



LINCOLNWOOD SCHOOL DISTRICT 74  
BOARD OF EDUCATION  
FINANCE COMMITTEE MEETING AGENDA  
THURSDAY, FEBRUARY 18, 2021 AT **6:30 PM**

BOARD OF EDUCATION  
**Scott L. Anderson**, *President*  
**Kevin Daly**, *Vice President*  
**John P. Vranas**, *Secretary*  
**Jeffrey S. Evens**  
**Myra A. Foutris**  
**Elaina Geraghty**  
**Rupal Shah Mandal**

ADMINISTRATION  
**Dr. Kimberly A. Nasshan**, *Superintendent of Schools*  
**Dr. David Russo**, *Assistant Superintendent for Curriculum and Instruction*  
**Courtney Whited**, *Business Manager/CSBO*

*Agenda of the Finance Committee Meeting of the Board of Education of Lincolnwood School District 74,  
Cook County, Illinois, to be held in the Lincoln Hall Orchestra Room (#109)  
6855 North Crawford  
Lincolnwood, IL 60712,  
on Thursday, February 18, 2021.*

IN-PERSON PARTICIPATION: It is expected that all members of the Finance Committee, plus several administrators, will be physically present at the Lincoln Hall Orchestra Room (#109) located at 6855 North Crawford, Lincolnwood, IL. The February 18, 2021 Finance Committee meeting will be broadcast through ZOOM Video Conferencing for Public Audience to Visitors. Members of the public are encouraged to utilize the Zoom broadcast if possible. Zoom Tech Check at 6:15 p.m.

Join the meeting via ZOOM app (video and audio): Meeting ID: # 884 9265 5158  
(Link: <https://sd74-org.zoom.us/j/88492655158>)

or

Join the meeting via phone (audio only): Step #1: Dial 1-312-626-6799; Step #2: Enter Meeting ID: # 884 9265 5158, hit "#"

1. CALL TO ORDER/ROLL CALL

FINANCE COMMITTEE MEMBERS

Kevin Daly (BOE), Chairman

John P. Vranas (BOE)

Mike Bartholomew, Community Member

Reuben George, Community Member

Lidia Kaihara, Community Member

Steven Pawlow, Community Member

Dr. Bharat K. Shah, Community Member

ADMINISTRATORS/STAFF

Dr. Kimberly A. Nasshan, Superintendent of Schools

Dr. David L. Russo, Assistant Superintendent of Curriculum and Instruction

Courtney Whited, Business Manager/CSBO

2. AUDIENCE TO VISITORS

3. APPROVAL OF MINUTES

a. Finance Committee Meeting Minutes - **January 21, 2021**

Motion by member: \_\_\_\_\_ Seconded by: \_\_\_\_\_

4. INFORMATION/DISCUSSION: FUND BALANCE REPORT

a. Fund Balance Report - **DECEMBER 2020**

5. OLD BUSINESS

6. NEW BUSINESS

a. INFORMATION/DISCUSSION/ACTION: PMA Financial Advisory Agreement

- b. INFORMATION/DISCUSSION/ACTION: Landscaping Bid
- c. INFORMATION/DISCUSSION/ACTION: 2021-22 Swiftreach Networks LLC Agreement for SwiftK12 for PowerSchool – Unlimited Messaging
- d. INFORMATION/DISCUSSION/ACTION: 2021-22 PowerSchool Agreements for Enrollment Registration and SIS Maintenance and Support
- e. INFORMATION/DISCUSSION/ACTION: S&P Global Ratings Letter of Engagement
- f. INFORMATION/DISCUSSION/ACTION: Chapman and Cutler, LLP Letter of Engagement
- g. INFORMATION/DISCUSSION/ACTION: TRS Supplemental Savings Plan

7. ADJOURNMENT

Motion by Member: \_\_\_\_\_ Seconded by: \_\_\_\_\_

**Dr. Kimberly A. Nasshan, Superintendent of Schools**

*Lincolnwood School District 74 is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of this meeting or facility, are requested to contact the District Office at 847-675-8234 promptly to allow Lincolnwood School District 74 to make reasonable accommodations for those persons.*



LINCOLNWOOD SCHOOL DISTRICT 74  
BOARD OF EDUCATION  
FINANCE COMMITTEE MEETING MINUTES  
THURSDAY, JANUARY 21, 2021 AT **6:30 PM**

BOARD OF EDUCATION  
Scott L. Anderson, *President*  
Kevin Daly, *Vice President*  
John P. Vranas, *Secretary*  
Jeffrey S. Evens  
Myra A. Foutris  
Elaina Geraghty  
Rupal Shah Mandal

ADMINISTRATION  
Dr. Kimberly A. Nasshan, *Superintendent of Schools*  
Dr. David Russo, *Assistant Superintendent for Curriculum and Instruction*  
Courtney Whited, *Business Manager/CSBO*

*Minutes of the Finance Committee Meeting of the Board of Education of Lincolnwood School District 74,  
Cook County, Illinois, was held in the Lincoln Hall Auditorium  
6855 North Crawford  
Lincolnwood, IL 60712,  
on Thursday, January 21, 2021.*

1. CALL TO ORDER/ROLL CALL.

Chairman Daly called the Finance Committee meeting to order at 6:32 p.m.

2. FINANCE COMMITTEE MEMBERS

Kevin Daly (BOE), Chairman  
John P. Vranas (BOE)  
Mike Bartholomew, Community Member (via ZOOM @ 6:40pm)  
Reuben George, Community Member  
Lidia Kaihara, Community Member  
Steven Pawlow, Community Member (via ZOOM)

FINANCE COMMITTEE MEMBERS NOT PRESENT

Dr. Bharat K. Shah, Community Member

OTHER BOARD MEMBERS PRESENT

Scott L. Anderson (BOE)

ADMINISTRATORS/STAFF

Dr. Kimberly A. Nasshan, Superintendent of Schools  
Dr. David L. Russo, Assistant Superintendent of Curriculum and Instruction  
Courtney Whited, Business Manager/CSBO (via ZOOM)

3. AUDIENCE TO VISITORS

None

4. APPROVAL OF MINUTES

a. Finance Committee Meeting Minutes - **November 19, 2020**

A motion was made, seconded and passed to approve the minutes from the November 19, 2020 Finance Committee meeting.

5. FUND BALANCE REPORT

a. Fund Balance Report - **NOVEMBER 2020**

Courtney Whited, Business Manager/CSBO, presented the November 2020 Fund Balance Report.

## 6. OLD BUSINESS

Courtney Whited, Business Manager/CSBO, requested the direction from the Committee regarding the upcoming Bond Issuance. Should the District issue the Bonds, assuming growth in the DSEB or not assuming growth (1.5% DSEB growth)? The Administration recommends the option without DSEB growth. The Committee directs the Administration to assume no annual DSEB growth. No further Board of Education action is needed.

## 7. NEW BUSINESS

### a. Pitney Bowes Postage Meter Lease Renewal

A motion was made, seconded and passed that the Finance Committee concurs to recommend to the Board of Education to approve the 60-month agreement with Pitney Bowes in the amount of \$9,821.40 for postage meter leasing.

### b. Property/Casualty Insurance Alternatives to Collective Liability Insurance Cooperative (CLIC)

Courtney Whited, Business Manager/CSBO, presented the options for property/casualty coverage. Two additional quotes were presented that were higher than Collective Liability Insurance Cooperative (CLIC). The Committee directed Administration to continue with Collective Liability Insurance Cooperative (CLIC), and complete another review of the marketplace to determine if there are options with coverage for a lower premium.

### c. Additional Cyber Liability Coverage Offering from CLIC

Courtney Whited, Business Manager/CSBO, presented the Additional Cyber Liability Coverage Offering from CLIC. This proposal seeks additional coverage to the base coverage of \$2 million in cyber liability coverage that is currently in place. Christopher Edman, Director of Technology, discussed the range of payouts associated with these types of claims based upon recent events in the region. Scott Anderson, Board of Education President, commented that much of the District's data is housed by third party vendors, which can expose the District's data. The Committee directed the Administration that the District would be interested in adding \$3 million of additional cyber liability for a total of \$5 million, for an additional premium cost of \$2,680.

### d. Post-Issuance Tax Compliance Reports

A motion was made, seconded and passed that the Finance Committee concurs to recommend to the Board of Education to approve the findings contained in the Post-Issuance Tax Compliance Reports. Based upon the support of the Finance Committee, the Post-Issuance Tax Compliance Report will be placed on the Board of Education agenda for approval at the February 4, 2021 meeting.

### e. Proposed 2021-22 School Fees Draft

A motion was made, seconded and passed that the Finance Committee concurs to recommend to the Board of Education to approve the 2021-22 School Fee Schedule, as presented with no increase in school fees for the 2021-2021 school year.

### f. Children's Care and Development Center (CCDC) Lease Agreement

A motion was made, seconded and passed that the Finance Committee concurs to recommend to the Board of Education to enter into a new 5-year lease term at the initial annual rate of \$83,017 with 3.0% increases each fiscal year, without the option to execute a 2-year extension.

## 8. ADJOURNMENT

A motion was made, seconded and passed to adjourn the Finance Committee meeting. The Finance Committee meeting was adjourned at 7:10 p.m.

The next Finance Committee meeting will be Thursday, February 18, 2021 at 6:30 p.m. The public is welcome.

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Kevin Daly, Chairman

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John P. Vranas, Member

Lincolnwood School District 74

Fund Balances

Fiscal Year: 2020-2021

Month: December  
 Year: 2020  
 Fund Type:

Include Cash Balance  
 FY End Report

<u>Fund</u>	<u>Description</u>	<u>Beginning Balance</u>	<u>Revenue</u>	<u>Expense</u>	<u>Transfers</u>	<u>Fund Balance</u>
10	EDUCATIONAL	\$9,669,194.51	\$9,374,599.06	(\$7,869,368.94)	\$0.00	\$11,174,424.63
20	OPERATIONS & MAINTENANCE	\$2,769,201.94	\$965,364.11	(\$1,029,357.18)	\$0.00	\$2,705,208.87
30	DEBT SERVICE	\$826,111.00	\$781,681.04	(\$1,361,200.00)	\$0.00	\$246,592.04
40	TRANSPORTATION	\$931,371.24	\$473,506.96	(\$332,934.56)	\$0.00	\$1,071,943.64
50	MUNICIPAL RETIREMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
51	IMRF	\$401,893.97	\$109,602.48	(\$141,226.22)	\$0.00	\$370,270.23
52	SOCIAL SECURITY AND MEDICARE	(\$185,164.17)	\$136,709.05	(\$127,853.02)	\$0.00	(\$176,308.14)
60	CAPITAL PROJECTS	\$1,603,456.55	\$5,457.58	(\$689,949.00)	\$0.00	\$918,965.13
70	WORKING CASH	\$402,694.04	\$2,107.82	\$0.00	\$0.00	\$404,801.86
80	TORT IMMUNITY	\$64,776.15	\$37,182.13	\$5,279.00	\$0.00	\$107,237.28
90	FIRE PREVENTION & SAFETY	\$4,398,542.90	\$279,729.88	(\$844,295.30)	\$0.00	\$3,833,977.48
99	LINCOLNWOOD SCHOOLS ACTIVITY FUN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Grand Total:		\$20,882,078.13	\$12,165,940.11	(\$12,390,905.22)	\$0.00	\$20,657,113.02

End of Report

Lincolnwood School District 74

Treasurers Report FUND- All Funds As of 12/31/2020

Fiscal Year: 2020-2021

ASSETS

CASH & INVESTMENTS

Cash in Bank (+)	\$19,617,071.59
Imprest Fund (+)	\$15,069.11
Petty Cash (+)	\$100.00

Sub-total : CASH & INVESTMENTS \$19,632,240.70

DUE FROM OTHER GOVERNMENTS

Inter-Governmental Loans (+)	(\$467.03)
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Sub-total : DUE FROM OTHER GOVERNMENTS (\$467.03)

Total : ASSETS \$19,631,773.67

LIABILITIES

ACCOUNTS PAYABLE

Accounts Payable (+)	\$75,839.67
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Sub-total : ACCOUNTS PAYABLE \$75,839.67

OTHER CURRENT LIABILITIES

Other Liabilities (+)	(\$314,068.94)
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Payroll Liabilities (+)	(\$787,110.08)
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Sub-total : OTHER CURRENT LIABILITIES (\$1,101,179.02)

Total : LIABILITIES (\$1,025,339.35)

FUND BALANCE

Unreserved Fund Balance

Fund Balance (+)	\$20,882,078.13
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Sub-total : Unreserved Fund Balance \$20,882,078.13

NET INCREASE (DECREASE)

NET INCREASE (DECREASE) (+)	(\$224,965.11)
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Sub-total : NET INCREASE (DECREASE) (\$224,965.11)

Total : FUND BALANCE \$20,657,113.02

Total LIABILITIES + FUND BALANCE \$19,631,773.67

End of Report

Lincolnwood School District 74

Treasurers Report FUND- All Funds For the Period 12/01/2020 through 12/31/2020

Fiscal Year: 2020-2021

	<u>12/01/2020 - 12/31/2020</u>	<u>Year To Date</u>	<u>Budget</u>	<u>Budget Balance</u>	
<b>REVENUE</b>					
<b>LOCAL SOURCES</b>					
Property Tax Receipts (+)	\$77,014.07	\$10,461,218.27	\$21,886,397.89	\$11,425,179.62	47.8%
Payments in Lieu of Taxes (+)	\$21,211.23	\$255,299.10	\$608,000.00	\$352,700.90	42.0%
Tuition Payments Received (+)	\$7,913.58	\$51,245.58	\$173,400.00	\$122,154.42	29.6%
Interest Revenue Received (+)	\$15,016.09	\$106,035.09	\$526,040.00	\$420,004.91	20.2%
Sales to Pupils & Adults (+)	\$716.00	\$8,512.45	\$220,000.00	\$211,487.55	3.9%
Activity Fees Received (+)	\$6,348.00	\$39,152.25	\$82,800.00	\$43,647.75	47.3%
Rental Revenue (+)	\$7,696.00	\$43,454.75	\$80,500.00	\$37,045.25	54.0%
Other Local Revenue (+)	\$11,257.05	\$57,648.45	\$124,811.11	\$67,162.66	46.2%
<b>Sub-total : LOCAL SOURCES</b>	<b>\$147,172.02</b>	<b>\$11,022,565.94</b>	<b>\$23,701,949.00</b>	<b>\$12,679,383.06</b>	<b>46.5%</b>
<b>STATE SOURCES</b>					
State Grants & Aid Received (+)	\$105,718.00	\$776,046.25	\$1,550,000.00	\$773,953.75	50.1%
<b>Sub-total : STATE SOURCES</b>	<b>\$105,718.00</b>	<b>\$776,046.25</b>	<b>\$1,550,000.00</b>	<b>\$773,953.75</b>	<b>50.1%</b>
<b>FEDERAL SOURCES</b>					
Federal Grants & Aid Received (+)	\$3,106.13	\$367,327.92	\$784,764.00	\$417,436.08	46.8%
<b>Sub-total : FEDERAL SOURCES</b>	<b>\$3,106.13</b>	<b>\$367,327.92</b>	<b>\$784,764.00</b>	<b>\$417,436.08</b>	<b>46.8%</b>
<b>Total : REVENUE</b>	<b>\$255,996.15</b>	<b>\$12,165,940.11</b>	<b>\$26,036,713.00</b>	<b>\$13,870,772.89</b>	<b>46.7%</b>
<b>EXPENDITURES</b>					
<b>REGULAR K-12 PROGRAMS</b>					
Salaries (-)	\$559,730.21	\$2,532,117.80	\$7,167,047.79	\$4,634,929.99	35.3%
Employee Benefits (-)	\$103,810.97	\$432,364.59	\$1,307,880.64	\$875,516.05	33.1%
Purchased Services (-)	\$4,849.95	\$66,600.24	\$193,700.00	\$127,099.76	34.4%
Termination Benefits (-)	\$29,386.91	\$176,587.45	\$469,295.00	\$292,707.55	37.6%
Supplies & Materials (-)	\$5,617.45	\$204,151.83	\$409,143.00	\$204,991.17	49.9%
Capital Expenditures (-)	\$0.00	\$42,039.00	\$102,884.00	\$60,845.00	40.9%
Non-Capitalized Equipment (-)	\$1,095.93	\$9,006.98	\$67,000.00	\$57,993.02	13.4%
<b>Sub-total : REGULAR K-12 PROGRAMS</b>	<b>(\$704,491.42)</b>	<b>(\$3,462,867.89)</b>	<b>(\$9,716,950.43)</b>	<b>(\$6,254,082.54)</b>	<b>35.6%</b>
<b>PRE-K PROGRAMS</b>					
Salaries (-)	\$17,784.04	\$80,028.18	\$232,068.08	\$152,039.90	34.5%
Employee Benefits (-)	\$7,409.41	\$30,326.51	\$94,062.42	\$63,735.91	32.2%
Purchased Services (-)	\$0.00	\$0.00	\$200.00	\$200.00	0.0%
Supplies & Materials (-)	\$114.68	\$781.10	\$2,995.00	\$2,213.90	26.1%
Capital Expenditures (-)	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.0%
Non-Capitalized Equipment (-)	\$0.00	\$0.00	\$500.00	\$500.00	0.0%
<b>Sub-total : PRE-K PROGRAMS</b>	<b>(\$25,308.13)</b>	<b>(\$111,135.79)</b>	<b>(\$330,825.50)</b>	<b>(\$219,689.71)</b>	<b>33.6%</b>
<b>SPECIAL ED PROGRAMS K-12</b>					
Salaries (-)	\$76,355.50	\$343,100.74	\$1,180,669.00	\$837,568.26	29.1%
Employee Benefits (-)	\$21,410.17	\$101,286.70	\$386,780.00	\$285,493.30	26.2%
Purchased Services (-)	\$0.00	\$0.00	\$500.00	\$500.00	0.0%
Supplies & Materials (-)	\$0.00	\$638.60	\$5,000.00	\$4,361.40	12.8%
Capital Expenditures (-)	\$609.00	\$609.00	\$2,000.00	\$1,391.00	30.5%
Other Objects (-)	\$0.00	\$180.00	\$500.00	\$320.00	36.0%

Operating Statement with Budget

Lincolnwood School District 74

Treasurers Report FUND- All Funds For the Period 12/01/2020 through 12/31/2020

Fiscal Year: 2020-2021

	<u>12/01/2020 - 12/31/2020</u>	<u>Year To Date</u>	<u>Budget</u>	<u>Budget Balance</u>	
Non-Capital Equipment (-)	\$253.13	\$514.57	\$1,000.00	\$485.43	51.5%
Sub-total : SPECIAL ED PROGRAMS K-12	(\$98,627.80)	(\$446,329.61)	(\$1,576,449.00)	(\$1,130,119.39)	28.3%
<b>REMEDIAL &amp; SUPPLEMENTAL K-12</b>					
Salaries (-)	\$36,576.14	\$164,592.63	\$480,490.00	\$315,897.37	34.3%
Employee Benefits (-)	\$6,198.15	\$25,420.88	\$78,348.80	\$52,927.92	32.4%
Purchased Services (-)	\$0.00	\$34,583.50	\$35,000.00	\$416.50	98.8%
Supplies & Materials (-)	\$0.00	\$4,740.42	\$6,542.00	\$1,801.58	72.5%
Sub-total : REMEDIAL & SUPPLEMENTAL K-12	(\$42,774.29)	(\$229,337.43)	(\$600,380.80)	(\$371,043.37)	38.2%
<b>INTERSCHOLASTIC PROGRAMS</b>					
Salaries (-)	\$0.00	\$0.00	\$25,060.00	\$25,060.00	0.0%
Employee Benefits (-)	\$0.00	\$0.00	\$8,225.00	\$8,225.00	0.0%
Supplies & Materials (-)	\$0.00	\$0.00	\$1,500.00	\$1,500.00	0.0%
Capital Expenditures (-)	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.0%
Other Objects (-)	\$0.00	\$3,500.00	\$0.00	(\$3,500.00)	0.0%
Sub-total : INTERSCHOLASTIC PROGRAMS	\$0.00	(\$3,500.00)	(\$35,785.00)	(\$32,285.00)	9.8%
<b>GIFTED PROGRAMS</b>					
Salaries (-)	\$18,929.14	\$85,181.13	\$380,816.13	\$295,635.00	22.4%
Employee Benefits (-)	\$2,625.28	\$5,484.92	\$82,761.14	\$77,276.22	6.6%
Supplies & Materials (-)	\$95.00	\$649.00	\$3,000.00	\$2,351.00	21.6%
Sub-total : GIFTED PROGRAMS	(\$21,649.42)	(\$91,315.05)	(\$466,577.27)	(\$375,262.22)	19.6%
<b>BILINGUAL PROGRAMS</b>					
Salaries (-)	\$49,812.46	\$224,156.07	\$657,562.00	\$433,405.93	34.1%
Employee Benefits (-)	\$8,344.63	\$34,186.09	\$103,605.00	\$69,418.91	33.0%
Purchased Services (-)	\$0.00	\$0.00	\$2,150.00	\$2,150.00	0.0%
Supplies & Materials (-)	\$0.00	\$2,146.31	\$6,500.00	\$4,353.69	33.0%
Sub-total : BILINGUAL PROGRAMS	(\$58,157.09)	(\$260,488.47)	(\$769,817.00)	(\$509,328.53)	33.8%
<b>ATTENDANCE &amp; SOCIAL WORK</b>					
Salaries (-)	\$29,342.46	\$132,041.07	\$360,288.00	\$228,246.93	36.6%
Employee Benefits (-)	\$3,248.81	\$13,456.72	\$22,297.00	\$8,840.28	60.4%
Purchased Services (-)	\$0.00	\$0.00	\$500.00	\$500.00	0.0%
Supplies & Materials (-)	\$0.00	\$43.26	\$1,000.00	\$956.74	4.3%
Sub-total : ATTENDANCE & SOCIAL WORK	(\$32,591.27)	(\$145,541.05)	(\$384,085.00)	(\$238,543.95)	37.9%
<b>HEALTH SERVICES</b>					
Salaries (-)	\$6,012.50	\$41,389.93	\$164,250.00	\$122,860.07	25.2%
Employee Benefits (-)	\$2,394.06	\$14,905.48	\$80,623.00	\$65,717.52	18.5%
Purchased Services (-)	\$19,644.80	\$64,783.76	\$1,500.00	(\$63,283.76)	4318.9%
Supplies & Materials (-)	\$9,940.68	\$63,295.42	\$33,600.00	(\$29,695.42)	188.4%
Capital Expenditures (-)	\$0.00	\$0.00	\$1,500.00	\$1,500.00	0.0%
Other Objects (-)	\$35.00	\$417.70	\$600.00	\$182.30	69.6%
Non-Capital Equipment (-)	\$0.00	\$0.00	\$1,500.00	\$1,500.00	0.0%

Operating Statement with Budget

Lincolnwood School District 74

Treasurers Report FUND- All Funds For the Period 12/01/2020 through 12/31/2020

Fiscal Year: 2020-2021

	<u>12/01/2020 - 12/31/2020</u>	<u>Year To Date</u>	<u>Budget</u>	<u>Budget Balance</u>	
Sub-total : HEALTH SERVICES	(\$38,027.04)	(\$184,792.29)	(\$283,573.00)	(\$98,780.71)	65.2%
PSYCHOLOGICAL SERVICES					
Salaries (-)	\$13,261.32	\$59,675.94	\$173,997.00	\$114,321.06	34.3%
Employee Benefits (-)	\$2,722.90	\$11,111.51	\$33,644.00	\$22,532.49	33.0%
Purchased Services (-)	\$81.75	\$821.37	\$1,000.00	\$178.63	82.1%
Supplies & Materials (-)	\$0.00	\$0.00	\$1,050.00	\$1,050.00	0.0%
Sub-total : PSYCHOLOGICAL SERVICES	(\$16,065.97)	(\$71,608.82)	(\$209,691.00)	(\$138,082.18)	34.1%
SPEECH PATHOLOGY & AUDIOLOGY					
Salaries (-)	\$20,875.76	\$93,940.92	\$277,900.00	\$183,959.08	33.8%
Employee Benefits (-)	\$2,988.37	\$12,295.48	\$37,262.00	\$24,966.52	33.0%
Supplies & Materials (-)	\$0.00	\$0.00	\$1,250.00	\$1,250.00	0.0%
Sub-total : SPEECH PATHOLOGY & AUDIOLOGY	(\$23,864.13)	(\$106,236.40)	(\$316,412.00)	(\$210,175.60)	33.6%
OTHER SUPPORT SERVICES - PUPILS					
Salaries (-)	\$5,055.19	\$21,490.29	\$59,000.00	\$37,509.71	36.4%
Employee Benefits (-)	\$322.25	\$1,350.54	\$4,250.00	\$2,899.46	31.8%
Sub-total : OTHER SUPPORT SERVICES - PUPILS	(\$5,377.44)	(\$22,840.83)	(\$63,250.00)	(\$40,409.17)	36.1%
IMPROVEMENT OF INSTRUCTION					
Salaries (-)	\$26,467.70	\$181,990.15	\$351,694.00	\$169,703.85	51.7%
Employee Benefits (-)	\$4,535.16	\$29,111.82	\$55,227.00	\$26,115.18	52.7%
Purchased Services (-)	\$999.00	\$11,170.02	\$90,500.00	\$79,329.98	12.3%
Supplies & Materials (-)	\$0.00	\$70.94	\$2,600.00	\$2,529.06	2.7%
Other Objects (-)	\$0.00	\$1,489.38	\$1,500.00	\$10.62	99.3%
Sub-total : IMPROVEMENT OF INSTRUCTION	(\$32,001.86)	(\$223,832.31)	(\$501,521.00)	(\$277,688.69)	44.6%
EDUCATIONAL MEDIA					
Salaries (-)	\$19,103.18	\$79,265.61	\$254,622.00	\$175,356.39	31.1%
Employee Benefits (-)	\$2,470.00	\$9,982.09	\$30,859.00	\$20,876.91	32.3%
Supplies & Materials (-)	\$289.02	\$4,485.77	\$6,850.00	\$2,364.23	65.5%
Sub-total : EDUCATIONAL MEDIA	(\$21,862.20)	(\$93,733.47)	(\$292,331.00)	(\$198,597.53)	32.1%
ASSESSMENT & TESTING					
Purchased Services (-)	\$0.00	\$14,525.00	\$14,525.00	\$0.00	100.0%
Sub-total : ASSESSMENT & TESTING	\$0.00	(\$14,525.00)	(\$14,525.00)	\$0.00	100.0%
ADMIN SERVICES - BOARD OF ED					
Employee Benefits (-)	\$4,758.90	\$28,661.40	\$58,000.00	\$29,338.60	49.4%
Purchased Services (-)	\$18,728.81	\$125,567.75	\$236,900.00	\$111,332.25	53.0%
Supplies & Materials (-)	\$0.00	\$41.72	\$2,500.00	\$2,458.28	1.7%
Other Objects (-)	\$0.00	\$0.00	\$20,000.00	\$20,000.00	0.0%
Non-Capitalized Equipment (-)	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.0%
Sub-total : ADMIN SERVICES - BOARD OF ED	(\$23,487.71)	(\$154,270.87)	(\$318,400.00)	(\$164,129.13)	48.5%
SUPERINTENDENT					

Operating Statement with Budget

Lincolnwood School District 74

Treasurers Report FUND- All Funds For the Period 12/01/2020 through 12/31/2020

Fiscal Year: 2020-2021

	<u>12/01/2020 - 12/31/2020</u>	<u>Year To Date</u>	<u>Budget</u>	<u>Budget Balance</u>	
Salaries (-)	\$20,158.14	\$131,027.91	\$262,056.00	\$131,028.09	50.0%
Employee Benefits (-)	\$2,944.82	\$18,091.24	\$36,369.00	\$18,277.76	49.7%
Purchased Services (-)	\$103.00	\$404.00	\$3,400.00	\$2,996.00	11.9%
Supplies & Materials (-)	\$24.94	\$126.93	\$2,000.00	\$1,873.07	6.3%
Capital Expenditures (-)	\$0.00	\$0.00	\$500.00	\$500.00	0.0%
Other Objects (-)	\$0.00	\$2,191.81	\$2,500.00	\$308.19	87.7%
Non-Capitalized Equipment (-)	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.0%
<b>Sub-total : SUPERINTENDENT</b>	<b>(\$23,230.90)</b>	<b>(\$151,841.89)</b>	<b>(\$307,825.00)</b>	<b>(\$155,983.11)</b>	<b>49.3%</b>
<b>ADMIN SERVICES - SPECIAL ED</b>					
Salaries (-)	\$10,584.38	\$68,163.61	\$137,451.00	\$69,287.39	49.6%
Employee Benefits (-)	\$3,555.58	\$21,972.73	\$50,944.00	\$28,971.27	43.1%
<b>Sub-total : ADMIN SERVICES - SPECIAL ED</b>	<b>(\$14,139.96)</b>	<b>(\$90,136.34)</b>	<b>(\$188,395.00)</b>	<b>(\$98,258.66)</b>	<b>47.8%</b>
<b>WORKERS COMPENSATION INSURANCE</b>					
Purchased Services (-)	\$0.00	(\$5,279.00)	\$90,000.00	\$95,279.00	-5.9%
<b>Sub-total : WORKERS COMPENSATION INSURANCE</b>	<b>\$0.00</b>	<b>\$5,279.00</b>	<b>(\$90,000.00)</b>	<b>(\$95,279.00)</b>	<b>5.9%</b>
<b>LOSS PREVENTION REDUCTION</b>					
Other Objects (-)	\$0.00	\$0.00	\$5,000.00	\$5,000.00	0.0%
<b>Sub-total : LOSS PREVENTION REDUCTION</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$5,000.00)</b>	<b>(\$5,000.00)</b>	<b>0.0%</b>
<b>PROPERTY INSURANCE</b>					
Purchased Services (-)	\$0.00	\$0.00	\$75,000.00	\$75,000.00	0.0%
<b>Sub-total : PROPERTY INSURANCE</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$75,000.00)</b>	<b>(\$75,000.00)</b>	<b>0.0%</b>
<b>PRINCIPAL</b>					
Salaries (-)	\$54,061.00	\$351,633.58	\$704,565.00	\$352,931.42	49.9%
Employee Benefits (-)	\$18,884.46	\$124,109.13	\$226,430.00	\$102,320.87	54.8%
Purchased Services (-)	\$166.20	\$720.15	\$6,500.00	\$5,779.85	11.1%
Supplies & Materials (-)	\$0.00	\$109.28	\$5,200.00	\$5,090.72	2.1%
Capital Expenditures (-)	\$0.00	\$0.00	\$1,500.00	\$1,500.00	0.0%
Other Objects (-)	\$0.00	\$537.00	\$2,000.00	\$1,463.00	26.9%
<b>Sub-total : PRINCIPAL</b>	<b>(\$73,111.66)</b>	<b>(\$477,109.14)</b>	<b>(\$946,195.00)</b>	<b>(\$469,085.86)</b>	<b>50.4%</b>
<b>OPERATION OF BUSINESS SERVICES</b>					
Salaries (-)	\$13,524.94	\$87,912.11	\$175,825.00	\$87,912.89	50.0%
Employee Benefits (-)	\$2,581.33	\$15,811.93	\$31,613.00	\$15,801.07	50.0%
Other Objects (-)	\$0.00	\$1,209.00	\$1,500.00	\$291.00	80.6%
Non-Capitalizer Equipment (-)	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.0%
<b>Sub-total : OPERATION OF BUSINESS SERVICES</b>	<b>(\$16,106.27)</b>	<b>(\$104,933.04)</b>	<b>(\$209,938.00)</b>	<b>(\$105,004.96)</b>	<b>50.0%</b>
<b>FISCAL SERVICES</b>					
Salaries (-)	\$16,336.74	\$106,309.30	\$214,500.00	\$108,190.70	49.6%
Employee Benefits (-)	\$7,145.75	\$44,466.10	\$89,989.00	\$45,522.90	49.4%
Purchased Services (-)	\$904.76	\$2,894.72	\$118,675.00	\$115,780.28	2.4%
Supplies & Materials (-)	\$697.69	\$2,357.50	\$5,000.00	\$2,642.50	47.2%

Operating Statement with Budget

Lincolnwood School District 74

Treasurers Report FUND- All Funds For the Period 12/01/2020 through 12/31/2020

Fiscal Year: 2020-2021

	<u>12/01/2020 - 12/31/2020</u>	<u>Year To Date</u>	<u>Budget</u>	<u>Budget Balance</u>	
Other Objects (-)	\$203.16	\$6,195.23	\$20,000.00	\$13,804.77	31.0%
Non-Capitalized Equipment (-)	\$0.00	\$0.00	\$2,500.00	\$2,500.00	0.0%
<b>Sub-total : FISCAL SERVICES</b>	<b>(\$25,288.10)</b>	<b>(\$162,222.85)</b>	<b>(\$450,664.00)</b>	<b>(\$288,441.15)</b>	<b>36.0%</b>
<b>FACILITY ACQUISITION &amp; CONSTRUCTION</b>					
Purchased Services (-)	\$13,754.70	\$110,899.33	\$125,221.00	\$14,321.67	88.6%
Capital Expenditures (-)	\$15,750.00	\$618,955.97	\$708,500.00	\$89,544.03	87.4%
<b>Sub-total : FACILITY ACQUISITION &amp; CONSTRUCTION</b>	<b>(\$29,504.70)</b>	<b>(\$729,855.30)</b>	<b>(\$833,721.00)</b>	<b>(\$103,865.70)</b>	<b>87.5%</b>
<b>OPERATION &amp; MAINTENANCE OF PLANT</b>					
Salaries (-)	\$34,758.32	\$235,219.87	\$506,000.00	\$270,780.13	46.5%
Employee Benefits (-)	\$13,428.88	\$86,324.20	\$182,193.00	\$95,868.80	47.4%
Purchased Services (-)	\$75,908.39	\$507,853.95	\$916,000.00	\$408,146.05	55.4%
Supplies & Materials (-)	\$41,729.93	\$211,347.20	\$482,616.00	\$271,268.80	43.8%
Capital Expenditures (-)	\$2,399.00	\$835,496.07	\$1,140,500.00	\$305,003.93	73.3%
Other Objects (-)	\$0.00	\$855.00	\$300.00	(\$555.00)	285.0%
Non-Capitalized Equipment (-)	\$390.00	\$5,949.11	\$21,000.00	\$15,050.89	28.3%
<b>Sub-total : OPERATION &amp; MAINTENANCE OF PLANT</b>	<b>(\$168,614.52)</b>	<b>(\$1,883,045.40)</b>	<b>(\$3,248,609.00)</b>	<b>(\$1,365,563.60)</b>	<b>58.0%</b>
<b>PUPIL TRANSPORTATION</b>					
Purchased Services (-)	\$112,739.16	\$332,934.56	\$1,208,000.00	\$875,065.44	27.6%
<b>Sub-total : PUPIL TRANSPORTATION</b>	<b>(\$112,739.16)</b>	<b>(\$332,934.56)</b>	<b>(\$1,208,000.00)</b>	<b>(\$875,065.44)</b>	<b>27.6%</b>
<b>FOOD SERVICES</b>					
Salaries (-)	\$17,483.00	\$88,407.36	\$232,100.00	\$143,692.64	38.1%
Employee Benefits (-)	\$8,428.11	\$37,699.00	\$99,297.00	\$61,598.00	38.0%
Purchased Services (-)	\$23.30	\$533.68	\$3,000.00	\$2,466.32	17.8%
Supplies & Materials (-)	\$1,040.68	\$29,252.65	\$259,200.00	\$229,947.35	11.3%
Capital Expenditures (-)	\$0.00	\$0.00	\$5,000.00	\$5,000.00	0.0%
Other Objects (-)	\$0.00	\$752.50	\$1,500.00	\$747.50	50.2%
Non-Capitalized Equipment (-)	\$0.00	\$0.00	\$4,500.00	\$4,500.00	0.0%
<b>Sub-total : FOOD SERVICES</b>	<b>(\$26,975.09)</b>	<b>(\$156,645.19)</b>	<b>(\$604,597.00)</b>	<b>(\$447,951.81)</b>	<b>25.9%</b>
<b>INTERNAL SERVICES</b>					
Purchased Services (-)	\$0.00	\$13,517.15	\$20,500.00	\$6,982.85	65.9%
Supplies & Materials (-)	\$0.00	\$0.00	\$1,500.00	\$1,500.00	0.0%
<b>Sub-total : INTERNAL SERVICES</b>	<b>\$0.00</b>	<b>(\$13,517.15)</b>	<b>(\$22,000.00)</b>	<b>(\$8,482.85)</b>	<b>61.4%</b>
<b>INFORMATION SERVICES</b>					
Salaries (-)	\$6,153.84	\$39,999.96	\$80,000.00	\$40,000.04	50.0%
Employee Benefits (-)	\$1,812.94	\$11,549.57	\$22,896.00	\$11,346.43	50.4%
Purchased Services (-)	\$4,780.00	\$14,692.16	\$37,000.00	\$22,307.84	39.7%
Supplies & Materials (-)	\$0.00	(\$650.00)	\$6,000.00	\$6,650.00	-10.8%
Other Objects (-)	\$25.50	\$803.02	\$1,500.00	\$696.98	53.5%
<b>Sub-total : INFORMATION SERVICES</b>	<b>(\$12,772.28)</b>	<b>(\$66,394.71)</b>	<b>(\$147,396.00)</b>	<b>(\$81,001.29)</b>	<b>45.0%</b>
<b>OTHER SUPPORT SERVICES - ADMIN</b>					

Operating Statement with Budget

Lincolnwood School District 74

Treasurers Report FUND- All Funds For the Period 12/01/2020 through 12/31/2020

Fiscal Year: 2020-2021

	<u>12/01/2020 - 12/31/2020</u>	<u>Year To Date</u>	<u>Budget</u>	<u>Budget Balance</u>	
Salaries (-)	\$34,328.72	\$211,926.15	\$439,390.00	\$227,463.85	48.2%
Employee Benefits (-)	\$11,871.82	\$72,297.48	\$150,822.00	\$78,524.52	47.9%
Purchased Services (-)	\$0.00	\$22.46	\$1,000.00	\$977.54	2.2%
Other Objects (-)	\$0.00	\$0.00	\$300.00	\$300.00	0.0%
Sub-total : OTHER SUPPORT SERVICES - ADMIN	(\$46,200.54)	(\$284,246.09)	(\$591,512.00)	(\$307,265.91)	48.1%
<b>COMMUNITY SERVICES</b>					
Purchased Services (-)	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.0%
Supplies & Materials (-)	\$0.00	\$0.00	\$1,000.00	\$1,000.00	0.0%
Sub-total : COMMUNITY SERVICES	\$0.00	\$0.00	(\$2,000.00)	(\$2,000.00)	0.0%
<b>PAYMENTS TO OTHER LEAs</b>					
Purchased Services (-)	\$14,428.00	\$14,428.00	\$34,900.00	\$20,472.00	41.3%
Other Objects (-)	\$867,395.14	\$945,319.28	\$1,903,084.00	\$957,764.72	49.7%
Sub-total : PAYMENTS TO OTHER LEAs	(\$881,823.14)	(\$959,747.28)	(\$1,937,984.00)	(\$978,236.72)	49.5%
<b>DEBT SERVICE - INTEREST</b>					
Interest on Bonds Outstanding (-)	\$276,200.00	\$276,200.00	\$534,400.00	\$258,200.00	51.7%
Sub-total : DEBT SERVICE - INTEREST	(\$276,200.00)	(\$276,200.00)	(\$534,400.00)	(\$258,200.00)	51.7%
<b>DEBT SERVICE - PRINCIPAL</b>					
Principal Payments on Bonds Outstanding (-)	\$1,085,000.00	\$1,085,000.00	\$1,085,000.00	\$0.00	100.0%
Sub-total : DEBT SERVICE - PRINCIPAL	(\$1,085,000.00)	(\$1,085,000.00)	(\$1,085,000.00)	\$0.00	100.0%
<b>DEBT SERVICE - OTHER</b>					
Debt Service Fees (-)	\$0.00	\$0.00	\$2,500.00	\$2,500.00	0.0%
Sub-total : DEBT SERVICE - OTHER	\$0.00	\$0.00	(\$2,500.00)	(\$2,500.00)	0.0%
Total : EXPENDITURES	(\$3,935,992.09)	(\$12,390,905.22)	(\$28,371,309.00)	(\$15,980,403.78)	43.7%
NET INCREASE (DECREASE)	(\$3,679,995.94)	(\$224,965.11)	(\$2,334,596.00)	(\$2,109,630.89)	9.6%

End of Report

**Lincolnwood School District 74**

**General Ledger - OBJECT REPORT**

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

Account Mask: ??????????????????

Account Type: EXPENDITURE

Print accounts with zero balance     
  Include Inactive Accounts     
  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT	Preliminary 2021	Range To Date	Year To Date	Encumbrance	Budget Balance
<b>10 - EDUCATIONAL</b>					
0 - EXPENDITURES					
1100 - REGULAR K-12 PROGRAMS					
100 - SALARIES	\$7,167,047.79	\$559,730.21	\$2,532,117.80	\$4,577,962.02	\$56,967.97
200 - EMPLOYEE BENEFITS	\$1,200,015.64	\$95,420.36	\$393,702.17	\$703,339.51	\$102,973.96
300 - PURCHASED SERVICES	\$193,700.00	\$4,849.95	\$66,600.24	\$4,420.12	\$122,679.64
400 - SUPPLIES & MATERIALS	\$409,143.00	\$5,617.45	\$204,151.83	\$7,521.03	\$197,470.14
500 - CAPITAL OUTLAY	\$102,884.00	\$0.00	\$42,039.00	\$0.00	\$60,845.00
700 - NON-CAPITAL EQUIPMENT	\$67,000.00	\$1,095.93	\$9,006.98	\$2,840.00	\$55,153.02
800 - TERMINATION/VACATION PAYMENTS	\$469,295.00	\$29,386.91	\$176,587.45	\$63,209.63	\$229,497.92
1125 - PRE-K PROGRAMS					
100 - SALARIES	\$232,068.08	\$17,784.04	\$80,028.18	\$151,164.27	\$875.63
200 - EMPLOYEE BENEFITS	\$83,399.42	\$6,580.42	\$26,533.48	\$52,961.56	\$3,904.38
300 - PURCHASED SERVICES	\$200.00	\$0.00	\$0.00	\$0.00	\$200.00
400 - SUPPLIES & MATERIALS	\$2,995.00	\$114.68	\$781.10	\$189.89	\$2,024.01
500 - CAPITAL OUTLAY	\$1,000.00	\$0.00	\$0.00	\$0.00	\$1,000.00
700 - NON-CAPITAL EQUIPMENT	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00
1200 - SPECIAL ED PROGRAMS K-12					
100 - SALARIES	\$1,180,669.00	\$76,355.50	\$343,100.74	\$661,288.82	\$176,279.44
200 - EMPLOYEE BENEFITS	\$301,185.00	\$17,212.12	\$73,265.89	\$156,850.91	\$71,068.20
300 - PURCHASED SERVICES	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00
400 - SUPPLIES & MATERIALS	\$5,000.00	\$0.00	\$638.60	\$107.06	\$4,254.34
500 - CAPITAL OUTLAY	\$2,000.00	\$609.00	\$609.00	\$4,190.00	(\$2,799.00)
600 - OTHER OBJECTS	\$500.00	\$0.00	\$180.00	\$0.00	\$320.00
700 - NON-CAPITAL EQUIPMENT	\$1,000.00	\$253.13	\$514.57	\$808.50	(\$323.07)
1250 - REMEDIAL & SUPPLEMENTAL K-12					
100 - SALARIES	\$480,490.00	\$36,576.14	\$164,592.63	\$310,897.37	\$5,000.00
200 - EMPLOYEE BENEFITS	\$71,623.80	\$5,697.48	\$23,153.23	\$46,096.91	\$2,373.66
300 - PURCHASED SERVICES	\$35,000.00	\$0.00	\$34,583.50	\$0.00	\$416.50
400 - SUPPLIES & MATERIALS	\$6,542.00	\$0.00	\$4,740.42	\$0.00	\$1,801.58
1500 - INTERSCHOLASTIC PROGRAMS					
100 - SALARIES	\$25,060.00	\$0.00	\$0.00	\$0.00	\$25,060.00
200 - EMPLOYEE BENEFITS	\$1,400.00	\$0.00	\$0.00	\$0.00	\$1,400.00
400 - SUPPLIES & MATERIALS	\$1,500.00	\$0.00	\$0.00	\$0.00	\$1,500.00

# Lincolnwood School District 74

## General Ledger - OBJECT REPORT

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

Account Mask: ????????????????????

Account Type: EXPENDITURE

Print accounts with zero balance     
  Include Inactive Accounts     
  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT	Preliminary 2021	Range To Date	Year To Date	Encumbrance	Budget Balance
500 - CAPITAL OUTLAY	\$1,000.00	\$0.00	\$0.00	\$0.00	\$1,000.00
600 - OTHER OBJECTS	\$0.00	\$0.00	\$3,500.00	\$0.00	(\$3,500.00)
1650 - GIFTED PROGRAMS					
100 - SALARIES	\$380,816.13	\$18,929.14	\$85,181.13	\$160,897.87	\$134,737.13
200 - EMPLOYEE BENEFITS	\$77,486.14	\$2,369.94	\$4,326.32	\$30,401.70	\$42,758.12
400 - SUPPLIES & MATERIALS	\$3,000.00	\$95.00	\$649.00	\$108.90	\$2,242.10
1800 - BILINGUAL PROGRAMS					
100 - SALARIES	\$657,562.00	\$49,812.46	\$224,156.07	\$423,405.93	\$10,000.00
200 - EMPLOYEE BENEFITS	\$94,300.00	\$7,663.05	\$31,097.78	\$61,942.31	\$1,259.91
300 - PURCHASED SERVICES	\$2,150.00	\$0.00	\$0.00	\$0.00	\$2,150.00
400 - SUPPLIES & MATERIALS	\$6,500.00	\$0.00	\$2,146.31	\$52.49	\$4,301.20
2110 - ATTENDANCE & SOCIAL WORK					
100 - SALARIES	\$360,288.00	\$29,342.46	\$132,041.07	\$249,410.93	(\$21,164.00)
200 - EMPLOYEE BENEFITS	\$18,072.00	\$2,837.57	\$11,597.71	\$23,037.61	(\$16,563.32)
300 - PURCHASED SERVICES	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00
400 - SUPPLIES & MATERIALS	\$1,000.00	\$0.00	\$43.26	\$0.00	\$956.74
2130 - HEALTH SERVICES					
100 - SALARIES	\$164,250.00	\$6,012.50	\$41,389.93	\$83,193.17	\$39,666.90
200 - EMPLOYEE BENEFITS	\$48,488.00	\$1,156.56	\$6,303.81	\$14,665.04	\$27,519.15
300 - PURCHASED SERVICES	\$1,500.00	\$19,644.80	\$64,783.76	\$0.00	(\$63,283.76)
400 - SUPPLIES & MATERIALS	\$33,600.00	\$9,940.68	\$63,295.42	\$579.60	(\$30,275.02)
500 - CAPITAL OUTLAY	\$1,500.00	\$0.00	\$0.00	\$0.00	\$1,500.00
600 - OTHER OBJECTS	\$600.00	\$35.00	\$417.70	\$0.00	\$182.30
700 - NON-CAPITAL EQUIPMENT	\$1,500.00	\$0.00	\$0.00	\$0.00	\$1,500.00
2140 - PSYCHOLOGICAL SERVICES					
100 - SALARIES	\$173,997.00	\$13,261.32	\$59,675.94	\$112,721.06	\$1,600.00
200 - EMPLOYEE BENEFITS	\$31,144.00	\$2,544.02	\$10,299.54	\$20,534.96	\$309.50
300 - PURCHASED SERVICES	\$1,000.00	\$81.75	\$821.37	\$305.00	(\$126.37)
400 - SUPPLIES & MATERIALS	\$1,050.00	\$0.00	\$0.00	\$0.00	\$1,050.00
2150 - SPEECH PATHOLOGY & AUDIOLOGY					
100 - SALARIES	\$277,900.00	\$20,875.76	\$93,940.92	\$177,443.88	\$6,515.20
200 - EMPLOYEE BENEFITS	\$33,437.00	\$2,709.55	\$11,030.77	\$21,956.83	\$449.40
400 - SUPPLIES & MATERIALS	\$1,250.00	\$0.00	\$0.00	\$86.00	\$1,164.00
2190 - OTHER SUPPORT SERVICES - PUPILS					
100 - SALARIES	\$59,000.00	\$5,055.19	\$21,490.29	\$9,294.21	\$28,215.50

# Lincolnwood School District 74

## General Ledger - OBJECT REPORT

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

Account Mask: ????????????????????

Account Type: EXPENDITURE

Print accounts with zero balance     
  Include Inactive Accounts     
  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT	Preliminary 2021	Range To Date	Year To Date	Encumbrance	Budget Balance
200 - EMPLOYEE BENEFITS	\$285.00	\$20.26	\$92.26	\$66.40	\$126.34
2210 - IMPROVEMENT OF INSTRUCTION					
100 - SALARIES	\$351,694.00	\$26,467.70	\$181,990.15	\$168,944.36	\$759.49
200 - EMPLOYEE BENEFITS	\$39,392.00	\$3,285.24	\$20,851.70	\$19,693.22	(\$1,152.92)
300 - PURCHASED SERVICES	\$90,500.00	\$999.00	\$11,170.02	\$0.00	\$79,329.98
400 - SUPPLIES & MATERIALS	\$2,600.00	\$0.00	\$70.94	\$0.00	\$2,529.06
600 - OTHER OBJECTS	\$1,500.00	\$0.00	\$1,489.38	\$0.00	\$10.62
2220 - EDUCATIONAL MEDIA					
100 - SALARIES	\$254,622.00	\$19,103.18	\$79,265.61	\$162,377.20	\$12,979.19
200 - EMPLOYEE BENEFITS	\$27,259.00	\$2,206.51	\$8,885.39	\$17,911.52	\$462.09
400 - SUPPLIES & MATERIALS	\$6,850.00	\$289.02	\$4,485.77	\$837.86	\$1,526.37
2230 - ASSESSMENT & TESTING					
300 - PURCHASED SERVICES	\$14,525.00	\$0.00	\$14,525.00	\$0.00	\$0.00
2310 - BOARD OF EDUCATION					
200 - EMPLOYEE BENEFITS	\$58,000.00	\$4,758.90	\$28,661.40	\$0.00	\$29,338.60
300 - PURCHASED SERVICES	\$236,900.00	\$18,728.81	\$125,567.75	\$0.00	\$111,332.25
400 - SUPPLIES & MATERIALS	\$2,500.00	\$0.00	\$41.72	\$0.00	\$2,458.28
600 - OTHER OBJECTS	\$20,000.00	\$0.00	\$0.00	\$0.00	\$20,000.00
700 - NON-CAPITAL EQUIPMENT	\$1,000.00	\$0.00	\$0.00	\$0.00	\$1,000.00
2320 - SUPERINTENDENT					
100 - SALARIES	\$262,056.00	\$20,158.14	\$131,027.91	\$131,027.84	\$0.25
200 - EMPLOYEE BENEFITS	\$32,369.00	\$2,648.50	\$16,167.17	\$16,194.69	\$7.14
300 - PURCHASED SERVICES	\$3,400.00	\$103.00	\$404.00	\$0.00	\$2,996.00
400 - SUPPLIES & MATERIALS	\$2,000.00	\$24.94	\$126.93	\$0.00	\$1,873.07
500 - CAPITAL OUTLAY	\$500.00	\$0.00	\$0.00	\$0.00	\$500.00
600 - OTHER OBJECTS	\$2,500.00	\$0.00	\$2,191.81	\$0.00	\$308.19
700 - NON-CAPITAL EQUIPMENT	\$1,000.00	\$0.00	\$0.00	\$0.00	\$1,000.00
2330 - ADMINISTRATIVE SERVICES SPECIAL ED					
100 - SALARIES	\$137,451.00	\$10,584.38	\$68,163.61	\$68,798.31	\$489.08
200 - EMPLOYEE BENEFITS	\$46,064.00	\$3,145.40	\$19,451.47	\$19,015.93	\$7,596.60
2410 - PRINCIPAL					
100 - SALARIES	\$704,565.00	\$54,061.00	\$351,633.58	\$350,987.68	\$1,943.74
200 - EMPLOYEE BENEFITS	\$181,780.00	\$15,496.99	\$92,744.37	\$93,868.70	(\$4,833.07)
300 - PURCHASED SERVICES	\$6,500.00	\$166.20	\$720.15	\$0.00	\$5,779.85
400 - SUPPLIES & MATERIALS	\$5,200.00	\$0.00	\$109.28	\$0.00	\$5,090.72

**Lincolnwood School District 74**

**General Ledger - OBJECT REPORT**

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

Account Mask: ????????????????????

Account Type: EXPENDITURE

Print accounts with zero balance     
  Include Inactive Accounts     
  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT	Preliminary 2021	Range To Date	Year To Date	Encumbrance	Budget Balance
500 - CAPITAL OUTLAY	\$1,500.00	\$0.00	\$0.00	\$0.00	\$1,500.00
600 - OTHER OBJECTS	\$2,000.00	\$0.00	\$537.00	\$0.00	\$1,463.00
<b>2510 - DIRECTION OF BUSINESS SUPPORT SERVICES</b>					
100 - SALARIES	\$175,825.00	\$13,524.94	\$87,912.11	\$87,912.05	\$0.84
200 - EMPLOYEE BENEFITS	\$29,088.00	\$2,385.43	\$14,538.47	\$14,565.05	(\$15.52)
600 - OTHER OBJECTS	\$1,500.00	\$0.00	\$1,209.00	\$0.00	\$291.00
700 - NON-CAPITAL EQUIPMENT	\$1,000.00	\$0.00	\$0.00	\$0.00	\$1,000.00
<b>2520 - FISCAL SERVICES</b>					
100 - SALARIES	\$214,500.00	\$16,336.74	\$106,309.30	\$106,188.69	\$2,002.01
200 - EMPLOYEE BENEFITS	\$45,739.00	\$3,803.69	\$22,637.38	\$22,874.14	\$227.48
300 - PURCHASED SERVICES	\$118,675.00	\$904.76	\$2,894.72	\$0.00	\$115,780.28
400 - SUPPLIES & MATERIALS	\$5,000.00	\$697.69	\$2,357.50	\$0.00	\$2,642.50
600 - OTHER OBJECTS	\$20,000.00	\$203.16	\$6,195.23	\$0.00	\$13,804.77
700 - NON-CAPITAL EQUIPMENT	\$2,500.00	\$0.00	\$0.00	\$0.00	\$2,500.00
<b>2560 - FOOD SERVICES</b>					
100 - SALARIES	\$232,100.00	\$17,483.00	\$88,407.36	\$116,586.17	\$27,106.47
200 - EMPLOYEE BENEFITS	\$53,628.00	\$4,893.74	\$19,693.20	\$35,397.95	(\$1,463.15)
300 - PURCHASED SERVICES	\$3,000.00	\$23.30	\$533.68	\$0.00	\$2,466.32
400 - SUPPLIES & MATERIALS	\$259,200.00	\$1,040.68	\$29,252.65	\$0.00	\$229,947.35
500 - CAPITAL OUTLAY	\$5,000.00	\$0.00	\$0.00	\$0.00	\$5,000.00
600 - OTHER OBJECTS	\$1,500.00	\$0.00	\$752.50	\$0.00	\$747.50
700 - NON-CAPITAL EQUIPMENT	\$4,500.00	\$0.00	\$0.00	\$0.00	\$4,500.00
<b>2570 - INTERNAL SERVICES</b>					
300 - PURCHASED SERVICES	\$20,500.00	\$0.00	\$13,517.15	\$0.00	\$6,982.85
400 - SUPPLIES & MATERIALS	\$1,500.00	\$0.00	\$0.00	\$0.00	\$1,500.00
<b>2630 - INFORMATION SERVICES</b>					
100 - SALARIES	\$80,000.00	\$6,153.84	\$39,999.96	\$40,000.04	\$0.00
200 - EMPLOYEE BENEFITS	\$6,221.00	\$514.74	\$3,103.44	\$3,115.67	\$1.89
300 - PURCHASED SERVICES	\$37,000.00	\$4,780.00	\$14,692.16	\$0.00	\$22,307.84
400 - SUPPLIES & MATERIALS	\$6,000.00	\$0.00	(\$650.00)	\$0.00	\$6,650.00
600 - OTHER OBJECTS	\$1,500.00	\$25.50	\$803.02	\$0.00	\$696.98
<b>2660 - OTHER SUPPORT SERVICES - PUPILS</b>					
100 - SALARIES	\$439,390.00	\$34,328.72	\$211,926.15	\$226,800.84	\$663.01
200 - EMPLOYEE BENEFITS	\$82,701.00	\$6,239.72	\$38,024.94	\$37,806.10	\$6,869.96
300 - PURCHASED SERVICES	\$1,000.00	\$0.00	\$22.46	\$0.00	\$977.54

Lincolnwood School District 74

General Ledger - OBJECT REPORT

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

Account Mask: ??????????????????

Account Type: EXPENDITURE

Print accounts with zero balance  Include Inactive Accounts  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT	Preliminary 2021	Range To Date	Year To Date	Encumbrance	Budget Balance
600 - OTHER OBJECTS	\$300.00	\$0.00	\$0.00	\$0.00	\$300.00
3000 - COMMUNITY SERVICES					
300 - PURCHASED SERVICES	\$1,000.00	\$0.00	\$0.00	\$0.00	\$1,000.00
400 - SUPPLIES & MATERIALS	\$1,000.00	\$0.00	\$0.00	\$0.00	\$1,000.00
4120 - PAYMENTS FOR SPECIAL ED PROGRAMS					
300 - PURCHASED SERVICES	\$34,900.00	\$14,428.00	\$14,428.00	\$0.00	\$20,472.00
600 - OTHER OBJECTS	\$1,903,084.00	\$867,395.14	\$945,319.28	\$0.00	\$957,764.72
10 - EDUCATIONAL Total:	\$20,759,971.00	\$2,227,060.03	\$7,869,368.94	\$9,874,855.50	\$3,015,746.56

**Lincolnwood School District 74**

**General Ledger - OBJECT REPORT**

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

Account Mask: ????????????????????

Account Type: EXPENDITURE

Print accounts with zero balance     
  Include Inactive Accounts     
  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT	Preliminary 2021	Range To Date	Year To Date	Encumbrance	Budget Balance
20 - OPERATIONS & MAINTENANCE					
0 - EXPENDITURES					
2540 - OPERATIONS & MAINTENANCE OF PLANTS					
100 - SALARIES	\$506,000.00	\$34,758.32	\$235,219.87	\$221,693.69	\$49,086.44
200 - EMPLOYEE BENEFITS	\$74,085.00	\$6,160.96	\$37,024.98	\$37,075.96	(\$15.94)
300 - PURCHASED SERVICES	\$916,000.00	\$75,908.39	\$507,853.95	\$2,854.95	\$405,291.10
400 - SUPPLIES & MATERIALS	\$482,616.00	\$41,729.93	\$211,347.20	\$16,528.67	\$254,740.13
500 - CAPITAL OUTLAY	\$173,500.00	\$0.00	\$31,107.07	\$4,998.24	\$137,394.69
600 - OTHER OBJECTS	\$300.00	\$0.00	\$855.00	\$0.00	(\$555.00)
700 - NON-CAPITAL EQUIPMENT	\$21,000.00	\$390.00	\$5,949.11	\$996.00	\$14,054.89
20 - OPERATIONS & MAINTENANCE Total:	\$2,173,501.00	\$158,947.60	\$1,029,357.18	\$284,147.51	\$859,996.31

**Lincolnwood School District 74**

**General Ledger - OBJECT REPORT**

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

Account Mask: ????????????????????

Account Type: EXPENDITURE

Print accounts with zero balance     
  Include Inactive Accounts     
  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT

Preliminary 2021    Range To Date    Year To Date    Encumbrance    Budget Balance

30 - DEBT SERVICE

    0 - EXPENDITURES

        5140 - DEBT SERVICE - INTEREST PAYMENTS

600 - OTHER OBJECTS	\$534,400.00	\$276,200.00	\$276,200.00	\$0.00	\$258,200.00
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        5200 - INTEREST ON BONDS OUTSTANDING

600 - OTHER OBJECTS	\$1,085,000.00	\$1,085,000.00	\$1,085,000.00	\$0.00	\$0.00
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        5400 - DEBT SERVICE LEASES

600 - OTHER OBJECTS	\$2,500.00	\$0.00	\$0.00	\$0.00	\$2,500.00
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30 - DEBT SERVICE Total:	\$1,621,900.00	\$1,361,200.00	\$1,361,200.00	\$0.00	\$260,700.00
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Lincolnwood School District 74

General Ledger - OBJECT REPORT

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

Account Mask: ??????????????????

Account Type: EXPENDITURE

Print accounts with zero balance  Include Inactive Accounts  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT

Preliminary 2021 Range To Date Year To Date Encumbrance Budget Balance

40 - TRANSPORTATION

0 - EXPENDITURES

2550 - PUPIL TRANSPORTATION

300 - PURCHASED SERVICES

\$1,208,000.00	\$112,739.16	\$332,934.56	\$0.00	\$875,065.44
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40 - TRANSPORTATION Total:	\$1,208,000.00	\$112,739.16	\$332,934.56	\$0.00	\$875,065.44
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**Lincolnwood School District 74**

**General Ledger - OBJECT REPORT**

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

Account Mask: ????????????????????

Account Type: EXPENDITURE

Print accounts with zero balance     
  Include Inactive Accounts     
  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT	Preliminary 2021	Range To Date	Year To Date	Encumbrance	Budget Balance
51 - IMRF					
0 - EXPENDITURES					
1100 - REGULAR K-12 PROGRAMS					
200 - EMPLOYEE BENEFITS	\$750.00	\$164.16	\$738.76	\$105.40	(\$94.16)
1125 - PRE-K PROGRAMS					
200 - EMPLOYEE BENEFITS	\$6,213.00	\$503.72	\$2,266.74	\$4,143.72	(\$197.46)
1200 - SPECIAL ED PROGRAMS K-12					
200 - EMPLOYEE BENEFITS	\$48,425.00	\$2,331.27	\$19,731.15	\$20,769.04	\$7,924.81
1500 - INTERSCHOLASTIC PROGRAMS					
200 - EMPLOYEE BENEFITS	\$3,000.00	\$0.00	\$0.00	\$0.00	\$3,000.00
2130 - HEALTH SERVICES					
200 - EMPLOYEE BENEFITS	\$20,685.00	\$823.72	\$5,670.41	\$8,735.42	\$6,279.17
2190 - OTHER SUPPORT SERVICES - PUPILS					
200 - EMPLOYEE BENEFITS	\$400.00	\$0.00	\$0.00	\$0.00	\$400.00
2210 - IMPROVEMENT OF INSTRUCTION					
200 - EMPLOYEE BENEFITS	\$7,410.00	\$600.70	\$3,904.55	\$3,740.09	(\$234.64)
2330 - ADMINISTRATIVE SERVICES SPECIAL ED					
200 - EMPLOYEE BENEFITS	\$2,100.00	\$181.96	\$1,095.78	\$1,132.94	(\$128.72)
2410 - PRINCIPAL					
200 - EMPLOYEE BENEFITS	\$23,300.00	\$1,917.08	\$21,668.09	\$11,882.76	(\$10,250.85)
2520 - FISCAL SERVICES					
200 - EMPLOYEE BENEFITS	\$28,000.00	\$2,238.14	\$14,564.42	\$13,935.18	(\$499.60)
2540 - OPERATIONS & MAINTENANCE OF PLANTS					
200 - EMPLOYEE BENEFITS	\$66,408.00	\$4,756.62	\$32,190.90	\$29,030.59	\$5,186.51
2560 - FOOD SERVICES					
200 - EMPLOYEE BENEFITS	\$29,659.00	\$2,347.29	\$11,844.19	\$15,333.23	\$2,481.58
2630 - INFORMATION SERVICES					
200 - EMPLOYEE BENEFITS	\$10,500.00	\$843.08	\$5,480.02	\$5,249.23	(\$229.25)
2660 - OTHER SUPPORT SERVICES - PUPILS					
200 - EMPLOYEE BENEFITS	\$41,921.00	\$3,631.86	\$22,071.21	\$23,114.88	(\$3,265.09)
<b>51 - IMRF Total:</b>	<b>\$288,771.00</b>	<b>\$20,339.60</b>	<b>\$141,226.22</b>	<b>\$137,172.48</b>	<b>\$10,372.30</b>

# Lincolnwood School District 74

## General Ledger - OBJECT REPORT

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

Account Mask: ????????????????????

Account Type: EXPENDITURE

Print accounts with zero balance     
  Include Inactive Accounts     
  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT	Preliminary 2021	Range To Date	Year To Date	Encumbrance	Budget Balance
52 - SOCIAL SECURITY AND MEDICARE					
0 - EXPENDITURES					
1100 - REGULAR K-12 PROGRAMS					
200 - EMPLOYEE BENEFITS	\$107,115.00	\$8,226.45	\$37,923.66	\$62,611.83	\$6,579.51
1125 - PRE-K PROGRAMS					
200 - EMPLOYEE BENEFITS	\$4,450.00	\$325.27	\$1,526.29	\$2,821.57	\$102.14
1200 - SPECIAL ED PROGRAMS K-12					
200 - EMPLOYEE BENEFITS	\$37,170.00	\$1,866.78	\$8,289.66	\$16,431.17	\$12,449.17
1250 - REMEDIAL & SUPPLEMENTAL K-12					
200 - EMPLOYEE BENEFITS	\$6,725.00	\$500.67	\$2,267.65	\$4,269.83	\$187.52
1500 - INTERSCHOLASTIC PROGRAMS					
200 - EMPLOYEE BENEFITS	\$3,825.00	\$0.00	\$0.00	\$0.00	\$3,825.00
1650 - GIFTED PROGRAMS					
200 - EMPLOYEE BENEFITS	\$5,275.00	\$255.34	\$1,158.60	\$2,179.96	\$1,936.44
1800 - BILINGUAL PROGRAMS					
200 - EMPLOYEE BENEFITS	\$9,305.00	\$681.58	\$3,088.31	\$5,810.07	\$406.62
2110 - ATTENDANCE & SOCIAL WORK					
200 - EMPLOYEE BENEFITS	\$4,225.00	\$411.24	\$1,859.01	\$3,501.36	(\$1,135.37)
2130 - HEALTH SERVICES					
200 - EMPLOYEE BENEFITS	\$11,450.00	\$413.78	\$2,931.26	\$4,541.76	\$3,976.98
2140 - PSYCHOLOGICAL SERVICES					
200 - EMPLOYEE BENEFITS	\$2,500.00	\$178.88	\$811.97	\$1,525.32	\$162.71
2150 - SPEECH PATHOLOGY & AUDIOLOGY					
200 - EMPLOYEE BENEFITS	\$3,825.00	\$278.82	\$1,264.71	\$2,379.97	\$180.32
2190 - OTHER SUPPORT SERVICES - PUPILS					
200 - EMPLOYEE BENEFITS	\$3,565.00	\$301.99	\$1,258.28	\$433.80	\$1,872.92
2210 - IMPROVEMENT OF INSTRUCTION					
200 - EMPLOYEE BENEFITS	\$8,425.00	\$649.22	\$4,355.57	\$4,163.53	(\$94.10)
2220 - EDUCATIONAL MEDIA					
200 - EMPLOYEE BENEFITS	\$3,600.00	\$263.49	\$1,096.70	\$2,250.58	\$252.72
2320 - SUPERINTENDENT					
200 - EMPLOYEE BENEFITS	\$4,000.00	\$296.32	\$1,924.07	\$1,924.31	\$151.62
2330 - ADMINISTRATIVE SERVICES SPECIAL ED					
200 - EMPLOYEE BENEFITS	\$2,780.00	\$228.22	\$1,425.48	\$1,484.07	(\$129.55)
2410 - PRINCIPAL					

**Lincolnwood School District 74**

**General Ledger - OBJECT REPORT**

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

Account Mask: ????????????????????

Account Type: EXPENDITURE

Print accounts with zero balance     
  Include Inactive Accounts     
  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT	Preliminary 2021	Range To Date	Year To Date	Encumbrance	Budget Balance
200 - EMPLOYEE BENEFITS	\$21,350.00	\$1,470.39	\$9,696.67	\$9,611.81	\$2,041.52
2510 - DIRECTION OF BUSINESS SUPPORT SERVICES					
200 - EMPLOYEE BENEFITS	\$2,525.00	\$195.90	\$1,273.46	\$1,273.14	(\$21.60)
2520 - FISCAL SERVICES					
200 - EMPLOYEE BENEFITS	\$16,250.00	\$1,103.92	\$7,264.30	\$7,282.39	\$1,703.31
2540 - OPERATIONS & MAINTENANCE OF PLANTS					
200 - EMPLOYEE BENEFITS	\$41,700.00	\$2,511.30	\$17,108.32	\$16,090.99	\$8,500.69
2560 - FOOD SERVICES					
200 - EMPLOYEE BENEFITS	\$16,010.00	\$1,187.08	\$6,161.61	\$7,840.95	\$2,007.44
2630 - INFORMATION SERVICES					
200 - EMPLOYEE BENEFITS	\$6,175.00	\$455.12	\$2,966.11	\$2,966.12	\$242.77
2660 - OTHER SUPPORT SERVICES - PUPILS					
200 - EMPLOYEE BENEFITS	\$26,200.00	\$2,000.24	\$12,201.33	\$13,355.12	\$643.55
<b>52 - SOCIAL SECURITY AND MEDICARE Total:</b>	<b>\$348,445.00</b>	<b>\$23,802.00</b>	<b>\$127,853.02</b>	<b>\$174,749.65</b>	<b>\$45,842.33</b>

Lincolnwood School District 74

General Ledger - OBJECT REPORT

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

Account Mask: ????????????????????

Account Type: EXPENDITURE

Print accounts with zero balance  Include Inactive Accounts  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT

Preliminary 2021 Range To Date Year To Date Encumbrance Budget Balance

60 - CAPITAL PROJECTS

0 - EXPENDITURES

2530 - FACILITY ACQUISITION & CONSTRUCTION

FUND / TYPE / FUNCTION / OBJECT	Preliminary 2021	Range To Date	Year To Date	Encumbrance	Budget Balance
300 - PURCHASED SERVICES	\$66,471.00	\$0.00	\$68,594.03	\$0.00	(\$2,123.03)
500 - CAPITAL OUTLAY	\$708,500.00	\$15,750.00	\$618,955.97	\$17,065.00	\$72,479.03
2540 - OPERATIONS & MAINTENANCE OF PLANTS					
500 - CAPITAL OUTLAY	\$10,000.00	\$2,399.00	\$2,399.00	\$0.00	\$7,601.00
60 - CAPITAL PROJECTS Total:	\$784,971.00	\$18,149.00	\$689,949.00	\$17,065.00	\$77,957.00

Lincolnwood School District 74

General Ledger - OBJECT REPORT

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

Account Mask: ??????????????????

Account Type: EXPENDITURE

Print accounts with zero balance  Include Inactive Accounts  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT	Preliminary 2021	Range To Date	Year To Date	Encumbrance	Budget Balance
80 - TORT IMMUNITY					
0 - EXPENDITURES					
2362 - WORKERS COMPENSATION INSURANCE					
300 - PURCHASED SERVICES	\$90,000.00	\$0.00	(\$5,279.00)	\$0.00	\$95,279.00
2366 - JUDGMENTS/SETTLEMENTS					
600 - OTHER OBJECTS	\$5,000.00	\$0.00	\$0.00	\$0.00	\$5,000.00
2371 - PROPERTY INSURANCE					
300 - PURCHASED SERVICES	\$75,000.00	\$0.00	\$0.00	\$0.00	\$75,000.00
80 - TORT IMMUNITY Total:	\$170,000.00	\$0.00	(\$5,279.00)	\$0.00	\$175,279.00

Lincolnwood School District 74

General Ledger - OBJECT REPORT

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

Account Mask: ??????????????????

Account Type: EXPENDITURE

Print accounts with zero balance  Include Inactive Accounts  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT

Preliminary 2021 Range To Date Year To Date Encumbrance Budget Balance

90 - FIRE PREVENTION & SAFETY

0 - EXPENDITURES

2530 - FACILITY ACQUISITION & CONSTRUCTION

300 - PURCHASED SERVICES

\$58,750.00 \$13,754.70 \$42,305.30 \$0.00 \$16,444.70

2540 - OPERATIONS & MAINTENANCE OF PLANTS

500 - CAPITAL OUTLAY

\$957,000.00 \$0.00 \$801,990.00 \$0.00 \$155,010.00

90 - FIRE PREVENTION & SAFETY Total: \$1,015,750.00 \$13,754.70 \$844,295.30 \$0.00 \$171,454.70

Lincolnwood School District 74

General Ledger - OBJECT REPORT

Fiscal Year: 2020-2021 From Date:12/1/2020 To Date:12/31/2020

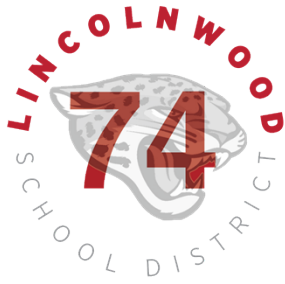
Account Mask: ??????????????????

Account Type: EXPENDITURE

- Print accounts with zero balance  Include Inactive Accounts  Include PreEncumbrance

FUND / TYPE / FUNCTION / OBJECT	Preliminary 2021	Range To Date	Year To Date	Encumbrance	Budget Balance
Grand Total:	\$28,371,309.00	\$3,935,992.09	\$12,390,905.22	\$10,487,990.14	\$5,492,413.64

End of Report



## Executive Summary Finance Committee Meeting

DATE: February 18, 2021

TOPIC: PMA Financial Advisory Agreement

PREPARED BY: Courtney Whited

### **Recommended for:**

- Action
- Discussion
- Information

### **Purpose/Background:**

The Board of Education approves all Contracts and Agreements. This Agreement describes the nature of the services that PMA will be providing for the District and their compensation structure relative to the current \$7 Million Dollar Bond Issue. Legal Counsel found this to be a relatively standard format that many clients have signed in similar financing situations in the past.

### **Fiscal Impact:**

The fees due to PMA for the Scope of Services set forth and described in Section I of this Agreement shall be based on the table following this paragraph calculated on an aggregate issuance basis plus \$3,500 for the services described in Section I.B.4, Offering Documents, provided that the fee will be \$2,500 if these documents are generated from documents originally produced by PMA for an issue that closed within the 12 months prior to the Effective Date. Such fees, for which PMA is entitled to reimbursement, shall become due and payable concurrently with the delivery of the Securities to the purchaser. No fee shall be due from the Issuer to PMA unless the Securities close.

<u>Public Offering Price</u>		<u>Standard Fee Amount For</u>	
>	< or = to	<u>Financial Advisory Services Described in Section I</u>	
\$0	- \$2,500,000	\$0 plus	\$14,000
\$2,500,000	- \$5,000,000	\$14,000 plus	\$3.25 / \$1,000 for amount > \$2,500,000
\$5,000,000	- \$10,000,000	\$22,125 plus	\$2.75 / \$1,000 for amount > \$5,000,000
\$10,000,000	- \$25,000,000	\$35,875 plus	\$2.25 / \$1,000 for amount > \$10,000,000
\$25,000,000	- \$50,000,000	\$69,625 plus	\$1.75 / \$1,000 for amount > \$25,000,000
\$50,000,000	- \$100,000,000	\$113,375 plus	\$1.25 / \$1,000 for amount > \$50,000,000
\$100,000,000	- ∞	\$175,875 plus	\$0.50 / \$1,000 for amount > \$100,000,000

*For example, for the issuance of Securities with an aggregate par amount of \$7,500,000 and an aggregate public offering price of \$7,800,000, the fees due to PMA for the Scope of Services set forth and described in Section I of this Agreement would be \$29,825, which calculates to \$3.82 per \$1,000 plus \$3,500 for the services described in Section I.B.4.*

**Recommendation:**

It is the Administrative recommendation that the Finance Committee concurs to recommend to the Board of Education to accept the PMA Financial Agreement for the 2021 Series Bonds.



## FINANCIAL ADVISORY AGREEMENT

This Financial Advisory Agreement (the “Agreement”) is made and entered into by and between the School District Number 74 (Lincolnwood), Cook County, Illinois (“Issuer”) and PMA Securities, LLC (“PMA”) effective as of December 4, 2020 (the “Effective Date”). The Issuer and PMA collectively constitute the “Parties” hereunder.

### WITNESSETH:

WHEREAS, the Issuer intends to issue \$500,000\* Series 2021A Taxable General Obligation Limited Tax Refunding School Bonds and \$7,000,000\* Series 2021B General Obligation Limited Tax School Bonds (together, the “Securities”) to fund capital projects and restructure existing debt, which may be issued in one or more series of issues, and in connection with the authorization, sale, issuance and delivery of such indebtedness, the Issuer desires to retain a financial advisor to advise the Issuer regarding the issuance of the Securities;

WHEREAS, PMA is willing to provide its professional services and its facilities as financial advisor in connection with the Securities as may be considered and authorized by the Issuer during the period in which this Agreement shall be effective;

WHEREAS, the Issuer is a municipal entity and the Securities are municipal securities as defined by the Securities Exchange Act of 1934 and the rules of the Municipal Securities Rulemaking Board (“MSRB”);

WHEREAS, PMA is registered as a municipal advisor with the U.S. Securities Exchange Commission (“SEC”) and the MSRB and thus, may provide municipal advisor services to a municipal entity such as the Issuer, including advice with respect to the issuance of municipal securities; and

WHEREAS, the financial advisory services described herein are provided by PMA exclusively as a Municipal Advisor as described under MSRB Rule G-3(d).

NOW, THEREFORE, the Issuer and PMA, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, do hereby agree as follows:

### SECTION I SCOPE OF SERVICES

Upon the request of an authorized representative of the Issuer, PMA agrees to perform the financial advisory services (hereinafter “Services” or “Scope of Services”) stated in the following provisions of this Section I; and for having rendered such services, the Issuer agrees to pay PMA the compensation as provided in Section VI hereof.

A. Financial Planning. At the direction of the Issuer, PMA shall:

1. Analysis. Conduct an analysis of the financial resources of the Issuer to determine the extent of its capacity to authorize, issue and service the Securities contemplated. This analysis will include reviews of any existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, may include an analysis of the trend of the assessed valuation, taxing power and present and future taxing requirements of the Issuer. The analysis may take into account any outstanding indebtedness payable from the revenues of existing or projected facilities operated by the Issuer, additional revenues to be available from any

\*Preliminary, subject to change, and reflects the current estimated par amount. Currently, the expected estimated public offering prices of the Securities are \$500,000 and \$7,300,000, respectively, from which the fee may be calculated. See Section VI herein.

proposed rate increases and additional revenues, as projected through internal proprietary systems of PMA and its affiliates or through other parties employed by the Issuer, resulting from improvements to be financed by the Securities under consideration.

2. Future Financings. Consider and analyze future financing needs as projected by the Issuer's staff, through internal proprietary systems of PMA and its affiliates or through other parties, if any, employed by the Issuer.
3. Recommendations for Securities. Submit recommendations to the Issuer regarding the Securities under consideration, including such elements as the date of issue, interest payment dates, schedule of principal maturities, options of prior payment, security provisions, and such other provisions as may be appropriate in order to make the issue attractive to investors while achieving the objectives of the Issuer. All recommendations will be consistent with the goal of designing the Securities to be sold on terms that are advantageous to the Issuer, including the lowest interest cost consistent with all other considerations.
4. Market Information. Advise the Issuer of current bond market conditions, other related forthcoming bond issues, economic data and other market information, which might normally be expected to influence interest rates or bidding conditions so that the date of sale of the Securities may be set at a favorable time.
5. Elections. Assist in coordinating the assembly of data for the preparation of any necessary petitions, orders, resolutions, ordinances, notices and certificates in connection with the issuance of municipal securities, including assistance in the transmission of such data to any law firm retained by the Issuer, such as issuer counsel, bond counsel, disclosure counsel or otherwise, in the event it is necessary to hold an election to authorize the Securities.

B. Debt Management and Financial Implementation. At the direction of the Issuer, PMA shall:

1. Method of Sale. Evaluate the particular financing of Securities being contemplated, giving consideration to the complexity, market acceptance, rating, size and structure in order to make a recommendation as to an appropriate method of sale, and:
  - a. If the Securities are to be sold by an advertised competitive sale, PMA will:
    - (1) Oversee the sale of the Securities;
    - (2) Disseminate information to prospective bidders, organize such informational meetings as may be necessary, and facilitate prospective bidders' efforts in making timely submission of proper bids which may include the use of a third party auction platform;
    - (3) Assist the staff of the Issuer in coordinating the receipt of bids, the safekeeping of good faith checks and the tabulation and comparison of submitted bids; and
    - (4) Advise the Issuer regarding the best bid and provide advice regarding acceptance or rejection of the bids.
  - b. If the Securities are to be sold by negotiated sale, PMA will:
    - (1) Recommend, for the Issuer's formal approval and acceptance, one or more investment banking firms as managers of an underwriting syndicate to negotiate the purchase of the Securities. This may include a request for proposal for underwriting services. A

recommendation will be based upon but not limited to the following: proposed underwriter fees, indicative interest rates and yields, recent comparable bond sales that support the indicative rates and yields, quality of structuring ideas proposed, experience of the underwriter and its personnel, and willingness to commit capital. In keeping with the provisions of Rule G-23 of the MSRB, PMA will not participate in an underwriting syndicate in connection with the negotiated purchase of the Securities.

- (2) Cooperate with and assist the underwriter(s) in the review of a bond purchase contract and other related documents. The costs incurred in such efforts, including the printing of the documents, will be paid in accordance with the terms of the Issuer's agreement with the underwriter(s), but shall not be or become an obligation of PMA, except to the extent specifically provided otherwise in this Agreement or assumed in writing by PMA.
  - (3) Assist the staff of the Issuer in the safekeeping of any good faith checks, to the extent there are any, and provide a cost comparison for both expenses and interest, which are suggested by the underwriter(s), to the then current market.
  - (4) Advise the Issuer as to the fairness of the prices/yields offered by the underwriter(s).
- c. If the Securities are to be sold as a placement:
- (1) Direct Sale. The Issuer shall identify the potential purchasers and provide the information to PMA in a direct sale. At the request of the Issuer, PMA will disseminate information, including any offering documents, to prospective purchasers and collect prospective purchasers' timely submission of offers to purchase. PMA will analyze such offers to purchase and make a recommendation to the Issuer regarding the acceptance of one or more offers to purchase the Securities according to parameters set out by the Issuer or based on the Issuer's best interest.
    - a. Pursuant to SEC Release No. 34-89074, dated June 16, 2020 (the "Order"), the SEC granted a temporary conditional exemption (the "Temporary Exemption") for registered municipal advisors to directly solicit potential purchasers of municipal securities, subject to certain requirements, through December 31, 2020. If the conditions set forth in the Order are met, PMA may recommend that the Temporary Exemption be utilized for the sale of the Securities. If the Temporary Exemption is utilized for the sale of the Securities, PMA will identify Qualified Providers (as defined in the Order), disseminate information, including any offering documents, to Qualified Providers and collect their timely submission of offers to purchase. PMA will analyze such offers to purchase and make a recommendation to the Issuer regarding the acceptance of one or more offers to purchase the Securities based on the Issuer's best interest.
    - b. In keeping with Rule G-23 of the MSRB, PMA will in no event act as placement agent for the sale of the Securities.
  - (2) Private Placement. PMA may recommend that the Issuer engage a placement agent for a private placement of the Securities, under certain circumstances. The recommendation to engage a placement agent will be based upon, but not limited to, the following factors: the size and complexity of the Securities, the credit of the Issuer, the amortization length of the Securities and whether DTC eligibility is appropriate for the issuance. If PMA recommends the use of a placement agent, PMA will then recommend, for the Issuer's formal approval and acceptance, an investment banking firm as placement agent for the Securities. This may include a request for proposal for placement agent services. A recommendation will be based

upon, but not limited to the following: proposed fee, indicative interest rates, recent comparable bond sales that support the rates, quality of structuring ideas proposed and experience of the placement agent and its personnel.

2. Issuer Meetings. Attend meetings of the governing body of the Issuer, its staff, representatives or committees as requested and at all times when PMA may be of assistance or service and the subject matter is related to the Securities.
3. Review of Third Party Recommendations. Review of a recommendation of another party if requested by the Issuer and the request is within the Scope of Services. PMA will determine, based on the information obtained through reasonable diligence, whether the municipal securities transaction or municipal financial product is or is not suitable for the Issuer. In addition, PMA will inform the Issuer of:
  - (1) PMA's evaluation of the material risks, potential benefits, structure and other characteristics of the recommended municipal securities transaction or municipal financial product;
  - (2) The basis upon which PMA reasonably believes that the recommended municipal securities transaction or municipal financial product is, or is not, suitable for the Issuer; and
  - (3) Whether PMA has investigated or considered other reasonably feasible alternatives to the recommended municipal securities transaction or municipal financial product that might also or alternatively serve the Issuer's objectives.
4. Offering Documents. Draft the preliminary and final Official Statements, Offering Memoranda or Term Sheets ("Offering Documents") based on information provided by the Issuer as well as information derived from other sources. The information contained in the Offering Documents will be derived from the sources stated or, if not otherwise sourced, from the Issuer. PMA makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in the Offering Document, and its assistance in preparing the Offering Document should not be construed as a representation that it has independently verified such information. The Issuer will be expected to examine, approve and make certifications with respect to the information in the Offering Documents in accordance with its obligations under the federal securities laws.
  - (1) In a competitive sale, PMA will coordinate the preparation of the notice of sale and bidding instructions, official bid form and such other documents as may be required and submit all such documents to the Issuer for examination, approval and certification.
  - (2) PMA will electronically distribute the Offering Documents.
  - (3) Some of the data collected may require a fee, such as overlapping debt or an auditor's certificate. Upon the request of an authorized representative of the Issuer, any fees for data will be sent to the Issuer for prior approval.
  - (4) As needed for Offering Documents disclosure purposes, PMA will file reportable event notices and other information to the MSRB's Electronic Municipal Market Access ("EMMA") as directed by the Issuer.
5. Credit Ratings and Insurance. Make recommendations to the Issuer as to the advisability of obtaining a credit rating and/or insurance for the Securities. Where insurance for the Securities is advised, PMA will request bids from insurance agencies. When directed by the Issuer, coordinate the preparation of such information as may be appropriate for submission to the rating agency and/or

insurance agencies. If PMA's advice includes personal presentation of information to the rating agency and/or insurance agencies, PMA will arrange for such personal presentations by the Issuer's representatives.

6. Trustee, Paying Agent, Registrar. Assist the Issuer in the selection of a trustee and/or paying agent/registrar for the Securities and assist in the negotiation of agreements pertinent to these services and the fees incident thereto.
  7. Escrow Bidding Agent, Escrow Agent, Verification Agent. Assist the Issuer in the selection of an escrow bidding agent, an escrow agent and/or a verification agent for the Securities and assist in the negotiation of agreements pertinent to those services and the fees incident thereto, if needed.
  8. Financial Publications. Advise financial publications of the forthcoming sale of the Securities and provide them with all pertinent information, when appropriate. Upon request, PMA will coordinate the publication of legal notices when required by law for the issuance of the Securities.
  9. Consultants. Arrange for reports and opinions of recognized independent consultants as may be appropriate for the successful marketing of the Securities and assist in the negotiation of agreements pertinent to those services and the fees incident thereto.
  10. Legal Counsel. Maintain liaison with bond counsel, disclosure counsel and local counsel, if any, in the preparation of legal documents pertaining to the authorization, sale and issuance of the Securities.
  11. Delivery of the Securities. Coordinate the efforts of the working group for the Securities, which typically includes the Issuer, underwriter, bond counsel, and other counsel, as applicable, rating agency, bond registrar, paying agent, and any other third party engaged by the Issuer, as soon as a bid for the Securities is accepted by the Issuer, so that the Securities may be delivered and paid for as expeditiously as possible. Assist the Issuer in the preparation or verification of final closing figures incident to the delivery of the Securities.
- C. Services Not Related to an Issuance of Municipal Securities. If requested by the Issuer, PMA will perform the services following this paragraph for the Issuer, with respect to the Securities, with no additional compensation required. This Agreement hereby terminates any prior Financial Advisory Agreement or Financial Advisory Engagement Letter for the provision of the following services:
1. Rating surveillance preparation;
  2. Debt summary and debt book updates;
  3. Educational presentations to the Issuer's governing body, community and/or staff;
  4. Review paying agent/DTC invoices for accuracy;
  5. Review and provide advice related to a bond levy;
  6. Advise the Issuer of filings related to tax credit bonds and the need to approve abatement resolutions and debt service extension base modification resolutions;
  7. Assist with filing debt-related documents with other government entities, such as the state;
  8. Assist with FOIA-related documentation and questions; and

9. Assist with post-issuance compliance per the rules of the Internal Revenue Service (“IRS”).

D. Limitations on Services. The Services are subject to the following limitations:

1. The Services are limited solely to the services described herein and are subject to any limitations set forth within the Scope of Services.
2. PMA is not responsible for certifying as to the accuracy or completeness (including the accuracy or completeness of any description of the Issuer’s compliance with its continuing disclosure obligations) of any preliminary or final Offering Documents, other than with respect to any information about PMA provided by PMA for inclusion in such documents.
3. The Services do not include tax, legal, accounting or engineering advice with respect to the Securities, services not related to an issuance of municipal securities (except as provided in Section I.C. above) or in connection with any opinion or certificate rendered by bond counsel or any other person at closing, and does not include review or advice on any feasibility study.
4. Unless requested by the Issuer, PMA will not negotiate fees or send out a request for proposal for legal services including issuer counsel, bond counsel or disclosure counsel.
5. Dissemination Agent services for continuing disclosure are not included under this Agreement except as provided under Section I.B.4.(4). Dissemination Agent services include, for example, annual financial information and annual financial statement filings to EMMA. PMA is engaged as Dissemination Agent pursuant to a separate engagement to provide services not covered under Section 1.B.4.(4).

E. Amendment to Scope of Services. The Scope of Services may be amended as set forth in Section VIII.D. The Parties agree to amend or supplement the Scope of Services described herein promptly to reflect any material changes or additions to the Scope of Services. Changes to the Scope of Services may result in an increased fee.

## **SECTION II POTENTIAL BENEFITS & RISKS OF ISSUING THE SECURITIES**

A. The potential benefits involved with issuing the Securities include, among other things:

1. Meeting the Issuer’s Funding Needs. The Securities are being issued to meet the Issuer’s stated funding needs.
2. Relative Low Cost of Financing. Municipal obligations, such as the Securities, generally offer a lower cost of financing than other available alternatives.
3. Ability to Lower Cost of Financing in the Future. To the extent the Securities, or a portion of the Securities, are subject to a prepayment provision, the Issuer may be able to lower the cost of financing with a future refinancing of the Securities.
4. Ability to Restructure Payments in the Future. To the extent the Securities, or a portion of the Securities, are subject to a prepayment provision, the Issuer may be able to restructure the repayment schedule with a future refinancing or defeasance of the Securities.

B. The potential risks involved with issuing the Securities include, among other things:

1. Interest Rate Risk. The Securities are issued at a fixed rate(s). If market interest rates decline subsequent to the sale of the Securities, the Issuer will not be able to take advantage of lower market interest rates for the Securities unless and until the Securities can be prepaid or refinanced.
2. Prepayment Risk. To the extent the Securities, or a portion of the Securities, are not subject to a prepayment provision, the Issuer cannot prepay the Securities prior to their maturity date(s).
3. Closing Risk. If the Securities fail to attract an appropriate purchaser, or fail to be delivered at closing, the Issuer will not receive proceeds from the Securities.
4. Default Risk. If the Issuer fails to make the scheduled principal and/or interest payment(s) on the Securities in a timely manner, a default will occur, which negatively affects the Issuer's ability to get financing for other needs.
5. Tax Risk. If the opinion of bond counsel for the Securities identifies the Securities as tax-exempt or tax advantaged, and the IRS subsequently determines the Securities are taxable or ineligible for a tax credit, this determination could cause the IRS to change the designation of the Securities to taxable or to revoke the tax credits, resulting in potential adverse publicity, impairment of the Issuer's ability to issue municipal securities in the future, litigation from bondholders and others or a settlement agreement between the IRS and the Issuer resulting in a payment from the Issuer to the IRS to maintain the tax-exempt or tax advantaged status of the Securities. Potential causes of such a determination may include, but are not limited to the following: the Issuer does not spend the proceeds of the Securities in a timely manner, change in use of the project financed by the Securities and any other determination by the IRS that rules governing the issuance of tax-exempt obligations were violated.
6. Disclosure Risk. To the extent the SEC determines that a material fact was omitted from the Offering Documents or a material misstatement was made in the Offering Documents, the SEC could determine that the Issuer violated federal securities laws.

### **SECTION III COOPERATION IN MEETING REGULATORY REQUIREMENTS**

The Issuer acknowledges that PMA has regulatory duties as municipal advisor to the Issuer, and the Issuer agrees to cooperate, and to cause its agents to cooperate, in carrying out these regulatory duties, including providing complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties. In addition, the Issuer agrees that, to the extent the Issuer seeks to have PMA provide advice with regard to any recommendation made by a third party in accordance with Section I.B.3, the Issuer will provide to PMA written direction to do so and any information it has received from such third party relating to its recommendation.

### **SECTION IV TERM OF AGREEMENT**

The terms of this Agreement are effective as of the Effective Date and shall remain in effect, unless earlier terminated by PMA or at the direction of the Issuer pursuant to the following section, until the closing of the Securities. This Agreement may be renewed for a maximum of three (3) years beyond the Effective Date at the Issuer's request for PMA to perform the any of the services set forth in Section I.C.

**SECTION V  
TERMINATION**

This Agreement may be terminated with or without cause by the Issuer upon prior written notice to PMA or by PMA upon at least thirty (30) days' prior written notice to the Issuer of the Party's intention to terminate, specifying in such notice the effective date of such termination. In the event the termination occurs before the Securities close, it is understood and agreed that no amounts are due to PMA for services provided or expenses incurred, unless otherwise stated in Section VI below. No penalty will be assessed for termination of this Agreement. The provisions of Section VII.B. shall survive any termination of this Agreement pursuant to this Section V or the expiration of the term of this Agreement pursuant to Section IV.

**SECTION VI  
COMPENSATION AND EXPENSE REIMBURSEMENT**

A. Compensation. The fees due to PMA for the Scope of Services set forth and described in Section I of this Agreement shall be based on the table following this paragraph calculated on an aggregate issuance basis plus \$3,500.00 for the services described in Section I.B.4, Offering Documents, provided that the fee will be \$2,500.00 if these documents are generated from documents originally produced by PMA for an issue that closed within the 12 months prior to the Effective Date. Such fees, for which PMA is entitled to reimbursement, shall become due and payable concurrently with the delivery of the Securities to the purchaser. No fee shall be due from the Issuer to PMA unless the Securities close.

<u>Public Offering Price</u>		Standard Fee Amount For	
>	< or = to	Financial Advisory Services Described in Section I	
\$0	-	\$2,500,000	\$0 plus \$14,000
\$2,500,000	-	\$5,000,000	\$14,000 plus \$3.25 / \$1,000 for amount > \$2,500,000
\$5,000,000	-	\$10,000,000	\$22,125 plus \$2.75 / \$1,000 for amount > \$5,000,000
\$10,000,000	-	\$25,000,000	\$35,875 plus \$2.25 / \$1,000 for amount > \$10,000,000
\$25,000,000	-	\$50,000,000	\$69,625 plus \$1.75 / \$1,000 for amount > \$25,000,000
\$50,000,000	-	\$100,000,000	\$113,375 plus \$1.25 / \$1,000 for amount > \$50,000,000
\$100,000,000	-	∞	\$175,875 plus \$0.50 / \$1,000 for amount > \$100,000,000

For example, for the issuance of Securities with an aggregate par amount of \$7,500,000 and an aggregate public offering price of \$7,800,000, the fees due to PMA for the Scope of Services set forth and described in Section I of this Agreement would be \$29,825, which calculates to \$3.82 per \$1,000 plus \$3,500 for the services described in Section I.B.4.

As set forth in PMA's *Municipal Advisor Disclosure Statement*, PMA notes that this Agreement involves contingent based compensation subject to compensation based conflict. Also, we note how it relates to different structures or scenarios. For example, recommending a multi-issuance strategy versus a single issuance strategy could result in additional compensation for PMA and the application of minimum fees, if any. However, this recommendation would be made only if the benefits exceed the costs. Such benefits could include bank qualification, reduced negative arbitrage in the investment of bond proceeds and meeting the financial goals of the Issuer. Also, the additional compensation would be paid over time, subject to the retention of PMA for subsequent issuances.

## B. Issuer Expenses.

1. Customary fees and expenses incident to a sale are payable by the Issuer. These fees and expenses, depending upon the final structure, can include fees for underwriter(s), bond counsel, local counsel, disclosure counsel, rating agency, insurance premium, trustee/paying agency, competitive sale auction platform, escrow bidding agent and verification agent.
2. Customary fees and expenses incident to the preparation of the Offering Documents, such as overlapping debt and auditor's certificates, are payable by the Issuer. In the event PMA must pay these fees and expenses before the Securities close, the Issuer will be responsible for reimbursing PMA for the pre-paid fees and expenses.

## SECTION VII DISCLOSURES

A. Disclosures. The *Municipal Advisor Disclosure Statement*, and each delivery thereof, as provided from time to time, shall be incorporated by reference into this Agreement as of the date thereof to the same extent as if set forth herein. As set forth in the *Municipal Advisor Disclosure Statement*, PMA Securities, LLC is a broker-dealer and municipal advisor registered with the SEC and MSRB and is a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In these roles, PMA generally provides fixed income brokerage services and public finance services to institutional clients, including financial advisory services and advice with respect to the investment of proceeds of municipal securities. PMA is affiliated with PMA Financial Network, LLC, a financial services provider, and PMA Asset Management, LLC, an investment adviser registered with the SEC (the "Advisory Affiliate"). These entities operate under common ownership with the Firm and are referred to in this disclosure as the "Affiliates." Each of these Affiliates also provides services to municipal entity clients. Unless otherwise stated, separate fees are charged for each of these products and services and referrals to its Affiliates result in an increase in revenue to the overall Affiliated companies.

PMA's duties, responsibilities, and fees arise from that as a municipal advisor to the Issuer in connection with the issuance of the Securities. PMA receives additional fees for the services used by the Issuer, if any, described in the paragraph above. The fees for these services arise from separate agreements with the Issuer and with institutions of which the Issuer may be a member.

Additional disclosures are required with the implementation of MSRB Rule G-42. PMA is required to provide the Issuer with disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history. By signing this Agreement, the Issuer acknowledges that PMA has provided the Issuer with the *Municipal Advisor Disclosure Statement*, which contains important disclosures on matters such as all material conflicts of interest and all legal and disciplinary events that are material to a client's evaluation of us relevant to our provision of municipal advisory services. This disclosure document will also specify the date of the last material change or addition to the legal or disciplinary event disclosures, if any, on any Form MA or Form MA-I that PMA files with the SEC and a brief explanation regarding the materiality of the change or addition.

B. Scope of Liability. PMA, at all times, will act in good faith with respect to its Services under this Agreement. The Issuer agrees that PMA shall not be liable to the Issuer for any act or omission in connection with the performance of PMA's services hereunder, other than as a result of PMA's negligent acts or omissions, reckless conduct, intentional misconduct, bad faith, violation of applicable law or material breach of any of the material terms of this Agreement. PMA will have no duty, responsibility or liability under this Agreement as to any services identified in Section I.D. of this Agreement, relating to the services included in the Limitations on Services section. PMA shall not be responsible for any loss incurred by reason of any act or omission of the Issuer, or any member of the working group for the Securities. No recourse may

be had against PMA for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of the Issuer arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action or other proceeding brought by or received from the IRS in connection with the Securities or otherwise relating to the tax treatment of the Securities, or in connection with any opinion or certificate rendered by counsel or any other party.

It is understood that nothing herein shall in any way constitute a waiver or limitation of any of the obligations which PMA may have under federal securities laws or under applicable state law.

## **SECTION VIII MISCELLANEOUS**

A. Choice of Law. This Agreement shall be construed and given effect in accordance with the laws of the state in which the Issuer is located without regard to conflict of law principles.

B. Binding Effect: Assignment. This Agreement shall be binding upon and inure to the benefit of the Issuer and PMA, their respective successors and assigns; provided however, neither Party hereto may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other Party.

C. Prior Agreement or Documentation. Each Party acknowledges and agrees that the provisions of this Agreement modify and supersede any prior agreement or documentation with regards to the issuance of the Securities (“Prior Documentation”). The provision(s) set forth in this Agreement shall control in the event that any provision(s) of this Agreement conflict with any provision(s) contained in any Prior Documentation.

D. Entire Agreement. This instrument contains the entire agreement between the Parties relating to the rights herein granted and obligations herein assumed. Any oral or written representations or modifications concerning this Agreement shall be of no force or effect except for a subsequent modification in writing signed or acknowledged by each Party hereto. The form of this modification may include an email acknowledged by each Party. The Parties agree to amend or supplement this Agreement promptly to reflect any material changes or additions to the Agreement.

*[The remainder of this page is intentionally left blank.]*

PMA Securities, LLC

School District Number 74  
(Lincolnwood)  
Cook County, Illinois

By: \_\_\_\_\_

By<sup>(1)</sup>: \_\_\_\_\_

Tammie Beckwith Schallmo  
Senior Vice President  
Managing Director

\_\_\_\_\_  
Print Name

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

James O. Davis  
Chief Executive Officer

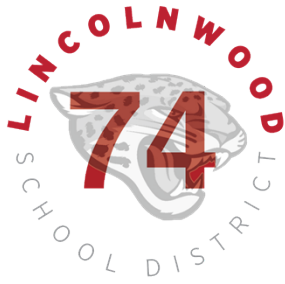
Date: \_\_\_\_\_

- (1) By signing this Agreement, as representative of the Issuer, the representative acknowledges that he or she has the ability to bind the Issuer by contract with PMA and that he or she is not a party to a disclosed conflict.

**PMA Use Only:**

Reviewed: \_\_\_\_\_ Date: \_\_\_\_\_

Revised 10/2020



## Executive Summary Finance Committee Meeting

DATE: February 18, 2021

TOPIC: Landscaping Bid

PREPARED BY: Courtney Whited

### Recommended for:

- Action
- Discussion
- Information

### Purpose/Background:

The Board of Education approves expenditures that are more than \$10,000. On January 14, 2021, the District provided legal notice to go out to bid for landscaping services. On January 25, 2021, the District received bids from three contractors for the 2021 and 2022 seasons. The bid documents require the bidders to complete the following services:

- 35 weekly lawn mowing, shrub bed and tree ring maintenance
- 2 annual lawn weed and fertilizer applications.
- 1 annual mulch of applicable areas

### Fiscal Impact:

- **Contour Landscaping**                      **Year 1: \$42,288 / Year 2: \$42,288 = Total \$84,576**
- Fleck's Landscaping                      Year 1: \$46,439 / Year 2: \$46,439 = Total \$92,878
- ILT Vignocchi Landscaping              Year 1: \$73,890 / Year 2: \$73,890 = Total \$147,780

Attached for review, please find the evaluation matrix used in determining the most qualified responsible bidder and the contract developed with assistance from the District's attorneys. The matrix provided for a Phase I evaluation, which required a minimum qualifying score of eight to move to the Phase II evaluation. Each bidder qualified to move to the Phase II evaluation process. The Phase II evaluation process required the administration to review six different components of each vendor's bid document and rate each component from 1 (least favorable) to 5 (most favorable). Overall, Contour Landscaping is the administrative recommendation with a score of 30 versus 27 for Fleck's Landscaping and 25 for ILT Vignocchi Landscaping. The most significant determining factors in the evaluation process was the cost and the references provided by each contractor. Legal counsel reviewed the bid from Contour, found it to be in order and cited no issues.

**Recommendation:**

It is the Administrative recommendation that the Finance Committee concurs to recommend to the Board of Education to support the recommendation to retain the services of Contour Landscaping Inc. with an annual cost of \$42,288 for both the 2021 and 2022 seasons, for a total of \$84,576.

**Lincolnwood School District 74**  
**Bidder Evaluation Process**  
**Project: 2021 Landscape Bid**  
**Date: January 25, 2021**

**Phase I Evaluation**

*Must receive a minimum of eight (8) points to be evaluated for Phase II. If, less than seven points, the bidder is considered non-responsive and therefore, not qualified.*

<b>Bid Documents</b>	<b>ILT Vignocchi Landscaping</b>	<b>Fleck's Landscaping</b>	<b>Landscape Maintenance Services</b>
Bid Bond	NA	NA	NA
Completed Proposal Form	1	1	1
References	1	1	1
Financials	NA	NA	NA
Qualification Statement	NA	NA	NA
Named Insurance Carrier	1	1	1
Claims/Suits <i>(if none 1 point)</i>	1	1	1
Bankruptcy <i>(if none 1 point)</i>	1	1	1
Mandatory Site Visit	1	1	1
Pest Control License Application	1	1	1
Certification Form	1	1	1
Total	8	8	8

**Phase II Evaluation**

*Rate 1-5 (5-Excellent; 4-Very Good; 3-Good; 2-Poor; 1-Unsatisfactory)*

<b>Vendor</b>	<b>2-Year Total Cost</b>	<b>Cost</b>	<b>References</b>	<b>Bid Documents Complete</b>	<b>Comprehensive / Qualfication</b>	<b>Capability / Experience</b>	<b>Personnel</b>	<b>Total Score</b>
ILT Vignocchi Landscaping	\$147,780.00	3	3	5	5	5	5	26
Fleck's Landscaping	\$92,878.00	4	3	5	5	5	5	27
<b>Contour Landscaping</b>	<b>\$84,576.00</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>30</b>

**Lincolnwood School District 74**  
**Landscaping Bid Opening**  
**Date: January 25, 2021**  
**Time: 10:00 AM**  
**By: Becky Allard & Jim Caldwell**


Vendor	Submit	Insurance Verification	Certification Form	References Form	Applicator Licenses	Price Year One	Price Year Two	Total Price
ILT Vignocchi Landscaping	Yes	Yes	Yes	Yes	Yes	\$73,890.00	\$73,890.00	\$147,780.00
Fleck's Landscaping	Yes	Yes	Yes	Yes	Yes	\$46,439.00	\$46,439.00	\$92,878.00
Contour Landscaping	Yes	Yes	Yes	Yes	Yes	\$42,288.00	\$42,288.00	\$84,576.00

Lincolnwood School District No. 74  
 Bid Form – Landscape Maintenance Services  
 2021 – 2022

After having read all the Specifications and Instructions for Bidders, and understanding same, I hereby submit the following bid(s) for all labor, materials, tools, equipment, incidentals, and expertise necessary for the landscape maintenance needs of School District No. 74 in accordance with said Specifications:

	YEAR 1: April 1, 2021 - December 1, 2021			YEAR 2: April 1, 2022 - December 1, 2022		
	# of Times	Unit Price	Subtotal	# of Times	Unit Price	Subtotal
Lawn mowing*	35	996	34,860	35	996	34,860
Lawn weed & feed	2	1,764	3,528	2	1,764	3,528
Mulch	1	3,900	3,900	1	3,900	3,900
* including shrub bed & tree ring maintenance	Year 1 Total: \$ 42,288			Year 2 Total: \$ 42,288		

I acknowledge that the contract may be renewed for an additional two years in one-year increments (April 1, 2023, until December 1, 2023, and April 1, 2024, until December 1, 2024) and that the costs may be adjusted only in accordance with the terms of the Specifications stated in the Invitation to Bid. Should I be awarded the contract, I will enter into an agreement substantially in accordance with the Bid Specifications and subject to approval by legal counsel for School District No. 74.

  
 \_\_\_\_\_  
 SIGNED  
 DAVID BISKUP  
 \_\_\_\_\_  
 PRINT NAME OF SIGNATORY  
 CONTOUR LANDSCAPING INC.  
 \_\_\_\_\_  
 COMPANY NAME  
 3501 JARVIS  
 \_\_\_\_\_  
 ADDRESS  
 SKOKIE IL 60076  
 \_\_\_\_\_  
 CITY STATE ZIP  
 DAVID BISKUP  
 \_\_\_\_\_  
 NAME OF CONTACT PERSON

1-25-21  
 \_\_\_\_\_  
 DATE  
 GENERAL MANAGER  
 \_\_\_\_\_  
 PRINT TITLE OF SIGNATORY  
 363762706  
 \_\_\_\_\_  
 FEIN  
 847-673-5149  
 \_\_\_\_\_  
 PHONE  
 847-673-5655  
 \_\_\_\_\_  
 FAX  
 DAVE@CALLCONTOUR.COM  
 \_\_\_\_\_  
 CONTACT PERSON'S EMAIL

PLEASE INITIAL BELOW TO CONFIRM THAT:

DB BIDDER HAS COMPLETED THE BIDDER CERTIFICATION PAGES INCLUDED AT THE END OF THIS BID FORM.

DB BIDDER HAS INCLUDED THE FOLLOWING DOCUMENTATION WITH THE BID PROPOSAL:

- a. Letter from insurance representative certifying that the insurer has read the requirements as set forth in the General Conditions and will issue the required policies as specified in the General Requirements;
- b. Fully completed and signed originals of all Certification Forms;
- c. References Form;
- d. Copies of applicator and operator licenses for turf grass and ornamentals.

All bids are to be submitted to the following address no later than 10:00 a.m. on January 25, 2021:

ATTENTION: Courtney Whited, Business Manager  
Lincolnwood School District #74  
6950 N. East Prairie Rd.  
Lincolnwood, Illinois, 60712

Bid Specifications and Instructions and Bid Forms will be available at the above address between the hours of 8:00 a.m. and 4:00 p.m. on regular school days.

**THE BOARD OF EDUCATION OF LINCOLNWOOD SCHOOL DISTRICT NO. 74 RESERVES THE RIGHT TO REJECT ANY OR ALL BIDS OR PARTS THEREOF WHICH ARE SEVERABLE AND RESERVES THE RIGHT TO WAIVE ANY INFORMALITIES OR TECHNICAL DEFECTS IN BIDS OR THE BIDDING PROCESS AS WILL SERVE THE BEST INTERESTS OF THE DISTRICT AND THE RIGHT TO DISREGARD ALL NONCONFORMING, NON-RESPONSIVE, UNBALANCED OR CONDITIONAL BIDS. ALSO, THE DISTRICT RESERVES THE RIGHT TO REJECT THE BID OF ANY BIDDER WHEN THE DISTRICT BELIEVES THE BID IS NOT RESPONSIVE OR THE BIDDER IS UNQUALIFIED OR OF DOUBTFUL FINANCIAL OR TECHNICAL ABILITY OR FAILS TO MEET ANY OTHER PERTINENT STANDARD OR CRITERIA ESTABLISHED BY THE SCHOOL DISTRICT IN DETERMINING THE LOWEST RESPONSIBLE BID. THE BIDDER WAIVES THE RIGHT TO CHALLENGE THE DISTRICT'S DISCRETION IN DETERMINING THE LOWEST RESPONSIBLE BIDDER.**

**Note: The bid opening shall be conducted in compliance with the Governor's Disaster Proclamations and Executive Orders in response to the ongoing coronavirus pandemic. If limitations on in-person gatherings have been implemented at the time of the bid opening, each bidder may be limited in the number of individuals who may attend or the meeting may be conducted electronically. All visitors to School District buildings will be required to submit to temperature checks and symptom screenings and comply with social distancing and face covering requirements at all times, and shall certify that they have not tested positive for COVID-19 and have not been in close contact with a suspected or confirmed case of COVID-19 in the prior 14 days.**

### CERTIFICATIONS

The undersigned hereby affirms that:

- \* He/She is a duly authorized agent of the vendor.
- \* He/She has read and agrees to the request for bids.

I certify that I am submitting the following offers as my firm's bid. I understand by virtue of executing and returning with this bid this required response form, I further certify full, complete, and unconditional acceptance of the contents of this request for bids except as noted herein.

Print Name: DAVID BISKUP Title: GENERAL MANAGER

Company Name: CONTOUR LANDSCAPING INC.

Address: 3501 JARVIS


City State ZIP: SKOKIE, IL 60076 Telephone: 847-673-5149

Fax: 847-673-5655 E-Mail: DAVE@CALLCONTOUR.COM

Signature:  Date: 1-25-21

### COLLECTIVE BARGAINING

The undersigned hereby certifies that \_\_\_\_\_ SOME OR ALL /  NONE (check one) of my firm's employees are represented by an exclusive bargaining representative recognized and certified by a labor relations board. I certify that I have provided copies of all collective bargaining agreements that my firm is subject to. I further certify that I have disclosed information on all petitions for certification, decertification, or any other action pertaining to collective bargaining that are presently outstanding but have not yet resulted in a signed collective bargaining agreement.

Signature:  Date: 1-25-21

ANTI-COLLUSION CERTIFICATION OF COMPLIANCE

DAVID BISKUP

(print name)

, being first duly sworn, deposes and says:

that he/she is GENERAL MANAGER of CONTOUR LANDSCAPING INC.  
(owner, president, partner, etc.) (name of company)

the party making the foregoing proposal or bid, that such bid is genuine and not collusive, or sham; that said bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any bidder or person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference with any person; to fix the bid price element of said bid, or of that of any other bidder, or to secure any advantages against any other bidder or any person interested in the proposed contract.

Signature:  Date: 1-25-21

SEXUAL HARASSMENT

The undersigned hereby certifies that my firm has complied with the requirement of Section 2-105 of the Illinois Human Rights Act (775 ILCS 5/1-101 *et seq.*), as amended, with respect to sexual harassment policies. The terms of that law, as applicable, are hereby incorporated into this contract. The Board of Education states that it is in compliance with said law.

Signature:  Date: 1-25-21

CERTIFICATE OF ELIGIBILITY TO BID

CONTOUR LANDSCAPING INC. (bidder), pursuant to Section 33E-11 of the Illinois Criminal Code of 1961, as amended, hereby certifies that neither he/she/its partners, officers, or owners of his/her/its business have been convicted in the past five (5) years of the offenses of bid-rigging under Section 33E-3 of the Illinois Criminal Code of 1961, as amended, and that neither he/she/its business has ever been convicted of the offense of bid-rotating under Section 33E-4 of the Illinois Criminal Code of 1961, as amended.

Signature:  Date: 1-25-21

DRUG FREE WORKPLACE CERTIFICATION

Pursuant to 30 ILCS 580/1 *et seq.* ("Drug Free Workplace Act"), the undersigned certifies to the Board of Education it will provide a drug-free workplace by:

1. Publishing a statement: A. notifying employees that unlawful manufacture, distribution, possession, or use of a controlled substance, including cannabis, is prohibited in the Contractor's workplace; B. specifying actions that will be taken against employees for violations of this prohibition; C. notifying employees that, as a condition of employment on this contract, employees will: 1. abide by the terms of the statement, 2. notify the Contractor of any criminal drug statute conviction for a violation occurring in the workplace, no later than five (5) days after such conviction.

2. Establishing a drug-free awareness program to inform employees about: A. the dangers of drug abuse in the workplace; B. the Contractor's policy of maintaining a drug-free workplace; C. available drug counseling, rehabilitation, and employee assistance programs; D. penalties that may be imposed upon employees for drug violations.

3. Making it a requirement to give a copy of the statement in subsection "1" to each employee engaged in performance of the contract, and posting it in a prominent workplace location.


4. Notifying the District within ten days after receiving notice in subsection "1", paragraph "C", part "2", from an employee, or otherwise receiving actual notice of such conviction.

5. Imposing a sanction or requiring participation by a convicted employee, in a drug abuse rehabilitation program, as required by Section 5 of the Drug Free Workplace Act.

6. Assisting employees in selecting a course of action in the event drug counseling, treatment, and/or rehabilitation is required, and indicating that a trained referral team is in place.

7. Making a good-faith effort to maintain a drug-free workplace through implementation of Section 3 of the Drug Free Workplace Act.

Failure to abide by this Drug Free Workplace Certification will subject the contractor to penalties set forth in Sections 6, 7, and 8 of the Drug Free Workplace Act.

For: CONTOUR LANDSCAPING INC. By:   
(company name) (signature)

Its: GENERAL MANAGER Date: 1-25-21  
(owner, president, partner, etc.)

Lincolnwood School District No. 74  
Landscape Maintenance Services – 2021-2022  
References

Bidder Name: CONTOUR LANDSCAPING INC.

Reference #1 Name: SKOKIE/MORTON GROVE SCHOOL DISTRICT #69

Contact Person: JOHN TINETTI - COORDINATOR OF BUILDINGS AND GROUNDS

Phone: 224-935-7072 Email: TINETTIS@SKOKIE69.NET

Reference #2 Name: SULIA MOLLOY EDUCATION CENTER

Contact Person: KYLE O'MALLEY - BUILDING ENGINEER

Phone: 847-966-8600 x2508 Email: KOMALLEY@NTDSE.ORG

Reference #3 Name: MORTON GROVE SCHOOL DISTRICT 70

Contact Person: JEM JOHNSON

Phone: 847-965-6200 Email: JJOHNSON@MGSD70.ORG

Reference #4 Name: SHORE COMMUNITY SERVICES

Contact Person: DEBORAH SHULRUF

Phone: 847-982-2030 x214 Email: DSHULRUF@SHORESERVICES.ORG

Reference #5 Name: CTL GROUP (PORTLAND CEMENT)

Contact Person: CRAIG HOFFMAN

Phone: 847-972-3138 Email: CHOFFMAN@CTLGROUP.COM



Corkill Insurance Agency, Inc.  
25 Northwest Point Blvd., Suite 625  
Elk Grove Village, IL 60007

Phone 847-758-1000  
Fax 847-758-1200

January 25, 2021

Contour Landscaping, Inc.  
3501 Jarvis Avenue  
Skokie, IL 60076-4016

Re: Lincolnwood School District No. 74  
Landscape Maintenance Services 2021-2022

To Whom It May Concern:

As the agent of Contour Landscaping, I confirm that they will be able to meet all insurance requirements of the contract for Lincolnwood School District No. 74 – Landscape Maintenance Services 2021-2022. If you have any questions, or if I can be of further service, please call. Thank you for allowing Corkill Insurance Agency to service your insurance needs.

Sincerely,

Matthew Wadley  
Account Manager



+ View up to date information on how Illinois is handling the Coronavirus Disease 2019 (COVID-19) from the [State of Illinois Coronavirus Response Site \(https://coronavirus.illinois.gov/\)](https://coronavirus.illinois.gov/)

[AGR \(/sites/agr/Pages/default.aspx\)](/sites/agr/Pages/default.aspx) ▶ [Pesticides \(/sites/agr/Pesticides/Pages/default.aspx\)](/sites/agr/Pesticides/Pages/default.aspx)

## Licensee

# Licensee

Full Name

SCOTT SCHOELLER

License No

CA32908

License Type

COMMERCIAL APPLICATOR

Expiration Date

12/31/2021 12:00 AM

Categories

General Standards, Ornamental, Turf, Aquatic

## Company

Company Name

CONTOUR LANDSCAPING INC

Address

3501 JARVIS AVE  
SKOKIE Illinois, 60076

County

Cook

**PESTICIDES (/SITES/AGR/PESTICIDES/PAGES/DEFAULT.ASPX)**

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[Pesticide Use and Regulation \(/sites/agr/Pesticides/Pages/Pesticide-Use-And-Regulation.aspx\)](/sites/agr/Pesticides/Pages/Pesticide-Use-And-Regulation.aspx)

[Certification and Licensing \(/sites/agr/Pesticides/Pages/Certification-and-Licensing.aspx\)](/sites/agr/Pesticides/Pages/Certification-and-Licensing.aspx)

[Dicamba \(https://www2.illinois.gov/sites/agr/Pesticides/Pages/Dicamba.aspx\)](https://www2.illinois.gov/sites/agr/Pesticides/Pages/Dicamba.aspx)

[Dicamba FAQ \(/sites/agr/Pesticides/Pages/DicambaFAQ.aspx\)](/sites/agr/Pesticides/Pages/DicambaFAQ.aspx)

[DriftWatch \(https://il.driftwatch.org\)](https://il.driftwatch.org)

[Forms \(/sites/agr/Pesticides/Pages/Pesticide-Forms.aspx\)](/sites/agr/Pesticides/Pages/Pesticide-Forms.aspx)

[Commercial Pesticide Applicator/ Operator Training and Testing \(/sites/agr/Pesticides/Pages/Commercial-Pesticide-Applicator.aspx\)](/sites/agr/Pesticides/Pages/Commercial-Pesticide-Applicator.aspx)

[Private Pesticide Applicator Training and Testing \(/sites/agr/Pesticides/Pages/Private-Pesticide-Applicator-Training-and-Testing.aspx\)](/sites/agr/Pesticides/Pages/Private-Pesticide-Applicator-Training-and-Testing.aspx)

[Licensed Pesticide Operators /Applicators /Dealers Search \(/sites/agr/Pesticides/Pages/Pesticide-Licensee-Results.aspx\)](/sites/agr/Pesticides/Pages/Pesticide-Licensee-Results.aspx)

[Pesticide Product Registration \(/sites/agr/Pesticides/Pages/Pesticide-Product-Registration.aspx\)](/sites/agr/Pesticides/Pages/Pesticide-Product-Registration.aspx)

[Pesticide Product Search \(/sites/agr/Pesticides/Pages/Pesticide-Product-Results.aspx\)](/sites/agr/Pesticides/Pages/Pesticide-Product-Results.aspx)

[Pesticide Use and Misuse \(/sites/agr/Pesticides/Pages/Pesticides-Uses-Misuses.aspx\)](/sites/agr/Pesticides/Pages/Pesticides-Uses-Misuses.aspx)

[Pesticide Misuse Complaint Form \(/sites/agr/Pesticides/Documents/pesticidemisusecomplaintform.pdf\)](/sites/agr/Pesticides/Documents/pesticidemisusecomplaintform.pdf)

[Aerial Pesticide Application Questions and Answers \(/sites/agr/Pesticides/Pages/Aerial-Pesticide-Application-Q-A.aspx\)](/sites/agr/Pesticides/Pages/Aerial-Pesticide-Application-Q-A.aspx)

[Agrichemical Facilities Containment Program \(/sites/agr/Environment/Agrichemicals/Pages/Agrichemical-Facilities-Containment-Program.aspx\)](/sites/agr/Environment/Agrichemicals/Pages/Agrichemical-Facilities-Containment-Program.aspx)

[Containment Requirements for "On-farm" Agrichemicals \(/sites/agr/Environment/Agrichemicals/Pages/containment-requirements-for-the-on-farm-storage-of-agrichemicals.aspx\)](/sites/agr/Environment/Agrichemicals/Pages/containment-requirements-for-the-on-farm-storage-of-agrichemicals.aspx)

[Agrichemical Container Recycling Program \(/sites/agr/Environment/Agrichemicals/Pages/Agrichemical-Container-Recycling-Program.aspx\)](/sites/agr/Environment/Agrichemicals/Pages/Agrichemical-Container-Recycling-Program.aspx)

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[Pesticide Clean Sweep Program \(/sites/agr/Pesticides/Pages/Pesticide-Clean-Sweep-Program.aspx\)](/sites/agr/Pesticides/Pages/Pesticide-Clean-Sweep-Program.aspx)

[Groundwater Monitoring Well Network \(/sites/agr/Environment/Groundwater/Pages/default.aspx\)](/sites/agr/Environment/Groundwater/Pages/default.aspx)

## Contact Information

Illinois Department of Agriculture

State Fairgrounds

801 E. Sangamon Ave

Springfield, IL 62702-1813

[Agency Directory \(https://cmsapps.illinois.gov/TeleDirectory\)](https://cmsapps.illinois.gov/TeleDirectory)

[Program Directory \(/sites/agr/Pages/Programs.aspx\)](/sites/agr/Pages/Programs.aspx)



[\(/sites/agr/About/Pages/ContactUs.aspx\)](/sites/agr/About/Pages/ContactUs.aspx)

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[Facts About Agriculture \(/sites/agr/About/Pages/Facts-About-Illinois-Agriculture.aspx\)](/sites/agr/About/Pages/Facts-About-Illinois-Agriculture.aspx)

[Agriculture Statistics \(NASS\) \(https://www.nass.usda.gov/\)](https://www.nass.usda.gov/)

[Publications \(/sites/agr/About/Pages/Publications.aspx\)](/sites/agr/About/Pages/Publications.aspx)

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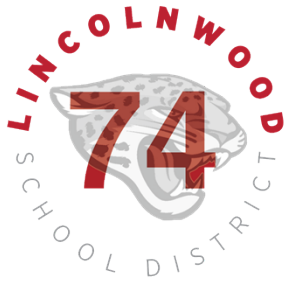
[Web Accessibility \(http://www.dhs.state.il.us/page.aspx?item=32765\)](http://www.dhs.state.il.us/page.aspx?item=32765)

[Missing & Exploited Children \(http://www.missingkids.com/\)](http://www.missingkids.com/)

[Amber Alerts \(http://www.amberillinois.org/\)](http://www.amberillinois.org/) [Illinois Privacy Info \(/Pages/About/Privacy.aspx\)](/Pages/About/Privacy.aspx)<sup>56</sup>

[Governor JB Pritzker \(/sites/gov\)](/sites/gov)





## Executive Summary Finance Committee Meeting

DATE: February 18, 2021

TOPIC: 2021-22 Swiftreach Networks LLC Agreement for SwiftK12 for PowerSchool – Unlimited  
Messaging

PREPARED BY: Christopher Edman/Christina Audisho

### **Recommended for:**

- Action
- Discussion
- Information

### **Purpose/Background:**

SwiftK12 is a mass notification system that is integrated into PowerSchool and used by the District to send out email, phone, and text message notifications and emergency alerts to parents, guardians, and staff.

District Legal Counsel reviewed Swiftreach Network's renewal and Master Service Agreements and requested several revisions. An amendment containing the changes was found acceptable by Legal Counsel and is attached.

### **Fiscal Impact:**

\$1,263.75

The District paid \$1,263.75 in 2020-21 with Swiftreach.

### **Recommendation:**

It is the Administrative recommendation that the Finance Committee concurs to recommend to the Board of Education to approve this Agreement renewal from Swiftreach Networks, LLC for SwiftK12 for PowerSchool – Unlimited Messaging in the amount of \$1,263.75 from February 1, 2021 to January 31, 2022.



**Swiftreach Networks, LLC**  
 492 Old Connecticut Path  
 Framingham, MA 01701  
[www.swiftreach.com](http://www.swiftreach.com)

# Renewal Order Form

Lincolnwood School District 74 **Initial:**

**Billing Information**

**Lincolnwood School District 74**  
 6950 N East Prairie Rd  
 Lincolnwood, Illinois 60712

**ANNUAL TOTAL**

**\$1,263.75**

**Term: 12.0 Months**

Contract Start Date	Contract End Date	Term	Account Executive
February 1, 2021	January 31, 2022	12.0 Months	Todd Miller

Quantity	Item	Options	Rate	Contract Amount
1,011.00	SwiftK12 for PowerSchool - Unlimited Messaging		\$1.25	\$1,263.75

**Comments:** Thank you for your business.

**Grand Total-Year 1                      \$1,263.75**

**BILLING INFORMATION:**

Prices shown above do not include any state and local taxes that may apply. Any such taxes are the responsibility of the Customer and will appear on the final Invoice.

Is the contracting entity exempt from sales tax? If yes, please upload a copy of your tax exemption form

Please ensure that your proof of exemption is a State Tax Exemption for your billing state. We cannot accept proof of IRS Federal Tax Exemption or W-9 forms in lieu of proof of state tax exemption.

Invoices for this order will be emailed automatically from [collections@ravemobilesafety.com](mailto:collections@ravemobilesafety.com). Please make sure this email is on an approved setting or safe senders list so notifications do not go to a junk folder or caught in a spam filter.



**Swiftreach Networks, LLC**  
492 Old Connecticut Path  
Framingham, MA 01701  
[www.swiftreach.com](http://www.swiftreach.com)

# Renewal Order Form

Lincolnwood School District 74 **Initial:**

---

**Client Signature**

By signing this Order Form, Client agrees to be bound by all of the terms and conditions of the Rave Wireless, Inc, and SwiftReach Networks, LLC Master License and Services Agreement which is expressly incorporated by reference in this Order Form as set forth in the following URL of Rave: [https://www.getrave.com/termspdf/RaveSwiftReachMLSA\\_v.6.pdf](https://www.getrave.com/termspdf/RaveSwiftReachMLSA_v.6.pdf) ("Agreement"). The individual representative of Client executing this Order Form has full authority to bind Client and its Affiliates to the terms and conditions of the Agreement.

---

**Date**

---

**Swiftreach Networks, LLC**

---

**Date**

## RAVE WIRELESS, INC. AND SWIFTRREACH NETWORKS, LLC MASTER LICENSE AND SERVICES AGREEMENT

This Master License and Services Agreement (together with Rave's Support and Service Level Policy and all Rave order forms ["Order Forms"] entered into by the Parties, the "Agreement") governs the license of all Products and acquisition and use of all Services provided to the client referenced on the accompanying Order Form ("Client") by Rave Wireless, Inc. d/b/a Rave Mobile Safety or SwiftReach Networks, LLC, depending on which entity executed the Order Form (in either case, such entity is referred to herein as "Rave"). Each of Rave and Client shall also be referred to individually as a "Party" and collectively as the "Parties".

### 1. SERVICES AND PRODUCTS

**1.1 Services.** In consideration of the Fee(s) payable by Client pursuant to the Order Form(s), Rave shall provide the Client with (i) the Rave services specified in such Order Form(s), (ii) the related technical support services specified in Rave's Support and Service Level Policy ("Support"), and (iii) the license to Rave's related proprietary application software product(s) and Documentation (collectively, "Products") set forth in Section 1.2 below. For purposes of this Agreement, the Rave services, Support and Products referred to above in (i)-(iii), together with any Professional Services specified in the Order Form(s), are collectively referred to as the "Services".

**1.2 Products License.** Subject to the terms and conditions of this Agreement, Rave hereby grants to Client a limited, non-exclusive, non-transferable (except pursuant to Section 9.5 below), non-sublicensable right and license during the applicable License Term (i) to access and operate the Products, (ii) to permit Administrators to use the features and functions of the Products, and (iii) to make copies of the Documentation solely for Client's internal use by Administrators. Rave may, in its discretion, develop and release generally to licensees updates or upgrades to the Products. Subject to Client's payment of the Fees and all other amounts that may be payable with respect to the Products, Rave shall, during the applicable License Term, make any such updates and upgrades available to Client if and when generally released to its other licensees at no additional cost (but not including any software marketed by Rave as a separate product or as a module for which additional fees are charged). Any such updates and upgrades provided under this Agreement shall be deemed to constitute part of the Products and shall be subject to all of the terms and conditions set forth in this Agreement. Client acknowledges that Rave and its licensors own all intellectual property rights in the Products (and all derivative works thereof), and Rave expressly reserves all rights not expressly granted to Client hereunder.

**1.3 Product Restrictions.** Except to the extent otherwise expressly authorized by Rave under this Agreement, Client shall not, and shall not allow any third party to, copy, modify, adapt, translate, publicly display, publish, create derivative works of or distribute any of the Products. Client will not use any Product for any purpose beyond the scope of the licenses granted in Section 1.2 above. Without limiting the foregoing, Client will not (i) authorize or permit use of the Products by or for persons other than Administrators; or (iv) decompile, disassemble, reverse engineer or otherwise attempt to obtain or perceive the source code from which any component of the Products is compiled or interpreted. Client shall duplicate all proprietary notices and legends of Rave upon any and all copies of the Products authorized to be made by Client and shall not remove, alter or obscure any such proprietary notice or legend.

### 2. TERM AND TERMINATION

**2.1 License Term and Agreement Term.** The initial term of each license to a Product under this Agreement shall be set forth in the applicable Order Form ("Initial License Term"). Except as otherwise specified in such Order Form, each license will be automatically renewed on the same terms and conditions herein for successive one-year terms (each, a "Renewal License Term"), at Rave's then-current pricing, unless either Party provides written notice to the other Party of its intent not to renew such license at least ninety (90) days prior to the expiration date of the then-current License Term. As used in this Agreement, "License Term" means the entire period during which the license to a Product is in effect. The term of this Agreement shall commence on the Effective Date of the initial Order Form entered into by the Parties and, subject to any earlier termination of this Agreement by a Party pursuant to Section 2.2 below, shall automatically expire on such date that it is not renewed ("Agreement Term").

**2.2 Termination for Breach/Bankruptcy.** Either Party may terminate this Agreement (or the license to any Product(s) hereunder) upon written notice in the event that the other Party fails to make a required payment hereunder or materially breaches this Agreement and thereafter (i) in the case of non-payment, has failed to pay such amounts within five (5) days after receiving written notice thereof; or (ii) in the case of material breach, has failed to cure the breach within thirty (30) days after receiving written notice thereof. In

addition, either Party may terminate this Agreement upon written notice after the other Party has executed an assignment for the benefit of creditors or filed for relief under any applicable bankruptcy, reorganization, moratorium, or similar debtor relief laws, or in the event that a receiver has been appointed for the other Party or any of its assets or properties, or an involuntary petition in bankruptcy has been filed against such other Party, which proceeding or petition has not been dismissed, vacated, or stayed within thirty (30) days.

**2.3 Effect of Termination.** Upon termination or expiration of this Agreement, each Party shall (i) immediately discontinue all use of the other Party's Confidential Information and, in the case of the Client, the Products; (ii) return to the other Party or, at the other Party's option, destroy, all originals and all copies of such other Party's Confidential Information then in its possession; and (iii) shall promptly pay all amounts due and remaining payable hereunder. Termination or expiration of this Agreement will automatically terminate all licenses granted hereunder.

**2.4 Survival of Obligations.** The provisions of this Agreement that, by their nature, are intended to survive a termination or expiration of this Agreement (or the license to any Products hereunder), including without limitation Client's obligations to pay any amounts due and outstanding hereunder and the provisions of Sections 2.4, 4, 5, 6, 7, 8, 9 and 10 hereof, shall survive termination or expiration of this Agreement.

### 3. PROFESSIONAL SERVICES

Any Professional Services to be provided by Rave to Client shall be provided in accordance with the specific terms and conditions of the relevant Order Form covering such Professional Services.

### 4. FEES AND PAYMENTS

The license fees payable by Client for each Product and the fees payable for any related Professional Services are set forth in the applicable Order Form covering such Product(s) and/or Professional Services, as the case may be (collectively, "Fees"). All amounts payable under this Agreement shall exclude all applicable sales, use and other taxes and all applicable export and import fees, customs duties and similar charges. Client will be responsible for payment of all such taxes (other than taxes based on Rave's net income), fees, duties and charges, and any related penalties and interest, arising from the payment of (or failure to pay) any Fees. Client must notify Rave, or its designee, in writing of any dispute or disagreement with invoiced charges within thirty (30) days after the date of invoice. Absent such notice, Client shall be deemed to have agreed to the Fees as invoiced upon the expiration of such time period. Rave reserves the right to charge, and Client agrees to pay, a late charge equal to the lesser of one and one-half percent (1½%) or the highest rate permitted by law, per month, on any amount not paid by its due date that is not the subject of a reasonable, good faith dispute.

### 5. CLIENT OBLIGATIONS

**5.1 Client Operation of Products.** Client acknowledges and agrees (i) that Client is responsible for certain aspects of the operation of the Products, as set forth in the Documentation, including the related training and supervision of Administrators, and (ii) that in no event shall Rave have any liability arising from Client's or any Administrators' failure to operate the Products in accordance with the Documentation.

**5.2 Client Compliance.** Client only shall use the Services in compliance with all applicable laws, regulations, ordinances, rules or other requirements promulgated by governing authorities or imposed by Third Party Service Providers having jurisdiction over the Parties or the operation or use of the Services. Client shall not (i) deliver to Third Party Service Providers for transmission or disseminate any content or material under this Agreement that (a) is harassing, defamatory threatening, obscene, or otherwise objectionable, including material that is false or misleading or (b) violates the rights of any person or company protected by copyright, trademark, trade secret, patent or other intellectual property, privacy or other laws or regulations; (ii) use the Services or Rave's systems to transmit or disseminate unsolicited material, including without limitation "junk mail" or "unsolicited bulk e-mail", or other advertising material to persons or entities

that have not specifically agreed to receive such material by either opting in or not opting out; (iii) send messages to individuals who have opted out of receiving messages from Client; or (iv) use the Services or Rave systems to introduce malicious programs into the Products, Rave's systems, or the Third Party Service Providers' networks or servers, including viruses, worms, Trojan horses, e-mail bombs, cancelbots or other computer programming routines that are intended to damage, interfere with, intercept or expropriate any system, data or personal information, including executing any form of network monitoring that will intercept or extract data. Under no circumstances shall Client make any representations, warranties or guarantees with respect to the Services, except to the extent expressly set forth in this Agreement. Client shall be responsible for the compliance by all Designated Institutions and their respective Administrators, and End Users with all of the terms and conditions of this Agreement.

**5.3 Client Content.** If Client provides or otherwise makes available any information or any other data collected by Client or a third party regarding End Users to Rave or any Third Party Service Provider or Emergency Service Provider in connection with the operation or use of the Services (collectively, the "Client Content"), Client represents and warrants that Client has all legal rights to such Client Content, in order to use and disclose, and permit use and disclosure of, the Client Content in connection with the operation and use of the Services as contemplated by the Documentation and this Agreement.

## **6. LIMITED WARRANTY AND LIMITATIONS**

**6.1 Limited Warranty.** THE SERVICES AND PRODUCTS ARE PROVIDED "AS IS" AND ON AN "AS AVAILABLE" BASIS AND, TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, RAVE EXPRESSLY DISCLAIMS ALL OTHER REPRESENTATIONS AND WARRANTIES OF ANY KIND OR NATURE, RELATING TO THE SERVICES AND PRODUCTS, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, TITLE, DATA ACCURACY, SATISFACTORY QUALITY, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT. NO WARRANTY IS MADE BY RAVE ON THE BASIS OF TRADE USAGE, COURSE OF DEALING OR COURSE OF TRADE. Rave does not warrant that the Services or Products will meet Client's or any Designated Institution's requirements, that the operation thereof will be uninterrupted or error-free, or that all errors will be corrected. Without limiting the foregoing, Client acknowledges and agrees that (i) Rave cannot guarantee the performance of any Third Party Service Provider or Emergency Service Provider and that neither Party may make any claims or guarantees on behalf of Third Party Service Providers or Emergency Service Providers regarding any matters, (ii) delivery of any messages or any information regarding End Users in connection with the operation or use of the Services is not guaranteed and neither Rave nor any Third Party Service Provider or Emergency Service Provider shall be responsible for any failure of delivery, and (iii) Rave shall not be responsible for any disruption to or failure of the Services resulting from the actions or inactions of any Third Party Service Providers or Emergency Service Providers. Client acknowledges and agrees that the Services and Products are not intended to replace the services of primary safety and emergency response services, including without limitation, 911 or equivalent, fire, police, emergency medical and public health services (collectively, "Emergency Service Providers").

**6.2 Limitation of Liability.** IN NO EVENT SHALL EITHER PARTY OR, IN RAVE'S CASE, ITS REPRESENTATIVE, BE LIABLE TO THE OTHER PARTY OR ANY THIRD PARTY FOR ANY INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, REGARDLESS OF THE NATURE OF THE CLAIM, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, BUSINESS INTERRUPTION, COSTS OF LOST OR DAMAGED DATA OR LIABILITIES TO THIRD PARTIES ARISING FROM ANY SOURCE, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THIS LIMITATION UPON DAMAGES AND CLAIMS IS INTENDED TO APPLY WITHOUT REGARD TO WHETHER OTHER PROVISIONS OF THIS AGREEMENT HAVE BEEN BREACHED OR HAVE PROVEN INEFFECTIVE. Notwithstanding anything herein to the contrary, the cumulative liability of either Party to the other and any third party for all claims arising from or relating to this Agreement and/or the operation or use of the Services and Products shall not exceed the total amount of all Fees paid to Rave by Client hereunder during the twelve (12)-

month period immediately prior to the event, act or omission giving rise to such liability, regardless of whether any action or claim is based on warranty, indemnification, contract, tort, negligence, strict liability or otherwise. The existence of multiple claims will not enlarge this limit. The warranty disclaimers and exclusions and limitations of liability in this Section 6 are intended to apply without regard to whether other provisions of this Agreement have been breached or have proven ineffective and form an essential basis of the bargain between the Parties. Absent any of such disclaimers, exclusions or limitations of liability, the provisions of this Agreement, including, without limitation, the economic terms, would be substantially different.

## **7. CONFIDENTIALITY**

**7.1 Mutual Confidentiality Obligations.** Each Party agrees: (i) to use the Confidential Information of the other Party only for the purposes of this Agreement; (ii) to hold in confidence and protect the Confidential Information of the other Party from dissemination to, and use by, any third party; (iii) not to create any derivative work from Confidential Information of the other Party; (iv) to restrict access to the Confidential Information to such of its personnel, agents, and/or consultants who have a need to have access and who have been advised of and have agreed in writing or are otherwise required to treat such information as confidential; and (v) to return or destroy all Confidential Information of the other Party in its possession upon termination or expiration of this Agreement.

**7.2 Confidentiality Exceptions.** The foregoing restrictions shall not apply to Confidential Information that (i) is publicly available or in the public domain at the time disclosed; (ii) is or becomes publicly available or enters the public domain through no fault of the recipient Party; (iii) is rightfully communicated to the recipient Party by persons not bound by confidentiality obligations with respect thereto; (iv) is already in the recipient Party's possession free of any confidentiality obligations with respect thereto at the time of disclosure; (v) is independently developed by the recipient Party; (vi) is approved for release or disclosure by the disclosing Party without restriction; or (vii) is required to be publicly disclosed by the recipient Party pursuant to applicable freedom of information laws. Each Party may disclose Confidential Information to the limited extent required (a) in order to comply with the order of a court or other governmental body, or as otherwise necessary to comply with applicable law, provided that the Party making the disclosure shall first have given written notice to the other Party (if permitted) and made a reasonable effort to obtain a protective order; or (b) to establish a Party's rights under this Agreement, including to make court filings.

**7.3 Disclosure of Information about End Users.** Rave shall not rent, trade or sell information regarding End Users (including, but not limited to, any Client Content) to any third party; provided, however, that notwithstanding anything to the contrary contained in this Agreement, (i) Rave may disclose any such information to Third Party Service Providers and Emergency Service Providers in connection with the operation and use of the Services or as necessary to comply with applicable laws and governmental orders and (ii) under no circumstances shall Rave or any Rave Representative be liable for the failure of Client or any third party (including, but not limited to, any Designated Institution, Third Party Service Provider or Emergency Service Provider) to comply with its own privacy policies and all applicable privacy laws and regulations.

## **8. INDEMNIFICATION**

Except as otherwise provided below, Rave shall defend or, at its option, settle any claim, suit, or other action brought by a third party against Client directly and to the extent arising out of an allegation by such third party that any use of or access to a Product by Client as expressly authorized under this Agreement infringes any U.S. patent issued to such third party (each, a "Claim"), and Rave shall indemnify and hold Client harmless against all costs and reasonable expenses (including reasonable attorneys' fees), damages, and liabilities arising out of any such Claim finally awarded to such third party by a court of competent jurisdiction after all appeals have been exhausted or at the time of a final settlement of such Claim by Rave (collectively, "Losses"), provided that Client gives Rave (i) prompt written notice of such Claim; (ii) sole authority to control and direct the defense and/or settlement of such Claim; and (iii) such information and assistance as Rave may reasonably request, at Rave's expense, in connection with such defense and/or settlement. Upon the occurrence of any Claim for which indemnity by Rave is or may be due under this Section 8, or in the event that Rave believes that such a Claim is likely, Rave may, at its option (I) modify the relevant Product so that it becomes non-infringing, or substitute functionally equivalent software or services; (II) obtain a license to the applicable third-

party intellectual property rights; or (III) terminate this Agreement (or the license to such Product hereunder) on written notice to Client and provide a prorated refund to Client for any unused license fees under the then-current License Term. Rave shall not be liable for any costs or expenses incurred by or on behalf of Client in connection with any Claim for which indemnity by Rave is or may be due under this Section 8 without the prior written consent of an authorized officer of Rave. Rave's indemnity obligations set forth in this Section 8 shall constitute Rave's entire liability and Client's sole remedy for any actual or alleged intellectual property infringement claim with respect to the Services or Products. Notwithstanding anything herein to the contrary, Rave shall have no obligation or liability for any intellectual property infringement claim and any related losses, costs, expenses, damages and liabilities whatsoever to the extent arising from (a) the combination, operation, or use of the Product with products, services, information, materials, technologies, business methods or processes not furnished by Rave or otherwise expressly contemplated by the Documentation; (b) modifications to the Product, which modifications are not made by Rave or any party expressly authorized by Rave in writing; (c) use of the Product except in accordance with this Agreement, the Documentation and any other applicable user documentation or specifications furnished by Rave in writing; (d) failure of Client to implement any updates and upgrades provided by Rave that would make the Product non-infringing; and/or (e) any intellectual property provided or otherwise made accessible to Rave by Client or any of its Affiliates. To the extent permitted by applicable law, in connection with any intellectual property infringement claim against Rave and/or any Rave Representative by a third party arising out of any actions or omissions by Client covered by (a)-(e) in the preceding sentence, Client shall defend, indemnify, and hold Rave and each Rave Representative harmless against all costs and reasonable expenses (including reasonable attorneys' fees), damages, and liabilities to the extent arising out of any such claim against Rave and/or such Rave Representative by a third party (including without limitation any End User or governmental agency), provided that Rave gives Client (i) prompt written notice of such claim; (ii) sole authority to control and direct the defense and/or settlement of such claim; and (iii) such information and assistance as Client may reasonably request, at Client's expense, in connection with such defense and/or settlement; provided that Rave shall have the option to participate in any such matter with counsel of its choice at its expense. Client shall not be liable for any costs or expenses incurred by or on behalf of Rave in connection with any intellectual property infringement claim for which indemnity by Client is or may be due under this Section 8 without the prior written consent of any authorized officer of Client.

## 9. MISCELLANEOUS

**9.1 Applicable Law/Dispute Resolution.** This Agreement and the rights and obligations of the Parties hereunder shall be construed in accordance with, and shall be governed by, the laws of the Commonwealth of Massachusetts without giving effect to its rules regarding conflicts of laws. Regarding any action for injunctive or other equitable relief arising from the breach by the other Party of any license, usage or confidentiality obligations hereunder, each Party irrevocably submits to the jurisdiction of the Federal courts located within the Commonwealth of Massachusetts in connection with any and all causes of action between the Parties arising from or in relation to this Agreement. Except as provided in the preceding sentence, the Parties agree that any disputes regarding this Agreement that cannot be resolved through negotiations between the designated representatives from each Party within thirty (30) days of the date the dispute arose shall be submitted to binding arbitration conducted by the American Arbitration Association ("AAA") at its Boston, Massachusetts location. Any such arbitration will be conducted in accordance with the Commercial Arbitration Rules of the AAA. Any such arbitration will be conducted by a single arbitrator, and the arbitrator will issue his/her award in writing with findings. The decision of the AAA shall be binding as between the Parties, shall not be subject to appeal, and shall be enforceable in any court of competent jurisdiction. The U.N. Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

**9.2 Services Outside the US.** If Client is interested in purchasing Services for delivery outside of the United States, Client acknowledges and agrees that, in addition to any restrictions that may be imposed on Client by any Third Party Service Provider, any such territory outside the United States may impose its own restrictions resulting from applicable law, telecommunication or internet infrastructure limitations, telecommunication or internet service provider policies, or communication device

customizations that inhibit or prevent the delivery of SMS, text or other messaging, or restrict the ability to place or receive certain calls (e.g., outbound toll-free calls). Such restrictions may impede certain aspects of the Services. Rave shall not be responsible for any such impediments or any unavailability of the Services as a result thereof.

**9.3 Force Majeure.** A Party shall be excused from performance of its obligations under this Agreement if such a failure to perform results from compliance with any requirement of applicable law, acts of god, fire, strike, embargo, terrorist attack, war or any other military action, acts of local, state or national governments or public agencies, insurrection or riot or other causes beyond the reasonable control of that Party.

**9.4 Notices.** All notices required by or relating to this Agreement shall be in writing and shall be sent by means of certified mail, postage prepaid or by nationally recognized overnight courier service, to the Parties to the Agreement and addressed, if to Client, as set forth in the Order Form, or if to Rave, as follows:

**Rave Wireless, Inc.  
492 Old Connecticut Path, 2<sup>nd</sup> Floor  
Framingham, MA 01701  
Attention: Chief Executive Officer**

or addressed to such other address as that Party may have given by written notice in accordance with this provision. All notices required by or relating to this Agreement may also be communicated by facsimile, provided that the sender receives and retains confirmation of successful transmittal to the recipient and sends a duplicate of such notice by the means specified herein. Such notices shall be effective on the date indicated in such confirmation.

**9.5 Assignment.** Neither Party may assign its rights or delegate its obligations under this Agreement without the other Party's prior written consent, and, absent such consent, any purported assignment or delegation shall be null, void and of no effect; provided, however, that either Party, upon written notification to the other Party, may assign this Agreement in connection with any merger, consolidation, corporate restructuring, sale of any substantial portion of its assets, or any transaction in which more than fifty percent (50%) of its voting securities are transferred, unless any such successor or assignee of Client is a competitor of Rave, in which case Client must obtain Rave's prior written consent. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of Rave and Client and their respective permitted successors and assigns.

**9.6 Independent Contractors.** Client and Rave acknowledge and agree that the relationship arising from this Agreement does not constitute or create any joint venture, partnership, employment relationship or franchise between them, and the Parties are acting as independent contractors in making and performing this Agreement. Neither Party has the power or authority as agent, employee or in any other capacity to represent, act for, bind or otherwise create or assume any obligation on behalf of the other Party for any purpose whatsoever.

**9.7 Amendment/Waiver.** No amendment to this Agreement or any addendum shall be valid unless in writing and signed by the authorized representatives of both Parties. No waiver under this Agreement shall be valid or binding unless set forth in writing and duly executed by the Party against whom enforcement of such waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described therein and shall in no way impair the rights of the Party granting such waiver in any other respect or at any other time. Any delay or forbearance by either Party in exercising any right hereunder shall not be deemed a waiver of that right.

**9.8 Severability.** If any provision of this Agreement is invalid or unenforceable for any reason in any jurisdiction, such provision shall be construed to have been adjusted to the minimum extent necessary to cure such invalidity or unenforceability.

**9.9 Export Controls.** Client will not, directly or indirectly, export or re-export, or knowingly permit the export or re-export of any Product to any country for which any export license or approval is required under the laws of the United States or any other country unless the appropriate export license or approval has first been obtained.

**9.10 No Third Party Beneficiaries.** The Parties acknowledge that the covenants set forth in this Agreement are intended solely for the benefit of the Parties and their respective successors and permitted assigns. Nothing in this Agreement, whether express or implied, shall confer upon any person or entity, other than the Parties and their permitted successors and assigns,

any legal or equitable right whatsoever to enforce any provision of this Agreement.

**9.11 U.S. Government Licensees.** Each of the components that constitute each Product is a “commercial item” as that term is defined at 48CFR 2.101, consisting of “commercial computer software” and/or “commercial computer software documentation” as such terms are used in 48 CFR 12.212. Consistent with 48 CFR 12.212 and 48 CFR 227.7202-1 through 227.7202-4, all U.S. Government licensees acquire the Product with only those rights set forth herein.

**9.12 Immunity.** If applicable and to the extent not prohibited or otherwise authorized by applicable law, each Party will be entitled to not less than the same benefits and protections afforded by any law, regulation or other applicable rule which extends protections to the other Party in any form, including, but not limited to, governmental or other immunity, indemnification or other protection. Neither Party will object to or interfere with the assertion of such immunity by the other Party.

**9.13 Headings.** The headings in this Agreement are inserted merely for the purpose of convenience and shall not affect the meaning or interpretation of this Agreement.

**9.14 Signatures.** This Agreement will be deemed to be executed upon the execution by the Parties of any Order Form incorporating this Agreement by reference therein.

**9.15 Entire Agreement.** This Agreement, together with the SLP and all Order Forms entered into by the Parties, sets forth the entire agreement and understanding between the Parties with respect to the subject matter hereof and, except as specifically provided herein, supersedes all prior oral and written agreements, discussions and understandings between the Parties with respect to the subject matter hereof, and neither of the Parties shall be bound by any terms other than as expressly provided for in this Agreement. In the event a conflict arises between this Agreement and the provisions of any other document comprising part of this Agreement, this Agreement will govern unless the other document expressly provides otherwise.

## 10. DEFINITIONS

**10.1 “Administrators”** mean personnel of Client and Designated Institutions authorized by Client to access the Products on behalf and for the benefit of Client and such Designated Institutions, respectively.

**10.2 “Affiliate”** means, with respect to any entity, any other entity Controlling, Controlled by or under common Control with such entity, whether directly or indirectly through one or more intermediaries.

**10.3 “Client”** means the client specifically identified on the Order Form(s).

**10.4 “Confidential Information”** means the terms of this Agreement and all documents, material or information relating to the Services and the provision thereof, including, but not limited to, the Documentation, personally identifiable information regarding End Users and all other information that either Party treats as proprietary or confidential.

**10.5 “Control”** and its derivatives means legal, beneficial or equitable ownership, directly or indirectly, of more than fifty percent (50%) of the outstanding voting capital stock (or other ownership interest, if not a corporation) of an entity, or actual managerial or operational control over such entity.

**10.6 “Designated Institution”** means any Affiliate and/or any other institution, organization, entity and person for whose benefit Client is licensing one or more Products hereunder as specified in the relevant Order Form.

**10.7 “Documentation”** means Rave’s then-current standard product and user guides and/or related documentation generally made available to licensees of Products, as such Documentation may be modified by Rave, in its sole discretion, from time to time.

**10.8 “End Users”** means individuals associated with Client and/or any Designated Institution who register with Rave or are otherwise eligible to receive and/or send messages from or otherwise utilize the benefits of the Services and individuals who independently register with Rave to establish a safety profile or are otherwise eligible to receive or utilize the benefit of the Services. During the Term, Client shall be responsible for notifying Designated Institutions and End Users that they are each subject to Rave’s applicable then-current Terms of Use and Privacy Policy in connection with their respective operation and use of the Services (if applicable).

**10.9 “Privacy Policy”** means Rave’s Privacy Policy located at [www.ravemobilesafety.com/privacy-policy](http://www.ravemobilesafety.com/privacy-policy), as such Privacy Policy may be amended by Rave, in its sole discretion, from time to time.

**10.10 “Professional Services”** means the separate support offerings for Client that are not included as part of the Support, but are provided by Rave at an additional cost as specified in the applicable Order Form(s), including,

but not limited to, those related to the set-up, integration and training for each Product.

**10.11 “Rave Representatives”** means Rave and its Affiliates and each of their respective directors, officers, employees, contractors and other representatives.

**10.12 “Support and Service Level Policy”** or “SLP” means the Support and Service Level Policy for the Products set forth in Appendix 1 hereto.

**10.13 “Terms of Use”** means Rave’s separate Terms of Use for Designated Institutions and for End Users, as such Terms of Use may be amended by Rave, in its sole discretion, from time to time.

**10.14 “Third Party Service Provider”** means a telecommunications, internet, voice broadcasting, voice messaging or other service provider providing mobile telephone, internet or other intermediary services to subscribers that allow or relate to the operation or use of the Services by End Users or a licensor or other third party from whom Rave has received sublicensing rights in connection with the operation or use of the Products, as the case may be.

***[Remainder of Page Intentionally Left Blank.]***

**APPENDIX 1**  
**(TO RAVE WIRELESS, INC. & SWIFTREACH NETWORKS, LLC MASTER LICENSE AND SERVICES AGREEMENT)**

**SUPPORT AND SERVICE LEVEL POLICY (“SLP”)**

**Purpose**

This SLP sets forth Rave’s undertakings with respect to providing customer support to the Client and the service levels associated with the Services provided to Client during the Term of the Agreement.

**1. Service Reliability.** Rave shall provide an uptime of 99.999% for the Services, subject to scheduled updates and scheduled maintenance and to any downtime caused by the Client or by Third Party Service Providers. For unplanned downtime (an “Event”), Rave will assign a trouble severity code based on Rave’s assessment of the Event at the point of trouble identification. Rave will make adjustments to the trouble severity code based on how the Event proceeds.

Trouble Severity Code	Description	Initial Response Time	Status Update Intervals
Sev 1	“ <b>Sev 1 Error</b> ” means a catastrophic Event causing a complete (100%) loss of a key safety related feature of the Services	20 min.	30 min.
Sev 2	“ <b>Sev 2 Error</b> ” means a non-catastrophic Event causing a significant component of the Services to fail or to perform materially different than expected, creating significant inconvenience to the Client	For Events reported during normal business hours (9am to 5pm EST Monday through Friday), 24 hours from time of report. For Events reported outside of normal business hours, 24 hours from beginning of next business day	2 hour
Sev 3	“ <b>Sev 3 Error</b> ” means an Event that: (a) has minimal current impact on the Client, and (b) causes a malfunction of a non-essential Product feature.	For Events reported during normal business hours, 24 hours from time of report. For Events reported outside of normal business hours, 24 hours from beginning of next business day	As appropriate

**2. Points of Contact and Escalations.** If Client experiences an Event, Client may contact Rave’s customer support hotline at 888-605-7163 available 24X7X365 or by e-mail at [techsupport@ravewireless.com](mailto:techsupport@ravewireless.com).

- Non-Sev 1 Events are submitted via email at [techsupport@ravewireless.com](mailto:techsupport@ravewireless.com).
- For Sev 1 Events, Rave will provide continual support until the Event is resolved.

Client and Rave will exchange ticket numbers for tracking an Event beginning with the initial report of trouble. Client may be required to interface with any third party hardware and software vendors, carriers or other service providers.

Client Contact Information (for escalation or technical issues)

	Contact Name & Title	Phone	Mobile	Email
1 <sup>st</sup> Point of Contact				
1 <sup>st</sup> Escalation				
2 <sup>nd</sup> Escalation				

**3. Carrier and Other Service Provider Related Service Guarantees.** Rave does not provide any service levels or support with respect to any carrier or other Third Party Service Provider. Rave's sole responsibility with respect to carriers and other Third Party Service Providers will be to make commercially reasonable efforts to ensure availability of such third party's services.

**4. Change Control Management/Update Management.**

- A. Product Modifications by Rave: Rave may modify Products from time to time to install bug fixes and required updates (as deemed appropriate by Rave).
- B. Implementation of Updates/Maintenance: Rave will ensure that any planned maintenance and update events within the Products will be executed in a professional manner. Proper execution includes advance notification to Client by Rave.
- C. Service Interruptions and Advanced Notification Requirements: Rave will provide Client with at least 72 hours advance notice via e-mail of all planned maintenance activities resulting in any service interruptions or possibility of any service interruption that will have a direct impact on Services.

Rave shall perform emergency maintenance as necessary and will, if possible, give advance notice thereof to Client. "Emergency" shall mean that Rave has become aware of a problem that, if an immediate remedy is not implemented, will prevent Rave from continuing to support and provide the elements and aspects of the Services. Emergency downtime outside of the maintenance window will be counted as unscheduled downtime in determining whether Rave has achieved its service uptime goal.

**5. Availability.**

Rave will have no liability for unavailability of any Services caused, in whole or in part, by Client's use of the Services other than in accordance with the terms and conditions of the Agreement or the Documentation, by any Designated Institution's operation or End User's use of the Services other than in accordance with Rave's applicable then-current Terms of Use, or for any causes beyond the reasonable control of Rave or that are not reasonably foreseeable to Rave, including but not limited to, interruption or failure of telecommunication or digital transmission links and Internet slow-downs or failures, the failure or unavailability of any services provided by Third Party Service Providers or Emergency Service Providers, or any inaccuracy or insufficiency in any information regarding End Users.

**6. Service Credits.**

Credits for Failure to Achieve Service Level Standards: If Rave experiences any Severity 1 Downtime during a particular month, Client shall also be eligible to receive a credit equal to the pro rated dollar value of three (3) times the actual number of minutes during such month related to the service level failure. "Downtime" means the total number of minutes during such month that the Service was unavailable at a Sev 1 Severity Code during that month.

**7. Credit Requests and Payment.**

To request a credit, Client must send an email to Rave at [finance@ravemobilesafety.com](mailto:finance@ravemobilesafety.com) within ten (10) days of the end of the calendar month in which the failure occurred. Client must include the Client Name, Contact Name and email address, and dates and times of unavailability. If Rave confirms that you are owed Service Credits, we will issue a credit to your account within ten (10) business days. Credits may only be used against future billing charges.

*[Remainder of Page Intentionally Left Blank.]*

## AMENDMENT TO AGREEMENT BETWEEN THE BOARD OF EDUCATION OF LINCOLNWOOD SCHOOL DISTRICT 74 AND SWIFTRREACH NETWORKS, LLC

This Amendment is entered into as of January 1, 2021, by and between the Board of Education of Lincolnwood School District No. 74 (“Client”) and Rave Wireless, Inc. d/b/a Rave Mobile Safety or SwiftReach Networks, LLC (“SwiftReach”) (collectively, the “Parties”) pursuant to the Renewal Order From starting February 1, 2021, and the Rave Wireless Inc. and SwiftReach Networks, LLC Master License and Services Agreement (“Agreement”) entered into by the Parties as of the same date, and shall continue in force for any extensions of the Agreement or subsequent renewals or order forms, unless otherwise agreed by the Parties.

1. **Terms and Conditions.** This Amendment modifies the Agreement entered into by the Parties. Terms and conditions not amended herein shall have the same meaning as in the Agreement. If there is conflict between this Amendment and the Agreement, the terms of this Amendment will prevail. SwiftReach shall not materially modify or amend the Master Services Agreement, Privacy Policy, or Terms and Conditions (currently located at [www.swiftreach.com](http://www.swiftreach.com)) during the term of this Agreement or any extension thereof, without providing written notice.

2. **Auto-Renewal.** The term of the Agreement between the parties shall not automatically renew. Subsequent extensions of the Agreement shall require notice to and approval of the Client.

3. **FOIA/OMA.** Client shall not be required to make any claim of privilege that may be applicable to prevent disclosure in response to, and will not be required to notify SwiftReach prior to any disclosure in response to, a valid FOIA request for information that is not confidential or proprietary. SwiftReach acknowledges and agrees that the Agreement is not confidential or exempt from disclosure under the Illinois Freedom of Information Act or Open Meetings Act.

4. **Governing Law/Venue.** This Agreement will be governed and construed in accordance with the laws of the State of Illinois, without regard to any conflicts of law provisions, and venue for all actions between the parties shall lie solely in the Circuit Court of Cook County, Illinois, and SwiftReach hereby submits to the jurisdiction of that court. All references to binding arbitration shall be deleted from the Agreement.

5. **Illinois Student Privacy Laws.** In addition to its obligation to maintain Student Data in accordance with applicable federal laws, SwiftReach shall also maintain all Student Data obtained from Client in accordance with any applicable Illinois laws, including (without limitation, and only to the extent applicable) the *Illinois School Student Records Act* (105 ILCS 10/1 *et seq.*); and the *Illinois Student Online Personal Protection Act* (105 ILCS 85/1 *et seq.*). SwiftReach shall promptly notify the Superintendent of Lincolnwood School District No. 74 in the event of a security or privacy breach involving Student Data and respond to any such security or privacy breach according to industry standards; shall indemnify and defend the Client, and its individual Board members,

officers, employees, agents, and successors against third-party claims, charges, causes of action, and liability of any kind, including but not limited to attorney’s fees, arising directly and specifically from any security or privacy breach involving Student Data as a result of grossly negligent or intentional acts or omissions of SwiftReach; and shall destroy all Student Data when the Student Data is no longer needed by SwiftReach or upon termination of the Agreement, as requested by Client, provided SwiftReach may retain copies of Student Data in its archival storage in accordance with its Record Retention Policy and regulatory directives.

6. **Insurance.** During the term of this Agreement and any renewal thereof, SwiftReach shall maintain a cyber-liability insurance policy insuring against data breaches. Client shall be named as an additional insured on such policy.

7. **Authority to Execute.** Each signatory hereto represents and warrants that he or she has the proper corporate authority to execute this Amendment and bind his or her entity to the terms and conditions hereof.

**WHEREAS,** this Amendment and its terms and conditions are agreed upon by the Parties on the date set forth above.

**BOARD OF EDUCATION OF  
LINCOLNWOOD SCHOOL DISTRICT 74,  
COOK COUNTY, ILLINOIS**

By: \_\_\_\_\_

Its: \_\_\_\_\_

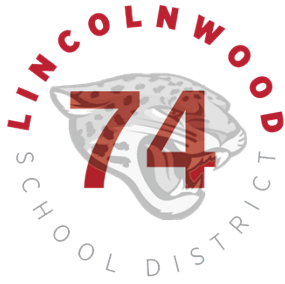
Date: \_\_\_\_\_

**SWIFTREACH NETWORKS, LLC**

DocuSigned by:  
By: William C. Price  
11D6E012555240B...

Its: CFO

Date: 1/29/2021



## Executive Summary Finance Committee Meeting

DATE: February 18, 2021

TOPIC: 2021-22 PowerSchool Agreements for Enrollment Registration and SIS Maintenance and Support

PREPARED BY: Christopher Edman

### **Recommended for:**

- Action
- Discussion
- Information

### **Purpose/Background:**

- PowerSchool is the provider of the District's Student Information System (SIS). It houses data, such as student information, grades, and scheduling, that can be accessed by District staff member, students, and parents.
- PowerSchool Enrollment Registration makes online student registration possible. Data entered by parents/guardians is polished by the system and uploaded directly into the District's PowerSchool Student Information System (SIS).

District Legal Counsel reviewed the PowerSchool Agreements and proposed an addendum to address issues such as auto-renewal language, governing law and venue location, and Illinois student privacy laws. PowerSchool did not accept some of the language surrounding limitation of liability that was proposed but Legal Counsel noted PowerSchool's request was typical for these types of Agreement and found PowerSchool's changes to the addendum acceptable as attached.

The District paid \$6,871.52 for SIS Maintenance and Support and \$9,807.03 for Enrollment Registration in 2020-21 with PowerSchool.

**Fiscal Impact:**

\$7,217.66 for SIS Maintenance and Support

\$10,294.46 for Enrollment Registration

**Recommendation:**

It is the Administrative recommendation that the Finance Committee concurs to recommend to the Board of Education to approve these Agreement renewals with PowerSchool for the SIS Maintenance and Support Agreement in the amount of \$7,217.66 from February 1, 2021 to January 31, 2022 and the Enrollment Registration Agreement for \$10,294.46 from March 9, 2021 to March 8, 2022.



150 Parkshore Dr, Folsom, CA 95630  
 Remit Email:  
 abhishek.sharma@powerschool.com  
 Quote Date: 11/25/2020  
 Quote #: Q-415112-1

Prepared By: Abhishek Sharma  
 Customer Name: Lincolnwood School District 74  
 Contract Term: 12 Months  
 Start Date: 3/9/2021  
 End Date: 3/8/2022

Customer Contact: Christopher Edman  
 Title: Technology/Computer Teacher  
 Address: 6950 N East Prairie Rd  
 City: Lincolnwood  
 State/Province: Illinois  
 Zip Code: 60712-2520  
 Phone #: (847) 675-8234 x3717

Product Description	Quantity	Unit	Extended Price
Initial Term 3/9/2021 - 3/8/2022			
License and Subscription Fees			

PowerSchool SIS Maintenance and Support	1,282.00	Students	USD 7,217.66
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License and Subscription Totals: **USD 7,217.66**

#### Quote Total

<b>Initial Term</b>	<b>3/9/2021 - 3/8/2022</b>
<b>Initial Term Total</b>	<b>USD 7,217.66</b>

On-Going PowerSchool Subscription/Maintenance and Support Fees are invoiced at the then current rates and enrollment per existing terms of the executed agreement between the parties. Any applicable state sales tax has not been added to this quote. Subscription Start and expiration Dates shall be as set forth above, which may be delayed based upon the date that PowerSchool receives your purchase order. If this quote includes promotional pricing, such promotional pricing may not be valid for the entire duration of this quote.

All invoices shall be paid before or on the due date set forth on invoice. All purchase orders must contain the exact quote number stated within. Customer agrees that purchase orders are for administrative purposes only and do not impact the terms or conditions reflected in this quote and the applicable agreement. Any credit provided by PowerSchool is nonrefundable and must be used within 12 months of issuance. Unused credits will be expired after 12 months.

This renewal quote will continue to be subject to and incorporate the terms and conditions found at <https://www.powerschool.com/wp-content/uploads/PowerSchool-Service-Agreements/PowerSchool-MASTER-SERVICES-AGREEMENT-01-01-20.pdf>, as may be amended.

THE PARTIES BELOW ACKNOWLEDGE THAT THEY HAVE READ THE AGREEMENT, UNDERSTAND IT AND AGREE TO BE BOUND BY ITS TERMS.

POWERSCHOOL GROUP LLC

Lincolnwood School District 74

Signature:

Signature:



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Printed Name: Eric Shander

Printed Name:

Title: Chief Financial Officer

Title:

Date: 11-25-2020

Date:

PO Number: \_\_\_\_\_

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150 Parkshore Dr, Folsom, CA  
95630  
Remit Email:  
renewals@powerschool.com  
FAX: (916) 596-0950  
Quote Date: 10/28/2020  
Quote #: Q-406892-1

Prepared By: Abhishek Sharma  
Customer Name: Lincolnwood School District 74  
Contract Term: 12 Months  
Start Date: 2/1/2021  
End Date: 1/31/2022

Customer Contact: Christopher Edman  
Title: Technology/Computer Teacher  
Address: 6950 N East Prairie Rd  
City: Lincolnwood  
State/Province: Illinois  
Zip Code: 60712-2520  
Phone #: (847) 675-8234 x3717

Product Description	Quantity	Unit	Extended Price
Initial Term 2/1/2021 - 1/31/2022 License and Subscription Fees			
PowerSchool Enrollment Registration	1,282.00	Students	USD 10,294.46
License and Subscription Totals:			<b>USD 10,294.46</b>

#### Quote Total

<b>Initial Term</b>	<b>2/1/2021 - 1/31/2022</b>
<b>Initial Term Total</b>	<b>USD 10,294.46</b>

On-Going PowerSchool Subscription/Maintenance and Support Fees are invoiced at the then current rates and enrollment per existing terms of the executed agreement between the parties. Any applicable state sales tax has not been added to this quote. Subscription Start and expiration Dates shall be as set forth above, which may be delayed based upon the date that PowerSchool receives your purchase order. If this quote includes promotional pricing, such promotional pricing may not be valid for the entire duration of this quote.

All invoices shall be paid before or on the due date set forth on invoice.

All purchase orders must contain the exact quote number stated within. Customer agrees that purchase orders are for administrative purposes only and do not impact the terms or conditions reflected in this quote and the applicable agreement. Any credit provided by PowerSchool is nonrefundable and must be used within 12 months of issuance. Unused credits will be expired after 12 months.

This renewal quote will continue to be subject to and incorporate the terms and conditions found at <https://www.powerschool.com/wp-content/uploads/PowerSchool-Service-Agreements/PowerSchool-MASTER-SERVICES-AGREEMENT-01-01-20.pdf>.

On-Going PowerSchool Subscription/Maintenance & Support fees are invoiced at then current rates & enrollment per terms of the Licensed Product and Services Agreement, which may be subject to an annual increase after the first year for non-multi-year contracts and/or enrollment increases.

Any applicable state sales tax has not been added to this quote. Subscription Start and Expiration Dates shall be as set forth above, which may be delayed based upon the date that PowerSchool receives your purchase order.

In the event that this quote includes promotional pricing, such promotional pricing may not be valid for the entire period stated on this quote.

All invoices shall be paid before or on the due date set forth on invoice.

**All purchase orders must contain the exact quote number stated within. Customer agrees that purchase orders are for administrative purposes only and shall not impact the terms or conditions reflected in this quote and the applicable PowerSchool Licensed Product and Services Agreement.**

THE PARTIES BELOW ACKNOWLEDGE THAT THEY HAVE READ THE AGREEMENT, UNDERSTAND IT AND AGREE TO BE BOUND BY ITS TERMS.

POWERSCHOOL GROUP LLC

Lincolnwood School District 74

Signature:

Signature:



\_\_\_\_\_

Printed Name: Eric Shander

Printed Name:

Title: Chief Financial Officer

Title:

Date: 10-28-2020

Date:

PO Number: \_\_\_\_\_

\_\_\_\_\_

## AMENDMENT TO AGREEMENT BETWEEN THE BOARD OF EDUCATION OF LINCOLNWOOD SCHOOL DISTRICT 74 AND POWERSCHOOL GROUP LLC.

This Amendment is entered into as of January 1, 2021, by and between the Board of Education of Lincolnwood School District No. 74 (“Customer”) and PowerSchool Group LLC (“PowerSchool”) (collectively, the “Parties”) pursuant to Quote # Q-406892-1, Quote # Q-415112-1, and the PowerSchool Master Services Agreement (“Agreement”) entered into by the Parties as of the same date, and shall continue in force for any extensions of the Agreement or subsequent Quotes or orders, unless otherwise agreed by the Parties.

1. **Terms and Conditions.** This Amendment modifies the Agreement entered into by the Parties. Terms and conditions not amended herein shall have the same meaning as in the Agreement. If there is conflict between this Amendment and the Agreement, the terms of this Amendment will prevail. PowerSchool shall not materially modify or amend the Master Services Agreement or the Terms of Use (currently located at <https://www.powerschool.com/terms>) during the term of this Agreement or any extension thereof, without providing written notice.
2. **Auto-Renewal.** The term of the Agreement between the parties shall not automatically renew. Subsequent extensions of the Agreement shall require notice to and approval of the Customer.
3. **Governing Law/Venue.** This Agreement will be governed and construed in accordance with the laws of the State of Illinois, without regard to any conflicts of law provisions, and venue for all actions between the parties shall lie solely in the Circuit Court of Cook County, Illinois, and PowerSchool hereby submits to the jurisdiction of that court. The United Nations Convention on Contracts for the International Sale of Goods will not apply to this Agreement. This Agreement will not be subject to the Uniform Computer Information Transactions Act.
4. **Illinois Student Privacy Laws.** In addition to its obligation to maintain Student Data in accordance with applicable federal laws, PowerSchool shall also maintain all Student Data obtained from Customer in accordance with any applicable Illinois laws, including (without limitation, and only to the extent applicable) the *Illinois School Student Records Act* (105 ILCS 10/1 *et seq.*); and the *Illinois Student Online Personal Protection Act* (105 ILCS 85/1 *et seq.*). PowerSchool shall promptly notify the Superintendent of Lincolnwood School District No. 74 in the event of a security or privacy breach involving Student Data and respond to any such security or privacy breach according to industry standards; shall indemnify and defend the Customer, and its individual Board members, officers, employees, agents, and successors against third-party claims, charges, causes of action, and liability of any kind, arising directly and specifically from any security or privacy breach involving Student Data as a result of grossly negligent or intentional acts or omissions of PowerSchool; and shall destroy all Student Data when the Student Data is no longer needed by PowerSchool or upon termination of the Agreement, as requested by Customer in writing.

5. **Insurance.** During the term of this Agreement and any renewal thereof, PowerSchool shall maintain a cyber-liability insurance policy insuring against data breaches. Customer shall be included as an additional insured on such policy.

6. **Authority to Execute.** Each signatory hereto represents and warrants that he or she has the proper corporate authority to execute this Amendment and bind his or her entity to the terms and conditions hereof.

**WHEREAS,** this Amendment and its terms and conditions are agreed upon by the Parties on the date set forth above.

**BOARD OF EDUCATION OF  
LINCOLNWOOD SCHOOL DISTRICT 74  
COOK COUNTY, ILLINOIS**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**POWERSCHOOL GROUP LLC**

DocuSigned by:  
*Philip Radmilovic*  
170B9E005E66422...

By: \_\_\_\_\_

Its: Philip Radmilovic VP Controller

Date: 2/11/2021



## MASTER SERVICES AGREEMENT

Last updated as of January 1, 2020

THIS MASTER SERVICES AGREEMENT GOVERNS CUSTOMER'S USE OF POWERSCHOOL PRODUCT(S) (AS DEFINED BELOW) AND IS AN AGREEMENT BETWEEN CUSTOMER AND THE APPLICABLE POWERSCHOOL CONTRACTING ENTITY SPECIFIED IN SECTION 1 BELOW. CAPITALIZED TERMS HAVE THE DEFINITIONS SET FORTH HEREIN.

BY ACCEPTING THIS AGREEMENT, EITHER BY: (1) EXECUTING A QUOTE THAT REFERENCES THIS AGREEMENT; (2) BY EXECUTING A COPY OF THIS AGREEMENT DIRECTLY; OR (3) ACCESSING THE POWERSCHOOL PRODUCT(S). THE INDIVIDUAL ACCEPTING THIS AGREEMENT IS ACCEPTING ON BEHALF OF A COMPANY OR OTHER LEGAL ENTITY AND REPRESENTS THAT THEY HAVE THE AUTHORITY TO BIND SUCH ENTITY AND ITS AFFILIATES TO THESE TERMS AND CONDITIONS. THE TERM "CUSTOMER," AS FURTHER DEFINED BELOW, WILL REFER TO SUCH ENTITY AND ITS AFFILIATES. IF THE INDIVIDUAL ACCEPTING THIS AGREEMENT DOES NOT HAVE SUCH AUTHORITY, OR DOES NOT AGREE WITH THESE TERMS AND CONDITIONS, SUCH INDIVIDUAL MUST NOT ACCEPT THIS AGREEMENT AND MUST NOT USE POWERSCHOOL PRODUCT(S).

### 1. DEFINITIONS.

**1.1 "Account Country"** is the country associated with the Customer account. If Customer has provided a valid tax registration number for Customer's account, then Customer's Account Country is the country associated with such tax registration. If Customer has not provided a valid tax registration, then Customer's Account Country is the country where the Customer billing address is located.

**1.2 "Agreement"** means this Master Services Agreement and all referenced exhibits.

**1.3 "Customer"** means the school, school district or other entity obtaining subscription access to PowerSchool's Subscriptions Services, licenses a Licensed Product(s), or purchases PowerSchool Services.

**1.4 "De-identified Data"** means data originally derived from Customer data where personally identifiable information and other similar attributes about such data have been removed so that no individual identification can be made.

**1.5 "Documentation"** means all written user information, whether in electronic, printed or other format, delivered or made available to Customer by PowerSchool with respect to PowerSchool Product(s), now or in the future, including instructions, manuals, training materials, and other publications that contain, describe, explain, or otherwise relate to PowerSchool Product(s).

**1.6 "Embedded Applications"** means software developed by third parties that resides within the

software developed by PowerSchool as part of the PowerSchool Product(s) and performs a very specific set of functions, pursuant to [Exhibit E \(Product Specific Terms\)](#).

**1.7 "Hosting Services"** means the hosting of the Customer's PowerSchool Product(s) and Third Party Software by PowerSchool or its hosting providers from a server farm that is comprised of application, data and remote access servers used to store and run the PowerSchool Product(s) and Third Party Software, including associated offline components, as further detailed in [Exhibit C \(Hosting Services Policy\)](#).

**1.8 "Intellectual Property Rights"** means unpatented inventions, patent applications, patents, design rights, copyrights, trademarks, service marks, trade names, domain name rights, mask work rights, know-how, other trade secret rights, and all other intellectual property rights, derivatives thereof, and forms of protection of a similar nature anywhere in the world.

**1.9 "Licensed Product(s)"** means all software (including Embedded Applications) provided by PowerSchool to Customer via an on-premise license and subsequent versions provided under Support Services and all related Documentation provided to Licensee pursuant to this Agreement, now or in the future; provided, however, that Licensed Product(s) will not include any Third Party Software.

**1.10 "Licensed Site(s)"** means the internet address of the web-based, PowerSchool

Product(s) whether hosted as a SaaS solution or hosted on-premise by the Customer or their third party vendor listed on a PowerSchool Quote.

**1.11** “*Licensee*” means the school, school district or other entity licensing a Licensed Product(s) for an on-premise usage.

**1.12** “*Parties*” means the PowerSchool Contracting Entity and the Customer of the PowerSchool Product(s).

**1.13** “*PowerSchool Contracting Entity*” “PowerSchool” means the entity identified in the table below, based on your Account Country.

Account Country	PowerSchool Contracting Entity	Mailing Address
Canada	PowerSchool Canada ULC	PowerSchool Canada ULC 150 Parkshore Drive, Folsom, CA 95630
United States	PowerSchool Group LLC	PowerSchool Group LLC 150 Parkshore Drive, Folsom, CA 95630
Any other country that is not Canada or the United States	PowerSchool Group LLC	PowerSchool Group LLC 150 Parkshore Drive, Folsom, CA 95630

**1.14** “*PowerSchool Product(s)*” means any Licensed Product(s), Subscription Service(s), or other product or Services provided to Customer and described on a Quote

**1.15** “*Professional Services*” means the services which may be further discussed and described through a Statement of Work or Quote, pursuant to [Exhibit B \(Professional Services Policy\)](#) of this Agreement.

**1.16** “*Provincial Reporting Code (or PRC)*” means PowerSchool Product(s) that may be available only to Canadian-based Customers to assist Customer in meeting specific provincial reporting requirements and that is designated as Provincial Reporting Code by PowerSchool.

**1.17** “*Quote*” means PowerSchool’s standard order form that (i) specifies the PowerSchool Product(s) and other Services provided to Customer; (ii) references this Agreement; and (iii) is signed or incorporated to a signed agreement by authorized representatives of both Parties and deemed incorporated into the Agreement.

**1.18** “*SaaS*” means the acronym for the phrase “software as a service”.

**1.19** “*Services*” means any combination

of the following: a) Support Services, b) Hosting Services, and/or c) Professional Services.

**1.20** “*Subscription Service(s)*” means all SaaS software (including Embedded Applications) and subsequent versions provided under Support Services and all related Documentation provided to Customer pursuant to this Agreement, now or in the future; provided, however, that Subscription Services will not include any Third Party Software.

**1.21** “*Support Services*” is defined in [Exhibit A \(Support Policy\)](#).

**1.22** “*State Reporting Code (or SRC)*” means PowerSchool Product(s) that may be available to Customer to assist Customer in meeting specific state reporting requirements and that is designated as State Reporting Code by PowerSchool.

**1.23** “*Statement of Work*” or “*SOW*” means any Professional Services project made between the Parties which references and incorporates the terms of this Agreement, and sets out the details of a particular project, including, without limitation, any applicable (i) methodologies; (ii) project responsibilities; or (iii) estimated or actual pricing.

**1.24** “*Term*” means the duration of the Agreement as described in section 11.1.

**1.25** “*Third Party Software*” means software products supplied or developed for a particular purpose by someone other than the PowerSchool Contracting Entity and is not licensed by PowerSchool. Third Party Software will not include Embedded Applications as defined herein. For clarity, PowerSchool licenses the Embedded Applications to Customer as part of Subscription Services and Licensed Products, whereas PowerSchool is not the licensor of Third Party Software.

**1.26** “*Transaction Data*” mean system usage information of a user who progresses through the applications and functions of a PowerSchool Licensed Product and other third party systems to which the user authorizes.

**1.27** “*User(s)*” means individuals authorized by the Customer who access and utilize PowerSchool Product(s). Users will include authorized representatives of the Customer, teachers, students, parents and/or student guardian(s), and applicants as applicable to the respective PowerSchool Product(s).

**2. POWERSCHOOL PRODUCT SUBSCRIPTION.** The type of subscription or license grant applicable to Customer will be specified in the Quote.

**2.1 SUBSCRIPTION SERVICE.** Subject to this Agreement and the applicable portions of the Privacy Policy located at <http://www.powerschool.com/privacy>, as such policies may be updated from time to time, PowerSchool will (a) make the Subscription Services available to Customer and for the contracted number of Users at the Licensed Site(s) to and in conformance with the applicable Documentation; (b) provide applicable PowerSchool standard support for the Subscription Services to Customer and Users, and upgraded support if purchased, as described in [Exhibit A \(Support Policy\)](#); (c) use commercially reasonable efforts to make the Subscription Services available, except for: (i) planned downtime (of which PowerSchool will give advance electronic notice), and (ii) any force majeure event as described in **Section 14.3.2 (Force Majeure)**, internet service provider failure or delay, Third Party Software, or denial of service attack; and (d) provide the Services in accordance with its policies, existing laws and government regulations applicable to PowerSchool's provision of its Subscription Services to its customers generally (i.e., without regard for Customer's particular use of the Subscription Services). All rights not expressly granted to Customer herein are expressly reserved by PowerSchool.

**2.2 LICENSE GRANT.** Where the Customer is contracts for an on-premises deployment of a Licensed Product, PowerSchool, during the term stated in the Quote, grants the Customer a restricted, personal, non-exclusive, non-transferable, terminable access to use such Licensed Product specified in PowerSchool's Quote, only at the Licensed Sites, not to exceed the maximum student enrollment as set forth in **Section 7 (Pricing, Enrollment Increases)** of this Agreement. As part of the Licensed Product, PowerSchool will provide the Support Services and Professional Services mutually agreed upon via a Statement of Work. Licensed Product will only be used as expressly authorized by this Agreement. All rights not expressly granted to Customer herein are expressly reserved by PowerSchool.

**2.3 Restrictions on Subscription Services and Licensed Product.** The PowerSchool Product(s) may not be accessed by

PowerSchool's competitors, except with PowerSchool's prior written consent.

**2.3.1** Customer will use the PowerSchool Product(s) only for the internal business purposes of Customer and not: (a) to store or transmit malicious code, (b) interfere with or disrupt the integrity or performance of PowerSchool Product(s) or third-party data contained therein or any systems or networks; or (c) violate the regulations, policies, or procedures of such networks used with the PowerSchool Product(s), or (d) attempt to gain unauthorized access to a PowerSchool Product or its related systems or networks, the PowerSchool data or the data of any other PowerSchool customer.

**2.3.2** In no event may PowerSchool Product(s): (a) be used other than at the Licensed Sites; (b) exceed the maximum User count for the PowerSchool Product as stated in the Quote; (c) be used to perform service bureau functions for third parties, or to process or manage data for websites other than the Licensed Sites; (d) be made available via a network or otherwise to any school, school district or third party other than the Licensed Sites; or (e) be accessed for purposes of monitoring their availability, performance or functionality, or for any other benchmarking or competitive purposes.

**2.3.3** Customer will ensure its Users will not, and itself will not, whether through any affiliate, employee, consultant, contractor, agent or other third party: (a) sell, resell, distribute, host, lease, rent, license or sublicense, in whole or in part, the PowerSchool Product(s); (b) decipher, decompile, disassemble, reverse assemble, modify, translate, reverse engineer or otherwise attempt to derive source code, algorithms, tags, specifications, architecture, structure or other elements of the PowerSchool Product(s), in whole or in part, for any purposes or otherwise; (c) write or develop any derivative works based upon the PowerSchool Product(s). Customer will hold PowerSchool harmless from claims for damages resulting from Customer's misuse of the PowerSchool Product(s), including PowerSchool's Intellectual Property Rights. Customer will use commercially reasonable efforts to prevent unauthorized access to, or use of, the PowerSchool Product(s), and notify PowerSchool promptly of any such unauthorized access or use. Customer will



not transfer, assign, provide or otherwise make PowerSchool Product(s) or Services available to any other party without the prior written consent of PowerSchool. Any attempted sublicense, assignment, or transfer of any rights, duties or obligations by Customer in violation of this Agreement will be void.

### 3. PROPRIETARY RIGHTS

**3.1 Intellectual Property Rights.** PowerSchool alone owns all rights, titles and interests, including all related Intellectual Property Rights, in and to the PowerSchool Product(s) and Services. This Agreement is not a sale and does not convey to Customer any rights of ownership in or related to the PowerSchool Product(s) and Services, or the Intellectual Property Rights owned by PowerSchool. Customer will not accrue any residual rights to the PowerSchool Product(s), including any rights to the Intellectual Property Rights in connection therewith.

**3.2 Trademarks.** The PowerSchool name, the PowerSchool logo, product names associated with the PowerSchool Product(s) and any other marks, logos, designs, sound, trade dress, etc. are trademarks of PowerSchool, and no right or license is granted by this Agreement to their use.

**3.3 Confidentiality.** To the extent allowed under applicable law, Customer agrees that the terms of this Agreement, including all pricing for PowerSchool Product(s) and Services, must be kept confidential and not disclosed to any third party without the prior written consent of PowerSchool. Customer agrees that PowerSchool may publicly refer to Customer (both in writing and orally) as a client, and may identify Customer as a client, among other places, on its website, in press releases, and in sales materials and presentations. Customer agrees to keep PowerSchool Product(s) confidential and to prevent unauthorized disclosure or use of PowerSchool Product(s) in Customer's possession. Customer will notify PowerSchool immediately in writing of any unauthorized use or distribution of PowerSchool Product(s) of which Customer becomes aware and will take all steps necessary to ensure that such unauthorized use or distribution is terminated. For any PowerSchool Product(s) for which PowerSchool makes available passwords or other user identification technology to access such Subscription Services, Customer will

advise all Users of such passwords or other user identifications that such passwords or user identifications must be maintained in confidence and not transmitted or shared. Customer is solely responsible for maintaining the confidentiality of each username and password used and is solely responsible for any and all activities that occur under all Customer's accounts. Customer agrees to notify PowerSchool immediately of any unauthorized use of Customer's accounts or any other breach of security. PowerSchool will not be liable for any loss that Customer may incur as a result of someone else using Customer's passwords or accounts, either with or without the Customer's knowledge.

PowerSchool agrees to use commercially reasonable efforts to maintain the confidentiality of Customer confidential information that is disclosed to PowerSchool in connection with the performance of Services, and to use such Customer confidential information solely for purposes of performing Services hereunder. De-identified Data used by PowerSchool for internal research, and improvement of PowerSchool Products is not subject to this section's confidentiality obligations. While PowerSchool will not rent or sell information for marketing purposes and will not share or sell Customer data with third parties for marketing purposes, Customer hereby grants PowerSchool permission to use, copy, and/or combine with any De-identified Data the Customer and Users may generate within and through Licensed Products or Subscription Services. PowerSchool will require its employees, agents and subcontractors performing work hereunder to enter into a written agreement with PowerSchool that imposes obligations that are substantially similar to those imposed on PowerSchool hereunder. For purposes of this Section, "Customer confidential information" means any student or personnel data belonging to Customer, or any other Customer information or data labeled or identified as confidential at the time of disclosure, provided, however, that this definition and the obligations of this Section will not extend to any information that: (a) is or becomes publicly known through no fault or negligence of PowerSchool; (b) is or becomes lawfully available from a third party without restriction; (c) is independently developed by PowerSchool; or (d) is disclosed without restriction by Customer to any third party at any time. Customer grants to PowerSchool a non-

exclusive, royalty-free license to use equipment, software, Customer data, or other material of the Customer solely for the purpose of enabling PowerSchool to perform its obligations under the Agreement.

**3.4 Public Record Act.** Notwithstanding anything herein to the contrary in section 3.3, PowerSchool acknowledges that, to the extent Customer is subject to public record acts or freedom of information acts, PowerSchool will work with Customer to provide appropriate information in response to such requests, to the extent such requested information is not PowerSchool's proprietary information or otherwise exempted from disclosure.

**3.5 Customer Data Security and Privacy.** PowerSchool will abide by its policy, as set forth in [Exhibit D \(Data Privacy and Security Policy\)](#) with respect to the security and privacy of its Customer's data within the PowerSchool Product(s).

**3.6 Use of Feedback.** Customer grants to PowerSchool a worldwide, perpetual, irrevocable, royalty-free license to use and incorporate into PowerSchool Product(s) and Services any suggestion, enhancement request, recommendation, correction or other feedback provided by Customer or Users.

**4. SUPPORT AND OTHER SERVICES.** As part of the PowerSchool Product(s), PowerSchool will provide the Support Services set forth in [Exhibit A \(Support Policy\)](#) and Professional Services mutually agreed upon via a Statement of Work pursuant to [Exhibit B \(Professional Services Policy\)](#). Customer's license of PowerSchool Product(s) does not, by itself, entitle Customer to any support, upgrades, patches, fixes or the like for Subscription Services; Customer must maintain a current Support Services subscription and pay any applicable Support Services fees to be eligible for Support Services. Support Services must be purchased for all licenses in Customer's possession. Support Services may not be purchased or renewed for a subset of such licenses only. Support Services may not be used as a substitute for Professional Services.

**5. FEES AND TAXES.** Customer agrees to pay PowerSchool, in accordance with PowerSchool's invoice terms, the fees charged for the PowerSchool Product(s) and related Services and/or other items ordered by

Customer, together with any other charges made in accordance with this Agreement, and all applicable sales, use or other taxes or duties, however designated, except for taxes based on PowerSchool's net income. Customer agrees to pay for PowerSchool's pre-approved reasonable travel and lodging expenses for Professional Services performed at Customer's premises. If Customer claims tax-exempt status, Customer agrees to provide evidence of such tax exemption to PowerSchool. To the extent that such tax exemption cannot be properly claimed or does not extend to certain taxes or transactions, Customer will be responsible for any and all taxes and assessments that arise from this Agreement and related transactions (except for taxes based upon PowerSchool's net income). Customer will pay a monthly charge of 1.5% (18% annually) on all amounts not paid when due, or, if a lower maximum rate is established by law, then such lower maximum rate. All pricing set forth in any PowerSchool Quote or invoice will be in United States dollars unless otherwise specified.

**6. THIRD PARTY SOFTWARE LICENSE TERMS; EMBEDDED APPLICATIONS; OPEN SOURCE SOFTWARE.** Third Party Software is licensed directly to the Customer pursuant to separate license terms between Customer and the third party supplier. All support, warranties, and services related to Third Party Software are provided by the supplier of the Third Party Software under such third party's terms and conditions, and not by PowerSchool. For clarity, PowerSchool licenses the Embedded Applications to Customer as part of Subscription Services and Licensed Products, whereas PowerSchool is not the licensor of Third Party Software. PowerSchool will have no obligation to provide support for any customized software or any third-party applications not part of the PowerSchool Product(s). Further, PowerSchool will not be responsible for providing support: (i) for problems caused by Customer's use of or access to the PowerSchool Product(s) other than as intended; (ii) for any use in violation of this Agreement; or (iii) for any unauthorized modifications made to the PowerSchool Product(s) by Customer or any third party. In the event the need for Support Services provided are traced to Customer's or a third party's errors, unauthorized use, or system changes, fees and expenses for said Support Services may be billed to Customer at PowerSchool's then

current rates and will be paid promptly by Customer. Only Sections 5, 6, 9 and 12 of this Agreement apply to Third Party Software and any related support and services set forth in this Agreement. In addition, PowerSchool Product(s) may contain Embedded Applications. If any additional license terms are identified in [Exhibit E \(Product Specific Terms\)](#), Customer will comply with such conditions with respect to such applications. Certain Embedded Applications may also be subject to “open source” licensing terms. In some cases, the open source licensing terms may conflict with portions of this Agreement, and to the extent of any such conflict, the open source licensing terms will govern, but only as to the software components subject to those terms. Notwithstanding the foregoing, Customer acknowledges that if any open source software component is licensed under terms that permit Customer to modify such component, and if Customer does so modify such component, then PowerSchool will not be responsible for any incompatibility due to such modifications.

**7. PRICING; ENROLLMENT INCREASES.**

Pricing for access to PowerSchool Product(s) is based on the number of Users at the Licensed Sites. If Customer accesses PowerSchool Product(s) with more than the number of Users purchased as indicated in the Quote, then PowerSchool may submit an amended invoice for the amount of such excess usage, and Customer will pay the fees applicable to the variance within 30 days of the invoice date. Any such increase in Users will be maintained through the end of the then-current term. Such additional fees will be computed by multiplying the then-current per student license and support fees for PowerSchool Product(s) by Customer’s additional User count. Customer’s subsequent Support Services invoices will be based on the increased Users as well.

**8. COMPATIBLE PLATFORMS/HARDWARE.**

Where applicable, Customer will be responsible for obtaining and maintaining all telephone, computer hardware, and other equipment needed for access to and use of the PowerSchool Product(s) and all charges related thereto. Customer is responsible for obtaining and maintaining an appropriate operating environment with the necessary hardware, operating system software and other items required to use and access

PowerSchool Product(s). PowerSchool will not be responsible for any incompatibility between PowerSchool Product(s) and any versions of operating systems, hardware, browsers, or other products not specifically approved in writing by PowerSchool for Customer’s use with PowerSchool Product(s). PowerSchool will make written requirements available to Customer at Customer’s request.

**9. LIMITED WARRANTY.**

PowerSchool warrants that the media on which Licensed Product is recorded will be free from defects in materials and workmanship under normal use for a period of ninety (90) days from the date of purchase. Licensee’s exclusive remedy under this Section will be replacement of the defective media. PowerSchool warrants that for Subscription Services during an applicable subscription term (a) this Agreement, the Quote, and the Documentation will accurately describe the applicable administrative, physical, and technical safeguards for protection of the security, confidentiality and integrity of Customer’s data, (b) PowerSchool will not materially decrease the overall security of Subscription Services, and (c) PowerSchool will not materially decrease the overall functionality of the Subscription Services. For any claimed breach of a warranty above, the Customer and PowerSchool agree to first negotiate a resolution in good faith; and, if necessary, refer the matter to senior representatives of each Party for timely resolution.

**10. DISCLAIMER OF OTHER WARRANTIES.**

**POWERSCHOOL PRODUCT(S) ARE PROVIDED “AS IS” AND WITHOUT WARRANTY OF ANY KIND (EXCEPT AS PROVIDED IN SECTION 9), AND POWERSCHOOL AND ITS LICENSORS EXPRESSLY DISCLAIM ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, POTENTIAL IMPLEMENTATION DELAYS, AND NON-INFRINGEMENT. POWERSCHOOL DOES NOT WARRANT THAT THE FUNCTIONALITY CONTAINED IN THE POWERSCHOOL PRODUCT(S) WILL MEET CUSTOMER’S REQUIREMENTS, OR THAT THE OPERATION OF THE POWERSCHOOL PRODUCT(S) OR HOSTING SERVICES**



**WILL BE UNINTERRUPTED OR ERROR-FREE, OR THAT DEFECTS IN THE POWERSCHOOL PRODUCT(S) WILL BE CORRECTED. FURTHERMORE, POWERSCHOOL DOES NOT WARRANT OR MAKE ANY REPRESENTATIONS REGARDING THE USE OR THE RESULTS OF THE USE OF THE POWERSCHOOL PRODUCT(S) IN TERMS OF CORRECTNESS, ACCURACY, RELIABILITY, SECURITY, OR OTHERWISE. CUSTOMER AGREES THAT THE USE OF POWERSCHOOL PRODUCT(S) IS AT CUSTOMER'S OWN RISK. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY POWERSCHOOL OR A POWERSCHOOL REPRESENTATIVE WILL CREATE A WARRANTY OR IN ANY WAY INCREASE THE SCOPE OF ANY WARRANTY. SOME JURISDICTIONS MAY NOT ALLOW THE EXCLUSION OF CERTAIN IMPLIED WARRANTIES, SO THE ABOVE EXCLUSION MAY NOT FULLY APPLY TO CUSTOMER.**

## **11. TERM AND TERMINATION**

**11.1 Term.** This Agreement commences on the date Customer first executes it and continues until the term of all PowerSchool Product(s) or Services provided under any applicable Quote hereunder have expired or have been terminated.

**11.2 Term of Purchased Subscriptions.** The term of each subscription or license will be as specified in the applicable Quote specifying a start and end date. Except as otherwise specified in a Quote, renewal of promotional or one-time priced subscriptions or licenses will be at PowerSchool's discretion.

**11.3 Suspension.** PowerSchool will have the right to suspend performance under this Agreement in the event that Customer is notified, with email notice being sufficient, that it is in breach of any of its obligations under this Agreement and fails to cure the breach within five (5) days of the notice.

**11.4 Termination for Breach.** Either party will have the right to terminate this Agreement in whole or in part upon thirty (30) days written notice to the other party, in the event the other party materially breaches this Agreement and fails to correct such breach within such thirty (30) day period; provided that PowerSchool will have the right to terminate this

Agreement immediately upon written notice in the event that Customer breaches any of its obligations under **Section 2** (PowerSchool Product Subscription) or **Section 3** (Proprietary Rights). Customer further acknowledges that, as breach of the provisions of Section 3 could result in irreparable injury to PowerSchool, PowerSchool will have the right to seek equitable relief against any actual or threatened breach thereof, without proving actual damages.

**11.5 No Termination for Convenience.** Customer is not entitled to terminate this Agreement for any reason other than for the specific reasons set out in this Agreement or as expressly mandated by law. No termination for convenience will be permitted.

**11.6 Termination for Non-Appropriation.** The Parties acknowledge and agree that if Customer is a governmental entity that is bound to statutory provisions that prevent it from committing to the payment of funds beyond its fiscal year, and if funds are not allocated for the PowerSchool Product(s) and Services captured in an applicable Quote that are the subject of this Agreement following the commencement of any succeeding fiscal year during which the Quote may continue, then Customer may terminate the applicable Quote without liability for any termination charges, fees, or penalties at the end of its last fiscal period for which funds were appropriated. Customer will be obligated to pay all charges incurred through the end of the last fiscal period for which funds were appropriated. Customer will give PowerSchool written notice that funds have not been appropriated (a) immediately after Customer receives notice of such non-appropriation; and (b) at least thirty (30) days prior to the effective date of such termination. Customer will not utilize this clause as a right to terminate any Quote nor this Agreement for convenience. PowerSchool reserves the right to seek documentation evidencing such non-appropriation of funds.

**11.7 Effects of Termination.** In the event of any termination of all or any portion of this Agreement, Customer will not be relieved of any obligation to pay any sums of money that have accrued prior to the date of termination. In addition, the provisions of Sections 3, 5, 6, 9, 11, 12, 13, 14 and 13 will survive termination of this Agreement. Immediately upon any termination of a subscription or license for any Subscription Services or Licensed Product under this Agreement, Customer will, at its own expense,

either return to PowerSchool or destroy all copies of such PowerSchool Product(s), and Customer's authorized representative will forward written certification to PowerSchool that all such copies of such PowerSchool Product(s) have either been destroyed or returned to PowerSchool.

**11.8 Liquidated Damages.** In the event that Customer enters into a multi-year Quote with PowerSchool and Customer terminates the contract or any portion thereof, Customer agrees to pay PowerSchool the remaining sum due to PowerSchool through the stated term in the applicable Quote as liquidated damages, as actual damages being impossible to calculate. This clause will not apply in the event Customer terminates this Agreement as (a) a result of PowerSchool's breach in accordance with Subsection 11.4 herein, or (b) as a result of non-appropriation of funds in accordance with Subsection 11.6 herein.

**12. LIMITATION OF LIABILITY. POWERSCHOOL WILL NOT BE LIABLE TO CUSTOMER FOR ANY SPECIAL, EXEMPLARY, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES; OR LOST PROFITS, LOST FUNDING, LOST SAVINGS, OR LOST OR DAMAGED DATA; OR FOR CLAIMS OF A THIRD PARTY; ARISING OUT OF THIS AGREEMENT, SUBSCRIPTION SERVICES, SUPPORT, SERVICES, OR OTHER ITEMS PROVIDED, OR THE USE OR INABILITY TO USE ANY OF THE FOREGOING, EVEN IF POWERSCHOOL HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR THEY ARE FORESEEABLE. IN ANY EVENT, IN RESPECT OF ANY CLAIM, DEMAND, OR ACTION ARISING OUT OF THIS AGREEMENT, CUSTOMER WILL BE LIMITED TO RECEIVING ACTUAL AND DIRECT DAMAGES IN A MAXIMUM AGGREGATE AMOUNT EQUAL TO THE CHARGES PAID BY CUSTOMER TO POWERSCHOOL HEREUNDER FOR THE APPLICABLE POWERSCHOOL PRODUCT ON WHICH THE CLAIM IS BASED IN THE PREVIOUS TWELVE (12) MONTHS. IN ADDITION, IN NO EVENT WILL THE LIABILITY OF POWERSCHOOL RELATING TO POWERSCHOOL PRODUCT(S) EXCEED THE TOTAL AMOUNT OF MONEY PAID BY CUSTOMER TO POWERSCHOOL DURING THE IMMEDIATELY PRECEDING TWELVE (12) MONTH PERIOD WITH RESPECT TO**

**THE PARTICULAR SUPPORT SERVICES OR HOSTING SERVICES, OR PROFESSIONAL SERVICES ON WHICH THE CLAIM IS BASED.**

### 13. INDEMNIFICATION

**13.1 Indemnification by PowerSchool.** Subject to Section 12 (LIMITATION OF LIABILITY) PowerSchool hereby agrees to defend, indemnify, and hold harmless the Customer from and against any and all losses, liabilities, costs, expenses and damages arising out of or relating to any claim by a third party alleging infringement of any Intellectual Property Rights as to the PowerSchool Product, provided that PowerSchool will have received from Customer (i) prompt written notice of such claim; (ii) the exclusive right to control and direct the investigation, defense and settlement of such claim; and (iii) all reasonable necessary cooperation of Customer.

If Customer's use of the PowerSchool Product is enjoined, PowerSchool may (i) substitute for the PowerSchool Product, a substantially and functionally similar product and documentation; (ii) procure for Customer the right to continue using the PowerSchool Product; or if (i) or (ii) are not possible after reasonable commercial efforts from PowerSchool, then PowerSchool may terminate this Agreement and credit a pro-rated return of unused portion of the subscription.

The foregoing obligation of PowerSchool does not apply to the extent the claim arises from (i) modifications to the PowerSchool Product by anyone other than PowerSchool; (ii) combinations of the PowerSchool Product with products or process not provided or authorized by PowerSchool; or (iii) any unauthorized use, access or distribution of the PowerSchool Product.

**13.2 Indemnification by Customer.** To the extent permitted under applicable law, Customer agrees to indemnify and hold PowerSchool harmless against and from any claim, demand, expenses, or losses, including reasonable legal fees (including but not limited to attorney's fees, costs and expenses), made by any third party against PowerSchool due to or arising out of: (a) Customer's access, use of and/or connection to the PowerSchool Product(s); (b) Customer's sharing of any content obtained through access or use of the PowerSchool Product(s) to any third party; (c) Customer's violation of Section 2 (PowerSchool Products Subscription), or Section 3 (Proprietary

Rights); (d) information Customer sent, submitted, electronically received, accessed, printed, downloaded, or transmitted through the PowerSchool Product(s); or (e) Customer's gross negligence or willful misconduct.

**14. GENERAL**

**14.1 Governing Law.** THIS AGREEMENT WILL BE GOVERNED BY THE LAWS DEPENDING UPON THE ACCOUNT'S COUNTRY LOCATION AS LISTED IN THE TABLE BELOW. THE VENUE LISTED IN THE TABLE WILL BE THE EXCLUSIVE COURTS OF JURISDICTION AND VENUE FOR ANY LITIGATION, SPECIAL PROCEEDING OR OTHER PROCEEDING AS BETWEEN THE PARTIES THAT MAY BE BROUGHT, OR ARISE OUT OF, IN CONNECTION WITH, OR BY REASON OF THIS AGREEMENT. EACH PARTY HEREBY CONSENTS TO THE JURISDICTION OF SUCH COURTS. The United Nations Convention on Contracts for the International Sale of Goods will not apply to this Agreement. This Agreement will not be subject to the Uniform Computer Information Transactions Act.

Account Country	Venue	Governing Law
Canada	Victoria	Province of Ontario
United States	San Francisco	California
Any other country that is not Canada or the United States	San Francisco	California

**14.2 Compliance Verification.** During the term of the Agreement and for a period of one year following its termination, PowerSchool has the right to verify Customer's full compliance with the terms and requirements of the Agreement. Customer must (a) provide any assistance reasonably requested by PowerSchool or its designee in conducting any such audit, (b) make requested personnel, records, and information available to PowerSchool or its designee, and (c) in all cases, provide such assistance, personnel, records, systems access and information in an expeditious manner to facilitate the timely

completion of such compliance verification. If such verification process reveals any noncompliance, Customer must promptly cure any such noncompliance; provided, however, that the obligations under this section do not constitute a waiver of PowerSchool's termination rights and do not affect PowerSchool's right to payment for access to PowerSchool Product(s) and Services and interest fees related to usage in excess of the quantities purchased.

**14.3 General Provisions.**

**14.3.1 Amendment.** This Agreement may only be amended or modified by a writing specifically referencing the particular Section(s) of this Agreement to be modified and signed by authorized representatives of the Parties.

**14.3.2 Force Majeure.** PowerSchool will not be deemed in default of this Agreement for delays or failure in performance resulting from acts beyond its reasonable control, including but not limited to, default by subcontractors or suppliers, failure of Customer to provide promptly to PowerSchool accurate information and materials, as applicable, acts of God or of a public enemy, acts of terrorism, United States or foreign governmental acts in either a sovereign or contractual capacity, labor, fire, power outages, road icing or inclement conditions, flood, epidemic, restrictions, strikes, and/or freight embargoes.

**14.3.3 Severability.** If any provision of this Agreement is held to be illegal, invalid, or unenforceable, that provision must be severed or reformed to be enforceable, and the remaining provisions hereof and thereof will remain in full force. No delay or omission by PowerSchool in the exercise or enforcement of any of its powers or rights hereunder will constitute a waiver of such power or right. A waiver by PowerSchool of any provision of this Agreement must be in writing and signed PowerSchool and will not imply subsequent waiver of that or any other provision.

**14.3.4 Payments.** Customer agrees that its payment and other obligations under this Agreement are absolute and unconditional and not subject to any abatement, reduction, setoff, defense, counterclaim, or recoupment due or alleged to be due as a result of any past or future claim that Customer may have against PowerSchool.

Customer agrees that it will use its best efforts to cooperate with PowerSchool, and will execute and deliver any and all documents in addition to those expressly provided for herein that may be necessary or appropriate to afford PowerSchool the opportunity to adequately provide the PowerSchool Product(s) and Services. Payment terms are defined in the applicable Quote.

**14.3.5 Time to Bring Action.** To the extent allowed under applicable law, Customer may bring no action arising out of this Agreement, regardless of form, more than one (1) year after the cause of action has arisen.

**14.3.6 Notices.** All notices under this Agreement must be in writing and delivered by overnight delivery service or certified mail, return receipt requested, with a copy by email. Notices delivered personally are deemed given upon documented receipt or refusal by recipient to accept receipt. In the case of notices to PowerSchool, such notices must be sent to:

**PowerSchool Group LLC,  
Attn: General Counsel  
150 Parkshore Drive,  
Folsom, CA 95630**

In the case of notices to Customer, such notices will be sent to PowerSchool's address of record for Customer. Either party may change its notice address by notifying the other in like manner.

**14.3.7 Assignment.** Neither PowerSchool or Customer may make any assignment of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other; provided, however, that PowerSchool may assign its rights and obligations under this Agreement without the consent of the Customer in the event PowerSchool hereafter effects a corporate reorganization, consolidates with, or merges into, any person or transfers all or substantially all of its properties or assets to any entity. This Agreement will inure to the benefit of and be binding upon the Parties, their respective successors, executors, administrators, heirs and permitted assignees.

**14.3.8 Facilities.** Customer acknowledges that certain Services are intended to be

performed by PowerSchool off-site (e.g., through remote communication capabilities). If any portion of the work will be performed on Customer's premises, Customer agrees to provide appropriate access to utilities, workspace, and other on-site accommodations reasonably necessary to enable PowerSchool to perform such work.

**14.3.9 Export.** Without in any way limiting the restrictions on transfer set forth elsewhere in this Agreement, Customer specifically agrees that Customer will not, directly or indirectly, export or transfer any export-controlled commodity, technical data or software: (a) in violation of any laws, regulations, rules, or other limitations imposed by any government authority; or (b) to any country for which an export license or other governmental approval is required at the time of export, without first obtaining all necessary licenses or other approvals.

**14.3.10 U.S. Government Restricted Rights.** PowerSchool Product(s) is a "commercial item" as that term is defined in 48 C.F.R. §2.101, consisting of "commercial computer software" and "commercial computer software documentation" as such terms are defined in 48 C.F.R. §12.212 and 48 C.F.R. §227.7202, as applicable, and all as amended from time to time. Consistent with 48 C.F.R. §12.212, 48 C.F.R. §227.7202 and 48 C.F.R. §52.227-19, and other relevant sections of the Code of Federal Regulations, as applicable, and all as amended from time to time, all U.S. Government end users acquire PowerSchool Product(s) only with those rights set forth herein.

**14.3.11 Essential Basis of the Agreement.** Customer acknowledges and understands that the disclaimers, exclusions and limitations of liability set forth in this Agreement form an essential basis of the agreement between the Parties, that the Parties have relied upon such disclaimers, exclusions, and limitations of liability in negotiating the terms and conditions herein, and that absent such disclaimers, exclusions, and limitations of liability, the terms and conditions of the Agreement would be substantially different.

**14.3.12 Entire Agreement.** This Agreement and/or exhibits referenced herein, and any addendums and amendments, constitute



the complete and entire agreement between the Parties with respect to its subject matter, and supersedes all prior discussions, understandings, arrangements, proposals and negotiations with respect to same. The terms and conditions of this Agreement will prevail notwithstanding any variance with the terms and conditions of any purchase order or other documentation submitted by Customer with respect to PowerSchool Product(s) or any Services, and PowerSchool hereby refuses any such different or additional provisions in purchase orders or other documents. By mutual agreement of the Parties, this Agreement is effective upon execution of a Quote and supersedes all prior Agreements entered into by the Parties, the Parties' agents, and/or the Parties' previous affiliates. This Agreement may not be modified or amended without the written agreement of both Parties that specifies the particular Section(s) being modified. The order of precedence is the executed Quote, then this Agreement, then any referenced and applicable exhibits and privacy policy.

## EXHIBIT A

### SUPPORT POLICY

**1. Definitions.** Capitalized terms not defined herein have the meanings assigned to them in the Agreement between Customer and PowerSchool to which these Support and Services Policies (“Policies”) are attached. In addition, for purposes of these Policies, the following definitions will apply:

**1.1** “Errors” means a reproducible failure of Licensed Product to operate in accordance with its standard Documentation, despite the proper installation and use of the Licensed Product in a proper operating environment and on hardware and system software sufficient to meet PowerSchool’s then-current minimum requirements, which are subject to change as New Versions are released. User mistakes are not Errors within the meaning of these Policies. Errors may be due to problems in Licensed Product, Subscription Service, the Documentation, or both.

**1.2** “Fix” means a patch, service pack or corrective update of Licensed Product that PowerSchool may prepare in its discretion on an interim basis, prior to issuance of a New Version, to correct programming Errors that prevent or obstruct normal operation of Licensed Product or Subscription Service in accordance with the applicable Documentation and developed by PowerSchool.

**1.3** “New Products” means new products, programs or modules offered by PowerSchool and are distinguished from New Versions and Fixes. New Versions and Fixes may include New Products that provide features, functions or applications not included in the Licensed Product originally licensed by Licensee and for which additional license fees apply as determined by PowerSchool to access. A New Product may be usable with or in addition to the Licensed Product originally licensed by Licensee. New Products will be licensed to Licensee under the terms of PowerSchool’s then-current license agreement only after payment of applicable fees.

**1.4** “New Version” mean an updated version of Licensed Product issued by PowerSchool, which may include Fixes, together with such other modifications, updates, enhancements and improvements to Licensed Product that PowerSchool may, in its discretion, develop and deem ready for distribution and that PowerSchool standardly provides to all customers with a current support subscription to such Licensed Product or Subscription Service.

**1.5** “Support Services” means those support services described in Section 3.1 below that will be provided hereunder with respect to Subscription Services and Licensed Products during the relevant Support Term.

**1.6** “Support Term” means the length of time Support Services are to be provided hereunder and for which the Customer or Licensee has paid any applicable Support Services fees, including any initial Support Term and any renewal Support Terms.

**1.7** “Telephone and E-mail Support” means telephone and e-mail support services, available Monday through Friday, during PowerSchool’s normal business hours, exclusive of PowerSchool’s holidays, regarding Subscription Services and Licensed Product.

**2. Support Term; Fees.** Support Services for Licensed Products provided under certain licensing arrangements are available at an additional cost. If the Customer separately purchases a Support Term, such purchases will be listed separately in the Quote. Support is provided as a part your purchased Subscription Services listed on the Quote and will not require purchase of a separate Support Term. Support with your Subscription Services will continue with the duration of your purchase of a Subscription Service. For Support Services purchased concurrently with a license, the initial Support Term will begin upon shipment (FOB PowerSchool's place of shipment) of Licensed Product (or, in the case of a when made available for download electronically, upon PowerSchool's provision of the necessary licensing information to enable Licensee to download Licensed Product) or launch date when access to the Subscription Services is provided; and terminate one (1) year thereafter, unless a different Support Term is specified in PowerSchool's written acknowledgment of the client's order, or unless terminated earlier in accordance with the terms of these Policies or the Agreement. Either Party may terminate the provision of Support Services as of the end of the then-current Support Term by providing written notice to the other party prior to the end of the then-current Support Term that such party does not wish to renew the Support Term. Licensee/Customer must provide written notice of non-renewal at least thirty (30) days prior to the applicable Support Term. If notice of non-renewal is not given by either party, the Support Term will automatically renew for the applicable renewal term stated on PowerSchool's renewal invoice at the then current Support fees; otherwise, the Support Term will terminate at the end of Licensee's current paid-up Support Term. If Licensee's/Customer's Support Term is so terminated due to nonpayment, and then PowerSchool subsequently reinstates Licensee's/Customer's access to support, such reinstated access will remain subject to the terms of these Policies and payment of applicable reinstatement fees. PowerSchool reserves the right to charge reinstatement fees in the event deactivated licenses are reactivated. For the initial Support Term, Licensee/Customer must pay the charges specified in PowerSchool's initial invoice. For renewal Support Terms, Licensee/Customer must pay PowerSchool's then-current annual Support Services fees. PowerSchool may supply new or modified Support and Services Policies or other terms and conditions in a renewal term, in which event such new or modified Support and Services Policies or other terms and conditions will govern PowerSchool's provision in such renewal term.

**3. Support Services Scope.** PowerSchool, or an entity under contract with and authorized by PowerSchool to provide Support Services, will provide Support Services for Licensed Product and Subscription Services during the Support Term. The scope of Support Services will be as follows:

**3.1 Support.** Support Services include: (a) Telephone and E-mail Support; (b) access to an online support website, as maintained by PowerSchool for customers maintaining a current support subscription; (c) Fixes, as developed and made generally available by PowerSchool in its discretion to address Errors that Licensee is experiencing in using Licensed Product or Customer is experiencing in any Subscription Service; and (d) New Versions, as developed and made generally available by PowerSchool. Support Services do not include New Products. PowerSchool determines, in its sole discretion, what constitutes a New Product (for



which additional license fees apply), and what improvements and enhancements to existing functionality of a Licensed Product or Subscription Service are to be included in a New Version (and are therefore provided at no charge to customers with a current support subscription).

**3.2 Custom Programs.** For any custom programs developed for Licensee/Customer by PowerSchool, Support Services are available only on a time and materials basis at PowerSchool's current rates and charges for these services; support for custom programs is not included in Support Services. In addition, to the extent that Licensed Product or Subscription Service includes any functionality that allows the user to customize screens or reports, PowerSchool will support the application infrastructure utilized to create such customizations but will not be responsible for supporting any such customizations.



## EXHIBIT B

### PROFESSIONAL SERVICES POLICY

This Exhibit B sets forth the additional policy and party expectations supporting PowerSchool's provision of Professional Services to the Customer/Licensee in connection with the solution provided pursuant to this Agreement.

#### 1. Performance of Professional Services.

**1.1. Statements of Work.** For many professional services projects, PowerSchool will capture the project details in signed statement of work (each a Statement of Work" or "SOW") setting forth the agreed upon scope of the professional service, estimated or actual pricing and any special payment terms and, if applicable, project schedule, and estimated delivery dates. Both Parties will execute each Statement of Work and each is incorporated into this Agreement. For professional services projects not requiring the completion of a SOW, alignment between the Parties on such services are captured in a request form, change order or in the signed Quote. If there is a conflict between the terms set forth in this Agreement and a Statement of Work, the terms set forth in the applicable Statement of Work will control.

**1.2 Delivery and Cooperation.** Customer/Licensee acknowledges that Customer's cooperation is essential to the timely performance of PowerSchool's services. Customer will, to the extent required in connection with the performance of PowerSchool's services: (i) provide PowerSchool with any necessary Customer materials; (ii) provide PowerSchool with any required access to Customer's personnel, facilities or data; (iii) cause the appropriate personnel to cooperate with PowerSchool as required for PowerSchool to provide PowerSchool's services, including responding promptly to questions or issues; and (iv) make all payments when due. Customer's delay or failure to do so may delay the estimated delivery schedules set forth in the Statement of Work or otherwise communicated to the Customer. If Customer/Licensee fails to do any of the foregoing, both Parties will cooperate in good faith to develop a revised written delivery schedule and written Statement of Work or change order signed by both Parties with new pricing. Unless otherwise expressly agreed in a Statement of Work, all Professional Services will be deemed accepted upon delivery.

**2. Fees and Expenses.** In addition to providing Support Services during the Support Term, PowerSchool will perform such other Professional Services (training, installation, consulting, project management, etc.) as may be specified in a PowerSchool Quote, written acknowledgment of Customer/Licensee's order, or as may be subsequently agreed upon by the Parties in a SOW; provided that PowerSchool may, at its option, arrange for any such services to be performed by another entity on behalf of PowerSchool. Customer/Licensee agrees to pay for such services at the rates and charges specified in PowerSchool's written acknowledgment of Customer/Licensee's order, or, for work subsequently requested, at the rates agreed upon by Customer/Licensee and PowerSchool for such subsequent work. PowerSchool reserves the right to require a purchase order or equivalent documentation from Customer/Licensee prior to performing any such Services, or to require prepayment of certain Services. Unless otherwise specified, all rates quoted are for services to be performed during PowerSchool's normal business hours; additional charges may apply for evenings, weekends or holidays. Unless otherwise agreed, the Customer/Licensee will also pay PowerSchool for travel expenses (lodging, meals, transportation and other related expenses) incurred in the performance of services. All such additional charges will be due and payable concurrently with payment for services. PowerSchool reserves the right to impose a minimum labor charge for each on-site visit. The rates and charges specified in PowerSchool's acknowledgment of Customer/Licensee's order will apply to those services originally ordered; however, PowerSchool reserves the right to change service rates or other terms as a condition of entering into any subsequent service engagement. If Customer/Licensee pays in advance for any services, all services must be scheduled and delivered within twelve (12) months of such payment, unless otherwise agreed in writing by PowerSchool; any portion of any prepaid services amount that has not been used by Customer/Licensee toward services rendered within such twelve (12) month period will be forfeited.

**3. Training.** PowerSchool reserves the right to limit the number of persons permitted to attend any training class in accordance with PowerSchool's training standards.



**4. Changes to Project Scope.** Customer/Licensee may request changes to the scope of a Statement of Work. Any changes to the scope of a statement of work will result in a change order to such statement of work or a new statement of work. Any scope changes will be made pursuant to the terms set forth in a Statement of Work, to be mutually agreed upon by the Parties.

**5. Services Cancellation.** Customer/Licensee will pay a cancellation charge equal to fifty percent (50%) of the services fee and any non-refundable expenses incurred by PowerSchool if Customer/Licensee cancels any scheduled professional services less than fourteen (14) days before the occurrence of any service dates that PowerSchool has scheduled at Customer/Licensee's request.

**6. Ownership of Materials.** PowerSchool is the owner of all copyrights, patent rights and other intellectual property rights in any software code, documentation, reports or other deliverables (collectively, "Deliverables") created for or provided to Customer/Licensee pursuant to any Professional Services, unless otherwise agreed to in writing. Provided that all PowerSchool fees and expenses associated with the development and provision of such Deliverables are paid timely, Customer/Licensee will have a paid-up, royalty-free license to use such Deliverables for Customer/Licensee's internal use only, solely for the purpose for which such Deliverables were provided. Nothing in this Agreement will prevent PowerSchool from providing any Deliverables to PowerSchool's other customers or third parties. Notwithstanding the foregoing, PowerSchool acknowledges and agrees that any confidential information of a Customer/Licensee incorporated into any Deliverable remains subject to the provisions of such Section.

**7. Data Loads.** For most Licensed Products and Subscription Services, successful implementation requires proper data loads in specific formats and layouts. PowerSchool will inform the Customer/Licensee of the specific instructions such as data file layouts to support the data load for the implementation of a Licensed Product or Subscription Service. If the Customer/Licensee is unable to provide the data as required, PowerSchool may offer services to complete the data load at an additional charge. If such services are purchased, Customer/Licensee agrees to follow PowerSchool's specific instructions and use best efforts to support the data load activity as outlined by PowerSchool any such data load or migration. PowerSchool will not directly access non-PowerSchool applications to assist the Customer/Licensee in any data migration activity. Successful implementation is the shared obligation of both Parties.



## EXHIBIT C

### HOSTING SERVICES POLICY

**1. Term; Fees.** Hosting Services are available at an additional cost. For Hosting Services purchased concurrently with Customer's access to Subscription Services, Customer's initial Hosting Term will begin as of the start date listed on the signed Quote and terminate one (1) year thereafter, ("Hosting Term") unless a different Hosting Term is specified in the PowerSchool Quote, or unless terminated earlier in accordance with the terms of these Policies or the Agreement. Either Party may terminate the provision of Hosting Services as of the end of the then-current Hosting Term by providing written notice to the other party prior to the end of the then-current Term that such party does not wish to renew the Hosting Term. PowerSchool will provide Customer with at least sixty (60) days' notice if PowerSchool determines that it will no longer offer Hosting Services to Customer (but in any event will continue providing Hosting Services for the balance of the current term for which Customer has prepaid for such Services). If notice of non-renewal is not given by either party, then PowerSchool will invoice Customer for the applicable renewal fees for a subsequent Hosting Term. If Customer's Hosting Term is terminated due to non-payment, and then PowerSchool subsequently reinstates Customer's access to Hosting Services, such reinstated access will remain subject to the terms of these Policies and payment of applicable reinstatement fees. For the initial Hosting Term, Customer must pay the charges specified in PowerSchool's initial invoice. For renewal Terms, Customer must pay PowerSchool's then-current annual Hosting Services fees. PowerSchool may supply new or modified Support and Services Policies or other terms and conditions to Customer related to the provision of Hosting Services in a renewal term, in which event such new or modified Support and Services Policies or other terms and conditions will govern PowerSchool's provision of Hosting Services in such renewal term.

**2. Availability.** Customer acknowledges that the Subscription Service may be inaccessible or inoperable from time to time due to planned maintenance or to causes that are beyond the control of PowerSchool or are not reasonably foreseeable by PowerSchool, including, but not limited to: a force majeure event as defined in the Agreement, the interruption or failure of telecommunication or digital transmission links; hostile network attacks; network congestion; or other failures (collectively "Downtime"). PowerSchool will use commercially reasonable efforts to minimize any disruption, inaccessibility and/or inoperability of the Subscription Service caused by Downtime, whether scheduled or not. The foregoing does not apply to non-production systems, such as test, training and archival systems, which are available on an hourly basis.

**3. Acceptable Use Policy.** Customer acknowledges that PowerSchool does not monitor or police the content of communications or Customer data or its users' activities transmitted through the Subscription Services, and that PowerSchool will not be responsible for the content of any such communications or transmissions. Customer must use the Subscription Services exclusively for authorized and legal purposes, consistent with all applicable laws and regulations and PowerSchool's policies. Customer agrees not to post or upload any content or data which: (a) is libelous, defamatory, obscene, pornographic, abusive, harassing or threatening; (b) violates the rights of others, such as data which infringes on any intellectual property rights or violates any right of privacy or publicity; or (c) otherwise violates any applicable law. PowerSchool may remove any violating content posted or transmitted through the Hosting Services, without notice to Customer. PowerSchool may suspend or terminate any user's access to the Hosting Services upon notice in the event that PowerSchool reasonably determines that such user has violated the terms and conditions of this Agreement.

**4. Security.** In addition to complying with "Exhibit D: Security and Privacy", Customer will not: (a) breach or attempt to breach the security of the Hosting Services or any network, servers, data, computers or other hardware relating to or used in connection with the Hosting Services, or any third party that is hosting or interfacing with any part of the Hosting Services; or (b) use or distribute through the Hosting Services any software, files or other tools or devices designed to interfere with or compromise the privacy, security or use of the Hosting Services or the operations or assets of any other customer of PowerSchool or any third party. Customer will comply with the user authentication requirements for use of the Hosting Services. Customer is solely responsible for monitoring its authorized users' access to and use of the



Hosting Services. PowerSchool has no obligation to verify the identity of any person who gains access to the Hosting Services by means of an access ID. Any failure by any authorized user to comply with the Agreement is a material breach by Customer, and PowerSchool will not be liable for any damages incurred by Customer or any third party resulting from such breach. Customer must immediately take all necessary steps, including providing notice to PowerSchool, to effect the termination of an access ID for any authorized user if there is any compromise in the security of that access ID or if unauthorized use is suspected or has occurred. POWERSCHOOL WILL NOT BE RESPONSIBLE FOR ANY COSTS OR EXPENSES RELATED TO A SECURITY INCIDENT THAT IS CAUSED BY THE ACTS OR OMISSIONS, MISCONDUCT, NEGLIGENCE, OR FRAUD BY OR OF CUSTOMER OR ANY OF ITS USERS, EMPLOYEES, AGENTS, OR CONTRACTORS.

**5. Data.** Customer has sole responsibility for the legality, reliability, integrity, accuracy and quality of the data it processes through and submit to the Hosting Services.



## EXHIBIT D

### DATA PRIVACY AND SECURITY

#### 1. Ownership of Materials; Confidentiality; Compliance.

- 1.1. All pre-existing proprietary data, materials and other intellectual property of PowerSchool that is provided to Customer by PowerSchool in connection with the performance of this Agreement (collectively, **"PowerSchool's Pre-existing Intellectual Property"**) will remain PowerSchool's property, except where any written or other tangible materials or customizations delivered to Customer under a specific Statement of Work and Quote is licensed differently..
- 1.2. All Customer data and records uploaded or transmitted to PowerSchool under this Agreement (collectively, **"Customer Documents and Data"**) continues to be the property of Customer. PowerSchool will maintain all such Customer Documents and Data in strict confidence and will not disclose any such Customer Documents and Data, or copies thereof, to any person or entity other than Customer's legal counsel or Customer's designated contact, or pursuant to the Agreement. The data shared pursuant to this Agreement, including persistent unique identifiers, will be used for no purpose other than the performance of the Services, improvement of PowerSchool Product(s), or internal research. Should PowerSchool, either during or following termination of the Agreement, desire to use any Customer Documents and Data for its own purposes not contemplated in this Agreement, it must first obtain the prior written approval of Customer. Customer Documents and Data will not consist of De-identified Data.
- 1.3. PowerSchool acknowledges that Customer and Customer Users retain full right and ownership to all of their user-generated content (such content not encompassing any modifications to PowerSchool's Pre-existing Intellectual Property), unless such rights are specifically granted to PowerSchool in a writing signed by Customer and the User or, if the User is a minor child, by the child's parent/guardian. PowerSchool agrees not to edit, make available, distribute or otherwise disclose any information or content, including any Customer Documents and Data, generated or obtained from Customer or Users, whether submitted on PowerSchool's Site or otherwise obtained, unless: (1) integral to and clearly contemplated by the particular nature of the Services or otherwise permitted pursuant to this Agreement, or (2) written permission is first procured.
- 1.4. The Parties acknowledge that (i) Customer Documents and Data may include personally identifiable information from education records that are subject to the Family Educational Rights and Privacy Act, as amended ("FERPA Records"); and (ii) to the extent that Customer Documents and Data includes FERPA Records, PowerSchool will be considered a "School Official" (as that term is used in FERPA and its implementing regulations) and will comply with the requirements and obligations of School Officials under FERPA. Each party represents and warrants to the other party that it will comply with all provisions of FERPA applicable to such party's performance hereunder.
- 1.5. The Parties also acknowledge that Customer Documents and Data may include personally identifiable information from children under the age of 13, subject to the Children's Online Privacy Protection Act and related regulations ("COPPA"). Where applicable, Customer acknowledges that it will act as agent for the parents of students under the age of 13 for purposes of COPPA. Customer represents to PowerSchool that through the duration of this Agreement, the Customer is duly authorized to provide the data to PowerSchool for processing based on having obtained parental consent where necessary. Customer further acknowledges that it has read, fully understands, and agrees to abide by PowerSchool's Privacy Policy, available at [www.powerschool.com/privacy](http://www.powerschool.com/privacy) and as may be revised from time-to-time, incorporated by reference herein.
- 1.6. PowerSchool will safeguard and keep confidential personal or sensitive information obtained from a Customer User, including, but not limited to, personally identifying information such as the



name, email address or screen name of the Customer User.

- 1.7. The terms herein will not be construed as prohibiting either party hereto from disclosing information to the extent required by law, regulation, or court order, provided such party notifies the other party promptly after becoming aware of such obligations and permits the other party to seek a protective order or otherwise to challenge or limit such required disclosure.

## 2. Disposition of Data.

- 2.1. Upon written request and in accordance with the applicable terms in **Sections 2.2 or 2.3**, below, PowerSchool will dispose or delete all Customer Documents and Data within a commercially reasonable time period when it is no longer needed for the purpose for which they were obtained. Customer must inform PowerSchool when Customer Documents and Data is no longer needed. Disposition will include (1) the shredding of any hard copies of any Customer Documents and Data; (2) erasing; or (3) otherwise modifying the personal information in those records to make the information unreadable or indecipherable by human or digital means. Nothing in this Agreement authorizes PowerSchool to maintain Customer Documents and Data beyond the time period reasonably needed to complete the disposition. Upon request by Customer, PowerSchool will provide written notification to Customer when all Customer Documents and Data have been disposed. Upon receipt of a request from Customer, PowerSchool will immediately provide Customer access to Customer confidential information, specifically personnel data, within ten (10) calendar days of receipt of said request, as commercially reasonable.
- 2.2. **Partial Disposal During Term of this Agreement.** Throughout the Term of this Agreement, Customer may request partial disposal of Customer Documents and Data that is no longer needed. Partial disposal of Customer Documents and Data will be subject to Customer's request to transfer such data to a separate account. To the extent Customer is unable to transfer such data by their own accord, PowerSchool agrees to assist Customer to transfer any Customer Documents and Data in question, so long as it is commercially reasonable to do so. To the extent transfer or partial disposal of Customer Documents and Data is not commercially reasonable, PowerSchool will inform the Customer of the actual costs to undertake such a transfer, and Customer may reasonably agree to pay the cost of such transfer. All transfers must comply with applicable law. PowerSchool is not liable or in breach of this Agreement when it denies a transfer it reasonably believes is not in compliance with the law. Any transfer made on Customer's written request that such transfer is compliant with the law requires Customer to fully indemnify, defend, and hold harmless PowerSchool from complying with Customer's instructions.
- 2.3. **Complete Disposal Upon Termination of this Agreement.** Upon termination of this Agreement, PowerSchool will dispose of or delete all Customer Documents and Data within a commercially reasonable time period following termination; provided, however, in no event will PowerSchool dispose of Customer confidential information pursuant to this provision unless and until PowerSchool has received affirmative written confirmation from Customer that Personnel Data need not be transferred to a separate account.
- 2.4. **Transfer to Succeeding Vendor Upon Termination.** Upon termination, or upon a party's receipt of effective notice of termination, of this Agreement, PowerSchool will, if so requested by Customer, securely transfer all Customer Documents and Data directly from PowerSchool's Site to the hosting site or platform of another vendor designated by Customer, such transfer to occur on a date on or after the effective date of termination as directed by Customer in a format mutually agreed by PowerSchool. PowerSchool will have no obligation to transfer Customer Documents and Data in a form or format specified by succeeding vendor, but PowerSchool will provide Customer Documents and Data in a manner that is agreed upon as industry standard. To the extent transfer or partial disposal of Customer Documents and Data is not commercially reasonable, PowerSchool will inform the Customer of the actual costs to undertake such a transfer, and Customer may reasonably agree to pay the cost of such transfer.



3. **Data Security.** PowerSchool agrees to abide by and maintain adequate data security measures, consistent with industry standards and technology best practices for digital storage of sensitive personal data, to protect Customer Documents and Data from unauthorized disclosure or acquisition by an unauthorized person. The general security obligations of PowerSchool are set forth below. These security measures will include, but are not limited to:
  - 3.1. **Passwords and Employee Access.** PowerSchool will secure usernames, passwords, and any other means of gaining access to the Services or to Personnel Data, at a level meeting or exceeding the applicable standards. PowerSchool will only provide access to Personnel Data to employees or contractors who require access pursuant to the Agreement.
  - 3.2. **Security Protocols.** The Parties agree to maintain security protocols that meet industry standards in the transfer or transmission of any data, including ensuring that data may only be viewed or accessed by parties legally allowed to do so. PowerSchool will maintain all data obtained or generated pursuant to this Agreement in a secure digital environment and will not copy, reproduce, or transmit data obtained pursuant to this Agreement, except as necessary to fulfill the purpose of data requests by Customer.
  - 3.3. **Employee Training.** PowerSchool will provide periodic security training to those of its employees who operate or have access to the system. Further, PowerSchool will provide Customer with contact information of an employee whom Customer may contact if there are any security concerns or questions.
  - 3.4. **Security Technology.** PowerSchool will employ industry standard measures to protect data from unauthorized access. The service security measures will include server authentication and data encryption. PowerSchool will host data pursuant to this Agreement in an environment using a firewall that is updated according to industry standards.
  - 3.5. **Security Coordinator.** PowerSchool will provide the name and contact information of PowerSchool's security coordinator for the Personnel Data received pursuant to this Agreement upon written request.
  - 3.6. **Subprocessors Bound.** PowerSchool will enter into written agreements whereby subprocessors agree to secure and protect Personnel Data in a manner consistent with the terms of this **Section 3**. PowerSchool will periodically conduct or review compliance monitoring and assessments of subprocessors to determine their compliance with this **Section 3**. For the purposes of this Agreement, the term "subprocessor" means a party other than Customer or PowerSchool, whom PowerSchool uses for data collection, analytics, storage, or other service to operate and/or improve its software, and who has access to Personnel Data.
  - 3.7. **Periodic Risk Assessment.** PowerSchool further acknowledges and agrees to conduct digital and physical periodic risk assessments at least annually and remediate any identified security and privacy vulnerabilities in a timely manner.
4. **Data Breach.** In the event Personnel Data is accessed or obtained by an unauthorized individual or third party, PowerSchool will provide notification to Customer within a reasonable amount of time of confirmation of the incident, not exceeding seventy-two (72) hours. PowerSchool will follow the following process:
  - 4.1. The security breach notification will be written in plain language, will be titled "Notice of Data Breach," and will present the information described herein under the following headings: "What Happened," "What Information Was Involved," "What We Are Doing," "What You Can Do," and "For More Information." Additional information may be provided as a supplement to the notice.
  - 4.2. The security breach notification described above in **Section 4.1** will include, at a minimum, the



following information:

- 4.2.1. The name and contact information of Customer's Designee or his designee for this purpose.
  - 4.2.2. A list of the types of personal information that were or are reasonably believed to have been the subject of a breach.
  - 4.2.3. If the information is possible to determine at the time the notice is provided, then either (1) the date of the breach, (2) the estimated date of the breach, or (3) the date range within which the breach occurred. The notification will also include the date of the notice.
  - 4.2.4. Whether the notification was delayed as a result of a law enforcement investigation, if that information is possible to determine at the time the notice is provided.
  - 4.2.5. A general description of the breach incident, if that information is possible to determine at the time the notice is provided.
- 4.3. PowerSchool agrees to adhere to all requirements in applicable state and federal law with respect to a data breach related to the Customer Documents and Data, including, when appropriate or required, the required responsibilities and procedures for notification and mitigation, where commercially reasonable, e of any such data breach.
  - 4.4. PowerSchool further acknowledges to have a written incident response plan that reflects best practices and is consistent with industry standards and federal and state law for responding to a data breach, breach of security, privacy incident, or unauthorized acquisition or use of the Personnel Data or any portion thereof, including personally identifiable information and agrees to provide Customer, upon request, with a copy of said written incident response plan.
  - 4.5. If Customer requests PowerSchool's assistance providing notice of unauthorized access, and such assistance is not unduly burdensome to PowerSchool, PowerSchool will assist in notifying the affected individual(s) of the unauthorized access, which will include the information listed in **Sections 4.1** and **4.2**, above.



## EXHIBIT E

### PRODUCT SPECIFIC TERMS

This Exhibit contains terms and conditions specifically for certain products or services of PowerSchool. Such terms do not apply to all PowerSchool products in general.

#### 1. TERMS RELATING TO EMBEDDED APPLICATIONS

**1.1 Oracle.** The following terms are applicable to a certain Embedded Application known as Oracle Database Enterprise Edition (the "Oracle Software"):

The Oracle Software may only be used in conjunction with the Subscription Services and solely for Customer's internal business purposes.

- a) Oracle USA, Inc. ("Oracle") will have no liability whatsoever to Customer for any damages, whether direct, indirect, incidental, or consequential arising from Customers use of Subscription Services or the Oracle Software.
- b) Customer is prohibited from publishing the results of any benchmark tests run on the Oracle Software.
- c) Customer will be prohibited from timesharing, rental, facility management, or service bureau use of the Oracle Software.
- d) Customer's records may be audited, by PowerSchool or Oracle, during normal business hours to verify compliance with the terms of this Agreement.
- e) Oracle will be a third party beneficiary of this Agreement.
- f) Oracle will have no performance obligation or liability to Customer in connection with this Agreement.

Should the Oracle Software contain any source code provided by Oracle, such source code will be governed by the terms of this Agreement.

**1.2 GPL Software.** Certain Embedded Applications included with the Subscription Services may be free software licensed under the terms of the GNU General Public License (GPL). Customer may obtain a complete machine-readable copy of the source code for such free software under the terms of the GPL, without charge except for the cost of media, shipping, and handling, upon written request to PowerSchool. The GPL software is distributed in the hope that it will be useful, but WITHOUT ANY WARRANTY, including even the implied warranties of MERCHANTABILITY or FITNESS FOR A PARTICULAR PURPOSE. A complete copy of the GPL is included within the Subscription Services.

**1.3 Illuminate.** The following terms are applicable to a certain Embedded Application known as Illuminate (the "Illuminate Software") provided by Illuminate Education, Inc. ("Illuminate"):

- a) **LICENSE GRANT:** The LICENSEE is hereby granted a limited, non-exclusive, non-transferable right and license to access and use the Assessment Item Bank through Licensor's platform within the State in which the Licensee is organized, authorized and resides (the "Licensee Territory") to provide noncommercial access and use of any or all of the items from the Illuminate Content (referred to herein as the "Illuminate Content", "Item Bank", or individual items, materials associated with the items such as reading passages and graphics, and scoring materials from the Item Bank as "Items") to students registered within the Licensee's schools/districts for the sole purpose of performing formative assessments of those students (the "License"). The Licensee is strictly prohibited from using or promoting any Items in the Item Bank as high stakes assessments. All rights, licenses and privileges not expressly granted to the Licensee under the License will remain exclusive to Illuminate. Without limiting the generality of the foregoing, the Licensee acknowledges that Illuminate retains all rights under copyright and all other intellectual property rights in and to the Item Bank, all Items included therein and all modifications and derivative works created there from. The Licensee's rights to access and use the Item Bank, the Items and all modifications and derivative works thereof shall terminate upon the earlier of: (i) termination of the



agreement between the Licensee and Licensor granting this License; or (ii) termination of Licensor's right and license to distribute the Item Bank. Licensee acknowledges that use of the Item Bank, the Items, and all modifications and derivative works thereof after termination of the License is strictly prohibited and would constitute infringement of Illuminate's proprietary rights.

- b) Throughout the term of the License Illuminate will have the right, at its sole discretion, to modify the Item Bank, and to delete, and require the deletion by the Licensee, of specific Items and/or passages from the Item Bank.
- c) Data Extracts. Illuminate shall have the option to request data files for the Licensor containing a consistent, unique, pseudo student identifier (not student district ID), demographics, and individual responses for assessments created with the Illuminate Content. With regard to this Agreement, Illuminate agrees to abide by the No Child Left Behind Act Publication 107-110 and Family Educational Rights and Privacy Act (FERPA).
- d) ILLUMINATE REPRESENTATIONS, WARRANTIES AND LIMITATIONS OF LIABILITY. ILLUMINATE REPRESENTS THAT IT HASA THE RIGHT TO GRANT THIS LICENSE. ILLUMINATE MAKES NO WARRANTY WHATSOEVER, WHETHER STATUTORY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, NON-INFRINGEMENT, TITLE. ILLUMINATE IS NOT RESPONSIBLE FOR THE VALIDITY, FAIRNESS OR QUALITY OF ASSESSMENTS THAT ARE ULTIMATELY PREPARED BY THE LICENSEE USING THE ITEM BANK. ILLUMINATE WILL HAVE NO RESPONSIBILITY WITH RESPECT TO ANY USE OF THE ITEM BANK OR ANY ITEMS (A) TO THE EXTENT THAT ANY ITEMS HAVE BEEN MODIFIED WITHOUT PRIOR WRITTEN APPROVAL BY ILLUMINATE OR (B) FOR ANY PURPOSE OTHER THAN FOR FORMATIVE STUDENT ASSESSMENTS OR (C) FOR FAILURE TO USE THE ITEMS OR ITEM BANK IN ACCORDANCE WITH THE LICENSE OR THE LICENSEE'S AGREEMENT WITH LICENSOR. ILLUMINATE IS NOT RESPONSIBLE FOR THE CONTENT, ACCURACY, COMPLETENESS OR ADEQUACY OF ANY STATE STANDARDS ACCESSIBLE THROUGH THE COVERED PLATFORM.
- e) ILLUMINATE WILL HAVE NO LIABILITY UNDER THE LICENSEE'S AGREEMENT WITH LICENSOR. IN NO EVENT SHALL ILLUMINATE BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR OTHER INDIRECT DAMAGES. FURTHERMORE, NOTWITHSTANDING ANYTHING CONTAINED IN THE AGREEMENT TO THE CONTRARY, UNDER NO CIRCUMSTANCES SHALL ILLUMINATE BE LIABLE TO LICENSEE OR ANY THIRD PARTY FOR ANY DAMAGES IN EXCESS OF THE FEES PAID TO ILLUMINATE BY OR ON BEHALF OF THE LICENSEE PURSUANT TO THE LICENSE OR THE LICENSEE'S AGREEMENT WITH LICENSOR DURING THE TWELVE-MONTH PERIOD IMMEDIATELY PRECEDING SUCH CLAIM.

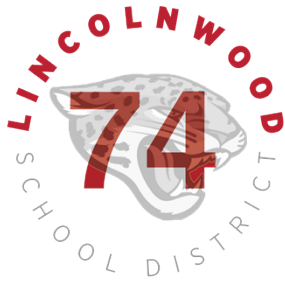
- 1.4 Employee Records – Contracts Only License.** If Customer purchased “Unified Talent Contract Management Express,” Customer's use is limited to the use of the Contracts feature of *Unified Talent Employee Records* and its associated folder for each district employee. Unless Customer purchased “Unified Talent Records,” PowerSchool does not grant Customer usage of the full feature set of the *Employee Records* solution. PowerSchool reserves the right to audit the usage of other features and charge fees up to the list price of the full *Employee Records* solution if Customer purchased “Unified Talent Contract Management Express” but did not appropriately limit its use to the Contracts feature, as set out herein.

**2. STATE OR PROVINCIAL REPORTING CODE.** PowerSchool makes no representation that the PowerSchool SIS, eSchoolPLUS, iNOW SIS, or Trillium SIS products include any SRC or PRC designed to meet the reporting requirements of Licensee's state or province, as applicable. If PowerSchool does offer SRC or PRC for Licensee's state or province, Licensee acknowledges that the SRC or PRC is intended as a tool to assist Licensee in complying with state or provincial regulatory requirements; however, PowerSchool does not warrant or guarantee that the SRC or PRC conforms to, or that use of the SRC or



PRC will ensure Licensee's compliance with, all state or provincial regulatory requirements that may apply or that the SRC or PRC will be maintained to conform to such requirements now or in the future. It is Licensee's, and not PowerSchool's, responsibility to understand and comply with all such requirements.

**3. HARDWARE.** If Customer is purchasing any hardware through PowerSchool, Customer acknowledges that such hardware purchase is being facilitated by PowerSchool as an accommodation to Customer only. The warranties on any hardware not manufactured by PowerSchool will be limited to those provided by the manufacturers of such hardware and/or the vendors through which such hardware is being supplied. PowerSchool will pass through any manufacturer's or other vendor's warranty to the extent permitted by the manufacturer or other vendor, as applicable. Customer agrees to look solely to the applicable manufacturer or other vendor, and not to PowerSchool, to fulfill any such warranties and any maintenance, repair, support, or other service obligations related to such hardware. Unless otherwise specifically agreed to in writing by PowerSchool, PowerSchool does not provide support for any of the hardware or third party software being purchased by Customer through PowerSchool. Any requests for such support should be directed to the applicable hardware or software manufacturer. Customer further agrees that any claims related to any such hardware, whether for breach of warranty or otherwise, must be made directly against the applicable manufacturer or other vendor, and not against PowerSchool, and that PowerSchool will have no liability whatsoever in connection with such claims.



## Executive Summary Finance Committee Meeting

DATE: February 18, 2021

TOPIC: S&P Global Ratings Letter of Engagement

PREPARED BY: Courtney Whited

**Recommended for:**

- Action
- Discussion
- Information

**Purpose/Background:**

The Board of Education approves all contracts and expenditures greater than \$10,000.

**Fiscal Impact:**

S&P Global Ratings has provided a credit rating for the approved selling of \$7,000,000 Working Cash Fund Bonds for the purpose of increasing the working cash fund of the District. The fee associated with this work is \$15,750. The attached S&P Global Ratings Letter of Engagement is for the Board of Education review and has been reviewed by Legal Counsel without any suggested revisions.

**Recommendation:**

The Administration recommends that the Board of Education approve the Letter of Engagement with S&P Global Ratings in the amount of \$15,750.

February 4, 2021

Lincolnwood School District 74  
6950 N. East Prairie Road  
Lincolnwood, IL 60712  
Attention: Ms. Courtney Whited, Business Manager/CSBO

Re: ***US\$235,000 Cook County School District Number 74, Cook County, Illinois, (Lincolnwood), Taxable General Obligation Limited Refunding School Bonds, Series 2021A, dated: Date of delivery, due: December 01, 2024, Public***  
***US\$6,640,000 Cook County School District #74 Lincolnwood, Illinois, General Obligation Limited Tax School Bonds, Series 2021B, dated: Date of delivery, due: December 01, 2039, Public***

Dear Ms. Whited:

Thank you for your request for a S&P Global Ratings credit rating as described above. We agree to provide the credit rating in accordance with this letter and the rating letter, and you agree to perform your obligations set out in sections 1, 2 and 3 of this letter. Unless otherwise indicated, the term "issuer" in this letter means both the issuer and the obligor if the obligor is not the issuer.

We will make every effort to provide you with the high level of analytical performance and knowledgeable service for which we have become known worldwide. You will be contacted directly by your assigned analytic team.

#### 1. Fees and Termination.

In consideration of our analytic review and issuance of the credit rating, you agree to pay us the following fees:

Rating Fee. You agree to pay us a credit rating fee of **\$15,750** plus all applicable value-added, sale, use and similar taxes. S&P Global Ratings reserves the right to adjust the credit rating fee if the proposed par amount changes. Payment of the credit rating fee is not conditioned on S&P Global Ratings issuance of any particular credit rating.

Other Fees and Expenses. You will reimburse S&P Global Ratings for reasonable travel and legal expenses. Should the credit rating not be issued, you agree to compensate us based on our time, effort, and charges incurred through the date upon which it is determined that the credit rating will not be issued.

Termination of Engagement. This engagement may be terminated by either party at any time upon written notice to the other party.

#### 2. Private and Confidential Credit Ratings.

Unless you request otherwise, the credit rating provided under this Agreement will be a public credit rating.

If you request a confidential credit rating under this Agreement, you agree that the credit rating will be exclusively for your internal use, and not to disclose it to any third party other than your professional advisors who are bound by appropriate confidentiality obligations or as otherwise required by law or regulation or for regulatory purposes.

If you request a private credit rating under this Agreement, S&P Global Ratings will make such credit rating and related report available by email or through a password-protected website or third-party private document exchange to a limited number of third parties you identify, and you agree not to disclose such credit rating to any third party other than (A) to your professional advisors who are bound by appropriate confidentiality obligations, (B) as required by law or regulation or for regulatory purposes, or (C) for the purpose of preparing required periodic reports relating to the assets owned by a special purpose vehicle that has purchased the rated obligation, provided that the preparer(s) of the reports must agree to keep the information confidential and the

private credit rating shall not be referred to or listed in the reports under the heading "credit rating," "rating" or "S&P rating", and shall be identified only as an "S&P Global Ratings implied rating" or similar term. If a third-party private document exchange is used, you agree to pay a one time administrative fee of \$10,000 in addition to the fees outlined in this Agreement. You also agree to maintain the list of third-parties authorized to access the private credit rating current and to notify S&P Global Ratings in writing of any changes to that list. S&P Global Ratings may make access to the private credit rating subject to certain terms and conditions, and disclose on its public website the fact that the rated entity or obligations (as applicable) has been assigned a private credit rating.

### 3. Information to be Provided by You.

To assign and maintain the credit rating pursuant to this letter, S&P Global Ratings must receive all relevant financial and other information, including notice of material changes to financial and other information provided to us and in relevant documents, as soon as such information is available. Relevant financial and other information includes, but is not limited to, information about direct bank loans and debt and debt-like instruments issued to, or entered into with, financial institutions, insurance companies and/or other entities, whether or not disclosure of such information would be required under S.E.C. Rule 15c2-12. You understand that S&P Global Ratings relies on you and your agents and advisors for the accuracy, timeliness and completeness of the information submitted in connection with the credit rating and the continued flow of material information as part of the surveillance process. You also understand that credit ratings, and the maintenance of credit ratings, may be affected by S&P Global Ratings opinion of the information received from issuers and their agents and advisors.

### 4. Other.

S&P Global Ratings has not consented to and will not consent to being named an "expert" or any similar designation under any applicable securities laws or other regulatory guidance, rules or recommendations, including without limitation, Section 7 of the U.S. Securities Act of 1933. S&P Global Ratings has not performed and will not perform the role or tasks associated with an "underwriter" or "seller" under the United States federal securities laws or other regulatory guidance, rules or recommendations in connection with a credit rating engagement.

S&P Global Ratings has established policies and procedures to maintain the confidentiality of certain non-public information received from issuers, their agents or advisors. For these purposes, "Confidential Information" shall mean verbal or written information that the issuer, its agents or advisors have provided to S&P Global Ratings and, in a specific and particularized manner, have marked or otherwise indicated in writing (either prior to or promptly following such disclosure) that such information is "Confidential."

S&P Global Ratings does not and cannot guarantee the accuracy, completeness, or timeliness of the information relied on in connection with a credit rating or the results obtained from the use of such information. S&P GLOBAL RATINGS GIVES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. S&P Global Ratings, its affiliates or third party providers, or any of their officers, directors, shareholders, employees or agents shall not be liable to any person for any inaccuracies, errors, or omissions, in each case regardless of cause, actions, damages (consequential, special, indirect, incidental, punitive, compensatory, exemplary or otherwise), claims, liabilities, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in any way arising out of or relating to a credit rating or the related analytic services even if advised of the possibility of such damages or other amounts.

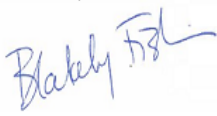
With respect to each rating that you have asked S&P Global Ratings (a "nationally recognized statistical rating organization") to rate under this Agreement, you understand that S&P Global Ratings is required under Rule 17g-7(a)(1)(ii)(J)(1) through (2) under the Securities Exchange Act of 1934 (hereafter "J1/J2"), to determine, ahead of publication of the rating, the entity paying for credit rating services, the role that entity undertakes, and whether the entity paying for credit rating services has also paid S&P Global Ratings for ancillary services during the most recently ended fiscal year. You acknowledge that the undersigned contracted party is the entity responsible for payment of credit rating services, and will, by default, be the legal entity S&P Global Ratings uses for its J1/J2 disclosures, unless otherwise indicated by you. To the extent that you do not expect to pay the fees due under this Agreement directly, you undertake to notify S&P Global Ratings, in writing and in advance of any credit rating publication, of a) the full legal name, address and role of the entity that will be the recipient ("bill-to") of S&P Global Ratings invoices due under this Agreement and b) where different to the bill-to entity, the full legal name, address and role of the entity that will be the payer of invoices; you understand that we cannot use a paying agent or similar intermediary for the purpose of the disclosure. You understand, as contracting party, your role in enabling S&P Global Ratings to accurately present the disclosure of its credit

ratings.

Please feel free to contact Mercedes Chumpitaz at [mercedes.chumpitaz@spglobal.com](mailto:mercedes.chumpitaz@spglobal.com) if you have any questions or suggestions about our fee policies. In addition, please visit our web site at [www.standardandpoors.com](http://www.standardandpoors.com) for our ratings definitions and criteria, research highlights, and related information. We appreciate your business and look forward to working with you.

Sincerely yours,  
Blakely Fishlin

By :

A handwritten signature in blue ink that reads "Blakely Fishlin". The signature is written in a cursive style and is positioned to the right of the "By :" text.

Name: Blakely D. Fishlin

Title: Director, Sr. Lead, Product Management & Development  
mc

cc:

Ms. Tammie Beckwith Schallmo, Senior Vice President, Managing Director  
PMA Securities, Inc.

## S&P Global Ratings - Data Protection Appendix to Terms and Conditions

1. **This Appendix:** This Data Protection Appendix ("**Appendix**") is incorporated into the Engagement Letter and S&P Global Ratings Terms and Conditions (together, the "**Agreement**") between S&P Global Ratings and you. In the event of conflict, this Appendix takes priority over the provisions of the Agreement but solely to the extent of the conflict.

2. **Definitions:** All words, terms or phrases, the meaning of which are defined in the Agreement, shall have the same meaning where used in this Appendix. In this Appendix, the following terms shall have the following meanings:

"**controller**", "**processor**", "**data subject**", "**personal data**", "**processing**", "**process**", "**special categories of personal data**" and "**joint controller**" shall have the meanings given in Applicable Data Protection Law; where these terms are not defined in the Applicable Data Protection Law, they shall have the meaning given to them in the GDPR;

"**Analytical Data**" means underlying personal data contained within the information which is provided to S&P Global Ratings for the purposes of the provision of the Services, such as the personal data of individuals who have financial products in place which are relevant to the issuing of a rating;

"**Applicable Data Protection Law**" shall mean, as applicable, the **EU General Data Protection Regulation (Regulation 2016/679)** (as may be amended, superseded or replaced) ("**GDPR**") and all other supplemental or implementing laws relating to data privacy in the relevant European Union member state, including where applicable the guidance and codes of practice issued by the relevant supervisory authority, and/or all applicable analogous privacy laws of other countries;

"**Client Data**" means personal data of data subjects, such as your employees, associates or partners, that is provided to S&P Global Ratings during the provision by S&P Global Ratings of the Services to you, such as name, job title, name of employer, office email address, office physical address, internet protocol address, office telephone number and language selection (and excludes special categories of personal data);

"**Data**" means Analytical Data and Client Data;

"**Permitted Purpose**" means processing:

(A) by employees, officers, consultants, agents and advisors of S&P Global Ratings or its affiliates of Data: (i) to provide ratings and other products and services (the "**Services**") to you, (ii) to communicate with you regarding the Services that may be of interest to you, (iii) as described in the S&P Global Ratings' Use of Information section of the Agreement and (iv) as otherwise permitted in the Agreement;

(B) of personal data by you to access and use the Services;

"**Standard Contractual Clauses**" means standard contractual clauses (adopted by European Commission Decision 2004/915/EC on 27 December 2004) for the transfer of personal data from controllers in the EU to controllers in jurisdictions outside the European Economic Area, a copy of the current version of which is accessible at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32004D0915> and which shall be deemed incorporated into this Appendix by reference solely for purposes of Clause 8 of this Appendix and within which you are the "**Data Exporter**" and S&P Global Ratings is the "**Data Importer**."

3. **Disclosure of data:** Each party will only disclose personal data to each other to process strictly for the Permitted Purpose.

4. **Relationship of the parties:** Except as may be specifically otherwise agreed, the parties acknowledge that you are a **controller** of the Data you disclose to S&P Global Ratings and that S&P Global Ratings will process the Data you disclose to S&P Global Ratings as a separate and independent controller strictly for the Permitted Purpose. In no event will the parties process the Data as joint controllers. Each party shall be individually and separately responsible for complying with the obligations that apply to it as a controller under Applicable Data Protection Law. Please see our Customer Privacy Policy (available at <https://www.spglobal.com/corporate-privacy-policy>) and Cookie Notice (available at <https://www.spglobal.com/corporate-privacy-policy/corporate-privacy-and-cookie-notice>) for further information regarding how personal data that you provide to S&P Global Ratings in connection with the Services will be used and maintained.

5. **Investigations:** Except where and to the extent prohibited by applicable law, each party ("**Notifier**") will

inform the other promptly, and in any event within three (3) business days of, any inquiry, communication, request or complaint relating to Notifier's processing of the personal data transferred to it under this Agreement by the other party which is received from: (i) any governmental, regulatory or supervisory authority, (ii) any data subject or (iii) any other person or entity alleging unlawful or unauthorized processing.

6. **Use and Restrictions on Use:** Notwithstanding the information that you are entitled to use from the Services and distribute to third parties to the extent permitted by the Agreement, you shall not distribute or use any personal data to which you have had access when receiving the Services other than for the Permitted Purpose.

7. **Security:** The parties shall implement appropriate technical and organisational measures to protect the Data from: (i) accidental, unauthorized or unlawful destruction and (ii) loss, alteration, unauthorised disclosure of or access to the Data.

8. **International Transfers of Data outside the EEA:**

8.1 This Clause 8 and the Standard Contractual Clauses shall apply only with respect to Data transferred from the European Economic Area ("EEA") to S&P Global Ratings and its affiliates in a territory outside of the EEA, provided that such transfers shall comply with the Standard Contractual Clauses deemed to be incorporated into this Appendix.

8.2 S&P Global Ratings may process (or permit to be processed) any Data transferred from the EEA to S&P Global Ratings and its affiliates in a territory outside of the EEA, provided that such transfers shall comply with the Standard Contractual Clauses. In applying and interpreting the Standard Contractual Clauses, the parties agree that **Annex A** will apply and **Annex B** thereto shall be populated as follows:

***(1) Data Subjects to whom the personal data relates:***

*(i) Persons who are employees, officers, contractors, agents or advisors of the Data Exporter and/or of companies affiliated with it who are engaged in the decision to enter into the Agreement and/or who enter into the Agreement with the Data Importer for the provision of the Data Importer's Services; and*

*(ii) persons in respect of whom the Data Exporter or its agents or advisors have provided personal data to the Data Importer to enable the Data Importer to provide the Services.*

***(2) Purposes for which the data transfer is made:***

*The Permitted Purpose.*

***(3) Categories of personal data transferred:***

*Client Data and Analytical Data.*

***(4) Categories of recipients to whom the personal data is transferred or disclosed:***

*Employees, officers, consultants, agents and advisors of the Data Importer or its affiliates and third parties, including public bodies, regulators and law enforcers, to the extent S&P Global Ratings is required to disclose Data by contract, regulation, litigation or law.*

***(5) Sensitive data or categories of sensitive data to be transferred (special category personal data):***

*Not applicable.*

***(6) Contact Point for the Data Importer:***

*RatingsGDPR@spglobal.com*

8.3 The parties agree that the following optional clause to the Standard Contractual Clauses shall apply as between them:

*"(1) Each party shall perform its obligations under these clauses at its own cost."*

9. **Survival:** This Appendix shall survive termination or expiry of the Agreement. Upon termination or expiry of the Agreement, S&P Global Ratings may continue to process the Data, provided that such processing complies with the requirements of this Appendix and Applicable Data Protection Law.



Courtney Whited &lt;cwhited@sd74.org&gt;

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## Cook Cnty Sch Dist #74 Lincolnwood - S&P Engagement Letter, 947105

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USPFEngagementLtrs@spglobal.com &lt;USPFEngagementLtrs@spglobal.com&gt;

Thu, Feb 4, 2021 at 3:41 PM

To: cwhited@sd74.org

Cc: tschallmo@pmanetwork.com

Attached is an engagement letter for the transaction that you recently requested be rated by S&P Global Ratings. You must indicate that you are ready to proceed with the rating engagement for S&P Global Ratings to begin the analytical rating process.

If you are ready to proceed with the rating engagement, please mark an X in the first bracket below. Please note the X must be capitalized and in black font, and do not send any attachments (e.g. a signed engagement letter) when replying as additional documentation is not required. Other formatting variations and attachments may delay your engagement.

If you have any comments or questions, please use the Comments section below.

Please respond via this email at your earliest convenience if you are ready to proceed with the rating engagement.

Please mark with an X to indicate you're ready to proceed and reply to: [USPFEngagementLtrs@spglobal.com](mailto:USPFEngagementLtrs@spglobal.com)

The engagement letter is received and we are ready to proceed with the rating engagement

Do not proceed with the rating engagement

Enter any questions or comments in the space provided below.

**Comments:**

**Please do not send or copy your reply to a member of the analytic team.**

S&P Global Ratings maintains a separation of commercial and analytical activities. Our analysts are not permitted to engage in discussions about fees.

Thank you for choosing S&P Global.

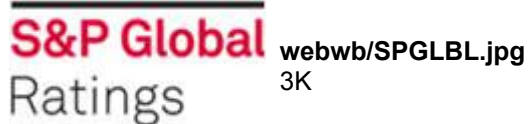
Regards,

108

Please use our Ratings Request Platform at <https://platform.spgi.spglobal.com/>. This easy-to-use tool allows you to share all the relevant transactional details and documentation, indicate time frames, and set up meetings directly with the ratings team. If you don't already have an ID and password, kindly visit <https://www.spglobalratings360.com/r360/requestaccess> to request one. A welcome letter with your credentials will be sent to you within 24 hours. If you require additional assistance, please email us at [Ratings360@spglobal.com](mailto:Ratings360@spglobal.com).

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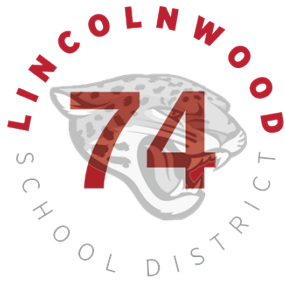
**2 attachments**



webwb/SPGLBL.jpg  
3K



**S&P Global Ratings Engagement Letter.pdf**  
33K



## Executive Summary Finance Committee Meeting

DATE: February 18, 2021

TOPIC: Chapman and Cutler, LLP Letter of Engagement

PREPARED BY: Courtney Whited

### **Recommended for:**

- Action
- Discussion
- Information

### **Purpose/Background:**

The Board of Education approves all contracts and expenditures greater than \$10,000. The attached letter of engagement arranges bond and disclosure counsel services between the District and Chapman and Cutler, LLP relative to the Taxable General Obligation Limited Refunding School Bonds, Series 2021A, and General Obligation Limited School Bonds, Series 2021B.

### **Fiscal Impact:**

\$45,000

### **Recommendation:**

It is the Administrative recommendation that the Finance Committee enter into the Letter of Engagement with Chapman and Cutler LLP for Bond Counsel Services and Disclosure Counsel Services in the amounts of \$35,000 and \$10,000, respectively.

February 12, 2021

Dr. Kimberly Nasshan, Superintendent  
Ms. Courtney Whited, Business Manager/CSBO  
School District Number 74  
6950 North East Prairie Road  
Lincolnwood, Illinois 60712

Re: School District Number 74,  
Cook County, Illinois (the “*District*”)  
Taxable General Obligation Limited Refunding School Bonds, Series 2021A, and  
General Obligation Limited School Bonds, Series 2021B (the “*2021B Bonds*”)

Dear Kim and Courtney:

We are pleased to provide an engagement letter for our services as bond counsel and disclosure counsel for the bonds in reference (the “*Bonds*”). For convenience and clarity, we may refer to the District in its corporate capacity and to you, the District officers (including the governing body of the District) and employees and general and special counsel to the District, collectively as “*you*” (or the possessive “*your*”). You have advised us that the purposes of the issuance of the Bonds, briefly stated, are to refund certain outstanding bonds of the District and increase the District’s working cash fund. You are retaining us for the limited purpose of rendering our customary approving legal opinions as described in detail below.

A. DESCRIPTION OF SERVICES AS BOND COUNSEL

As Bond Counsel, we will work with you and the following persons and firms: the underwriters or other bond purchasers who purchase the Bonds from the District (all of whom are referred to as the “*Bond Purchasers*”), counsel for the Bond Purchasers, financial advisors, trustee, paying agent and bond registrar and their designated counsel (you and all of the foregoing persons or firms, collectively, the “*Participants*”). We intend to undertake each of the following as necessary:

1. Review relevant Illinois law, including pending legislation and other recent developments, relating to the legal status and powers of the District or otherwise relating to the issuance of the Bonds.

Dr. Kimberly Nasshan  
Ms. Courtney Whited  
February 12, 2021  
Page 2

2. Obtain information about the Bond transaction and the nature and use of the facilities or purposes to be financed or, for any portion of the Bonds to be issued for refunding purposes, the facilities or purposes financed with the proceeds of the bonds to be refunded (the “*Project*”).

3. Review the proposed timetable and consult with the Participants as to the issuance of the Bonds in accordance with the timetable.

4. Consider the issues arising under the Internal Revenue Code of 1986, as amended, and applicable tax regulations and other sources of law relating to the issuance of the 2021B Bonds on a tax-exempt basis; these issues include, without limitation, ownership and use of certain portions of the Project, use and investment of 2021B Bond proceeds prior to expenditure and security provisions or credit enhancement relating to the 2021B Bonds.

5. Prepare or review major Bond documents, including tax compliance certificates, review the bond purchase agreement, if applicable, and, at your request, draft descriptions of the documents which we have drafted. We understand that the Bonds will be sold at competitive sale and that the District will be assisted in the preparation of sale documents and in the process of the sale itself by its financial advisor, PMA Securities, LLC, Naperville, Illinois (the “*Financial Advisor*”). As Bond Counsel, we assist you in reviewing only those portions of an official statement or any other disclosure document to be disseminated in connection with the sale of the Bonds involving the description of the Bonds, the security for the Bonds (excluding forecasts, projections, estimates or any other financial or economic information in connection therewith), the description of the federal tax status of interest on the Bonds and the “bank-qualified” status of the 2021B Bonds.

6. Prepare or review all pertinent proceedings to be considered by the governing body of the District; confirm that the necessary quorum, meeting and notice requirements are contained in the proceedings and draft pertinent excerpts of minutes of the meetings relating to the financing.

7. Attend or host such drafting sessions and other conferences as may be necessary, including a preclosing, if needed, and closing; and prepare and coordinate the distribution and execution of closing documents and certificates, opinions and document transcripts.

8. Render our legal opinions regarding the validity of the Bonds, the source of payment for the Bonds and the federal income tax treatment of interest on the Bonds, which opinions (together, the “*Bond Opinion*”) will be delivered in written form on the date the Bonds are exchanged for their purchase prices (the “*Closing*”). The Bond Opinion will be based on facts and law existing as of its date. Please see the discussion below at Part E. Please note that our opinions represent our legal judgment based upon our review of the law and the facts so supplied to us that we deem relevant and are not a guarantee of a result.

Dr. Kimberly Nasshan  
Ms. Courtney Whited  
February 12, 2021  
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B. DESCRIPTION OF SERVICES AS DISCLOSURE COUNSEL

As Disclosure Counsel, we will:

1. Assist the District in the preparation and compilation of an official statement or any other disclosure document to be disseminated in connection with the sale of the Bonds, including the official Notices of Sales and Bid Forms (which may be referred to, collectively, as the “*Official Statement*”). Such assistance will include reviewing the information submitted by other Participants and by submitting our comments to the Official Statement. We understand that the Financial Advisor will circulate drafts of the Official Statement to Participants for their editing and approval.

2. Deliver a letter to the District to the effect that, in the course of our engagement on such matter, no facts have come to our attention which lead us to believe that the Official Statement contained as of its date or the date of closing any untrue statement of a material fact or omitted or omits to state a material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

C. LIMITATIONS; SERVICES WE DO NOT PROVIDE

Our services as Bond Counsel and Disclosure Counsel described above (the “*Services*”) are limited as stated above. Consequently, unless otherwise agreed pursuant to a separate engagement letter, our Services *do not* include:

1. Giving any advice, opinion or representation as to the financial feasibility or the fiscal prudence of issuing the Bonds, including, without limitation, the undertaking of the Project, the investment of Bond proceeds, the making of any investigation of or the expression of any view as to the creditworthiness of the District, of the Project or of the Bonds or the form, content, adequacy or correctness of the financial statements of the District. We will not offer you financial advice in any capacity beyond that constituting services of a traditionally legal nature.

2. Independently establishing the veracity of certifications and representations of you or the other Participants. For example, we will not review the data available on the Electronic Municipal Market Access system website created by the Municipal Securities Rulemaking Board (and commonly known as “EMMA”) to verify the information relating to the Bonds to be provided by the Bond Purchasers, and we will not undertake a review of your website to establish that information contained therein corresponds to that which you provide independently in your certificates or other transaction documents.

Dr. Kimberly Nasshan  
Ms. Courtney Whited  
February 12, 2021  
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3. Supervising any state, county or local filing of any proceedings held by the governing body of the District incidental to the Bonds.

4. Preparing any of the following — requests for tax rulings from the Internal Revenue Service (the “IRS”), blue sky or investment surveys with respect to the Bonds, state legislative amendments or pursuing test cases or other litigation.

5. Performing an independent investigation to determine the accuracy, completeness or sufficiency of the Official Statement; and, after the execution and delivery of the Bonds, providing advice as to any Securities and Exchange Commission investigations or concerning any actions necessary to assure compliance with any continuing disclosure undertaking. Please see our comments below at Paragraphs (E)(5) and (E)(6).

6. After Closing, providing continuing advice to the District or any other party concerning any actions necessary to assure that interest paid on the 2021B Bonds will continue to be tax-exempt; *e.g.*, we will not undertake rebate calculations for the 2021B Bonds without a separate engagement for that purpose, we will not monitor the investment, use or expenditure of Bond proceeds or the use of the Project, and we are not retained to respond to IRS audits.

7. Any other services not specifically set forth above in Parts A and B.

D. ATTORNEY-CLIENT RELATIONSHIP; REPRESENTATION OF OTHERS

Upon execution of this engagement letter, the District will be our client, and an attorney-client relationship will exist between us. However, our Services as Bond Counsel and Disclosure Counsel are limited as set forth in this engagement letter, and your execution of this engagement letter will constitute an acknowledgment of those limitations. Also please note that the attorney-client privilege, normally applicable under state law, may be diminished or non-existent for written advice delivered with respect to Federal tax law matters.

This engagement letter will also serve to give you express written notice that from time to time we represent in a variety of capacities and consult with most underwriters, investment bankers, credit enhancers such as bond insurers or issuers of letters of credit, ratings agencies, investment providers, brokers of financial products, financial advisors, banks and other financial institutions and other persons who participate in the public finance market on a wide range of issues. One or more of such firms may be the winning bidder (*i.e.*, become the Bond Purchasers) at the public sale of the Bonds. Prior to execution of this engagement letter we may have consulted with one or more of such firms regarding the Bonds including, specifically, the Bond Purchasers. We are advising you, and you understand that the District consents to our representation of it in this matter, notwithstanding such consultations, and even though parties whose interests are or

Dr. Kimberly Nasshan  
Ms. Courtney Whited  
February 12, 2021  
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may be adverse to the District in this transaction are clients in other unrelated matters. Your acceptance of the winning bids constitutes consent to these other engagements. Neither our representation of the District nor such additional relationships or prior consultations will affect, however, our responsibility to render an objective Bond Opinion.

Your consent does not extend to any conflict that is not subject to waiver under applicable Rules of Professional Conduct (including Circular 230 discussed below), or to any matter that involves the assertion of a claim against the District or the defense of a claim asserted by the District. In addition, we agree that we will not use any confidential non-public information received from you in connection with this engagement to your material disadvantage in any matter in which we would be adverse to you.

Circular 230 as promulgated by the U.S. Department of Treasury (“*Circular 230*”) provides rules of professional conduct governing tax practitioners. Circular 230 includes provisions regarding conflicts of interest and related consents that in some respects are stricter than applicable state rules of professional conduct which otherwise apply. In particular, Circular 230 requires your consent to conflicts of interest be given in writing within 30 days of the date of this letter. If we have not received all of the required written consents by this date, we may be required under Circular 230 to “promptly withdraw from representation” of the District in this matter.

Further, this engagement letter will also serve to give you express notice that we represent many other municipalities, school districts, park districts, counties, townships, special districts and units of local government both within and outside of the State of Illinois and also the State itself and various of its agencies and authorities (collectively, the “*governmental units*”). Most but not all of these representations involve bond or other borrowing transactions. We have assumed that there are no controversies pending to which the District is a party and is taking any position which is adverse to any other governmental unit, and you agree to advise us promptly if this assumption is incorrect. In such event, we will advise you if the other governmental unit is our client and, if so, determine what actions are appropriate. Such actions could include seeking waivers from both the District and such other governmental unit or withdrawal from representation.

We anticipate that the District will have its general or special counsel available as needed to provide advocacy in the Bond transaction and has had the opportunity to consult with such counsel concerning the conflict consents and other provisions of this letter; and that other Participants will retain such counsel as they deem necessary and appropriate to represent their interests.

Dr. Kimberly Nasshan  
Ms. Courtney Whited  
February 12, 2021  
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E. OTHER TERMS OF THE ENGAGEMENT; CERTAIN OF YOUR UNDERTAKINGS

Please note our understanding with respect to this engagement and your role in connection with the issuance of the Bonds.

1. In rendering the Bond Opinion and in performing any other Services hereunder, we will rely upon the certified proceedings and other certifications you and other persons furnish us. Other than as we may determine as appropriate to rendering the Bond Opinion, we are not engaged and will not provide services intended to verify the truth or accuracy of these proceedings or certifications. We do not ordinarily attend meetings of the governing body of the District at which proceedings related to the Bonds are discussed or passed unless special circumstances require our attendance.

2. The factual representations contained in those documents which are prepared by us, and the factual representations which may also be contained in any other documents that are furnished to us by you are essential for and provide the basis for our conclusions that there is compliance with State law requirements for the issue and sale of valid bonds and with the Federal tax law for the tax exemption of interest paid on the 2021B Bonds. Accordingly, it is important for you to read and understand the documents we provide to you because you will be confirming the truth, accuracy and completeness of matters contained in those documents at the issuance of the Bonds.

3. If the documents contain incorrect or incomplete factual statements, you must call those to our attention. We are always happy to discuss the content or meaning of the transaction documents with you. Any untruth, inaccuracy or incompleteness may have adverse consequences affecting either the tax exemption of interest paid on the 2021B Bonds or the adequacy of disclosures made in the Official Statement under the State and Federal securities laws, with resulting potential liability for you. During the course of this engagement, we will further assume and rely on you to provide us with complete and timely information on all developments pertaining to any aspect of the Bonds and their security. We understand that you will cooperate with us in this regard.

4. You should carefully review all of the representations you are making in the transaction documents. We are available and encourage you to consult with us for explanations as to what is intended in these documents. To the extent that the facts and representations stated in the documents we provide to you appear reasonable to us, and are not corrected by you, we are then relying upon your signed certifications for their truth, accuracy and completeness.

5. Issuing the Bonds as “securities” under State and Federal securities laws and the 2021B Bonds on a tax-exempt basis is a serious undertaking. As the issuer of the Bonds, the

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District is obligated under the State and Federal securities laws and the Federal tax laws to disclose all material facts. The District's lawyers, financial advisers and bankers can assist the District in fulfilling these duties, but the District in its corporate capacity, including your knowledge, has the collective knowledge of the facts pertinent to the transaction and the ultimate responsibility for the presentation and disclosure of the relevant information. Further, there are complicated Federal tax rules applicable to tax-exempt bonds. The IRS has an active program to audit such transactions. The documents we prepare are designed so that the 2021B Bonds will comply with the applicable rules, but this means you must fully understand the documents, including the representations and the covenants relating to continuing compliance with the federal tax requirements. Accordingly, we want you to ask questions about anything in the documents that is unclear.

6. As noted, the members of the governing body of the District also have duties under the State and Federal securities and tax laws with respect to these matters and should be knowledgeable as to the underlying factual basis for the bond issue size, use of proceeds and related matters.

7. We are also concerned about the adoption by the District of the gift ban provisions of the State Officials and Employees Ethics Act, any special ethics or gift ban ordinance, resolution, bylaw or code provision, any lobbyist registration ordinance, resolution, bylaw or code provision or any special provision of law or ordinance, resolution, bylaw or code provision relating to disqualification of counsel for any reason. We are aware of the provisions of the State Officials and Employees Ethics Act and will assume that you are aware of these provisions as well and that the District has adopted proceedings that are only as restrictive as such Act. However, if the District has stricter provisions than appear in such Act or has adopted such other special ethics or lobbyist provisions, we assume and are relying upon you to advise us of same.

#### F. FEES

As is customary, we will bill our fees as Bond Counsel and Disclosure Counsel on a transactional basis instead of hourly. Disbursements and other non-fee charges are billed separately and in addition to our fees for professional services. Factors which affect our billing include: (a) the amount of the Bonds; (b) an estimate of the time necessary to do the work; (c) the complexity of the issue (number of parties, timetable, type of financing, legal issues and so forth); (d) recognition of the partially contingent nature of our fee, since it is customary that in the case no financing is ever completed, we render a greatly reduced statement of charges; and (e) a recognition that we carry the time for services rendered on our books until a financing is completed, rather than billing monthly or quarterly.

Based upon our current understanding of the terms, structure, size and schedule of the proposed financing, the duties we will undertake pursuant to this engagement letter, the time we

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estimate will be necessary to effectuate the transaction and the responsibilities we will assume, we expect that our fee will be \$35,000 for Bond Counsel Services and \$10,000 for Disclosure Counsel Services, plus the disbursements and non-fee charges noted above. If at any time, we believe that circumstances require an adjustment of our original fee estimate, we will consult with you and prepare an amendment to this engagement letter.

Our statements of charges are customarily rendered and paid at Closing, or in some instances upon or shortly after delivery of the bond transcripts; we generally do not submit any statement for fees prior to the Closing, except in instances where there is a substantial delay from the expected timetable. In such instances, we reserve the right to present an interim statement of charges. If, for any reason, the Bonds are not issued or are issued without the rendition of our Bond Opinion as bond counsel, or our services are otherwise terminated, we expect to negotiate with you a mutually agreeable compensation.

The undersigned will be the attorneys primarily responsible for the firm's services on this Bond issue, with assistance as needed from other members of our bond, securities and tax departments.

#### G. RISK OF AUDIT BY INTERNAL REVENUE SERVICE

The IRS has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the IRS, interest on such tax-exempt obligations is excludable from gross income of the owners for federal income tax purposes. We can give no assurances as to whether the IRS might commence an audit of the 2021B Bonds or whether, in the event of an audit, the IRS would agree with our opinions. If an audit were to be commenced, the IRS may treat the District as the taxpayer for purposes of the examination. As noted in Paragraph 6 of Part C above, the scope of our representation does not include responding to such an audit. However, if we were separately engaged at the time, and subject to the applicable rules of professional conduct, we may be able to represent the District in the matter.

#### H. END OF ENGAGEMENT AND POST-ENGAGEMENT; RECORDS

Our representation of the District and the attorney-client relationship created by this engagement letter will be concluded upon the issuance of the Bonds. Nevertheless, subsequent to the Closing, we will prepare and provide the Participants a bond transcript pertaining to the Bonds and make certain that a Federal Information Reporting Form 8038-G is filed.

Please note that you are engaging us as special counsel to provide legal services in connection with a specific matter. After the engagement, changes may occur in the applicable laws or regulations, or interpretations of those laws or regulations by the courts or governmental

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agencies, that could have an impact on your future rights and liabilities. Unless you engage us specifically to provide additional services or advice on issues arising from this matter, we have no continuing obligation to advise you with respect to future legal developments.

This will be true even though as a matter of courtesy we may from time to time provide you with information or newsletters about current developments that we think may be of interest to you. While we would be pleased to represent you in the future pursuant to a new engagement agreement, courtesy communications about developments in the law and other matters of mutual interest are not indications that we have considered the individual circumstances that may affect your rights or have undertaken to represent you or provide legal services.

At your request, to be made at or prior to Closing, any other papers and property provided by the District will be promptly returned to you upon receipt of payment for our outstanding fees and client disbursements. All other materials shall thereupon constitute our own files and property, and these materials, including lawyer work product pertaining to the transaction, will be retained or discarded by us at our sole discretion. You also agree with respect to any documents or information relating to our representation of you in any matter which have been lawfully disclosed to the public in any manner, such as by posting on EMMA, your website, newspaper publications, filings with a County Clerk or Recorder or with the Secretary of State, or otherwise, that we are permitted to make such documents or information available to other persons in our reasonable discretion. Such documents might include (without limitation) legal opinions, official statements, resolutions, or like documents as assembled and made public in a governmental securities offering.

We call your attention to the District's own record keeping requirements as required by the IRS. Answers to frequently asked questions pertaining to those requirements can be found on the IRS' website under frequently asked questions related to tax-exempt bonds at [www.irs.gov](http://www.irs.gov) (click on "Tax Exempt Bond Community", then "Frequently Asked Questions"), and it will be your obligation to comply for at least as long as any of the 2021B Bonds (or any future bonds issued to refund the 2021B Bonds) are outstanding, plus three years.

Chapman and Cutler LLP

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I. YOUR SIGNATURE REQUIRED

If the foregoing terms are acceptable to you, please so indicate by returning the enclosed copy of this engagement letter dated and signed by an authorized officer within 30 days of the date of this letter, retaining the original for your files. Please note that if we perform Services prior to your executing this engagement letter, this engagement letter shall be effective as of the date we have begun rendering the Services. We will provide copies of this letter to certain of the Participants to provide them with an understanding of our role. We look forward to working with you.

Very truly yours,

CHAPMAN AND CUTLER LLP

By   
Anjali Vij

By   
Kelly K. Kost

Accepted and Approved:

SCHOOL DISTRICT NUMBER 74,  
COOK COUNTY, ILLINOIS

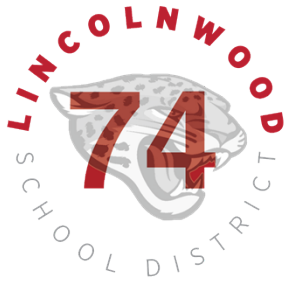
By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_, 2021

AV:bha  
KK:kd  
Enclosure

cc: Ms. Tammie Beckwith Schallmo  
Mr. Brian Bare  
Ms. Brittany Theis



## Executive Summary Finance Committee Meeting

DATE: February 18, 2021

TOPIC: TRS Supplemental Savings Plan

PREPARED BY: Courtney Whited

### **Recommended for:**

- Action
- Discussion
- Information

### **Purpose/Background:**

As one of the 987 eligible TRS reporting employers, Lincolnwood School District 74 must complete a TRS Supplemental Savings Plan (SSP) Employer Participation Agreement/Authorized Contact form. This Agreement must be completed and returned by every employer by March 31, 2021 in order to meet the requirements of ILCS 5/16-204. The participation Agreement is required by Section 457(b) of the U.S. Internal Revenue Code and must be formally adopted, signed and returned to the System in order for an employer's TRS-covered members to be eligible to participate in the SSP. Legal counsel has reviewed the plan documents, as well as prepared the Resolution.

The attached documents correspond to the TRS Supplemental Savings Plan:

- TRS Supplemental Savings Plan document
- Supplemental Savings Plan Employer Participation Agreement/Authorized Contact Form
- Resolution to adopt the plan

### **Fiscal Impact:**

Unknown

### **Recommendation:**

The Administration recommends that the Board of Education approve the TRS Supplemental Savings Plan Agreement/Authorized Contact Form and the corresponding Resolution.

**TEACHERS' RETIREMENT SYSTEM  
OF THE STATE OF ILLINOIS**

**457(b) DEFERRED COMPENSATION  
SUPPLEMENTAL SAVINGS PLAN ("SSP")**

**Effective October 29, 2019  
Amended October 30, 2020**

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## **ARTICLE I: ESTABLISHMENT OF PLAN**

### **Section 1.01. Plan Establishment, History, and Purpose.**

(a) Pursuant to Section 16-204 of the Illinois Pension Code, 40 ILCS 5/16-204, the Board of Trustees (“Board”) of the Teachers’ Retirement System of the State of Illinois (“System”) establishes the Teachers’ Retirement System of the State of Illinois Supplemental Savings Plan (“SSP” or “Plan”), effective October 29, 2019, for the benefit of eligible members.

(b) The Plan is an eligible deferred compensation plan under Section 457(b) of the Internal Revenue Code (“Code”) and is a governmental plan within the meaning of Code Section 414(d) and Section 3(32) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). As a governmental plan, ERISA does not apply.

(c) The purpose of the plan is to provide eligible individuals the opportunity to save on a regular and long-term basis for their retirement by allowing participants to designate a portion of their compensation to be deferred and invested until such time as the participants may withdraw such amounts as provided under the terms of this Plan.

### **Section 1.02. Plan Funding.**

The Plan is funded exclusively through Contributions, which shall be used for the purchase of Investment Funds from the Fund Sponsor(s) identified in Appendix A attached hereto, as that Appendix may be amended from time to time.

## **ARTICLE II: CONSTRUCTION AND DEFINITIONS**

### **Section 2.01. Construction and Governing Law.**

(a) This Plan shall be interpreted, enforced and administered in accordance with the Code and, when not inconsistent with the Code, or expressly provided otherwise herein, the laws of the State of Illinois without regard to conflict of law principles.

(b) Words used herein in the masculine gender shall be construed to include the feminine gender where appropriate, and *vice versa*, words used herein in the singular or plural shall be construed as being in the plural or singular where appropriate, and *vice versa*.

(c) The headings and subheadings in the Plan are inserted for convenience of reference only and are not to be considered in the construction of any provision of the Plan.

(d) If any provision of the Plan shall be held to violate the Code or be illegal or invalid for any other reason, that provision shall be deemed to be null and void, but the invalidation of that provision shall not otherwise impair or affect the Plan.

(e) In resolving any conflict between provisions of the Plan and in resolving any other uncertainty as to the meaning or intention of any provision of the Plan, the interpretation that

causes the Plan to (i) constitute an eligible deferred compensation plan under the provisions of Code Section 457(b), (ii) be a “governmental” plan as defined in ERISA Section 3(32) and Code Section 414(d), and (iii) comply with all applicable requirements of the Code shall prevail over any different interpretation.

## **Section 2.02. Definitions.**

When the initial letter of a word or phrase is capitalized herein the meaning of such word or phrase shall be as follows:

(a) “Account” means the following separate accounts maintained for each Participant reflecting his or her interest under the Plan as follows:

(1) “Pre-Tax Contribution Account” means the account maintained to reflect the Participant’s interest under the Plan attributable to his or her Pre-Tax Contributions pursuant to Section 4.01.

(2) “Roth Contribution Account” means the account maintained to reflect the Participant’s interest under the Plan attributable to his or her Roth Contributions pursuant to Section 4.01.

(3) “Discretionary Nonelective Contribution Account” means the account maintained to reflect the Participant’s interest under the Plan attributable to his or her Discretionary Nonelective Contributions, if any, pursuant to Section 4.02.

(4) “Rollover Contribution Account” means the account maintained to reflect the Participant’s interest under the Plan attributable to his or her Rollover Contributions pursuant to Section 4.04.

(b) “Administrator” means the System; provided, however, that to the extent that the System has delegated any of its responsibilities as Administrator to any other person, persons or entities, the term Administrator shall be deemed to refer to that person, persons, or entity.

(c) “Alternate Payee” means any spouse, former spouse, child or dependent of a Participant who is recognized by a Qualified Illinois Domestic Relations Order (QILDRO) issued in accordance with the Illinois Pension Code, 40 ILCS 5/1-119, as having a right to receive all, or a portion of, the benefit payable under the Plan with respect to such Participant.

(d) “Applicable Form” means the appropriate form as designated and furnished by the Administrator or the Fund Sponsor to make any election or provide any notice required by the Plan. In those circumstances where a written election or consent is not required by the Plan or the Code, the Administrator and/or the Fund Sponsor may prescribe an electronic or telephonic form in lieu of or in addition to a written form.

(e) “Beneficiary” means the person, company, trustee or estate designated by the Participant on the Applicable Form to receive any benefits payable under the Plan in the event of the Participant’s death. If the designated Beneficiary does not survive the Participant or there is

no Beneficiary designated, the Participant's surviving Spouse or, if applicable, the Participant's civil union partner within the meaning of 750 ILCS 75, shall be the Beneficiary. If there is no surviving Spouse or civil union partner, the Participant's estate shall be the Beneficiary. Beneficiary also means an alternate payee within the meaning of Code Section 414(p)(8).

(f) "Board" means the System's Board of Trustees.

(g) "Code" means the Internal Revenue Code of 1986, as amended from time to time.

(h) "Compensation" means all cash compensation for services to the Employer, including salary, wages, fee, commissions, bonuses, and overtime pay, that is includible in the Employee's gross income for the calendar year and amounts that would be cash compensation includible in gross income but for a reduction election under Code Section 125, 132(f) 401(k), 403(b), or 457(b) (including any Elective Deferrals under the Plan). Compensation does not include amounts "picked up" by the Employer within the meaning of Code Section 414(h). Compensation includes any compensation described in subsection (1) or (2), provided it is paid by the later of two and one-half months (2½) months after the Employee's Severance from Employment with the Employer or the end of the calendar year in which the Employee has a Severance from Employment with the Employer:

(1) a payment would have been paid to the Employee prior to a Severance from Employment if the Employee continued in employment with the Employer and that otherwise satisfies the definition of Compensation; and

(2) a 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 and the payment would be Compensation if paid prior to the Employee's severance from Employment, and only if the Employee separately elects for such payment to be reduced on his or her Salary Reduction Agreement pursuant to Section 4.01.

Any payment that is not described in subsection (1) or (2) is not considered Compensation if paid after Severance from Employment. Thus, for example, Compensation does not include amounts paid after Severance from Employment that are severance pay or unfunded nonqualified deferred compensation.

(i) "Contributions" mean Pre-Tax Contributions, Roth Contributions, Discretionary Nonelective Contributions, and Rollover Contributions.

(j) "Cost-of-Living Adjustment" means the cost-of-living adjustment prescribed by the Secretary of the Treasury under Code Section 401(a)(17), 414(v), or 457(e)(15) for any applicable year.

(k) "Discretionary Employer Contributions" means Discretionary Nonelective Contributions.

(l) “Discretionary Nonelective Contributions” means any contributions made to the Plan by the Employer in accordance with Section 4.02 that are not related to a Participant’s contributions to this Plan or another retirement plan.

(m) “Effective Date” means October 29, 2019.

(n) “Elective Deferral” means Pre-Tax Contributions and Roth Contributions.

(o) “Employee” means an individual who is a teacher (as defined in Section 16-106 of the Illinois Pension Code) of an Employer. An Employee does not include an individual who is a leased employee under Code Section 414(n)(2).

(p) “Employer” means each employing unit subject to Article 16 of the Illinois Pension Code, who is an eligible employer within the meaning of Code Section 457(e)(1)(A) and which has adopted this Plan by executing an adoption agreement provided by the System.

(q) “Fund Sponsor” means a bank, insurance company, regulated investment company, or another entity that has been approved by the Administrator to make Investment Funds available to Participants under this Plan, and that is set forth in Appendix A hereto, as amended from time to time. The Administrator, in its sole and absolute discretion, shall select the Fund Sponsor(s) and may add or delete Fund Sponsor(s).

(r) “HEART Act” means the Heroes Earnings Assistance and Relief Tax Act of 2008, as amended from time to time.

(s) “Illinois Pension Code” means 40 ILCS 5 *et seq.*, as amended from time to time.

(t) “Includible Compensation” means all compensation received by an Employee from the Employer that is includible in his or her gross income for federal income tax purposes (computed without regard to Code Section 911) for that taxable year. Includible Compensation also includes any amounts excludable from taxable income because of an election under Code Sections 401(k), 403(b), 457(b), 125, and 132(f). Includible Compensation includes any compensation described in paragraphs (1) and (2), provided the compensation is paid by the later of two and one-half (2½) months after the Employee’s Severance from Employment or the end of the calendar year in which the Employee has a Severance from Employment:

(1) any payment that would have been paid to the Employee prior to a Severance from Employment if the Employee had continued in employment with the Employer and that is regular compensation for services during the Employee’s regular working hours, compensation for services outside the Employee’s regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and

(2) a payment for unused accrued bona fide sick leave, vacation or other leave, but only if the Employee would have been able to use the leave if employment had continued and the payment would have been included in the definition of Earnings if paid prior to the Employee’s Severance from Employment.

Includible Compensation is determined without regard to any community property laws. Includible Compensation shall not exceed the limits under Code Section 401(a)(17), to the extent applicable, increased by the Cost-of-Living Adjustment.

(u) “ILCS” means the Illinois Compiled Statutes, as amended from time to time.

(v) “Ill. Admin. Code” means the Illinois Administrative Code, as amended from time to time.

(w) “Investment Funds” means the mutual funds, collective investment funds, insurance company separate accounts, annuity contracts, or other investment vehicles made available to Participants for the investment of their Accounts. The Administrator, in its sole and absolute discretion, shall select the Investment Funds and may add or delete Investment Funds.

(x) “Normal Retirement Age” means for purposes for Section 5.01(c), any age designated by a Participant (i) beginning no earlier than the earliest age at which a Participant has the right to retire under the System’s pension plan and to receive immediate retirement benefits without actuarial or similar reduction because of retirement before some later age specified in such basic pension plan and (ii) ending no later than age 70½. In the case of a Participant who continues to work beyond age 70½ and who, upon the attainment of age 70½, had not made the catch-up election provided for under Section 5.01(b), the Normal Retirement Age shall be the age designated by the Participant, which shall not be later than the age at which the Participant Separates from Service.

(y) “Participant” means any Employee or Alternate payee who is or may become eligible to receive a benefit of any type under the Plan. A Participant shall also mean, when appropriate to the context, a former Employee who is eligible to receive a benefit of any type under the Plan.

(z) “Plan” or “SSP” means the “Teachers’ Retirement System of the State of Illinois Supplemental Savings Plan” as amended from time to time.

(aa) “Plan Year” means July 1 through June 30.

(bb) “Pre-Tax Contributions” mean contributions made to the Plan by the Employer at the election of a Participant pursuant to a Salary Reduction Agreement in accordance with Section 4.01.

(cc) “Qualified Distribution” means a distribution from a Roth Contribution Account after the Participant has satisfied a five (5) year tax holding period and has attained age fifty nine and one-half (59½), died, or become Disabled, in accordance with Code Section 402A(d). The five (5) year tax holding period is the period of five (5) consecutive taxable years that begins with the first day of the first taxable year in which the Participant makes a designated Roth Contribution under the Plan or to another retirement plan which amount was directly rolled over to the Plan and ends when five (5) consecutive taxable years have been completed.

(dd) “Rollover Contributions” mean an amount contributed to the Plan pursuant to Section 4.04.

(ee) “Roth Contributions” means contributions made to the Plan by the Employer at the election of a Participant under a Salary Reduction Agreement that have been (i) designated irrevocably by the Participant as a Roth Contribution being made in lieu of all of a portion of the Pre-Tax Contributions the Participant is otherwise eligible to make under the Plan, and (ii) treated by the Employer as includible in the Participant’s gross income at the time the Participant would have received that amount in cash if the Participant had not made such an election.

(ff) “Salary Reduction Agreement” means an agreement entered into between an Employee and the Employer pursuant to Section 4.01. Such agreement shall not be effective with respect to Compensation made available prior to the effective date of such agreement and shall be binding on the parties and irrevocable with respect to Compensation earned while it is in effect.

(gg) “Section” means, when not preceded by the word Code, a section of the Plan.

(hh) “Severance from Employment” means the complete termination for four consecutive months of the employment relationship between the Employee and all Employers. Notwithstanding the preceding, for purposes of Section 9.01 only, a Participant shall be treated as having had a Severance from Employment during any period the Participant is performing service in the uniformed services described Code Section 3401(h)(2)(A).

(ii) “Spouse” means the person to whom a Participant is legally married under federal law or civil union partner within the meaning of 750 ILCS 75.

(jj) “TRS” or “System” means the Teachers’ Retirement System of the State of Illinois, a retirement system established under Article 16 of the Illinois Pension Code.

(kk) “Trust” means any trust that satisfies the requirements of Code Section 457(g) (including a custodial account or annuity contract described in Code Section 401(f) that satisfies the requirements of Code Section 457(g)(3)) established to hold the Trust Fund, and as maintained pursuant to a trust agreement, custodial account, or annuity contract.

(ll) “Trust Fund” means the assets of the Plan held pursuant to the terms of the Plan and the Trust.

(mm) “Trustee” means the trustee or any successor trustee designated and appointed by the System and includes a custodian under a custodial account or annuity contract under Code Section 457(g)(3).

(nn) “Unforeseeable Financial Emergency” means a severe financial hardship of the Participant resulting from:

- (1) an illness or accident of the Participant, the Participant’s Spouse, or the Participant’s dependent (as defined in Code Section 152, without regard to Code Sections 152(b)(1), (b)(2), and (d)(1)(B));

(2) loss of the Participant's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, *e.g.*, as a result of a natural disaster); or

(3) other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant.

(oo) "USERRA" means the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended from time to time.

(pp) "Vested" means the interest of the Participant or Beneficiary in his or her Accounts which is unconditional, legally enforceable, and nonforfeitable at all times.

### **ARTICLE III: ELIGIBILITY AND PARTICIPATION**

#### **Section 3.01. Participation.**

(a) An Employee employed by an Employer prior to the Effective Date of the Plan may become a Participant in the Plan for purposes of Elective Deferrals and Discretionary Employer Contributions, if any, upon the Effective Date of the Plan.

(b) An Employee employed or reemployed by an Employer on or after the Effective Date of the Plan may become a Participant in the Plan for purposes of Elective Deferrals and Discretionary Employer Contributions, if any, immediately upon the commencement of employment with the Employer.

(c) To become a Participant under the Plan, an Employee must complete the Applicable Form(s), which may include a Salary Reduction Agreement and/or Fund Sponsor enrollment and investment election forms, and return them to the Administrator or Fund Sponsor, as applicable. An Employee who fails to complete the Applicable Forms, including a Salary Reduction Agreement to make Elective Deferrals, shall be deemed to have waived all of his or her rights under the Plan, provided that such Employee may become a Participant in the Plan at any time thereafter by completing the Applicable Form(s) and returning them to the Administrator or Fund Sponsor, as applicable.

#### **Section 3.02. Cessation of Contributions.**

A Participant shall cease to be eligible to make Contributions under the Plan when (i) he or she is no longer an Employee or (ii) the Plan is terminated.

## **ARTICLE IV: CONTRIBUTIONS**

### **Section 4.01. Elective Deferrals.**

(a) Subject to the limitations under Article V, an Employee who has satisfied the participation requirements under Section 3.01 (a) or (b) may enter into a written Salary Reduction Agreement with the Employer agreeing to contribute each pay period Pre-Tax Contributions and/or Roth Contributions to the Plan equal to a whole percentage or fixed dollar amount of his or her Compensation, as permitted by the Administrator. Elective Deferrals shall begin as soon as administratively practicable following the date specified in the Salary Reduction Agreement, or, if later or if no date is specified, as soon as administratively practicable after the Salary Reduction Agreement is filed with the Administrator. Notwithstanding the preceding, the Salary Reduction Agreement shall become effective no earlier than the first day of the month following the month in which the Salary Reduction Agreement is executed and submitted to the Administrator; provided, however, that a new Employee may defer Compensation payable in the calendar month during which he or she first becomes an Employee if he or she enters into a Salary Reduction Agreement before the first day on which he or she performs services for the Employer.

(b) Elective Deferrals shall reduce the Compensation otherwise payable to a Participant and shall be paid in cash to the Trust Fund by the Employer, on a basis consistent with its payroll practices, as soon as administratively feasible after being withheld from the Compensation of a Participant, but no later than fifteen (15) business days following the end of the month in which such amount is withheld from the Compensation of the Participant.

(c) If the Participant fails to designate whether Elective Deferrals are Pre-Tax Contributions or Roth Contributions, the Participant will be deemed to have designated his or her Elective Deferrals as Pre-Tax Contributions. Pre-Tax Contributions shall be allocated to the Pre-Tax Contribution Account of the Participant as of the date of contribution. Roth Contributions shall be allocated to the Roth Contribution Account of the Participant as of the date of contribution.

(d) A Participant may change his or her election to make Pre-Tax Contributions and/or Roth Contributions at any time by filing a new Salary Reduction Agreement with the Administrator. Any such changes shall be effective as soon as administratively practicable following the date specified in the new Salary Reduction Agreement, or, if later, as soon as administratively practicable after the Salary Reduction Agreement is filed with the Administrator; provided that the Salary Reduction Agreement shall become effective no earlier than the first day of the month following the month in which the Salary Reduction Agreement is executed and submitted to the Administrator.

(e) A Participant may terminate his or her election to make Elective Deferrals at any time by filing the Applicable Form with the Administrator, which shall be effective as soon as administratively practicable after the Applicable Form is filed with the Administrator.

(f) An election to make Elective Deferrals shall not be valid with respect to any period during which the Participant is not an Employee. No election to make, change, or discontinue Elective Deferrals shall be given retroactive effect.

(g) The Administrator may establish additional non-discriminatory rules and procedures governing the manner and timing of elections by Participants to make, change, or discontinue Elective Deferrals.

#### **Section 4.02. Discretionary Employer Contributions.**

(a) An Employer may make Discretionary Employer Contributions, which may include Discretionary Matching Contributions and Discretionary Nonelective Contributions, by completing and returning any Applicable Forms to the Administrator.

(b) Notwithstanding Section 4.01(c), if an Employee fails to complete the Applicable Form(s) at such time that the Employee is eligible for Discretionary Employer Contributions, Discretionary Employer Contributions shall be made by the Employer to a Discretionary Employer Contribution Account under the Plan on behalf of the Participant and invested in the default Investment Option described in Section 7.02 until such time that the Employee completes the Applicable Form(s).

(c) The System may establish reasonable policies to govern Discretionary Employer Contributions under the Plan, which may be amended from time to time. All Discretionary Employer Contributions shall comply with such policies and shall be administered in accordance with such policies.

(d) Employer Contributions shall be allocated to each Participant's Discretionary Matching Contribution Account and/or Discretionary Nonelective Contribution Account, as applicable, as of the date made to the Plan, but no later than the last day of the Plan Year.

#### **Section 4.03. Sick, Vacation and Back-Pay.**

A Participant who has not had a Severance from Employment may elect to defer accumulated sick pay, accumulated vacation pay, and back pay under the Plan if the requirements of Code Section 457(b) are satisfied. These amounts may be deferred for any calendar month only if a Salary Reduction Agreement providing for the deferral is entered into before the beginning of the month in which the amounts would otherwise be paid or made available and the Participant is an Employee on the date the amounts would otherwise be paid or made available. Compensation that would otherwise be paid for a payroll period that begins before Severance from Employment is treated as an amount that is paid or made available before an Employee has a Severance from Employment.

#### **Section 4.04. Rollover Contributions to the Plan.**

(a) Participants may transfer to the Plan as a Rollover Contribution a distribution from a Code Section 401(a) or 403(a) qualified plan (excluding after-tax contributions), a Code Section 403(b) plan (excluding after-tax contributions), a Code Section 408 individual retirement account or annuity, or a Code Section 457(b) eligible deferred compensation plan which is maintained by an eligible employer described in Code Section 457(e)(1)(A). Any Rollover Contribution (i) shall be subject to the Administrator's determination, in its discretion, that the Rollover Contribution

satisfies all applicable requirements of the Code and (ii) shall be made directly from such prior plan, or if such amount was distributed to the Participant, shall be made within sixty (60) days after the Participant receives the rollover amount.

(b) Except as provided in Section 4.05, the Plan shall accept a Rollover Contribution to a Roth Contribution Account only if it is a direct rollover from another Roth elective deferral account under an applicable retirement plan described in Code Section 402A(e)(1) and only to the extent the rollover is permitted under the rules of Code Section 402(c).

(c) A Rollover Contribution shall be allocated to the Rollover Contribution Account of the Participant as of the date of the contribution; provided, however, that a separate Rollover Contribution Account shall be maintained to reflect any direct rollover to the Plan of an eligible Roth Rollover Contribution pursuant to Section 4.04(b).

(d) Before a Rollover Contribution is made, the Participant shall designate on the Applicable Form the Investment Funds in which the Fund Sponsor should invest the Participant's Rollover Contribution.

#### **Section 4.05. In-Plan Roth Rollover.**

(a) Any portion or all of a Participant's Account (other than a Roth Contribution Account or Roth Rollover Contribution Account) is eligible for direct rollover to the Participant's Roth Contribution Account under the Plan, even if the Account is not otherwise distributable (pursuant to Code Section 402A(c)(4)(E)) under the Article IX of the Plan, and the transfer shall be treated as a qualified rollover contribution (within the meaning of Code Section 408A(e)) to the Participant's Roth Contribution Account.

(b) A Participant's election under this Section 4.05 shall be subject to the reasonable administrative procedures established by the Administrator, Code Section 402A(c)(4) and the regulations thereunder, and subsequent guidance from the Internal Revenue Service.

(c) The taxable portion of the Participant's Account directly rolled over to a Roth Contribution Account under this Section 4.05 shall be included in the Participant's gross income in the tax year in which the transfer occurs.

(d) To the extent required by Code Section 402(f), the Administrator shall provide written information regarding in-Plan Roth rollovers under this Section 4.05, for amounts that are otherwise distributable under Article IX.

#### **Section 4.06. Plan-to-Plan Transfer.**

A Participant and/or an Employer on behalf of a Participant or group of Participants may direct a transfer to this Plan from another governmental Code Section 457(b) plan under the following conditions:

(a) The transferor plan provides for transfer;

(b) The Participant whose amounts are being transferred will have a deferred amount immediately after the transfer at least equal to the deferred amount with respect to that Participant immediately before the transfer; and

(c) The transfer satisfies such other rules and policies established by the Administrator or the Fund Sponsor.

**Section 4.07. Leave of Absence.**

During a paid leave of absence, Contributions shall continue to be made for a Participant on the basis of Compensation paid by the Employer during the leave. No Contributions shall be made on behalf of a Participant who is on an unpaid leave of absence.

**Section 4.08. Expenses of Plan.**

All reasonable expenses of administering the Plan shall be charged against and paid from the Participant's Accounts, subject to the terms of the applicable Investment Funds, unless paid by the System or the Employer. The Administrator shall have the right to allocate expenses associated with maintaining the Accounts of terminated Employees to such Accounts, even if no expenses are allocated to the Accounts of active Employees, in accordance with rules promulgated by the Internal Revenue Service.

**ARTICLE V: LIMITATIONS ON CONTRIBUTIONS**

**Section 5.01. Elective Deferral Limits.**

(a) The maximum amount of Elective Deferrals to the Plan for any calendar year shall be limited to the lesser of (i) the applicable dollar amount as provided in Code Section 457(e)(15) or (ii) the Participant's Includible Compensation as provided in Code Section 457(b)(2). The applicable dollar amount is Nineteen Thousand Dollars (\$19,000) for 2019, increased thereafter by the Cost-of-Living Adjustment.

(b) A Participant who attains age fifty (50) or more by the end of the calendar year, and who is contributing up to the applicable dollar amount under paragraph (a), may make additional Elective Deferrals under Code Section 414(v) of up to Six Thousand Dollars (\$6,000) for 2019, increased thereafter by the Cost-of-Living Adjustment.

(c) If the applicable year is one of a Participant's last three calendar years ending before the year in which the Participant attains Normal Retirement Age and the amount determined under this paragraph (c) exceeds the amount computed under paragraphs (a) and (b), then the Elective Deferrals limit under this Article V shall be the lesser of:

- (1) An amount equal to two (2) times the applicable dollar amount set forth in paragraph (a) for such year; or
- (2) The sum of:

(i) An amount equal to (i) the aggregate paragraph (a) limit for the current year plus each prior calendar year beginning after December 31, 2001, during which the Participant was an Employee under the Plan, minus (ii) the aggregate amount of Compensation that the Participant deferred under the Plan during such years, plus

(ii) An amount equal to (i) the aggregate limit referred to in Code Section 457(b)(2) for each prior calendar year beginning after December 31, 1978, and before January 1, 2002, during which the Participant was an Employee (determined without regard to paragraph (b) or (c)), minus (ii) the aggregate contributions to Pre-2002 Coordination Plans (as defined by Treasury regulations and as provided in Section 5.03(c)) for such years.

However, in no event can the Elective Deferrals be more than the Participant's Compensation for the year.

### **Section 5.02. Employer Contribution Limits.**

If the Employer elects to make Discretionary Employer Contributions to the Plan on behalf of a Participant pursuant to Section 4.02, the Discretionary Employer Contributions shall be deemed Elective Deferrals for purposes of this Article, and shall apply toward the maximum Elective Deferral limits set forth in this Article.

### **Section 5.03. Coordination of Limits.**

(a) If the Participant is or has been a participant in one or more other eligible plans within the meaning of Code Section 457(b), then this Plan and all such other plans shall be considered as one plan for purposes of applying the foregoing limitations of this Article V. For this purpose, the Administrator shall take into account any other such eligible plan maintained by the Employer for which the Administrator receives from the Employer sufficient information concerning such plan, and shall also take into account any other such eligible plan for which the Administrator receives from the Participant sufficient information concerning his or her participation in such other plan.

(b) In applying Section 5.03, a year shall be taken into account only if:

(1) the Participant was eligible to participate in the Plan during all or a portion of the year; and

(2) Compensation deferred, if any, under the Plan during the year was subject to the applicable dollar amount described in Section 5.01(a) or any other plan ceiling required by Code Section 457(b).

(c) For purposes of Section 5.01(c)(2)(ii) "contributions to Pre-2002 Coordination Plans" means any employer contribution, salary reduction or elective contribution under any other eligible Code Section 457(b) plan, or a salary reduction or elective contribution under any Code Section 401(k) qualified cash or deferred arrangement, Code Section 402(h)(1)(B) simplified

employee pension (SARSEP), Code Section 403(b) annuity contract, and Code Section 408(p) simple retirement account, or under any plan for which a deduction is allowed because of a contribution to an organization described in Code Section 501(c)(18), including plans, arrangements or accounts maintained by the Employer or any employer for whom the Participant performed services. However, the contributions for any calendar year are only taken into account for purposes of Section 5.01(c)(2)(ii) to the extent that the total of such contributions does not exceed the aggregate limit referred to in Code Section 457(b)(2) for that year.

(d) For 2002 and thereafter, any amounts contributed by the Participant to a tax-sheltered annuity pursuant to Code Section 403(b) or to a 401(k) plan pursuant to Code Section 402(e)(3) shall not reduce the maximum Elective Deferrals under Section 5.01.

(1) An individual is treated as not having deferred compensation under a plan for a prior taxable year to the extent excess deferrals under the plan are distributed, as described in Section 5.04. To the extent that the combined deferrals for pre-2002 years exceeded the maximum deferral limitations, the amount is treated as an excess deferral for those prior years.

(2) The Participant is responsible for ensuring coordination of these limits.

#### **Section 5.04. Correction of Excess Deferrals.**

(a) If the Elective Deferrals on behalf of a Participant for any calendar year exceeds the limitations described above, or the Elective Deferrals on behalf of a Participant for any calendar year exceeds the limitations described above when combined with other amounts deferred by the Participant under another eligible deferred compensation plan under Code Section 457(b) for which the Participant provides information that is accepted by the Administrator, then the Elective Deferrals, to the extent in excess of the applicable limitation and adjusted for earnings, shall be distributed to the Participant no later than April 15 following the calendar year in which the excess Elective Deferral was made.

(b) If a Participant who made contributions to both the Pre-Tax Contribution Account and Roth Contribution Account for a calendar year has excess amount for that year, the excess amounts will be distributed out of the Roth Contribution Account first, unless the Participant elects to instead have the excess amounts distributed first out of the Pre-Tax Contribution Account.

### **ARTICLE VI: ACCOUNTING**

#### **Section 6.01. Participant Accounts.**

The fund Administrator shall establish and maintain adequate records to reflect the Accounts of each Participant and Beneficiary. Credits and charges shall be made to such Accounts to reflect additions, distributions, and withdrawals, and to reflect gains or losses pursuant to the terms of each Investment Fund. The maintenance of individual Accounts is for accounting purposes only, and a segregation of Plan assets to each Account shall not be required.

### **Section 6.02. Participant Statements.**

The Fund Sponsor(s) shall provide to each Participant a quarterly statement reflecting the value of the Participant's Account(s) as of the end of each quarter and shall provide similar information to the Administrator upon its request.

### **Section 6.03. Value of Account.**

The value of the Account of a Participant as of any valuation date is the value of the Account balance as determined by the Fund Sponsor. All transactions and Account records shall be based on fair market value.

## **ARTICLE VII: INVESTMENT OF CONTRIBUTIONS**

### **Section 7.01. Fund Sponsors and Investment Funds.**

(a) All Contributions under the Plan shall be transferred to the Fund Sponsor(s) to be held, managed, invested and distributed in accordance with the provisions of the Plan and the Investment Funds as applicable. All benefits under the Plan shall be distributed solely from the Investment Funds, and the System and/or Employer shall have no liability for any such benefits other than the obligation to make Contributions as provided in the Plan.

(b) Participants' Accounts shall be invested in one or more of the Investment Funds available to Participants under this Plan, as selected by the Administrator and communicated to Participants. The Administrator's current selection of Fund Sponsor(s) and Investment Funds is not intended to limit future additions or deletions of Fund Sponsor(s) or Investment Funds.

(c) A Participant shall have the right to direct the investment of his or her Account by filing the Applicable Form with the Administrator. A Participant may change his or her investment election as often as determined by the Administrator. A Participant may elect to transfer all or any portion of his or her Accounts invested in any one Investment Fund to another Investment Fund, subject to the limitations of the Investment Fund(s), by filing a request on the Applicable Form with the Administrator or by such other means that may be provided for by the Administrator.

### **Section 7.02. Default Investments.**

If a Participant does not have a valid and complete investment direction on file with the Administrator on the Applicable Form, Contributions may be invested in a default fund selected by the Administrator in its sole discretion, until the Participant makes an affirmative election regarding the investment of his or her Account.

## **ARTICLE VIII: TRUST**

### **Section 8.01. Trust Fund.**

All Contributions under the Plan shall be transferred to the Trustee to be held in Trust as part of the Trust Fund in accordance with the provisions of the Plan and the Investment Funds, as applicable. All assets held in connection with the Plan, including all Contributions, all property and rights acquired or purchased with such amounts, and all income attributable to such amounts, property or rights, shall be held in, managed, invested and distributed in Trust as part of the Trust Fund, in accordance with the provisions of the Plan. All benefits under the Plan shall be distributed solely from the Trust Fund, and the System and/or Employer shall have no liability for any such benefits other than the obligation to make Contributions as provided in the Plan.

### **Section 8.02. Trust Status.**

The Trust Fund shall be held in Trust for the exclusive benefit of Participants and Beneficiaries under the Plan in accordance with Code Section 457(g). No part of the Trust Fund shall be used for, or diverted to, purposes other than for the exclusive benefit of Participants and their Beneficiaries, and for defraying the reasonable expenses of the Plan and Trust. The Trust is exempt from tax pursuant to Code Sections 457(g)(2) and 501(a).

## **ARTICLE IX: DISTRIBUTIONS**

### **Section 9.01. Distribution Restrictions.**

(a) Except as otherwise provided in this Article IX, a Participant is not entitled to a distribution of his or her Accounts under the Plan until the earlier of (i) the Participant's Severance from Employment, or (ii) the calendar year in which the Participant attains age fifty nine and one-half (59 ½)

(b) If a Participant had a Severance from Employment solely because he or she is performing service in the uniformed services as described in Code Section 3401(h)(2)(A), and the Participant receives a distribution under the Plan because of such Severance from Employment, the Participant may not make Elective Deferrals to the Plan for the six (6) month period beginning on the date of the distribution.

(c) If a Participant has a Rollover Contributions Account, the Participant may at any time elect to receive a distribution of all or any portion of the amount held in the Rollover Contributions Account.

(d) A Participant may submit a request for distribution to the Administrator on the Applicable Form. The Employer shall certify that the Participant has had a Severance from Employment, if applicable.

### **Section 9.02. Payment Options.**

(a) Subject to Section 9.04, the terms of the Investment Funds, and any restrictions established by the System, a Participant may elect to receive his or her Account under any form of payment offered by the Administrator.

(b) To the extent permitted by the Investment Funds, the Administrator may make a lump sum payment of a Account without the consent of the Participant or Beneficiary if his or her Account balance does not exceed Five Thousand Dollars (\$5,000) or if different, the dollar limit under Code Section 411(a)(11), provided that to the extent the Account balance exceeds One Thousand Dollars (\$1,000), or if different, the dollar amount under Code Section 401(a)(31)(B)(i)(I), such distribution shall be made in a direct rollover to an individual retirement plan designated by the Administrator, unless the Participant elects to have such distribution paid directly to an eligible retirement plan specified by the Participant in a direct rollover or to receive the distribution directly in a lump sum. For this purpose, the value of a Participant's or Beneficiary's Account balance shall not include any amounts in his or her Rollover Contribution Account. Any lump sum payments made under this Section 9.02(b) shall be made in a uniform and nondiscriminatory manner.

### **Section 9.03. Death Benefit.**

If a Participant dies before distribution of his or her Account commences, his or her Account shall be payable to his or her Beneficiary(ies) under the payment options available under the Investment Fund(s), subject to Code Section 401(a)(9).

### **Section 9.04. Required Distribution Rules.**

The provisions of this Section 9.04 take precedence over any inconsistent provisions of the Plan. All distributions under this Plan shall be made in accordance with Code Section 401(a)(9), and the regulations promulgated thereunder, including the incidental death benefit rules under Code Section 401(a)(9)(G), and shall comply with the following rules.

(a) Distributions may only be made over one of the following periods (or combination thereof):

- (1) The life of the Participant;
- (2) The life of the Participant and a designated Beneficiary;
- (3) A period certain not extending beyond the life expectancy of the Participant;

or

(4) A period certain not extending beyond the joint and last survivor life expectancy of the Participant and designated Beneficiary.

(b) A Participant's Accounts shall be distributed to the Participant beginning no later than April 1 of the calendar year following the calendar year in which the Participant attains age

seventy two (72) or, if later, April 1 of the calendar year following the calendar year that the Participant has a Severance from Employment.

(c) Upon the death of the Participant, the following distribution provisions shall take effect:

(1) If the Participant dies after distribution of his or her Account(s) begins, any remaining portion of the Account(s) shall continue to be distributed at least as rapidly as under the method of distribution in effect at the time of the Participant's death.

(2) If the Participant dies before distributions of his or her Account(s) begins and the Participant has no designated Beneficiary(ies), the Participant's Account(s) under the Plan shall be distributed by December 31 of the calendar year containing the fifth (5<sup>th</sup>) anniversary of the Participant's death.

(3) If the Participant dies before distribution of his or her Account(s) begin and any portion of his or her Account(s) are payable to a designated Beneficiary, the designated Beneficiary may elect for the Participant's Account(s) to be distributed (i) by December 31 of the calendar year containing the fifth (5<sup>th</sup>) anniversary of the Participant's death, or (ii) beginning no later than December 31 of the calendar year immediately following the calendar year in which the Participant died, over the life of the designated Beneficiary or over a period not exceeding the life expectancy of the designated Beneficiary. If the designated Beneficiary is the surviving Spouse, the Beneficiary may elect to delay payment under subparagraph (ii) until December 31 of the calendar year in which the Participant would have attained age seventy two (72). If the designated Beneficiary does not elect a method of distribution as provided above, the Participant's Account(s) shall be distributed in accordance with subparagraph (i).

(4) Any distribution required under the incidental death benefit requirements of Code Section 401(a) shall be treated as distributions required under this Section 9.04(c).

(d) The Administrator shall be solely responsible for complying with the provisions of this Section 9.04. The Administrator shall calculate the amounts required to be distributed to a Participant under this Section and notify such Participant of such distributions at least sixty (60) days prior to the date distributions must begin.

#### **Section 9.05. Unforeseeable Financial Emergency Distributions.**

(a) If permitted by the applicable Investment Fund, a Participant who has not had a Severance from Employment, and who has taken or exhausted all other available in-service withdrawals from the Plan, may request and receive a distribution for an Unforeseeable Financial Emergency from his or her Account including Discretionary Employer Contributions, and Elective Deferrals.

(b) Any distribution made because of the Participant's Unforeseeable Financial Emergency shall not exceed the amount reasonably necessary to relieve the Participant's need, including any anticipated taxes or penalties associated with such distribution.

(c) The Participant's distribution request shall specify the reason for the Unforeseeable Financial Emergency and specify the amount the Participant wishes to withdraw to meet the need caused by the Unforeseeable Financial Emergency.

(d) A distribution on account of Unforeseeable Financial Emergency shall not be made to the extent that such emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the Participant's assets to the extent the liquidation of such assets would not itself cause severe financial hardship, or by cessation of Elective Deferrals under the Plan.

(e) The Administrator shall determine based on uniform and nondiscriminatory standards whether an Unforeseeable Financial Emergency exists based on the facts and circumstances and in accordance with the claim procedures of the Plan.

(f) The Administrator shall take such steps as appropriate to coordinate Unforeseeable Financial Emergency distributions, including collection of information from Fund Sponsors, and transmission of information requested by any Fund Sponsor.

(g) The Administrator may charge a reasonable fee for processing Unforeseeable Financial Emergency distributions.

#### **Section 9.06. Transfer to Defined Benefit Governmental Plan.**

(a) If a Participant is also a participant in a tax-qualified defined benefit governmental plan (as defined in Code Section 414(d)) that provides for the acceptance of plan-to-plan transfers with respect to the Participant, then the Participant may elect to have any portion of the Participant's Account transferred to the defined benefit governmental plan, subject to the terms of the Investment Fund(s). A transfer under this Section may be made before the Participant has had a Severance from Employment.

(b) A transfer may be made under this Section only if the transfer is either for the purchase of permissive service credit (as defined in Code Section 415(n)(3)(A)) under the receiving defined benefit governmental plan or a repayment to which Code Section 415 does not apply by reason of Code Section 415(k)(3).

(c) Notwithstanding paragraph (a), no portion of the Participant's Account attributable to Roth Contributions or Roth Rollover Contributions may be transferred under this Section 9.06.

#### **Section 9.07 Plan to Plan Transfer**

A Participant may elect to transfer all or a portion of his or her Account prior to the Participant's separation from employment, from this Plan to another section 457(b) plan, provided the transferee plan will accept the transfer, and further provided that the transferee plan is maintained by the Participant's employer. It is the sole responsibility of the individual requesting a transfer of vested amounts to register for the transfer, complete all necessary paperwork, and pay applicable fees, if any.

## **ARTICLE X: LOANS**

### **Section 10.01 Availability and Effect of Participant Loans.**

Participants who are also Employees shall be permitted to borrow amounts credited to their Accounts subject to the following requirements and rules:

(a) No loan to a Participant may exceed the lesser of (i) \$50,000, or (ii) one half of the value of the Participant's Account balance (as of the valuation date immediately preceding the date on which such loan is approved by the Administrator). Any such loan may not be for an amount less than one-thousand dollars (\$1,000.00). For purposes hereof, only one loan shall be outstanding at a time.

(b) Regardless of the use of the proceeds, the repayment period for the load shall not exceed five years.

(c) Loans shall have a level amortization with payments not less frequently than quarterly throughout the repayment period.

(d) The interest rate on any loan from the Plan shall equal one percentage point above the prime rate. The loan can be repaid early without penalty.

(e) A borrower who is on a leave of absence for the performance of uniformed service within the meaning of Section 414(u) of the Internal Revenue Code may elect to suspend payment for the period of uniformed service. If the borrower so elects, then upon the borrower's return from uniformed service, the load repayment period shall be extended by a period equal to the length of the uniformed service.

(f) Loans shall be secured by the pledge of the portion of the Participant's Account invested in such loan.

(g) The Participant shall be required, as a condition to receiving a loan, to enter into an agreement authorizing the Administrator to establish and make automatic monthly (ACH) deductions from the Participant's personal bank account only. A Participant may prepay the entire outstanding balance of his / her loan at any time, in whole or in part, provided that a partial prepayment shall not change the payment schedule or the interest rate on the loan.

(h) In the event that a Participant fails to make a loan payment within 90 days after the payment due date, a default on the loan shall occur. In the event of a default, all remaining payments on the loan shall be immediately due and payable. The Participant shall not be allowed to initiate another loan from the Plan until the defaulted amount is repaid.

(i) If any automatic monthly (ACH) deductions cannot be made in full because of insufficient funds or due to a closed, suspended, or restricted bank account, the Participant shall pay directly to the Administrator the full amount that would have been deducted from the

participant's bank account, with such payment to be made by the last business day of the calendar month in which the amount would have been deducted. The Participant would be required to reestablish the automatic monthly (ACH) deductions from the Participant's personal bank account with the Administrator prior to the next amortized scheduled draft date or be considered in default.

(j) In the event the Participant fails to repay the loan per (h) above, the loan shall be considered a distribution and subject to applicable income taxes.

Each loan will be evidenced by legally enforceable agreement between the Participant and the Administrator, the terms of which shall be in compliance with the requirements of (a) above. The Participant shall pay the Administrator expenses associated with the loan including any fees imposed by the System to cover any expenses to operate the loan program. These fees are subject to change with notice to Participants.

## **ARTICLE XI: VESTING**

A Participant shall be one hundred percent (100%) Vested in his or her Accounts at all times.

## **ARTICLE XII: ROLLOVERS FROM THIS PLAN**

### **Section 12.01. Definitions for this Article.**

For purposes of this Article, the following definitions shall apply.

(a) "Direct Rollover" means an Eligible Rollover Distribution that is paid directly to an Eligible Retirement Plan for the benefit of the Distributee.

(b) "Distributee" means a Participant, the Spouse of the Participant, or the Participant's former Spouse who is the Alternate Payee under a Qualified Illinois Domestic Relations Order (QILDRO) as defined in 40 ILCS 5/1-119, and a Participant's non-Spouse Beneficiary, any of whom is eligible to receive a distribution from the Plan.

(c) "Eligible Retirement Plan," as defined under Code Section 402(c)(8)(B), means:

- (1) an individual retirement account described in Code Section 408(a);
- (2) an individual retirement annuity (other than an endowment contract) described in Code Section 408(b);
- (3) any annuity plan described in Code Section 403(a);
- (4) a plan described in Code Section 403(b);
- (5) a qualified plan described in Code Section 401(a);

(6) a Code Section 457(b) eligible deferred compensation plan which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state;

(7) a Roth individual retirement account described in Code Section 408A(e) provided the Distributee's adjusted gross income does not exceed any limit applicable under federal law for the tax year in which the distribution occurs; and

(8) a SIMPLE IRA described in Code Section 408(p)(1), provided that the rollover contribution is made after the two (2) year period described in Code Section 72(t)(6).

In the case of a distribution to a non-spouse Beneficiary, and Eligible Retirement Plan means the plans described in subparagraphs (1) and (2) only, to the extent consistent with the provisions of Code Section 402(c)(11) and any successor provisions thereto or additional guidance issued thereunder.

(d) "Eligible Rollover Distribution," as defined in Code Section 402(f)(2)(A), means any distribution of all or any portion of the balance to the credit of the Distributee under the Plan, excluding the following:

(1) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or the life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated beneficiary, or for a specified period of ten (10) years or more;

(2) any distribution to the extent such distribution is required under Code Section 401(a)(9);

(3) the portion of any distribution that is not includible in gross income; however, a portion of a distribution will not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions that are not includible in gross income, although such portion may be transferred only to an individual retirement account or annuity described in Code Section 408(a) or (b) or to a qualified retirement plan described in Code Section 401(a) that agrees to separately account for amounts so transferred (and earnings thereon), including separately accounting for the portion of the distribution that is includible in gross income and the portion of the distribution that is not so includible;

(4) any distribution which is made upon the financial hardship of the Participant; and

(5) other items designated by regulations, or by the commissioner in revenue rulings, notices, or other guidance, as items that do not constitute an eligible rollover distribution.

### **Section 12.02. Direct Transfer of Eligible Rollover Distribution.**

A Distributee may elect on an Applicable Form to have an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan as specified by the Distributee in a Direct Rollover, at the time and in the manner prescribed by the Administrator. An Eligible Rollover Distribution that is paid to an Eligible Retirement Plan in a Direct Rollover is excludable from the Distributee's gross income under Code Section 402; provided, however, if any portion of such Eligible Rollover Distribution is subsequently distributed from the Eligible Retirement Plan, that portion shall be included in gross income to the extent required under Code Section 402, 403, or 408.

### **Section 12.03. Mandatory Withholding of Eligible Rollover Distributions.**

(a) If the Distributee of an Eligible Rollover Distribution does not elect to have the Eligible Rollover Distribution paid directly from the Plan to an Eligible Retirement Plan in a Direct Rollover pursuant to Code Section 401(a)(31), the Eligible Rollover Distribution shall be subject to a mandatory twenty percent (20%) federal income tax withholding under Code Section 3405(c). Only that portion of the Eligible Rollover Distribution that is not paid directly from the Plan to an Eligible Retirement Plan in a Direct Rollover shall be subject to the mandatory withholding requirement under Code Section 3405(e), and only to the extent such amount would otherwise be includible in the Distributee's taxable gross income.

(b) If a Distributee elects to have an Eligible Rollover Distribution paid to the Distributee, the distribution may be excluded from gross income of the Distributee provided that said distribution is contributed to an Eligible Retirement Plan no later than the sixtieth (60<sup>th</sup>) day following the day on which the Distributee received the distribution.

(c) If the Plan distribution is not an Eligible Rollover Distribution, said distribution shall be subject to the elective withholding provisions of Code Section 3405(a) and (b).

### **Section 12.04. Explanation of Plan Distribution and Withholding Requirements.**

Not fewer than thirty (30) days nor more than one hundred eighty (180) days before an Eligible Rollover Distribution, the Administrator shall provide each Distributee a written explanation as required under Code Section 402(f), which explains the rules:

(a) under which Distributee may elect to have an Eligible Rollover Distribution paid in a Direct Rollover to an Eligible Retirement Plan;

(b) that require the withholding of tax on an Eligible Rollover Distribution if it is not paid in a Direct Rollover to an Eligible Retirement Plan;

(c) that provide that a distribution shall not be subject to tax if the distribution is rolled over to an Eligible Retirement Plan within sixty (60) days after the date the Distributee receives the distribution; and

(d) if applicable, certain special rules regarding taxation of the distribution as described in Code Sections 402(d) and (e).

Notwithstanding the above, a distribution may begin fewer than thirty (30) days after the notice discussed in the preceding sentence is given, provided that the Administrator clearly informs the Participant that he or she has a right to a period of at least thirty (30) days after receiving the notice to consider the decision of whether or not to elect a distribution and the Participant, after receiving a notice, affirmatively elects a distribution.

## **ARTICLE XIII: ADMINISTRATION OF THE PLAN**

### **Section 13.01. Authority of the Administrator.**

The Administrator is responsible for enrolling Participants in the Plan, sending Contributions for each Participant to the selected Fund Sponsor(s), and performing the duties required for operation of the Plan. The Administrator shall have all power necessary or convenient to enable it to exercise its authority under the Plan. In connection therewith, the Administrator may provide rules and regulations, not inconsistent with the provisions hereof, for the operation and management of the Plan, and may from time to time amend or rescind such rules or regulations. The Administrator is authorized to accept service of legal process for the Plan.

### **Section 13.02. Responsibility of the Employer.**

The Employer is responsible for entering into Salary Reduction Agreements with Participants and timely remitting Contributions to the Plan and such other responsibilities as may be delegated to Employer by the Administrator from time to time.

### **Section 13.03. Powers of the Administrator.**

The Administrator shall have the power and discretion to construe and interpret the Plan, including any ambiguities, to determine all questions of fact or law arising under the Plan, and to resolve any disputes arising under and all questions concerning administration of the Plan. The Administrator may correct any defect, supply any omission or reconcile any inconsistency in the Plan in such manner and to such extent as the Administrator may deem expedient and, subject to the Plan's claims procedures, the Administrator should be the sole and final judge of such expediency. Benefits under the plan shall be paid only if the Administrator decides in its discretion that the Participant or Beneficiary is entitled to them.

Without limiting the generality of the foregoing, the Administrator shall have the following powers and duties:

- (a) to require any person to furnish such information as it may request for the purpose of the proper administration of the Plan as a condition to receiving any benefit under the Plan;
- (b) to make and enforce such rules and regulations and prescribe the use of such forms as it shall deem necessary for the efficient administration of the Plan;
- (c) to interpret the Plan and to resolve ambiguities, inconsistencies and omissions;

(d) to decide all questions concerning the Plan and the eligibility of any Eligible Individual to participate in the Plan;

(e) to determine the amount of benefits which shall be payable to any person in accordance with the provisions of the Plan;

(f) to determine the methods and procedures for the implementation and use of any automated telephone, computer, internet, intranet or other electronic or automated system adopted by the Employer for purposes of Plan administration, including, without limitation, for receiving and processing enrollments and instructions with respect to the investment of assets allocated to a Participant's Account or Rollover Account and for such other purposes as may be designated from time to time.

**Section 13.04. Delegation by Administrator.**

The Administrator may delegate to an individual, committee, or organization to carry out its fiduciary duties or other responsibilities under the Plan. Any such individual, committee or organization delegated fiduciary duties shall be a fiduciary until the Administrator revokes such delegation. A delegation of the Administrator duties or responsibilities may be revoked without cause or advance notice. Such individual, committee, or organization shall have the same power and authority with respect to such delegated fiduciary or other responsibilities as the Administrator has under the Plan. ‘

**Section 13.05. Employment of Consultants**

The Administrator may employ one (1) or more persons to render advice with regard to its responsibilities under the Plan.

**ARTICLE XIV: REQUESTS FOR INFORMATION AND CLAIMS PROCEDURES**

**Section 14.01. Requests for Information Concerning Eligibility, Participation and Contributions.**

Requests for information concerning eligibility, participation, contributions, or any other aspects of the operation of the Plan, and service of legal process, should be in writing and directed to the Administrator of the Plan.

**Section 14.02. Requests for Information Concerning Investment Funds.**

Requests for information concerning the Investment Funds and their terms, conditions, and interpretations thereof, claims thereunder, and any requests for review of such claims, should be in writing and directed to the Fund Sponsor(s).

**Section 14.03. Processing of Claims.**

An aggrieved party must first exhaust all claims remedies and procedures established by the System's designated third-party plan administrator. Within thirty-five (35) days from the date of

the third-party plan administrator's final disposition of the claim from which review is sought, a Participant or Beneficiary adversely affected by such claim disposition may file a written request for review in accordance with applicable provisions of 80 Ill. Admin. Code 1650.

## **ARTICLE XV: AMENDMENT AND TERMINATION**

### **Section 15.01. Amendment and Termination.**

While it is expected that the Plan shall continue indefinitely, the System reserves the right to amend, freeze, or terminate the Plan, or to discontinue any time, by action of the Board.

### **Section 15.02. Adverse Effects.**

Any amendment or termination of the Plan cannot adversely affect the benefits accrued by Participants prior to the date of amendment or termination. The Plan may not be amended in a manner that violates any provision of the Code.

### **Section 15.03. Distribution Upon Termination of the Plan.**

The System shall have the right to completely terminate this Plan, subject to any statutory requirements, at any time and in its sole discretion. In such a case, the System shall arrange for suitable distribution of Plan assets, including the possibility of transfer to another 457 plan or plans. The Trustee shall not be required to pay out any asset of the Trust Fund to Participants and Beneficiaries or a successor plan upon termination of the Trust until the Trustee has received written confirmation from the System (i) that all provisions of the law with respect to such termination have been complied with, and, (ii) after the Trustee has made a determination of the fair market value of the assets of the Plan, that the assets of the Plan are sufficient to discharge when due all obligations of the Plan required by law. The Trustee shall rely conclusively upon such written certification and shall be under no obligation to investigate or otherwise determine its propriety.

## **ARTICLE XVI: MISCELLANEOUS**

### **Section 16.01. Non-Alienation.**

(a) A Participant's Account under the Plan shall not be liable for any debt, liability, contract, engagement, or tort of the Participant or his or her Beneficiary, nor subject to anticipation, sale, assignment, transfer, encumbrance, pledge, charge, attachment, garnishment, execution, alienation, or any other voluntary or involuntary alienation or other legal or equitable process, nor transferable by operation of law.

(b) Notwithstanding paragraph (a), pursuant to 40 ILCS 5/1-119, a Participant's Account shall be paid to an Alternate Payee as directed in a Qualified Illinois Domestic Relations Order ("QILDRO"), provided that the QILDRO is properly filed with the System. A QILDRO is an Illinois court order that (i) creates or recognizes the existence of an alternate payee's right to receive all or a portion of a Participant's accrued benefits in the Plan, (ii) is issued pursuant to 40

ILCS 5/1-119 and Section 503(b)(2) of the Illinois Marriage and Dissolution of Marriage Act, and (iii) meets the requirements of 40 ILCS 5/1-119 and the System's administrative rules as applicable, 80 Ill. Admin. Code 1650.1110 *et seq.*

(c) Notwithstanding paragraph (a), the Plan shall offset from the benefit otherwise payable to a Participant or his or her Spouse such amounts as are permitted to be offset under a court order, civil judgment, or settlement agreement in accordance with Code Section 401(a)(13)(C).

### **Section 16.02. Military Service.**

(a) Notwithstanding any provisions of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service shall be provided in accordance with USERRA, the HEART Act, Code Section 414(u), and Code Section 401(a)(37). For purposes of this section, "qualified military service" means any service in the uniformed services as defined in USERRA by any individual if such individual is entitled to reemployment rights under USERRA with respect to such service.

(b) A Participant whose employment is interrupted by qualified military service or who is on a leave of absence for qualified military service may elect to make Elective Deferrals upon resumption of employment with the Employer up to the maximum Elective Deferrals that the Participant could have elected during that period if the Participant's employment with the Employer had continued (at the same level of Compensation) without the interruption or leave, reduced by the Elective Deferrals, if any, actually made for the Participant during the period of the interruption or leave. Except to the extent provided under Code Section 414(u), this right applies for the lesser of (i) five (5) years following the resumption of employment or (ii) a period equal to three (3) times the period of the interruption or leave. Such Elective Deferrals by the Participant may only be made during such period and while the Participant is reemployed by the Employer.

(c) If a Participant timely resumes employment with the Employer in accordance with USERRA, the Employer shall make the Discretionary Matching Contributions and Discretionary Nonelective Contributions, if any, that would have been made if the Participant had remained employed during the Participant's qualified military service. Discretionary Matching Contributions and Discretionary Nonelective Contributions must be made no later than ninety (90) days after the date of reemployment or when Discretionary Matching Contributions and Discretionary Nonelective Contributions are normally due for the year in which the qualified military service was performed, if later.

(d) To the extent provided under Code Section 401(a)(37), in the case of a Participant whose employment is interrupted by qualified military service and who dies while performing qualified military service, the survivor of such Participant shall be entitled to any additional benefit (other than benefit accruals) provided under the Plan as if the Participant timely resumed employment in accordance with USERRA and then, on the next day, terminated employment on account of death.

(e) A Participant whose employment is interrupted by qualified military service or who is on a leave of absence for qualified military service and who receives a differential wage payment

within the meaning of Code Section 414(u)(12)(D) from the Employer shall be treated as an Employee of the Employer who is a Participant eligible to make Elective Deferrals during such service and the differential wage payment shall be treated as Compensation and Includible Compensation. This provision shall be applied to all similarity situated individuals in a reasonably equivalent manner.

### **Section 16.03. Limitation of Rights and Obligations.**

Neither the establishment nor maintenance of the Plan, nor any amendment thereof, nor the purchase of any insurance contract, nor any act or omission under the Plan or resulting from the operation of the Plan shall be construed:

(a) as conferring upon any Participant, Beneficiary or any other person any right or claim against the System, Employer, Administrator, or Trust, except to the extent that such right or claim shall be specifically expressed and provided in the Plan;

(b) as a contract or agreement between the System and/or the Employer and any Participant or other person; or

(c) as an agreement, consideration, or inducement of employment or as effecting in any manner or to any extent whatsoever the rights or obligations of the System, the Employer, or any Employee to continue or terminate the employment relationship at any time.

### **Section 16.04. Federal and State Taxes.**

It is intended that the Discretionary Employer Contributions and Pre-Tax Contributions, plus any earnings thereunder, are excludable from gross income for federal and state income tax purposes until paid to Participants or Beneficiaries, and that Roth Contributions and Earnings thereunder are excludable from gross income for deferral and state income tax purposes when paid to Participants or Beneficiaries to the extent that they are Qualified Distributions. However, the Administrator does not guarantee that any particular federal or state income, payroll, or other tax consequence will occur as a result of participation in this Plan.

### **Section 16.05. Erroneous Payments.**

If the Administrator or Fund Sponsor makes any payment that according to the terms of the Plan and the benefits provided hereunder should not have been made, the Administrator or Fund Sponsor may recover that incorrect payment, by whatever means necessary, whether or not it was made due to the error of the Administrator or Fund Sponsor, from the person to whom it was made or from any other appropriate party. For example, if any such incorrect payment is made directly to a Participant, the Administrator or Fund Sponsor may deduct it when making any future payments directly to that Participant.

### **Section 16.06. Missing or Lost Participants.**

In the event that the Administrator does not have current contact information for or is unable to identify a Participant or Beneficiary under the Plan, the Administrator shall make reasonable

attempts to determine the address and identity of the Participant or Beneficiary entitled to benefits under the Plan. A reasonable attempt to locate a missing or lost Participant or Beneficiary shall include (i) providing notice to the Participant at the Participant's last known address via certified mail; (ii) determining whether the Employer's records or the records of another plan maintained by the Employer has a more current address for the Participant; (iii) attempting to contact any named Beneficiary of the Participant; and (iv) searching for the missing Participant via free electronic search tools, such as Internet search engines, public record databases, obituaries, and social media. If such search methods are unsuccessful, based on the facts and circumstances, the Administrator may use other search methods, including using Internet search tools, commercial locator services, credit reporting agencies, information brokers, investigation databases, and analogous services that may involve charges. The Administrator may charge missing Participants and Beneficiaries reasonable expenses for efforts to find them. If a Participant or Beneficiary has not been located after reasonable efforts have been made, then any benefit to which the Participant or Beneficiary is entitled under the Plan shall be deposited in an Individual Retirement Account established in the Participant's or Beneficiary's name.

#### **Section 16.07. Liability.**

The System shall satisfy any liability actually and reasonably incurred by any members of the Board or any person to whom any power, authority, or responsibility of the System is delegated pursuant to Section 13.03, except a Fund Sponsor or other service provider. The right of indemnification exists under the regulations or bylaws of the System's Board of Trustees, under any provision of law, or under any other agreement; provided, however, that the System will not satisfy any such liability to the extent that the person did not act in good faith. Except to the extent otherwise provided above, the System is an entity not authorized by Illinois law to provide indemnification to any party. Accordingly, except as provided above, the System shall at no time or for any reason be required to indemnify any party in connection with the Plan; provided, however, that the System is not relieved of any enforceable obligations that the System may have under the Plan.

#### **Section 16.08. No Reversion.**

Under no circumstances or conditions will any Contributions revert to, be paid to, or inure to the benefit of, directly or indirectly, the System or the Employer, but shall be held for the exclusive purpose of providing benefits to Participants and their Beneficiaries and defraying the reasonable expenses of administering the Plan. However, if Contributions are made by the System or the Employer by mistake of fact, these amounts and, if applicable, any interest earned therein, may be returned to the System or Employer, as applicable, within one year of the date that they were made.

#### **Section 16.09. Finality of Determination.**

All determinations under the Plan are made on the basis of the records of the System and the Employer, and all determinations made are final and conclusive upon Employees, former Employees, and all other persons claiming a benefit under the Plan.

**Section 16.10. Claims of Other Persons.**

The provisions of the Plan will not be construed as giving any Participant or any other person, firm, or corporation, any legal or equitable right against the System or Employer, its trustees, officers, employees, or directors, except the rights as specifically provided for in this Plan or created in accordance with the terms and provisions of this Plan.

**Section 16.11. Counterparts.**

The Plan may be executed in any number of counterparts, each of which shall be deemed to be an original. All counterparts shall constitute but one and the same instrument and shall be evidenced by any one counterpart.

IN WITNESS WHEREOF, the Board of Trustees of the System has caused this Plan to be adopted as of the Effective Date.

*SPACE INTENTIONALLY LEFT BLANK*


**CERTIFICATE OF ADOPTION**

THE BOARD OF TRUSTEES OF THE TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS hereby adopts the TEACHERS' RETIREMENT SYSTEM OF THE STATE ILLINOIS SUPPLEMENTAL SAVINGS PLAN in the form attached hereto, effective October 29, 2019.

**BOARD OF TRUSTEES OF THE TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**

By:   
Dr. Carmen Ayala, Board Chair

Date: October 29, 2019

Attest:   
Richard W. Ingram, Executive Director

Date: October 29, 2019

AMENDED October 30, 2020

THE BOARD OF TRUSTEES OF THE TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS hereby amends the TEACHERS' RETIREMENT SYSTEM OF THE STATE ILLINOIS SUPPLEMENTAL SAVINGS PLAN adopted October 29, 2019, in the form attached hereto, effective October 30, 2020.

BOARD OF TRUSTEES OF THE TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

By:  \_\_\_\_\_

Devon Bruce, Board Chair

Date: *December 2, 2020*  
~~November~~ \_\_, 2020

Attest:  \_\_\_\_\_

Stan Rupnik, Acting Executive Director

December 2, 2020  
Date: ~~November~~ \_\_, 2020

**APPENDIX A: APPROVED VENDORS**

**TEACHERS' RETIREMENT SYSTEM  
OF THE STATE OF ILLINOIS  
SUPPLEMENTAL SAVINGS PLAN**

The current selection of Fund Sponsor(s) is not intended to limit future additions or deletions of Fund Sponsor(s). The Administrator from time to time may add or delete Fund Sponsor(s) which shall be effective on the date adopted by the Administrator and shall be reflected in a revised Appendix A.

**A. Approved Fund Sponsor(s)**

Effective \_\_\_\_\_, the Fund Sponsors under the Plan are:

I.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**



2815 W Washington | PO Box 19253 | Springfield IL 62794-9253

R. Stanley Rupnik, Interim Executive Director

employers@trsil.org | http://www.trsil.org

SUPPLEMENTAL SAVINGS PLAN 888-678-3675 | FAX: 217-753-0969

**Supplemental Savings Plan  
Employer Participation Agreement**

The undersigned employer (“Employer”) and the Teachers’ Retirement System of the State of Illinois (the “System”) agree to the participation of the Employer in the Teachers’ Retirement System of the State of Illinois Supplemental Savings Plan (the “Plan”). The Plan is sponsored and administered by the System and is intended to qualify as an eligible deferred compensation plan under Section 457(b) of the Internal Revenue Code (“Code”) that is a governmental plan under Code Section 414(d) and Section 3(33) of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Complete this Participation Agreement only if the Employer is both an employer subject to Article 16 of the Illinois Pension Code and an eligible employer within the meaning of Code Section 457(e)(1)(A).

**Employer Information**

School District or Agency Name:	TRS Code:
Address:	Tax ID Number: _____ - _____

**Type of Adoption and Effective Date**

The Employer’s Plan document shall consist of this Employer Participation Agreement (“Participation Agreement”) and the Plan document, as amended from time to time. All capitalized terms in this Participation Agreement shall have the meaning set forth in the Plan document.

It is very important that this Participation Agreement be completed accurately to ensure consistency between the Plan and actual plan operation. The Employer may prospectively change the terms of its participation in the Plan at any time by completing a new Participation Agreement with the System.

This Participation Agreement is for the following purpose (*check and complete one only*):

- This is a new 457(b) deferred compensation plan adopted by the Employer for its Employees effective \_\_\_\_\_, 20\_\_\_\_ (*insert effective date of this Participation Agreement*).
- This is an amendment to be effective as of \_\_\_\_\_, \_\_\_\_\_ (*insert effective date of this amendment*) to the current Participation Agreement previously adopted by the Employer, which was originally effective \_\_\_\_\_, 20\_\_\_\_ (*insert effective date of the original Participation Agreement*).

**Custody of Assets**

Code Section 457(g) shall be satisfied by setting aside Plan assets for the exclusive benefit of Participants and Beneficiaries in a Trust pursuant to the terms of the Plan.

**Participation**

An Employee may become a Participant in the Plan for purposes of Elective Deferrals and Discretionary Employer Contributions immediately upon commencement of employment with the Employer. “Employee” means an individual who is a teacher, as defined in Section 16-106 of the Illinois Pension Code, of an Employer. An Employee does not include an individual who is a leased employee under Code Section 414(n)(2).

### Elective Deferrals

All Employees of the Employer shall be permitted to make Elective Deferrals to the Plan. Elective Deferrals include pre-tax contributions and Roth contributions. A Participant shall be 100% vested in his or her Elective Deferrals at all times. As further provided in the Administrative Information section of this Participation Agreement, the Employer is solely responsible for monitoring the limit on Elective Deferrals under this Plan and any other 457(b) plan in which the Employer's employees are eligible to participate to assure that contributions to this Plan do not exceed any applicable limits under the Code, including but not limited to Code Section 457(b).

### Discretionary Matching Contributions

1. The Employer shall (*check and complete one only*):

- a.  **Not** make Discretionary Matching Contributions.
- b.  Make Discretionary Matching Contributions.

*Note: Any Discretionary Matching Contribution will reduce, dollar for dollar, the Elective Deferrals that a participant can contribute.*

2. A Participant shall be 100% vested in his or her discretionary matching contributions at all times.

### Discretionary Nonelective Contributions

1. The Employer shall (*check and complete one only*):

- a.  **Not** make Discretionary Nonelective Contributions.
- b.  Make Discretionary Nonelective Contributions.

*Note: Any Discretionary Nonelective Contribution will reduce, dollar for dollar, the amount a participant can contribute.*

2. A Participant shall be 100% vested in his or her Discretionary Nonelective Contributions at all times.

### Administrative Information

In executing this Participation Agreement, the Employer agrees:

- that it is eligible to adopt the Plan, and that its governing body has adopted a resolution to approve the adoption of the Plan for its eligible employees, which resolution is available to the System upon request;
- to be bound by all terms of the Plan document, as applicable, the terms of this Participation Agreement, and the rules and regulations of the System, all as may be amended from time to time, and that no oral understanding not incorporated into this Participation Agreement is binding on any party;
- to provide any information reasonably requested by the System or a service provider from time to time to properly administer the Plan in accordance with its terms and applicable law;
- to allow the System and/or the service providers reasonable access to eligible employees to assist with enrollment in and administration of the Plan; to be solely responsible for the correction of any operational or compliance errors resulting from the Employer's failure to perform its responsibilities or provide accurate information to the System or a service provider, including by way of example and not limitation, to seek relief under the Employee Plans Compliance Resolution System, as determined and directed by the System;

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(continued)

- that all contributions to the Plan will be deposited in the [Teachers' Retirement System of the State of Illinois Supplemental Saving Plan Trust established by the System and the System's Custodial Bank] for the exclusive benefit of participants and beneficiaries, and that the Employer shall have no right to Trust assets;
- that participants in the Plan have the right to direct the investment of their accounts by choosing among the investment options selected by the System and offered under the Plan, and that any participant who does not provide timely investment direction will be deemed to have elected the Plan's default investment, as selected by the System;
- that participants will be charged fees for the investment and administration services provided by the System and the service providers, which will be offset against investment returns or deducted from participant accounts periodically; and
- that the Employer has consulted, to the extent necessary, with its own legal and tax advisors.

The Employer further agrees that it is responsible for the following areas of compliance:

- determining and monitoring employee eligibility in accordance with the terms of the Plan and the Participation Agreement;
- entering into salary reduction agreements with Employees and timely remitting all Elective Deferrals and Discretionary Employer Contributions, if any, to the Plan; and
- calculating and processing all participant Elective Deferrals, Discretionary Matching Contributions and Discretionary Nonelective Contributions in accordance with this Plan and the Code and to monitor compliance with respect to any of these contributions with the limits imposed by the Code, including Code Section 457 under this Plan and; any other Code Section 457(b) plan in which Employer's employees participate.

This Participation Agreement is duly executed on behalf of the Employer by the undersigned authorized signatories and shall be effective as indicated under Type of Adoption and Effective Date section.

**Employer's Authorized Signatories:**

Signature*:	Signature*:
Print:	Print:
Title:	Title:
Date:	Date:

*\* Handwritten signatures required. Electronic signatures are unacceptable currently.*

**Acceptance of Employer's participation in the Teachers' Retirement System of the State of Illinois Supplemental Savings Plan:**

Signature: 

Date: 02/04/2021

Executive Director

**TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS**



2815 W Washington | PO Box 19253 | Springfield IL 62794-9253

R. Stanley Rupnik, Interim Executive Director

employers@trsil.org | http://www.trsil.org

SUPPLEMENTAL SAVINGS PLAN 888-678-3675 | FAX: 217-753-0969

**Appendix A  
Authorized Contact Form**

All official communications from the Employer to the System shall be directed to the attention of the following:

Teachers' Retirement System of the State of Illinois  
 Attention: Executive Director - with a copy to Chief Benefits Officer  
 2815 W. Washington, P.O. Box 19253, Springfield, IL 62794-9253  
 Telephone Number: (877) 927-8577  
 Email: **executive\_director@trsil.org** and **Chief\_Benefits\_Officer@trsil.org**

All official communications from the System to the Employer shall be directed to the attention of the following:

Employer:	Attention:
Address:	Telephone Number: ( )
FAX Number: ( )	Email:

The following individuals are authorized to represent and act on behalf of the Employer for all purposes related to the Employer's participation in the Teachers' Retirement System of the State of Illinois Supplemental Savings Plan.

Contact Name:	
Title:	
Telephone Number: ( )	Email Address:
Signature*	
Date	

Contact Name:	
Title:	
Telephone Number: ( )	Email Address:
Signature*	
Date	

Contact Name:	
Title:	
Telephone Number: ( )	Email Address:
Signature*	
Date	

Contact Name:	
Title:	
Telephone Number: ( )	Email Address:
Signature*	
Date	

\* Handwritten signatures required. Electronic signatures are unacceptable currently.

The Employer agrees that the System is entitled to rely on this Appendix A, and shall be held harmless in doing so, until such time that the Employer submits a revised Appendix A to the System.

**The undersigned represents that he or she is an authorized representative of the Employer with authority to sign the Participation Agreement and this Appendix A on the Employer's behalf.**

Signature*:  	Date:  
Print Name:  	Title:  
Telephone Number: (      )	Email Address:  

*\* Handwritten signature required. Electronic signature is unacceptable currently.*

**BOARD OF EDUCATION OF  
LINCOLNWOOD SCHOOL DISTRICT NO. 74  
COOK COUNTY, ILLINOIS**

**RESOLUTION RE: TRS SUPPLEMENT SAVINGS PLAN**

WHEREAS, the Board of Education of Lincolnwood School District No. 74, Cook County, Illinois (the "Employer") is a political subdivision of the State of Illinois, or an agency or instrumentality of the State of Illinois or of a political subdivision of the State of Illinois and thus, an eligible employer pursuant to Section 457(e)(1)(A) of the Internal Revenue Code of 1986;

WHEREAS, on behalf of certain of its employees, the Employer wishes to adopt the Teachers' Retirement System of the State of Illinois Supplement Savings Plan (the "Supplemental Savings Plan") by entering into an Employer Participation Agreement between the Teachers' Retirement System of the State of Illinois (the "System") and the Employer;

NOW, THEREFORE, BE IT RESOLVED that, effective [REDACTED], 20 the Employer shall enter into the Employer Participation Agreement, in substantially the same form as presented to the Board of the Employer, subject to the terms and conditions of the Supplemental Savings Plan.

RESOLVED, that the appropriate officers of the Employer (the "Authorized Officers") be and hereby are authorized and directed to take any and all further action, including the execution and delivery of documents and instruments, as such Authorized Officers deem necessary or desirable in their sole discretion to effectuate fully and carry out the purposes of the foregoing resolutions and to ensure that the Employer performs all of its duties and responsibilities, as set forth in the Employer Participation Agreement and the Supplemental Savings Plan.

ADOPTED: This 4th day of March, 2021, by the following roll call vote:

AYES: \_\_\_\_\_

\_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

\_\_\_\_\_  
President, Board of Education  
Lincolnwood School District No. 74

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Secretary, Board of Education  
Lincolnwood School District No. 74