be 110

percent of the market value. The bank shall be liable for pricing securities and providing 110 percent collateralization.

4. Pledged securities shall be limited to only those items which are specifically permitted as approved investment instruments within the definitions of this policy. Should a pledged security fail to meet this requirement, it shall be the sole responsibility of the financial institution to immediately, without notice from the District or cost to the District, replace any such nonconforming security.

Safekeeping and Custody

Safekeeping and custody of securities and collateral shall be in accordance with state law. It shall be the District's intent to place securities and collateral in the possession of a third party custodian designated by the District where feasible, and held in the District's name as evidenced by safekeeping receipts of the institution with which the securities are deposited.

All investment transactions except investment pool funds and mutual funds will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds. That is, funds shall not be wired or paid until verification has been made that the Trustee received the securities or collateral.

Diversification

The District shall diversify its investments by security type and institution. The asset mix of the District's portfolio is expressed in terms of maximum commitment so as to allow sufficient flexibility to take advantage of market considerations within the context of this policy. The asset mix requirements are as follows:

Money Market Accounts	60% (maximum)
Certificates of Deposit	25% (maximum)
U.S. Treasury Obligations	100% (maximum)
U.S. Government Securities	100% (maximum)
Repurchase Agreements	15% (maximum)
Public Funds Investment Pools	100% (maximum)
Commercial Paper	25% (maximum)
Guaranteed Investment Contracts	60% (maximum)

Maximum Maturity

To the extent possible, the District shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the District shall not directly invest in securities maturing more than 36 months from the date of purchase. However, securities with a maturity of greater than 12 months shall not exceed ten percent of the total portfolio, and shall be approved by the Board before purchase.

Bond proceeds and debt service funds may be invested in securities exceeding 12 months if the maturity of such investments is made to coincide as nearly as practicable with the expected use of the funds.

Arbitrage

The Tax Reform Act of 1986 provided limitations restricting the amount of income that could be generated from the investment of tax-exempt General Obligation Bond proceeds and debt service income. The arbitrage rebate provisions require that the District compute earnings on investment from each issue of bonds on an annual basis to determine if a rebate is required. To determine the District's arbitrage position, the District is required to perform specific calculations relative to the actual yield earned on the investment of the funds and the yield that could have been earned if the funds had been invested at a rate equal to the yield on the bonds sold by the District. The rebate provision states that periodically (not less than once every five years, and not later than 60 days after the maturity of the bonds), the District is required to pay the U.S. Treasury a rebate of excess earnings based on the District being in a positive arbitrage position. The Tax Reform restrictions require precision in the monitoring and recording of investments as a whole, and particularly as relates to yields and computations so as to ensure compliance. Failure to comply can dictate that the bonds become taxable, retroactively from the date of issue.

The District's investment position relative to arbitrage is the continued pursuit of maximizing the yield on applicable investments while ensuring the safety of capital and liquidity. It is a fiscally sound position to continue maximization of yield and rebate excess earnings, if necessary.

Benchmark

The District's investment strategy is a passive one, in that the majority of securities shall be purchased and held to maturity. Additionally, cash inflows and outflows shall be monitored daily. Given this strategy, the basis used by the investment officers to determine whether market yields are being achieved shall be the Two-Year U.S. Treasury Bill and the average Fed Funds rate.

Internal Control

The investment portfolio, as well as compliance with this policy, shall be reviewed quarterly by the investment committee and annually by the District's external auditor in conjunction with the annual audit of the District's financial statements.

**Investment
Committee**

The investment committee shall review the investment strategies annually and make recommendations for revision as necessary. The investment committee includes, but is not limited to, the Superintendent, the chief financial officer, the director of finance, the budget and treasury officer, the financial advisor, Board financial audit committee (nonvoting), and up to two investment bankers.

**Quality of
Investment
Management**

Designated investment officers of the District shall participate in periodic training through courses and seminars offered by professional organizations, associations, and other independent sources approved by the investment committee to ensure the quality and capability of investment management in compliance with the Public Funds Investment Act.

Investment Training

Within 12 months after taking office or assuming duties, designated investment officers of the District shall attend at least one training session from an independent source approved either by the Board or by the investment committee advising the investment officers. This initial training must contain at least ten hours of instruction relating to their respective responsibilities under the Public Funds Investment Act. *Gov't Code 2256.008(a)*

The investment officers must also attend an investment training session not less than once in a two-year period that begins on the first day of the District's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than ten hours of instruction relating to investment responsibilities under the Public Funds Investment Act from an independent source approved by the Board or the investment committee advising the investment officers. If the District has contracted with another investing entity to invest the District's funds, this training requirement may be satisfied by having a Board officer attend four hours of appropriate instruction in a two-year period that begins on the first day of the District's fiscal year and consists of the two consecutive fiscal years after that date. *Gov't Code 2256.008(a), (b)*

Investment training shall include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Government Code, Chapter 2256. *Gov't Code 2256.008(c)*

Reporting

Investment performance shall be regularly monitored by investment staff and reported to the Board. Month-end market prices on each security will be obtained by the Budget and Treasury Officer from a variety of nationally recognized securities databases (e.g., the Wall Street Journal, Bloomberg, etc.). These prices will be recorded in the District's portfolio database and included in all management reports where necessary as well as the District's Comprehensive Annual Financial Report.

Not less than quarterly the investment officers will submit to the Board a written report of the status of the current investment portfolio. The report must meet the requirements of Chapter 2256 of the Government Code (Public Funds Investment Act) and:

OTHER REVENUES
INVESTMENTS

CDA
(LOCAL)

1. Describe in detail the investment position of the District on the date of the report;
2. Be prepared jointly by all investment officers of the District;
3. Be signed by each investment officer of the District;
4. Contain a summary statement for each pooled fund group that states the beginning market value for the period and the ending market value for the period;
5. State the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and type of fund, and type of institution;
6. Percent of portfolio by type of asset, fund, and institution will be provided;
7. State the maturity date of each separately invested asset that has a maturity date;
8. State the account or fund or pooled fund group for which each individual investment was acquired; and
9. State the compliance of the investment portfolio as it relates to the investment strategy and relevant provisions of this policy and the Public Funds Investment Act.

An independent auditor shall formally review the quarterly reports prepared under this section at least annually, and that auditor shall report the results of the review to the Board.

**Annual
Compliance
Audit**

In conjunction with the annual financial audit, a compliance audit shall be performed that includes an audit of management controls on investments and adherence to the District's established policy.

**Investment Policy
Approval**

The District's investment policy shall be adopted by resolution of the Board. The policy shall be reviewed annually and approved by the Board.

Table of Contents	Definitions	2
	Bond Proceeds.....	2
	Investment Pool.....	2
	Pooled Fund Group	2
	Separately Invested Asset	2
	Pledged Revenue.....	2
	Repurchase Agreement.....	2
	Hedging.....	2
	Corporate Bond	3
	Written Policies	3
	Annual Review	4
	Annual Audit	4
	Investment Strategies.....	4
	Investment Officer	4
	Investment Training	5
	Standard of Care	6
	Selection of Broker	8
	Bond Proceeds.....	8
	Authorized Investments	8
	Obligations of Governmental Entities.....	8
	Certificates of Deposit and Share Certificates.....	10
	Repurchase Agreements	11
	Securities Lending Program	12
	Banker's Acceptances	13
	Commercial Paper.....	13
	Mutual Funds.....	13
	Guaranteed Investment Contracts	14
	Investment Pools.....	15
	Corporate Bonds	16
	Hedging Transactions.....	16
	Prohibited Investments	17
	Loss of Required Rating	17
	Sellers of Investments	18
	Business Organization.....	18
	Donations	18
	Electronic Funds Transfer	19

All investments made by a district shall comply with the Public Funds Investment Act (Texas Government Code Chapter 2256, Subchapter A) and all federal, state, and local statutes, rules, or regulations. *Gov't Code 2256.026*

Definitions

Bond Proceeds	"Bond proceeds" means the proceeds from the sale of bonds, notes, and other obligations issued by a district, and reserves and funds maintained by a district for debt service purposes.
Investment Pool	"Investment pool" means an entity created under the Texas Government Code to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are preservation and safety of principal, liquidity, and yield.
Pooled Fund Group	"Pooled fund group" means an internally created fund of a district in which one or more institutional accounts of a district are invested.
Separately Invested Asset	"Separately invested asset" means an account or fund of a district that is not invested in a pooled fund group. <i>Gov't Code 2256.002(1), (6), (9), (12)</i>
Pledged Revenue	"Pledged revenue" means money pledged to the payment of or as security for: <ol style="list-style-type: none">1. Bonds or other indebtedness issued by a district;2. Obligations under a lease, installment sale, or other agreement of a district; or3. Certificates of participation in a debt or obligation described by item 1 or 2. <i>Gov't Code 2256.0208(a)</i>
Repurchase Agreement	"Repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations, described by Government Code 2256.009(a)(1) (obligations of governmental entities) or 2256.013 (commercial paper) or if applicable, 2256.0204 (corporate bonds), at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and a reverse security repurchase agreement. <i>Gov't Code 2256.011(b)</i>
Hedging	"Hedging" means acting to protect against economic loss due to price fluctuation of a commodity or related investment by entering

into an offsetting position or using a financial agreement or producer price agreement in a correlated security, index, or other commodity.

Eligible Entity

“Eligible entity” means a political subdivision that has:

1. A principal amount of at least \$250 million in outstanding long-term indebtedness, long-term indebtedness proposed to be issued, or a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued; and
2. Outstanding long-term indebtedness that is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities, without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation.

Eligible Project

“Eligible project” has the meaning assigned by Government Code 1371.001 (issuance of obligations for certain public improvements).

Gov’t Code 2256.0207(a)

Corporate Bond

“Corporate bond” means a senior secured debt obligation issued by a domestic business entity and rated not lower than “AA-” or the equivalent by a nationally recognized investment rating firm. The term does not include a debt obligation that, on conversion, would result in the holder becoming a stockholder or shareholder in the entity, or any affiliate or subsidiary of the entity, that issued the debt obligation, or is an unsecured debt obligation. *Gov’t Code 2256.0204(a)*

Written Policies

The board shall adopt by rule, order, ordinance, or resolution, as appropriate, a written investment policy regarding the investment of its funds and funds under its control. The investment policies must primarily emphasize safety of principal and liquidity and must address investment diversification, yield, and maturity and the quality and capability of investment management. The policies must include:

1. A list of the types of authorized investments in which the district’s funds may be invested;
2. The maximum allowable stated maturity of any individual investment owned by the district;
3. For pooled fund groups, the maximum dollar-weighted average maturity allowed based on the stated maturity date of the portfolio;

OTHER REVENUES
INVESTMENTS

CDA
(LEGAL)

4. Methods to monitor the market price of investments acquired with public funds;
5. A requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis; and
6. Procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the provisions of Government Code 2256.021 [see Loss of Required Rating, below].

Gov't Code 2256.005(a), (b)

Annual Review

The board shall review its investment policy and investment strategies not less than annually. The board shall adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies. *Gov't Code 2256.005(e)*

Annual Audit

A district shall perform a compliance audit of management controls on investments and adherence to the district's established investment policies. The compliance audit shall be performed in conjunction with the annual financial audit. *Gov't Code 2256.005(m)*

Investment
Strategies

As an integral part of the investment policy, the board shall adopt a separate written investment strategy for each of the funds or group of funds under the board's control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities in order of importance:

1. Understanding of the suitability of the investment to the financial requirements of the district;
2. Preservation and safety of principal;
3. Liquidity;
4. Marketability of the investment if the need arises to liquidate the investment before maturity;
5. Diversification of the investment portfolio; and
6. Yield.

Gov't Code 2256.005(d)

Investment Officer

A district shall designate by rule, order, ordinance, or resolution, as appropriate, one or more officers or employees as investment officer(s) to be responsible for the investment of its funds consistent

with the investment policy adopted by the board. If the board has contracted with another investing entity to invest its funds, the investment officer of the other investing entity is considered to be the investment officer of the contracting board's district. In the administration of the duties of an investment officer, the person designated as investment officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs, but the board retains the ultimate responsibility as fiduciaries of the assets of the district. Unless authorized by law, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the district. Authority granted to a person to invest the district's funds is effective until rescinded by the district or until termination of the person's employment by a district, or for an investment management firm, until the expiration of the contract with the district. *Gov't Code 2256.005(f)*

A district or investment officer may use the district's employees or the services of a contractor of the district to aid the investment officer in the execution of the officer's duties under Government Code, Chapter 2256. *Gov't Code 2256.003(c)*

Investment Training Investment training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Public Funds Investment Act. *Gov't Code 2256.008(c)*

Initial Within 12 months after taking office or assuming duties, the treasurer, the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a district shall attend at least one training session from an independent source approved by the board or a designated investment committee advising the investment officer. This initial training must contain at least ten hours of instruction relating to their respective responsibilities under the Public Funds Investment Act. *Gov't Code 2256.008(a)*

Ongoing The treasurer, or the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a district shall attend an investment training session not less than once in a two-year period that begins on the first day of the district's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than eight hours of instruction relating to investment responsibilities under the Public Funds Investment Act from an independent source approved by the board or by a designated investment committee advising the investment officer. *Gov't Code 2256.008(a-1)*

Exception The ongoing training requirement does not apply to the treasurer, chief financial officer, or investment officer of a district if:

OTHER REVENUES
INVESTMENTS

CDA
(LEGAL)

1. The district does not invest district funds or only deposits those funds in interest-bearing deposit accounts or certificates of deposit as authorized by Government Code 2256.010; and
2. The treasurer, chief financial officer, or investment officer annually submits to the agency a sworn affidavit identifying the applicable criteria under item 1 that apply to the district.

Gov't Code 2256.008(g)

Standard of Care

Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following objectives, in order of priority:

1. Preservation and safety of principal;
2. Liquidity; and
3. Yield.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the following shall be taken into consideration:

1. The investment of all funds, or funds under the district's control, over which the officer had responsibility rather than the prudence of a single investment; and
2. Whether the investment decision was consistent with the district's written investment policy.

Gov't Code 2256.006

Personal Interest

A district investment officer who has a personal business relationship with a business organization offering to engage in an investment transaction with the district shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity, as determined by Government Code Chapter 573 (nepotism prohibition), to an individual seeking to sell an investment to the investment officer's district shall file a statement disclosing that relationship. A required statement must be filed with the board and with the Texas Ethics Commission. For purposes of this policy, an investment officer has a personal business relationship with a business organization if:

OTHER REVENUES
INVESTMENTS

CDA
(LEGAL)

1. The investment officer owns ten percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
2. Funds received by the investment officer from the business organization exceed ten percent of the investment officer's gross income for the previous year; or
3. The investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

Gov't Code 2256.005(i)

Quarterly Reports

Not less than quarterly, the investment officer shall prepare and submit to the board a written report of investment transactions for all funds covered by the Public Funds Investment Act for the preceding reporting period. This report shall be presented not less than quarterly to the board and the superintendent within a reasonable time after the end of the period. The report must:

1. Describe in detail the investment position of the district on the date of the report;
2. Be prepared jointly and signed by all district investment officers;
3. Contain a summary statement of each pooled fund group that states the:
 - a. Beginning market value for the reporting period;
 - b. Ending market value for the period; and
 - c. Fully accrued interest for the reporting period;
4. State the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
5. State the maturity date of each separately invested asset that has a maturity date;
6. State the account or fund or pooled group fund in the district for which each individual investment was acquired; and
7. State the compliance of the investment portfolio of the district as it relates to the investment strategy expressed in the district's investment policy and relevant provisions of the Public Funds Investment Act.

If a district invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officers shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the board by that auditor.

Gov't Code 2256.023

Selection of Broker

The board or the designated investment committee shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with a district.

Gov't Code 2256.025

Bond Proceeds

The investment officer of a district may invest bond proceeds or pledged revenue only to the extent permitted by the Public Funds Investment Act, in accordance with:

1. Statutory provisions governing the debt issuance or the agreement, as applicable; and
2. The district's investment policy regarding the debt issuance or the agreement, as applicable.

Gov't Code 2256.0208(b)

Authorized Investments

A board may purchase, sell, and invest its funds and funds under its control in investments described below, in compliance with its adopted investment policies and according to the standard of care set out in this policy. *Gov't Code 2256.003(a)*

In the exercise of these powers, the board may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control. A contract made under this authority may not be for a term longer than two years. A renewal or extension of the contract must be made by the board by order, ordinance, or resolution. *Gov't Code 2256.003(b)*

The board may specify in its investment policy that any authorized investment is not suitable. *Gov't Code 2256.005(j)*

Obligations of
Governmental
Entities

The following are authorized investments:

1. Obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks;

OTHER REVENUES
INVESTMENTS

CDA
(LEGAL)

2. Direct obligations of this state or its agencies and instrumentalities;
3. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;
4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state, the United States, or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or by the explicit full faith and credit of the United States;
5. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;
6. Bonds issued, assumed, or guaranteed by the state of Israel;
7. Interest-bearing banking deposits that are guaranteed or insured by the FDIC or its successor, or the National Credit Union Share Insurance Fund or its successor; and
8. Interest-bearing banking deposits other than those described at item 7 above if:
 - a. The funds are invested through a broker with a main office or a branch office in this state that the district selects from a list the board or designated investment committee of the district adopts as required at Selection of Broker above or a depository institution with a main office or a branch office in this state and that the district selects;
 - b. The broker or depository institution selected as described above arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the district's account;
 - c. The full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and
 - d. The district appoints as the district's custodian of the banking deposits issued for the district's account the de-

pository institution selected as described above, an entity described by Government Code 2257.041(d) (custodian with which to deposit securities), or a clearing broker-dealer registered with the Securities and Exchange Commission and operating under Rule 15c3-3 (17 C.F.R. Section 240.15c3-3).

Gov't Code 2256.009(a)

*Unauthorized
Obligations*

The following investments are not authorized:

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
3. Collateralized mortgage obligations that have a stated final maturity date of greater than ten years; and
4. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Gov't Code 2256.009(b)

Certificates of
Deposit and Share
Certificates

A certificate of deposit or share certificate is an authorized investment if the certificate is issued by a depository institution that has its main office or a branch office in Texas and is:

1. Guaranteed or insured by the FDIC or its successor or the National Credit Union Share Insurance Fund or its successor;
2. Secured by obligations described at Obligations of Governmental Entities, above, including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities described at Unauthorized Obligations, above; or
3. Secured in accordance with Government Code Chapter 2257 (Public Funds Collateral Act) or in any other manner and amount provided by law for the deposits of the district.

Gov't Code 2256.010(a)

In addition to the authority to invest funds in certificates of deposit under the previous section, an investment in certificates of deposit made in accordance with the following conditions is an authorized investment:

OTHER REVENUES
INVESTMENTS

CDA
(LEGAL)

1. The funds are invested by the district through a broker that has its main office or a branch office in this state and is selected from a list adopted by the district as required at Selection of Broker, above or a depository institution that has its main office or a branch office in this state and that is selected by the district;
2. The broker or depository institution selected by the district arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the district;
3. The full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and
4. The district appoints the depository institution selected by the district, an entity described by Government Code 2257.041(d) (custodian with which to deposit securities), or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the district with respect to the certificates of deposit issued for the account of the district.

Gov't Code 2256.010(b)

The district's investment policies may provide that bids for certificates of deposit be solicited orally, in writing, electronically, or in any combination of those methods. *Gov't Code 2256.005(c)*

Repurchase
Agreements

A fully collateralized repurchase agreement is an authorized investment if it:

1. Has a defined termination date;
2. Is secured by a combination of cash and obligations described by Government Code 2256.009(a)(1) (obligations of governmental entities) or 2256.013 (commercial paper) or if applicable, 2256.0204 (corporate bonds);
3. Requires the securities being purchased by the district or cash held by the district to be pledged to the district, held in the district's name, and deposited at the time the investment is made with the district or a third party selected and approved by the district; and
4. Is placed through a primary government securities dealer, as defined by the Federal Reserve or a financial institution doing business in Texas.

The term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered. Money received by a district under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

Government Code 1371.059(c) (validity and incontestability of obligations for certain public improvements) applies to the execution of a repurchase agreement by a district.

Gov't Code 2256.011

Securities Lending
Program

A securities lending program is an authorized investment if:

1. The value of securities loaned is not less than 100 percent collateralized, including accrued income;
2. A loan allows for termination at any time;
3. A loan is secured by:
 - a. Pledged securities described at Obligations of Governmental Entities, above;
 - b. Pledged irrevocable letters of credit issued by a bank that is organized and existing under the laws of the United States or any other state, and continuously rated by at least one nationally recognized investment rating firm at not less than A or its equivalent; or
 - c. Cash invested in accordance with Government Code 2256.009 (obligations of governmental entities), 2256.013 (commercial paper), 2256.014 (mutual funds), or 2256.016 (investment pools);
4. The terms of a loan require that the securities being held as collateral be pledged to the district, held in the district's name, and deposited at the time the investment is made with the district or with a third party selected by or approved by the district; and
5. A loan is placed through a primary government securities dealer, as defined by 5 C.F.R. Section 6801.102(f), as that regulation existed on September 1, 2003, or a financial institution doing business in this state.

An agreement to lend securities under a securities lending program must have a term of one year or less.

Gov't Code 2256.0115

OTHER REVENUES
INVESTMENTS

CDA
(LEGAL)

Banker's
Acceptances

A banker's acceptance is an authorized investment if it:

1. Has a stated maturity of 270 days or fewer from the date of issuance;
2. Will be, in accordance with its terms, liquidated in full at maturity;
3. Is eligible for collateral for borrowing from a Federal Reserve Bank; and
4. Is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least on nationally recognized credit rating agency.

Gov't Code 2256.012

Commercial Paper

Commercial paper is an authorized investment if it has a stated maturity of 365 days or fewer from the date of issuance; and is rated not less than A-1 or P-1 or an equivalent rating by at least:

1. Two nationally recognized credit rating agencies; or
2. One nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States law or any state.

Gov't Code 2256.013

Mutual Funds

A no-load money market mutual fund is an authorized investment if the mutual fund:

1. Is registered with and regulated by the Securities and Exchange Commission;
2. Provides the district with a prospectus and other information required by the Securities and Exchange Act of 1934 (15 U.S.C. 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.); and
3. Complies with federal Securities and Exchange Commission Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.).

Gov't Code 2256.014(a)

In addition to the no-load money market mutual fund authorized above, a no-load mutual fund is an authorized investment if it:

1. Is registered with the Securities and Exchange Commission;
2. Has an average weighted maturity of less than two years; and
3. Either has a duration of:
 - a. One year or more and is invested exclusively in obligations approved by the Public Funds Investment Act, or
 - b. Less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities.

Gov't Code 2256.014(b)

Limitations

A district is not authorized to:

1. Invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds described in Government Code 2256.014(b);
2. Invest any portion of bond proceeds, reserves and funds held for debt service, in mutual funds described in Government Code 2256.014(b); or
3. Invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund described in Government Code 2256.014(a) or (b) in an amount that exceeds ten percent of the total assets of the mutual fund.

Gov't Code 2256.014(c)

Guaranteed
Investment
Contracts

A guaranteed investment contract is an authorized investment for bond proceeds if the guaranteed investment contract:

1. Has a defined termination date;
2. Is secured by obligations described at Obligations of Governmental Entities, above, excluding those obligations described at Unauthorized Obligations, in an amount at least equal to the amount of bond proceeds invested under the contract; and
3. Is pledged to the district and deposited with the district or with a third party selected and approved by the district.

Bond proceeds, other than bond proceeds representing reserves and funds maintained for debt service purposes, may not be invested in a guaranteed investment contract with a term longer than five years from the date of issuance of the bonds.

To be eligible as an authorized investment:

1. The board must specifically authorize guaranteed investment contracts as eligible investments in the order, ordinance, or resolution authorizing the issuance of bonds;
2. The district must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received;
3. The district must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received;
4. The price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested; and
5. The provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

Government Code 1371.059(c) (validity and incontestability of obligations for certain public improvements) applies to the execution of a guaranteed investment contract by a district.

Gov't Code 2256.015

Investment Pools

A district may invest its funds or funds under its control through an eligible investment pool if the board by rule, order, ordinance, or resolution, as appropriate, authorizes the investment in the particular pool. *Gov't Code 2256.016, .019*

To be eligible to receive funds from and invest funds on behalf of a district, an investment pool must furnish to the investment officer or other authorized representative of the district an offering circular or other similar disclosure instrument that contains the information specified in Government Code 2256.016(b). To maintain eligibility, an investment pool must furnish to the investment officer or other authorized representative investment transaction confirmations and a monthly report that contains the information specified in Government Code 2256.016(c). A district by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds. *Gov't Code 2256.016(b)-(d)*

OTHER REVENUES
INVESTMENTS

CDA
(LEGAL)

Corporate Bonds

A district that qualifies as an issuer as defined by Government Code 1371.001 [see CCF], may purchase, sell, and invest its funds and funds under its control in corporate bonds (as defined above) that, at the time of purchase, are rated by a nationally recognized investment rating firm "AA-" or the equivalent and have a stated final maturity that is not later than the third anniversary of the date the corporate bonds were purchased.

A district is not authorized to:

1. Invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds, reserves, and other funds held for the payment of debt service, in corporate bonds; or
2. Invest more than 25 percent of the funds invested in corporate bonds in any one domestic business entity, including subsidiaries and affiliates of the entity.

A district subject to these provisions may purchase, sell, and invest its funds and funds under its control in corporate bonds if the board:

1. Amends its investment policy to authorize corporate bonds as an eligible investment;
2. Adopts procedures to provide for monitoring rating changes in corporate bonds acquired with public funds and liquidating the investment in corporate bonds; and
3. Identifies the funds eligible to be invested in corporate bonds.

The district investment officer, acting on behalf of the district, shall sell corporate bonds in which the district has invested its funds not later than the seventh day after the date a nationally recognized investment rating firm:

1. Issues a release that places the corporate bonds or the domestic business entity that issued the corporate bonds on negative credit watch or the equivalent, if the corporate bonds are rated "AA-" or the equivalent at the time the release is issued; or
2. Changes the rating on the corporate bonds to a rating lower than "AA-" or the equivalent.

Gov't Code 2256.0204

Hedging
Transactions

The board of an eligible entity (as defined above) shall establish the entity's policy regarding hedging transactions. An eligible entity may enter into hedging transactions, including hedging contracts,

and related security, credit, and insurance agreements in connection with commodities used by an eligible entity in the entity's general operations, with the acquisition or construction of a capital project, or with an eligible project. A hedging transaction must comply with the regulations of the federal Commodity Futures Trading Commission and the federal Securities and Exchange Commission.

Government Code 1371.059(c) (validity and incontestability of obligations for certain public improvements) applies to the execution by an eligible entity of a hedging contract and any related security, credit, or insurance agreement.

An eligible entity may:

1. Pledge as security for and to the payment of a hedging contract or a security, credit, or insurance agreement any general or special revenues or funds the entity is authorized by law to pledge to the payment of any other obligation.
2. Credit any amount the entity receives under a hedging contract against expenses associated with a commodity purchase.

An eligible entity's cost of or payment under a hedging contract or agreement may be considered an operation and maintenance expense, an acquisition expense, or construction expense of the eligible entity; or a project cost of an eligible project.

Gov't Code 2256.0206

Prohibited
Investments

Except as provided by Government Code 2270 (prohibited investments), a district is not required to liquidate investments that were authorized investments at the time of purchase. *Gov't Code 2256.017*

Note: As an "investing entity" under Government Code 2270.0001(7)(A), a district must comply with Chapter 2270, including reporting requirements, regarding prohibited investments in scrutinized companies listed by the comptroller in accordance with Government Code 2270.0201.

Loss of Required
Rating

An investment that requires a minimum rating does not qualify as an authorized investment during the period the investment does not have the minimum rating. A district shall take all prudent measures that are consistent with its investment policy to liquidate an investment that does not have the minimum rating. *Gov't Code 2256.021*

**Sellers of
Investments**

A written copy of the investment policy shall be presented to any business organization (as defined below) offering to engage in an investment transaction with a district. The qualified representative of the business organization offering to engage in an investment transaction with a district shall execute a written instrument in a form acceptable to the district and the business organization substantially to the effect that the business organization has:

1. Received and reviewed the district investment policy; and
2. Acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the district and the organization that are not authorized by the district's investment policy, except to the extent that this authorization:
 - a. Is dependent on an analysis of the makeup of the district's entire portfolio;
 - b. Requires an interpretation of subjective investment standards; or
 - c. Relates to investment transactions of the entity that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

The investment officer of a district may not acquire or otherwise obtain any authorized investment described in the district's investment policy from a business organization that has not delivered to the district the instrument required above.

Gov't Code 2256.005(k)-(l)

Nothing in this section relieves the district of the responsibility for monitoring investments made by the district to determine that they are in compliance with the investment policy.

Business
Organization

For purposes of the provisions at Sellers of Investments above, "business organization" means an investment pool or investment management firm under contract with a district to invest or manage the district's investment portfolio that has accepted authority granted by the district under the contract to exercise investment discretion in regard to the district's funds.

Gov't Code 2256.005(k)

Donations

A gift, devise, or bequest made to a district to provide college scholarships for district graduates may be invested by the board as provided in Property Code 117.004 (Uniform Prudent Investor Act),

OTHER REVENUES
INVESTMENTS

CDA
(LEGAL)

unless otherwise specifically provided by the terms of the gift, devise, or bequest. *Education Code 45.107*

Investments donated to a district for a particular purpose or under terms of use specified by the donor are not subject to the requirements of the Public Funds Investment Act. *Gov't Code 2256.004(b)*

**Electronic Funds
Transfer**

A district may use electronic means to transfer or invest all funds collected or controlled by the district. *Gov't Code 2256.051*

**DISCUSSION OF RESOLUTION FOR COMMITMENT OF FUND BALANCE AS OF
AUGUST 31, 2022**

RECOMMENDATION:

That the Board of Trustees approve a Resolution for the Commitment of Fund Balance, established according to the District's fund balance policy and in compliance with GASB 54.

IMPACT/RATIONALE:

The Governmental Accounting Standards Board (GASB) issues compliance guidelines for financial reporting. GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54)*, prescribes the categories and terminology used to describe the components of fund balance. Commitments and Assignments are a part of total fund balance. GASB 54 requires that the Board of Trustees formally *commit* fund balance reserves reflected in the financial statements. The Board previously delegated the authority to *assign* other fund balance reserves to the Superintendent or Chief Financial Officer.

PROGRAM DESCRIPTION:

Committed Fund Balance includes amounts constrained by the Board for a specific purpose (major maintenance fund, future land purchases, construction projects, reserves for self-funded insurance programs, etc.). Official action must be taken by the Board of Trustees to "commit" fund balance. This authority cannot be delegated. Also, formal action is needed to impose additional commitments, or modify/remove existing commitments.

The attached Resolution proposes that the following commitments are made to the fund balance of the General Fund:

- Reserves for Self-Insurance
 - Health Plan – funds as needed to cover Plan deficits
 - Workers Compensation Plan – funds as needed to cover Plan deficits
- Reserve for Child Nutrition Program - \$500,000
- Reserve for Transfer to Debt Service Fund for tax rate control - \$3,200,000

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Michele Reynolds, CPA, Director of Finance
Yvonne Dawson, Director of Budget and Treasury

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

RESOLUTION FOR COMMITMENT OF FUND BALANCE AS OF AUGUST 31, 2022

**STATE OF TEXAS
COUNTY OF FORT BEND**

The Board of Trustees of the Lamar Consolidated Independent School District (“the District”) being convened in Regular Session within the boundaries of the Lamar Consolidated Independent School District, on the 22nd day of August, 2022, designates the Superintendent or Chief Financial Officer the responsibility for assigning outstanding encumbrances as of year-end from the unassigned fund balance and hereby resolves, orders, and directs that the Lamar Consolidated Independent School District commit the following portions of its August 31, 2022 General Fund unassigned fund balance as follows:

BE IT RESOLVED, the District commits an amount to cover any outstanding deficits reflected in the Internal Service Funds for self-insured health or worker’s compensation.

BE IT RESOLVED, the District commits \$500,000 for any unforeseen deficits in the Child Nutrition Fund.

BE IT RESOLVED, the District commits an amount of up to \$3,200,000 to be transferred to the Debt Service Fund of the District (when needed).

Alex Hunt, President
Lamar CISD Board of Trustees

Attest:

Zach Lambert, Secretary
Lamar CISD Board of Trustees

**DISCUSSION OF 2022 TAX YEAR APPRAISAL ROLL
AND NEW PROPERTY VALUE**

RECOMMENDATION:

That the Board of Trustees consider approval of the following documents submitted by Carmen P. Turner, MPA, Fort Bend County Tax Assessor/Collector:

Submission of 2022 Tax Year Appraisal Roll and New Property Value
2022 Tax Year Certified Appraisal Roll Totals and Other Certifications

PROGRAM DESCRIPTION:

Carmen P. Turner, MPA, Fort Bend County Tax Assessor/Collector, requested that the above documents be recorded in the official minutes of the Lamar Consolidated Independent School District. A copy of the letter from Ms. Turner requesting the receipt of information, as well as copies of the documents, are attached.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
 Yvonne Dawson, Director of Budget and Treasury

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

**DISCUSSION OF THE CERTIFICATION OF 2022 TAX YEAR ANTICIPATED
COLLECTION RATE**

RECOMMENDATION:

That the Board of Trustees consider approval of the anticipated tax collection rate of 100.00% for the 2022 tax year.

PROGRAM DESCRIPTION:

The Texas Property Tax Code requires that the tax assessor-collector certify the anticipated tax collection rate for the upcoming year. Carmen P. Turner, MPA, has certified the rate for the 2022 tax year to be 100.00%. A copy of her letter certifying this rate is attached.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
 Yvonne Dawson, RTSBA, Director of Budget & Treasury

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

DISCUSSION OF RESTATEMENT OF QUALIFIED RETIREMENT PLAN BY RESOLUTION

RECOMMENDATION:

That the Board of Trustees consider approval of the restatement of Lamar CISD's Special Pay Plan documents.

IMPACT/RATIONALE:

Under the Internal Revenue Service's (IRS) pre-approved plan program, the IRS reviews and approves plan provisions approximately every six years. This allows the IRS to ensure that the Plan reflects new laws and regulations that affect tax qualified plans. After the IRS approves the pre-approved plan provisions, it requires that all employers that have adopted the plan execute a new plan document, commonly called a plan restatement.

In recent years, Congress has enacted a number of new laws affecting tax qualified retirement plans. The IRS also has issued substantial guidance regarding the operation of qualified plans. Congress and the IRS have generally permitted employers to comply with these new rules in operation without formally amending the underlying Plan document until some date after the law is effective. As indicated above, the IRS is now requiring all qualified plans to be restated to comply in form with the new laws and guidance. This restatement is being collectively referred to as Cycle 3.

PROGRAM DESCRIPTION:

The IRS requires all Plans be restated to an "IRS-approved" version of the pre-approved plan. The current Plan restatement and resolution meet all IRS compliance requirements and ensure that employee contributions qualify for favorable tax treatment.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer

Recommended for approval,



Dr. Roosevelt Nivens
Superintendent

**ACTION BY THE GOVERNING BOARD
RESTATEMENT OF QUALIFIED RETIREMENT PLAN**

The undersigned, being all of the members of the Governing Board of Lamar Consolidated I.S.D. (“Employer”), hereby consent to the following resolutions:

WHEREAS, the Employer has maintained the Lamar Consolidated ISD Special Pay Plan (“Plan”) since 1-1-2002 for the benefit of eligible employees;

WHEREAS, the Employer is restating the above-referenced Plan to comply with the requirements of the 2017 IRS Cumulative List (IRS Notice 2017-37), the American Taxpayer Relief Act of 2012, the Tax Cuts and Jobs Act of 2017 and other applicable guidance (collectively referred to herein as the Cycle 3 restatement); and

WHEREAS, the Employer wishes to affirm the appointment of Pelion Benefits, Inc. Vint C. Butler 888.532.7526 www.pelionbenefitsinc.com as Trustee(s) of the Plan.

NOW, THEREFORE, BE IT RESOLVED that the Employer hereby adopts the Lamar Consolidated ISD Special Pay Plan as the complete Cycle 3 restatement of the prior Plan, to be effective on 9-1-2021;

RESOLVED FURTHER that the undersigned members of the Governing Board authorize the execution of the restated Plan document and authorize the performance of any other actions necessary to implement the adoption of the Cycle 3 Plan restatement. The members of the Governing Board may designate any members of the Governing Board (or other authorized person) to execute the restated Plan document and perform the necessary actions to adopt the restated Plan. The Employer will maintain a copy of the restated Plan, as approved by the members of the Governing Board, along with a copy of the prior Plan, in its files;

RESOLVED FURTHER that the Employer will act as administrator of the Plan and will be responsible for performing all actions necessary to carry out the administration of the Plan. The Employer may designate any other person or persons to perform the actions necessary to administer the Plan; and

RESOLVED FURTHER that Plan participants shall be provided with a summary of the Plan provisions within a reasonable period of time following the adoption of the restated Plan.

Members of the Governing Board:

_____	_____	_____
[Name]	[Signature]	[Date]
_____	_____	_____
[Name]	[Signature]	[Date]
_____	_____	_____
[Name]	[Signature]	[Date]
_____	_____	_____
[Name]	[Signature]	[Date]

Pelion Benefits, Inc
NONSTANDARDIZED GOVERNMENTAL PROFIT SHARING/401(k) PLAN
ADOPTION AGREEMENT #001

By executing this Nonstandardized Governmental Profit Sharing/401(k) Plan Adoption Agreement (the "Adoption Agreement" or "AA"), the undersigned Employer agrees to establish or continue a Governmental Profit Sharing/401(k) Plan for its Employees. The Governmental Profit Sharing/401(k) Plan adopted by the Employer consists of the Governmental Defined Contribution Pre-Approved Plan Basic Plan Document #03 (the "BPD") and the elections made under this Adoption Agreement (collectively referred to as the "Plan"). An Employer may jointly co-sponsor the Plan by signing a Participating Employer Adoption Page, which is attached to this Adoption Agreement. **This Plan is effective as of the Effective Date identified on the Signature Page of this Adoption Agreement.**

SECTION 1
EMPLOYER INFORMATION

1-1 EMPLOYER INFORMATION.

Name: Lamar Consolidated I.S.D.

Address: 3911 Avenue I

Rosenberg, TX 77471

Telephone: 832-223-0152

1-2 EMPLOYER IDENTIFICATION NUMBER (EIN). 74-6002016

1-3 FORM OF BUSINESS.

State or political subdivision of a State

State agency or instrumentality

Indian Tribal Government

Describe other Employer qualified to adopt a Governmental Plan: _____

1-4 EMPLOYER'S TAX YEAR END. The Employer's tax year ends August 31

1-5 RELATED EMPLOYERS. Is the Employer part of a group of Related Employers (as defined in Section 1.83 of the Plan)?

Yes

No

If yes, Related Employers may be listed below. A Related Employer must execute a Participating Employer Adoption Page for Employees of that Related Employer to participate in this Plan.

[Note: This AA §1-5 is for informational purposes and the Employer need not list Related Employers. The failure to identify all Related Employers will not jeopardize the qualified status of the Plan.]

SECTION 2
PLAN INFORMATION

2-1 PLAN NAME. Lamar Consolidated ISD Special Pay Plan

Original Effective Date: January 1, 2002

Restatement Effective Date: September 1, 2021

2-2 PLAN NUMBER. 001

2-3 TYPE OF PLAN.

(a) This Plan is a Profit Sharing Plan. (*Note: May also include Matching Contributions under AA §6B.*)

(b) This Plan is a Grandfathered Profit Sharing/401(k) Plan. [*Note: To qualify as a Grandfathered Profit Sharing/401(k) Plan, the Employer must have maintained a 401(k) plan as of May 6, 1986. A Grandfathered Profit Sharing/401(k) Plan may also include a plan of an Indian Tribal Government, as defined in Section 1.58 of the Plan. See Section 1.55 of the Plan for a more detailed description of a Grandfathered Profit Sharing/401(k) Plan.*]

- (c) The Plan is intended to be a FICA Replacement Plan (as described under Section 4.03 of the Plan). [*Note: If this subsection (c) is checked, elections under this AA must be consistent with the requirements of a FICA Replacement Plan as described under Section 4.03 of the Plan.*]

2-4 **PLAN YEAR.**

- (a) Calendar year.
 (b) The 12-consecutive month period ending on 08/31 _____ each year.
 (c) The Plan has a Short Plan Year running from ____ to ____.

2-5 **FROZEN PLAN.** Check this AA §2-5 if the Plan is a frozen Plan to which no contributions will be made.

- This Plan is a frozen Plan effective _____. (See Section 3.02(a)(2) of the Plan.)

[*Note: As a frozen Plan, the Employer will not make any contributions with respect to Plan Compensation earned after such date and no Participant will be permitted to make any contributions to the Plan after such date. In addition, no Employee will become a Participant after the date the Plan is frozen.*]

2-6 **MULTIPLE EMPLOYER PLAN.** Is this Plan a Multiple Employer Plan as defined in Section 16.07 of the Plan? (See Section 16.07 of the Plan for special rules applicable to Multiple Employer Plans.)

- Yes
 No

2-7 **PLAN ADMINISTRATOR.**

- (a) The Employer identified in AA §1-1.
 (b) Name: _____

Address: _____

Telephone: _____

2-8 **DEFINITION OF DISABLED.** An individual is considered Disabled for purposes of applying the provisions of this Plan if:

- (a) The individual is covered by the Employer's disability insurance plan and is determined to be disabled under such plan.
 (b) The individual is determined to be disabled by the Social Security Administration under Section 223(d) of the Social Security Act for purposes of determining eligibility for Social Security benefits.
 (c) The Plan Administrator determines an individual is unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment that can be expected to result in death or which has lasted, or can be expected to last, for a continuous period of not less than 12 months. The permanence and degree of such impairment shall be supported by medical evidence. The Plan Administrator may establish reasonable procedures for determining whether a Participant is Disabled.

[*Note: An Employer may elect any or all of (a), (b) and (c) above. If more than one of (a), (b) and (c) is selected, the hierarchy for determining whether an individual is considered Disabled is (a), then (b) and then (c), unless described otherwise under separate administrative procedures or under subsection (d) below.*]

- (d) Alternative definition of Disabled: _____

[*Note: Any alternative definition described in this subsection (d) will apply uniformly to all Participants under the Plan and will be applied in a nondiscretionary manner. The Employer may describe different definitions of Disabled for different purposes under the plan.*]

SECTION 3
ELIGIBLE EMPLOYEES

3-1 **ELIGIBLE EMPLOYEES.** In addition to the Employees identified in Section 2.02 of the Plan, the following Employees are excluded from participation under the Plan with respect to the contribution source(s) identified in this AA §3-1. See Sections 2.02(d) and (e) of the Plan for rules regarding the effect on Plan participation if an Employee changes between an eligible and ineligible class of employment.

- | Deferral | Match | ER | |
|--------------------------|--------------------------|--------------------------|-------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (a) No exclusions |

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(b) Collectively Bargained Employees
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(c) Non-resident aliens who receive no compensation from the Employer which constitutes U.S. source income
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(d) Leased Employees
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(e) Employees paid on an hourly basis
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(f) Employees paid on a salaried basis
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(g) Employees in an elected or appointed position.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(h) Part-Time Employees (as defined in Section 1.71 of the Plan)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(i) Seasonal Employees (as defined in Section 1.89 of the Plan)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(j) Temporary Employees (as defined in Section 1.93 of the Plan)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(k) Employees eligible for another qualified plan sponsored by the Employer or a Related Employer Specify name of other qualified plan (optional): _____
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	(l) Other: <u>Anyone not hired by the District before September 19, 1991 and not having 10 or more years of continuous service in the District; Must be age 55 and have a minimum \$1000.00 accumulated leave in order to participate</u>

[*Note: The elections under the ER column apply to any Pick-Up Contributions and any After-Tax Employee Contributions authorized under AA §6-7, unless elected otherwise under subsection (l) above. The exclusions inserted may not result in a specifically named individual or a finite group (such as employees hired before a certain date) being the only employee or employees participating under the plan in violation of the permanency requirements or Treas. Reg. §1.401-1(b)(2). It is permissible to limit participation under the plan to an employee or employees of a specifically named position or positions.*]

**SECTION 4
MINIMUM AGE AND SERVICE REQUIREMENTS**

4-1 **ELIGIBILITY REQUIREMENTS – MINIMUM AGE AND SERVICE.** An Eligible Employee (as defined in AA §3-1) who satisfies the minimum age and service conditions under this AA §4-1 will be eligible to participate under the Plan as of his/her Entry Date (as defined in AA §4-2 below).

(a) **Service Requirement.** An Eligible Employee must complete the following minimum service requirements to participate in the Plan.

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	(1) There is no minimum service requirement for participation in the Plan.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(2) ___ Year(s) of Service (as defined in Section 2.03(a)(1) of the Plan and AA §4-3).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(3) The completion of at least ___ Hours of Service during the first ___ months of employment (or the first ___ days of employment) or the completion of a Year of Service (as defined in AA §4-3), if earlier. <input type="checkbox"/> (i) An Employee who completes the required Hours of Service satisfies eligibility at the end of the designated period, regardless if the Employee actually works for the entire period. <input type="checkbox"/> (ii) An Employee who completes the required Hours of Service must also be employed continuously during the designated period of employment. See Section 2.03(a)(2) of the Plan for rules regarding the application of this subsection (ii).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(4) The completion of ___ Hours of Service during an Eligibility Computation Period. [<i>Note: An Employee satisfies the service requirement immediately upon completion of the designated Hours of Service rather than at the end of the Eligibility Computation Period.</i>]

- | Deferral | Match | ER | |
|--------------------------|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (5) Full-time Employees are eligible to participate as set forth in subsection (i) below. Employees who are "part-time" Employees must complete a Year of Service (as defined in AA §4-3). For this purpose, a full-time Employee is any Employee not defined in subsection (ii) below. |
| | | | (i) Full-time Employees must complete the following minimum service requirements to participate in the Plan: |
| | | | <input type="checkbox"/> (A) There is no minimum service requirement for participation in the Plan. |
| | | | <input type="checkbox"/> (B) The completion of at least ____ Hours of Service during the first ____ months of employment or the completion of a Year of Service (as defined in AA §4-3), if earlier. |
| | | | <input type="checkbox"/> (C) Under the Elapsed Time method as defined in AA §4-3(c) below. |
| | | | <input type="checkbox"/> (D) Describe: _____ |
| | | | <i>[Note: Any conditions provided under this subsection (D) must be definitely determinable.]</i> |
| | | | (ii) Part-time Employees must complete a Year of Service (as defined in AA §4-3). For this purpose, a part-time Employee is any Employee (including a temporary or seasonal Employee) whose normal work schedule is less than: |
| | | | <input type="checkbox"/> (A) For this purpose, a part-time Employee is any Employee (including a temporary or seasonal Employee) whose normal work schedule is less than: |
| | | | <input type="checkbox"/> (I) ____ hours per week. |
| | | | <input type="checkbox"/> (II) ____ hours per month. |
| | | | <input type="checkbox"/> (III) ____ hours per year. |
| | | | <input type="checkbox"/> (B) Describe part-time Employees for this purpose: _____ |
| | | | <i>[Note: A part-time employee must be described as an individual who works less than a specified number of hours (no greater than 40) during a standard work week.]</i> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (6) Under the Elapsed Time method as described in AA §4-3(c) below. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (7) Describe eligibility conditions: _____ |
- (b) **Minimum Age Requirement.** An Eligible Employee (as defined in AA §3-1) must have attained the following age with respect to the contribution source(s) identified in this AA §4-1(b).

- | Deferral | Match | ER | |
|--------------------------|--------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (1) There is no minimum age for Plan eligibility. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (2) Age 21. |
| <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | (3) Age <u>55</u> . |
- (c) **Special eligibility rules.** The following special eligibility rules apply with respect to the Plan: _____

[Note: Any elections under the ER column under this AA §4-1 apply to any Pick-Up Contributions authorized under AA §6-1(d) and any After-Tax Employee Contributions authorized under AA §6-7, unless elected otherwise under subsection (c) above. Subsection (c) above may be used to apply the eligibility conditions selected under this AA §4-1 separately with respect to different Employee groups or different contribution formulas under the Plan. Any special rules under subsection (c) above must be definitely determinable.]

4-2 **ENTRY DATE.** An Eligible Employee (as defined in AA §3-1) who satisfies the minimum age and service requirements in AA §4-1 shall be eligible to participate in the Plan as of his/her Entry Date. For this purpose, the Entry Date is the following date with respect to the contribution source(s) identified under this AA §4-2.

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	(a) Immediate. The date the minimum age and service requirements are satisfied (or date of hire, if no minimum age and service requirements apply).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(b) Semi-annual. The first day of the 1st and 7th month of the Plan Year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(c) Quarterly. The first day of the 1st, 4th, 7th and 10th month of the Plan Year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(d) Monthly. The first day of each calendar month.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(e) Payroll period. The first day of the payroll period.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(f) The first day of the Plan Year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(g) Describe Entry Date: _____

[Note: Entry Date under this subsection (g) must be no later than 3 years after the date described under (a).]

An Eligible Employee’s Entry Date (as defined above) is determined based on when the Employee satisfies the minimum age and service requirements in AA §4-1. For this purpose, an Employee’s Entry Date is the Entry Date:

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(h) next following satisfaction of the minimum age and service requirements.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(i) coinciding with or next following satisfaction of the minimum age and service requirements.
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(j) nearest the satisfaction of the minimum age and service requirements.
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(k) preceding the satisfaction of the minimum age and service requirements.

This section may be used to describe any special rules for determining Entry Dates under the Plan. For example, if different Entry Date provisions apply for the same contribution sources with respect to different groups of Employees, such different Entry Date provisions may be described below.

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(l) Describe any special rules that apply with respect to the Entry Dates under this AA §4-2: _____

[Note: The elections under the ER column under this AA §4-2 apply to any Pick-Up Contributions selected under AA §6-1(d) and any After-Tax Employee Contributions selected under AA §6-7, unless elected otherwise under subsection (l) above. Any special rules under subsection (l) above must be definitely determinable.]

4-3 **DEFAULT ELIGIBILITY RULES.** In applying the minimum age and service requirements under AA §4-1 above, the following default rules apply with respect to all contribution sources under the Plan:

- **Year of Service.** An Employee earns a Year of Service for eligibility purposes upon completing 1,000 Hours of Service during an Eligibility Computation Period. Hours of Service are calculated based on actual hours worked during the Eligibility Computation Period. (See Section 1.57 of the Plan for the definition of Hour of Service.)
- **Eligibility Computation Period.** If one Year of Service is required for eligibility, the Plan will determine subsequent Eligibility Computation Periods on the basis of Plan Years. (See Section 2.03(a)(3)(i) of the Plan). If more than one Year of Service is required for eligibility, the Plan will determine subsequent Eligibility Computation Periods on the basis of Anniversary Years. (See Section 2.03(a)(3)(ii) of the Plan.)

To override the default eligibility rules, complete the applicable sections of this AA §4-3. **If this AA §4-3 is not completed for a particular contribution source, the default eligibility rules apply.**

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(a) Year of Service. Instead of 1,000 Hours of Service, an Employee earns a Year of Service upon the completion of ____ Hours of Service during an Eligibility Computation Period.

- | Deferral | Match | ER | |
|--------------------------|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (b) Eligibility Computation Period (ECP). The Plan will use Anniversary Years, unless more than one Year of Service is required under AA §4-1(a), in which case the Plan will shift to Plan Years if the Employee does not earn a Year of Service during the first Eligibility Computation Period. (See Section 2.03(a)(3)(ii) of the Plan.) |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (c) Elapsed Time method. Eligibility service will be determined under the Elapsed Time method. An Eligible Employee (as defined in AA §3-1) must complete a period of service, as designated below, to participate in the Plan. (See Section 2.03(a)(6) of the Plan.) <ul style="list-style-type: none"> <input type="checkbox"/> (1) For Deferral, must complete a ____ period of service <input type="checkbox"/> (2) For Match, must complete a ____ period of service <input type="checkbox"/> (3) For ER, must complete a ____ period of service <p><i>[Note: Under the Elapsed Time method, service will be measured from the Employee’s employment commencement date (or reemployment commencement date, if applicable) without regard to the Eligibility Computation Period designated in Section 2.03(a)(3) of the Plan.]</i></p> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (d) Equivalency Method. For purposes of determining an Employee’s Hours of Service for eligibility, the Plan will use the Equivalency Method (as defined in Section 2.03(a)(5) of the Plan). The Equivalency Method will apply to: <ul style="list-style-type: none"> <input type="checkbox"/> (1) All Employees. <input type="checkbox"/> (2) Only Employees for whom the Employer does not maintain hourly records. For Employees for whom the Employer maintains hourly records, eligibility will be determined based on actual hours worked. <p>Hours of Service for eligibility will be determined under the following Equivalency Method.</p> <ul style="list-style-type: none"> <input type="checkbox"/> (3) Monthly. 190 Hours of Service for each month worked. <input type="checkbox"/> (4) Weekly. 45 Hours of Service for each week worked. <input type="checkbox"/> (5) Daily. 10 Hours of Service for each day worked. <input type="checkbox"/> (6) Semi-monthly. 95 Hours of Service for each semi-monthly period worked. <input type="checkbox"/> (7) Describe Equivalency Method: _____ <p><i>[Note: Any description of an Equivalency Method under this subsection (7) must be definitely determinable.]</i></p> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | (e) Special eligibility provisions. _____ |

[Note: The elections under the ER column under this AA §4-3 apply to any Pick-Up Contributions authorized under AA §6-1(d) and any After-Tax Employee Contributions selected under AA §6-7, unless elected otherwise under subsection (e) above. Any special rules under subsection (e) above must be definitely determinable.]

4-4 EFFECTIVE DATE OF MINIMUM AGE AND SERVICE REQUIREMENTS. The minimum age and/or service requirements under AA §4-1 apply to all Employees under the Plan. An Employee will participate with respect to all contribution sources under the Plan as of his/her Entry Date, taking into account all service with the Employer, including service earned prior to the Effective Date.

To allow Employees employed on a specified date to enter the Plan without regard to the minimum age and/or service conditions, complete this AA §4-4.

- | Deferral | Match | ER | |
|--------------------------|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | An Eligible Employee who is employed by the Employer on the following designated date will enter the Plan on the designated date without regard to minimum age and/or service requirements (as designated below): <ul style="list-style-type: none"> <input type="checkbox"/> (a) the Effective Date of this Plan (as designated in the Employer Signature Page). <input type="checkbox"/> (b) the date the Plan is executed by the Employer (as indicated on the Employer Signature Page). <input type="checkbox"/> (c) _____ <i>[insert date no earlier than the Effective Date of this Plan]</i> <p>An Eligible Employee who is employed on the designated date will enter the Plan on the designated date without regard to the minimum age and service requirements under AA</p> |

§4-1. If both minimum age and service conditions are not waived, select subsection (d) or (e) below to designate which condition is waived under this AA §4-4.

- (d) This AA §4-4 only applies to the minimum service condition.
- (e) This AA §4-4 only applies to the minimum age condition.

The provisions of this AA §4-4 apply to all Eligible Employees employed on the designated date unless designated otherwise under subsection (f) or (g) below.

- (f) The provisions of this AA §4-4 apply to the following group of Employees employed on the designated date: _____
- (g) Describe special rules: _____

[Note: An Employee who is employed as of the designated date described in this AA §4-4 will enter the Plan as of such date unless a different Entry Date is designated under subsection (g) above. The elections under the ER column apply to any Pick-Up Contributions authorized under AA §6-1(d) and any After-Tax Employee Contributions selected under AA §6-7, unless elected otherwise under subsection (g) above. Any special rules under subsection (g) above must be definitely determinable.]

4-5 **SERVICE WITH PREDECESSOR EMPLOYER.** Service with the following Predecessor Employers will be counted for purposes of determining eligibility, vesting and allocation conditions under this Plan, unless designated otherwise under subsection (a) or (b) below. (See Sections 2.06, 3.07(b) and 6.07 of the Plan.)

- (a) The Plan will count service with the following Predecessor Employers:

Name of Predecessor Employer	Eligibility	Vesting	Allocation Conditions
<input type="checkbox"/> (1) _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- (b) Describe any special provisions applicable to Predecessor Employer service: _____

4-6 **BREAKS IN SERVICE.** Generally, an Employee will be credited with all service earned with the Employer, including service earned prior to a Break in Service. To disregard service earned prior to a Break in Service for eligibility purposes, complete this AA §4-6. (See Section 2.07 of the Plan.)

- (a) If an Employee incurs at least one Break in Service, the Plan will disregard all service earned prior to such Break in Service for purposes of determining eligibility to participate.
- (b) If an Employee incurs at least _____ Breaks in Service, the Plan will disregard all service earned prior to such Break in Service for purposes of determining eligibility to participate. *[Enter "0" if prior service will be disregarded for all rehired Employees.]*
- (c) The Nonvested Participant Break in Service rule applies to all Employees, including Employees who have not terminated employment.
- (d) Describe: _____

**SECTION 5
COMPENSATION DEFINITIONS**

5-1 **TOTAL COMPENSATION.** Total Compensation is based on the definition set forth under this AA §5-1. See Section 1.94 of the Plan for a specific definition of the various types of Total Compensation.

- (a) W-2 Wages
- (b) Code §415 Compensation
- (c) Wages under Code §3401(a)

[Note: For purposes of determining Total Compensation, each definition includes Elective Deferrals as defined in Section 1.36 of the Plan, pre-tax contributions to a Code §125 cafeteria plan or a Code §457 plan, and qualified transportation fringes under Code §132(f)(4).]

5-2 **POST-SEVERANCE COMPENSATION.** Total Compensation includes post-severance compensation, to the extent provided in Section 1.94(b) of the Plan, unless otherwise elected below.

- (a) **Exclusion of post-severance compensation from Total Compensation.** The following amounts paid after a Participant’s severance of employment are excluded from Total Compensation.
- (1) **Unused leave payments.** Payment for unused accrued bona fide sick, vacation, or other leave, but only if the Employee would have been able to use the leave if employment had continued.
- (2) **Deferred compensation.** Payments received by an Employee pursuant to a nonqualified unfunded deferred compensation plan, but only if the payment would have been paid to the Employee at the same time if the Employee had continued in employment and only to the extent that the payment is includible in the Employee’s gross income.

[Note: Plan Compensation (as defined in Section 1.75 of the Plan) includes any post-severance compensation amounts that are includible in Total Compensation. The Employer may elect to exclude all compensation paid after severance of employment from the definition of Plan Compensation under AA §5-3(j) below or may elect to exclude specific types of post-severance compensation from Plan Compensation under AA §5-3(l) below.]

- (b) **Continuation payments for disabled Participants.** If this subsection (b) is not elected, Total Compensation does not include continuation payments for disabled Participants. If this subsection (b) is elected, Total Compensation shall include post-severance compensation paid to a Participant who is permanently and totally disabled, as provided in Section 1.94(c) of the Plan.

5-3 **PLAN COMPENSATION.** Plan Compensation is **Total Compensation** (as defined in AA §5-1 above) with the following exclusions described below.

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	(a) No exclusions.
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(b) Elective Deferrals (as defined in Section 1.36 of the Plan), pre-tax contributions to a cafeteria plan or a Code §457 plan, and qualified transportation fringes under Code §132(f)(4) are excluded.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(c) All fringe benefits (cash and noncash), reimbursements or other expense allowances, moving expenses, deferred compensation, and welfare benefits are excluded.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(d) Compensation above \$___ is excluded.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(e) Amounts received as a bonus are excluded.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(f) Amounts received as commissions are excluded.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(g) Overtime payments are excluded.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(h) Amounts received for services performed for a non-signatory Related Employer are excluded. (See Section 2.02(c) of the Plan.) <i>[Note: If this subsection (h) is not elected, amounts received for services performed for a non-signatory Related Employer are INCLUDED in Plan Compensation.]</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(i) “Deemed §125 compensation” as defined in Section 1.94(d) of the Plan.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(j) Amounts received after termination of employment are excluded. (See Section 1.94(b) of the Plan.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(k) Differential Pay (as defined in Section 1.94(e) of the Plan).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(l) Describe adjustments to Plan Compensation: _____

[Note: Any modification under subsection (l) must be definitely determinable and preclude Employer discretion. The elections under the ER column under this AA §5-3 apply to any Pick-Up Contributions authorized under AA §6-1(d) and any After-Tax Employee Contributions selected under AA §6-7, unless elected otherwise under subsection (l).]

5-4 PERIOD FOR DETERMINING COMPENSATION.

- (a) **Compensation Period.** Plan Compensation will be determined on the basis of the following period(s) for the contribution sources identified in this AA §5-4. [*Note: If a period other than the Plan Year applies for any contribution source, any reference to the Plan Year as it refers to Plan Compensation for that contribution source will be deemed to be a reference to the period designated under this AA §5-4.*]

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	(1) The Plan Year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(2) The calendar year ending in the Plan Year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(3) The Employer's fiscal tax year ending in the Plan Year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(4) The 12-month period ending on ____ which ends during the Plan Year.

- (b) **Compensation while a Participant.** Unless provided otherwise under this subsection (b), in determining Plan Compensation, only compensation earned while an individual is a Participant under the Plan with respect to a particular contribution source will be taken into account.

To count compensation for the entire Plan Year for a particular contribution source, including compensation earned while an individual is not a Participant with respect to such contribution source, check below. (See Section 1.75(b) of the Plan.)

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	All compensation earned during the Plan Year will be taken into account, including compensation earned while an individual is not a Participant.

- (c) **Few weeks rule.** The few weeks rule (as described in Section 5.02(c)(7)(i) of the Plan) will not apply unless designated otherwise under this subsection (c).

- Amounts earned but not paid during a Limitation Year solely because of the timing of pay periods and pay dates shall be included in Total Compensation for the Limitation Year, provided the amounts are paid during the first few weeks of the next Limitation Year, the amounts are included on a uniform and consistent basis with respect to all similarly situated Employees, and no amounts are included in more than one Limitation Year.

**SECTION 6
EMPLOYER AND EMPLOYEE CONTRIBUTIONS**

- 6-1 **EMPLOYER / EMPLOYEE CONTRIBUTIONS.** The Employer/Employee may make the following contributions under the Plan:

- (a) Employer Contributions under AA §6-2
- (b) Voluntary After-Tax Employee Contributions under AA §6-7(a)
- (c) Mandatory After-Tax Employee Contributions under AA §6-7(b)
- (d) Employer Pick-Up Contributions under AA §6-7(c)
- (e) N/A. No Employer/Employee Contributions are permitted under the Plan [*Skip to Section 6A*]

- 6-2 **EMPLOYER CONTRIBUTION FORMULA.** For the period designated in AA §6-5(a) below, the Employer will make the following Employer Contributions on behalf of Participants who satisfy the allocation conditions designated in AA §6-6 below. Any Employer Contribution authorized under this AA §6-2 will be allocated in accordance with the allocation formula selected under AA §6-3.

- (a) **Discretionary contribution.** The Employer will determine in its sole discretion how much, if any, it will make as an Employer Contribution.

- (b) **Fixed contribution.**

(1) **Fixed percentage.** __% of each Participant's Plan Compensation.

(2) **Fixed dollar.** \$____ for each Participant.

- (3) **Determined in accordance with the terms of the Employment contract** between an Eligible Employee and the Employer. [*Note: If this subsection (3) is checked, the provisions of an Employment contract addressing retirement benefits will override any selection under this AA §6-2.*]
- (c) **Contributions under Collective Bargaining Agreement, employment contract or equivalent arrangement.** The Employer will make an Employer Contribution based on a Collective Bargaining Agreement, employment agreement or equivalent arrangement as follows: _____
[*Note: Insert the appropriate contribution formula (and allocation formula, if applicable) from the Collective Bargaining Agreement, employment agreement or equivalent arrangement. The formula must be definitely determinable as required under Treas. Reg. §1.401-1.*]
- (d) **Service-based contribution.** The Employer will make the following contribution:
- (1) **Discretionary.** A discretionary contribution determined as a uniform percentage of Plan Compensation for each period of service designated below.
- (2) **Fixed percentage.** ____% of Plan Compensation paid for each period of service designated below.
- (3) **Fixed dollar.** \$____ for each period of service designated below.
- The service-based contribution will be based on the following periods of service:
- (4) Each Hour of Service
- (5) Each week of employment
- (6) Describe period: _____
- The service-based contribution is subject to the following rules.
- (7) Describe any special provisions that apply to service-based contribution: _____
- (e) **Describe special rules for determining contributions under Plan:** _____
[*Note: Any special rules under this subsection (e) may only describe the basis for determining a discretionary service-based contribution, such as a uniform dollar amount, and must be definitely determinable.*]

6-3 **ALLOCATION FORMULA.**

- (a) **Pro rata allocation.** The discretionary Employer Contribution under AA §6-2(a) will be allocated:
- (1) as a uniform percentage of Plan Compensation.
- (2) as a uniform dollar amount.
- (b) **Fixed contribution.** The fixed Employer Contribution under AA §6-2 will be allocated in accordance with the selections made with respect to fixed Employer Contributions under AA §6-2.
- (c) **Permitted disparity allocation.** The discretionary Employer Contribution under AA §6-2(a) will be allocated under the two-step method (as defined in Section 3.02(a)(1)(i)(B)(I) of the Plan), using the Taxable Wage Base (as defined in Section 1.92 of the Plan) as the Integration Level.
- To modify these default rules, complete the appropriate provision(s) below.
- (1) **Integration Level.** Instead of the Taxable Wage Base, the Integration Level is:
- (i) ____% of the Taxable Wage Base, increased (but not above the Taxable Wage Base) to the next higher:
- | | |
|------------------------------------|--------------------------------------|
| <input type="checkbox"/> (A) N/A | <input type="checkbox"/> (B) \$1 |
| <input type="checkbox"/> (C) \$100 | <input type="checkbox"/> (D) \$1,000 |
- (ii) \$____ (not to exceed the Taxable Wage Base)
- (iii) 20% of the Taxable Wage Base
- [*Note: See Section 3.02(a)(1)(i)(B)(IV) of the Plan for rules regarding the Maximum Disparity Rate that may be used where an Integration Level other than the Taxable Wage Base is selected.*]
- (2) **Describe** special rules for applying permitted disparity allocation formula: _____
[*Note: Any special rules under subsection (2) must be definitely determinable.*]
- (d) **Uniform points allocation.** The discretionary Employer Contribution designated in AA §6-2(a) will be allocated to each Participant in the ratio that each Participant's total points bears to the total points of all Participants. A Participant will receive the following points:
- (1) ____ point(s) for each ____ year(s) of age (attained as of the end of the Plan Year).
- (2) ____ points for each \$____ of Plan Compensation.

- (3) ___ point(s) for each ___ Year(s) of Service. For this purpose, Years of Service are determined:
- (i) In the same manner as determined for eligibility.
 - (ii) In the same manner as determined for vesting.
 - (iii) Points will not be provided with respect to Years of Service in excess of ___.
- (e) **Employee group allocation.** The Employer may make a separate discretionary Employer Contribution to the Participants in the following allocation groups. The Employer must notify the Trustee in writing of the amount of the contribution to be allocated to each allocation group.
- (1) A separate discretionary Employer Contribution may be made to each Participant of the Employer (i.e., each Participant is in his/her own allocation group).
 - (2) A separate discretionary or fixed Employer Contribution may be made to the following allocation groups. If no fixed amount is designated for a particular allocation group, the contribution made for such allocation group will be allocated as a uniform percentage of Plan Compensation to all Participants within that allocation group, unless otherwise designated as a uniform dollar amount below.
 - The contribution made for each allocation group will be allocated as a uniform dollar amount to all Participants within the allocation group.
- Group 1:** _____
- [Note: The Employee allocation groups designated above must be clearly defined in a manner that will not violate the definite allocation formula requirement of Treas. Reg. §1.401-1(b)(1)(ii).]*
- (3) **Special rules.** Unless designated otherwise under this subsection (3), if a Participant is in more than one allocation group described in (2) above during the Plan Year, the Participant will receive an Employer Contribution based on the Participant's status on the last day of the Plan Year. (See Section 3.02(a)(1)(i)(D) of the Plan.)
- (i) **Determined separately for each Employee group.** If a Participant is in more than one allocation group during the Plan Year, the Participant's share of the Employer Contribution will be based on the Participant's status for the part of the year the Participant is in each allocation group.
 - (ii) **Describe:** _____
- [Note: This subsection (ii) may only describe the amount of the Employer Contribution a Participant will receive when such Participant is in more than one allocation group. Any language under this subsection (ii) must be definitely determinable.]*
- (f) **Age-based allocation.** The discretionary Employer Contribution designated in AA §6-2(a) will be allocated under the age-based allocation formula so that each Participant receives a pro rata allocation based on adjusted Plan Compensation. For this purpose, a Participant's adjusted Plan Compensation is determined by multiplying the Participant's Plan Compensation by an Actuarial Factor (as described in Section 1.03 of the Plan).
- A Participant's Actuarial Factor is determined based on a specified interest rate and mortality table. Unless designated otherwise under subsection (1) or (2) below, the Plan will use an applicable interest rate of 8.5% and a UP-1984 mortality table.
- (1) **Applicable interest rate.** Instead of 8.5%, the Plan will use an interest rate of ___% (must be between 7.5% and 8.5%) in determining a Participant's Actuarial Factor.
 - (2) **Applicable mortality table.** Instead of the UP-1984 mortality table, the Plan will use the following mortality table in determining a Participant's Actuarial Factor: _____
 - (3) **Describe special rules applicable to age-based allocation:** _____
- [Note: See Appendix A of the Plan for sample Actuarial Factors based on an 8.5% applicable interest rate and the UP-1984 mortality table. If an interest rate or mortality table other than 8.5% or UP-1984 is selected, appropriate Actuarial Factors must be calculated. Subsection (3) must provide for a definitely determinable allocation method.]*
- (g) **Service-based allocation formula.** The service-based Employer Contribution selected in AA §6-2(d) will be allocated in accordance with the selections made in AA §6-2(d).
- (h) **Describe special rules for determining allocation formula:** _____
- [Note: Any special rules under this subsection (h) must be described in a manner that precludes Employer discretion.]*

6-4 **CONTRIBUTIONS OF ACCRUED SICK, PTO AND/OR VACATION LEAVE.** [*Note: Do not complete this AA §6-4 and instead use AA§6-7(c) if this is an Employer Pick-Up Contribution.*]

- (a) The Employer will make and allocate Employer Contributions of amounts of accrued unpaid sick leave, as described below: _____
- (b) The Employer will make and allocate Employer Contributions of amounts of accrued unpaid vacation leave, as described below: _____

[*Note: The Employer must describe an Employer Contribution of accrued unpaid sick, and/or vacation leave that meets the following requirements:*

- *The leave converted under the arrangement can only be accrued unpaid leave;*
- *The leave converted can only be sick and/or vacation leave;*
- *The Employer must designate how often the conversions occur under this AA §6-4;*
- *The eligibility requirements for participation in the plan cannot be such that an Employee becomes a Participant only in the plan year in which the Employee terminates employment;*
- *The only accrued unpaid leave which can be converted under the arrangement must only be leave for which the Employee has no right to request a cash payment;*
- *The leave conversion formula can only be one which involves multiplying an Employee's current daily rate of pay against the amount of accrued unpaid leave being converted; and*
- *The leave conversion formula is definitely determinable.]*

6-5 **SPECIAL RULES.** No special rules apply with respect to Employer/Employee Contributions under the Plan, except to the extent designated under this AA §6-5. Unless designated otherwise, in determining the amount of the Employer/Employee Contributions to be allocated under this AA §6, the contribution will be based on Plan Compensation earned during the Plan Year.

- (a) **Period for determining Employer/Employee Contributions.** Instead of the Plan Year, Employer/Employee Contributions will be determined based on Plan Compensation earned during the following period: [*Note: The Plan Year must be used if the permitted disparity allocation method is selected under AA §6-3(c) above.*]
- (1) Plan Year quarter
- (2) calendar month
- (3) payroll period
- (4) Other: _____

[*Note: Although Employer Contributions are determined on the basis of Plan Compensation earned during the period designated under this subsection (a), this does not require the Employer to actually make contributions or allocate contributions on the basis of such period. Employer Contributions may be contributed and allocated to Participants at any time within the contribution period permitted under Treas. Reg. §1.415(c)-1(b)(6)(B), regardless of the period selected under this subsection (a).*]

- (b) **Limit on Employer Contributions.** The Employer Contribution elected in AA §6-2 may not exceed:
- (1) ___% of Plan Compensation
- (2) \$___
- (3) A discretionary amount determined by the Employer applied in a uniform manner for all eligible Participants for the Plan Year.
- (c) **Offset of Employer Contribution.**
- (1) A Participant's allocation of Employer Contributions under AA §6-2 of this Plan is reduced by contributions under _____ [*insert name of plan(s)*]. (See Section 3.02(a)(1) of the Plan.)
- (2) In applying the offset under this subsection (c), the following rules apply: _____
- (d) **Special rules:** _____

[*Note: Any special rules under this subsection (d) must be definitely determinable.*]

- 6-6 **ALLOCATION CONDITIONS.** A Participant must satisfy any allocation conditions designated under this AA §6-6 to receive an allocation of Employer Contributions under the Plan. [*Note: No allocation conditions apply to After-Tax Employee Contributions or Employer Pick-Up Contributions under AA §6-7.*]
- (a) **No allocation conditions** apply with respect to Employer Contributions under the Plan.
 - (b) **Employment condition.** An Employee must be employed with the Employer on the last day of the Plan Year.
 - (c) **Minimum service condition.** An Employee must be credited with at least:
 - (1) ____ Hours of Service during the Plan Year.
 - (i) Hours of Service are determined using actual Hours of Service.
 - (ii) Hours of Service are determined using the following Equivalency Method (as defined under Section 2.03(a)(5) of the Plan):
 - (A) Monthly (B) Weekly
 - (C) Daily (D) Semi-monthly
 - (E) Describe: _____

[Note: Any description under this subsection (E) must be definitely determinable.]

 - (2) ____ consecutive days of employment with the Employer during the Plan Year.
- (d) **Exceptions.**
 - (1) The above allocation condition(s) will **not** apply if the Employee:
 - (i) dies.
 - (ii) terminates employment due to becoming Disabled.
 - (iii) becomes Disabled.
 - (iv) terminates employment after attaining Normal Retirement Age.

[Note: This waiver of allocation conditions applies only once during the Participant's employment with the Employer. Thus, if an Employee is rehired after such a waiver was applied to such Employee, the waiver of allocation conditions will not apply to a subsequent termination of employment. The Employer may modify this rule in subsection (e) below.]
 - (v) terminates employment after attaining Early Retirement Age.

[Note: This waiver of allocation conditions applies only once during the Participant's employment with the Employer. Thus, if an Employee is rehired after such a waiver was applied to such Employee, the waiver of allocation conditions will not apply to a subsequent termination of employment. The Employer may modify this rule in subsection (e) below.]
 - (vi) is on an authorized leave of absence from the Employer.
 - (2) The exceptions selected under subsection (1) above will apply even if an Employee has not terminated employment at the time of the selected event(s).
 - (3) The exceptions selected under subsection (1) above do not apply to:
 - (i) an employment condition under subsection (b) above.
 - (ii) a minimum service condition under subsection (c) above.
- (e) **Describe** any special rules governing the allocation conditions under the Plan: _____

[Note: Any special rules under this subsection (e) must be definitely determinable.]

6-7 **AFTER-TAX EMPLOYEE CONTRIBUTIONS AND EMPLOYER PICK-UP CONTRIBUTIONS.**

- (a) **Voluntary After-Tax Employee Contributions.** If permitted under this subsection (a), a Participant may contribute any amount as Voluntary After-Tax Employee Contributions up to the Code §415 Limitation (as defined in Section 5.02 of the Plan), except as limited under this subsection (a).
 - (1) **Limits on Voluntary After-Tax Employee Contributions.** If this subsection (1) is checked, the following limits apply to Voluntary After-Tax Employee Contributions:
 - (i) **Maximum limit.** A Participant may make Voluntary After-Tax Employee Contributions up to:
 - (A) _____% of Plan Compensation
 - (B) \$_____
- for the following period:

- (C) the entire Plan Year.
- (D) the portion of the Plan Year during which the Employee is eligible to participate.
- (E) each separate payroll period during which the Employee is eligible to participate.
- (ii) **Minimum limit.** The amount of Voluntary After-Tax Employee Contributions a Participant may make for any payroll period may not be less than:
 - (A) _____% of Plan Compensation
 - (B) \$_____
- (2) **Change or revocation of Voluntary After-Tax Employee Contributions.** In addition to the Participant's Entry Date under the Plan, a Participant's election to change or resume an after-tax election will be effective as set forth under the After-Tax Employee Contributions election form or other written procedures adopted by the Plan Administrator. A Participant must be permitted to change or revoke an after-tax election at least once per year. Unless the After-Tax Employee Contributions election form or other written procedures adopted by the Plan Administrator provide otherwise, a Participant may revoke an after-tax election (on a prospective basis) at any time. Unless designated otherwise in a Participant's after-tax election form, a Participant's affirmative election to make an After-Tax Employee Contribution will cease upon termination of employment and the Participant will need to make a new election upon rehire.
- (3) **Other limits or special rules relating to Voluntary After-Tax Employee Contributions:** _____
[Note: Any limits described under this subsection (3) must be consistent with the provisions of Section 3.04 of the Plan.]
- (b) **Mandatory After-Tax Employee Contributions.** If this subsection (b) is checked, Employees are required to make Mandatory After-Tax Employee Contributions in order to participate under the Plan.
 - (1) **Amount of Mandatory After-Tax Employee Contributions.** Employees are required to contribute the following amount in order to participate in the Plan:
 - (i) _____% of each Employee's Total Compensation.
 - (ii) \$_____ for each Participant.
 - (iii) Describe rate or amount: _____
 - (2) **Special rules applicable to Mandatory After-Tax Employee Contributions:** _____
- (c) **Employer Pick-Up Contributions.** Each Participant will be required to make a Pick-up Contribution to the Plan equal to the amount specified under this subsection (c). Any amounts contributed pursuant to this subsection (c) will be picked up by the Employer pursuant to Code §414(h) and will be treated as Employer Contributions under the Plan. Such contributions and earnings thereon will be 100% vested at all times. (See Section 3.03 of the Plan.)
 - (1) The following amounts will be contributed to the Plan as an Employer Pick-Up Contribution:
 - (i) _____% of Plan Compensation.
 - (ii) \$_____ per pay period.
 - (iii) Any amount from _____% to _____% of Plan Compensation, as designated by the Employee.
[Note: This subsection (iii) may only be selected if the Employee designates the amount as a one-time irrevocable election.]
 - (2) Elect this subsection (2) if an Employee may make a one-time irrevocable election not to make Employer Pick-Up Contributions under the Plan.
 - (3) Special rules applicable to Employer Pick-Up Contributions: _____

**SECTION 6A
SALARY DEFERRALS**

6A-1 **SALARY DEFERRALS.** Are Employees permitted to make Salary Deferrals under the Plan?

- Yes.

No. [If “No” is checked, skip to Section 6B.]

6A-2 **MAXIMUM LIMIT ON SALARY DEFERRALS.** Unless designated otherwise under this AA §6A-2, a Participant may defer any amount up to the Elective Deferral Dollar Limit and the Code §415 Limitation (as set forth in Sections 5.02 and 5.03 of the Plan).

(a) **Salary Deferral Limit.** A Participant may not defer an amount in excess of:

(1) _____% of Plan Compensation.

(2) \$_____.

[*Note: If both subsection (1) and (2) above are checked, the deferral limit is the lesser of the amounts selected.*]

Any limit described in subsection (1) or (2) above applies with respect to the following period:

(3) Plan Year.

(4) the portion of the Plan Year during which the individual is eligible to participate.

(5) each separate payroll period during which the individual is eligible to participate.

(b) **Limits on deferrals on bonus payments.** [*Note: This §6A-2(b) only may be selected, if bonus payments are not excluded under AA §5-3.*]

(1) The same limits specified in (a)(1) and (a)(2) above apply to bonus and non-bonus Plan Compensation, Employees may defer any amounts out of bonus payments, subject to the Elective Deferral Dollar Limit and the Code §415 Limitation (as defined in Sections 5.02 and 5.03 of the Plan) and any other limit on Salary Deferrals under this AA 6A-2. The Employer may impose special limits on bonus payments or may impose special limits on bonus payments under the Salary Deferral Election. (See Section 3.02(c)(2) of the Plan.)

(2) A Participant may defer up to _____% (*not to exceed 100%*) of any bonus payment (subject to the Elective Deferral Dollar Limit and the Code §415 Limitation), without regard to any other limits described under this AA §6A-2. The Employer may impose special limits on bonus payments under the Salary Deferral Election. (See Section 3.02(c)(2) of the Plan.)

(3) Describe special rules applicable to deferrals on bonus payments: _____

[*Note: If this subsection (b) is checked, bonus payments may not be excluded from Plan Compensation in the Deferral column under AA §5-3(e).*]

(c) **Describe** any other limits that apply with respect to Salary Deferrals under the Plan: _____

6A-3 **MINIMUM DEFERRAL RATE.** Unless designated otherwise under this AA §6A-3, no minimum deferral requirement applies under the Plan. Alternatively, a Participant must defer at least the following amount in order to make Salary Deferrals under the Plan.

(a) _____% of Plan Compensation for a payroll period.

(b) \$_____ for a payroll period.

(c) Describe: _____

[*Note: If more than one limit applies under this AA §6A-3, the minimum deferral rate is the lesser of the amounts designated under this AA §6A-3.*]

6A-4 **CATCH-UP CONTRIBUTIONS.** Catch-Up Contributions (as defined in Section 3.02(c)(2)(iv) of the Plan) are permitted under the Plan, unless designated otherwise under this AA §6A-4.

Catch-Up Contributions are not permitted under the Plan.

6A-5 **ROTH DEFERRALS.** Roth Deferrals (as defined in Section 3.02(c)(2)(v) of the Plan) are not permitted under the Plan, unless designated otherwise under this AA §6A-5.

(a) **Availability of Roth Deferrals.** Roth Deferrals are permitted under the Plan. [*Note: If Roth Deferrals are effective as of a date later than the Effective Date of the Plan, designate such special Effective Date in AA §6A-8(b) below. Roth Deferrals may not be made prior to January 1, 2006.*]

(b) **Distribution of Roth Deferrals.** Unless designated otherwise under this subsection (b), to the extent a Participant takes a distribution or withdrawal from his/her Salary Deferral Account(s), the Participant may designate the extent to which such distribution is taken from the Pre-Tax Deferral Account or from the Roth Deferral Account. (As described under Section 7.11(b)(2) of the Plan for default distribution rules if a Participant fails to designate the appropriate

Account for corrective distributions from the Plan, such distribution may be withdrawn equally from both the Pre-Tax Salary Deferral Account and the Roth Deferral Account or the Employer may withdraw such amounts first from either the Pre-Tax Salary Deferral Account or the Roth Deferral Account.)

Alternatively, the Employer may designate the order of distributions as listed below:

- (1) Any distribution will be taken on a pro rata basis from the Participant's Pre-Tax Deferral Account and Roth Deferral Account.
- (2) Any distribution will be taken first from the Participant's Roth Deferral Account and then from the Participant's Pre-Tax Deferral Account.
- (3) Any distribution will be taken first from the Participant's Pre-Tax Deferral Account and then from the Participant's Roth Deferral Account.

(c) **In-Plan Roth Conversions.** Unless elected under this AA §6A-5(c), the Plan does not permit a Participant to make an In-Plan Roth Conversion under the Plan. To override this provision to allow Participants to make an In-Plan Roth Conversion, subsection (1) below must be checked.

- (1) **Effective date.** Effective _____ [not earlier than 1/1/2013], a Participant may elect to convert all or any portion of his/her non-Roth vested Account Balance to an In-Plan Roth Conversion Account.

[Note: The Plan must provide for Roth Deferrals under AA §6A-5(a) above as of the effective date designated in this subsection (1). An election under this subsection (1) does not affect an In-Plan Roth Conversion that was allowed under prior Plan provisions.]

(2) **In-Service Distribution.**

- (i) For a Participant to convert his/her eligible contributions to Roth Deferrals through an In-Plan Roth Conversion, the Participant need not be eligible to take a distribution from the Plan. *[Note: If this subsection (i) is checked, a Participant may convert any or all of the eligible contribution sources to Roth Deferrals through an In-Plan Roth Conversion.]*
- (ii) For a Participant to convert his/her eligible contributions to Roth Deferrals through an In-Plan Roth Conversion, a Participant must be eligible for a distribution of any amounts converted to Roth Deferrals through an In-Plan Roth Conversion. Thus, only amounts that are eligible for distribution under AA §9 or AA §10 are eligible for In-Plan Roth Conversion.

(3) **Contribution sources.** An Employee may elect to make an In-Plan Roth Conversion from all available contribution sources under the Plan.

To override this default provision to limit the contributions sources available for In-Plan Roth Conversion, select the applicable contribution sources from which an In-Plan Roth Conversion is available:

- (i) Pre-tax Salary Deferrals
- (ii) Employer Contributions
- (iii) Matching Contributions
- (iv) After-Tax Contributions
- (v) Rollover Contributions
- (vi) Employer Pick-Up Contributions
- (vii) Describe: _____

[Note: Any contribution sources described in this subsection (vii) must be definitely determinable and not subject to Employer discretion.]

- (4) **Limits applicable to In-Plan Roth Conversions.** No limits apply with respect to In-Plan Roth Conversions, unless designated otherwise under this subsection (4).
- (i) Roth conversions may only be made from contribution sources that are fully vested (i.e., 100% vested).
- [Note: If an In-Plan Roth Conversion is permitted from partially-vested sources, special rules apply for determining the vested percentage of such amounts after conversion. See Section 6.09 of the Plan.]*
- (ii) A Participant may not make an In-Plan Roth Conversion of less than \$___ (may not exceed \$1,000).
- (iii) A Participant may not make an In-Plan Roth Conversion of any outstanding loan amount.
- [Note: If this subsection (iii) is not checked, a Participant may convert amounts that are attributable to an outstanding loan, to the extent the loan relates to a contribution source that is eligible for conversion under subsection (3) above.]*
- (iv) Describe: _____
- [Note: Any selection in this subsection (iv) must be definitely determinable and not subject to Employer discretion.]*
- (5) **Amounts available to pay federal and state taxes generated from an In-Plan Roth Conversion.** No special provisions apply to allow Participants to withdraw funds to pay federal or state taxes generated from an In-Plan Roth Conversion, except as provided otherwise under this subsection (5).
- (i) **In-service distribution.** If the Plan does not otherwise permit an in-service distribution at the time of the In-Plan Roth Conversion and this subsection (i) is checked, a Participant may elect to take an in-service distribution solely to pay taxes generated from the In-Plan Roth Conversion to the extent such in-service distribution would otherwise be permitted under Section 7.10 of the Plan.
- [Note: If this subsection (i) is checked, a Participant may take an in-service distribution only to the extent such distribution would otherwise be permitted under the provisions of Section 7.10 of the Plan. Thus, for example, a Participant may not take an in-service distribution of amounts attributable to Salary Deferrals prior to age 59½.]*
- (ii) **Participant loan.** Generally, a Participant may request a loan from the Plan to the extent permitted under Section 13 of the Plan and AA §B. However, to the extent a Participant loan is not otherwise allowed and this subsection (ii) is selected, a Participant may receive a Participant loan solely to pay taxes generated from an In-Plan Roth Conversion.
- [Note: If this subsection (ii) is selected and Participant loans are not otherwise authorized under the Plan, any Participant loan made pursuant to this subsection (ii) will be made in accordance with the default loan policy described in Section 13 of the Plan.]*
- (6) **Distribution from In-Plan Roth Conversion Account.** Distributions from the In-Plan Roth Conversion Account will be permitted at the same time as permitted for Roth Deferrals, as set forth under AA §10-1, unless designated otherwise under this subsection (6).
- (i) In-service distributions will not be permitted from an In-Plan Roth Conversion Account.
- (ii) An in-service distribution may be made from the In-Plan Roth Conversion Account at any time.
- (iii) Describe distribution options: _____
- (d) **Describe** any special rules that apply to Roth Deferrals under the Plan: _____

6A-6 SALARY DEFERRAL ELECTIONS.

- (a) **Change or revocation of deferral election:** In addition to the Participant's Entry Date under the Plan, a Participant's election to change or resume a deferral election will be effective as set forth under the Salary Reduction Agreement or other written procedures adopted by the Plan Administrator. A Participant must be permitted to change or revoke a deferral election at least once per year. Unless the Salary Reduction Agreement or other written procedures adopted by the Plan Administrator provide otherwise, a Participant may revoke a deferral election (on a prospective basis) at any time.
- (b) **Salary deferral elections of rehired participants:** Unless designated otherwise below, a Participant's affirmative election to defer (or to not defer) will cease upon termination of employment and the Participant will need to make a new election upon rehire.

- Participant’s affirmative election does not cease upon termination of employment.** If this subsection (b) is selected, a terminated Participant’s affirmative election to defer (or to not defer) **will not cease** upon termination of employment and the Participant’s affirmative election to defer (or to not defer) in effect at the time of employment termination will apply upon rehire.

[Note: The Employer may modify the rules applicable to rehired employees under the Salary Reduction Agreement or other administrative procedures.]

6A-7 **AUTOMATIC CONTRIBUTION ARRANGEMENT.** No automatic contribution provisions apply under Section 3.02(c)(2)(iii) of the Plan, unless provided otherwise under this AA §6A-7.

- (a) **Automatic deferral election.** Upon becoming eligible to make Salary Deferrals under the Plan (pursuant to AA §3 and AA §4), a Participant will be deemed to have entered into a Salary Deferral Election for each payroll period, unless the Participant completes a Salary Deferral Election (subject to the limitations under AA §6A-2 and AA §6A-3) in accordance with procedures adopted by the Plan Administrator.

- (1) **Effective date of Automatic Contribution Arrangement.** The automatic deferral provisions under this AA §6A-7 are effective as of:

- (i) The Effective Date of this Plan as set forth under the Employer Signature Page.
- (ii) _____ *[insert date no earlier than the Effective Date of the Plan]*
- (iii) As set forth under a prior Plan document. *[Note: If this subsection (iii) is checked, the automatic deferral provisions under this AA §6A-7 will apply as of the original Effective Date of the automatic contribution arrangement. Unless provided otherwise under this AA §6A-7, an Employee who is automatically enrolled under a prior Plan document will continue to be automatically enrolled under the current Plan document.]*

- (2) **Automatic Contribution Arrangement.** Check this subsection (2) if the Plan is designated as an Automatic Contribution Arrangement, as described under Section 3.02(c)(2)(iii) of the Plan. *[Note: Unless an election is made under this AA §6A-7 that is inconsistent with the requirements of an Eligible Automatic Contribution Arrangement (EACA), the Automatic Contribution Arrangement will qualify as an EACA, as described in Code §414(w).]*

- (i) **Automatic deferral amount.**

- (A) ____% of Plan Compensation.
- (B) \$_____.

- (ii) **Automatic increase.** If elected under this subsection (ii), the automatic deferral amount will increase each Plan Year by the following amount.

- (A) ____% of Plan Compensation.
- (B) \$_____.
- (C) If this (C) and subsection (3)(iii) below (relating to the expiration of affirmative deferral elections) are both elected, the automatic increase will apply to all Participants, including those Participants whose affirmative deferral elections have expired and no subsequent affirmative election is made.

Any automatic increase elected under this subsection (ii) will not cause the automatic deferral amount to exceed:

- (D) ____% of Plan Compensation.
- (E) \$_____.
- (F) Describe: _____

[Note: Any special application of the automatic increase provisions must be definitely determinable and must provide for Employer discretion.]

- (3) **Application of automatic deferral provisions.** The automatic deferral election under subsection (2) will apply to new Participants and existing Participants as set forth under this subsection (3):

- (i) **New Participants.** The automatic deferral provisions apply to all Participants who become eligible on or after the effective date.
- (ii) **Current Participants.** The automatic deferral provisions apply to all other eligible Participants as follows:

- (A) Automatic deferral provisions apply to all current Participants who have not entered into a Salary Deferral Election (including an election not to defer under the Plan).
- (B) Automatic deferral provisions apply to all current Participants who have not entered into a Salary Deferral Election that is at least equal to the automatic deferral amount under subsection (2)(i) above. Current Participants who have made a Salary Deferral Election that is less than the automatic deferral amount or who have not made a Salary Deferral Election will automatically be increased to the automatic deferral amount unless the Participant enters into a new Salary Deferral election on or after the effective date of the automatic deferral provisions.
- (C) Automatic deferral provisions do not apply to current Participants. Only new Participants described in subsection (i) above are subject to the automatic deferral provisions.
- (D) Describe: _____
- (iii) **Expiration of affirmative deferral elections.** Unless this subsection (iii) is elected, for purposes of the automatic deferral provisions of the Plan, a Participant's affirmative elective deferral election will not expire. If this subsection (iii) is elected, a Participant's affirmative deferral election will expire:
- (A) at the end of each Plan Year.
- (B) Describe date that the affirmative election will expire: _____
- [*Note: The date must be definite and not discriminate in favor of Highly Compensated Employees.*]
- If a Participant fails to complete a new affirmative deferral election subsequent to the prior election expiring, the Participant becomes subject to the automatic deferral percentage as specified in the Plan pursuant to the automatic contribution arrangement provisions. Each year, the Participant can always complete a new affirmative election and designate a new deferral percentage.
- (iv) **Treatment of automatic deferrals.** Any Salary Deferrals made pursuant to an automatic deferral election will be treated as Pre-Tax Salary Deferrals, unless designated otherwise under this subsection (iv).
- Any Salary Deferrals made pursuant to an automatic deferral election will be treated as Roth Deferrals. [*Note: This subsection (iv) may only be checked if Roth Deferrals are permitted under AA §6A-5.*]
- (v) **Special rules:** _____
- [*Note: Any Salary Deferral Election (including an election not to defer under the Plan) made after the effective date of the automatic deferral provisions will override such automatic deferral provisions.*]
- (4) **Application of automatic increase.** Unless designated otherwise under this subsection (4), if an automatic increase is selected under subsection (2)(ii) above, the automatic increase will take effect as of the first day of the second Plan Year following the Plan Year in which the automatic deferral election first becomes effective with respect to a Participant.
- (i) **First Plan Year.** Instead of applying as of the second Plan Year, the automatic increase described in subsection (2)(ii) above takes effect as of the appropriate date within the first Plan Year following the date automatic contributions begin.
- (ii) **Designated Plan Year.** Instead of applying as of the second Plan Year, the automatic increase described in subsection (2)(ii) above takes effect as of the appropriate date within the _____ Plan Year following the Plan Year in which the automatic deferral election first becomes effective with respect to a Participant.
- (iii) **Effective date.** The automatic increase described under subsection (2)(ii) above is generally effective as of the first day of the Plan Year. If this subsection (iii) is checked, instead of becoming effective on the first day of the Plan Year, the automatic increase will be effective on:
- (A) The anniversary of the Participant's date of hire.
- (B) The anniversary of the Participant's first automatic deferral contribution.
- (C) The first day of each calendar year.
- (D) Other date: _____

- (iv) **Special rules:** _____
- (5) **Treatment of terminated Employees who are rehired.** Unless designated otherwise below, in applying the automatic deferral provisions under this AA§6A-7, including the automatic increase provisions, a rehired Participant is treated as a new Employee (regardless of the amount of time since the rehired Employee terminated employment).
- (i) **Rehired Employees not treated as new Employee.** In applying the automatic deferral provisions under this AA§6A-7, including the automatic increase provisions, a rehired Participant is not treated as a new Employee. Thus, for example, a rehired Participant’s deferral percentage will be calculated based on the date the individual first began making automatic deferrals under the Plan.
- (ii) **Describe special rules applicable to rehired employees:** _____
- [*Note: Any special rules under this subsection (ii) must satisfy the rules applicable to automatic enrollment under Treas. Reg. §1.401(k)-1, if applicable.*]
- (b) **Permissible Withdrawals under Automatic Contribution Arrangement.**
- (1) **Permissible withdrawals allowed.** An Employee who has Salary Deferrals contributed to the Plan pursuant to an automatic deferral election under this AA §6A-7 may elect to withdraw such contributions (and earnings attributable thereto) within 90 days after the date such Salary Deferrals would otherwise have been included in gross income, unless designated otherwise under subsection (3) below. Unless elected otherwise below, if an Employee does not make automatic deferrals to the Plan for an entire Plan Year (e.g., due to termination of employment), the Plan may allow such Employee to take a permissible withdrawal, but only with respect to default contributions made after the Employee’s return to employment.).
- The ability to take permissible withdrawals does not apply to rehired Employees, even if such Employees have not made automatic deferrals to the Plan for an entire Plan Year due to termination of employment.
- (2) **No permissible withdrawals.** The permissible withdrawal provisions under this subsection (b) are not available.
- (3) **Time period for electing a permissible withdrawal.** Instead of a 90-day election period, a Participant must request a permissible withdrawal no later than _____ days after the date the Plan Compensation from which such Salary Deferrals are withheld would otherwise have been included in gross income.
- (c) **Other automatic deferral provisions:** _____

6A-8 **SPECIAL DEFERRAL EFFECTIVE DATES.** Unless designated otherwise under this AA §6A-8, a Participant is eligible to make Salary Deferrals under the Plan as of the Effective Date of the Plan (as designated in the Employer Signature Page). However, in no case may a Participant begin making Salary Deferrals prior to the later of the date the Employee becomes a Participant, the date the Participant executes a Salary Reduction Agreement or the date the Plan is adopted or effective. (See Section 3.02(c)(2)(i) of the Plan.)

To designate a later Effective Date for Salary Deferrals or Roth Deferrals, complete this AA §6A-8.

- (a) **Salary Deferrals.** A Participant is eligible to make Salary Deferrals under the Plan as of:
- (1) the date the Plan is executed by the Employer (as indicated on the Employer Signature Page).
- (2) _____ (insert date no earlier than the date the Plan is executed by the Employer).
- (b) **Roth Deferrals.** The Roth Deferral provisions under AA §6A-5 are effective as of _____. [*If Roth Deferrals are permitted under AA §6A-5 above, Roth Deferrals are effective as of the Effective Date applicable to Salary Deferrals under this AA §6A-8, unless a later date is designated under this subsection.*]

SECTION 6B
MATCHING CONTRIBUTIONS

6B-1 **MATCHING CONTRIBUTIONS.** Is the Employer authorized to make Matching Contributions under the Plan?

- Yes.**
- No.** [*If “No” is checked, skip to Section 7.*]

6B-2 **MATCHING CONTRIBUTION FORMULA:** For the period designated in AA §6B-5 below, the Employer will make the following Matching Contribution on behalf of Participants who satisfy the allocation conditions under AA §6B-6 below. [See AA §6B-3 for the definition of Eligible Contributions for purposes of the Matching Contributions under the Plan.]

(a) **Discretionary match.** The Employer will determine in its sole discretion how much, if any, it will make as a Matching Contribution. Such amount will be allocated as a uniform percentage of Eligible Contributions, unless designated otherwise below. (See AA §6B-5 relating to period for determining Matching Contributions and true-up requirements.)

(1) Discretionary matching contributions will be allocated as a flat dollar amount.

(2) Allocation of discretionary Matching Contribution determined by written instructions to Plan Administrator (or Trustee). If a discretionary Matching Contribution formula applies (i.e., a formula that provides an Employer with discretion regarding how to allocate a Matching Contribution to Participants) and the Employer makes a discretionary Matching Contribution to the Plan, the Employer must provide the Plan Administrator (or Trustee, if applicable), written instructions describing: (1) how the discretionary Matching Contribution formula will be allocated to Participants (e.g., a uniform percentage of Eligible Contributions or a flat dollar amount), (2) the computation period(s) to which the discretionary Matching Contribution formula applies (unless otherwise designated under AA §6B-5), and (3) if applicable, a description of each business location or business classification subject to separate discretionary Matching Contribution allocation formulas.

Such instructions must be provided no later than the date on which the discretionary Matching Contribution is made to the Plan. A summary of these instructions must be communicated to Participants who receive discretionary Matching Contributions no later than 60 days following the last date on which the discretionary Matching Contribution is made to the Plan for the Plan Year. If this AA §6B-2(a)(2) is elected, the written instruction requirement does not take effect until the first day of the Plan Year following the Plan Year in which this Plan’s Cycle 3 restatement is executed.

(b) **Fixed match.** The Employer will make a Matching Contribution for each Participant equal to:

(1) ___% of Eligible Contributions made for each period designated in AA §6B-5 below.

(2) \$___ for each period designated in AA §6B-5 below.

(c) **Matching Contributions under Collective Bargaining Agreement, employment contract or equivalent arrangement.** The Employer will make a Matching Contribution based on a Collective Bargaining Agreement, employment agreement or equivalent arrangement as follows: _____

[*Note:* Insert the appropriate Matching Contribution formula from the Collective Bargaining Agreement, employment agreement or equivalent arrangement. The formula must be definitely determinable as required under Treas. Reg. §1.401-1.]

(d) **Tiered match.** The Employer may make a Matching Contribution to all Participants based on the following tiers of Eligible Contributions as a percentage of Plan Compensation. If discretionary Match is elected, the discretionary Matching Contribution will be allocated as a uniform percentage of Eligible Contributions within each tier.

Eligible Contributions	Fixed Match	Discretionary Match
<input type="checkbox"/> (1) Up to ___% of Plan Compensation	_____%	<input type="checkbox"/>
<input type="checkbox"/> (2) From ___% up to ___% of Plan Compensation	_____%	<input type="checkbox"/>
<input type="checkbox"/> (3) From ___% up to ___% of Plan Compensation	_____%	<input type="checkbox"/>
<input type="checkbox"/> (4) From ___% up to ___% of Plan Compensation	_____%	<input type="checkbox"/>

(e) **Year of Service match.** The Employer will make a Matching Contribution as a uniform percentage of Eligible Contributions to all Participants based on Years of Service with the Employer. If discretionary Match is elected, the discretionary Matching Contribution will be allocated as a uniform percentage of Eligible Contributions within each Year of Service level.

Years of Service	Fixed Match	Discretionary Match
<input type="checkbox"/> (1) From ___ up to ___ Years of Service	_____%	<input type="checkbox"/>
<input type="checkbox"/> (2) From ___ up to ___ Years of Service	_____%	<input type="checkbox"/>

Years of Service	Fixed Match	Discretionary Match
<input type="checkbox"/> (3) From ___ up to ___ Years of Service	_____ %	<input type="checkbox"/>
<input type="checkbox"/> (4) From ___ up to ___ Years of Service	_____ %	<input type="checkbox"/>
<input type="checkbox"/> (5) Years of Service equal to and above _____	_____ %	<input type="checkbox"/>

For this purpose, a Year of Service is each Plan Year during which an Employee completes at least 1,000 Hours of Service. Alternatively, a Year of Service is: _____

[*Note: Any alternative definition of a Year of Service must meet the requirements of a Year of Service as defined in Section 2.03(a)(1) of the Plan.*]

- (f) **Different Employee groups.** The Employer may make a different Matching Contribution to the Employee groups designated under subsection (1) below. The Matching Contribution will be allocated separately to each designated Employee group in accordance with the formula designated under subsection (2) below.

(1) **Designated Employee groups.**

[*Note: Each group designation must describe a group of Employees which is definitely determinable with no Employer discretion.*]

(2) **Matching Contribution formulas.**

- (i) **Discretionary Matching Contribution.** The Employer may make a different discretionary Matching Contribution for each Employee group designated under subsection (1) above. The discretionary Matching Contribution will be allocated as a uniform percentage of Eligible Contributions within each Employee group. (See AA §6B-5 relating to period for determining Matching Contributions and true-up requirements.)

- (ii) **Different Matching Contribution formula.** The following Matching Contribution will apply for each Employee group designated under subsection (1) above.

[*Note: Each separate rate of Matching Contribution must be definitely determinable and will be allocated uniformly to the members of the group.*]

- (g) **Describe special rules for determining Matching Contribution formula:** _____

[*Note: Any special rules may not provide for a discretionary Matching Contribution allocation formula, must be described in a manner that precludes Employer discretion and must satisfy the definitely determinable requirements of Treas. Reg. §1.401-1.*]

6B-3 **ELIGIBLE CONTRIBUTIONS.** Unless designated otherwise under this AA §6B-3, the Matching Contribution described in AA §6B-2 will apply to all Eligible Contributions authorized under AA §6-7 and/or AA §6A.

- (a) **Designated Eligible Contributions.** If this subsection (a) is checked, the Matching Contribution described in AA §6B-2 will apply only to the Eligible Contributions selected below:

- (1) Pre-tax Salary Deferrals under AA §6A.
- (2) Roth Deferrals under AA §6A-5.
- (3) Catch-Up Contributions under AA §6A-4.
- (4) Voluntary After-Tax Employee Contributions under AA §6-7(a).
- (5) Mandatory After-Tax Employee Contributions under AA §6-7(b).
- (6) Employer Pick-Up Contributions under AA §6-7(c).

- (b) **Elective deferrals under another plan.** If this subsection (b) is checked, the Matching Contributions described in AA §6B-2 will apply to elective deferrals made under another plan maintained by the Employer.

- (1) The Matching Contribution designated in AA §6B-2 above will apply to elective deferrals under the following plan maintained by the Employer: _____

- (2) The following special rules apply in determining the amount of Matching Contributions under this Plan with respect to elective deferrals under the plan described in subsection (1) above: _____

[*Note: This subsection (b) may be used to describe special provisions applicable to Matching Contributions provided with respect to elective deferrals under another plan maintained by the Employer, including another qualified plan or Code §403(b) or Code §457(b) plan.*]

- (c) **Calculation of Matching Contributions if Plan uses dual eligibility and/or multiple entry dates.** Unless designated otherwise below, if the Plan has dual eligibility and/or multiple entry dates (or the Employer chooses to use the Plan's optional true-up provisions), the Matching Contribution formula(s) will be based on Eligible Contributions and Plan Compensation for the period designated under AA §6B-5.

The Plan will make Matching Contributions only on Salary Deferrals and After-Tax Employee Contributions (if applicable) made after the Participant becomes eligible for Matching Contributions, regardless of the period designated under AA §6B-5.

- (d) **Special rules.** The following special rules apply for purposes of determining the Matching Contribution under this AA §6B-3: _____

[*Note: Any special rules under this subsection (d) must be definitely determinable.*]

6B-4 **LIMITS ON MATCHING CONTRIBUTIONS.** In applying the Matching Contribution formula(s) selected under AA §6B-2 above, all Eligible Contributions designated under AA §6B-3 are eligible for Matching Contributions, unless elected otherwise under this AA §6B-4.

- (a) **Limit on amount of Eligible Contributions.** The Matching Contribution formula(s) selected in AA §6B-2 above apply only to Eligible Contributions under AA §6B-3 that do not exceed:

(1) _____% of Plan Compensation.

(2) \$_____.

(3) A discretionary amount determined by the Employer that will be applied in a uniform manner for all eligible Participants for the Plan Year.

[*Note: If both subsections (1) and (2) above are selected, the limit under this subsection (a) is the lesser of the percentage selected in subsection (1) or the dollar amount selected in subsection (2).*]

- (b) **Limit on Matching Contributions.** The total Matching Contribution provided under the formula(s) selected in AA §6B-2 above will not exceed:

(1) _____% of Plan Compensation.

(2) \$_____.

- (c) **Special limits applicable to Matching Contributions:** _____

6B-5 **PERIOD FOR DETERMINING MATCHING CONTRIBUTIONS.** The Matching Contribution formula(s) selected in AA §6B-2 above (including any limitations on such amounts under AA §6B-4) are based on Eligible Contributions under AA §6B-3 and Plan Compensation for the Plan Year. To apply a different period for determining the Matching Contributions and limits under AA §6B-2 and AA §6B-4, complete this AA §6B-5.

(a) payroll period

(b) Plan Year quarter

(c) calendar month

(d) Other: _____

[*Note: Although Matching Contributions (and any limits on those Matching Contributions) will be determined on the basis of the period designated under this AA §6B-5, this does not require the Employer to actually make contributions or allocate contributions on the basis of such period. Matching Contributions may be contributed and allocated to Participants at any time within the contribution period permitted under Treas. Reg. §1.415(c)-1(b)(6)(B), regardless of the period selected under this AA §6B-5.*]

[*Note: In determining the amount of Matching Contributions for a particular period, if the Employer actually makes Matching Contributions to the Plan on a more frequent basis than the period selected in this AA §6B-5, a Participant will be entitled to a true-up contribution to the extent he/she does not receive a Matching Contribution based on the Eligible Contributions and/or Plan Compensation for the entire period selected in this AA §6B-5. If a period other than the Plan Year is selected under this AA §6B-5, the Employer may make an additional discretionary Matching Contribution equal to the true-up contribution that would otherwise be required if Plan Year was selected under this AA §6B-5. See Section 3.02(c)(3)(iii) of the Plan.*]

6B-6 **ALLOCATION CONDITIONS.** A Participant must satisfy any allocation conditions designated under this AA §6B-6 to receive an allocation of Matching Contributions under the Plan.

- (a) **Application of allocation conditions.**

- (1) **No allocation conditions** apply with respect to Matching Contributions under the Plan.
 - (2) Allocation conditions only apply to discretionary Matching Contributions under the Plan.
 - (3) Allocation conditions only apply to fixed Matching Contributions under the Plan.
- [*Note: (2) or (3) above should be selected only if the Plan provides for both Fixed and Discretionary Matching Contributions.*]
- (b) **Employment condition.** An Employee must be employed with the Employer on the last day of the Plan Year.
 - (c) **Minimum service condition.** An Employee must be credited with at least:
 - (1) ____ Hours of Service during the Plan Year.
 - (i) Hours of Service are determined using actual Hours of Service.
 - (ii) Hours of Service are determined using the following Equivalency Method (as defined under AA §4-3):
 - (A) Monthly (B) Weekly
 - (C) Daily (D) Semi-monthly
 - (E) Describe: _____

[*Note: Any description under subsection (E) above must be definitely determinable.*]

 - (2) ____ consecutive days of employment with the Employer during the Plan Year.
- (d) **Exceptions.**
 - (1) The above allocation condition(s) will **not** apply if the Employee, during the Plan Year:
 - (i) dies.
 - (ii) terminates employment due to becoming Disabled.
 - (iii) becomes Disabled.
 - (iv) terminates employment after attaining Normal Retirement Age.

[*Note: This waiver of allocation conditions applies only once during the Participant's employment with the Employer. Thus, if an Employee is rehired after such a waiver was applied to such Employee, the waiver of allocation conditions will not apply to a subsequent termination of employment. The Employer may modify this rule in (e) below.*]
 - (v) terminates employment after attaining Early Retirement Age.

[*Note: This waiver of allocation conditions applies only once during the Participant's employment with the Employer. Thus, if an Employee is rehired after such a waiver was applied to such Employee, the waiver of allocation conditions will not apply to a subsequent termination of employment. The Employer may modify this rule in (e) below.*]
 - (vi) is on an authorized leave of absence from the Employer.
 - (2) The exceptions selected under subsection (1) above will apply even if an Employee has not terminated employment at the time of the selected event(s).
 - (3) The exceptions selected under subsection (1) above do not apply to:
 - (i) an employment condition designated under subsection (b) above.
 - (ii) a minimum service condition designated under subsection (c) above.
- (e) **Describe** any special rules governing the allocation conditions under the Plan: _____

**SECTION 7
RETIREMENT AGES**

7-1 **NORMAL RETIREMENT AGE.** Normal Retirement Age under the Plan is:

- (a) Age 55 (not to exceed 65).
- (b) The later of age ____ (not to exceed 65) or the ____ (not to exceed 5th) anniversary of:
- (1) the Employee’s participation commencement date (as defined in Section 1.68 of the Plan).
 - (2) the Employee’s employment commencement date.
- (c) Describe Normal Retirement Age: _____

[Note: The Normal Retirement Age must be reasonably representative of the typical retirement age for the industry in which the Plan Participants work. A Normal Retirement Age of at least age 62 is deemed to be reasonable while a Normal Retirement Age under age 55 is presumed not to satisfy this requirement unless facts and circumstances show otherwise. Whether a Normal Retirement Age between 55 and 62 satisfies this requirement depends on the facts and circumstances. A Governmental Plan must comply with the final Normal Retirement Age regulations under Treas. Reg. §1.401(a)-1, as amended, effective for Annuity Starting Dates occurring in Plan Years beginning on or after the later of the two dates described in IRS Notice 2012-29. The Employer may use AA §7-1(c), for example, to describe a reasonable Normal Retirement Age that is between age 55 and 62 that takes into account service as well as age.]

7-2 **EARLY RETIREMENT AGE.** Unless designated otherwise under this AA §7-2, there is no Early Retirement Age under the Plan.

- (a) A Participant reaches Early Retirement Age if he/she is still employed after attainment of each of the following:
- (1) Attainment of age ____
 - (2) The ____ anniversary of the date the Employee commenced participation in the Plan, and/or
 - (3) The completion of ____ Years of Service, determined as follows:
 - (i) Same as for eligibility.
 - (ii) Same as for vesting
- (b) Describe. _____

**SECTION 8
VESTING AND FORFEITURES**

8-1 **CONTRIBUTIONS SUBJECT TO VESTING.** Does the Plan provide for any Employer and/or Matching Contributions that are subject to a vesting schedule under AA §8-2?

- Yes
- No [If “No” is checked, skip to Section 9.]

[Note: “Yes” should be checked under this AA §8-1 if the Plan provides for Employer Contributions and/or Matching Contributions that are subject to a vesting schedule, even if such contributions are always 100% vested under AA §8-2. “No” should be checked if the only contributions under the Plan are Salary Deferrals, After-Tax Employee Contributions and/or Employer Pick-Up Contributions. If the Plan holds Employer Contributions and/or Matching Contributions that are subject to vesting but the Plan no longer provides for such contributions, see Sections 6.03(d) and 6.11(e) of the Plan for default rules for applying the vesting and forfeiture rules to such contributions.]

8-2 **VESTING SCHEDULE.** The vesting schedule under the Plan is as follows for both Employer Contributions and Matching Contributions, to the extent authorized under the Plan. See Section 6.02 of the Plan for a description of the various vesting schedules under this AA §8-2.

(a) **Vesting schedule for Employer Contributions and Matching Contributions:**

- | ER | Match | |
|--------------------------|--------------------------|---------------------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | (1) Full and immediate vesting. |
| <input type="checkbox"/> | <input type="checkbox"/> | (2) Three-year cliff vesting schedule |
| <input type="checkbox"/> | <input type="checkbox"/> | (3) Six-year graded vesting schedule |

- | ER | Match | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | (4) Modified vesting schedule |
| | | ___ % immediately on Plan participation |
| | | ___ % after 1 Year of Service |
| | | ___ % after 2 Years of Service |
| | | ___ % after 3 Years of Service |
| | | ___ % after 4 Years of Service |
| | | ___ % after 5 Years of Service |
| | | ___ % after 6 Years of Service |
| | | ___ % after 7 Years of Service |
| | | ___ % after 8 Years of Service |
| | | ___ % after 9 Years of Service |
| | | 100% after 10 Years of Service |

- (5) Other: vesting schedule: _____
[*Note: If a modified vesting schedule is selected under this subsection (a), the vested schedule must satisfy the pre-ERISA Code vesting requirements.*]

- (b) **Special provisions applicable to vesting schedule:** _____
[*Note: This subsection (b) may be used to apply a different vesting schedule for different contribution formulas or different Employee groups under the Plan. Any special provision must satisfy the pre-ERISA Code vesting requirements.*]

8-3 **VESTING SERVICE.** In applying the vesting schedules under this AA §8, all service with the Employer counts for vesting purposes, unless designated otherwise under this AA §8-3.

- (a) Service before the original Effective Date of this Plan (or a Predecessor Plan) is excluded.
 (b) Service completed before the Employee's ___ birthday is excluded.
 (c) Describe vesting service exclusions: _____

[*Note: See Section 6.07 of the Plan and AA §4-5 for rules regarding the crediting of service with Predecessor Employers for purposes of vesting under the Plan.*]

8-4 **VESTING UPON DEATH, DISABILITY OR EARLY RETIREMENT AGE.** An Employee's vesting percentage increases to 100% if, while employed with the Employer, the Employee

- (a) dies
 (b) terminates employment due to becoming Disabled
 (c) becomes Disabled
 (d) reaches Early Retirement Age
 (e) Not applicable. No increase in vesting applies.

8-5 **DEFAULT VESTING RULES.** In applying the vesting requirements under this AA §8, the following default rules apply. [*Note: No election should be made under this AA §8-5 if all contributions are 100% vested.*]

- **Year of Service.** An Employee earns a Year of Service for vesting purposes upon completing 1,000 Hours of Service during a Vesting Computation Period. Hours of Service are calculated based on actual hours worked during the Vesting Computation Period. (See Section 1.57 of the Plan for the definition of Hour of Service.)
- **Vesting Computation Period.** The Vesting Computation Period is the Plan Year.

To override the default vesting rules, complete the applicable sections of this AA §8-5. If this AA §8-5 is not completed, the default vesting rules apply.

- | ER | Match | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | (a) Year of Service. Instead of 1,000 Hours of Service, an Employee earns a Year of Service upon the completion of ____ Hours of Service during a Vesting Computation Period. |
| <input type="checkbox"/> | <input type="checkbox"/> | (b) Vesting Computation Period. Instead of the Plan Year, the Vesting Computation Period is: <ul style="list-style-type: none"> <input type="checkbox"/> (1) The 12-month period beginning with the Employee’s Employment Commencement Date and, for subsequent Vesting Computation Periods, the 12-month period beginning with the anniversary of the Employee’s Employment Commencement Date. <input type="checkbox"/> (2) Describe: _____ <p><i>[Note: Any Vesting Computation Period described in this subsection (2) must be a 12-consecutive month period and must apply uniformly to all Participants.]</i></p> |
| <input type="checkbox"/> | <input type="checkbox"/> | (c) Elapsed Time Method. Instead of determining vesting service based on actual Hours of Service, vesting service will be determined under the Elapsed Time Method. If this subsection (c) is checked, service will be measured from the Employee’s Employment Commencement Date (or Reemployment Commencement Date, if applicable) without regard to the Vesting Computation Period designated in Section 6.05 of the Plan. (See Section 6.04(b) of the Plan.) |
| <input type="checkbox"/> | <input type="checkbox"/> | (d) Equivalency Method. For purposes of determining an Employee’s Hours of Service for vesting, the Plan will use the Equivalency Method (as defined in Section 6.04(a)(2) of the Plan). The Equivalency Method will apply to: <ul style="list-style-type: none"> <input type="checkbox"/> (1) All Employees. <input type="checkbox"/> (2) Only to Employees for whom the Employer does not maintain hourly records. For Employees for whom the Employer maintains hourly records, vesting will be determined based on actual hours worked. <p>Hours of Service for vesting will be determined under the following Equivalency Method.</p> <ul style="list-style-type: none"> <input type="checkbox"/> (3) Monthly. 190 Hours of Service for each month worked. <input type="checkbox"/> (4) Weekly. 45 Hours of Service for each week worked. <input type="checkbox"/> (5) Daily. 10 Hours of Service for each day worked. <input type="checkbox"/> (6) Semi-monthly. 95 Hours of Service for each semi-monthly period. <input type="checkbox"/> (7) Describe Equivalency Method: _____ <p><i>[Note: Any description of an Equivalency Method must be definitely determinable.]</i></p> |
| <input type="checkbox"/> | <input type="checkbox"/> | (e) Special rules: _____
<i>[Note: Any special rules under this subsection (e) must be definitely determinable.]</i> |

8-6 **BREAKS IN SERVICE.** Generally, an Employee will be credited with all service earned with the Employer, including service earned prior to a Break in Service. To disregard service earned prior to a Break in Service for vesting purposes, complete this AA §8-6. (See Section 6.08 of the Plan.)

- (a) If an Employee incurs at least one Break in Service, the Plan will disregard all service earned prior to such Break in Service for purposes of determining vesting under the Plan.
- (b) If an Employee incurs at least _____ consecutive Breaks in Service, the Plan will disregard all service earned prior to such consecutive Breaks in Service for purposes of determining vesting under the Plan. *[Enter “0” if prior service will be disregarded for all rehired Employees.]*
- (c) The Nonvested Participant Break in Service rule applies to all Employees, including Employees who have not terminated employment.
- (d) Describe any special rules for applying the vesting Break in Service rules: _____
[Note: Any special rules under this subsection (d) must be definitely determinable.]

8-7 **ALLOCATION OF FORFEITURES.**

The Employer may decide in its discretion how to treat forfeitures under the Plan. Alternatively, the Employer may designate under this AA §8-7 how forfeitures occurring during a Plan Year will be treated. (See Section 6.11 of the Plan.)

- | ER | Match | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | (a) N/A. All contributions are 100% vested. [Do not complete the rest of this AA §8-7.] |
| <input type="checkbox"/> | <input type="checkbox"/> | (b) Reallocated as additional Employer Contributions or as additional Matching Contributions. |
| <input type="checkbox"/> | <input type="checkbox"/> | (c) Used to reduce Employer and/or Matching Contributions. |

For purposes of subsection (b) or (c) above, forfeitures will be applied:

- | | | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | (d) for the Plan Year in which the forfeiture occurs. |
| <input type="checkbox"/> | <input type="checkbox"/> | (e) for the Plan Year following the Plan Year in which the forfeitures occur. |

Prior to applying forfeitures under subsection (b) or (c):

- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | (f) Forfeitures may be used to pay Plan expenses. (See Section 6.11(d) of the Plan.) |
| <input type="checkbox"/> | <input type="checkbox"/> | (g) Forfeitures may not be used to pay Plan expenses. |

In determining the amount of forfeitures to be allocated under subsection (b) above, the same allocation conditions apply as for the source for which the forfeiture is being allocated, unless designated otherwise below.

- | | | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | (h) Forfeitures are not subject to any allocation conditions. |
| <input type="checkbox"/> | <input type="checkbox"/> | (i) Forfeitures are subject to a last day of employment allocation condition. |
| <input type="checkbox"/> | <input type="checkbox"/> | (j) Forfeitures are subject to a ____ Hours of Service minimum service requirement. |

In determining the treatment of forfeitures under this AA §8-7, the following special rules apply:

- | | | |
|--------------------------|--------------------------|---------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | (k) Describe: _____ |
|--------------------------|--------------------------|---------------------|

8-8 SPECIAL RULES REGARDING CASH-OUT DISTRIBUTIONS.

- (a) **Additional allocations.** If a terminated Participant receives a complete distribution of his/her vested Account Balance while still entitled to an additional allocation, the Cash-Out Distribution forfeiture provisions do not apply until the Participant receives a distribution of the additional amounts to be allocated. (See Section 6.10(a)(1) of the Plan.)

To modify the default Cash-Out Distribution forfeiture rules, complete this AA §8-8(a).

- The Cash-Out Distribution forfeiture provisions will apply if a terminated Participant takes a complete distribution, regardless of any additional allocations during the Plan Year.

- (b) **Timing of forfeitures.** A Participant who receives a Cash-Out Distribution (as defined in Section 6.10(a) of the Plan) is treated as having an immediate forfeiture of his/her nonvested Account Balance.

To modify the forfeiture timing rules to delay the occurrence of a forfeiture upon a Cash-Out Distribution, complete this AA §8-8(b).

- A forfeiture will occur upon the completion of ____ consecutive Breaks in Service (as defined in Section 6.08 of the Plan).

- (c) **Repayment of Cash-Out Distribution.** Unless elected otherwise under this AA §8-8(c), if a Participant receives a Cash-Out Distribution that results in a forfeiture, and the Participant resumes employment covered under the Plan, such Participant may repay to the Plan the amount received as a Cash-Out Distribution.

- If a Participant receives a Cash-Out Distribution that results in a forfeiture, and the Participant resumes employment covered under the Plan, such Participant may NOT repay to the Plan the amount received as a Cash-Out Distribution and the provisions of Section 6.10(a)(2) do not apply.

8-9 SPECIAL RULE FOR FORFEITURE UPON DEATH OF A PARTICIPANT. Unless elected below, no vested benefits are forfeited upon the death of a Participant.

To modify this default forfeiture rule, check to box below.

- The Plan will forfeit benefits (including vested benefits) upon the death of a Participant, if not precluded by law. In no event may the Plan forfeit any amounts attributable to a Participant's Salary Deferrals or After-Tax Employee Contributions under the Plan or if the Plan has commenced distributions prior to the Participant's death.

SECTION 9
DISTRIBUTION PROVISIONS – TERMINATION OF EMPLOYMENT

9-1 AVAILABLE FORMS OF DISTRIBUTION.

Lump sum distribution. A Participant may take a distribution of his/her entire vested Account Balance in a single lump sum upon termination of employment. In addition, the Plan Administrator may permit a Participant to take partial distributions or installment distributions solely to the extent necessary to satisfy the required minimum distribution rules under Section 8 of the Plan.

Additional distribution options. To provide for additional distribution options, check the applicable distribution forms under this AA §9-1.

- (a) **Installment distributions.** A Participant may take a distribution over a specified period not to exceed the life or life expectancy of the Participant (and a designated beneficiary).
- (b) **Partial lump sum.** A Participant may take a distribution of less than the entire vested Account Balance upon termination of employment.
 - Minimum distribution amount. A Participant may not take a partial lump sum distribution of less than \$_____.
- (c) **Annuity distributions.** A Participant may elect to have the Plan Administrator use the Participant's vested Account Balance to purchase an annuity as described in Section 7.01 of the Plan.
- (d) **Describe distribution options:** _____

[Note: Any distribution option described in this subsection (d) may not be subject to the discretion of the Employer or Plan Administrator.]

9-2 PARTICIPANT AND SPOUSAL CONSENT.

- (a) **Involuntary Cash-Out Distribution.** A Participant who terminates employment with a vested Account Balance of \$5,000 or less will receive an Involuntary Cash-Out Distribution, unless elected otherwise under this AA §9-2. If a Participant's vested Account Balance exceeds \$5,000, the Participant generally must consent to a distribution from the Plan, except to the extent provided otherwise under this AA §9-2. See Section 7.03 of the Plan for additional rules regarding the Participant consent requirements under the Plan.
 - (1) **No Involuntary Cash-Out Distributions.** The Plan does not provide for Involuntary Cash-Out Distributions. A terminated Participant must consent to any distribution from the Plan. (See Section 14.02(b) of the Plan for special rules upon Plan termination.)
 - (2) **Involuntary Cash-Out Distribution threshold.** A terminated Participant will receive an Involuntary Cash-Out Distribution only if the Participant's vested Account Balance is less than or equal to \$_____.
 - (3) **Application of Automatic Rollover rules.** The Automatic Rollover rules described in Section 7.05 of the Plan do not apply to any Involuntary Cash-Out Distribution below \$1,000, unless elected otherwise under this subsection (3). If this subsection (3) is checked, the Automatic Rollover provisions apply to all Involuntary Cash-Out Distributions (including those below \$1,000).
 - (4) **Distribution upon attainment of stated age.** Participant consent will not be required with respect to distributions made upon attainment of Normal Retirement Age (or age 62, if later), regardless of the value of the Participant's vested Account Balance.
 - (5) **Treatment of Rollover Contributions.** Unless elected otherwise under this subsection (5), Rollover Contributions will be excluded in determining whether a Participant's vested Account Balance exceeds the Involuntary Cash-Out threshold for purposes of applying the distribution rules under this AA §9 and the Automatic Rollover provisions under Section 7.05 of the Plan. To include Rollover Contributions in determining whether a Participant's vested Account Balance exceeds the Involuntary Cash-Out threshold, check this subsection (5).
- (b) **Spousal consent.** Spousal consent is not required for a Participant to receive a distribution or name an alternate beneficiary, unless designated otherwise under this subsection (b). See Section 9.02 of the Plan for rules regarding Spousal consent under the Plan.
 - (1) **Distribution consent.** A Participant's Spouse must consent to any distribution or loan, provided the Participant's vested Account Balance exceeds \$_____.
 - (2) **Beneficiary consent.** A Participant's Spouse must consent to naming someone other than the Spouse as beneficiary under the Plan.
- (c) **Describe any special rules affecting Participant or Spousal consent:** _____

[*Note: Any special rules under this subsection (c) must be definitely determinable.*]

9-3 **TIMING OF DISTRIBUTIONS UPON TERMINATION OF EMPLOYMENT.**

- (a) **Distribution of vested Account Balances exceeding \$5,000.** A Participant who terminates employment with a vested Account Balance exceeding \$5,000 may receive a distribution of his/her vested Account Balance in any form permitted under AA §9-1 within a reasonable period following:
- (1) the date the Participant terminates employment.
 - (2) the last day of the Plan Year during which the Participant terminates employment.
 - (3) the first Valuation Date following the Participant's termination of employment.
 - (4) the end of the calendar quarter following the date the Participant terminates employment.
 - (5) attainment of Normal Retirement Age, death or becoming Disabled.
 - (6) Describe: _____

[*Note: Any special rules under this subsection (6) must be definitely determinable.*]

- (b) **Distribution of vested Account Balances not exceeding \$5,000.** A Participant who terminates employment with a vested Account Balance that does not exceed \$5,000 will receive a **lump sum** distribution of his/her vested Account Balance within a reasonable period following:
- (1) the date the Participant terminates employment.
 - (2) the last day of the Plan Year during which the Participant terminates employment.
 - (3) the first Valuation Date following the Participant's termination of employment.
 - (4) the end of the calendar quarter following the date the Participant terminates employment.
 - (5) Describe: _____

[*Note: Any special rules under this subsection (5) must be definitely determinable.*]

- (c) **Alternate Cash-Out distribution threshold.** Instead of a vested Account Balance Cash-Out threshold of \$5,000, for purposes of applying the Cash-Out distribution provisions under this AA §9-3, the threshold for distributions upon termination of employment will be based on a vested Account Balance of \$_____.
- (d) **Describe additional distribution options:** _____

[*Note: Any additional distribution option described in this subsection (d) may not be subject to the discretion of the Employer or Plan Administrator.*]

9-4 **DISTRIBUTION UPON DISABILITY.** Unless designated otherwise under this AA §9-4, a Participant who terminates employment on account of becoming Disabled may receive a distribution of his/her vested Account Balance in the same manner as a regular distribution upon termination.

- (a) **Immediate distribution upon termination of employment.** Distribution will be made as soon as reasonable following the date the Participant terminates employment on account of becoming Disabled.
- (b) **Following year distribution upon termination of employment.** Distribution will be made as soon as reasonable following the last day of the Plan Year during which the Participant terminates employment on account of becoming Disabled.
- (c) **Describe:** _____

[*Note: Any distribution event described in this subsection (c) will apply uniformly to all Participants under the Plan and may not be subject to the discretion of the Employer or Plan Administrator.*]

9-5 **DETERMINATION OF BENEFICIARY.**

- (a) **Default beneficiaries.** Under Section 7.07(c) of the Plan, to the extent a Beneficiary has not been named by the Participant (subject to the spousal consent rules) and is not designated under the terms of the Investment Arrangement(s) to receive all or any portion of the deceased Participant's death benefit, such amount shall be distributed to the Participant's surviving Spouse (if the Participant was married at the time of death) who shall be considered the designated Beneficiary. If the Participant does not have a surviving Spouse at the time of death, distribution will be made to the Participant's surviving children (including legally adopted children, but not including step-children), as designated Beneficiaries, in equal shares. If the Participant has no surviving children, distribution will be made to the Participant's estate.
- If this subsection (a) is checked, the default beneficiaries under Section 7.07(c) of the Plan are modified as follows:

- (1) The Plan adopts the default beneficiary rules under Section 7.07(c) of the Plan, except, if the Participant does not have a surviving Spouse at the time of death, distribution will be made to the Participant’s children (including legally adopted children, but not including step-children), as designated Beneficiaries, **per stirpes**.
 - (2) Describe other modifications to the default beneficiaries under Section 7.07(c) of the Plan: _____

[Note: The description of the modifications to the default beneficiaries must be sufficiently clear for the Plan Administrator to determine the beneficiaries and the method of distribution of the Participant’s death benefit.]
- (b) **One-year marriage rule.** For purposes of determining whether an individual is considered the surviving Spouse of the Participant, the determination is based on the marital status as of the date of the Participant’s death, unless designated otherwise under this subsection (b).
- If this subsection (b) is checked, in order to be considered the surviving Spouse, the Participant and surviving Spouse must have been married for the entire one-year period ending on the date of the Participant’s death. If the Participant and surviving Spouse are not married for at least one year as of the date of the Participant’s death, the Spouse will not be treated as the surviving Spouse for purposes of applying the distribution provisions of the Plan. (See Section 9.03 of the Plan.)
- (c) **Divorce of Spouse.** Unless elected otherwise under this subsection (c), if a Participant designates his/her Spouse as Beneficiary and subsequent to such Beneficiary designation, the Participant and Spouse are divorced, the designation of the Spouse as Beneficiary under the Plan is automatically rescinded as set forth under Section 7.07(c)(6) of the Plan.
- If this subsection (c) is checked, a Beneficiary designation will not be rescinded upon divorce of the Participant and Spouse.
- [Note: Section 7.07(c)(6) of the Plan and this subsection (c) will be subject to the provisions of a Beneficiary designation entered into by the Participant. Thus, if a Beneficiary designation specifically overrides the election under this subsection (c), the provisions of the Beneficiary designation will control. See Section 7.07(c)(6) of the Plan.]*

SECTION 10
IN-SERVICE DISTRIBUTIONS AND REQUIRED MINIMUM DISTRIBUTIONS

10-1 **AVAILABILITY OF IN-SERVICE DISTRIBUTIONS.** A Participant may withdraw all or any portion of his/her vested Account Balance, to the extent designated, upon the occurrence of any of the event(s) selected under this AA §10-1. If more than one option is selected for a particular contribution source under this AA §10-1, a Participant may take an in-service distribution upon the occurrence of any of the selected events, unless designated otherwise under this AA §10-1.

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	(a) No in-service distributions are permitted.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(b) Attainment of age 59½.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(c) Attainment of age _____. (Not greater than age 70 1/2)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(d) A Hardship that satisfies the safe harbor rules under Section 7.10(e)(1) of the Plan.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(e) A non-safe harbor Hardship described in Section 7.10(e)(2) of the Plan.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(f) Attainment of Normal Retirement Age.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(g) Attainment of Early Retirement Age.
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(h) The Participant has participated in the Plan for at least ____ (cannot be less than 60) months.
N/A	<input type="checkbox"/>	<input type="checkbox"/>	(i) The amounts being withdrawn have been held in the Trust for at least two years.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(j) Upon a Participant becoming Disabled (as defined in AA §9-4(b)).
<input type="checkbox"/>	N/A	N/A	(k) As a Qualified Reservist Distribution.
<input type="checkbox"/>	N/A	N/A	(l) Upon a deemed separation of employment when an individual is on active duty for a period of at least 30 days while performing service in the Uniformed Services.

Deferral Match ER

 (m) Describe: _____

[Note: No in-service distribution of Salary Deferrals is permitted prior to age 59½, except for Hardship, or Disability. If Normal Retirement Age or Early Retirement Age is earlier than age 59½, such age is deemed to be age 59½ for purposes of determining eligibility to distribute Salary Deferrals (if subsection (f) or (g) above is checked under the Deferral column). If this Plan has accepted a transfer of assets from a pension plan (e.g., a money purchase plan), no in-service distribution from amounts attributable to such transferred assets is permitted prior to age 62, except for Disability.]

10-2 APPLICATION TO OTHER CONTRIBUTION SOURCES. If the Plan allows for Rollover Contributions under AA §C-2 or After-Tax Employee Contributions under AA §6-7, unless elected otherwise under this AA §10-2, a Participant may take an in-service distribution from his/her Rollover Account and After-Tax Employee Contribution Account at any time. Employer Pick-Up Contributions will not be eligible for in-service distribution.

Alternatively, if this AA §10-2 is completed, the following in-service distribution provisions apply for Rollover Contributions, After-Tax Employee Contributions and/or Employer Pick-Up Contributions:

Rollover	After-Tax	Pick-Up	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(a) No in-service distributions are permitted.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(b) Attainment of age 59½.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(c) Attainment of age _____. (Not greater than age 70 1/2)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(d) A Hardship (that satisfies the safe harbor rules under Section 7.10(e)(1) of the Plan).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(e) A non-safe harbor Hardship described in Section 7.10(e)(2) of the Plan.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(f) Attainment of Normal Retirement Age.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(g) Attainment of Early Retirement Age.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(h) Upon a Participant becoming Disabled (as defined in AA §9-4(b)).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(i) Describe: _____

10-3 SPECIAL DISTRIBUTION RULES. No special distribution rules apply, unless specifically provided under this AA §10-3.

- (a) In-service distributions will only be permitted if the Participant is 100% vested in the source from which the withdrawal is taken.
- (b) A Participant may take no more than ____ in-service distribution(s) in a Plan Year.
- (c) A Participant may not take an in-service distribution of less than \$_____.
- (d) A Participant may not take an in-service distribution of more than \$_____.
- (e) Unless elected otherwise under this subsection (e), the hardship distribution provisions of the Plan are not expanded to cover primary beneficiaries as set forth in Section 7.10(e)(5) of the Plan. If this subsection (e) is checked, the hardship provisions of the Plan will apply with respect to individuals named as primary beneficiaries under the Plan.
- (f) In determining whether a Participant has an immediate and heavy financial need for purposes of applying the non-safe harbor Hardship provisions under Section 7.10(e)(2) of the Plan, the following modifications are made to the permissible events listed under Section 7.10(e)(1) of the Plan: _____
[Note: This subsection (f) may only be used to the extent a non-safe harbor Hardship distribution is authorized under AA §10-1 or AA §10-2.]
- (g) If the Plan includes Accounts that hold inactive sources of contributions, the Employer may designate under this AA §10-3(g) the in-service distribution options available to such Accounts: _____
- (h) Other distribution rules: _____

10-4 REQUIRED MINIMUM DISTRIBUTIONS.

- (a) **Required distributions after death.** If a Participant dies before distributions begin and there is a Designated Beneficiary, the Participant or Beneficiary may elect on an individual basis whether the 5-year rule (as described in Section 8.06(a) of the Plan) or the life expectancy method described under Sections 8.02 of the Plan applies. See Section 8.06(b) of the Plan for rules regarding the timing of an election authorized under this AA §10-4.

Alternatively, if selected under this subsection (a), any death distributions to a Designated Beneficiary will be made only under either the 5-year rule or the life expectancy method, as elected below:

- (1) The five-year rule under Section 8.06(a) of the Plan applies (instead of the life expectancy method). Thus, the entire death benefit must be distributed by the end of the fifth year following the year of the Participant's death. Death distributions to a Designated Beneficiary may not be made under the life expectancy method.
- (2) The life expectancy method under Sections 8.02 and 8.04 of the Plan (and not the 5-year rule).
- (b) **Describe any special rules applicable to required minimum distributions:** _____

[*Note: Any special rule under this subsection (b) must satisfy the requirements of Code §401(a)(9). This subsection (b) may be used to override the default provision under Section 8.06(b) of the Plan. For example, the Employer may designate the life expectancy rules as the default rather than the five-year rule when a Participant or Beneficiary fails to make an election.*]

SECTION 11
MISCELLANEOUS PROVISIONS

11-1 **PLAN VALUATION.** The Plan is valued **annually**, as of the last day of the Plan Year.

- (a) **Additional valuation dates.** In addition, the Plan will be valued on the following dates:

Deferral	Match	ER	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	(1) Daily. The Plan is valued at the end of each business day during which the New York Stock Exchange is open.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(2) Monthly. The Plan is valued at the end of each month of the Plan Year.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(3) Quarterly. The Plan is valued at the end of each Plan Year quarter.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(4) Describe: _____

[*Note: The Employer may elect operationally to perform interim valuations, regardless of any selection in this subsection (a).*]

- (b) **Special rules.** The following special rules apply in determining the amount of income or loss allocated to Participants' Accounts: _____

11-2 **SPECIAL RULES FOR APPLYING THE CODE §415 LIMITATION.** The provisions under Section 5.02 of the Plan apply for purposes of determining the Code §415 Limitation.

Complete this AA §11-2 to override the default provisions that apply in determining the Code §415 Limitation under Section 5.02 of the Plan.

- (a) **Limitation Year.** Instead of the Plan Year, the Limitation Year is the 12-month period ending _____.
[*Note: If the Plan has a short Plan Year for the first year of establishment, the Limitation Year is deemed to be the 12-month period ending on the last day of the short Plan Year.*]
- (b) **Imputed compensation.** For purposes of applying the Code §415 Limitation, Total Compensation includes imputed compensation for a Participant who terminates employment on account of becoming disabled. (See Section 5.02(c)(7)(ii) of the Plan.)
- (c) **Special rules:** _____

[*Note: Any special rules under this subsection (c) must be consistent with the requirements of Code §415.*]

11-3 **MILITARY SERVICE PROVISIONS -- BENEFIT ACCRUALS.** The benefit accrual provisions under Section 15.04 of the Plan do not apply. To apply the benefit accrual provisions under Section 15.04 of the Plan, check the box below.

- (a) **Eligibility for Plan benefits.** Check this box if the Plan will provide the benefits described in Section 15.04 of the Plan. If this box is checked, an individual who dies or becomes disabled in qualified military service will be treated as reemployed for purposes of determining entitlement to benefits under the Plan.
- (b) **Deemed separation from service.** Unless otherwise elected under AA§10-1(I), an individual shall not be treated as having been severed from employment during any period the individual is performing service in the Uniformed Services for purposes of receiving a Plan distribution under Code §401(k)(2)(B)(i)(I).

11-4 **ELECTION NOT TO PARTICIPATE (see Section 2.08 of the Plan).** All Participants share in any allocation under this Plan and no Employee may waive out of Plan participation.

To allow Employees to make a one-time irrevocable waiver, check below.

An Employee may make a one-time irrevocable election not to participate under the Plan.

11-5 **TREATMENT OF CERTAIN BENEFITS.** The protected benefits rules under Code §411(d)(6) do not apply to the Plan. However, the Employer may describe below (or in a separate addendum attached to this Adoption Agreement) the treatment of certain benefits following events such as plan merger or consolidation, transfer of assets or similar events.

Describe treatment of benefits: _____

[Note: If the benefit described here in the Plan or a plan being merged into the Plan is not either (i) available as a provision through the Pre-Approved Plan or (ii) the subject of a prior determination, advisory, or opinion letter, the Employer cannot rely on the Pre-Approved Plan Provider's opinion letter for qualification with respect to such benefit. If the benefit described here in the Plan or a plan being merged into the Plan is not permitted in a pre-approved plan, as described in Section 6.03 of Revenue Procedure 2017-41, such provision must be discontinued no later than the date the Employer adopts this Pre-Approved Plan or, in the case of a merger, the merger date.]

11-6 **SPECIAL RULES FOR MULTIPLE EMPLOYER PLANS.** If the Plan is a Multiple Employer Plan (as designated under AA §2-6), the rules applicable to Multiple Employer Plans under Section 16.07 of the Plan apply.

The following special rules apply with respect to Multiple Employer Plans: _____

[Note: Any special rules under this AA §11-6 must satisfy the nondiscrimination requirements under Code §401(a)(4) and must satisfy the rules applicable to Multiple Employer Plans under Code §413(c).]

APPENDIX A
SPECIAL EFFECTIVE DATES

[Note: This Appendix A may be used to memorialize prior Plan provisions that pertain to sources that no longer accept new contributions under the Plan.]

- A-1 **Eligible Employees.** The definition of Eligible Employee under AA §3 is effective as follows:

- A-2 **Minimum age and service conditions.** The minimum age and service conditions and Entry Date provisions specified in AA §4 are effective as follows:

- A-3 **Compensation definitions.** The compensation definitions under AA §5 are effective as follows:

- A-4 **Employer Contributions.** The Employer Contribution provisions under the Plan are effective as follows:

- A-5 **After-Tax Employee and Pick-Up Contributions.** The provisions of the Plan addressing Employee After-Tax Contributions and Pick-Up Contribution provisions under the Plan are effective as follows:

- A-6 **Salary Deferrals.** The Salary Deferral provisions under AA §6A are effective as follows:

- A-7 **Matching Contributions.** The Matching Contribution provisions under AA §6B are effective as follows:

- A-8 **Retirement ages.** The retirement age provisions under AA §7 are effective as follows:

- A-9 **Vesting and forfeiture rules.** The rules regarding vesting and forfeitures under AA §8 are effective as follows:

- A-10 **Distribution provisions.** The distribution provisions under AA §9 are effective as follows:

- A-11 **In-service distributions and Required Minimum Distributions.** The provisions regarding in-service distribution and Required Minimum Distributions under AA §10 are effective as follows:

- A-12 **Miscellaneous provisions.** The provisions under AA §11 are effective as follows:

- A-13 **Special effective date provisions for merged plans.** If any qualified retirement plans have been merged into this Plan, the provisions of Section 14.03 of the Plan apply, as follows:

- A-14 **Other special effective dates:**

- A-15 **Special effective dates for restated pre-approved plans:** Use this A-15 to memorialize plan operational changes that have occurred after the general effective date of the plan and the actual plan restatement adoption date. Adopting employers may use the above Special Effective Date options (A-1 through A-14) to memorialize these changes or they may use this A-15.

**APPENDIX B
LOAN POLICY**

Use this Appendix B to identify elections dealing with the administration of Participant loans. These elections may be changed without amending this Adoption Agreement by substituting an updated Appendix B with new elections. Any modifications to this Appendix B, or any modifications to a separate loan policy describing the loan provisions selected under the Plan, will not affect an Employer's reliance on the IRS Favorable Letter. Loans are subject to any internal limitations or rules imposed by the Investment Arrangement or the service provider or platform.

B-1 Are **PARTICIPANT LOANS** permitted? (See Section 13 of the Plan.)

- (a) Yes
 (b) No

B-2 **LOAN PROCEDURES.**

- (a) Loans will be provided under the default loan procedures set forth in Section 13 of the Plan, unless modified under this Appendix B.
 (b) Loans will be provided under a separate written loan policy. [**Note:** If this subsection (b) is checked, do not complete the rest of this Appendix B.]

B-3 **AVAILABILITY OF LOANS.** Participant loans are available to all active Participants and Beneficiaries. Participant loans are not available to a former Employee or Beneficiary (including an Alternate Payee under a QDRO). To override this default provision, complete this AA §B-3:

- (a) A former Employee or Beneficiary (including an Alternate Payee) who has a vested Account Balance may request a loan from the Plan.
 (b) A "limited participant" as defined in Section 3.05 of the Plan may not request a loan from the Plan.
 (c) An officer or director of the Employer, as defined for purposes of the Sarbanes-Oxley Act, may **not** request a loan from the Plan.
 (d) Describe limitations on receiving loans under the Plan: _____
[**Note:** Any limitation under subsection (d) must be definitely determinable and not provide any Employer discretion.]

B-4 **LOAN LIMITS.** The default loan policy under Section 13.03 of the Plan allows Participants to take a loan provided all outstanding loans do not exceed 50% of the Participant's vested Account Balance. To override the default loan policy to allow loans up to \$10,000, even if greater than 50% of the Participant's vested Account Balance, check this AA §B-4.

- A Participant may take a loan equal to the greater of \$10,000 or 50% of the Participant's vested Account Balance.
[**Note:** If this AA §B-4 is checked, the Participant may be required to provide adequate security as required under Section 13.06 of the Plan.]

B-5 **NUMBER OF LOANS.** The default loan policy under Section 13.04 of the Plan restricts Participants to one loan outstanding at any time. To override the default loan policy and permit Participants to have more than one loan outstanding at any time, complete subsection (a) or (b) below.

- (a) A Participant may have ___ loans outstanding at any time.
 (b) There are no restrictions on the number of loans a Participant may have outstanding at any time.

B-6 **LOAN AMOUNT.** The default loan policy under Section 13.04 of the Plan provides that a Participant may not receive a loan of less than \$1,000. To modify the minimum loan amount or to add a maximum loan amount, complete this AA §B-6.

- (a) There is no minimum loan amount.
 (b) The minimum loan amount is \$_____
 (c) The maximum loan amount is \$_____.

B-7 **INTEREST RATE.** The default loan policy under Section 13.05 of the Plan provides for an interest rate commensurate with the interest rates charged by local commercial banks for similar loans. To override the default loan policy and provide a specific interest rate to be charged on Participant loans, complete this AA §B-7.

- (a) The prime interest rate plus ___ percentage point(s).
 (b) The interest rate is determined in accordance with the terms of the Investment Arrangement, service provider procedures, or other loan policy document adopted by the Plan Administrator.
 (c) Describe: _____

[*Note: Any interest rate described in this AA §B-7 must be reasonable and must apply uniformly to all Participants.*]

- B-8 **PURPOSE OF LOAN.** The default loan policy under Section 13.02 of the Plan provides that a Participant may receive a Participant loan for any purpose. To modify the default loan policy to restrict the availability of Participant loans to hardship events, check this AA §B-8.
- (a) A Participant may only receive a Participant loan upon the demonstration of a hardship event, as described in Section 7.10(e)(1)(i) of the Plan.
- (b) A Participant may only receive a Participant loan under the following circumstances: _____
- B-9 **APPLICATION OF LOAN LIMITS.** If Participant loans are not available from all contribution sources, the limitations under Code §72(p) and the adequate security requirements of the Department of Labor regulations will be applied by taking into account the Participant’s entire Account Balance. To override this provision, complete this AA §B-9.
- The loan limits and adequate security requirements will be applied by taking into account only those contribution Accounts which are available for Participant loans.
- B-10 **CURE PERIOD.** The Plan provides that a Participant incurs a loan default if a Participant does not repay a missed payment by the end of the calendar quarter following the calendar quarter in which the missed payment was due. To override this default provision to apply a shorter cure period, complete this AA §B-10.
- The cure period for determining when a Participant loan is treated as in default will be _____ days (cannot exceed 90) following the end of the month in which the loan payment is missed.
- (b) The cure period for determining when a Participant loan is treated as in default will be the greater of _____ days (cannot exceed 90) following the end of the month in which the loan payment is missed or the last day of the second calendar quarter following the calendar quarter in which the missed payment was due.
- (c) The cure period for determining when a loan is treated as in default will be _____ days (cannot exceed 90) following the first missed loan payment.
- B-11 **PERIODIC REPAYMENT – PRINCIPAL RESIDENCE.** If a Participant loan is for the purchase of a Participant’s primary residence, the loan repayment period for the purchase of a principal residence may not exceed ten (10) years. To override this default provision, complete this AA §B-11.
- (a) The Plan does not permit loan payments to exceed five (5) years, even for the purchase of a principal residence.
- (b) The loan repayment period for the purchase of a principal residence may not exceed _____ years (may not exceed 30).
- (c) Loans for the purchase of a Participant’s primary residence may be payable over any reasonable period commensurate with the period permitted by commercial lenders for similar loans.
- B-12 **TERMINATION OF EMPLOYMENT.** Section 13.10(a) of the Plan provides that a Participant loan becomes due and payable in full upon the Participant’s termination of employment. To override this default provision, complete this AA §B-12.
- A Participant loan will not become due and payable in full upon the Participant’s termination of employment.
- B-13 **DIRECT ROLLOVER OF A LOAN NOTE.** Section 13.10(b) of the Plan provides that upon termination of employment a Participant may request the Direct Rollover of a loan note. To override this default provision, complete this AA §B-13.
- A Participant may **not** request the Direct Rollover of the loan note upon termination of employment.
- B-14 **LOAN RENEGOTIATION.** The default loan policy provides that a Participant may renegotiate a loan, provided the renegotiated loan separately satisfies the reasonable interest rate requirement, the adequate security requirement, the periodic repayment requirement and the loan limitations under the Plan. The Employer may restrict the availability of renegotiations to prescribed purposes provided the ability to renegotiate a Participant loan is available on a non-discriminatory basis. To override the default loan policy and restrict the ability of a Participant to renegotiate a loan, complete this AA §B-14.
- (a) A Participant may **not** renegotiate the terms of a loan.
- (b) The following special provisions apply with respect to renegotiated loans: _____
- B-15 **SOURCE OF LOAN.** Participant loans may be made from all available contribution sources, to the extent vested, unless designated otherwise under this AA §B-15.
- Participant loans will not be available from the following contribution sources: _____
- Participant loans will only be available from the following contribution sources: _____
- B-16 **SPOUSAL CONSENT.** Spousal consent is not required for a Participant to receive a loan, unless required by State law. To override this provision, complete this AA §B-16.
- Spousal consent is required to receive a Participant loan.

B-17 **MODIFICATIONS TO DEFAULT LOAN PROVISIONS.**

The following special rules will apply with respect to Participant loans under the Plan: _____

[Note: Any provision under this AA §B-17 must satisfy the requirements under Code §72(p) and the regulations thereunder and will control over any inconsistent provisions of the Plan dealing with the administration of Participant loans.]

APPENDIX C
ADMINISTRATIVE ELECTIONS

Use this Appendix C to identify certain elections dealing with the administration of the Plan. These elections may be changed without amending this Adoption Agreement by substituting an updated Appendix C with new elections. The provisions selected under this Appendix C do not create qualification issues and any changes to the provisions under this Appendix C will not affect the Employer's reliance on the IRS Favorable Letter.

C-1 **DIRECTION OF INVESTMENTS.** Are Participants permitted to **direct investments**? (See Section 10.07 of the Plan.)

- (a) No
- (b) Yes, but subject to the following restrictions:
- (1) No restrictions apply
- (2) Only for Accounts that are 100% vested
- (3) Specify Accounts: _____
- (4) Describe any special rules that apply for purposes of direction of investments: _____
- [Note: This subsection (4) may be used to describe special investment provisions for specific types of investments.]*

C-2 **ROLLOVER CONTRIBUTIONS.** Does the Plan accept **Rollover Contributions**? (See Section 3.05 of the Plan.)

- (a) No
- (b) Yes
- (1) If this subsection (1) is checked, an Employee may make a Rollover Contribution to the Plan prior to becoming a Participant in the Plan.
- (2) Check this subsection (2) if the Plan will accept Rollover Contributions from former Employees with an Account Balance under the Plan.
- (3) Describe any special rules for accepting Rollover Contributions: _____

[Note: The Employer may designate in this subsection (3), or in separate written procedures, the extent to which it will accept rollovers from designated plan types. For example, the Employer may decide not to accept rollovers from certain designated plans (e.g., 403(b) plans, §457 plans or IRAs). Any special rollover procedures will apply uniformly to all Participants under the Plan.]

C-3 **LIFE INSURANCE.** Are **life insurance** investments permitted? (See Section 10.08 of the Plan.)

- (a) No
- (b) Yes

C-4 **QDRO PROCEDURES.** Although the requirements of Code §414(p) do not apply to the Plan, the Employer may elect to apply the procedures set forth under Section 11.05 of the Plan (which are patterned after the rules under Code §414(p)) by electing subsection (a) below or may elect not to apply the procedures set forth under Section 11.05 of the Plan and instead, describe the Plan's procedures for addressing domestic relations orders below or in separate administrative procedures.

- (a) The Employer elects to have the requirements of Section 11.05 of the Plan apply to its Plan.
- (b) The requirements of Section 11.05 of the Plan do not apply to the Plan. The procedures for addressing the receipt of domestic relations orders are either set forth below or in separate administrative procedures.
- Describe domestic relations procedures: _____

EMPLOYER SIGNATURE PAGE

PURPOSE OF EXECUTION. This Signature Page is being executed for Lamar Consolidated ISD Special Pay Plan to effect:

- (a) The adoption of a **new plan**, effective [*insert Effective Date of Plan*]. [**Note:** Date can be no earlier than the first day of the Plan Year in which the Plan is adopted.]
- (b) The **restatement** of an existing plan in order to comply with the requirements for Cycle 3 Pre-Approved Plans, pursuant to Rev. Proc. 2017-41.
 - (1) Effective date of restatement: 9-1-2021. [**Note:** Date can be no earlier than the first day of the Plan Year in which the restatement is adopted.]
 - (2) Name of plan(s) being restated: Lamar Consolidated ISD Special Pay Plan
 - (3) The original effective date of the plan(s) being restated: 1-1-2002
- (c) An **amendment or restatement** of the Plan (other than to comply with the requirements for Cycle 3 Pre-Approved Plans under Rev. Proc. 2017-41). If this Plan is being amended, a snap-on amendment may be used to designate the modifications to the Plan or the updated pages of the Adoption Agreement may be substituted for the original pages in the Adoption Agreement. All prior Employer Signature Pages should be retained as part of this Adoption Agreement.
 - (1) Effective Date(s) of amendment/restatement: _____
 - (2) Name of plan being amended/restated: _____
 - (3) The original effective date of the plan being amended/restated: _____
 - (4) If Plan is being amended, identify the Adoption Agreement section(s) being amended: _____

PRE-APPROVED PLAN PROVIDER INFORMATION. The Pre-Approved Plan Provider (or authorized representative) will inform the Employer of any amendments made to the Plan and will notify the Employer if it discontinues or abandons the Plan. To be eligible to receive such notification, the Employer agrees to notify the Pre-Approved Plan Provider (or authorized representative) of any change in address. The Employer may direct inquiries regarding the Plan or the effect of the IRS Opinion Letter to the Pre-Approved Plan Provider (or authorized representative) at the following location:

Name of Pre-Approved Plan Provider (or authorized representative): Pelion Benefits, Inc
Address: 3713-C University Drive Durham, NC 27707
Telephone number: (919) 942-2828

IMPORTANT INFORMATION ABOUT THIS PRE-APPROVED PLAN. A failure to properly complete the elections in this Adoption Agreement or to operate the Plan in accordance with applicable law may result in disqualification of the Plan. The Employer may rely on the Favorable IRS Letter issued by the Internal Revenue Service to the Pre-Approved Plan Provider as evidence that the Plan is qualified under Code §401(a), to the extent provided in Rev. Proc. 2017-41. The Employer may not rely on the Favorable IRS Letter in certain circumstances or with respect to certain qualification requirements, which are specified in the Favorable IRS Letter issued with respect to the Plan and in Rev. Proc. 2017-41. In order to obtain reliance in such circumstances or with respect to such qualification requirements, the Employer may need to apply to the Internal Revenue Service for a determination letter.

By executing this Adoption Agreement, the Employer intends to adopt the provisions as set forth in this Adoption Agreement and the related Plan document. By signing this Adoption Agreement, the individual below represents that he/she has the authority to execute this Plan document on behalf of the Employer. This Adoption Agreement may only be used in conjunction with Basic Plan Document #03. The Employer understands that the Pre-Approved Plan Provider has no responsibility or liability regarding the suitability of the Plan for the Employer's needs, or the options elected under this Adoption Agreement. It is recommended that the Employer consult with legal counsel before executing this Adoption Agreement.

Lamar Consolidated I.S.D.
(Name of Employer)

(Name of authorized representative) (Title)

(Signature) (Date)

TRUST DECLARATION

This Trust Declaration may be used to identify and adopt the Trust associated with the Plan.

[*Note: The Internal Revenue Service does not review the Trust Declaration, or the trust provisions associated with Pre-Approved Plans. Therefore, the provisions of the Trust Declaration, ASC Trust Agreement or any separate Trust agreement have not been approved by the IRS and the IRS opinion letter does not cover such Trust Agreement. The Provider, the Trustee and the adopting Employer should review the applicable Trust provisions, and any modifications thereto, with legal counsel to ensure the provisions are appropriate for the Plan and consistent with Employer elections.*]

Name of Plan. Lamar Consolidated ISD Special Pay Plan

Name of Employer. Lamar Consolidated I.S.D.

Effective date of Trust Agreement: 9-1-2021

(a) **The Trust terms are:**

(1) **Determined under the Trust provisions contained in the ASC Trust Agreement - Standard.**

[*Note: Trustee must complete the Trustee Signature section under Section (b) below.*]

(i) **Directed Trustee.** The Trustee may only invest Plan assets as directed by the Plan Administrator, the Employer, an Investment Manager or other Named Fiduciary or, to the extent authorized under the Plan, a Plan Participant.

(ii) **Discretionary Trustee.** The Trustee has discretion to invest Plan assets, unless specifically directed otherwise by the Plan Administrator, the Employer, an Investment Manager or other Named Fiduciary or, to the extent authorized under the Plan, a Plan Participant.

[**Modification of ASC Trust Agreement Provisions.** The Employer may amend the Trust provisions as provided under Section 1.18 of the ASC Trust Agreement. Plan provisions will override any conflicting provisions in the Trust Agreement, including any modification thereto. The Provider and the adopting Employer should review any modifications of the ASC Trust Agreement with legal counsel to ensure the provisions are appropriate for the Plan and consistent with Employer elections.]

(2) **Determined under a separate Trust agreement(s).** The Trust provisions are contained in a separate Trust Agreement that has been furnished to the Employer. Notwithstanding the terms of the Plan, the terms of the Trust Agreement shall control the rights and responsibilities of the Trustee with respect to the Trust and the assets held in such Trust.

Name of Trustee. _____

Title of Trust Agreement. _____

Address of Trustee. _____

[*Note: In using a separate Trust Agreement, the Trustee may adopt such Trust Agreement by either completing the Trustee Signature section under Section (b) below or may execute the separate Trust Agreement. In either case, the information above – Name of Trustee, Title of Trust Agreement and Address of Trustee – must be completed.*]

(3) **Plan is funded with custodial accounts, annuity contracts and/or insurance contracts.** There is no Trust associated with the Plan because the Plan is funded exclusively with custodial accounts, annuity contracts and/or insurance contracts.

[*Note: No signature is required under this Trust Declaration if the Plan is funded exclusively with custodial accounts, annuity contracts and/or insurance contracts. The Employer or Plan Administrator may enter into a separate agreement with the custodian or insurance company. Such separate agreement must be consistent with the terms of the Plan.*]

(b) **Trustee/Employer Signatures.**

(1) **Trustee Signature.** By signing below, the designated Trustee(s) accept the responsibilities and obligations set forth under the Trust Agreement specified in this Trust Declaration. By signing this Trust Declaration Page, the individual(s) below represent that they have the authority to sign on behalf of the Trustee.

Pelion Benefits, Inc. Vint C. Butler 888.532.7526 www.pelionbenefitsinc.com

(*Print name of Trustee*)

(*Signature of Trustee or authorized representative*)

(*Date*)

(2) **Employer Signature.** By signing below, the Employer accepts the terms of the Trust Agreement, as specified in this Trust Declaration. By signing this Trust Declaration, the individual below represents that he/she has the authority to adopt the Trust Agreement and sign on behalf of the Employer as sponsor of the Plan.

(Signature of Employer's authorized representative)

(Date)

(Print name of Employer's authorized representative)

(Title of Employer's authorized representative)

**INTERIM AMENDMENT - HARDSHIP DISTRIBUTIONS
ELECTIVE PROVISIONS**

These Elective Provisions provide for elections as allowed by the Final Regulations and the Hardship Distribution Interim Amendment, attached to the Basic Plan Document. In some cases, the Pre-Approved Plan Provider has Defaults as indicated by the items marked as Default under these Elective Provisions. If the adopting Employer approves of the Defaults of the Pre-Approved Plan Provider, the adopting Employer does not need to execute this Hardship Distribution Interim Amendment. If the adopting Employer wishes to override any of the Defaults of the Pre-Approved Plan Provider, the adopting Employer should make the appropriate election(s) in the Elective Provisions below and sign this Hardship Distribution Interim Amendment. If the Plan does not permit Hardship distributions, no elections should be made below.

HD-1 SOURCES FOR HARDSHIP DISTRIBUTIONS

(a) **Source accounts (not including earnings).** For Plan Years beginning after December 31, 2018 (or such later date specified under HD-1(a)(8) or HD-1(a)(9) below or the effective date of a new Plan), a Participant may take an in-service distribution upon the occurrence of a Hardship that satisfies the Hardship distribution rules under Section 8.10(e) of the Plan, as amended by this interim amendment, with respect to the following sources:

- (1) No change to current Plan sources available for Hardship distributions under AA §§10-1 and 10-2.
- (2) Qualified Nonelective Contribution (QNEC) Account (Not applicable to 401(a) Governmental Plans)
- (3) Qualified Matching Contribution (QMAC) Account (Not applicable to 401(a) Governmental Plans)
- (4) Safe Harbor Employer Contribution Account (Not applicable to 401(a) Governmental Plans)
- (5) Safe Harbor Matching Contribution Account (Not applicable to 401(a) Governmental Plans)
- (6) QACA Safe Harbor Employer Contribution Account (Not applicable to 401(a) Governmental Plans)
- (7) QACA Safe Harbor Matching Contribution Account (Not applicable to 401(a) Governmental Plans)
- (8) Effective date is January 1, 2020, whether Plan has a calendar or fiscal Plan Year.
- (9) Describe effective date (if later than the beginning of the Plan Year beginning after December 31, 2018) for which the election(s) above apply: _____

(b) **Earnings on source accounts.** For Plan Years beginning after December 31, 2018 (or such later date specified under HD-1(b)(11) or HD-1(b)(12) below or the effective date of a new Plan), amounts available for Hardship distributions include earnings on the following available sources:

- (1) Amounts available for Hardship include earnings on all available sources.
- (2) No change to current Plan rule (i.e., earnings are not available on Salary Deferrals, except for those on grandfathered (pre-1989) earnings, if applicable).
- (3) Pre-Tax Salary Deferral Account
- (4) Roth Deferral Account
- (5) Qualified Nonelective Contribution (QNEC) Account (Not applicable to 401(a) Governmental Plans)
- (6) Qualified Matching Contribution (QMAC) Account (Not applicable to 401(a) Governmental Plans)
- (7) Safe Harbor Employer Contribution Account (Not applicable to 401(a) Governmental Plans)
- (8) Safe Harbor Matching Contribution Account (Not applicable to 401(a) Governmental Plans)
- (9) QACA Safe Harbor Employer Contribution Account (Not applicable to 401(a) Governmental Plans)
- (10) QACA Safe Harbor Matching Contribution Account (Not applicable to 401(a) Governmental Plans)
- (11) Effective date is January 1, 2020, whether Plan has a calendar or fiscal Plan Year.
- (12) Describe effective date (if later than the beginning of the Plan Year beginning after December 31, 2018) for which the election(s) above apply: _____

HD-2 NEED TO OBTAIN ALL AVAILABLE LOANS (Complete only if Employer maintains any qualified plan(s) that permits Participant loans.)

- (a) For Plan Years beginning after December 31, 2018 (or such later date specified in HD-2(d) or HD-2(e) below or the effective date of a new Plan), if a Participant requests a Hardship distribution from any of the Accounts specified in HD-1 above and AA §§10-1 and 10-2, the Participant is **NO LONGER** required to obtain all nontaxable loans available under the Plan and all other plans maintained by the Employer.
- (b) No change to current Plan provisions. Participants are required to obtain all nontaxable loans available under the Plan and all plans maintained by the Employer.
- (c) Describe any special requirements with respect to the need to first obtain all available loans: _____
- (d) Effective date is January 1, 2020, whether Plan has a calendar or fiscal Plan Year.
- (e) Describe other effective date (if later than the beginning of the Plan Year beginning after December 31, 2018) for which the election(s) above apply: _____

HD-3 SUSPENSION OF ABILITY TO MAKE SALARY DEFERRALS AND AFTER-TAX EMPLOYEE CONTRIBUTIONS DURING 2019. (Applicable only to Plans that were using the safe harbor Hardship distribution suspension rule.)

[*Note: Under the Final Regulations, adopting Employers may continue to apply the suspension of Salary Deferrals and After-Tax Employee Contributions rules for the 2019 Plan Year. However, in no event, may the Plan provide for a suspension of an Employee's Salary Deferrals or After-Tax Employee Contributions as a condition of obtaining a Hardship distribution for Hardship distributions made on or after January 1, 2020.*]

- (a) For Plan Years beginning after December 31, 2018 (or such later date specified in HD-3(d) below) and applicable to Hardship distributions made before January 1, 2020, if a Participant takes a Hardship distribution as permitted under the Plan, the Participant was NOT suspended from making Salary Deferrals (and After-Tax Employee Contributions, if applicable) for any period of time after the receipt of the Hardship distribution.
- (b) No change to current Plan provisions. For Hardship distributions made before January 1, 2020, the Participant continued to be suspended from making Salary Deferrals (and After-Tax Employee Contributions, if applicable) for a period of 6 months after the receipt of the Hardship distribution.
 - Suspensions on Hardship distributions made after July 1, 2019 will cease effective January 1, 2020.
- (c) Describe any special requirements with respect to the suspension from making Salary Deferrals (and After-Tax Employee Contributions, if applicable): _____
- (d) Describe the effective date (if later than the beginning of the Plan Year beginning after December 31, 2018) for which the election(s) above apply: _____

HD-4 APPLICATION OF SUSPENSION REQUIREMENT FOR PRE-2019 PLAN YEAR HARDSHIP DISTRIBUTIONS. (Applicable only to Plans that were using the Hardship distribution suspension rule as of the last day of the 2018 Plan Year.)

- (a) No change to current Plan provisions. A Participant who received a Hardship distribution prior to the beginning of the 2019 Plan Year continued to be suspended from making Salary Deferrals (and After-Tax Employee Contributions, if applicable) for a period of 6 months after the receipt of the Hardship distribution.
- (b) Effective on the first day of the Plan Year beginning after December 31, 2018 (or such later date specified in HD-4(d) below), a Participant who received a Hardship distribution prior to the beginning of the 2019 Plan Year was no longer suspended from making Salary Deferrals (and After-Tax Employee Contributions, if applicable).
- (c) Describe any special rules with respect to the suspension from making Salary Deferrals (and After-Tax Employee Contributions, if applicable) for Participants who have received pre-2019 Hardship distributions: _____
- (d) Describe the effective date (if later than the beginning of the Plan Year beginning after December 31, 2018) for which the election(s) above apply: _____

HD-5 OTHER APPLICABLE RULES. Describe any other rules, such as conditions for receiving a Hardship distribution, not otherwise reflected in the Plan or Hardship Distribution Interim Amendment: _____

HD-6 MEMORIALIZATION OF PRIOR OPERATION. The elections in this Hardship Distribution Interim Amendment should reflect current Plan operations. The Employer may memorialize prior plan operations relevant to the implementation of the Final Regulations by describing such operations below: _____

APPLICATION OF AMENDMENT

Pursuant to Revenue Procedure 2015-36 and Revenue Procedure 2017-41 (as applicable), these Hardship Distribution Interim Amendment Elective Provisions have been adopted by the Pre-Approved Plan Provider on behalf of all adopting Employers. This amendment supersedes any contrary provisions under the Plan. If the Employer wishes to override the Default elections of the Pre-Approved Plan Provider, the Employer (or the authorized representative of the Employer) must execute this Hardship Distribution Interim Amendment by signing below. This amendment applies to the signatory Employer and all Participating Employers under the Plan.

Lamar Consolidated I.S.D.
(Name of Employer)

(Name of Authorized Representative, if applicable) (Title)

(Signature) (Date)

ASC TRUST AGREEMENT (GOVERNMENTAL)

1.01 **Establishment of Trust.** In conjunction with the establishment and/or maintenance of the Lamar Consolidated ISD Special Pay Plan, effective as of 9-1-2021, the Employer and the Trustee (as identified in the executed Trust Declaration associated with the Plan's Adoption Agreement) agree to establish and maintain a domestic Trust in the United States consisting of such sums as shall from time to time be paid to the Trustee under the Plan and such earnings, income and appreciation as may accrue thereon. The Trustee shall carry out the duties and responsibilities herein specified but shall be under no duty to determine whether the amount of any contribution by the Employer or any Participant is in accordance with the terms of the Plan.

The Trust shall be held, invested, reinvested and administered by the Trustee in accordance with the terms of the Plan and this ASC Trust Agreement (Governmental) solely in the interest of Participants and their Beneficiaries and for the exclusive purpose of providing benefits to Participants and their Beneficiaries and defraying reasonable expenses of administering the Plan. Except as provided in Section 15.02 of the Plan, no assets of the Plan shall inure to the benefit of the Employer.

Capitalized terms under this ASC Trust Agreement (Governmental) have the same meaning as defined under the Plan.

1.02 **Types of Trustees.** The Trustee may act either as a Directed Trustee or as a Discretionary Trustee, as designated in the Trust Declaration.

(a) **Directed Trustee.** A Directed Trustee is subject to the direction of the Plan Administrator, the Employer, a properly appointed investment manager, or a Plan Participant. A Directed Trustee does not have any discretionary authority with respect to the investment of Plan assets. In addition, a Directed Trustee is not responsible for the propriety of any directed investment made pursuant to this ASC Trust Agreement (Governmental) and shall not be required to consult with or advise the Employer regarding the investment quality of any directed investment held under the Plan.

(1) **Delegation of powers.** The Directed Trustee shall be advised in writing regarding the retention of investment powers by the Employer or the appointment of an investment manager or other properly authorized person with power to direct the investment of Plan assets. Any such delegation of investment powers will remain in force until such delegation is revoked or amended in writing. The Employer is deemed to have retained investment powers under this subsection to the extent the Employer directs the investment of Participant Accounts for which affirmative investment direction has not been received.

(2) **Direction of Trustee.** Any investment direction shall be made in writing by the Employer, investment manager, or other properly authorized person, as applicable. A Directed Trustee must act solely in accordance with the direction of the Plan Administrator, the Employer, any employees or agents of the Employer, a properly appointed investment manager or other fiduciary of the Plan, a Plan Participant or other properly authorized person. (See Section 10.07 of the Plan and Section 1.04 of this ASC Trust Agreement (Governmental) relating to Participant-directed investments.)

(3) **Restriction on Trustee.** The Employer may direct the Directed Trustee to invest in any media in which the Trust may invest. However, the Employer may not borrow from the Trust or pledge any of the assets of the Trust as security for a loan to itself; buy property or assets from or sell property or assets to the Trust; charge any fee for services rendered to the Trust; or receive any services from the Trust on a preferential basis.

(b) **Discretionary Trustee.** A Discretionary Trustee has exclusive authority and discretion with respect to the investment, management or control of Plan assets. Notwithstanding a Trustee's designation as a Discretionary Trustee, a Trustee's discretion is limited, and the Trustee shall be considered a Directed Trustee, to the extent the Trustee is subject to the direction of the Plan Administrator, the Employer, or a properly appointed investment manager under an agreement between the Plan Administrator and the Trustee. A Trustee also is considered a Directed Trustee to the extent the Trustee is subject to investment direction of a Plan Participant. (See Section 10.07 of the Plan and Section 1.04 of this ASC Trust Agreement (Governmental) relating to Participant-directed investments.)

1.03 **Responsibilities of the Trustee.** In addition to the powers, rights and responsibilities enumerated under this ASC Trust Agreement (Governmental), the Trustee has all powers necessary to carry out its duties in a prudent manner. The Trustee's powers, rights and responsibilities may be modified, supplemented or limited by a separate trust agreement or addendum, investment policy, funding agreement, or other binding document entered into between the Trustee and the Plan Administrator or Employer. Such binding document must designate the Trustee's responsibilities with respect to the Plan. A separate trust agreement or addendum, investment policy, funding agreement, or other binding document must be consistent with the terms of the Plan and must comply with all qualification requirements under the Code and regulations. To the extent the exercise of any power, right or responsibility is subject to discretion, such exercise by a Directed Trustee must be made at the direction of the Plan Administrator, the Employer, an investment manager, a Plan Participant or other properly authorized person.

(a) **Responsibilities regarding administration of the Trust.**

(1) The Trustee, the Employer and the Plan Administrator shall each discharge their assigned duties and responsibilities

under this ASC Trust Agreement (Governmental) and the Plan solely in the interest of Participants and their Beneficiaries in the following manner:

- (i) for the exclusive purpose of providing benefits to Participants and their Beneficiaries and defraying reasonable expenses of administering the Plan;
 - (ii) with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; and
 - (iii) by diversifying the available investments under the Plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so.
- (2) The Trustee will receive all contributions, earnings and other amounts made to and under the terms of the Plan. The Trustee is not obligated in any manner to ensure that such amounts are correct in amount or that such amounts comply with the terms of the Plan or the Code. The Trustee is not liable for the manner in which such amounts are deposited or the allocation between Participant's Accounts, to the extent the Trustee follows the written direction of the Plan Administrator or Employer.
 - (3) The Trustee will make distributions (and Participant loans, if authorized under the Plan) from the Trust in accordance with the written directions of the Plan Administrator or other authorized representative. To the extent the Trustee follows such written direction, the Trustee is not obligated in any manner to ensure a distribution (or Participant loan) complies with the terms of the Plan, that a Participant or Beneficiary is entitled to such a distribution (or Participant loan), or that the amount distributed (or loaned) is proper under the terms of the Plan. If there is a dispute as to a payment from the Trust, the Trustee may decline to make payment of such amounts until the proper payment of such amounts is determined by a court of competent jurisdiction, or the Trustee has been indemnified to its satisfaction.
 - (4) The Trustee may employ agents, attorneys, accountants and other third parties to provide counsel on behalf of the Plan, where the Trustee deems advisable. The Trustee may reimburse such persons from the Trust for reasonable expenses and compensation incurred as a result of such employment. The Trustee shall not be liable for the actions of such persons, provided the Trustee acted prudently in the employment and retention of such persons. In addition, the Trustee will not be liable for any actions taken as a result of good faith reliance on the advice of such persons.
 - (5) The Trustee shall keep full and accurate accounts of all receipts, investments, disbursements and other transactions hereunder, including such specific records as may be agreed upon in writing between the Employer and the Trustee. All such accounts, books and records shall be open to inspection and audit at all reasonable times by any authorized representative of the Employer or the Plan Administrator. A Participant may examine only those individual account records pertaining directly to such Participant.
 - (6) Except as provided in Section 15.02 of the Plan, at no time prior to the satisfaction of all liabilities with respect to Participants and their Beneficiaries under the Plan shall any part of the corpus or income of the Fund be used for, or diverted to, purposes other than for the exclusive benefit of Participants or their Beneficiaries, or for defraying reasonable expenses of administering the Plan.

(b) Responsibilities regarding investment of Plan assets.

- (1) The Trustee shall be responsible for holding the assets of the Trust in accordance with the provisions of the Plan.
- (2) The Trustee may invest and reinvest, manage and control the Plan assets in a manner that is consistent with the Plan's funding policy and investment objectives of the Plan. The Trustee may invest in any investment, as authorized under this subsection (b), which the Trustee deems advisable and prudent, subject to the proper written direction of the Plan Administrator, the Employer, a properly appointed investment manager, a Plan Participant or other properly authorized person. The Trustee is not liable for the investment of Plan assets to the extent the Trustee is following the proper direction of the Plan Administrator, the Employer, a Participant, an investment manager, or other person or persons duly appointed by the Employer to provide investment direction. In addition, the Trustee does not guarantee the Trust in any manner against investment loss or depreciation in asset value or guarantee the adequacy of the Trust to meet and discharge any or all liabilities of the Plan.
- (3) The Trustee may hold any securities or other property in the name of the Trustee or in the name of the Trustee's nominee, and may hold any investments in bearer form, provided the books and records of the Trustee at all times show such investment to be part of the Trust.
- (4) The Trustee may retain such portion of the Plan assets in cash or cash balances as the Trustee may, from time to

time, deem to be in the best interests of the Plan, without liability for interest thereon.

- (5) The Trustee may collect and receive any and all moneys and other property due the Plan and to settle, compromise, or submit to arbitration any claims, debts, or damages with respect to the Plan, and to commence or defend on behalf of the Plan any lawsuit, or other legal or administrative proceedings. Any such arbitration cannot be used to resolve any claim, debt or damage with respect to the Plan arising from a dispute with a Plan Participant.
- (6) The Trustee may pay expenses out of Plan assets as necessary to administer the Trust and as authorized under the Plan.
- (7) The Trustee may borrow or raise money on behalf of the Plan in such amount, and upon such terms and conditions, as the Trustee deems advisable. The Trustee may issue a promissory note as Trustee to secure the repayment of such amounts and may pledge all, or any part, of the Trust as security.
- (8) The Trustee is authorized to execute, acknowledge and deliver all documents of transfer and conveyance, receipts, releases, and any other instruments that the Trustee deems necessary or appropriate to carry out its powers, rights and duties hereunder.
- (9) The Trustee, upon the written direction of the Employer or Plan Administrator, is authorized to enter into a transfer agreement with the Trustee of another qualified retirement plan and to accept a transfer of assets from such retirement plan on behalf of any Employee of the Employer. The Trustee is also authorized, upon the written direction of the Employer or Plan Administrator, to transfer some or all of a Participant's vested Account Balance to another qualified retirement plan on behalf of such Participant.
- (10) If the Employer maintains more than one Plan, the assets of such Plans may be commingled for investment purposes. The Trustee must separately account for the assets of each Plan.
- (11) If the Trustee is a bank or similar financial institution, the Trustee is authorized to invest in any type of deposit of the Trustee (including its own money market fund) at a reasonable rate of interest.
- (12) The Trustee is authorized to invest Plan assets in a common/collective trust fund, or in a group trust fund that satisfies the requirements of IRS Revenue Ruling 81-100, as modified by Revenue Ruling 2004-67, Revenue Ruling 2014-24 and subsequent IRS guidance. All of the terms and provisions of any such common/collective trust fund or group trust into which Plan assets are invested are incorporated by reference into the provisions of the Trust for the Plan. The assets in a group trust may be pooled with the assets of a custodial account under Code §403(b)(7), a retirement income account under Code §403(b)(9), and a Code §401(a)(24) governmental plan without affecting the tax status of the group trust, subject to the requirements under Rev. Rul. 2011-1 (as modified by Notice 2012-6).

1.04 Trustee to Follow Participant Investment Direction. To the extent the Plan allows Participants to direct investment of their Accounts, the Trustee is authorized to follow the Participant's written direction (or other form of direction deemed acceptable by the Trustee).

(a) **Exceptions to following Participant investment direction.** The Trustee may decline to follow a Participant's investment direction to the extent such direction would:

- (1) Result in a prohibited transaction;
- (2) Cause the assets of the Plan to be maintained outside the jurisdiction of the U.S. courts;
- (3) Jeopardize the Plan's tax qualification;
- (4) Be contrary to the Plan's governing documents;
- (5) Cause the assets to be invested in collectibles within the meaning of Code §408(m);
- (6) Generate unrelated business taxable income; or
- (7) Result (or could result) in a loss exceeding the value of the Participant's Account.

(b) **Other conditions relating to Participant investment direction.** The Trustee will not be responsible for any loss or expense resulting from a failure to follow a Participant's direction in accordance with the requirements of this paragraph. Participants' directions will be processed ~~164~~ as administratively practicable following receipt of such

directions by the Trustee. The Trustee, Plan Administrator, or Employer will not be liable for a delay in the processing of a Participant direction that is caused by a legitimate business reason (including, but not limited to, a failure of computer systems or programs, failure in the means of data transmission, the failure to timely receive values or prices, or other unforeseen problems outside of the control of the Trustee, Plan Administrator, or Employer).

- 1.05 Responsibilities of the Employer.** The Employer will provide to the Trustee written notification of the appointment of any person or persons as Plan Administrator, investment manager, or other Plan fiduciary, and the names, titles and authorities of any individuals who are authorized to act on behalf of such persons. The Trustee shall be entitled to rely upon such information until it receives written notice of a change in such appointments or authorizations.

The Employer may authorize the Trustee to enter into a merger or consolidation agreement with the Trustee of another plan to effect such merger or consolidation.

- 1.06 Effect of Plan Amendment.** Any amendment that affects the rights, duties or responsibilities of the Trustee or Plan Administrator may only be made with the Trustee's or Plan Administrator's written consent. Any amendment to the Plan must be in writing and a copy of the resolution (or similar instrument) setting forth such amendment (with the applicable effective date of such amendment) must be delivered to the Trustee.

- 1.07 More than One Trustee.** If the Plan has more than one person acting as Trustee, the Trustees may allocate the Trustee responsibilities by mutual agreement. The Trustees may agree to make decisions by a majority vote or may permit any one of the Trustees to make any decision, undertake any action or execute any documents affecting this Trust without the approval of the remaining Trustees. The Trustees may agree to the allocation of responsibilities in a separate trust agreement or other binding document.

- 1.08 Annual Valuation.** The Plan assets will be valued at least on an annual basis. The Employer may designate more frequent Valuation Dates under §11-1 of the Plan's Adoption Agreement. Notwithstanding any election under §11-1 of the Plan's Adoption Agreement, the Trustee and Plan Administrator may agree to value the Trust on a more frequent basis, and/or to perform an interim valuation of the Trust.

- 1.09 Reporting to Plan Administrator and Employer.** Within a reasonable time after the end of each Plan Year or within a reasonable time after its removal or resignation, the Trustee shall file with the Plan Administrator a written account of the administration of the Trust showing all transactions effected by the Trustee from the last preceding accounting to the end of such Plan Year or date of removal or resignation. The accounting will include a statement of cash receipts, disbursements and other transactions effected by the Trustee since the date of its last accounting, and such further information as the Trustee and/or Employer deems appropriate. Upon approval of such accounting by the Plan Administrator, neither the Employer nor the Plan Administrator shall be entitled to any further accounting by the Trustee. The Trustee shall have a reasonable time following its receipt of a written disapproval from the Employer to provide the Employer with a written explanation of the terms in question. If the Employer again disapproves of the accounting, the Trustee may file its accounting with a court of competent jurisdiction for audit and adjudication.

- 1.10 Reasonable Compensation.** The Trustee shall be paid reasonable compensation in an amount agreed upon by the Plan Administrator and Trustee. The Trustee also will be reimbursed for any reasonable expenses or fees incurred in its function as Trustee. The Plan will pay the reasonable compensation and expenses incurred by the Trustee, unless the Employer pays such compensation and expenses. Any compensation or expense paid directly by the Employer to the Trustee is not an Employer Contribution to the Plan.

- 1.11 Resignation and Removal of Trustee.** The Trustee may resign at any time by delivering to the Employer a written notice of resignation at least thirty (30) days prior to the effective date of such resignation, unless the Employer consents in writing to a shorter notice period. The Employer and Trustee may agree to a longer notification period prior to the resignation of the Trustee. The Employer may remove the Trustee at any time, with or without cause, by delivering written notice to the Trustee at least 30 days prior to the effective date of such removal. The Employer may remove the Trustee upon a shorter written notice period if the Employer reasonably determines such shorter period is necessary to protect Plan assets or to ensure the Plan is being operated for the exclusive benefit of Participants and their Beneficiaries. Upon the resignation, removal, death or incapacity of a Trustee, the Employer may appoint a successor Trustee which, upon accepting such appointment, will have all the powers, rights and duties conferred upon the preceding Trustee. In the event there is a period of time following the effective date of a Trustee's removal or resignation before a successor Trustee is appointed, the Employer is deemed to be the Trustee. During such period, the Trust continues to be in existence and legally enforceable, and the assets of the Plan shall continue to be protected by the provisions of the Trust.

- 1.12 Indemnification of Trustee.** Except to the extent that it is judicially determined that the Trustee has acted with gross negligence or willful misconduct, the Employer shall indemnify the Trustee (whether or not the Trustee has resigned or been removed) against any liabilities, losses, damages, and expenses, including attorney, accountant, and other advisory fees, incurred as a result of:

- (a) any action of the Trustee taken in good faith in accordance with any information, instruction, direction, or opinion

given to the Trustee by the Employer, the Plan Administrator, investment manager, or legal counsel of the Employer, or any person or entity appointed by any of them and authorized to give any information, instruction, direction, or opinion to the Trustee;

- (b) the failure of the Employer, the Plan Administrator, investment manager, or any person or entity appointed by any of them to make timely disclosure to the Trustee of information which any of them or any appointee knows or should know if it acted in a reasonably prudent manner; or
- (c) any breach of fiduciary duty by the Employer, the Plan Administrator, investment manager, or any person or entity appointed by any of them, other than such a breach which is caused by any failure of the Trustee to perform its duties under this Trust.

1.13 Liability of Trustee. The duties and obligations of the Trustee shall be limited to those expressly imposed upon it by the Plan and Trust or as subsequently agreed upon by the parties. Responsibility for administrative duties required under the Plan or applicable law not expressly imposed upon or agreed to by the Trustee shall rest solely with the Plan Administrator and the Employer.

The Employer agrees that the Trustee shall have no liability with regard to the investment or management of illiquid Plan assets transferred from a prior Trustee, and shall have no responsibility for investments made before the transfer of Plan assets to it, or for the viability or prudence of any investment made by a prior Trustee, including those represented by assets now transferred to the custody of the Trustee, or for any dealings whatsoever with respect to Plan assets before the transfer of such assets to the Trustee. The Employer shall indemnify and hold the Trustee harmless for any and all claims, actions or causes of action for loss or damage, or any liability whatsoever relating to the assets of the Plan transferred to the Trustee by any prior Trustee of the Plan, including any liability arising out of or related to any act or event, including prohibited transactions, occurring prior to the date the Trustee accepts such assets, including all claims, actions, causes of action, loss, damage, or any liability whatsoever arising out of or related to that act or event, although that claim, action, cause of action, loss, damage, or liability may not be asserted, may not have accrued, or may not have been made known until after the date the Trustee accepts the Plan assets. Such indemnification shall extend to all applicable periods, including periods for which the Plan is retroactively restated to comply with any tax law or regulation.

1.14 Conflicting Trust Provisions. In the event of any conflict between the terms of the Plan and any conflicting provision contained in any associated Trust, including this ASC Trust Agreement (Governmental), or custodial account document, the terms of the Plan will govern.

1.15 Governing Law. The provisions of this Plan and this ASC Trust Agreement (Governmental) shall be construed, administered, and enforced in accordance with the provisions of applicable federal and/or state law in which the Trustee has its principal place of business. The foregoing provisions of this section shall not preclude the Employer and the Trustee from agreeing to a different state law with respect to the construction, administration and enforcement of the Plan, which may be reflected herein as a modification to this ASC Trust Agreement (Governmental).

1.16 Severability of Provisions. In the event that any provision of this ASC Trust Agreement (Governmental) shall be held to be illegal, invalid or unenforceable for any reason, the remaining provisions herein shall be construed as if the illegal, invalid or unenforceable provisions had never been included in this ASC Trust Agreement (Governmental).

1.17 Appointment of Custodian. The Employer, Plan Administrator or Trustee may appoint a Custodian to hold all or any portion of the Plan assets. A Custodian has the powers, rights and responsibilities similar to those of a Directed Trustee. The Custodian will be protected from any liability with respect to actions taken pursuant to the direction of the Trustee, Plan Administrator, the Employer, an investment manager, or other third party with authority to provide direction to the Custodian. The Employer, Plan Administrator or Trustee also may enter into a separate agreement with the Custodian. Such separate agreement must be consistent with the terms of the Plan.

1.18 Modification of ASC Trust Agreement (Governmental) Provisions. The Employer and the Trustee may amend this ASC Trust Agreement (Governmental), provided the amended provisions are not in conflict with any provision of the Plan and do not cause the Plan to fail to qualify under Code §401(a). The Employer and Trustee may document any modification to the ASC Trust Agreement (Governmental) below or under a separate Trust addendum.

DISCUSSION OF REQUEST FOR EVENTS AND RELATED ITEMS

RECOMMENDATION:

That the Board of Trustees approve _____ vendors who responded to the proposal for Events and Related Items for the District.

IMPACT/RATIONALE:

Pursuant to RFP #32-2022SE, purchases shall be made by campuses and departments for various events and related services. This type of award is beneficial to the District as it allows our campuses and departments a variety of vendors to select from, while ensuring that the District is compliant with purchasing regulations according to TEC 44.031.

PROGRAM DESCRIPTION:

RFP #32-2022SE requested that vendors supply detailed price sheet with discounted pricing specific to Lamar CISD. In addition, vendors provided ordering instructions and delivery options for Lamar CISD locations. Vendor-discounted price sheets shall provide staff the benefit of budgeting and overall planning for event expenses.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Robert Langston, RTSBA, Director of Purchasing & Materials Management

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

DISCUSSION OF REQUEST FOR CATERING AND BANQUET SERVICES

RECOMMENDATION:

That the Board of Trustees approve _____ vendors who responded to the proposal for catering and banquet services (and related items) for the District.

IMPACT/RATIONALE:

Pursuant to RFP #33-2022SE, purchases shall be made by campuses and departments for various catering and banquet services. This type of award is beneficial to the District as it allows our campuses and departments a variety of vendors to select from, while ensuring that the District is compliant with purchasing regulations according to TEC 44.031.

PROGRAM DESCRIPTION:

RFP #33-2022SE requested that vendors supply detailed menus with discounted pricing specific to Lamar CISD. This RFP is supplemental to RFP #04-2022SE to include additional vendors. In addition, vendors provided ordering instructions and delivery options for Lamar CISD locations. Vendor-discounted menus shall provide staff the benefit of budgeting and overall planning for food expenses. Catering and banquet services can be utilized for all administrative events and functions.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Robert Langston, RTSBA, Director of Purchasing & Materials Management

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

**DISCUSSION OF REQUEST FOR GENERAL MAINTENANCE SUPPLIES
(CATALOG) & SERVICES (LABOR & MATERIAL)**

RECOMMENDATION:

That the Board of Trustees approve _____ vendors who responded to the proposal for general maintenance supplies (catalog) & services (labor & material) for the District.

IMPACT/RATIONALE:

Pursuant to RFP #34-2022SE, purchases shall be made by campuses and departments for maintenance and operations supplies and services. This type of award is beneficial to the District as it allows our campuses and departments a variety of vendors to select from, while ensuring that the District is compliant with purchasing regulations according to TEC 44.031.

PROGRAM DESCRIPTION:

RFP #34 -2022SE requested that vendors supply discounted pricing of supplies and services specific to Lamar CISD. This RFP is supplemental to RFP #16-2022SE to include additional vendors. In addition, vendors provided ordering instructions and delivery options for Lamar CISD locations.

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer
Robert Langston, RTSBA, Director of Purchasing & Materials Management

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

DISCUSSION OF RATIFICATION OF DONATIONS TO THE DISTRICT

RECOMMEDATION:

That the Board of Trustees ratify donations to the District.

IMPACT/RATIONALE:

Policy CDC (Local) states that the Board of Trustees must approve any donation with a value in excess of \$5,000.00.

PROGRAM DESCRIPTION:

Bentley Elementary PTA donated \$18,182.58 to purchase laptops for Bentley Elementary School.

Campbell Elementary PTO donated \$11,060.00 to purchase Reading Plus® Technology for grades 3rd – 5th for Campbell Elementary School.

Friends of Tamarron (FOT) donated \$10,000.00 to purchase technology for Tamarron Elementary School.

GRHS Athletic Booster Club donated \$9,408.00 to purchase shade structures for the bleachers at the George Ranch High School tennis courts.

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

DISCUSSION OF NEW APPRAISERS FOR TEACHING STAFF

RECOMMENDATION:

That the Board of Trustees approve the appraiser(s) who have recently become certified or are new to Lamar Consolidated Independent School District (LCISD).

IMPACT/RATIONALE:

Rules adopted by the State Board of Education indicate that the local District Board of Trustees must approve appraisers other than the teacher's supervisor.

PROGRAM DESCRIPTION:

A list of staff members who are new to LCISD or have recently become certified as appraisers will be provided next month.

Submitted by: Alphonso Bates, Interim Chief Human Resources Officer
Christine Muzik, Executive Director of Staffing & Records Management

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

**DISCUSSION OF REQUEST FOR 2022 HISTORIC SITE EXEMPTION
QUALIFICATION FOR THE SIMONTON SCHOOL**

RECOMMENDATION:

That the Board of Trustees approve the 2022 Historic Site Exemption Qualification for the Simonton School.

BACKGROUND INFORMATION:

In accordance with Board Policy CCG (Local), the Simonton School has applied for a historical tax exemption for the taxes to be levied for the 2022-23 school year. For many years, this site has provided benefits to the community surrounding Simonton, Texas. This request is for the residential-use portion of the property (85%).

TAXPAYER	LOCATION/TYPE OF PROPERTY	APPRAISED PROPERTY VALUE	ESTIMATED AMOUNT OF TAX RELIEF
Simonton School	34935 FM 1093 Simonton, TX 77476	\$546,670	\$5,718.66

Submitted by: Jill Ludwig, CPA, RTSBA, Chief Financial Officer

Recommended for approval:



Dr. Roosevelt Nivens
Superintendent

Simonton School

34935 FM 1093

Simonton, TX 77476

April 26, 2022

RECEIVED

APR 26 2022

LAMAR CISD
SUPERINTENDENT'S OFFICE

To Whom it May Concern:

Please once again consider my application for Historical Property Tax Exemption for Simonton School, Simonton, Texas for the 2022 tax year.

173

Sincerely,

A handwritten signature in cursive script, appearing to read "Paula Reeder".

Paula Reeder

Property Owner

Application for Historic or Archeological Site Property Tax Exemption

Fort Bend Central Appraisal District

281-344-8623

Appraisal District's Name

Phone (area code and number)

2801 B F Terry BLVD Rosenberg, TX 77471

Address, City, State, ZIP Code

GENERAL INSTRUCTIONS: This application is for use in claiming a property tax exemptions pursuant to Tax Code Section 11.24.

FILING INSTRUCTIONS: You must furnish all information and documentation required by this application so that the chief appraiser is able to determine whether the statutory qualifications for the exemption have been met. This document and all supporting documentation must be filed with the appraisal district office in each county in which the property is located. Do not file this document with the Texas Comptroller of Public Accounts. A directory with contact information for appraisal district offices may be found on the Comptroller's website.

APPLICATION DEADLINES: You must file the completed application with all required documentation beginning Jan. 1 and no later than April 30 of the year for which you are requesting an exemption.

ANNUAL APPLICATION REQUIRED: You must apply for this exemption each year you claim entitlement to the exemption.

OTHER IMPORTANT INFORMATION

174

Pursuant to Tax Code Section 11.45, after considering this application and all relevant information, the chief appraiser may request additional information from you. You must provide the additional information within 30 days of the request or the application is denied. For good cause shown, the chief appraiser may extend the deadline for furnishing the additional information by written order for a single period not to exceed 15 days.

State the tax year for which you are applying for this exemption.

2022

Tax Year

STEP 1: Property Owner/Applicant

PAULA REEDER

Name of Property Owner

34935 FM 1093

Mailing Address

SIMONTON, TX 77476-0546

City, State, ZIP Code

832-274-6414

Phone (area code and number)

Property Owner is a(n) (check one):



Individual



Partnership



Corporation



Other (specify):

PAULA REEDER

Name of Person Preparing this Application

PROPERTY OWNER

Title

TDL# 06954316

Driver's License, Personal I.D. Certificate
or Social Security Number*

If this application is for an exemption from ad valorem taxation of property owned by a charitable organization with a federal tax identification number, that number may be provided in lieu of a driver's license number, personal identification certificate number or social security number:

* Unless the applicant is a charitable organization with a federal identification number, the applicant's driver's license number, personal identification certificate number or social security number is required. Pursuant to Tax Code Section 11.48(a), a driver's license, personal I.D. certificate or social security number provided in an application for an exemption filed with a chief appraiser is confidential and not open to public inspection. The information may not be disclosed to anyone other than an employee of the appraisal office who appraises property, except as authorized by Tax Code Section 11.48(b).

STEP 2: Property Information

Describe the property for which you are seeking this exemption.

SIMONTON SCHOOL 34935 FM1093 SIMONTON, TX 77476

0092 T WESTALL ACRES 1.3015

R-40143

STEP 3: Taxing Units that have Granted an Exemption

List the taxing units that have granted an exemption pursuant to Tax Code Section 11.24. For each taxing unit identified, attach copies of documents reflecting official action of the governing body that provides for an exemption.

LCISA

FT. BEND COUNTY DRAINAGE DISTRICT

FT. BEND COUNTY GENERAL FUND

STEP 4: Official Historical and Archeological Designations

- 1. Has the property been designated as a Recorded Texas Historic Landmark... 175
2. Has the property been designated as a historically or archeologically significant site...

STEP 5 Read, Sign and Date

By signing this application, you certify that the information provided in this application is true and correct.

print here PAULA REEDER PROPERTY OWNER
sign here [Signature] 4/1/22

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Penal Code Section 37.10.