Board of Education Business Meeting

Tuesday, October 6, 2026 6:00 PM
D300 Central Office - Anne B Miller Boardroom, 2550 Harnish Drive, Algonquin, IL 60102

1. **Call to Order**

1.1. Roll Call

2. **Closed Session, 6:00pm**

2.1. Motion to go into closed session for the purpose of discussing: 1. The appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body 2(c)(1); 2. Litigation 2(c)(11); 3. Student disciplinary cases 2(c)(9); 4. The purchase or lease of real property for the use of the public body, including meetings held for the purpose of discussing whether a particular parcel should be acquired 2(c)(5); and 5. Security procedures, school building safety and security, and the use of personnel to respond to an actual, a threatened or a reasonably potential danger to the safety of employees, students, staff, the public or public property 2(c)(8).

2.2. Motion to suspend closed session

3. **Reconvene in Open Session (no later than 6:30pm)**

3.1. Roll Call

4. **Pledge of Allegiance, Westfield Community School**

5. **Approval of the Agenda**

6. **Moment of Silence**

7. **Recognition**

7.1. High School Academic Achievements for 2025/2026 - Hampshire High School

7.2. Principal Recognition

7.3. Staff Recognition

8. **Public Participation: Members of the public, especially residents of District 300, are welcome to contribute during public participation. To do so, you must sign up electronically via a computer located in the Central Office lobby between 6:00-6:30pm, or the start of the open meeting; be 18 years old or older or have a parent/legal guardian present with you, give your full name and respectfully state your comments,**

and you are not permitted to mention the names of specific staff members or students. The Board will not respond in this forum but will thoughtfully consider your statements.

9. **Board Announcements**

9.1. Good News

10. **Superintendent Report**

10.1. Master Facility Plan Update

11. **Board Discussion**

11.1. Board Committee Reports

11.2. Board Discussion

12. **Items for Discussion**

12.1. Board Meeting Minutes

12.2. Disposal Report

12.3. Donation Report

12.4. Treasurer's Report

12.5. Budget Calendar/Designee Resolution

12.6. Electrical Time and Material Bid

12.7. Snow and Ice Removal Bid

12.8. Baseball Field Net Bid (HHS)

12.9. Elevator Maintenance Contract (Renewal)

12.10. Open Enrollment Service (Renewal)

12.11. Board Policy Review and Revisions

12.12. Out of District Student Travel

12.13. Freedom of Information Act Report

13. **Consent Items**

13.1. Approval of Bills Payable

13.2. Approval of Human Resources Report

14. **Roll Call Action Items**

14.1. Student Discipline Case #6

14.2. Employee Discipline Case #2

15. **Closed Session**

15.1. Motion to go into closed session for the purpose of discussing: 1. The appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body 2(c)(1); 2. Litigation 2(c)(11); 3. Student disciplinary cases 2(c)(9); 4. The purchase or lease of real property for the use of the public body, including meetings held for the purpose of discussing whether a particular parcel should be acquired 2(c)(5); and 5. Security procedures, school building safety and security, and the use of personnel to respond to an actual, a threatened or a reasonably potential danger to the safety of employees, students, staff, the public or public property 2(c)(8).

15.2. Motion to adjourn closed session and return to open session

16. **Reconvene in Open Session**

16.1. Roll Call

17. **Adjournment**

Community Unit School District 300 Monthly
Fixed Asset Disposals
10/01/2026

Date Submitted	Location	Type	Manufacturer / Publisher	Model/Title	Serial #	Tag	Reason for Disposal	Method of Disposal	Funding Source
9/11/2026	JHS	Document Camera	Avervision	U50	4.01022E+12	T61036	Broken	Tech Recycle	Local
9/18/2026	JHS	Laptop Computer	Lenovo	T14 Gen 3	PF4HS6DM	T169956	Broken	Tech Recycle	Local
9/18/2026	JHS	Laptop Computer	Lenovo	L480	PF1NPEWD	T189028	Broken	Tech Recycle	Local
9/18/2026	JHS	Laptop Computer	Lenovo	L14 Gen 2	PF3WFEPD	T166419	Broken	Tech Recycle	Local
9/18/2026	JHS	Laptop Computer	Lenovo	L14 Gen 2	PF3WT0DH	T166404	Broken	Tech Recycle	Local
9/18/2026	JHS	Laptop Computer	Lenovo	L14 Gen 2	PF3VVV5B	T166852	Broken	Tech Recycle	Local
9/18/2026	JHS	Laptop Computer	Lenovo	L14 Gen 2	PF3VP0R7	N/A	Broken	Tech Recycle	Local
9/21/2026	JHS	Laptop Computer	Lenovo	L14 Gen 1	PF2ZMOH6	T115107	Broken	Tech Recycle	Local
9/21/2026	JHS	Laptop Computer	Lenovo	L14 Gen 2	PF3W53R0	T166485	Broken	Tech Recycle	Local
9/21/2026	JHS	Laptop Computer	Lenovo	L14 Gen 1	N/A	T115383	Broken	Tech Recycle	Local
9/21/2026	JHS	Laptop Computer	Lenovo	L490	PF26KNPV	T101308	Broken	Tech Recycle	Local
9/21/2026	JHS	Laptop Computer	Lenovo	L14 Gen 2	PF3WG833	T166372	Broken	Tech Recycle	Local
9/21/2026	JHS	Laptop Computer	Lenovo	L480	PF1NPPK4	T88925	Broken	Tech Recycle	Local
9/21/2026	JHS	Laptop Computer	Lenovo	L14 Gen 2	PF3W4ZT2	T166602	Broken	Tech Recycle	Local
9/21/2026	JHS	Laptop Computer	Lenovo	L14 Gen 2	PF3WR0DZ	T166192	Broken	Tech Recycle	Local
9/21/2026	JHS	Laptop Computer	Lenovo	P15 Gen 1	PF3PLWJX	T116653	Broken	Tech Recycle	Local
9/21/2026	JHS	Laptop Computer	Lenovo	P15 Gen 1	PFOKA3R	T115391	Broken	Tech Recycle	Local
9/21/2026	JHS	Laptop Computer	Lenovo	L14 Gen 2	PF3TTCMM	T166871	Broken	Tech Recycle	Local
9/21/2026	JHS	Laptop Computer	Lenovo	L490	PF25KBDW	T101402	Broken	Tech Recycle	Local
9/22/2026	JHS	Laptop Computer	Lenovo	L14 Gen 3	PW05D6CA	T169564	Broken	Tech Recycle	Local
9/22/2026	JHS	Laptop Computer	Lenovo	L480	PF1HCGB6	T79813	Broken	Tech Recycle	Local
9/22/2026	JHS	Laptop Computer	Lenovo	L490	PF26KFV3	T101247	Broken	Tech Recycle	Local
9/22/2026	JHS	Laptop Computer	Lenovo	L490	PF25H4G4	T101266	Broken	Tech Recycle	Local
9/22/2026	JHS	Laptop Computer	Lenovo	L14 Gen 2	PF3V34JE	T166554	Broken	Tech Recycle	Local
9/22/2026	JHS	Laptop Computer	Lenovo	L480	PF1NQ53P	T88956	Broken	Tech Recycle	Local
9/22/2026	JHS	Laptop Computer	Lenovo	L480	N/A	T89031	Broken	Tech Recycle	Local
9/22/2026	JHS	Laptop Computer	Lenovo	L490	N/A	T101691	Broken	Tech Recycle	Local
9/22/2026	JHS	Laptop Computer	Lenovo	L490	PF1TLDZX	T101559	Broken	Tech Recycle	Local
9/22/2026	JHS	Laptop Computer	Lenovo	L490	PF25JL46	T101545	Broken	Tech Recycle	Local
9/22/2026	JHS	Laptop Computer	Lenovo	T14 Gen 3	PF46RO8C	T116838	Broken	Tech Recycle	Local
9/22/2026	JHS	Laptop Computer	Lenovo	T14 Gen 3	PF460W02	T116816	Broken	Tech Recycle	Local
9/22/2026	JHS	Laptop Computer	Lenovo	L14 GEN 2	PF3W5NG3	T166687	Broken	Tech Recycle	Local
9/22/2026	JHS	Laptop Computer	Lenovo	L480	PF1S7B9B	T89673	Broken	Tech Recycle	Local
9/23/2026	JHS	Document Camera	Avervision	U50	4.01022E+12	T61037	Broken	Tech Recycle	Local
9/23/2026	JHS	Laptop Computer	Lenovo	L14 GEN 2	PF3WSK6H	T166234	Broken	Tech Recycle	Local
9/23/2026	JHS	Laptop Computer	Lenovo	L480	N/A	T89295	Broken	Tech Recycle	Local
9/26/2026	JHS	Laptop Computer	Lenovo	L14 Gen 2	PF3WX4XTM	T166592	Broken	Tech Recycle	Local
9/24/2026	JHS	Laptop Computer	Lenovo	L14 Gen 2	PF3VVTFN	T166874	Broken	Tech Recycle	Local
8/26/2026	GES	Smart Board	Smart Tech	SB680	SB680-R2-691247	T017687	Broken	Tech Recycle	Local
8/27/2026	GES	projector	NEC	NP-M323X	6100129RA	T39846	Broken	Tech Recycle	Local
8/28/2026	GES	Docam	Aver	U50	4.01022E+12	T54908	Broken	Tech Recycle	Local
8/29/2026	GES	Monitor	Dell	1708FPb	CN-0FP816-74261-83S-1E5A	T26092	Broken	Tech Recycle	Local
8/31/2026	DCHS	Laptop	Lenovo	L14 Gen3	PW05D67K	T169729	Broken	Tech Recycle	Local
8/31/2026	DCHS	Laptop	Lenovo	L14 Gen2	PF3W4VLQ	T165334	Broken	Tech Recycle	Local
8/31/2026	DCHS	Document Camera	AVER	U50	4.01022E+12	T60567	Broken	Tech Recycle	Local
8/31/2026	DCHS	Document Camera	AVER	U50	4.01022E+12	T54356	Broken	Tech Recycle	Local
9/3/2026	DCHS	Laptop	Lenovo	L14 Gen2	PF3WSK8G	T165793	Broken	Tech Recycle	Local
9/4/2026	DCHS	Laptop	Lenovo	L490	1s20Q6S2NS00PF1YTGKM	T77834	Broken	Tech Recycle	Local
9/4/2026	DCHS	Monitor	Dell	1907FPt	CN0DC3237161866KBF4R	T004054	Broken	Tech Recycle	Local
9/9/2026	DCHS	Laptop	Lenovo	L14 Gen3	PW05D6CF	T169572	Broken	Tech Recycle	Local
9/9/2026	DCHS	WiFi module	ViewSonic	VB-WIFI-005	WYD243900718	N/A	Broken	Tech Recycle	Local
9/10/2026	DCHS	Laptop	Lenovo	L14 Gen2	PF3EKHW5	T116027	Broken	Tech Recycle	Local
9/16/2026	DCHS	Document Camera	AVER	U50	4.01022E+12	T60596	Broken	Tech Recycle	Local
9/17/2026	DCHS	Laptop	Lenovo	L14 Gen2	1s20X2S6BU00PF3WR0LQ	T165786	Broken	Tech Recycle	Local
9/17/2026	DCHS	Laptop	Lenovo	L14 Gen2	PF3TWNRG	T165685	Broken	Tech Recycle	Local
9/21/2026	DCHS	Laptop	Lenovo	L14 Gen2	PF3TSSWV	T165510	Broken	Tech Recycle	Local
08/31/2026	Admin	USB Portible Monitor	AOC	156LM00005	GQPKAHA121345	T89891	Broken	Tech Recycle	Local
09/23/2026	Admin	Docking Station	Lenovo	Thunderbolt 3 Dock	ZJT0P9EL	N/A	Broken	Tech Recycle	Local
8/31/2026	HMS	Laminator	Laminx	Minikote G 2	D0110-00 98	009963	Broken	Tech Recycle	Local
9/1/2026	DCHS	Pressure cooker	Presto	0214102	10-300034	N/A	Obsolete	Tech Recycle	Local
9/1/2026	DCHS	George Foreman	Salton	GR36 CB	E20092	N/A	Obsolete	Tech Recycle	Local
9/1/2026	DCHS	Waffle Baker	Toastmaster	TWB2WBEL	N/A	N/A	Obsolete	Tech Recycle	Local
9/1/2026	DCHS	Panini Press	Hamilton Beach	25450	A 127AV	N/A	Obsolete	Tech Recycle	Local
9/1/2026	DCHS	Compact Grill	Cuisinart	GC-15	11CE 124117	N/A	Obsolete	Tech Recycle	Local
9/1/2026	DCHS	Waffle Iron	Cuisinart	WAF_R	06CU26228	N/A	Obsolete	Tech Recycle	Local
9/1/2026	DCHS	Kitchen Aid Mixer	Kitchen Aid	K555WH	Wu1605701	N/A	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	S-3015	230053237	111727	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	janome	s-3015	240060907	111725	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	s-3015	3300548442	111724	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017046	111701	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017059	111708	Obsolete	Tech Recycle	Local

9/4/2026	DCHS	Sewing machine	Janome	s-3015	230053254	111728	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	s-3015	330054816	111729	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017044	111700	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017076	111717	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017085	111720	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017062	111709	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017090	111721	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017057	111707	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017074	111716	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017082	111719	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017063	111710	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017071	111714	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017052	111705	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017070	111713	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017049	111703	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017078	111718	Obsolete	Tech Recycle	Local
9/4/2026	DCHS	Sewing machine	Janome	7330	7F2017051	111704	Obsolete	Tech Recycle	Local
9/11/2026	JHS	Obsolete textbooks	various	various	various	various	Obsolete	Recycle	Local
9/15/2026	GDW	Teacher Cart	N/A	N/A	N/A	N/A	Obsolete	Refuse	ESSER
9/17/2026	LITH	2 refrigerators	Whirl Pool and Maytag	N/A	N/A	N/A	Obsolete	Metal Recycle	Local
9/17/2026	LITH	Microwaves	GE and Sharpe	N/A	N/A	N/A	Obsolete	Refuse	Local
9/17/2026	HHS	Old Scorers Table	Score Rite	N/A	N/A	N/A	Damaged	Refuse	Local
9/18/2026	HHS	Stereo Racks	Atlas Sound	535-25	414541	T017114	Obsolete	Metal Recycle	Local
9/18/2026	HHS	Multiple Power Amps	QSC	CX702, CX302,CX254	Multiple	N/A	Obsolete	Tech Recycle	Local
9/18/2026	HHS	Multiple Power Amps	QSC	CX502, Quantity 8	Multiple	N/A	Obsolete	Tech Recycle	Local
9/18/2026	HHS	Intercom mater station	Production Intercom	MS-200	102822	N/A	Obsolete	Tech Recycle	Local
9/18/2026	HHS	Electronic Equipment	Listen	LT-800-072	D08B1380031	N/A	Obsolete	Tech Recycle	Local
9/18/2026	HHS	Bi Amp System	Nexia	SP	01279676	N/A	Obsolete	Tech Recycle	Local
9/18/2026	HHS	Power Distributor and Sequential Switch	ETA and Atlas Sound	PD8L and SCAR-191	43242	N/A	Obsolete	Tech Recycle	Local
9/18/2026	WCS	2 Sets of Bleachers	N/A	N/A	N/A	N/A	Broken	Metal Recycle	Local
9/21/2026	JHS	Damaged classroom novels, textbooks, calculators	various	various	various	various	Damaged	Recycle	Local
9/22/2026	HES	884 weeded library books	various	various	various	various	Obsolete	Recycle	Local
9/22/2026	GES	349 weeded library books	various	various	various	various	Obsolete	Recycle	Local
9/22/2026	ALES	100 weeded library books	various	various	various	various	Obsolete	Recycle	Local
9/22/2026	LITH	1188 weeded library books	various	various	various	various	Obsolete	Recycle	Local
9/23/2026	DMS	13 weeded novels due to condition	N/A	N/A	N/A	various	Damaged	Recycle	Local
9/23/2026	MES	5 door file cabinet	HON	N/A	N/A	101547	Damaged	Metal Recycle	Local
9/23/2026	GVES	8 round tables	N/A	N/A	N/A	N/A	Obsolete	Refuse	Local
9/23/2026	GVES	32 student chairs	N/A	N/A	N/A	N/A	Obsolete	Refuse	Local
9/24/2026	DCHS	outdated books and dvd's	N/A	N/A	N/A	N/A	Obsolete	Recycle	Local
9/25/2026	LWS	32 office chairs	Multiple	Teacher Chair	N/A	N/A	Damaged	Refuse	Local

*Supporting documentation available in the Purchasing Department.

Nicole Kennedy

Nicole Kennedy, Director of Purchasing

10/1/2026

Date

DISTRICT 300

BOARD OF EDUCATION MEMO

DATE: October 6, 2026

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Jeffrey Ehardt
Executive Director of Finance

SUBJECT: Donation Report - October 2026

Presented at the following Board Meetings	Date
Board Operations Committee	10/6/2026
BOE 1st Reading	10/6/2026
BOE 2nd Reading	10/27/2026

Background
Per Board Policy 8:80/8:90, the Donation Report is attached for your review and approval.

Donations Received August 2026

- Bob Ogle; Moxy Management Company; Improved Besinger Properties has donated to the CMS Theater program:
  - Check: $1,000.00
  - Funding will be placed in the CMS Performing Arts Activity Fund and will be restricted to this fund.

Recommendation
The administration recommends approving the donations as presented.

Fiscal Impact
None

Your board package includes the August 2026 Treasurer and Financial Report. Report highlights are as follows:

Treasurer Report
As of August 31, 2026, the District had $181,390,191.87 of cash on hand. The Fund Balance by fund was:

Operating Funds*	$ 131,882,727
Debt Service Fund	$ 12,731,028
Capital Projects Fund	$ 35,736,512
Fund Balance	**$ 180,350,267**
Total Cash Balance	**$ 181,390,191.87**

Financial Report Analysis-All Funds
Expenditures- If the District were to spend their dollars evenly each month, costs through August should be 17% of total spending. Listed below is a summary of cash expenditures as a percentage of total spending by fund.

Fund	% of Tentative Budget	Comment
Education	9.39%	This fund is on trend.
Operations & Maintenance	18.86%	This fund is on trend.
Debt Service	0.00%	The bond & interest fund is used to pay our debt payments made in December and June.
Transportation	5.06%	This fund is on trend.
IMRF/Social Security	8.18%	This fund is on trend. Teacher and para salaries start in late August, as the previous year's wages were accrued in June 2026.
Capital Projects	28.42%	This fund is used to pay for our capital projects which generally occur during the summer.
Tort	99.98%	The tort fund is used to pay our insurance premiums. These premiums are paid in July.

Revenues- The district has received 7.81% of its budgeted revenue compared to 7.34% prior YTD.

Financial Reporting Analysis- Operating Funds
Operating Fund Revenue Summary by Source- 7.81% compared to 7.18% prior YTD.
- Local Revenues are on-trend at 6.91%;
- State Revenues are on-trend at 7.69%;
- Federal Revenues are on-trend at 19.89% and are in line with federal grant expenditures.

Operating Fund Expenditure Summary by Object- 10.32% compared to 10.70% prior YTD.
- Salaries are at 6.72%;
- Benefits are at 5.08%;
- Purchase Services are at 19.38%;
- Supplies/Materials are at 19.36%;
- Capital Outlay is at 35.87%;
- Other/Tuition are at 10.77%;
- Non-capitalized equipment is at 34.46%.

Monthly Notes:
- Short-term interest rates have increased slightly from 3.565% in July to 3.586% in August. Total interest for the year is $1,028,787.97 or 14.5% of the budget.
- All budget numbers now reflect the adopted budget from September 22, 2026.
- Financials are presented on an unaudited cash basis and do not represent the District's final financial statements.

*Operating Funds consist of the Education, Operations & Maintenance, Transportation, IMRF/Social Security, Working Cash, and Tort Funds.

COMMUNITY UNIT SCHOOL DISTRICT NO 300
FINANCIAL REPORT NO. 2
August 31, 2026
October 6, 2026

	ED FUND	O&M FUND	DEBT SVC FUND	TRANS FUND	IMRF FUND	CAPITAL PROJ FUND	WORKING CASH FUND	TORT FUND	TOTAL
FUND BALANCE July 31, 2026	$ 68,523,349	$ 12,796,787	$ 12,115,012	$ 11,118,671	$ 4,990,082	$ 43,783,322	$ 47,496,255	$ (248,008)	$ 200,575,471
RECEIPTS	$ 14,048,468	$ 1,257,525	$ 616,016	$ 367,113	$ 298,370	$ 38,720	$ 130,424	$ 71,390	$ 16,828,025
DISBURSEMENTS	$ (24,064,627)	$ (3,112,209)	$ -	$ (1,384,807)	$ (406,056)	$ (8,085,530)	$ -	$ -	$ (37,053,229)
FUND BALANCE August 31, 2026	$ 58,507,190	$ 10,942,103	$ 12,731,028	$ 10,100,977	$ 4,882,396	$ 35,736,512	$ 47,626,679	$ (176,618)	$ 180,350,267 *
CASH BALANCE August 31, 2026									$ 181,390,191.87
INVESTMENT INCOME YEAR TO DATE	$ 400,001	$ 154,226	$ 61,683	$ 54,638	$ 28,663	$ 104,423	$ 225,153	$ -	$ 1,028,787.97

***The Fund Balance is lower than the Cash Balance due to uncashed/outstanding checks and obligations**

TREASURER'S REPORT FOR THE MONTH OF August 2026

INVESTMENTS AT COST:			$181,390,191.87
(See attached schedule for investment detail)			
MONTHLY PAYROLL:			
Educational Fund	$ 8,252,925.82		
O&M Fund	$ 805,781.48		
Transportation Fund	$ 13,597.34	$	9,072,304.64
PAYROLL RELATED EXPENDITURES:			
(Not reflected in A/P Bill Listing)			
Educational and Transportation Funds;			
Teachers, Retirement System	$ 793,444.30		
Total Teachers, Retirement System		$	793,444.30
Illinois Municipal Retirement Fund			
IMRF	$ 151,822.30		
FICA	$ 125,170.84		
Medicare	$ 129,063.13		
Total IMRF/FICA/Medicare Fund		$	406,056.27
Total Payroll and Related Expenditures		$	10,271,805.21

COMMUNITY UNIT SCHOOL DISTRICT #300
Financial Report 2
August 31, 2026
By Fund, By Object

All Funds	FY27 Budget	FY27 August Actual	FY27 YTD Actual	% of FY27 YTD Budget
Local	292,583,842	7,745,550	20,484,027	7.00%
State	103,287,071	7,621,331	7,940,676	7.69%
Federal	20,736,237	1,461,144	4,124,265	19.89%
Other Source	-	-	-	
Total Revenues	416,607,150	16,828,025	32,548,967	7.81%
Salaries	196,433,321	9,072,305	13,194,772	6.72%
Benefits	66,562,515	1,910,764	3,378,361	5.08%
Purchased Services	81,663,933	11,722,609	15,822,786	19.38%
Supplies/Materials	15,347,571	2,646,545	2,970,560	19.36%
Capital Outlay	30,084,945	8,474,234	8,629,391	28.68%
Other	41,045,220	1,171,034	1,388,335	3.38%
Non-Capitalized Equipment	5,977,345	2,048,034	2,060,057	34.46%
Total Expenditures	437,114,850	37,045,525	47,444,262	10.85%
Revenues Over Disbursements	(20,507,700)	(20,217,500)	(14,895,294)	
Other Financing Sources/Uses	(2,457,990)	-	-	
Fund Balance Transfer	2,457,990	-	-	
Net Change to Fund Balance	(20,507,700)	(20,217,500)	(14,895,294)	

Operating Funds	FY27 Budget	FY27 August Actual	FY27 YTD Actual	% of FY27 YTD Budget
Local	263,158,492	7,090,814	18,191,119	6.91%
State	103,287,071	7,621,331	7,940,676	7.69%
Federal	20,736,237	1,461,144	4,124,265	19.89%
Other Sources	-	-	-	
Total Revenues	387,181,800	16,173,289	30,256,060	7.81%
Salaries	196,433,321	9,072,305	13,194,772	6.72%
Benefits	66,562,515	1,910,764	3,378,361	5.08%
Purchased Services	81,643,933	11,722,609	15,822,786	19.38%
Supplies/Materials	15,347,571	2,646,545	2,970,560	19.36%
Capital Outlay	1,181,285	396,408	423,710	35.87%
Other/Tuition	12,895,545	1,171,034	1,388,335	10.77%
Non-Capitalized Equipment	5,977,345	2,048,034	2,060,057	34.46%
Total Expenditures	380,041,515	28,967,699	39,238,581	10.32%
Revenues Over Disbursements	7,140,285	(12,794,410)	(8,982,521)	
Other Financing Sources/Uses	(2,457,990)	-	-	
Fund Balance Transfer	-	-	-	
Net Change to Fund Balance	4,682,295	(12,794,410)	(8,982,521)	

COMMUNITY UNIT SCHOOL DISTRICT #300
Financial Report 2
August 31, 2026
By Fund, By Object

	FY27	FY27	FY27	% of FY27
Fund 1-Educational	Budget	August Actual	YTD Actual	YTD Budget
Local	199,074,133	4,965,993	12,822,349	6.44%
State	94,068,526	7,621,331	7,940,676	8.44%
Federal	20,736,237	1,461,144	4,124,265	19.89%
Other Sources	-	-	-	
Total Revenues	313,878,896	14,048,468	24,887,290	7.93%
Salaries	185,538,391	8,252,926	11,590,402	6.25%
Benefits	55,642,823	1,343,638	2,345,208	4.21%
Purchased Services	47,472,702	9,239,877	10,123,155	21.32%
Supplies/Materials	7,603,999	2,032,009	2,080,253	27.36%
Capital Outlay	264,417	0	23,371	8.84%
Other/Tuition	12,893,510	1,171,034	1,387,885	10.76%
Non-Capitalized Equipment	5,601,224	2,025,143	2,028,132	36.21%
Total Expenditures	315,017,066	24,064,627	29,578,406	9.39%
Revenues Over Disbursements	(1,138,170)	(10,016,159)	(4,691,116)	
Other Financing Sources/Uses	-	-	-	
Fund Balance Transfer	-	-	-	
Net Change to Fund Balance	(1,138,170)	(10,016,159)	(4,691,116)	
Fund 2-Operations & Maintenance				
Local	31,138,145	1,257,525	3,284,575	10.55%
State	-	-	-	
Other Sources	-	-	-	
Total Revenues	31,138,145	1,257,525	3,284,575	10.55%
Salaries	10,220,820	805,781	1,577,327	15.43%
Benefits	2,170,004	156,998	314,688	14.50%
Purchased Services	5,790,258	1,464,895	1,883,580	32.53%
Supplies/Materials	6,005,850	578,744	850,515	14.16%
Capital Outlay	594,868	82,900	86,831	14.60%
Other	1,000	-	450	45.00%
Non-Capitalized Equipment	376,121	22,891	31,925	8.49%
Total Expenditures	25,158,921	3,112,209	4,745,316	18.86%
Revenues Over Disbursements	5,979,224	(1,854,684)	(1,460,741)	
Other Financing Sources/Uses	(2,457,990)	-	-	
Net Change to Fund Balance	3,521,234	(1,854,684)	(1,460,741)	

COMMUNITY UNIT SCHOOL DISTRICT #300
Financial Report 2
August 31, 2026
By Fund, By Object

	FY27	FY27	FY27	% of FY27
Fund 3-Debt Service	Budget	August Actual	YTD Actual	YTD Budget
Local	26,049,025	616,016	1,691,961	6.50%
Other Sources	-	-	-	0.00%
Total Revenues	26,049,025	616,016	1,691,961	6.50%
Purchased Services	20,000	-	-	0.00%
Other	28,149,675	-	-	0.00%
Total Expenditures	28,169,675	0	0	0.00%
Revenues Over Disbursements	(2,120,650)	616,016	1,691,961	
Other Financing Sources/Uses	2,457,990	-	-	
Net Change to Fund Balance	337,340	616,016	1,691,961	
Fund 4-Transportation				
Local	19,012,055	367,113	1,017,363	5.35%
State	9,218,545	-	-	0.00%
Other Sources	-	-	-	
Total Revenues	28,230,600	367,113	1,017,363	3.60%
Salaries	674,110	13,597	27,043	4.01%
Benefits	69,118	4,072	8,144	11.78%
Purchased Services	25,615,198	1,017,837	1,050,751	4.10%
Supplies/Materials	1,737,722	35,792	39,792	2.29%
Capital Outlay	322,000	313,508	313,508	97.36%
Other	1,035	-	-	0.00%
Non-Capitalized Equipment	-	-	-	0.00%
Total Expenditures	28,419,183	1,384,807	1,439,238	5.06%
Revenues Over Disbursements	(188,583)	(1,017,694)	(421,875)	
Other Financing Sources/Uses	-	-	-	
Net Change to Fund Balance	(188,583)	(1,017,694)	(421,875)	
Fund 5-IMRF/Social Security				
Local	8,348,166	298,370	598,711	7.17%
Total Revenues	8,348,166	298,370	598,711	7.17%
Benefits	8,680,570	406,056	710,321	8.18%
Total Expenditures	8,680,570	406,056	710,321	8.18%
Revenues Over Disbursements	(332,404)	(107,686)	(111,610)	
Other Financing Sources/Uses	-	-	-	
Net Change to Fund Balance	(332,404)	(107,686)	(111,610)	

COMMUNITY UNIT SCHOOL DISTRICT #300
Financial Report 2
August 31, 2026
By Fund, By Object

	FY27	FY27	FY27	% of FY27
Fund 6-Capital Projects	Budget	August Actual	YTD Actual	YTD Budget
Local	3,376,325	38,720	600,947	17.80%
State	-	-	-	
Federal	-	-	-	
Total Revenues	3,376,325	38,720	600,947	17.80%
Salaries	-	-	-	
Benefits	-	-	-	
Purchased Services	-	-	-	
Supplies/Materials	-	-	-	
Capital Outlay	28,903,660	8,077,826	8,205,681	28.39%
Other	-	7,704	7,704	100.00%
Non-Capitalized Equipment	-	-	-	
Total Expenditures	28,903,660	8,085,530	8,213,385	28.42%
Revenues Over Disbursements	(25,527,335)	(8,046,810)	(7,612,438)	
Other Financing Sources/Uses	-	-	-	
Fund Balance Transfer	-	-	-	
Net Change to Fund Balance	(25,527,335)	(8,046,810)	(7,612,438)	
Fund 7-Working Cash				
Local	2,354,043	130,424	269,117	11.43%
Total Revenues	2,354,043	130,424	269,117	11.43%
Total Expenditures	-	-	-	0.00%
Revenues Over Disbursements	2,354,043	130,424	269,117	
Other Financing Sources/Uses	-	-	-	
Net Change to Fund Balance	2,354,043	130,424	269,117	
Fund 8-Tort				
Local	3,231,950	71,390	199,004	6.16%
Total Revenues	3,231,950	71,390	199,004	6.16%
Purchase Services	2,765,775	-	2,765,300	99.98%
Total Expenditures	2,765,775	-	2,765,300	99.98%
Revenues Over Disbursements	466,175	71,390	(2,566,296)	
Other Financing Sources/Uses	-	-	-	
Net Change to Fund Balance	466,175	71,390	(2,566,296)	

COMMUNITY UNIT SCHOOL DISTRICT #300

Summary of Fiscal Year Investment Activity-All Funds

Depository or Instrument	Type	#	Bank Year	Date Purchased	Date of Maturity	Term (Days)	Rate (%)	Par/Face	Principal Invested	Earnings to Maturity	Principal Invested @ 08/31/26
OPERTATING FUND INVESTMENTS											
PONCE BANK	SDA				8/31/2026		3.500%	461	461	-	461
NEXBANK, SSB-ICS	SDA				8/31/2026		3.583%	29,382	29,382	-	29,382
Bank of China 1285997-1	SDA				8/31/2026		3.660%	59,066,542	59,066,542	-	59,066,542
Bank of China 1285906-1	SDA				8/31/2026		3.660%	42,518	42,518	-	42,518
Congressional Bank	SDA				8/31/2026		3.533%	545	545	-	545
42 North Private Bank, MA	CDR		365	5/14/2026	8/13/2026	91	3.621%	248,534	246,310		0.00
Arlo Bank, MO	CDR		365	5/14/2026	8/13/2026	91	3.621%	248,534	246,310		0.00
Fortress Bank, IL	CDR		365	5/14/2026	8/13/2026	91	3.621%	248,534	246,310		0.00
Live Oak Banking Company, NC	CDR		365	5/14/2026	8/13/2026	91	3.621%	248,534	246,310		0.00
Northwest Bank, ID	CDR		365	5/14/2026	8/13/2026	91	3.621%	248,534	246,310		0.00
Pioneer Bank, National Association, NY	CDR		365	5/14/2026	8/13/2026	91	3.621%	248,534	246,310		0.00
The Dart Bank, MI	CDR		365	5/14/2026	8/13/2026	91	3.621%	248,534	246,310		0.00
WaFd Bank, WA	CDR		365	5/14/2026	8/13/2026	91	3.621%	248,534	246,310		0.00
Northeast Bank, ME	CDR		365	5/14/2026	8/13/2026	91	3.621%	29,787	29,521		0.00
American Commericial Bank & Trust, Nat Assoc	CD		365	3/5/2025	8/27/2026	540	4.093%	249,759	235,500	-	0.00
Affinity Bank, Nat Assoc, GA	CD		365	3/5/2025	8/27/2026	540	3.961%	249,724	235,900	-	0.00
Enterprise Bank, NE	CD		365	3/5/2025	8/27/2026	540	3.853%	249,768	236,300	-	0.00
Priority Bank, AR	CD		365	5/6/2026	9/17/2026	134	3.626%	249,883	246,600		246,600.00
Bank of China, NY	CD		365	5/6/2026	9/17/2026	134	3.756%	249,899	246,500		246,500.00
CIBC Bank USA, MI	CD		365	5/6/2026	9/17/2026	134	3.654%	249,908	246,600		246,600.00
New Republic Bank, NC	CD		365	5/6/2026	9/17/2026	134	3.700%	249,950	246,600		246,600.00
Merrick Bank, UT	CD		365	5/6/2026	9/17/2026	134	3.627%	249,884	246,600		246,600.00
Better Banks, IL	CDR		365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
BlueHarbor Bank, NC	CDR		365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
Cedar Rapids State Bank, NE	CDR		365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
Centreville Bank, RI	CDR		365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
Chickasaw Community Bank, OK	CDR		365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
First State Bank, TX	CDR		365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
Forward Bank, WI	CDR		365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
Grand River Bank, MI	CDR		365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
High Plains Bank, CO	CDR		365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
Liberty National Bank, IA	CDR		365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
Nave Bank, PR	CDR		365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
Reylance Bank, AR	CDR		365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21

Sabine State Bank and Trust Company, LA	CDR	365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
St. Louis Bank, MO	CDR	365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
Stearns Bank N.A., MN	CDR	365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
Stockmens Bank, CO	CDR	365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
Texas Bank, TX	CDR	365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
The First National Bank of Middle TN, TN	CDR	365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.21
West Alabama Bank & Trust, AL	CDR	365	6/25/2026	9/24/2026	91	3.712%	249,126	246,841		246,841.20
The Fahey Banking Company, OH	CDR	365	6/25/2026	9/24/2026	91	3.712%	209,687	207,765		207,764.57
First Fed Community Bank of Bucyrus, OH	CDR	365	6/25/2026	9/24/2026	91	3.712%	82,398	81,643		81,642.75
Silver Lake Bank, KS	CDR	365	6/25/2026	9/24/2026	91	3.712%	20,800	20,610		20,609.70
US TREASURY N/B, 91282CDG3	SEC	365	2/5/2025	10/31/2026	633	4.070%	2,095,000	1,992,951		1,992,950.59
COLUMBIA BK/FAIR LAWN NJ, 19724FAE1	DTC	365	5/30/2025	11/30/2026	549	3.930%	249,000	249,436		249,435.71
FIRST BUSINESS BANK, 31938Q3W3	DTC	365	6/6/2025	12/7/2026	549	3.954%	244,000	244,515		244,515.28
FRONTIER BANK, SD 35909FBA1	DTC	365	6/11/2025	12/11/2026	548	3.903%	249,000	249,532		249,532.08
CFG Bank, MD	CD	365	2/6/2026	2/5/2027	364	3.664%	249,909	241,100	8,808.93	241,100.00
T Bank, National Association, TX	CD	365	2/6/2026	2/5/2027	364	3.619%	249,906	241,200	8,705.78	241,200.00
ServisFirst Bank, FL	CD	365	2/6/2026	2/5/2027	364	3.623%	249,916	241,200	8,715.74	241,200.00
42 North Private Bank, MA	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
American National Bank & Trust, TX	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Belmont Bank & Trust Company, IL	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Branson Bank, MO	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Chambers Bank, AR	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Community Financial Services Bank, KY	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Crown Bank, MN	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Dakota Heritage Bank of North Dakota, ND	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Dieterich Bank, IL	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Empire State Bank, NY	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Extraco Banks, National Association, TX	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
F&M Trust Co of Chambersburg, PA	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Gibsland Bank & Trust Company, LA	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Golden State Bank, CA	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Great Plains National Bank, OK	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
High Plains Bank, OK	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
KS StateBank, KS	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Legacy Bank, KS	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Legacy Bank & Trust Company, MO	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Local Bank, OK	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Pacific National Bank, FL	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Security Bank, OK	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Signature Bank of Arkansas, AR	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
SpiritBank, OK	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Stone Bank, AR	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06

Sunrise Bank, FL	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
The Citizens Bank of Clovis, NM	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Trinity Capital Bank of Texas, TX	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Union Bank & Trust Company, AR	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
United Community Bank, MN	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
WaFd Bank, WA	CDR	365	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.06
Westfield Bank, MA	CDR	366	8/13/2026	2/11/2027	182	3.860%	248,789	244,091		244,091.03
The First National Bank of Granbury, TX	CDR	367	8/13/2026	2/11/2027	182	3.860%	89,193	87,508		87,508.35
PSB Bank, MO	CDR	368	8/13/2026	2/11/2027	182	3.860%	87,358	85,708		85,708.35
First Bank of the Lake, MO	CDR	369	8/13/2026	2/11/2027	182	3.860%	73,445	72,058		72,057.54
The Freedom Bank of Virigina, VA	CDR	370	8/13/2026	2/11/2027	182	3.860%	66,412	65,158		65,157.78
RiverBank, WA	CDR	371	8/13/2026	2/11/2027	182	3.860%	45,395	44,538		44,537.74
Community Bank, TN	CDR	372	8/13/2026	2/11/2027	182	3.860%	28,132	27,601		27,600.57
Arlo Bank, MO	CDR	373	8/13/2026	2/11/2027	182	3.860%	6,641	6,516		6,515.78
Customers Bank, NY	CD	365	6/22/2026	3/18/2027	269	3.850%	7,609,968	7,400,000		7,400,000.00
BOM Bank, LA	CD	365	5/20/2026	4/1/2027	316	3.814%	249,886	241,900		241,900.00
West Texas State Bank, TX	CD	365	5/20/2026	4/1/2027	316	3.811%	249,882	241,900		241,900.00
Dundee Bank, NE	CD	365	5/20/2026	4/1/2027	316	3.810%	249,879	241,900		241,900.00
Western Alliance Bank, CA	CD	365	5/20/2026	4/1/2027	316	3.810%	7,057,768	6,832,400		6,832,400.00
Solera National bank, CO	CD	365	5/20/2026	4/1/2027	316	3.812%	249,884	241,900		241,900.00
Customers Bank, NY	CD	365	6/22/2026	4/14/2027	296	3.870%	13,098,581	12,700,000		12,700,000.00
Western Alliance Bank, CA	CD	365	6/1/2026	4/28/2027	331	3.830%	8,277,859	8,000,000		8,000,000.00
Western Alliance Bank, CA	CD	365	6/16/2026	4/28/2027	316	3.910%	2,067,702	2,000,000		2,000,000.00
Customers Bank, NY	CD	365	6/22/2026	4/28/2027	310	3.890%	2,685,900	2,600,000		2,600,000.00
CIBM Bank, WI	CD	365	5/5/2025	5/5/2027	730	3.681%	249,939	232,800	17,139.07	232,800.00
Cross River Bank, NJ	CD	365	5/5/2025	5/5/2027	730	3.670%	249,888	232,800	17,087.52	232,800.00
Financial Federal Bank, TN	CD	365	5/5/2025	5/5/2027	730	3.670%	249,888	232,800	17,087.52	232,800.00
Truxton Trust Company, TN	CD	365	5/5/2025	5/5/2027	730	3.726%	249,610	232,300	17,310.42	232,300.00
TOYOTA FINANCIAL SGS BK, 89235MRY9	DTC	365	5/8/2025	5/10/2027	732	3.855%	245,000	245,679		245,679.34
GARRETT STATE BANK, 366526BM2	DTC	365	5/8/2025	5/10/2027	732	3.704%	249,000	249,702		249,702.11
BMW BANK NORTH AMERICA, 05612LEU2	DTC	365	5/9/2025	5/10/2027	731	3.805%	245,000	245,679		245,678.85
VERSABANK USA NA, 92512KAF0	DTC	365	5/12/2025	5/12/2027	730	3.755%	245,000	245,678		245,678.10
TAB BANK INC, 89388CKC1	DTC	365	5/12/2025	5/12/2027	730	3.804%	249,000	249,698		249,697.71
CELTIC BANK, 15118RW37	DTC	365	5/20/2025	5/20/2027	730	3.754%	249,000	249,698		249,698.33
Baxter Credit Union, IL	CD	365	5/27/2025	5/27/2027	730	3.844%	249,944	232,100	17,843.90	232,100.00
Luana Savings Bank, IA	CD	365	5/27/2025	5/27/2027	730	3.900%	249,880	231,800	18,080.40	231,800.00
Western Alliance Bank, CA	CD	365	6/1/2026	6/1/2027	365	3.880%	3,116,400	3,000,000		3,000,000.00
Gbank, NV	CD	365	6/1/2026	6/1/2027	365	3.880%	249,935	240,600		240,600.00
Consumers Credit Union, IL	CD	365	6/1/2026	6/1/2027	365	3.880%	249,935	240,600		240,600.00
1ST FINANCIAL BANK USA, 32022RZM2	DTC	365	6/6/2025	6/7/2027	731	3.840%	249,000	249,767		249,766.80
STRYV BNK/WICHITA, KS, 86368LAU2	DTC	365	6/20/2025	6/17/2027	727	3.905%	249,000	249,691		249,690.80
MORGAN STANLEY BANK NA, 61778EUX7	DTC	365	5/13/2026	11/15/2027	551	3.950%	245,000	245,000		244,656.00

MORGAN STANLEY PVT BANK, 61776N6L2	DTC	365	5/13/2026	11/15/2027	551	3.950%	245,000	245,000		244,656.00
BANK OF AMERICA NA, 06051YAB6	DTC	365	5/13/2026	11/15/2027	551	4.000%	245,000	245,000		244,829.26
BANK OF UTAH, 065427EL6	DTC	365	5/13/2026	11/15/2027	551	3.850%	249,000	249,000		248,303.45
STATE BANK OF TEXAS/DAL, 856528FR0	DTC	365	5/13/2026	11/15/2027	551	3.900%	249,000	249,000		248,454.76
WESTERN ALLIANCE BANK, 95763PF55	DTC	365	5/13/2026	11/15/2027	551	3.950%	245,000	245,000		244,551.06
FIRST COMMUNITY BK BATES, 31983VES2	DTC	365	5/13/2026	11/15/2027	551	3.900%	249,000	249,000		248,466.64
Western Alliance Bank, CA	CD	365	6/1/2026	11/22/2027	539	3.950%	4,233,319	4,000,000		4,000,000.00
FEDERAL HOME LOAN BANK, 3130BAVK0	SEC	365	6/1/2026	6/9/2028	739	4.150%	4,000,000	4,000,000		3,999,999.97
PMA/ISDLAF Liquid #10254-101	Short term trust deposit	365		as needed	n/a	3.586%		1,376,843	-	1,376,843.39
PMA/ISDLAF Max #10254-101	Short term trust deposit	365		as needed	n/a	3.599%		3,329,933	-	3,329,932.57
PMA/ISDLAF LTD #10254-101	LTD Account	365	1/19/2021	8/31/2026				29,182,500	-	29,182,500.00
PMA/ISDLAF Liquid #10254-104	Short term trust deposit	365		as needed	n/a	3.586%		8,493,449	-	8,493,449.42
PMA/ISDLAF Max #10254-104	Short term trust deposit	365		as needed	n/a	3.599%		-		-
Total Operating Investments with PMA										176,503,399
									Outstanding Items	(6,023,863)
									Bond & Interest Fund Transfers	(5,510,471)
									Capital Fund Cash Balance	0
TOTAL OPERATING FUNDS AS OF				31-Aug-26						164,969,065
TOTAL DEBT SERVICE FUND INVESTMENTS AS OF (see page 5 for details):				31-Aug-26						16,421,127
TOTAL CAPITAL FUND INVESTMENTS AS OF				31-Aug-26						
TOTAL FUNDS INVESTED (Including Bond & Interest Fund)				31-Aug-26					**$**	**181,390,192**

August 31, 2026

COMMUNITY UNIT SCHOOL DISTRICT #300

Summary of Fiscal Year Investment Activity-Bond and Interest Fund

Depository or Instrument	Type	#	Bank Year	Date Purchased	Date of Maturity	Term (Days)	Rate (%)	Par/Face	Principal Invested	Earnings to Maturity	Principal Invested @ 08/31/26
DEBT SERVICE FUND INVESTMENTS											
NEXBANK, SSB-ICS, TX	SDA		365	8/31/2026			3.583%	310	310	-	310
BANK OF CHINA, NY	SDA		365	8/31/2026			3.660%	43,149	43,149	-	43,149
PMA 1994 Escrow Fund; #10254-103-Liquid	Short term trust deposit		365		as needed	n/a	3.586%		174,269	-	174,269
PMA 1994 Escrow Fund; #10254-103-Max	Short term trust deposit		365		as needed	n/a	3.599%		10,692,928	-	10,692,928
Total Debt Service Investments with PMA									10,910,656		10,910,656
TOTAL DEBT SERVICE FUNDS INVESTMENTS AS OF:					31-Aug-26				10,910,656		10,910,656

Outstanding Items	
Operating Fund Transfers	5,510,471
Cash Balance Per General Ledger	16,421,127

CUSD 300
SEPTEMBER 5th 2026
PCARD STATEMENT

Tran Date	Vendor	Amount USD	Purpose
7/27/2026	MACIANO S PIZZA ELGIN	269.99	Staff
7/29/2026	TAYLOR STREET PIZZA	533.78	Staff
8/4/2026	HOME DEPOT	-33.94	Staff
8/4/2026	HOME DEPOT	5.92	Staff
8/4/2026	HOME DEPOT	6.65	Staff
8/4/2026	HOME DEPOT	7.97	Staff
8/4/2026	HOME DEPOT	26.24	Staff
8/4/2026	HOME DEPOT	28.86	Staff
8/4/2026	HOME DEPOT	35.35	Staff
8/4/2026	WALMART	39.96	Student
8/4/2026	HOME DEPOT	46.4	Staff
8/4/2026	HOME DEPOT	51.19	Staff
8/4/2026	HOME DEPOT	63.84	Staff
8/4/2026	HOME DEPOT	73.32	Staff
8/4/2026	MENARDS	86.96	B&G
8/4/2026	JEWEL FOOD STORE	183.46	Staff
8/4/2026	MENARDS	186.6	B&G
8/4/2026	HOME DEPOT	321	Staff
8/5/2026	WALMART	-29.84	Staff
8/5/2026	MENARDS	13.18	B&G
8/5/2026	WALMART	14.44	Staff
8/5/2026	NAPA	15.03	B&G
8/5/2026	EINSTEIN BROS	20.99	Staff
8/5/2026	WALMART	22.16	Student
8/5/2026	WALMART	23.13	Student
8/5/2026	MEIJER	23.58	Staff
8/5/2026	HOME DEPOT	28.59	Staff
8/5/2026	WALMART	28.86	Student
8/5/2026	HOME DEPOT	40.44	Staff
8/5/2026	COUNTRY DONUTS	45	Student
8/5/2026	WALMART	48.25	Student
8/5/2026	HOME DEPOT	48.94	Staff
8/5/2026	MENARDS	59.8	B&G
8/5/2026	GUITAR CENTER	59.98	Student
8/5/2026	BATTERIES PLUS	61.12	B&G
8/5/2026	WALMART	61.51	Student
8/5/2026	MENARDS	68.98	B&G
8/5/2026	WALMART	75.99	Student
8/5/2026	WALMART	77.96	Student
8/5/2026	HOME DEPOT	86.84	Staff
8/5/2026	WALMART	103.61	Student
8/5/2026	WALMART	103.77	Student

8/5/2026	WALMART	114.61	Student
8/5/2026	MENARDS	122.38	B&G
8/5/2026	WALMART	132.16	Student
8/5/2026	SULLIVAN'S FOOD MARKET	139.11	Staff
8/5/2026	WALMART	143.59	Student
8/5/2026	SAMS CLUB	147.32	Staff
8/5/2026	JEWEL FOOD STORE	148.15	Staff
8/5/2026	WALMART	196.87	Student
8/5/2026	SAMS CLUB	215.2	Staff
8/5/2026	HOME DEPOT	219	Staff
8/5/2026	HOME DEPOT	224	Staff
8/5/2026	SAMS CLUB	254.86	Staff
8/5/2026	ROSATIS PIZZA	257.5	Staff
8/5/2026	JIMMY JOHNS	275.97	Staff
8/5/2026	SAMS CLUB	316.03	Staff
8/5/2026	WALMART	342.28	Student
8/5/2026	HOME DEPOT	540.93	Staff
8/5/2026	PAPA SAVERIOS	546.53	Staff
8/6/2026	SP WRISTBANDS.COM	-21.66	Student
8/6/2026	EDS RENTAL AND SALES INC	8.32	Student
8/6/2026	WALMART	11.45	Staff
8/6/2026	AMAZON DIGIT	11.99	Student
8/6/2026	WALMART	14.88	Student
8/6/2026	NAPA	17.38	B&G
8/6/2026	TRANE COMPANY	18.72	B&G
8/6/2026	ALGONQUIN SUB SHOP	23	Staff
8/6/2026	NAPA	23.11	B&G
8/6/2026	WALMART	28.26	Student
8/6/2026	JEWEL FOOD STORE	37.95	Staff
8/6/2026	WALMART	38.67	Student
8/6/2026	WALMART	47.76	Student
8/6/2026	DUNKIN	47.98	Staff
8/6/2026	TRANE COMPANY	48	B&G
8/6/2026	MENARDS	49.96	B&G
8/6/2026	PANERA BREAD COMPANY	58.12	Staff
8/6/2026	MENARDS	67.93	B&G
8/6/2026	PITNEY BOWES	68.99	Staff
8/6/2026	HOME DEPOT	73.82	Staff
8/6/2026	MENARDS	81.12	B&G
8/6/2026	MEIJER	82	Staff
8/6/2026	MENARDS	82.58	B&G
8/6/2026	SAMS CLUB	145.29	Student
8/6/2026	LOU MALNATIS PIZZA	146.88	Staff
8/6/2026	HOME DEPOT	147.05	Staff
8/6/2026	HOME DEPOT	198.21	Staff
8/6/2026	HOME DEPOT	207.27	Staff
8/6/2026	TROPICAL SMOOTHIE CAFE	208.45	Staff

8/6/2026	HOME DEPOT	210.76	Staff
8/6/2026	COUNTRY DONUTS	325	Staff
8/6/2026	EINSTEIN BROS	434.89	Staff
8/6/2026	ROSATIS PIZZA	463.17	Staff
8/6/2026	ROSATIS PIZZA	500	Staff
8/6/2026	EL FUEGO TACOS & BURRITOS	514.55	Staff
8/6/2026	HOME DEPOT	526.81	Staff
8/6/2026	ROSATIS PIZZA	821.92	Staff
8/6/2026	EZCATER	939	Staff
8/7/2026	TRANE SUPPLY-112411	11.89	B&G
8/7/2026	WALMART	36.41	Student
8/7/2026	FEDEX	37.05	Staff
8/7/2026	DAIRY QUEEN	42	Student
8/7/2026	WALMART	46.76	Student
8/7/2026	WALMART	57.59	Student
8/7/2026	FERGUSON ENTERPRISES INC	105.07	B&G
8/7/2026	GUSTAVE A LARSON COMPANY	123.6	B&G
8/7/2026	PLAY IT AGAIN SPORTS	249.99	Student
8/7/2026	GUSTAVE A LARSON COMPANY	264.38	B&G
8/7/2026	HOME DEPOT	285.38	Staff
8/7/2026	TROPICAL SMOOTHIE CAFE	294.05	Staff
8/7/2026	DOMINICKS PIZZERIA INC	307.1	Staff
8/7/2026	PANERA BREAD COMPANY	326.39	Staff
8/7/2026	GRAINGER	335.41	B&G
8/7/2026	PANERA BREAD COMPANY	419	Staff
8/7/2026	PAPA SAVERIOS	497.97	Staff
8/7/2026	CHIPOTLE	798	Staff
8/7/2026	HOME DEPOT	860.91	Staff
8/7/2026	BUTCHER ON THE BLOCK	1,048.80	Staff
8/7/2026	WM F MEYER CO ELGIN	1,438.24	B&G
8/8/2026	WALMART	35.08	Student
8/8/2026	PANERA BREAD	74.41	Staff
8/8/2026	HOME DEPOT	85.01	Staff
8/8/2026	WALMART	119.99	Student
8/8/2026	JERSEY MIKES SUBS	177.36	Staff
8/8/2026	HOME DEPOT	250.54	Staff
8/8/2026	VMO VIMEO.COM	720	Staff
8/9/2026	WALMART	14.91	Staff
8/9/2026	HOME DEPOT	54.43	Staff
8/9/2026	WALMART	95.28	Student
8/9/2026	WALMART	115.67	Student
8/9/2026	HOME DEPOT	184.62	Staff
8/10/2026	WALMART	9.94	Staff
8/10/2026	WALMART	15.78	Staff
8/10/2026	WALMART	16.98	Student
8/10/2026	TAYLOR STREET PIZZA	19	Staff
8/10/2026	WALGREENS	22.19	Student

8/10/2026	HOME DEPOT	28.93	Staff
8/10/2026	ADOBE INC.	29.99	Staff
8/10/2026	WALMART	32.56	Student
8/10/2026	HOME DEPOT	37.92	Staff
8/10/2026	HOME DEPOT	43.95	Staff
8/10/2026	NAMETAGCOUNTRY.COM	55.75	Staff
8/10/2026	HOME DEPOT	62.97	Staff
8/10/2026	HOME DEPOT	67.91	Staff
8/10/2026	WALMART	68.64	Student
8/10/2026	HOME DEPOT	69.23	Staff
8/10/2026	WALMART	72.24	Student
8/10/2026	HOME DEPOT	84.7	Staff
8/10/2026	WALMART	104.9	Student
8/10/2026	HOME DEPOT	105.54	Staff
8/10/2026	ALDI INC	110.24	Student
8/10/2026	MENARDS	118.78	B&G
8/10/2026	SAMS CLUB	135.68	Student
8/10/2026	SAMS CLUB	273.38	Staff
8/10/2026	HOME DEPOT	278.79	Staff
8/10/2026	HOME DEPOT	286.04	Staff
8/10/2026	TST BRUNCH CAFE-HUNTLE	337.5	Staff
8/10/2026	SAMS CLUB	433.36	Student
8/10/2026	PLATT HILL NURSERY INC	458.72	B&G
8/10/2026	JUST KABOBS	493.5	Staff
8/11/2026	UNITED AIRLINES	-72.98	Staff
8/11/2026	WALMART	-17.55	Staff
8/11/2026	MENARDS	12.09	B&G
8/11/2026	MENARDS	20.9	B&G
8/11/2026	HOME DEPOT	29.63	Staff
8/11/2026	HOME DEPOT	37.96	Staff
8/11/2026	WALMART	68.39	Student
8/11/2026	GUSTAVE A LARSON COMPANY	83.69	B&G
8/11/2026	HOME DEPOT	115.18	Staff
8/11/2026	EB HEALING TOGETHER 2	125	Staff
8/11/2026	WALMART	128.72	Student
8/11/2026	STEINER ELECTRIC CO.	164.52	B&G
8/11/2026	ELGIN KEY AND LOCK CO	218.17	B&G
8/11/2026	IAASE	250	Staff
8/11/2026	PANERA BREAD COMPANY	296.94	Staff
8/11/2026	MCALISTERS DELI 10134	1,520.99	Staff
8/12/2026	ELGIN KEY AND LOCK CO	25.21	B&G
8/12/2026	HOME DEPOT	25.46	Staff
8/12/2026	WALMART	26.73	Student
8/12/2026	DOLLAR TREE	28.75	Student
8/12/2026	HOME DEPOT	31.92	Staff
8/12/2026	MEIJER	35.94	Student
8/12/2026	WALMART	38.52	Student

8/12/2026	HOME DEPOT	40.86	Staff
8/12/2026	WALMART	44.99	Student
8/12/2026	HOME DEPOT	45.74	Staff
8/12/2026	ZENNI OPTICAL, INC.	45.8	Student
8/12/2026	HOME DEPOT	47.31	Staff
8/12/2026	HOME DEPOT	49.96	Staff
8/12/2026	HOME DEPOT	60.5	Staff
8/12/2026	WALMART	69.24	Student
8/12/2026	HARBOR FREIGHT TOOLS	93.96	B&G
8/12/2026	BW SUPPLY CENTER-SCHAU	101.5	B&G
8/12/2026	WALMART	139.61	Student
8/12/2026	SAMS CLUB	161.72	Student
8/12/2026	HOME DEPOT	185.91	Staff
8/12/2026	HOME DEPOT	266.1	Staff
8/12/2026	WALMART	293.67	Student
8/12/2026	HOME DEPOT	345.78	Staff
8/12/2026	WALMART	350.9	Student
8/12/2026	HOME DEPOT	359.99	Staff
8/12/2026	HOME DEPOT	397.68	Staff
8/12/2026	HOME DEPOT	549.61	B&G
8/12/2026	REINKE INTERIOR SUPPLY CO INC	750.59	B&G
8/12/2026	BATTERIES PLUS	755.8	B&G
8/12/2026	ILLINOIS ASB	782.8	Staff
8/12/2026	COMCAST	7,500.00	BOE Approved
8/13/2026	COSSBA EVE REGUXNDHU6	-595	Staff
8/13/2026	MEIJER	19.45	Student
8/13/2026	HOME DEPOT	24.89	Staff
8/13/2026	ELGIN KEY AND LOCK CO	27.32	B&G
8/13/2026	WALMART	29.64	Student
8/13/2026	WALMART	31.49	Student
8/13/2026	FEDEX	37.34	Staff
8/13/2026	HOME DEPOT	80.71	Staff
8/13/2026	WALMART	82.79	Student
8/13/2026	MENARDS	87.26	B&G
8/13/2026	HOME DEPOT	132.15	Staff
8/13/2026	GUSTAVE A LARSON COMPANY	149.36	B&G
8/13/2026	WOLF AUTOMATIC	150.36	B&G
8/13/2026	IADA FEES	156	Staff
8/13/2026	HOME DEPOT	212.96	Staff
8/13/2026	PAPA SAVERIOS	290.99	Student
8/13/2026	HOME DEPOT	611.76	B&G
8/13/2026	NORTHWEST EYE CARE	654	arge (Reimbursed to district)
8/13/2026	HOLIDAY INN EXPRESS	1,219.89	Staff
8/14/2026	HOME DEPOT	4.15	Staff
8/14/2026	HOME DEPOT	10.97	Staff
8/14/2026	ALDI INC	11.64	Student
8/14/2026	UPS	17.49	Student

8/14/2026	ELGIN KEY AND LOCK CO	22.71	Staff
8/14/2026	HOME DEPOT	23.82	Staff
8/14/2026	DOLLAR TREE	37.5	Student
8/14/2026	ILMEA	50	Student
8/14/2026	WALMART	62.27	Student
8/14/2026	WALMART	81.68	Student
8/14/2026	HOME DEPOT	82.83	Staff
8/14/2026	WALMART	83.14	Student
8/14/2026	JEWEL FOOD STORE	101.14	Student
8/14/2026	ELGIN KEY AND LOCK CO	108.14	B&G
8/14/2026	CHINA WOK	114.2	Staff
8/14/2026	CHINA WOK	151.15	Staff
8/14/2026	UNITED STATES POSTAL SERVICE	164	Staff
8/14/2026	GUSTAVE A LARSON COMPANY	173.75	B&G
8/14/2026	SAMS CLUB	178.6	Staff
8/14/2026	HOME DEPOT	274.55	Staff
8/14/2026	ELGIN KEY AND LOCK CO	334.72	B&G
8/14/2026	CALSANGELS.ORG	478.07	Student
8/14/2026	HOLIDAY INN EXPRESS	1,075.59	Staff
8/14/2026	HOME DEPOT	1,809.88	Staff
8/15/2026	MENARDS	42.3	B&G
8/15/2026	WALMART	67.1	Student
8/15/2026	HOME DEPOT	85.92	Staff
8/15/2026	HOME DEPOT	429	Staff
8/16/2026	WALMART	-29.3	Staff
8/16/2026	HOME DEPOT	109.54	Staff
8/16/2026	SPI DIRECTV SERVICE	169.97	B&G
8/17/2026	WALMART	30.66	Student
8/17/2026	DUNKIN	42.48	Staff
8/17/2026	HOME DEPOT	47.91	Staff
8/17/2026	ELGIN KEY AND LOCK CO	56.64	B&G
8/17/2026	WALMART	63.54	Student
8/17/2026	WALMART	73.2	Student
8/17/2026	SAMS CLUB	88.5	Staff
8/17/2026	HOME DEPOT	88.67	Staff
8/17/2026	GUSTAVE A LARSON COMPANY	92.04	B&G
8/17/2026	HOME DEPOT	95.87	Staff
8/17/2026	GUSTAVE A LARSON COMPANY	190.31	B&G
8/17/2026	WALMART	200.11	Student
8/17/2026	TST LINOS	222.51	Staff
8/17/2026	ELGIN KEY AND LOCK CO	226.58	Staff
8/17/2026	HOME DEPOT	1,072.55	Staff
8/18/2026	MENARDS	31.97	B&G
8/18/2026	WALMART	32.79	Student
8/18/2026	ZIEGLER'S ACE HARDWARE	33.27	B&G
8/18/2026	WALMART	35.46	Student
8/18/2026	OFFICEMAX - A BOISE COMPANY	47.94	Staff

8/18/2026	WALMART	54.72	Student
8/18/2026	SAMS CLUB	59.79	Staff
8/18/2026	HOME DEPOT	99.97	Staff
8/18/2026	WALMART	112.89	Student
8/18/2026	FEDEX	197.88	Student
8/18/2026	PARTS TOWN LLC	208.57	B&G
8/18/2026	5GUYS	214.9	Student
8/18/2026	THE ATP GROUP, INC	393.3	Student
8/18/2026	WIZARD SPORTS EQUIPMEN	776.05	Student
8/18/2026	WIZARD SPORTS EQUIPMEN	776.05	Student
8/18/2026	WIZARD SPORTS EQUIPMEN	929.33	Student
8/19/2026	WALMART	10.36	Student
8/19/2026	HOME DEPOT	15.26	Staff
8/19/2026	FIRE BAR & GRILL	18.49	Staff
8/19/2026	WALMART	19.97	Student
8/19/2026	FIRE BAR & GRILL	22.98	Staff
8/19/2026	GUSTAVE A LARSON COMPANY	25.65	B&G
8/19/2026	MENARDS	26.07	B&G
8/19/2026	HOME DEPOT	37.67	Staff
8/19/2026	DUNKIN	43.97	Student
8/19/2026	HOME DEPOT	53.34	Staff
8/19/2026	HOME DEPOT	53.94	Staff
8/19/2026	HOME DEPOT	59.97	Staff
8/19/2026	WALMART	68.82	Student
8/19/2026	HOME DEPOT	71.64	Staff
8/19/2026	WALMART	77.67	Student
8/19/2026	WALMART	89.39	Student
8/19/2026	WALMART	118	Student
8/19/2026	WALMART	122.72	Student
8/19/2026	EB HEALING TOGETHER 2	125	Staff
8/19/2026	HOME DEPOT	154.67	Staff
8/19/2026	FERGUSON ENTERPRISES INC	249.3	B&G
8/19/2026	ELGIN KEY AND LOCK CO	250.27	B&G
8/19/2026	BATTERIES PLUS	1,347.80	B&G
8/19/2026	SP NBI NATIONAL BUSI	1,548.00	Staff
8/20/2026	GRIMCO INC	-2,102.12	Staff
8/20/2026	MENARDS	-12.09	B&G
8/20/2026	BATTERIES PLUS	8.99	Staff
8/20/2026	MENARDS	11.07	B&G
8/20/2026	WALMART	16.44	Student
8/20/2026	MICHAELS STORES	29.7	Student
8/20/2026	ELGIN KEY AND LOCK CO	33.99	B&G
8/20/2026	FEDEX	37.41	Staff
8/20/2026	HOME DEPOT	37.9	Staff
8/20/2026	WALMART	45.76	Student
8/20/2026	HOME DEPOT	46.58	Staff
8/20/2026	JIMMY JOHNS	67.14	Staff

8/20/2026	HOME DEPOT	69.96	Staff
8/20/2026	ELGIN KEY AND LOCK CO	74.15	B&G
8/20/2026	MEIJER	87.1	Staff
8/20/2026	HOME DEPOT	99.58	Staff
8/20/2026	TARGET	100	Student
8/20/2026	WALMART	102.07	Student
8/20/2026	TARGET	106.48	Student
8/20/2026	JEWEL FOOD STORE	108.33	Student
8/20/2026	HOME DEPOT	156.79	Staff
8/20/2026	WALMART	166.13	Student
8/20/2026	MENARDS	215.32	B&G
8/20/2026	HOME DEPOT	253.24	Staff
8/20/2026	WALMART	255.47	Student
8/20/2026	UNITED AIRLINES	366.79	Staff
8/20/2026	DOMINO'S PIZZA	455.49	Student
8/20/2026	DOMINO'S PIZZA	505.49	Student
8/20/2026	ASSOCIATION FOR CAREER & TECHN	840	Staff
8/20/2026	ASSOCIATION FOR CAREER & TECHN	840	Staff
8/20/2026	T-MOBILE USA INC	4,237.20	BOE Approved
8/20/2026	T-MOBILE USA INC	5,965.37	BOE Approved
8/21/2026	COSSBA EVE REGUXNDHU6	-595	Staff
8/21/2026	HOME DEPOT	-140.47	Staff
8/21/2026	HOME DEPOT	-40.65	Staff
8/21/2026	THE UPS STORE 0806	3.99	Staff
8/21/2026	WALMART	23.3	Student
8/21/2026	HOME DEPOT	29.26	Staff
8/21/2026	WALMART	31.54	Student
8/21/2026	MENARDS	37.13	B&G
8/21/2026	HOME DEPOT	38.91	Staff
8/21/2026	HOME DEPOT	62.67	Staff
8/21/2026	NAMETAGCOUNTRY.COM	64.3	Staff
8/21/2026	HOME DEPOT	64.77	Staff
8/21/2026	JIMMY JOHNS	88.08	Student
8/21/2026	WALMART	96.8	Student
8/21/2026	TRACTOR SUPPLY # 131	105.92	B&G
8/21/2026	HOME DEPOT	109.96	Staff
8/21/2026	CULVERS WOODSTOCK	130.84	Student
8/21/2026	ATHLETIC.NET	135	Student
8/21/2026	FERGUSON ENTERPRISES INC	135.11	B&G
8/21/2026	SAMS CLUB	203.88	Student
8/21/2026	SQ TLC SWAG LLC	231.84	Student
8/21/2026	SAMS CLUB	360.07	Student
8/21/2026	PORTILLOS	466.91	Staff
8/21/2026	SUBWAY 32803-0	649	Student
8/22/2026	DUNKIN	20.08	Student
8/22/2026	PERSONALIZATION MALL	55.48	Staff
8/22/2026	CHIPOTLE	71.15	Student

8/22/2026	STARBUCKS STORE 50965	71.2	Student
8/22/2026	ROAD RANGER	91.42	Student
8/22/2026	TST ARTHURS GARDEN DEL	99.45	Student
8/22/2026	HOME DEPOT	143.29	Staff
8/22/2026	WALMART	234.98	Student
8/23/2026	WALMART	3.98	Student
8/23/2026	WALMART	47.23	Student
8/23/2026	WM SUPERCENTER	51.78	Student
8/23/2026	WALMART	98.6	Student
8/23/2026	WALMART	241.81	Student
8/24/2026	PORTILLOS	-466.91	Staff
8/24/2026	WALMART	10.02	Student
8/24/2026	HOME DEPOT	18.33	Staff
8/24/2026	WALMART	39.94	Student
8/24/2026	WALMART	48.63	Student
8/24/2026	MEIJER	58.66	Student
8/24/2026	HOME DEPOT	59.92	Staff
8/24/2026	ELGIN KEY AND LOCK CO	79.8	B&G
8/24/2026	MEIJER	107.7	Student
8/24/2026	MICHAELS STORES	119.88	Student
8/24/2026	MENARDS	126.18	B&G
8/24/2026	WALMART	131.98	Student
8/24/2026	WALMART	142.62	Student
8/24/2026	HOME DEPOT	182.5	Staff
8/24/2026	PAPA SAVERIOS	220	Student
8/24/2026	PORTILLOS	424.47	Staff
8/25/2026	HOME DEPOT	2.2	Staff
8/25/2026	MEIJER	4.69	Student
8/25/2026	ZIEGLER'S ACE HARDWARE	16.77	B&G
8/25/2026	ZENNI OPTICAL, INC.	26.37	Student
8/25/2026	PANERA BREAD COMPANY	32.22	Staff
8/25/2026	HOME DEPOT	43.23	Staff
8/25/2026	VILLAGE FRESH MARKET	44.11	Staff
8/25/2026	ELGIN KEY AND LOCK CO	54.07	B&G
8/25/2026	HOME DEPOT	58.34	Staff
8/25/2026	WALMART	60.41	Student
8/25/2026	SUNBURST DIGITAL	78	Staff
8/25/2026	RUSSO POWER EQUIPMENT	89.88	B&G
8/25/2026	VILLAGE FRESH MARKET	99	Staff
8/25/2026	VILLAGE FRESH MARKET	99.94	Staff
8/25/2026	HOME DEPOT	163.11	Staff
8/25/2026	HOME DEPOT	174.91	Staff
8/25/2026	HOME DEPOT	299.53	Staff
8/25/2026	ASSOCIATION FOR CAREER & TECHN	840	Staff
8/25/2026	USA CLEAN	1,050.99	B&G
8/26/2026	WALMART	-45.76	Staff
8/26/2026	UNITED AIRLINES	-11.02	Staff

8/26/2026	WALMART	1.67	Student
8/26/2026	HOME DEPOT	20.93	Staff
8/26/2026	HOME DEPOT	44.76	Staff
8/26/2026	RANDALL ROADHOUSE	47.65	Staff
8/26/2026	HOME DEPOT	48.64	Staff
8/26/2026	RANDALL ROADHOUSE	55.98	Staff
8/26/2026	WALMART	85.22	Student
8/26/2026	CULVERS	88.52	Student
8/26/2026	MEIJER	112.35	Student
8/26/2026	GUSTAVE A LARSON COMPANY	318.96	B&G
8/26/2026	HOME DEPOT	347.5	Staff
8/26/2026	SAMS CLUB	494.1	Student
8/26/2026	COMCAST	7,500.00	BOE Approved
8/27/2026	SIX FLAGS	-617.76	Student
8/27/2026	HOME DEPOT	-48.64	Staff
8/27/2026	HOME DEPOT	13.98	Staff
8/27/2026	MENARDS	16.8	B&G
8/27/2026	HOME DEPOT	27.41	Staff
8/27/2026	HOME DEPOT	34.53	Staff
8/27/2026	EUROPEAN SPORTS	60	Student
8/27/2026	WALMART	61.72	Student
8/27/2026	WALMART	67.01	Student
8/27/2026	LOCAL MARKET ALGONQU	105.39	Student
8/27/2026	WALMART	124.45	Student
8/27/2026	FERGUSON ENTERPRISES INC	129.3	B&G
8/27/2026	HAMPTON INN JACKSONVIL	158.46	Staff
8/27/2026	JIMMY JOHNS	159.98	Student
8/27/2026	ANDERSENS	195	Student
8/27/2026	ILLINOIS ASB	224	Staff
8/27/2026	NAPA	283.82	B&G
8/27/2026	PANERA BREAD COMPANY	342.7	Staff
8/27/2026	HARBOR FREIGHT TOOLS	422.87	B&G
8/27/2026	HOME DEPOT	619.87	B&G
8/28/2026	WALMART	4.23	Student
8/28/2026	MEIJER	7.58	Staff
8/28/2026	WALMART	11.99	Staff
8/28/2026	WALMART	12.96	Student
8/28/2026	WALMART	18.44	Student
8/28/2026	WALMART	24.93	Student
8/28/2026	WALMART	38.42	Student
8/28/2026	WALMART	60.47	Student
8/28/2026	MENARDS	62.58	B&G
8/28/2026	WALMART	103.92	Student
8/28/2026	BALLY REFRIGERATED BOX	103.97	B&G
8/28/2026	EINSTEIN BROS	107.96	Staff
8/28/2026	REG OFFICE OF EDUC P	400	Staff
8/28/2026	SAMS CLUB	511.28	Staff

8/28/2026	SUBWAY	660	Student
8/28/2026	SQ DANCEMOR BALLROOM	828.34	Student
8/29/2026	ABT.COM	-48	Staff
8/29/2026	MENARDS	33.65	B&G
8/29/2026	WALMART	39.41	Student
8/29/2026	JIMMY JOHNS	95.85	Student
8/29/2026	SAMS CLUB	548.24	Student
8/30/2026	WALMART	-131.98	Staff
8/30/2026	MENARDS	13.95	B&G
8/30/2026	MEIJER	19.98	Student
8/30/2026	WALMART	33.94	Student
8/31/2026	PORTILLOS	-31.59	Staff
8/31/2026	NAPA	2.17	B&G
8/31/2026	ZIEGLER'S ACE HARDWARE	5.59	B&G
8/31/2026	WALMART	10.29	Student
8/31/2026	WALMART	12.97	Student
8/31/2026	WALMART	15.2	Student
8/31/2026	MEIJER	18.25	Student
8/31/2026	MENARDS	21.89	B&G
8/31/2026	ZENNI OPTICAL, INC.	25.35	Student
8/31/2026	HOME DEPOT	28.94	Staff
8/31/2026	WALMART	35.92	Student
8/31/2026	HOME DEPOT	39.1	Staff
8/31/2026	HOME DEPOT	45.33	Staff
8/31/2026	WALMART	49.44	Student
8/31/2026	HOME DEPOT	59.8	Staff
8/31/2026	WALGREENS	73.98	Staff
8/31/2026	WALMART	99	Student
8/31/2026	RUSSO POWER EQUIPMENT	139.99	B&G
8/31/2026	PAPA SAVERIOS	148	Student
8/31/2026	WALMART	198	Student
8/31/2026	WALMART	211.99	Student
9/1/2026	DOLLAR TREE	6.5	Staff
9/1/2026	ALDI INC	12.27	Staff
9/1/2026	MENARDS	20.19	B&G
9/1/2026	ELGIN KEY AND LOCK CO	22.66	B&G
9/1/2026	ALLIANZ TRAVEL INS	27.19	Staff
9/1/2026	HOME DEPOT	29.48	Staff
9/1/2026	GOOGLE CLOUD	34.07	Staff
9/1/2026	WALMART	42.27	Student
9/1/2026	HOME DEPOT	44.44	Staff
9/1/2026	DOLLAR TREE	45	Staff
9/1/2026	WALMART	55.51	Student
9/1/2026	WALMART	139.04	Student
9/1/2026	WALMART	297	Student
9/1/2026	AMERICAN AIRLINES	350.8	Staff
9/1/2026	AMERICAN AIRLINES	350.8	Staff

9/1/2026	AWS MOTO	435	B&G
9/1/2026	LULUCOM	540.64	Staff
9/1/2026	PODS	2,556.75	BOE Approved
9/2/2026	WALMART	13.63	Student
9/2/2026	MEIJER	16.92	Student
9/2/2026	HOME DEPOT	16.97	Staff
9/2/2026	FIRE BAR & GRILL	17.49	Staff
9/2/2026	HOME DEPOT	18.26	Staff
9/2/2026	WALMART	19.24	B&G
9/2/2026	FIRE BAR & GRILL	20.98	Staff
9/2/2026	HOME DEPOT	25.72	Staff
9/2/2026	SAMS CLUB	36.64	Student
9/2/2026	HOME DEPOT	41.73	Staff
9/2/2026	HOME DEPOT	49.96	Staff
9/2/2026	JEWEL FOOD STORE	52.95	Student
9/2/2026	WALMART	52.99	Student
9/2/2026	Dunkin	53.98	Staff
9/2/2026	PAPA JOHNS	59.43	Student
9/2/2026	FERGUSON ENTERPRISES INC	84.04	B&G
9/2/2026	WALMART	102.21	Student
9/2/2026	WALMART	107.8	Student
9/2/2026	WALMART	131.78	Student
9/2/2026	HOME DEPOT	146.47	Staff
9/2/2026	B&H PHOTO MOTO	197.63	Staff
9/2/2026	HILTON	251.55	Staff
9/2/2026	HOME DEPOT	383.35	Staff
9/2/2026	HOME DEPOT	600	B&G
9/2/2026	REINKE INTERIOR SUPPLY CO INC	678.91	B&G
9/3/2026	WALMART	18.83	Student
9/3/2026	WALMART	23.88	Student
9/3/2026	WALMART	35.07	Student
9/3/2026	FEDEX	37.49	Staff
9/3/2026	WALMART	38.07	Student
9/3/2026	WALMART	108.33	Student
9/3/2026	FERGUSON ENTERPRISES INC	120.31	B&G
9/3/2026	RANDALL ROADHOUSE	125.32	Staff
9/3/2026	JIMMY JOHNS	159.98	Student
9/3/2026	UNITED STATES POSTAL SERVICE	164	Staff
9/3/2026	TST ANGRY GENES PIZZ	187.25	Student
9/3/2026	GOODWILL HUNTLEY	237.47	Student
9/3/2026	WALMART	274.92	Student
9/3/2026	RANDALL ROADHOUSE	299.99	B&G
9/3/2026	TST SAMMYS MEXICAN GRI	300	Student
9/3/2026	STEINER ELECTRIC CO.	1,318.24	B&G

ACTIVITY ACCOUNT SUMMARY
MONTH OF: AUGUST 2026

	Month to Date			Year To Date			
School	Month End Receipts	Month End Disbursements	Month End Activity	July 1, 2026 Beginning Book Balance	Year to Date Receipts	Year to Date Disbursements	Year to Date Book Balance
Algonquin Lakes	$ 68.44	$ -	$ 68.44	$17,416	$ 138	$ -	$ 17,554
Algonquin M.S.	$ 2,590.08	$ 152.90	$ 2,437.18	$9,774	$ 2,620	$ 153	$ 12,241
Big Timber Elementary	$ 1,543.56	$ 50.00	$ 1,493.56	$12,866	$ 2,575	$ 50	$ 15,391
Carpentersville M.S.	$ 2,659.62	$ 880.62	$ 1,779.00	$42,239	$ 2,788	$ 881	$ 44,146
DeLacey	$ 1,510.07	$ -	$ 1,510.07	$4,305	$ 1,523	$ 1,080	$ 4,748
Dundee-Crown H.S.	$ 21,779.78	$ 13,002.75	$ 8,777.03	$244,127	$ 26,242	$ 21,689	$ 248,681
Dundee Highlands	$ 1,508.46	$ -	$ 1,508.46	$2,324	$ 1,681	$ -	$ 4,005
Dundee M.S.	$ 4,700.59	$ 2,216.24	$ 2,484.35	$154,887	$ 5,178	$ 2,569	$ 157,496
Eastview	$ 4.96	$ -	$ 4.96	$1,653	$ 11	$ 0	$ 1,664
Gary D Wright	$ 4,526.41	$ -	$ 4,526.41	$9,059	$ 4,560	$ 1,547	$ 12,072
Gilberts	$ 25.68	$ -	$ 25.68	$8,426	$ 56	$ 2,866	$ 5,617
Golfview	$ 6.82	$ -	$ 6.82	$2,204	$ 13	$ -	$ 2,217
Hampshire Elem	$ 364.39	$ -	$ 364.39	$2,727	$ 374	$ -	$ 3,101
Hampshire H.S.	$ 75,583.95	$ 10,551.89	$ 65,032.06	$395,189	$ 118,079	$ 43,602	$ 469,666
Hampshire M.S.	$ 2,699.03	$ 4,218.29	$ (1,519.26)	$59,058	$ 8,328	$ 4,218	$ 63,168
H.D. Jacobs H.S.	$ 45,277.23	$ 36,459.62	$ 8,817.61	$324,433	$ 63,609	$ 41,713	$ 346,328
Lake In The Hills	$ 18.95	$ -	$ 18.95	$5,671	$ 38	$ -	$ 5,708
Lakewood	$ 874.39	$ -	$ 874.39	$22,913	$ 946	$ -	$ 23,859
Liberty	$ 18.61	$ 257.46	$ (238.85)	$6,377	$ 39	$ 534	$ 5,881
Lincoln Prairie	$ 2,382.73	$ -	$ 2,382.73	$10,317	$ 2,414	$ -	$ 12,731
Meadowdale	$ 4.65	$ -	$ 4.65	$1,537	$ 9	$ -	$ 1,546
Neubert	$ 1,506.18	$ -	$ 1,506.18	$1,828	$ 1,512	$ -	$ 3,340
Parkview	$ 1,536.93	$ -	$ 1,536.93	$11,976	$ 1,573	$ 91	$ 13,458
Perry	$ 26.08	$ -	$ 26.08	$7,947	$ 52	$ -	$ 7,999
Sleepy Hollow	$ 5.27	$ -	$ 5.27	$1,748	$ 11	$ -	$ 1,759
Westfield	$ 4,080.18	$ 14,987.31	$ (10,907.13)	$55,352	$ 4,260	$ 14,987	$ 44,625
Total	$ 175,303	$ 82,777	$ 92,526	$ 1,416,352	$ 248,629	$ 135,980	$ 1,529,001

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	17,485.24	68.44			17,553.68
Total Cash Accounts	17,485.24	68.44	0.00	0.00	17,553.68
Other Accounts					
200M-00-00 Special Ed	121.25				121.25
2032-00-00 Class of 2032	337.16				337.16
2033-00-00 Class of 2033	5.33				5.33
2034-00-00 Class of 2034	792.85				792.85
2035-00-00 Class of 2035	49.65				49.65
2036-00-00 Class of 2036	279.44				279.44
2037-00-00 Class of 2037	12.16				12.16
2038-00-00 Class of 2038	58.06				58.06
2090-10-00 Acting Club	51.46				51.46
2410-00-00 Culinary Kids 2/3	80.57				80.57
2415-10-00 Science Club	10.31				10.31
2420-10-00 Board Game Club	838.00				838.00
2590-10-00 Lady Lions Running Club	4,974.08				4,974.08
2590-20-00 Boys Running Club	3,080.08				3,080.08
4100-10-10 Fitness Club	130.05				130.05
4200-10-00 Birthday Books	1,395.00				1,395.00
4200-20-00 Book Fair	1,149.35				1,149.35
4210-00-00 Holiday Creations	135.85				135.85
4300-00-00 Yearbook	797.51				797.51
5100-00-00 General Fund	6.86				6.86
5500-10-00 ALES Grant Awards	18.19				18.19
5700-00-00 Social Committee	245.00				245.00
6000-00-00 Interest Income	2,917.03	68.44			2,985.47
Total Other Accounts	17,485.24	68.44	0.00	0.00	17,553.68

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	9,803.91	2,590.08	152.90		12,241.09
Total Cash Accounts	9,803.91	2,590.08	152.90	0.00	12,241.09
Other Accounts					
2000-10-00 Student Council	413.55				413.55
2031-00-00 Class of 2031	34.86				34.86
2032-00-00 Class of 2032	0.04				0.04
2110-10-00 Band	269.84				269.84
2140-10-00 Chorus	54.58				54.58
2150-30-00 Musical	3,378.03				3,378.03
2151-10-00 Music Club	251.94				251.94
2220-10-00 Art Club	122.06				122.06
2230-10-00 Beta Club	1,069.07				1,069.07
2240-00-00 Baking Club	0.16				0.16
2250-00-00 Chess Club	0.10				0.10
2391-10-00 AVID	1,078.86	60.00	152.90		985.96
2430-10-00 Special Ed Community Trips	5.50				5.50
2590-40-00 Read-a-Thon	373.79				373.79
3020-00-00 Wrestling	322.89				322.89
3100-20-00 Volleyball	108.15				108.15
3110-10-00 Cross Country	184.25				184.25
3210-00-00 Boys Basketball	20.87				20.87
3210-10-00 Girls Basketball	123.14				123.14
3230-10-00 Track and Field	328.70				328.70
3250-20-10 Poms/Dance	191.96				191.96
3350-20-10 Cheerleading	71.28				71.28
4100-10-00 PBIS	102.91				102.91
4100-30-00 General	17.91				17.91
4300-30-00 Staff Account	19.11				19.11
5110-20-00 MB Jazz Ensembles	568.91				568.91
5200-00-00 Physical Education Fund	74.50				74.50
6000-20-00 Field Trip Reserve - District	0.00	2,500.00			2,500.00
6000-30-00 Interest Income	616.95	30.08			647.03
Total Other Accounts	9,803.91	2,590.08	152.90	0.00	12,241.09

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 BMOHarris Checking Account	13,897.26	1,543.56	50.00		15,390.82
Total Cash Accounts	13,897.26	1,543.56	50.00	0.00	15,390.82
Other Accounts					
2034-00-00 Class of 2034	107.74				107.74
2035-00-00 Class of 2035	24.02				24.02
2036-00-00 Class of 2036	930.63				930.63
2037-00-00 Class of 2037	239.93				239.93
2038-00-00 Class of 2038	809.94		50.00		759.94
3010-00-00 Yearbook	2,237.00				2,237.00
3100-10-00 Scholastic Book Fairs	(20.00)				(20.00)
3100-20-00 Math and Reading Night	1,684.00				1,684.00
3200-10-00 Running Club	1,280.05				1,280.05
4100-30-00 General	313.95				313.95
4200-10-00 Field Trip Donaton	3,619.10				3,619.10
5100-10-00 PBIS	390.00				390.00
5100-10-10 Staff Sunshine Account	863.36				863.36
6000-00-00 Interest Income	1,417.54	43.56			1,461.10
6000-30-00 Field Trip Reserve - District	0.00	1,500.00			1,500.00
Total Other Accounts	13,897.26	1,543.56	50.00	0.00	15,390.82

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	42,367.00	2,659.62	880.62		44,146.00
Total Cash Accounts	42,367.00	2,659.62	880.62	0.00	44,146.00
Other Accounts					
2000-10-00 Student Council	4,340.78				4,340.78
2031-00-00 Class of 2031	913.06				913.06
2032-00-00 Class of 2032	1,089.68				1,089.68
2033-00-00 Class of 2033	427.60				427.60
2105-00-00 Man in Demand/Dare to be Rare	447.56				447.56
2110-10-00 Music	739.12				739.12
2110-20-00 MB Jazz	420.00				420.00
2120-10-00 Drama/Musical	4,927.39				4,927.39
2140-10-00 Chorus	846.04				846.04
2221-10-00 Art Club	10.00				10.00
2230-10-00 Beta Club	773.21				773.21
2235-10-00 Chess Club	127.80				127.80
2481-10-00 Yearbook	2,039.06	30.00			2,069.06
2590-40-00 Relay for Life	2.00				2.00
2670-20-00 Book Fair	13.14				13.14
3250-20-10 Poms	2,540.39				2,540.39
3350-20-10 Cheerleading	3,713.50				3,713.50
4101-30-00 AVID	13,808.01				13,808.01
4210-20-00 General	3,483.80		880.62		2,603.18
4300-30-00 Sunshine	1,075.47				1,075.47
6000-00-00 Interest	629.39	129.62			759.01
6000-30-00 Field Trip Reserve - District	0.00	2,500.00			2,500.00
Total Other Accounts	42,367.00	2,659.62	880.62	0.00	44,146.00

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris Cash Account	3,237.34	1,510.07			4,747.41
Total Cash Accounts	3,237.34	1,510.07	0.00	0.00	4,747.41
Other Accounts					
4100-00-00 Student Memorial Fundraiser	85.80				85.80
4700-00-00 Pyramid Model Committee	1,466.29				1,466.29
5100-00-00 General Student Activities	184.29				184.29
5200-00-00 PBIS	696.25				696.25
6000-00-00 Interest Income	804.71	10.07			814.78
6000-30-00 Field Trip Reserve - District	0.00	1,500.00			1,500.00
Total Other Accounts	3,237.34	1,510.07	0.00	0.00	4,747.41

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	239,903.46	21,779.78	13,002.75		248,680.49
Total Cash Accounts	239,903.46	21,779.78	13,002.75	0.00	248,680.49
Other Accounts					
1000-10-10 Banking Corrections	(204.00)				(204.00)
2000-10-00 Student Council	17,730.41				17,730.41
2095-10-00 Animation Club	98.78				98.78
2110-10-00 Instrumental Music	1,138.40	1,428.57			2,566.97
2120-10-00 Drama Club	4,897.53	1,428.58			6,326.11
2120-20-00 Musical Account	20,492.55	1,428.57			21,921.12
2120-30-00 Fall Play	19,738.78	1,428.57			21,167.35
2140-10-00 Choral Music	(1,539.89)	1,428.57			(111.32)
2145-50-00 Orchestra	15,672.88	5,342.57			21,015.45
2219-10-00 Adelante Club	324.00				324.00
2223-20-00 Charger Pride-Staff	2,311.81				2,311.81
2230-10-00 Beta Club	2,435.68				2,435.68
2235-10-00 SAFE	1,394.44				1,394.44
2260-10-00 Industrial Ed Club	353.86				353.86
2263-10-00 Rotary Interact	1,440.30				1,440.30
2280-20-00 Environmental Club	150.43				150.43
2282-10-00 GirlUp	1,362.34				1,362.34
2310-10-00 World Language (French) Club	2,383.42				2,383.42
2340-10-00 Science Olympiad	(19.64)	1,221.10			1,201.46
2370-10-00 FACS Club	1,157.00				1,157.00
2375-10-00 Literary Arts Magazine	1,957.88				1,957.88
2385-10-00 Poetry Club-Souls Spill Ink	1,323.58				1,323.58
2390-10-00 National Honor Society	2,470.53				2,470.53
2390-20-00 Illinois Music Honors Society	1,667.21	1,428.57			3,095.78
2391-10-00 AVID	7,835.26	140.93	500.00		7,476.19
2392-00-00 PSI Alpha	301.32				301.32
2408-10-00 GSA/LGBT Support Group	867.32				867.32
2439-10-00 Peer Mentors	298.30				298.30
2450-10-00 Debate Team	176.64	260.00			436.64
2590-40-00 Relay for Life	688.95				688.95
2591-10-00 Fight the Stigma	756.25				756.25
2592-10-00 Minority Leadership	804.52				804.52
2595-10-00 HOSA	142.99				142.99
2618-10-10 Operation Click	1,743.85				1,743.85
2700-10-20 Work Program/Buttons/Store	950.33				950.33
3100-20-20 Baseball	10,325.02		540.00		9,785.02
3150-20-10 Softball	11,214.77				11,214.77
3200-20-10 Girls Basketball	6,859.46	750.00			7,609.46
3200-20-20 Boys Basketball	7,161.34				7,161.34
3210-20-10 Girls Bowling	1,220.33				1,220.33
3250-00-00 Dance Team (Poms)	11,588.60	1,068.00	8,635.00		4,021.60
3300-20-10 Girls Soccer	1,132.07				1,132.07
3300-20-20 Boys Soccer	4,076.03	3,160.00			7,236.03
3350-20-10 Cheerleading	17,976.57	530.00			18,506.57
3400-20-10 Girls Tennis	1,411.86				1,411.86
3400-20-20 Boys Tennis	1,540.77				1,540.77
3450-20-10 Girls Swimming	1,564.48				1,564.48
3500-20-10 Girls Track	3,667.68				3,667.68
3500-20-20 Boys Track	3,054.52				3,054.52

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
3600-20-10 Girls Golf	2,703.26				2,703.26
3600-20-20 Boys Golf	3,172.69				3,172.69
3650-20-10 Boys Lacrosse	2,248.19				2,248.19
3700-20-10 Football	3,072.04				3,072.04
3750-20-10 Flag Football	4,012.97		357.00		3,655.97
3800-20-00 Cross Country	484.98				484.98
3850-20-00 Boys Wrestling	4,912.77				4,912.77
3900-20-00 Volleyball	2,285.89				2,285.89
4000-10-00 Sr. Class Gift	2,527.96				2,527.96
4100-30-00 General	10,478.11		2,970.75		7,507.36
4300-20-00 Sunshine Club/Staff Pride	1,054.61				1,054.61
4700-30-00 Scholarships	1,685.67				1,685.67
4750-10-00 Testing Prep	1,318.00				1,318.00
6000-00-00 Interest Income	3,190.79	735.75			3,926.54
6000-30-00 Field Trip Reserve - District	658.02				658.02
Total Other Accounts	239,903.46	21,779.78	13,002.75	0.00	248,680.49

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	2,496.66	1,508.46			4,005.12
Total Cash Accounts	2,496.66	1,508.46	0.00	0.00	4,005.12
Other Accounts					
2034-10-00 Class of 2034 Field Trips	313.96				313.96
2036-00-00 Class of 2036	15.80				15.80
2036-10-00 Class of 2036 Field Trips	257.54				257.54
2037-10-00 Class of 2037 Field Trips	39.60				39.60
2038-00-00 Class of 2038	21.58				21.58
4100-30-00 General Fund	519.05				519.05
4200-10-00 Service Club	916.05				916.05
6000-00-00 Interest Income	413.08	8.46			421.54
6000-30-00 Field Trip Reserve - District	0.00	1,500.00			1,500.00
Total Other Accounts	2,496.66	1,508.46	0.00	0.00	4,005.12

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	155,011.86	4,700.59	2,216.24		157,496.21
Total Cash Accounts	155,011.86	4,700.59	2,216.24	0.00	157,496.21
Other Accounts					
2000-10-00 Cardunal Council (Student)	5,274.97				5,274.97
2030-10-00 Class of 2030-A	1,352.89				1,352.89
2030-20-00 Class of 2030-B	554.92				554.92
2031-10-00 Class of 2031-A	236.48				236.48
2031-20-00 Class of 2031-B	236.49				236.49
2032-00-00 Class of 2032-A	335.45				335.45
2033-00-00 Class of 2033-A	0.00	68.15			68.15
2033-10-00 Class of 2033-B	0.00	68.15			68.15
20TG-00-00 Universal Team (PBIS)	3,097.99				3,097.99
20TY-00-00 Secondary Team	163.83				163.83
2110-10-00 Band	4,172.45	488.35			4,660.80
2130-10-00 Music Department	8,027.67				8,027.67
2140-10-00 Chorus/Vocal	4,419.89				4,419.89
2150-30-00 Musical/Ensembles	25,176.73				25,176.73
2155-10-00 Orchestra	15,022.15				15,022.15
2220-10-00 Art Club	6,096.15				6,096.15
2230-10-00 Beta Club	3,540.57				3,540.57
2380-10-00 Targeted Intervention Team	13.53				13.53
2391-10-00 AVID	4,508.81	0.80	189.20		4,320.41
2425-10-00 Exploratory/Spanish	446.34				446.34
2431-10-00 Life Program (SPED)	47.52				47.52
2432-10-00 Snack (skills) Program	93.38				93.38
2435-10-00 S.O.A.R.	111.55				111.55
2436-10-00 SWANS	23.22				23.22
2481-10-00 Yearbook Club	2,377.12	1,093.75			3,470.87
2530-10-00 Chess Club	18.87				18.87
2560-30-00 Book Club	6.15				6.15
2565-00-00 Bracelet Club	370.00				370.00
2566-10-00 Garden Club	76.04				76.04
2570-30-00 IMC	598.17				598.17
2590-10-00 Lions	16.11				16.11
2615-10-00 Midnight Mile	23,039.44		2,027.04		21,012.40
2619-10-00 Cardunal Care	3,259.29				3,259.29
2620-10-00 Scrapbook	102.00				102.00
2625-10-00 Schoolpalooza	1,211.59				1,211.59
2630-10-00 Ski Club	2,518.96				2,518.96
2631-10-00 Washington D.C. Trip	143.27				143.27
2635-10-00 Snowflake	1,276.76				1,276.76
2655-10-00 Battle of the Books	5.30				5.30
2665-10-00 Spelling Bee	21.34				21.34
2670-10-00 Robotics	1,806.65				1,806.65
2675-00-00 STEM	65.35				65.35
3000-20-00 Athletics (DEL:2yr 15/16)	135.00				135.00
3010-00-00 Ultimate Club	352.24				352.24
3207-20-10 Girls Basketball - 7th	179.28				179.28
3207-20-20 Boys Basketball - 7th	0.62				0.62
3208-20-20 Boy's Basketball - 8th	110.27				110.27
3250-20-10 Poms	0.40				0.40
3253-20-10 Intramural Basketball	82.06				82.06

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
3254-20-00 Intramural Poms	121.95				121.95
3255-20-10 Intramural Wrestling	161.26				161.26
3350-20-10 Cheerleading	31.80				31.80
3400-10-00 Color Guard	212.49				212.49
3500-20-10 Track Team	496.18				496.18
3600-10-00 Flag Football	813.59				813.59
3800-20-00 Cross Country	86.51				86.51
3800-20-10 Marathon Club - 6th Gr.CC Only	16.00				16.00
3840-10-00 Wiffle Ball	315.54				315.54
3850-20-00 Wrestling	2,295.45				2,295.45
3900-20-00 Volleyball	137.55				137.55
4100-30-00 General	8,047.69				8,047.69
4110-10-00 Outdoor Club	733.53				733.53
4210-00-00 Fall Play	11,041.87				11,041.87
4220-00-00 Street Ensemble	143.19				143.19
4230-00-00 Buddy Club	16.21				16.21
4300-30-00 Faculty (Social) Fund	136.00				136.00
4400-30-00 Fitness Club (PE)	4,162.76				4,162.76
4500-30-00 Flower Fund	99.49				99.49
6000-00-00 Interest Income	5,217.54	481.39			5,698.93
6000-30-00 Field Trip Reserve - District	0.00	2,500.00			2,500.00
Total Other Accounts	155,011.86	4,700.59	2,216.24	0.00	157,496.21

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	1,658.94	4.96			1,663.90
Total Cash Accounts	1,658.94	4.96	0.00	0.00	1,663.90
Other Accounts					
1000-10-10 Bank Corrections	(0.10)				(0.10)
2029-00-00 Class of 2029	59.55				59.55
2032-00-00 Class of 2032	64.09				64.09
2034-00-00 Class of 2034	(66.04)				(66.04)
2035-00-00 Class of 2035	(10.00)				(10.00)
2036-00-00 Class of 2036	298.58				298.58
2037-00-00 Class of 2037	(30.42)				(30.42)
2100-10-10 Julie Voss Class-Inactive	0.10				0.10
2100-20-10 LEAP Program	15.00				15.00
4100-30-00 General	555.03				555.03
5010-00-00 Library Books (Birthday Club)	232.59				232.59
6000-00-00 Interest Income	540.56	4.96			545.52
Total Other Accounts	1,658.94	4.96	0.00	0.00	1,663.90

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	7,545.14	4,526.41			12,071.55
Total Cash Accounts	7,545.14	4,526.41	0.00	0.00	12,071.55
Other Accounts					
2033-00-00 Class of 2033	418.65				418.65
2034-00-00 Class of 2034	720.68	500.00			1,220.68
2035-00-00 Class of 2035	1,294.34	500.00			1,794.34
2036-00-00 Class of 2036	318.42	500.00			818.42
2037-00-00 Class of 2037	715.88	500.00			1,215.88
2038-00-00 Class of 2038	707.83	500.00			1,207.83
2039-00-00 Class of 2039	0.00	500.00			500.00
2140-10-10 Chorus	578.73				578.73
2215-10-10 Yearbook - Elem	726.00				726.00
2499-20-00 Apparel Store	0.11				0.11
2590-30-00 Girls on the Run	5.00				5.00
4100-30-00 General	63.48				63.48
4300-20-00 Staff Wear	75.00				75.00
5010-10-00 PBIS	1,343.65				1,343.65
6000-00-00 Interest Income	577.37	26.41			603.78
6000-30-00 Field Trip Reserve - District	0.00	1,500.00			1,500.00
Total Other Accounts	7,545.14	4,526.41	0.00	0.00	12,071.55

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	5,591.58	25.68			5,617.26
Total Cash Accounts	5,591.58	25.68	0.00	0.00	5,617.26
Other Accounts					
2000-20-00 LIFE Program	3,488.87				3,488.87
2276-10-00 Field Trips	27.02				27.02
2277-10-00 Field Days	352.68				352.68
4100-30-00 General	514.10				514.10
5000-10-00 Staff Social Account	(38.30)				(38.30)
6000-00-00 Interest Income	1,125.30	25.68			1,150.98
6000-30-00 Field Trip Reserve - District	121.91				121.91
Total Other Accounts	5,591.58	25.68	0.00	0.00	5,617.26

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	2,210.45	6.82			2,217.27
Total Cash Accounts	2,210.45	6.82	0.00	0.00	2,217.27
Other Accounts					
2151-10-20 Summer Music Camp	268.29				268.29
2590-40-00 Relay for Life	144.00				144.00
4100-30-00 General	597.89				597.89
4210-00-00 Scholastic Book Fair-Fall	3.59				3.59
4220-00-00 Scholastic Book Fair-Spring	427.62				427.62
4270-00-00 PBIS	202.10				202.10
5000-10-10 Staff Spirit Wear	154.33				154.33
6000-00-00 Interest Income	412.63	6.82			419.45
Total Other Accounts	2,210.45	6.82	0.00	0.00	2,217.27

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris Bank Checking	2,737.38	364.39			3,101.77
Total Cash Accounts	2,737.38	364.39	0.00	0.00	3,101.77
Other Accounts					
2034-00-00 Class of 2034	(126.03)	353.89			227.86
2035-00-00 Class of 2035	367.44				367.44
2036-00-00 Class of 2036	622.45				622.45
2037-00-00 Class of 2037	23.00				23.00
2140-20-00 Chorus	10.55				10.55
2270-10-00 Environmental Science	168.99				168.99
2618-40-00 Donations	229.08				229.08
4100-30-00 General	117.51				117.51
5100-00-00 Scholastic Book Fair	436.65				436.65
5110-00-00 Yearbook	292.00				292.00
5200-00-00 Sunshine Staff Account	132.97				132.97
6000-00-00 Interest Income	462.77	10.50			473.27
6000-10-00 Banking Corrections	0.00				0.00
Total Other Accounts	2,737.38	364.39	0.00	0.00	3,101.77

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	404,634.64	75,583.95	10,551.89		469,666.70
Total Cash Accounts	404,634.64	75,583.95	10,551.89	0.00	469,666.70
Other Accounts					
2000-10-00 Student Council	1,421.27	40.00			1,461.27
2014-10-00 Homecoming	28,718.93				28,718.93
2015-10-10 Class of 2015 Statue Maintenan	69.26				69.26
2026-00-00 Class of 2026	498.22				498.22
2027-00-00 Class of 2027	10,568.93				10,568.93
2028-00-00 Class of 2028	4,327.62				4,327.62
2029-00-00 Class of 2029	3,866.50				3,866.50
2030-00-00 Class of 2030	902.55				902.55
2110-10-00 Band	492.56				492.56
2112-00-00 Tri M (Modern Music Masters)	2,168.37				2,168.37
2140-10-00 Chorus	2,140.99				2,140.99
2150-30-00 Musical	11,370.17				11,370.17
2151-10-00 Music Student Tour Account	3,019.84				3,019.84
2155-10-00 Orchestra	454.38				454.38
2156-10-00 Prom - Junior Class	28,039.92				28,039.92
2220-10-00 Art Club	165.41				165.41
2222-10-00 ABC Business Club	1,475.92				1,475.92
2223-00-00 ASL Club	662.10				662.10
2225-10-00 Black Student Alliance	4,428.92				4,428.92
2225-20-00 Hispanic Youth Alliance	627.98				627.98
2230-10-00 Debate Team	393.61	24.00	40.00		377.61
2240-10-00 Drama Club	4,072.21		750.15		3,322.06
2250-10-10 GSA Club	96.25				96.25
2260-10-00 Industrial Arts	2,591.92				2,591.92
2265-10-00 Environmental Club/Med Careers	1,852.13				1,852.13
2276-10-00 Field Trips	52.46				52.46
2280-10-00 Fishing Club	522.19				522.19
2310-10-00 AAPI Club	741.72				741.72
2320-10-00 German Club	456.94				456.94
2330-10-00 Foreign Language	180.71				180.71
2330-20-00 French Club	580.18				580.18
2340-10-00 Spanish Club	408.25				408.25
2350-10-00 Language Arts Field Trips	808.00				808.00
2370-10-00 Peer Mentoring	236.70				236.70
2390-10-00 National Honor Society	6,457.47				6,457.47
2390-20-00 Robotics	100.91				100.91
2391-10-00 AVID	17,007.86				17,007.86
2393-10-00 PBIS	1,487.06				1,487.06
2410-00-00 Math Team	461.00				461.00
2480-10-00 Yearbook	98.16				98.16
2499-30-00 School Store	823.97				823.97
2618-10-10 Operation Click	1,064.80				1,064.80
2620-00-00 Female Empowerment	982.13				982.13
2644-10-00 Co-Op	5,614.87				5,614.87
2647-10-00 FACS	294.94				294.94
2655-00-00 Literary Magazine	611.73				611.73
2670-10-00 Scholastic Bowl	194.09				194.09
2671-00-00 Science	1,714.72				1,714.72
2680-10-00 Marketing Class	181.65				181.65

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
2685-00-00 Target Edu	211.77				211.77
2686-00-00 Woodshop	140.00				140.00
2690-00-00 WHIPS TV	58.00				58.00
2696-00-00 ESports	115.02				115.02
2710-10-00 Activity Directors	1,004.29				1,004.29
3100-10-00 Athletic Development	1,321.54				1,321.54
3100-20-20 Baseball	17,902.90		2,812.00		15,090.90
3150-20-10 Softball	11,833.51				11,833.51
3200-20-10 Girls Basketball	7,444.38			(5,850.00)	1,594.38
3200-20-20 Boys Basketball	823.42	50.00			873.42
3250-20-10 Poms (Dance)	26,063.31	80.00	2,780.00	(15,583.00)	7,780.31
3300-20-10 Girls Soccer	8,891.76				8,891.76
3300-20-20 Boys Soccer	890.70				890.70
3350-20-10 Cheerleading	15,767.55	21,177.00	2,551.49		34,393.06
3400-20-10 Girls Tennis	855.05				855.05
3400-20-20 Boys Tennis	6,892.45				6,892.45
3500-20-10 Girls Track & Field	10,791.65				10,791.65
3500-20-20 Boys Track	9,236.62				9,236.62
3600-20-10 Boys Golf	7,947.67				7,947.67
3600-20-20 Girls Golf	3,440.49	1,400.00			4,840.49
3610-10-00 Boys Lacrosse	2,787.30				2,787.30
3610-20-00 Girls LaCrosse	13,444.31				13,444.31
3700-20-10 Football	20,987.16	45,819.84	1,618.25		65,188.75
3700-30-10 Powder Puff	3,528.25				3,528.25
3700-40-10 Flag Football	6,234.04				6,234.04
3800-10-00 Whip Squad	133.36				133.36
3800-20-00 Boys and Girls Cross Country	1,681.97	5,599.20			7,281.17
3850-20-00 Boys Wrestling	6,743.80				6,743.80
3900-20-00 Volleyball	9,320.83				9,320.83
3900-20-10 Volleyball Club	118.00				118.00
3990-10-00 Gatorade Fundraiser	642.87				642.87
4000-30-00 General	1,734.80			5,850.00	7,584.80
4100-00-00 FVC Leadership	981.48				981.48
4150-00-00 Teacher Grants	22.50				22.50
4210-10-00 Rachel's Challenge	20.00				20.00
4220-00-00 D300 Speaks	219.52				219.52
4300-20-00 Sunshine	92.70				92.70
4300-30-00 Spiritwear	3.03				3.03
4300-40-00 PE-Active	1.00				1.00
4700-10-00 2017 Gene Haas Scholarship	531.79				531.79
4700-10-10 2018 Gene Haas Scholarship	1,558.50				1,558.50
4700-10-20 2019 Gene Haas Scholarship	7,021.00				7,021.00
4700-10-30 2020 Gene Haas Scholarship	12,000.00				12,000.00
4700-30-00 Scholarship & Blood Drive	290.00				290.00
4700-40-00 Drama Club Scholarship	0.50				0.50
4800-00-00 Guidance	642.52				642.52
6000-00-00 Interest	26,752.86	1,393.91		15,583.00	43,729.77
Total Other Accounts	404,634.64	75,583.95	10,551.89	0.00	469,666.70

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	64,686.50	2,699.03	4,218.29		63,167.24
Total Cash Accounts	64,686.50	2,699.03	4,218.29	0.00	63,167.24
Other Accounts					
1000-10-00 Banking Corrections	59.78				59.78
2001-10-00 Student Council - MS	453.09				453.09
2031-00-00 Class of 2031	2,434.06				2,434.06
2032-00-00 Class of 2032	86.30				86.30
2033-00-00 Class of 2033	476.87				476.87
2111-00-00 Music Field Trip Account	4,271.17		1,159.00		3,112.17
2114-10-00 Band - MS	1,030.88				1,030.88
2120-10-00 Drama Club	15,263.99		1,540.00		13,723.99
2140-10-00 Chorus	2,853.29				2,853.29
2155-10-00 MS Orchestra	1,140.79				1,140.79
2210-00-00 Cafe 10A	573.20				573.20
2225-10-00 Arts & Craft Club-INACTIVE	62.80			(62.80)	0.00
2230-10-00 Beta Club	4,354.56				4,354.56
2391-10-00 AVID	11,541.94				11,541.94
2400-00-00 PBIS	532.32				532.32
2560-20-00 Book Fair	91.95				91.95
2631-10-29 Washington DC 8th Grade	3,558.92		241.81		3,317.11
2631-10-30 Washington DC 7th Grade	600.62				600.62
2667-00-00 MS Sports	783.69				783.69
2669-00-00 MS Yearbook	3,321.73				3,321.73
4100-30-00 General	10,416.65		1,277.48	62.80	9,201.97
4200-10-10 MS PE	213.09				213.09
6000-00-00 Interest	564.81	199.03			763.84
6000-30-00 Field Trip Reserve - District	0.00	2,500.00			2,500.00
Total Other Accounts	64,686.50	2,699.03	4,218.29	0.00	63,167.24

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	337,510.88	45,277.23	36,459.62		346,328.49
Total Cash Accounts	337,510.88	45,277.23	36,459.62	0.00	346,328.49
Other Accounts					
1000-10-10 Banking Corrections	(26.90)				(26.90)
2000-10-00 Student Council	25,650.75		345.60		25,305.15
2022-00-00 Class of 2022	64.85				64.85
2024-00-00 Class of 2024	2,074.58				2.074.58
2026-00-00 Class of 2026	10,389.62				10,389.62
2027-00-00 Class of 2027	4,779.59	143.89			4,923.48
2028-00-00 Class of 2028	746.31				746.31
2029-00-00 Class of 2029	1,024.13				1.024.13
2030-00-00 Class of 2030	589.57				589.57
2110-00-10 Prom	29,463.53				29,463.53
2110-10-00 Band	11,452.05				11,452.05
2120-10-00 Drama Club	956.23				956.23
2140-10-00 Choral	3,890.12				3,890.12
2150-30-00 Musical	20,848.86				20,848.86
2151-10-00 Tri-M	659.00				659.00
2151-10-10 Music Industry Club- MIC	822.65				822.65
2152-10-00 24hr Musical	3,954.50		1,655.22		2,299.28
2153-10-00 Spring/Fall Play	1,554.30				1,554.30
2155-10-00 Orchestra	1,504.55				1,504.55
2210-10-00 Activist Club	85.88				85.88
2220-10-00 Art Club	1,731.11				1,731.11
2230-00-00 Black Allegiance Club	149.83				149.83
2245-10-00 Women's Empowerment Club	195.93				195.93
2253-10-00 Conservation	889.41				889.41
2258-10-00 Engineering Club	161.85				161.85
2259-10-00 Film Production	236.85				236.85
2263-10-00 Interact Club	4,778.66				4,778.66
2276-10-00 Field Trips	534.59				534.59
2281-10-00 Gold Rush	1,151.42				1,151.42
2310-10-00 French Club	200.36				200.36
2320-10-00 German Club	282.64				282.64
2330-10-00 Spanish Club	138.05				138.05
2330-20-00 World Language Department	287.37				287.37
2340-10-10 Key Club	1,673.71				1.673.71
2370-10-00 FCCLA	79.42				79.42
2390-10-00 National Honor Society	5,040.61		387.00		4,653.61
2391-10-00 AVID	6,369.03				6,369.03
2393-10-00 PBIS	884.95				884.95
2400-10-00 Peer Mediation/SADD	102.95				102.95
2405-10-00 Debate Team	3,331.05		40.00		3,291.05
2406-10-00 DJ (Entertainment) Club	312.07				312.07
2408-10-00 GSA (Gay Straight Alliannce)	547.86				547.86
2409-10-00 Hispanic Youth Alliance	401.97				401.97
2409-20-00 AAPIA-Asian Amer Pac Islander	43.52				43.52
2409-30-00 South Asian Student Alliance	203.50				203.50
2410-10-00 Knitting Club	20.00				20.00
2415-10-00 Science Club	339.43				339.43
2420-10-00 Science Olympiad	1,130.98				1.130.98
2425-10-00 Girls Into Stem	100.00				100.00

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
2430-10-00 Academic Challenge	25.00				25.00
2590-40-00 Relay for Life	122.51				122.51
2618-30-00 Green Eagles	2,933.72				2,933.72
2618-30-10 High School Against Cancer	25.35				25.35
3000-10-00 Special Olympics	4,441.36				4,441.36
3001-00-00 Student Act/Ath Council	1,547.89	1,130.10	1,440.00		1,237.99
3100-20-20 Baseball	18,070.63				18,070.63
3150-20-10 Softball	5,724.93				5,724.93
3200-20-10 Girls Basketball	1,059.64				1,059.64
3200-20-20 Boys Basketball	2,240.63				2,240.63
3210-20-10 Bowling	2,038.86				2,038.86
3250-20-10 Dance Team	3,306.69	244.75	2,016.00		1,535.44
3275-00-00 Math Team	798.27				798.27
3300-20-10 Girls Soccer	7,339.19				7,339.19
3300-20-20 Boys Soccer	11,345.07				11,345.07
3350-20-10 Cheerleaders	8,017.92	9,820.25	9,728.39		8,109.78
3400-20-10 Girls Tennis	3,887.31				3,887.31
3400-20-20 Boys Tennis	4,438.84				4,438.84
3450-20-10 Girls Swimming	50.00				50.00
3450-20-20 Boys Swimming	1,008.61				1,008.61
3500-20-10 Girls Track & Field	10,218.61				10,218.61
3500-20-20 Boys Track	8,713.04				8,713.04
3600-20-10 Girls Golf	192.98				192.98
3600-20-20 Boys Golf	6,696.78				6,696.78
3650-20-10 Boys Lacrosse	8,639.06	600.00	600.00		8,639.06
3700-20-10 Football	12,941.10	30,922.02	20,208.92		23,654.20
3750-20-10 Flag Football	8,403.18				8,403.18
3800-20-00 Cross Country	1,282.44	1,150.00	38.49		2,393.95
3850-20-00 Boys Wrestling	3,417.58				3,417.58
3900-20-00 Volleyball	8,102.23	115.00			8,217.23
4100-30-00 General	251.18				251.18
4110-10-00 Eagle Minds Matter	1,029.39				1,029.39
4200-10-00 Eagle's Wings Food Pantry	7,564.94				7,564.94
4300-30-10 Eagle Pride Advisory Committee	171.77				171.77
6000-00-00 Interest	29,660.89	1,151.22			30,812.11
Total Other Accounts	337,510.88	45,277.23	36,459.62	0.00	346,328.49

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	5,689.43	18.95			5,708.38
Total Cash Accounts	5,689.43	18.95	0.00	0.00	5,708.38
Other Accounts					
2034-00-00 Class of 2034	248.77				248.77
2631-10-00 Field Trip Grant Funds	94.47				94.47
3020-10-00 Leopards Chorus Club	1,897.67				1,897.67
3030-20-00 ILMEA	80.00				80.00
4100-30-00 General	1,985.01				1,985.01
5010-00-10 Jump Rope for Heart	50.00				50.00
5020-00-00 Ned Show / Yo-yo	1,184.00				1,184.00
5100-00-00 Leopards Holiday Giving	71.36				71.36
6000-00-00 Interest Income	78.15	18.95			97.10
Total Other Accounts	5,689.43	18.95	0.00	0.00	5,708.38

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	22,984.52	874.39			23,858.91
Total Cash Accounts	22,984.52	874.39	0.00	0.00	23,858.91
Other Accounts					
2001-10-10 PBIS (Student Council)	2,634.41				2,634.41
2033-00-00 Class of 2033	(1.89)				(1.89)
2034-00-00 Class of 2034	1,838.86	133.66			1,972.52
2035-00-00 Class of 2035	215.87	133.66			349.53
2036-00-00 Class of 2036	986.86	133.66			1,120.52
2037-00-00 Class of 2037	967.42	133.66			1,101.08
2038-00-00 Class of 2038	130.58	133.66			264.24
2039-00-00 Class of 2039	0.00	134.16			134.16
2110-10-00 Band	16.70				16.70
2120-00-00 Book Fair	2,427.79				2,427.79
2151-10-00 Music Club	2,996.95				2,996.95
2230-10-00 Beta Club	42.46				42.46
2540-20-00 Cultural Committee	285.60				285.60
2618-30-00 Families in Need	104.41				104.41
2657-00-00 Family Night-Math Night	1,349.95				1,349.95
2657-10-00 Family Night-Reading Night	2,093.95				2,093.95
3100-00-00 Yearbook	3,806.35				3,806.35
4100-30-00 General	922.02				922.02
4300-30-00 Sunshine Fund	0.66				0.66
6000-00-00 Interest Income	2,165.57	71.93			2,237.50
Total Other Accounts	22,984.52	874.39	0.00	0.00	23,858.91

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	6,120.13	18.61	257.46		5,881.28
Total Cash Accounts	6,120.13	18.61	257.46	0.00	5,881.28
Other Accounts					
2033-00-00 Class of 2033	915.48				915.48
2034-00-00 Class of 2034	92.98				92.98
2035-00-00 Class of 2035	105.00				105.00
2100-10-00 Dual Language Activities	80.00				80.00
2410-00-00 Bookfair	(15.13)				(15.13)
2482-10-00 Yearbook	279.98				279.98
2590-40-00 Relay for Life	65.50				65.50
4100-30-00 General	256.19				256.19
4200-00-00 Liberty Chorus	1,855.70				1,855.70
4300-20-00 Kids Heart Challenge	1,200.00				1,200.00
4400-00-00 Reach for the Stars	616.12				616.12
6000-00-00 Interest Income	668.31	18.61	257.46		429.46
Total Other Accounts	6,120.13	18.61	257.46	0.00	5,881.28

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	10,348.41	2,382.73			12,731.14
Total Cash Accounts	10,348.41	2,382.73	0.00	0.00	12,731.14
Other Accounts					
2034-00-00 Class of 2034	703.50				703.50
2035-00-00 Class of 2035	157.81				157.81
2036-00-00 Class of 2036	167.03				167.03
2037-00-00 Class of 2037	0.70				0.70
2038-00-00 Class of 2038	128.92				128.92
2210-00-00 Animal Shelter Fundraiser	0.50				0.50
2510-00-00 Scholastic Book Fair/Follett	90.02				90.02
3100-00-00 Yearbook	3,971.61				3,971.61
4100-30-00 General	2,464.88				2,464.88
4300-10-00 Staff Spiritwear	1,314.71				1,314.71
4300-20-00 Sunshine	324.06	850.00			1,174.06
6000-00-00 Interest Income	1,024.67	32.73			1,057.40
6000-30-00 Field Trip Reserve - District	0.00	1,500.00			1,500.00
Total Other Accounts	10,348.41	2,382.73	0.00	0.00	12,731.14

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	1,541.92	4.65			1,546.57
Total Cash Accounts	1,541.92	4.65	0.00	0.00	1,546.57
Other Accounts					
2590-30-00 Girls on the Run	69.01				69.01
4100-30-00 General	97.18				97.18
4250-30-00 Staff Spirit Wear	6.48				6.48
4300-30-00 Social Fund	100.29				100.29
4400-10-00 Scholastic Book Fair	106.20				106.20
5000-10-00 Yearbook	633.35				633.35
6000-00-00 Interest Income	529.41	4.65			534.06
Total Other Accounts	1,541.92	4.65	0.00	0.00	1,546.57

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	1,833.21	1,506.18			3,339.39
Total Cash Accounts	1,833.21	1,506.18	0.00	0.00	3,339.39
Other Accounts					
2031-00-00 Class of 2031	245.90				245.90
2032-00-00 Class of 2032	(245.90)				(245.90)
2034-00-00 Class of 2034	165.36				165.36
2035-00-00 Class of 2035	14.19				14.19
4100-30-00 General	1,025.31				1,025.31
6000-00-00 Interest Income	628.35	6.18			634.53
6000-30-00 Field Trip Reserve - District	0.00	1,500.00			1,500.00
Total Other Accounts	1,833.21	1,506.18	0.00	0.00	3,339.39

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	11,920.82	1,536.93			13,457.75
Total Cash Accounts	11,920.82	1,536.93	0.00	0.00	13,457.75
Other Accounts					
2035-00-00 Class of 2035	16.00				16.00
2036-00-00 Class of 2036	600.00				600.00
2590-40-00 Relay for Life	1,248.02				1,248.02
4100-00-00 PBIS	1,494.06				1,494.06
4150-00-00 Math Night	108.00				108.00
4300-00-00 General Fund	1,670.23				1,670.23
5010-00-00 School Fundraisers	5,109.07				5,109.07
5030-10-00 School Store-Inactive	269.06				269.06
5500-00-00 Staff Social Account-Inactive	1.36				1.36
6000-00-00 Interest Income	1,405.02	36.93			1,441.95
6000-30-00 Field Trip Reserve - District	0.00	1,500.00			1,500.00
Total Other Accounts	11,920.82	1,536.93	0.00	0.00	13,457.75

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	7,973.47	26.08			7,999.55
Total Cash Accounts	7,973.47	26.08	0.00	0.00	7,999.55
Other Accounts					
2029-00-00 Class of 2029	0.45				0.45
2030-00-00 Class of 2030	20.00				20.00
2031-00-00 Class of 2031	111.00				111.00
2032-00-00 Class of 2032	88.00				88.00
2034-00-00 Class of 2034	764.03				764.03
2035-00-00 Class of 2035	(116.89)				(116.89)
2036-00-00 Class of 2036	27.45				27.45
2037-00-00 Class of 2037	190.01				190.01
2038-00-00 Class of 2038	614.07				614.07
3200-00-00 Media Center	116.43				116.43
3300-10-00 Student Council	568.09				568.09
3300-20-00 Perry Fundraising	2,176.45				2,176.45
3500-10-00 Donations	1,600.00				1,600.00
4100-30-00 General	381.71				381.71
4200-00-00 Perry Teacher Social Account	226.32				226.32
6000-00-00 Interest Income	1,206.35	26.08			1,232.43
Total Other Accounts	7,973.47	26.08	0.00	0.00	7,999.55

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	1,752.97	5.27			1,758.24
Total Cash Accounts	1,752.97	5.27	0.00	0.00	1,758.24
Other Accounts					
2033-00-00 Class of 2033	452.16				452.16
2034-00-00 Class of 2034	353.26				353.26
2035-00-00 Class of 2035	99.97				99.97
2036-00-00 Class of 2036	160.62				160.62
2037-00-00 Class of 2037	(14.96)				(14.96)
2560-30-00 Library - Birthday Books	0.08				0.08
4100-30-00 General	15.97				15.97
6000-00-00 Interest Income	680.87	5.27			686.14
6000-10-00 Bank Corrections	5.00				5.00
Total Other Accounts	1,752.97	5.27	0.00	0.00	1,758.24

ACCOUNT ANALYSIS REPORT - SUMMARY

Date Range: 8/1/2026 through 8/31/2026

Account Range: ALL

ACCOUNT # AND DESCRIPTION	BEG BALANCE	INCOME	EXPENSE	TRANSFERS	BALANCE
Cash Accounts					
1000-00-10 Harris - Checking	55,532.15	4,080.18	14,987.31		44,625.02
Total Cash Accounts	55,532.15	4,080.18	14,987.31	0.00	44,625.02
Other Accounts					
2000-10-00 Student Council	158.39				158.39
2031-10-00 Class of 2031-A	563.33				563.33
2031-20-00 Class of 2031-B	563.32				563.32
2032-00-00 Class of 2032	1,951.19				1,951.19
2033-00-00 Class of 2033	2,338.21				2,338.21
2034-00-00 Class of 2034	0.79				0.79
2035-00-00 Class of 2035	8.02				8.02
2036-00-00 Class of 2036	17.58				17.58
2112-00-00 Band - Middle School	496.00	110.00			606.00
2115-00-00 Music - Elementary	582.07				582.07
2150-30-00 Musicals	3,249.19				3,249.19
2151-10-00 Music Dept.	1,791.33	235.35			2,026.68
2220-10-00 Art Club	85.79				85.79
2230-10-00 Beta Club	5,857.88		5,000.00		857.88
2340-10-00 Spelling Bee	196.03				196.03
2391-10-00 AVID	8,323.49		574.56		7,748.93
2392-10-00 HANDS Club	0.06				0.06
2392-20-00 Pawsitivity Pack-INACTIVE	949.90				949.90
2393-10-00 PBIS Middle School	213.52				213.52
2393-20-00 PBIS Elementary	3,045.34				3,045.34
2395-10-00 Family Engagement Nights	173.00				173.00
2481-10-00 Yearbook - MS	10,737.67	848.00	6,043.20		5,542.47
2482-10-00 Yearbook - ELE	692.65				692.65
2560-30-00 Birthday Book Club	3.74				3.74
2560-40-00 Library-Book Fair	6,572.36				6,572.36
2590-10-00 Boys Basketball Lions Club	0.66				0.66
2590-20-00 Girls Basketball Lions Club	36.92				36.92
2640-30-00 Science Fair	164.46				164.46
2660-00-00 Math Club	24.86				24.86
2668-00-00 Track	276.12				276.12
3250-20-10 Poms	25.82				25.82
3350-20-10 Cheerleading	960.44				960.44
3830-00-00 Basketball - Girls	0.04				0.04
3840-00-00 Basketball - Boys	635.04	215.00	850.04		0.00
3850-20-00 Wrestling	142.55				142.55
3860-20-00 Cross Country	78.20				78.20
3900-20-00 Volleyball	0.50				0.50
4100-30-00 General	2,126.37		2,519.51	1,000.00	606.86
4400-30-00 PE - MS	74.52				74.52
4401-30-00 PE - Elementary	243.09				243.09
5500-10-00 Bank Correction	150.00				150.00
6000-00-00 Interest Income	2,021.71	171.83		(1,000.00)	1,193.54
6000-30-00 Field Trip Reserve - District	0.00	2,500.00			2,500.00
Total Other Accounts	55,532.15	4,080.18	14,987.31	0.00	44,625.02

DISTRICT 300

BOARD OF EDUCATION MEMO

DATE: October 6, 2026

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Dr. Frank Williams
Chief Financial Officer

Presented at the following Board Meetings	Date
Board Operations Committee	10/6/2026
BOE 1st Reading	10/6/2026
BOE 2nd Reading	10/27/2026

SUBJECT: Fiscal Year (FY) 2027-2028 Budget Designee and Calendar Resolution

Background

The Illinois School Code requires the Board of Education to designate "some person or persons" to prepare the tentative budget (105 ILCS 5/17-1). It is recommended that this designation be made following Board approval of the current fiscal year's budget and prior to the start of the FY2027-28 budget development process.

As a best practice, the responsibility for preparing the tentative budget should be assigned to the Chief Financial Officer and Superintendent. To comply with the Illinois School Code, the District has prepared a resolution formally designating these individuals as responsible for preparing the tentative budget.

In addition, the District has developed a proposed budget calendar to guide the FY2027-28 budget development process and establish key dates and deadlines throughout the year.

Recommendation

The Administration recommends that the Board of Education adopt the resolution designating Dr. Martina Smith and Dr. Frank Williams to begin the FY2027-28 budget development process and prepare the budget in tentative form, and adopt the FY2027-28 Budget Calendar.

COMMUNITY UNIT SCHOOL

DISTRICT 300 RESOLUTION

REGARDING

DESIGNEE TO PREPARE TENTATIVE BUDGET

BE IT RESOLVED by the Board of Education of Community Unit School District No. 300, Counties of Kane, McHenry, Cook, and DeKalb, State of Illinois, that Dr. Frank Williams, Chief Financial Officer, is hereby appointed to prepare a tentative budget for said School District for the fiscal year beginning July 1, 2027, and ending June 30, 2028, which tentative budget shall be filed with the Secretary of this Board.

ADOPTED this 27th day of October 2026.

AYES:

NAYS:

ABSENT:

Board of Education
Community Unit School
District 300 Algonquin
Counties of Kane, McHenry,
Cook, and DeKalb, Illinois

BY:

_____
President, Board of Education

ATTEST:

_____
Secretary, Board of Education

_____
Date

COMMUNITY UNIT SCHOOL DISTRICT 300
FY 2026-2027 BUDGET CALENDAR

Date	Task	Who?
October 2026	Designate preparer of the budget Adopt proposed budget calendar Review enrollment projections & capacity Develop 2026 Tax Levy	Board of Education Board of Education Administration CFO
November 2026	Begin staffing plan/budget process Review 2026 Tentative Levy Vote on 2026 Tentative Levy Publish 2026 Levy Hearing Legal Notice	Administration Operations Committee Board of Education CFO
December 2026	Review 2026 Tax Levy Conduct Tax Levy Hearing & Adoption of Tax Levy Preparation to begin Capital Maintenance Project list for Summer 2028	CFO CFO D300 Staff
January 2027	Staffing discussions	Administration
February 2027	Plan Strategic Priority Tasks for School Year 2027-2028	Supt/Deputy Supt
March 2027	Staffing Plan Provide Department Heads and School Administration with Budget Request Template	Board of Education CFO
April 2027	Review & analyze budget requests Present 5 Year Projection	CFO Operations Committee
July 2027	Review Draft Budget & Capital Plan	Operations Committee
August 2027	Review 2027-2028 Tentative Educational & Capital Plan Tentative Budget placed on display Tentative Budget Approval	Operations Committee CFO Board of Education
September 2027	Review 2027-2028 Final Educational & Capital Plan Hold Public Hearing on 2027-2028 Budget Adoption of 2027-2028 Budget	Operations Committee Board of Education Board of Education

DISTRICT 300

BOARD OF EDUCATION MEMO

DATE: October 6, 2026

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Ross Bertone
Executive Director of Facilities & Operations

SUBJECT: Electrical Time & Material Contract

Presented at the following Board Meetings	Date
Board Operations Committee	10/6/2026
BOE 1st Reading	10/6/2026
BOE 2nd Reading	10/27/2026

Background

In-house electricians focus on daily, routine maintenance across all district schools; contracting electrical services on a time and material (T&M) agreement provides essential backup capacity for large-scale projects, high-voltage specialized systems, and major emergency outages that require additional manpower. Establishing a T&M contract locks in transparent, lower labor and markup rates in advance so the district avoids paying inflated, ad-hoc costs during emergency or specialized work.

District 300 solicited competitive bids for Time and Material Rates - Electric services across district facilities. Specifications were finalized and released publicly to vendors via BidNet on August 25, 2026. A pre-bid meeting was held on September 1, 2026. Bids were publicly opened on September 15, 2026. Five vendors participated in the bid process, with three submitting bid proposals, one submitting a formal no bid, and one declining to bid.

Below is a comparison of hourly rates, percentage markups, and performance bond costs across all participating vendors:

Vendor	Associated Electrical	Kellenberger Electric Inc.	Peters Electric & Technology
HOURLY - STRAIGHT TIME			
Apprentice 1	N/A	$89.32	$110.00
Apprentice 2	N/A	$97.08	$116.50
Apprentice 3	N/A	$104.84	$123.00
Apprentice 4	N/A	$112.61	$129.50
Apprentice 5	N/A	$120.38	$136.00

Journeyman	$153.00	$140.62	$146.00
Foreman	$163.00	$140.62	$158.50
HOURLY - OVERTIME			
Apprentice 1	N/A	$133.98	$161.18
Apprentice 2	N/A	$145.62	$170.90
Apprentice 3	N/A	$157.26	$180.60
Apprentice 4	N/A	$168.92	$190.30
Apprentice 5	N/A	$180.57	$200.00
Journeyman	$230.00	$210.93	$214.56
Foreman	$244.00	$210.93	$233.87
HOURLY - PREMIUM or DOUBLE-OVERTIME			
Apprentice 1	N/A	$178.64	$214.55
Apprentice 2	N/A	$194.16	$227.47
Apprentice 3	N/A	$209.68	$240.39
Apprentice 4	N/A	$225.22	$253.31
Apprentice 5	N/A	$240.76	$266.23
Journeyman	$306.00	$281.24	$285.62
Foreman	$326.00	$281.24	$311.32
PERCENTAGE OF MARKUP			
Materials	18%	10%	5%
Equipment	18%	10%	5%
Performance Bond	$525.00	$750.00	$504.00
ADDITIONAL COMMENTS	Emergency rate: at AEC discretion Straight time M-F 7 am - 3 pm / OT M-F 3 pm - 5 pm & Sat. 7 am -3 pm / DT all other hours & days & holidays	Emergency Rate: $140/HR during straight time working hours	Emergency rate: $311.32/HR

The contract rates start on November 1, 2026, with the first year contract conclusion on December 31, 2027. This 14-month contract term is required because the previous vendor could no longer fulfill their contract.

The Facilities and Operations Department has reviewed all vendor submissions for responsiveness, qualifications, required documentation, and rate structures. Kellenberger Electric Inc. submitted the lowest responsible labor rates meeting all technical specifications and compliance requirements.

Administrative Recommendation

The administration recommends awarding the Electrical Time and Material Contract to Kellenberger Electric Inc., Elgin, IL, for the period of November 1, 2026, through December 31, 2027, at the stated rates within the bid submission.

Fiscal Impact

Electrical time and material services will be funded through the Operations and Maintenance budget (Fund 20). Historical expenditure data reflects $47,234.00 spent in FY25 and $15,170.00 spent in FY26. Based on these historical trends and current district needs, the estimated fiscal impact for this 14-month contract period is anticipated to be approximately $36,000.00.

COMMUNITY UNIT SCHOOL DISTRICT 300
TIME AND MATERIAL RATES - ELECTRIC
Tuesday, September 15, 2026, 11:00 AM CT

COMPANY	References	Certifications	W-9		Vendor App.	Bid Response Form A	Bid Response Form B	Comments
Associated Electrical Contractors, LLC	X	X	X		X	X		
Helm Group								Formal no bid
Kellenberger Electric Inc	X	X	X	X	X	X		
Peters Electric & Technology	X	X	X		X	X		
O'Connor Electric Inc								Declined to bid

DISTRICT 300

BOARD OF EDUCATION MEMO

DATE: October 6, 2026

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Ross Bertone
Executive Director of Facilities & Operations

SUBJECT: Snow and Ice Removal Contract Bid

Presented at the following Board Meetings	Date
Board Operations Committee	10/6/2026
BOE 1st Reading	10/6/2026
BOE 2nd Reading	10/27/2026

Background

The District spans approximately 118 square miles and operates 30 buildings. To clear parking lots in a timely manner during snow and ice events, the District requires a service provider with appropriately sized equipment and sufficient staffing. District staff are responsible for clearing sidewalks and walking paths, while the contracted provider is responsible for clearing parking lots, as well as parent and bus drop-off areas.

The District's current snow and ice removal contract expires October 31, 2026, following five years of service, including an initial three-year contract and two one-year extensions. Because the anticipated cost of these services exceeds $35,000, the District solicited competitive bids for comprehensive snow plowing, salting, liquid de-icing, and ice management services at all District facilities. The bid specifications established a three-year contract term with the option for two additional one-year extensions, subject to satisfactory performance.

Specifications were finalized and publicly released to vendors through BidNet on August 21, 2026. Bids were publicly opened on September 17, 2026. The table below provides a comparison of the total bid evaluation calculations for all four participating vendors based on the District's specified scope of work.

Evaluation Calculations

Event Description	# of Events	Arctic Snow and Ice	Diaz Group LLC	JDK Services Inc	Snow Systems
Flat Rate Salt Only applied	10	$155,510.00	$313,725.62	$101,700.00	$157,704.00
Flat Rate with Salt and Liquid	10	$178,850.00	no bid	$104,430.00	$173,474.40

1" to 3" snowfall with ice melt application	4	$116,612.00	$135,143.34	$83,664.00	$123,006.64
greater than 3" up to 6" snowfall with ice melt	1	$36,081.00	$40,543.00	$20,916.00	$46,127.49
greater than 6" up to 9" snowfall with ice melt	1	$46,471.00	$48,651.60	$20,483.00	$67,653.65
greater than 9" up to 12" snowfall with ice melt	1	$62,061.00	$58,381.92	$29.00	$83,944.73
Calculated Evaluation Total		**$595,585.00**	**$538,063.57**	**$331,222.00**	**$651,910.92**

Rates & Material Costs

Service Category / Material Rates	Arctic Snow and Ice	Diaz Group LLC	JDK Services Inc	Snow Systems
Flat Rate Per Event (All Quadrants Combined)	$207,202.00	$154,353.01	$82,957.00	$261,595.37
Salt (per Ton)	$225.00	$198.00	$209.00	$240.00
Liquid De-Icer (per Gallon)	$25.00	no bid	$6.00	$5.50

District staff reviewed all vendor submissions for responsiveness, equipment availability, staff certifications, and historical service quality. JDK Services Inc. submitted the lowest responsive and responsible bid that met all technical specifications and compliance requirements.

Administrative Recommendation

The Administration recommends that the Board of Education award a three-year contract to JDK Services Inc., Gilberts, IL, for snow and ice removal services for the period of November 1, 2026, through October 31, 2029, with the option to extend the contract for two additional one-year periods, subject to satisfactory performance and at the per-event and material amounts listed in its bid submission.

Fiscal Impact

The fiscal impact will vary from year to year based on the number and severity of snow and ice events. Over the past three fiscal years, the District spent $530,313.11 in FY24, $431,111.74 in FY25, and $776,947.48 in FY26, respectively. For FY27, the District has budgeted $600,000 for snow and ice removal services. These services are funded through the Operations and Maintenance Fund (Fund 20).

COMMUNITY UNIT SCHOOL DISTRICT 300

SNOW AND ICE REMOVAL

THURSDAY, SEPTEMBER 17, 2026 10:00AM

Vendor	Bid Bond	Certificates	References	Vendor App	W-9	Bid Response Form A	Bid Response Form B	Equipment List	Comments
Arctic Snow and Ice Control	X	X	X	X	X	X	X	X	
Diaz Group LLC	X	X	X	X	X	X	X	X	
JDK Services Inc	X	X	X	X	X	X	X	X	
Snow Systems	X	X	X		X	X	X	X	

JDK Services, Inc. Equipment Registry (updated 9-15-26)	
2067TRK	VIN# 1FTWF31R38EE22412
	2008 FORD F-350 WHITE PICKUP
2068BOXTRK	VIN#J8BC4W16587000433
	2008 CHEVY W4500
2071TRK	VIN#1GBJK74699F143680
	2009 CHEVY TRUCK 3500
2084TRK	VIN# 1GC1KYE87F142779
	2014 SILVERADO (PURCHASED FROM GARY LANG 12/20/13)
2087TRK	2014 FORD Pickup (ROD BAKER 3/11/14)
	VIN#1FTEX1CM3EKD18048
2092TRK	2015 Chevrolet Silverado (Red)
	VIN #1GC3KYE88FZ103367
2093TRK	2015 FORD F-550 SD WHITE
	VIN# 1FDUF5HT4FEA48135
2094TRK	2015 Chevy Silverado
	VIN# 1GC4K1E88FF549581
2095TRK	2006 FREIGHTLINER
	VIN# 1FVACXCS56HV47507
2096TRK	2015 FORD F-550 WHITE
	VIN#1FD4F5HTXFEC09345
2099TRK	2015 Chevy Silverado
	VIN # 1GB3KYC88FF612707
2100TRK	2015 Chevy Silverado
	VIN# 1GB4KYC84FF611963
2101TRK	2016 CHEVY SILVERADO 35
	VIN# 1GC4KOC82GF115946
2103TRK	2016 FORD F-750 WHITE
	1FDXF7ZX5HDB00723
2104TRK	2016 CHEVY SILVERADO 2500 WHITE
	1GCOKUEG1GZ317296
2105TRK	2016 CHEVY SILVERADO 3500 WHITE W/ BOSS PLOW

	1G3kycg6GZ398464
2106TRK	2017 CHEVY SILVERADO 3500 WHITE PLAIN JANE
	VIN#1GC2KYEGH5HZ393105
2107TRK	2017 CHEVY SILVERADO 3500 WHITE HIGH COUNTRY GARY
	VIN#1GC4K1EY7JF186473
2113TRK	2019 CHEVY 3500 DUMP WITH STAINLESS STEEL BODY WHITE
	1GB3KYCY7JF245811
2114TRK	2018 CHEVY 3500 QUAD CAB LONG BED PICKUP WHITE
	1GC4KVCG2KF147437
2115TRK	2019 INTERNATIONAL C7500
	1HTEUMMN4KH536268
2116TRK	2019 CHEVY 2500 PICKUP
	VIN#1GC1KREG5KF263724
2119TRK	2020 GMC 3500 PICKUP
	VIN# 1GT49SE71LF143016
2121TRK	2020 CHEVROLET 3500 PICKUP Aaron
	1GC4YPEY1LF112292
2122TRK	2020 CHEVROLET 3500 PICKUP HIGH COUNTRY
	1GC4YREY8LF265523
2123TRK	2019 Ford F350 LARIAT
	1FT8W3BT5KEG25800
2124TRK	2020 FORD F450 GAS - STAINLESS STEEL
	1FDUF4HN9LDA01549
2125TRK	2021 CHEVROLET 2500 GAS PICKUP
	1GC4YLE71MF101665
2126TRK	2021 FORD F450 DUMP STAINLESS STEEL
	VIN# 1FDTF4HN8MEC14662
2128TRK	2022 CHEVROLET 2500 PICKUP
	1GC3YNE79NF107951
2130TRK	2021 CHEVROLET 3500 DUMP STAINLESS BODY
	1FT8W3BT5KEG35800
2131TRK	2017 CHEVROLET SILVERADO 2500 W/ WHITE TOP
	1GC1KWEY3HF167560

2133TRK	2017 FORD F250 RED
	1FT7X2B65HEC89074
2134TRK	2021 FORD F350 BLUE PICKUP
	1FT8W3BN7MED82693
2135TRK	2022 FORD F450 WHITE DUMP w/ tailgate spreader
	1FDT4HT6NEC42864
2136TRK	2022 FORD F350 DUMP WHITE w/ tailgate spreader
	1FRDRF3HNXDA01983
2137TRK	2021 FORD F450 RED DUMP w/ tailgate spreader
	1FDTF4HNXMED61713
2138TRK	2021 FORD F550 - WHITE w/ tailgate spreader
	1FDUF5HN7MED60514
2139TRK	2015 FORD F750 - RED
	3FRXX7FK0FV662336
2140TRK	2022 FORD F750 - WHITE/BLACK
	1FDNF7DE0NDF02215
2141TRK	2022 CHEVROLET SILVERADO 3500 DUMP WHITE AND BLACK
	1GB4YSEY7NF165251
2142TRK	2022 CHEVROLET SILVERADO 3500 DUMP WHITE AND BLACK
	1GB4YSEY7NF165315
2143TRK	2022 FORD F350 Pickup - WHITE prodigy plow
	1FT8W3B6XNEC76779
2144TRK	2019 CHEVROLET 3500 DUMP WHITE AND BLACK
	1GB3KVCG6KF118085
2145TRK	2021 CHEVROLET EXPRESS KUV
	1GB0GRF70M1305037
2146TRK	2021 INTERNATIONAL 515
	VIN# 1HTKTSWM3MH189520
2147TRK	2022 CHEVROLET SILVERADO
	VIN# 1GC5YME71NF212857
2148TRK	2021 FORD F250 PICK UP
	VIN# 1FT8X2BT2MEC27443
2149TRK	2021 FORD F-550 w/ tailgate spreader

	VIN# 1FDUF5HT2MDA12592
2150TRK	2004 STERLING
	VIN#2FZACHDC14AM43883
2152TRK	2020 PETERBILT
	VIN# 1NP3LJ0X6LD702790
2153TRK	2022 CHEVROLET 3500 PICKUP
	VIN# 1GC3YSE7XNF292266
2154TRK	2022 CHEVROLET 3500 PICKUP
	VIN# 1GC3YSE7XNF292302
2155TRK	2022 FORD F 450 DUMP TRUCK
	VIN # 1FD9X4HT6NED71016
2156TRK	2023 CHEVROLET SILVERADO 2500
	VIN# 2GC4ME77P170102
2157TRK	2024 PETERBILT 548
	VIN # 2NP8LJ0X7RM602738
2159TRK	2024 CHEVROLET SILVERADO 3500 DUMP WHITE AND BLACK
	VIN# 1GB4YSEY9RF218148
2160TRK	2024 CHEVROLET SILVERADO 2500 PICKUP
	VIN # 1GC2YLE75RF267993
2161TRK	2023 FORD F450 DUMP
	1FD9X4HT5PED43579
2162TRK	2024 GMC DENALI 2500
	VIN# 1GT49REY9RF416455
2163TRK	2024 GMC DENALI 3500 (BLACK)
	1GT49YEY8RF463552
2164TRK	2024 CHEVROLET SILVERADO 3500 HIGH COUNTRY WHITE
	2GC4YVEY8R1235382
2166TRK	2023 FORD F450 SNOW FIGHTER DUMP
	VIN # 1FDUF5HT6PEC36897
2167TRK	2024 FORD F450 DUMP
	VIN # 1FD9X4HT0REF91161
2168TRK	2026 FORD F600 SNOW FIGHTER DUMP
	VIN # 1FDFF6LN7TDA00086

2169TRK	2024 CHEVY 5500 SNOW FIGHTER DUMP
	VIN # 1HTKJPVK2RH082937
2170TRK	2019 GMC 2500
	VIN # 2GT22NEG1K1243054
JDK Machine #	MACHINE LISTING
	EQUIPMENT
#1 SKID	2004 JOHN DEERE 325 SKID STEER (1)
	VIN # T00325B102628
#2 SKID	2004 JOHN DEERE 328 SKID STEER (2)
	VIN # T00328B103879
#3 LOADER	2008 JOHN DEERE 244 J LOADER (1)
	VIN # LU4244JX720845
# 4 LOADER	2009 JOHN DEERE 244 J LOADER (2)
	VIN # LU4244JX623580
# 5 LOADER	2009 JOHN DEERE 244 J LOADER (3)
	VIN # LU244JX623676
# 6 LOADER	2010 JOHN DEERE 244 J LOADER (4)
	VIN # 1LU244JXHZB025990
# 7 LOADER	1999 CASE 621 C LOADER (LARGE 1)
	VIN # JEE0122851
# 8 LOADER	2007 CASE 580 SUPER M EXTENDED BACK HOE (1)
	VIN # N7C428079
# 9 SKID	2009 JOHN DEERE 332 SKID STEER (3)
	VIN # T00332B178490
# 10 SKID	2008 JOHN DEERE 332 SKID STEER (4)
	VIN # T00332B171287
# 11 SKID	2006 JOHN DEERE 332 SKID STEER (5)
	VIN # T00332B134075
#12 SKID	2009 JOHN DEERE 332 SKID STEER (6)
	VIN # T00332B175740
#13 SKID	2007 JOHN DEERE 322 STEER SKID STEER (7)
	VIN # T0322TA139509
# 14 SKID	2010 JOHN DEERE 332 D SKID STEER (8)

	VIN # TO332DB186508
# 15 SKID	2008 JOHN DEERE 332 SKID STEER (9)
	VIN # T00332B171252
# 16 SKID	2010 JOHN DEERE 326 D SKID STEER (10)
	VIN # IT0326DBCA0192996
# 17 SKID	2010 JOHN DEERE 326 D SKID STEER (11)
	VIN # IT0326DBTA0192927
# 18 SKID	2010 JOHN DEERE 326 D SKID STEER (12)
	VIN # IT0326DBKA0192882
# 19 SKID	2010 JOHN DEERE 326 D SKID STEER (13)
	VIN # 1T0326DBCA0192876
#20 SKID	2010 JOHN DEERE 326 D SKID STEER (14)
	VIN # IT0326DBKA0193014
# 21 SKID	2010 JOHN DEERE 326 D SKID STEER (15)
	VIN # T0326DBEA0193086
#22 LOADER	DAEWOO LOADER (LARGE 2) 416 JRB Bracket
	1009
# 23 LOADER	1999 CASE 621 CXT LOADER (LARGE 3)
	VIN # JEE0093832
# 24 LOADER	KOMATSU 180 TOOL CARRIER LOADER (LARGE 4) 416 JRB Bracket
	A88143D
# 25 SKID	2013 JOHN DEERE 333 E WIDE TRACK SKID STEER (16)
	VIN # IT0333EKKDE241810
# 26 SKID	2015 JOHN DEERE 332 E SKID STEER (17)
	VIN # IT0332EKHEE273029
# 27 SKID	2015 JOHN DEERE 332 E SKID STEER (18)
	VIN # IT0332EKAEE273660
# 28 LOADER	2014 JOHN DEERE 304 K LOADER (5)
	VIN # 1LU304KXJZB033644
# 29 SKID	2004 JOHN DEERE 325 SKID STEER (19)
	VIN # T00325B100420
# 30 LOADER	2008 CASE 821 B LOADER (LARGE 5)
	VIN # JEE0039705

# 31 LOADER	2005 CASE 621 D LOADER (LARGE 6)
	VIN # JEE0138213
# 32 LOADER	HYUNDAI HL 770XTD-7 (LARGE 7)
	LB0110356
# 33 TRACTOR	2012 JOHN DEERE 1026R TRACTOR
	VIN # 1LV1026RACH213119
# 34 TRACTOR	2008 JOHN DEERE 2520 TRACTOR
	VIN # LV2520H407553
# 35 EXCAV	CATERPILLAR MINI EXCAVATOR 302.5
	CAT03025E4AZ06613
# 36 ATV	POLARIS SPORTSMAN 570 ATV
	4XAMH57A5EA108435
# 38 SKID	2018 CASE SV280 SKID STEER (20)
	VIN # NHM436291
# 39 SKID	2017 CASE SV280 SKID STEER (21)
	VIN # NHM435463
# 40 SKID	2017 CASE SV280 SKID STEER (22)
	VIN # NHM434335
# 41 SKID	2017 CASE SV280 SKID STEER (23)
	VIN # NHM434982
# 42 SKID	2017 CASE SV280 SKID STEER (24)
	VIN # NHM434314
# 43 SKID	2017 CASE SV280 SKID STEER (25)
	VIN # NHM432294
# 44 LOADER	2001 CASE 621 XR LARGE (9)
	VIN # JEE0125095
# 46 TRACTOR	2014 JOHN DEERE 5065E TRACTOR TRACTOR 1
	VIN #1LV5065EHEY245615
# 47 SKID	2017 CASE TRACK TR-270 SKID STEER (26)
	NHM429965
# 48 SKID	2018 CASE SV280 SKID STEER (27)
	NJM443846
# 49 SKID	2018 CASE SV280 SKID STEER (28)

	NHM439128
# 50 SKID	2018 CASE SV280 SKID STEER (29)
	NJM441686
# 51 SKID	2018 CASE SV280 SKID STEER (30)
	NJM443843
# 52 SKID	2018 CASE SV280 SKID STEER (31)
	NJM443844
# 53 SKID	2018 CASE SV280 SKID STEER (32)
	NJM448828
# 54 SKID	2017 JOHN DEERE 324E SKID STEER (33)
	1T0324EBKHJ320352
# 55 LOADER	2016 CASE 521 F LARGE (10) 416 JRB Bracket
	VIN # NGF236214
# 56 LOADER	TAKEUCHI TW80 LOADER (6)
	VIN # 3101130E118774
#57 LOADER	2012 821F LARGE (11)
	VIN # NCF215404
#59 LOADER	2019 CASE 521 G LARGE (13) 416 JRB Bracket
	VIN # NJF244620
#60 LOADER	2011 CASE 521 EXT LARGE (14) 416 JRB Bracket
	VIN # NAF208599
# 61 SKID	2021 CASE SV280 SKID STEER (34)
	VIN # HLM489630
# 62 DINGO	2022 TORO TRX1000 DINGO DINGO (1)
	VIN # 411966314
# 63 SKID	2022 CASE TR270B SKID STEER (35)
	VIN # JAFSV280TLM486635
# 64 SKID	2021 CASE SV280 SKID STEER (36)
	VIN # JAFSV280TLM486635
# 65 LOADER	2016 CASE 521 F LARGE (15) 416 JRB Bracket
	VIN # NGF235729
# 66 SKID	2021 CASE SR240B SKID STEER (37)
	VIN # JAFSR240EMM498213

# 67 SKID	2023 JOHN DEERE 324G SKID STEER (38)
	VIN # 1T0324GKVPJ435260
# 68 DINGO	2022 TORO TRX1000 DINGO DINGO (2)
	VIN # 400320365
# 69 SKID	2023 JOHN DEERE 324G SKID STEER (39)
	VIN # 1T0324GKKPJ453172
# 70 LOADER	2021 CASE 321F COMPACT LOADER LOADER (7)
	VIN # FNH321FHNMHP02699
# 71 TRACTOR	2010 JOHN DEERE 4120 TRACTOR
	VIN # LV4120P715157
# 72 GENIE LIFT	2012 GENIE S-45 LIFT
	VIN # S4512-16623
# 73 SKID	2021 CASE SV280 SKID STEER (40)
	VIN # JAFSV280JLM486560
#74 GATOR	2023 JOHN DEERE GATOR XUV825M S4
	VIN# 1M0825MBCPM061989
#75 GATOR	2024 JOHNDEERE GATOR XUV835R
	VIN# 1M0835RALRM070857
#76 LOADER	2017 CASE 521F LOADER LARGE (16)
	VIN# NGF236199
#77 LOADER	2022 CASE 521G LOADER LARGE (17)
	VIN# JEEN0521AMF253724
# 78 LOADER	2022 CASE 321F COMPACT LOADER LOADER (8)
	VIN # FNH321FHNMHP02932 (Joustra Loader Purchased 12/24)
# 79 SKID	2025 CASE SV280B SKID STEER (41)
	VIN # JAFSV280CSM470049
# 80 CASE TL100	2025 CASE TL100 MINI TRACK LOADER
	VIN # SMP5C631HZMA01295
# 81 SKID	2025 CASE SV280B SKID STEER (42)
	VIN # JAFSV280KSM472638
# 82 Tractor	2021 John Deere 4044 R
	VIN# 1LV4044RVMM402288
# 83 LOADER	2021 CASE 521G LOADER LARGE (18) purchased 8/26

	VIN# JEEN0521LLF251004
# 84 LOADER	2023 JOHN DEERE 304 G LOADER (9) (purchased 8/26)
	VIN# 1LU304GAEZBO77463
NUMBER	BOX TYPE AND SIZE
#2	2011 10 LD ARCTIC SECTIONAL
#3	2011 10 LD ARCTIC SECTIONAL
#4	2013 10 LD ARCTIC SECTIONAL
#5	2013 10 LD ARCTIC SECTIONAL
#6	2013 10 LD ARCTIC SECTIONAL
# 10	SP12B PROTECH
# 18	12' OFF BRAND - LAF3682-0057
#19	SP12B PROTECH
#20	SP12B PROTECH
#21	SP12B PROTECH
# 22	14' box purchased from Tom Manning 08'
# 23	SP14L PROTECH
#29	2015 10 LD ARCTIC SECTIONAL
#30	2014 10 LD ARCTIC SECTIONAL
#31	2016 10 LD ARCTIC SECTIONAL
#32	2015 10 LD ARCTIC SECTIONAL
#33	2015 10.5 LD ARCTIC SECTIONAL
#34	2015 10.5 LD ARCTIC SECTIONAL
# 35	2014 12 HD ARCTIC SECTIONAL
#37	SP14L PROTECH
#38	SP14L PROTECH
#39	2015 10.5 LD ARCTIC SECTIONAL
#40	2015 10.5 LD ARCTIC SECTIONAL
#41	2015 10.5 LD ARCTIC SECTIONAL
# 42	WL 16' LOW PROFILE BOX
# 43	IS16L PROTECH (STEEL CUTTING EDGE)
#46	2015 13 LD ARCTIC SECTIONAL
#47	2016 10.5 LD ARCTIC SECTIONAL

#48	2016 10.5 LD ARCTIC SECTIONAL
#49	2016 10.5 LD ARCTIC SECTIONAL ($5671.00)
#50	2016 10.5 LD ARCTIC SECTIONAL ($6607.00 w tax)
#51	2016 10.5 LD ARCTIC SECTIONAL ($6607.00 w tax)
#52	2017 10.5 LD Case ARCTIC SECTIONAL
#53	2017 10.5 LD Case ARCTIC SECTIONAL
#54	2017 10.5 LD Case ARCTIC SECTIONAL
#55	2017 10.5 LD Case ARCTIC SECTIONAL
#57	16' PROTECH PUSHBOX RUBBER EDGE
#58	2016 10.5 LD ARCTIC SECTIONAL
#59	2016 10.5 LD ARCTIC SECTIONAL
#60	2018 10.5 LD Case ARCTIC SECTIONAL
#61	2018 10.5 LD Case ARCTIC SECTIONAL
#62	2018 10.5 LD Case ARCTIC SECTIONAL
#63	2018 10.5 LD Case ARCTIC SECTIONAL
#64	2018 10.5 LD CASE ARCTIC SECTIONAL
#65	2018 10.5 LD Case ARCTIC SECTIONAL
#66	2020 10.5 LD Case ARCTIC SECTIONAL
#67	2018 10.5 LD Case ARCTIC SECTIONAL
#68	2020 10.5 LD Case ARCTIC SECTIONAL
#69	2021 10.5 LD Case ARCTIC SECTIONAL
#70	2021 10.5 LD Case ARCTIC SECTIONAL
#71	2021 10.5 LD Case ARCTIC SECTIONAL
#72	2018 13 LD Case ARCTIC SECTIONAL
#73	2018 13 LD Case ARCTIC SECTIONAL
#74	2020 13 LD Case ARCTIC SECTIONAL
#75	2016 14 HD Case ARCTIC SECTIONAL
#76	2018 15.5 LD Case ARCTIC SECTIONAL
#77	2019 17 HD Case ARCTIC SECTIONAL
#78	2019 17 HD Case ARCTIC SECTIONAL
#79	2020 17 HD Case ARCTIC SECTIONAL
#80	16' PROTECH PUSHBOX RUBBER EDGE
#81	PROTECH PUSHBOX

#82	2022 10.5 LD Case ARCTIC SECTIONAL
#83	2022 10.5 LD Case ARCTIC SECTIONAL
#84	2024 17 HD Case ARCTIC SECTIONAL
#85	2022 17 HD Case ARCTIC SECTIONAL (white)
#86	16' PROTECH PUSHBOX
#87	2020 13.5 LD Case ARCTIC SECTIONAL
#88	2022 10.5 LD Case ARCTIC SECTIONAL
#88.5	16 HD ARCTIC SECTIONAL
#89	2018 10.5 LD Case ARCTIC SECTIONAL
#90	2018 10.5 LD Case ARCTIC SECTIONAL
#91	2018 10.5 LD Case ARCTIC SECTIONAL
#92	2025 10.5 LD Case ARCTIC SECTIONAL
#93	2024 17.5 HD Arctic Sectional (PURCHASED MCCANN 8-18-26)

TRUCK #	MAKE	SIZE	MODEL	SERIAL #
2067	WESTERN PRO-PLOW	8' 6"	60308	
2071	WESTERN PRO-PLUS	8' 6"		
2084	WESTERN	8' 6"		
2089	WESTERN PRO-PLUS	8' 6"		
2092	WESTERN MVP3	8' 6"	74485	S# 14022620033174485
2093	WESTERN MVP3	9' 6"	74495	
2094	WESTERN MVP3	8' 6"	74485	
2095	WESTERN	10' 6"		
2096	WESTERN MVP PLUS	9' 6"	44595-1	1020469244595-1
2099	WESTERN MVP3	8' 6"	74485	S# 14112020644874485
2100	WESTERN MVP3	9' 6"	74495	S# 15010720156174495
2101	WESTERN MVP 3	8' 6"	74585	S# 16022520158874585
2103	MEYER V-PLOW	10' 6"	SV2-10.5	S# 09279
2104	WESTERN PRO-PLOW II	8'	72390	S# 16060610133372
2105	BOSS SUPER DUTY	8'	STB03167	# BC162059
2106	WESTERN MVP PLUS	8' 6"	44485-1	0420376144485-1
2107	WESTERN MVP PLUS	9' 6"	44495-1	1520286944495-1
2113	WESTERN WIDE OUT	8' 6"	85850	S# 18082420965085850

2114	WESTERN WIDE OUT	8'	85810	S# 18092120285185810
2115	WESTERN PRO-PLUS	10'	76920	S# 18092820385376920
2116	WESTERN MVP3	8' 6"	74485	S# 14121220924974485
2119	WESTERN WIDE-OUT	8'-10'	85810	S# 19071520198685810
2121	WESTERN WIDE OUT	8'-10'	85810	S# 20062220922585810
2122	WESTERN WIDE OUT	8'-10'	85810	S# 20050820916885810
2123	WESTERN WIDE OUT XL	8' 6"-11'	85850	S# 20051920932985850
2124	WESTERN WIDE OUT XL	8' 6"-11'	85850	S# 20110220160185850
2125	WESTERN WIDE OUT	8'-10'	85810	S# 21122020118085810
2126	WESTERN WIDE OUT XL	8' 6"-11'	85850	S# 21091620164885850
2128	WESTERN WIDE OUT	8'-10'	85810	S# 21042620753185810
2130	WESTERN WIDE OUT XL	8' 6"-11'	85850	S# 20121020599585850
2131	WESTERN WIDE OUT	8'-10'	85810	S# 20030320892485810
2133	WESTERN WIDE OUT	8'-10'	85810	S# 21121320032985810
2134	WESTERN WIDE OUT	8'-10'	85810	S# 21121620033185810
2135	WESTERN WIDE OUT XL	8' 6"-11'	85850	S# 21122220142785850
2136	WESTERN WIDE OUT XL	8' 6"-11'	85850	S# 21122920209985850
2137	WESTERN WIDE OUT XL	8' 6"-11'	85850	S# 21123020211485850
2138	WESTERN WIDE OUT XL	8' 6"-11'	85850	S# 21123020211085850
2139	BOSS POWER V DXT	10'	MSC17510	S# 409123698
2140	WESTERN MVP3	10' 6"	74499	S# 22013120467674499
2141	WESTERN WIDE OUT XL	8' 6"-11'	85850	S# 21042820776785850
2142	WESTERN WIDE OUT XL	8' 6"-11'	85850	S# 21042720768085850
2143	WESTERN PRODIGY	8' 6"-11'	57700	S# 21081020776057700
2144	BOSS POLY V-DXT	8'	MSC18182	S# 401392620
2146	HINIKER POWER V	10'	9962	AT22121100
2147	WESTERN PRO-PLUS	8'	76980	S# 19092310151876980
2148	WESTERN WIDE OUT XL	8' 6"-11'	85850	S# 21121420057785850
2149	WESTERN WIDE OUT XL	8' 6"-11'	85850	S# 21121420060785850
2150	BONNELL	11'	11ST4M1	S# 1909
2152	HENDERSON	10X42	RHMB	S# RSP-784218-1
2153	WESTERN WIDE OUT	8'-10'	85810	S# 21120920998185810
2154	WESTERN WIDE OUT	8'-10'	85810	S# 21122320162485810

2155	WESTERN WIDE OUT XL	8' 6"-11'	85850	S# 22071420001185850
2156	WESTERN WIDE OUT XL	8'-10'	85810	S# 22112320281585810
2157	WESTERN PRO-PLUS HD	10'	76920	S# 220613207344776920
2159	WESTERN WIDE OUT	8'-10'	85810	S# 22121420526085810
2160	BOSS EXT ST BLADE	8'-10'	STB19200	S# 415257642
2161	WESTERN WIDE OUT XL	8' 6"-11'	85850	S# 23031520561985850
2162	WESTERN WIDE OUT	8'-10'	85810	S# 24110520828385810-1
2163	WESTERN WIDE OUT	8'-10'	85810	S# 24110720901385810-1
2164	WESTERN WIDE OUT	8'-10'	85810	S# 24030620445685810
2166	BOSS POWER V DXT	10'	MSC17510	4.15E+08
2167	WESTERN WIDEOUT XL	8.5-11'	85850-1	i1020755785850-1
2168	BOSS PPOWER VDXT	10'	MSC17510	S#417417128
2169	BOSS PPOWER VDXT	10'		
2170	SNOWEX SS HDV	8' 6"	77775	S#17053020855777775

DISTRICT 300

BOARD OF EDUCATION MEMO

DATE: September 8, 2026

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Ross Bertone
Executive Director of Facilities & Operations

SUBJECT: Baseball Field Net Bid (HHS)

Presented at the following Board Meetings	Date
Board Operations Committee	10/6/2026
BOE 1st Reading	10/6/2026
BOE 2nd Reading	10/27/2026

Background

District 300 solicited competitive bids to purchase and install a new baseball backstop netting system at Hampshire High School. Specifications were finalized and released via BidNet on Tuesday, July 28, 2026. The team conducted an on-site pre-bid field visit at Hampshire High School on Thursday, August 6, 2026. A public bid opening was held on Thursday, August 20, 2026. The bid opening received seven (7) vendor proposals, with base bid pricing ranging from $150,853.00 to $290,755.00.

After a comprehensive evaluation of all submitted proposals, it was determined that the base bid pricing exceeds the budget allocation, and it is recommended that the project not move forward at this time.

Administrative Recommendation

The administration recommends that the Board of Education reject all bids received on August 20, 2026, for the Hampshire High School Baseball Netting Project.

Fiscal Impact

There is no fiscal impact to the District.

COMMUNITY UNIT SCHOOL DISTRICT 300
HHS BASEBALL NETTING
THURSDAY, August 20, 2026 11:00 AM

VENDORS	References	Bid Bond	Certificates	W-9	Vendor App.	Response Form A	Addendum 1	Addendum 2: Onsite Sign in Sheet	Addendum 3	Comments
Byrne & Jones Construction	X	X	X	X		X	X	X		no vendor app
Construction Journal										
Empire Netting & Fence	X	X	X	X	X	X	X	X		
Midwest Field Solutions										
Midwest Netting Solutions	X	X	X	X	X	X	X			W-9 uploaded in vendor app
Misfits Construction Company										
National Sports Nets, LLC	X	X		X	X	X	X	X	X	Missing Authorization for criminal background investigation signed form
The Net House	X		X	X		X	X	X	X	Disqualified - No bid bond provided
The Windscreen Factory	X	X	X	X	X	X	X	X	X	
Venus Supplies & Constructions										
hitech										
West Coast Netting Inc	X	X	X	X	X	X	X	X	X	

Recommendation:

DISTRICT 300

BOARD OF EDUCATION MEMO

DATE: October 6, 2026

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Ross Bertone
Executive Director of Facilities & Operations

SUBJECT: Elevator Maintenance Contract (Renewal)

Presented at the following Board Meetings	Date
Board Operations Committee	10/6/2026
BOE 1st Reading	10/6/2026
BOE 2nd Reading	10/27/2026

Background

The District has 18 elevators throughout the District. To support these elevators, the District needs a partner that has the specialized knowledge and expertise in maintaining and conducting annual preventive inspections and maintenance. This service helps ensure the elevators remain safe, reliable, and compliant with required inspection and maintenance standards.

For the past 15 years, the district has partnered with Colley Elevator. The Buildings and Grounds Leadership Team has reviewed Colley Elevator's performance under the current contract, taking into account factors such as timeliness of response, vendor availability when contacted, ability to obtain necessary materials, quality of workmanship, and adherence to safety and communication standards.

Because of Colley's performance, the district seeks a contract extension to provide contracted time-and-materials services and set rates for testing, maintenance, repair, and on-site assistance during village-required inspections for the district's 18 elevators.

The extended contract term will be for a one-year period from November 1, 2026, through October 31, 2027.

This service contract is exempt from the Illinois procurement process, as elevator maintenance and inspection services fall under a specialized trade requiring technical expertise and certified personnel.

Below is a comparison of the fixed maintenance rates and hourly labor rates between the 2025-2026 contract period and the proposed 2026-2027 renewal rates:

Fixed Maintenance Rates

Service Category	2025–2026 Rate	Proposed 2026–2027 Rate	Variance ($)
17 Standard Units	$142.00/mo	$145.00/mo	+$3.00/mo
1 Quarterly Unit	$585.00/qtr	$620/qtr	+$35.00/qtr

Hourly Labor Rates (Designated for calls not covered under the Full Maintenance Agreement)

Service Category	2025–2026 Rate	Proposed 2026–2027 Rate	Variance ($)
Mechanic (Weekdays, 8:00 a.m.–4:00 p.m)	$240.00/hr	$245.00/hr	+$5.00/hr
Mechanic (After-hours & Saturdays)	$297.00/hr	$307.00/hr	+$10.00/hr
Mechanic (Sundays & Holidays)	$319.00/hr	$331.00/hr	+$12.00/hr

Administrative Recommendation

The administration recommends renewing the elevator maintenance contract with Colley Elevator, Bensenville, IL - Award for the contract prices stated for the term of November 1, 2026 - October 31, 2027.

Fiscal Impact

Funds to pay for the repairs have been $44,592.00, $42,730.00, and $66,856.75 for FY24 through FY26, respectively. For FY27, the district has budgeted $60,000. The budget for this contract is in the Operations and Maintenance budget (Fund 20).

COLLEY ELEVATOR CO.

226 William Street
Bensenville, Illinois 60106

Phone: 630.766.7230
Fax: 630.766.7568
Web: www.colleyelevator.com
Email: Alex@colleyelevator.com

September 17th, 2026

Community Unit School District 300
2550 Harnish Dr.
Algonquin, IL 60102

Re: Elevator Maintenance Account Overview – Community Unit School District 300

To whom this may concern,

We appreciate you as a valued customer. We plan to increase the monthly costs this November 1st, 2026.

Maintenance Breakdown-

	Regularity of Visits (Type of Contract)	Maintenance (Currently)	Annually
1600 Big Timber Rd, Hampshire, IL	MFM	$ 145.00	$ 1,740.00
1600 Big Timber Rd, Hampshire, IL	MFM	$ 145.00	$ 1,740.00
2601 Bunker Hill Dr, Algonquin, IL	MFM	$ 145.00	$ 1,740.00
1500 Kings Rd, Carpentersville, IL	MFM	$ 145.00	$ 1,740.00
2550 Harnish Dr, Algonquin, IL	MFM	$ 145.00	$ 1,740.00
1500 Ketchum Rd, Hampshire, IL	MFM	$ 145.00	$ 1,740.00
100 Cleveland Ave, Carpentersville, IL	MFM	$ 145.00	$ 1,740.00
1401 Compton Dr, Algonquin, IL	MFM	$ 145.00	$ 1,740.00
500 Harvest Gate, Lake in the Hills, IL	MFM	$ 145.00	$ 1,740.00
1100 Huntington Dr, Algonquin, IL	MFM	$ 145.00	$ 1,740.00
520 Longwood Dr, Algonquin, IL	MFM	$ 145.00	$ 1,740.00
540 Longwood Dr, Algonquin, IL	MFM	$ 145.00	$ 1,740.00
6500 Miller Rd, Carpentersville, IL	MFM	$ 145.00	$ 1,740.00
729 Paperbark Ln, Gilberts, IL	MFM	$ 145.00	$ 1,740.00

1651 Ravine Ln, Carpentersville, IL	MFM	$	145.00	$ 1,740.00
2100 Sleepy Hollow Rd, Algonquin, IL	MFM	$	145.00	$ 1,740.00
560 S State St, Hampshire, IL	MFM	$	145.00	$ 1,740.00
1400 Ridgecrest Dr, Hampshire, IL	QM	$	620.00	$ 2,480.00
				$ 32,060.00

Testing Breakdown-

	2026	
	Inspection Direct Invoice	**What Colley Charged**
1600 Big Timber Rd, Hampshire, IL	Scheduled for 10/14/2026	**TBD**
1600 Big Timber Rd, Hampshire, IL	Scheduled for 10/14/2026	**TBD**
2601 Bunker Hill Dr, Algonquin, IL	Scheduled for 10/7/2026	**TBD**
1500 Kings Rd, Carpentersville, IL	MODERNIZED - Not to be tested again	-
2550 Harnish Dr, Algonquin, IL	$ 275.00	$ 375.00
1500 Ketchum Rd, Hampshire, IL	$ 275.00	$ 375.00
100 Cleveland Ave, Carpentersville, IL	Recently completed 9/4/2026	**TBD**
1401 Compton Dr, Algonquin, IL	$ 275.00	$ 375.00
500 Harvest Gate, Lake in the Hills, IL	$ 250.00	$ 350.00
1100 Huntington Dr, Algonquin, IL	$ 550.00	$ 650.00
520 Longwood Dr, Algonquin, IL	Scheduled for 11/17/2026	**TBD**
540 Longwood Dr, Algonquin, IL	Scheduled for 11/17/2026	**TBD**
6500 Miller Rd, Carpentersville, IL	Scheduled for 11/25/2026	**TBD**
729 Paperbark Ln, Gilberts, IL	$ 275.00	$ 375.00
1651 Ravine Ln, Carpentersville, IL	Scheduled for 10/30/2026	**TBD**
2100 Sleepy Hollow Rd, Algonquin, IL	MODERNIZED - Not to be tested again	-
560 S State St, Hampshire, IL	$ 275.00	$ 375.00
1400 Ridgecrest Dr, Hampshire, IL	Scheduled for 10/14/2026	**TBD**

*** Standard $100 mark up (per inspection) for scheduling & processing (back office work)*

Inspection Agencies -

	Inspection Agency	Why we use agency	Additional notes:
1600 Big Timber Rd, Hampshire, IL	Thompson Elevator	*Municipality Directed*	
1600 Big Timber Rd, Hampshire, IL	Thompson Elevator	*Municipality Directed*	
2601 Bunker Hill Dr, Algonquin, IL	Thompson Elevator	*Municipality Directed*	
1500 Kings Rd, Carpentersville, IL	Thompson Elevator	*Municipality Directed*	
2550 Harnish Dr, Algonquin, IL	Thompson Elevator	*Municipality Directed*	
1500 Ketchum Rd, Hampshire, IL	Thompson Elevator	*Municipality Directed*	
100 Cleveland Ave, Carpentersville, IL	Thompson Elevator	*Municipality Directed*	
1401 Compton Dr, Algonquin, IL	Thompson Elevator	*Municipality Directed*	
500 Harvest Gate, Lake in the Hills, IL	ESG	*Open territory*	
1100 Huntington Dr, Algonquin, IL	Thompson Elevator	*Municipality Directed*	** Charged for two hours in 2026
520 Longwood Dr, Algonquin, IL	Thompson Elevator	*Municipality Directed*	
540 Longwood Dr, Algonquin, IL	Thompson Elevator	*Municipality Directed*	
6500 Miller Rd, Carpentersville, IL	Thompson Elevator	*Municipality Directed*	
729 Paperbark Ln, Gilberts, IL	Thompson Elevator	*Municipality Directed*	
1651 Ravine Ln, Carpentersville, IL	Thompson Elevator	*Municipality Directed*	
2100 Sleepy Hollow Rd, Algonquin, IL	Thompson Elevator	*Municipality Directed*	
560 S State St, Hampshire, IL	Thompson Elevator	*Municipality Directed*	
1400 Ridgecrest Dr, Hampshire, IL	Thompson Elevator	*Municipality Directed*	

2026 Hourly Rates -

Mechanic (8am-4pm) - $245.00 per hour
- Uncovered calls in Full Maintenance agreement and any calls under Oil & Grease

Mechanic (afterhours and Saturday's) - $307.00 per hour
Mechanic (Sunday's & Holiday's) - $331.00 per hour

If you should have any questions or require any additional information, please call me at extension 112 or on my cell phone at 224-535-1742.

Sincerely,

Alex Macias

Alex Macias
Account Manager

DISTRICT 300

BOARD OF EDUCATION MEMO

DATE: October 6, 2026

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Eberto Mora
Assistant Superintendent of
Human Resources

SUBJECT: Open Enrollment Software Service (Renewal)

Presented at the following Board Meetings	Date
Board Operations Committee	10/6/2026
BOE 1st Reading	10/6/2026
BOE 2nd Reading	10/27/2026

Background

The District offers employees a comprehensive benefits package that includes medical, dental, and vision coverage, as well as voluntary supplemental insurance products such as life and disability insurance. These benefits are offered through an annual Open Enrollment process. Since 2020, the District has partnered with American Fidelity to administer Open Enrollment through its online platform and provide support to CUSD 300 employees in completing their active enrollment requirements.

There is no cost to the District to partner with American Fidelity or utilize its Open Enrollment platform. The contract runs from July 1, 2026, through June 30, 2027, and provides Open Enrollment services for the 2026-27 school year, which runs from October 15, 2026, through November 15, 2026.

This contract is being presented later in the fall following several meetings with American Fidelity to address District concerns regarding employee support and the implementation of data feeds within Skyward.

Administrative Recommendation

The Administration recommends that the Board of Education approve the renewal of a one-year contract with American Fidelity for use of its Open Enrollment platform for the period of July 1, 2026, through June 30, 2027.

Fiscal Impact

This service is provided at no cost to the District. While the District does not incur an expense for this service, employees have the option to purchase supplemental insurance products through American Fidelity at their own expense.

Community Unit School District 300
2605 BUNKER HILL DRIVE
ALGONQUIN, IL 60102
Diane C. White, Director of Purchasing
PHONE: 847-551-8460 s FAX 847-551-8463

September 16th 2026

Mr. Stephania Williams
American Fidelity Assurance Company
Illinois Branch
333 Salem Place Suite
Fairview Heights, IL 62208

Via Email: Stephania.Williams@americanfidelity.com

RFP - Open Enrollment Services – Offer Letter

Dear Ms. Williams,

District 300 would like to offer American Fidelity Assurance a one-year contract extension. American Fidelity Assurance Company to provide Open Enrollment-Online Benefits services from August 1st, 2026 to July 31st, 2027. These services shall be provided at no cost to the district. The Board of Education will review this extension at the regular meeting on Tuesday, September 29th, 2026.

This signed letter along with the attached documents – original RFP specifications, addenda, and your final response combined serve as the contract for this project.

Please sign this letter via Contract Works by prior to 4:30pm on Friday September 18th, 2026.

Please submit your Certificate of Insurance naming the District, the Board of Education and its members individually, and its employees and agents as additional named insured if not done so already.

Nicole Kennedy
2E5C437FB41564CA096ED735A24EE71B contractworks. **2026-09-21**

ADMINISTRATOR *(Signature)*

Nicole Kennedy, Director of Purchasing

Stephania Williams
FC552D29880FF2501A23B3F92B568244 contractworks. **2026-09-21**

CONTRACTOR *(Signature)*

Stephania Williams **VP, Marketing Director**
(Printed name and title)

If you have any further questions regarding this contract, please feel free to contact me at (847) 551-8460.

Sincerely,

Nicole Kennedy
2E5C437FB41564CA096ED735A24EE71B contractworks.

_ Nicole Kennedy, Director of Purchasing

Community Unit School District 300
2605 BUNKER HILL DRIVE
ALGONQUIN, IL 60102
Diane C. White, Director of Purchasing
PHONE: 847-551-8460 s FAX 847-551-8463

September 29th 2025

Mr. Stephania Williams
American Fidelity Assurance Company
Illinois Branch
333 Salem Place Suite
Fairview Heights, IL 62208

Via Email: Stephania.Williams@americanfidelity.com

RFP - Open Enrollment Services – Offer Letter

Dear Ms. Williams,

District 300 would like to offer American Fidelity Assurance a one-year contract extension. American Fidelity Assurance Company to provide Open Enrollment-Online Benefits services from August 1, 2025 to July 31, 2026. These services shall be provided at no cost to the district. The Board of Education will review this extension at the regular meeting on Tuesday, October 14, 2025.

This signed letter along with the attached documents – original RFP specifications, addenda, and your final response combined serve as the contract for this project.

Please sign this letter via Contract Works by prior to 4:30pm on Friday October 3, 2025.

Please submit your Certificate of Insurance naming the District, the Board of Education and its members individually, and its employees and agents as additional named insured if not done so already.

Diane White **2025-10-01**
8375D43E716D90C09E2DBCBD5C76FBD7 contractworks
ADMINISTRATOR *(Signature)*

Diane C White, Director of Purchasing

Stephania Williams **2025-09-30**
FC552D29880EF2501A23B3F92B568244 contractworks
CONTRACTOR *(Signature)*

Stephania Williams **VP, Marketing Director**
(Printed name and title)

If you have any further questions regarding this contract, please feel free to contact me at (847) 551-8460.

Sincerely,

Diane White
8375D43E716D90C09E2DBCBD5C76FBD7 contractworks
Diane C White, Director of Purchasing

Community Unit School District 300
2605 BUNKER HILL DRIVE
ALGONQUIN, IL 60102
Diane C. White, Director of Purchasing
PHONE: 847-551-8460 · FAX 847-551-8463

October 28, 2024

Mr. Jason Pledger
American Fidelity Assurance Company
Illinois Branch
333 Salem Place Suite

Via Email: Jason.pledger@americanfidelity.com

RFP - Open Enrollment Services - Award Letter

Dear Mr. Pledger,

Congratulations! District 300 has awarded American Fidelity Assurance Company the contract extension to provide Open Enrollment-Online Benefits services from August 1, 2024 to July 31, 2025. These services shall be provided at no cost to the district. The Board of Education approved this award at their regular meeting on Tuesday, October 22, 2024.

This signed letter along with the attached documents – original RFP specifications, addenda, and your final response combined serve as the contract for this project.

Please sign this letter via Contract Works by November 1, 2024.

Please submit your Certificate of Insurance naming the District, the Board of Education and its members individually, and its employees and agents as additional named insured if not done so already.

Sincerely,

Diane White **2024-10-28**
8375D43E716D99C09E2DBCBD5C76FBD7 contractworks
Diane C White, Director of Purchasing

Acceptance to hold submitted pricing:

Jason Pledger **2025-03-07**
9209E02E1AB8BE6933F06D251723044B contractworks
Service Provider

Community Unit School District 300
2605 BUNKER HILL DRIVE
ALGONQUIN, IL 60102
Diane C. White, Director of Purchasing
PHONE: 847-551-8460 FAX: 847-551-8463

September 27, 2024

Mr. Jason Pledger
American Fidelity Assurance
Company
Illinois Branch
333 Salem Place Suite
Fairview Heights, IL 62208

Via Email: Jason.pledger@americanfidelity.com

RFP- Open Enrollment Services - Contract Extension

Dear Mr. Pledger,

The Community Unit School District 300 Board of Education originally approved a contract for Open Enrollment-Online Benefits Services on August 24,2020. District 300 would like to renew our existing contract based on your July 9, 2020 response submittal. The new extension will run from August 1, 2024 to July 31, 2025.

This signed letter along with the attached documents – original Bid specifications, addenda, and your final response combined serve as the contract for this project.

If your firm agrees to continue to provide services at no cost to the district, The administration will recommend this contract extension to the Board of Education for review on Tuesday, October 8, 2024 and approval on Tuesday, October 22, 2024.

Please review and sign this letter by October 1, 2024. If you have any questions please call 847-551-8460.

This Agreement is entered into as of October 22, 2024.

Diane White **2024-09-27**
8375D43E716D90C09E2DBCBD5C76FBD7 contractworks
OWNER *(Signature)*

Diane C. White, Director of Purchasing

Jason Pledger **2024-10-01**
9209E02E1AB8BE6933F06D251723044B contractworks
CONTRACTOR *(Signature)*

Jason Pledger **SVP, Chief Experience Officer**
(Printed name and title)

If you have any further questions regarding this contract, please feel free to contact me at (847) 551-8460.

Sincerely,

Diane White
8375D43E716D90C09E2DBCBD5C76FBD7 contractworks
Diane C. White, Director of Purchasing

DISTRICT 300

Community Unit School District 300
2605 BUNKER HILL DRIVE
ALGONQUIN, IL 60102
Diane C. White, Director of Purchasing
PHONE: 847-551-8460 ·847-551-8463

May 3, 2023

Mr. Jason Pledger
American Fidelity Assurance
Company
Illinois Branch
333 Salem Place Suite 130
Fairview Heights, IL 62208

Via Email: Jason.pledger@americanfidelity.com

RFP – Open Enrollment Services – Contract Extension

Dear Mr. Pledger,

The Community Unit School District 300 Board of Education originally approved a contract with American Fidelity for Open Enrollment-Online Benefits Services on August 24, 2020. The following year, this contract was extended through July 31, 2023. District 300 would like to renew our existing contract.

Both the original contract and extensions are attached.

If your firm agrees to continue to provide services at no cost to the District, The Administration will recommend this contract extension to the Board of Education for review on Tuesday, June 13, 2023 and approval on Tuesday, June 27, 2023.

District 300 kindly requests your return of acceptance by Tuesday, May 16, 2023. If you have any questions, please call 847-551-8460.

Sincerely,

Diane White
8375D43E716D90C09E2DBCBD5C76FBD7 contractworks. **2023-05-03**
Diane C White, Director of Purchasing

Acceptance:

Jason Pledger
9209E02E1AB8BE6933F06D251723044B contractworks. **2023-05-04**
American Fidelity Assurance Company

Jason Pledger **VP Chief Experience Officer**

Community Unit School District 300
2605 BUNKER HILL DRIVE
ALGONQUIN, IL 60102
Diane C. White, Director of Purchasing
PHONE: 847-551-8460 • FAX: 847-551-8463

June 23, 2021

Mr. Jason Pledger
American Fidelity Assurance Company
Illinois Branch
333 Salem Place Suite 130
Fairview Heights, IL 62208

Via email: jason.pledger@americanfidelity.com

RFP – Open Enrollment Services

Dear Mr. Pledger,

Congratulations! District 300 has awarded American Fidelity Assurance Company the contract extension to provide Open Enrollment-Online Benefits Services from August 1, 2021 to July 31, 2023. These services shall be provided at no cost to the District. The Board of Education approved this award at their regular meeting on Tuesday, June 22, 2021.

This signed letter along with the attached documents and original RFP specifications, addenda, and your final response combined serve as the contract for this project.

Please sign your award letter by Wednesday, June 30, 2021. Please submit your Certificate of Insurance naming District 300 as additional insured by Friday, July 30, 2021 to: bids.purchasing@d300.org

This Agreement is entered into as of Wednesday, June 23, 2021.

Diane White
8375D43E716D90C09E2DBCBD5C76FBD7 contractworks. **06/28/2021**
ADMINISTRATOR *(Signature)*

Diane C White, Director of Purchasing

Jason Pledger
9209E02E1AB8BE6933F06D251723044B contractworks. **06/28/2021**
CONTRACTOR *(Signature)*

Jason Pledger **VP Director of Marketing**
(Printed name and title)

Please will receive an executed contract through Contract Works.

If you have any further questions regarding this contract, please feel free to contact me at (847) 551-8460.

Sincerely,

Diane C. White
Diane C White, Director of Purchasing

Community Unit School District 300
2605 BUNKER HILL DRIVE
ALGONQUIN, IL 60102
Diane C. White, Director of Purchasing
PHONE: 847-551-8460 • FAX: 847-551-8463

June 1, 2021

Ms. Whitney Dyson
American Fidelity
Illinois Branch
333 Salem Place Suite 130
Fairview Heights, IL 62208

RFP – Open Enrollment-Online Benefits Services

Dear Ms. Dyson:

On August 24, 2020, The Board of Education originally approved a contract with American Fidelity for Open Enrollment-Online Benefits Services. The contract included the possibility of two (2) one (1) year extensions. District 300 would like to extend our current contract based your July 9, 2020 response submittal. The contract extension dates would be August 1, 2021 to July 31, 2023.

If your firm agrees to provide services at no cost to the District, the Administration will recommend your contract extension to the Board of Education for review by the finance committee on Tuesday, June 8, 2021 and award by the Board of Education on Tuesday, June 22, 2021.

If you have any questions about this offer letter, please contact me directly at 847-551-8460.

Sincerely,
Diane White
8375D43E716D90C09E2DBCBD5C76FBD7 contractworks. **06/01/2021**
Diane C White, Director of Purchasing

Acceptance to hold submitted proposal and terms:

Jason Pledger
9209E02E1AB8BE6933F06D251723044B contractworks.
Service Provider

06/04/2021
Date Signed

Jason Pledger **VP, Director of Marketing**

Community Unit School District 300
2605 BUNKER HILL DRIVE
ALGONQUIN, IL 60102
Diane C. White, Director of Purchasing
PHONE: 847-551-8460 • FAX: 847-551-8463

August 31, 2020

Ms. Kaitlin Economon
American Fidelity Assurance
Company
Illinois Branch
9000 Cameron Parkway
Oklahoma City, OK 73114

RFP – Open Enrollment Services

Dear Ms. Economom,

Congratulations! District 300 has awarded American Fidelity Assurance Company the contract to provide Open Enrollment Services for year one beginning, Tuesday, September 1, 2020 through August 301, 2021, with the possibility of two, one year extensions. The Board of Education approved this award at their regular meeting on Tuesday, August 25, 2020.

This signed letter along with the attached documents – original Bid specifications, addenda, and your final response combined serve as the contract for this project.

Please sign your award letter by Friday, September 4, 2020. Please submit your Certificate of Insurance naming District 300 as additional insured by Friday, September 11, 2020 to: bids.purchasing@d300.org

This Agreement is entered into as of Wednesday, September 1, 2020.

Diane C. White
837DD43E716D90C09E2DBCBD5C76FBD7 contractworks

ADMINISTRATOR *(Signature)*

Diane C White, Director of Purchasing

Jason Pledger
9209E02E1AB8BE6933F06D251723044B contractworks

CONTRACTOR *(Signature)*

Jason Pledger **VP, Marketing**

(Printed name and title)

Please will receive an executed contract through Contract Works.

If you have any further questions regarding this contract, please feel free to contact me at (847) 551-8460.

Sincerely,

Diane C. White

Diane C White, Director of Purchasing

Community Unit School District # 300
Purchasing Department
2505 Bunker Hill Drive
Algonquin, IL 60102
847-551-8460 - PHONE
847-551- 8463- FAX

June 22, 2020

Dear Vendor:

The Board of Education of Community Unit School District No. 300 (the "District") invites you to submit a sealed **Request for Proposal** for:

RFP – Open Enrollment Services

The enclosed proposal form(s) **must** be used in submitting your proposal. Proposals must be addressed as follows:

Community Unit School District No. 300
Purchasing Department –
Open Enrollment Services
2605 Bunker Hill Drive
Algonquin, IL 60102

Electronic proposals will be received until **–3:00PM CT, Thursday, July 9, 2020** at which time they will be opened and read.

The required Contractor's Certification forms must be completed and returned with your proposal.

It is the intention of the Board of Education to award the proposal at the **Tuesday, August 25, 2020 regular meeting.** The Board of Education may make such investigations as deemed necessary to determine the ability of the bidder to perform the work, and the bidder shall furnish to the District all such information for this purpose as the District may request. The District reserves the right to reject any or all proposals if the evidence submitted by, or investigation of, such bidder(s) fails to satisfy the District that such bidder(s) is properly qualified to carry out the obligations of the contract and to complete work contemplated therein. District further reserves the right to waive any minor irregularities or minor defects in the proposals, which do not affect the price nor constitute some type of substitution for a designated item, and to accept the proposal, which is in the best interest of the District. Conditional proposals will not be accepted. Strikeouts or addition of conditions or provisions or insertion of substitutes shall be reason for rejecting a proposal without any specification of reason for the rejection. Any request for information shall be made to Diane C. White, Director of Purchasing, but the response may not be used as a condition to any proposal being submitted.

Sincerely,

Diane C. White
Director of Purchasing

PUBLIC NOTICE

NOTICE TO BIDDERS

The Board of Education of Community Unit School District 300 is accepting
Electronic proposals for –

RFP – Open Enrollment Services

Electronic proposals will be received until
3:00PM CT, Thursday, July 9, 2020 at the D300 Purchasing Department, at which time they will be publicly opened and read.

Community Unit School District #300
Purchasing Office
2605 Bunker Hill Drive
Algonquin, IL 60102

A Non-Mandatory Pre–RFP Meeting is scheduled for
9:30 AM CT, Wednesday, June 24, 2020. At that time, prospective bidders are invited to review bid documents via virtual meeting. Please contact the D300 Purchasing Department for access to this meeting.

Any questions regarding this proposal must be directed to:

Community Unit School District #300
Diane C. White
2605 Bunker Hill Drive
Algonquin, IL 60102
847-551-8460
Bids.purchasing@d300.org

Proposal specifications will be available on Friday, June 19, 2020 after 3:00PM. To obtain specifications, please contact the District 300 Purchasing Office at 847-551-8460 or bids.purchasing@d300.org.

RFP - Open Enrollment Services			
ACTION	**DATE**	**TIME**	**LOCATION**
Timeline Established	6/15/2020		Purchasing Office
Specifications Finalized	6/17/2020		
Legal Ad Published	6/18/2020	3:00 PM	Daily Herald
Specifications Released to Vendors	6/18/2020		
Pre-RFP Meeting	6/24/2020	9:30 AM	**Electronic - Google Meet**
Q&A Deadline – via email	7/2/2020	4:30 PM	bids.purchasing@d300.org
RFP Opening - Electronic Submittal	**7/9/2020**	**3:00 PM**	bids.purchasing@d300.org
Evaluation Period	7/9/2020 - 7/23/2020		Eberto Mora, Executive Director of Human Resources
CFO Packet	7/31/2020		Susan Harkin, COO
Board Finance Committee	8/10/2020		Administration Building
BOE Workshop	8/11/2020		Administration Building
BOE Approval	8/25/2020		Administration Building

Instructions to Bidders

1. GENERAL

a. Proposals shall be signed and submitted in an envelope properly marked with the title of the proposal, and date and time of opening. Unsigned proposals will be rejected.

b. Seal and deliver proposal to the purchasing office on or before the time scheduled for the opening. Late proposals will not be opened nor considered.

c. All proposals shall be made on this form.

d. The District is not subject to Federal Excise Tax or Illinois Sales or Retailers Occupational Tax. Proposals should not include sales or excise tax.

e. Prices quoted shall include all charges for packing, transportation and delivery to the locations designated on the proposal specification and installation, if called for, in the proposal specifications.

f. Correspondence shall be addressed to the Purchasing Director.

g. Proposals are available for inspection in the purchasing office by appointment for 10 days after the date of the award of an order.

h. Oral, telephonic, telegraphic, facsimile or electronically transmitted proposals will not be accepted.

2. ERRORS AND OMISSIONS

All proposals shall be submitted with each space properly completed. The special attention of bidders is directed to the policy that no claim for relief because of errors or omissions in the bidding will be considered, and bidders will be held strictly to the proposals as submitted. Should a bidders find any claimed discrepancies in, or omissions from, any of the documents, or be in doubt as to their meanings, bidder shall advise the purchasing official first orally, followed by written (FAX or letter) with specification of the claimed problems which must be received during regular working hours at least 10 days before the date set for proposal opening so that a written notification can be prepared by any purchasing official, who will issue the necessary clarifications to all prospective bidders by means of addenda.

3. FIRM PROPOSAL

All proposals will be considered to be firm for a period of sixty (60) days from the date established for the opening of proposals.

4. WITHDRAWAL OF PROPOSALS

Proposals may be withdrawn by letter, or telegram, or fax received by the district or in person prior to the time and date established for the opening of proposals.

5. INVESTIGATION OF BIDDERS

a. The purchasing official will make such investigation as is necessary to determine the ability of the bidder to fulfill proposal requirements. The bidder shall furnish such information as may be requested and shall be prepared to show completed installations of equipment, types of service or supplies similar to those included in the proposal.

b. The Board of Education reserves the right to reject any proposal if it is determined that the bidder is not properly qualified to carry out the obligations of the contract. The Board of Education reserves the right to reject any or all proposals, to waive irregularities and to accept that proposal which is considered to be in the best interest of the District. Any such decision shall be considered final. All items proposed shall be new unless otherwise specified in the requirements.

6. VENDOR APPLICATION AND W-9 FORM

The District requires that a current Vendor Application and W-9 form be included with your sealed proposal. These forms can be found on the District website – www.d300.org. Go to Departments-Finance-Purchasing to download the vendor application and W-9 form.

7. Compliance with the Illinois Prevailing Wage Act

It shall be mandatory upon the bidder and upon any subcontractor thereof to pay all laborers, workmen, and mechanics employed by them not less than the general prevailing rate of wages as found by the District or Department of Labor for each craft or type of worker or mechanic needed to execute the contract and the general prevailing rate for legal holiday and overtime work as ascertained by the Illinois Department of Labor. The prevailing wage rates are revised by the Department of Labor periodically and are available on its website. The bidder shall comply with all provisions of the Illinois Prevailing Wage Act, 820 ILCS 130/0.01 *et seq.*, applicable to the work. Payment of any bidder shall not be processed without receipt of certified employee records required by 820 ILCS 130/5.

8. SIGNATURE CONSTITUTES ACCEPTANCE

The signing of these proposal forms shall be construed as acceptance of all provisions contained herein.

9. CONTRACTS

The successful bidder will be required to enter into a contract incorporating the terms and conditions of this proposal.

10. EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this Contract (whether or not federal funds are involved) the bidder agrees as follows:

a. The bidder will not unlawfully discriminate against any employee or applicant for employment because of age, race, creed, color, sex, religion, ancestry, marital status, handicap, military status, unfavorable discharge from military service or national origin, as those terms are contained in the Illinois Human Rights Act (775ILCS 5/1-10 et. seq., hereinafter "unlawful discrimination"). The bidder will take affirmative action to ensure the applicants are employed, and that employees are treated equally during employment, without unlawful discrimination. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The bidder agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the bidder, state that all qualified applicants will receive consideration for employment without unlawful discrimination.

11. COMPLETION DELIVERY TIME

If delivery time will exceed thirty (30) days after receipt of a purchase order, bidders state the delivery time by each respective item. All prices must be quoted FOB. Destination. Shipments shall become property of consignee after delivery and acceptance. Regardless of statements to the contrary, payment terms will begin no sooner than the date of delivery of goods.

12. EVALUATIONS

The District reserves the right to reject any and all proposals, to waive any technicalities in the bidding and to award each item to a different bidder or all items to a single bidder unless otherwise noted on proposal request, and to determine whether in the opinion of the District: (1) an early delivery date is entitled to more consideration than price, (2) an earlier delivery date is to be disregarded because of the reputation of the bidder for not meeting delivery dates, (3) a bidder is not a responsible bidder and should be disregarded. The District will authorize the release of purchase orders upon acceptance of proposals. In the event of pricing errors, the unit count(s) listed will prevail and be considered accurate.

13. EXAMINATION OF DOCUMENTS AND SITE

Before submitting a proposal for work on any project, each bidder shall carefully examine the project site and the contract documents, fully inform itself of existing conditions and limitations of the project sites, rely entirely upon their own judgment in making the proposal, and include in its own proposal all sums sufficient to provide all work required by the contract documents. After opening of proposals, no additional allowance will be made for changes in project scope and/or price due to work, which would have been apparent, by examination of the documents and sites. By submitting a proposal, each bidder shall be held to represent that bidder has made the examination in complete detail and has determined beyond doubt that the documents and existing conditions are sufficient, adequate and satisfactory for completion of the work.

14. PERFORMANCE: LABOR AND MATERIAL PAYMENT BONDS (IS NOT REQUIRED OF THIS PROJECT)

Within ten days after the date of the Notice of Award, the successful contractor shall enter into a formal contract with the District and shall provide a Performance Bond and a Labor and Material Payment Bond, each in the full amount of the contract. Each bond shall be in accordance with AIA. Document A31 1. The contractor shall pay the cost of premiums for said bonds. The bonds shall be signed and sealed by an authorized representative of the bonding company and authorized officer or representative of the contractor, and a certificate of the authority of those signing the bonds, if not officers, shall be attached thereto.

The Performance Bond and the Labor and Material Payment Bond shall guarantee the performance of the duties placed on the contractor by the Prevailing Wage Act, as well as all other duties undertaken pursuant to the contract with the District, and shall indemnify the District from any liability or loss resulting to the District from any failure of the contractor fully to perform each or all of said duties.
The Performance Bond and the Labor and Material Payment Bond herein provided shall be placed with a Surety company or companies having a policy holder's rating not lower than "A" and a financial rating not lower than "AAA" in Best's Insurance Guide (current edition).

15. BID SECURITY (IS NOT REQUIRED OF THIS PROJECT)

A Bid Bond or certified check made payable to the District in the amount of ten percent (10%) of the proposal shall accompany each proposal as a guarantee that the bidder, if awarded the contract, will furnish the required Performance Bond and Labor and Material Payment bonds, execute the contract and proceed with the work. Upon failure to do so, the bidder shall forfeit the check or the district shall be entitled to the principal amount of bid bonds as liquidated damages. No mistakes or errors on the part of the bidder shall excuse the bidder or entitle bidder to a return of the check or bid bond. No bidder may withdraw a proposal for a period of 60 days after the date of opening thereof.

The bid bonds or checks will, with the exception of those of the three lowest bidders, be returned within seven days after the opening of proposals and the remaining checks or bid bonds will be returned when the contract is executed and all required bonds have been provided.

16. SERVICE POINTS

Building Name	Address
Administration Center	2550 Harnish Drive Algonquin, IL 60102
Algonquin Lakes Elementary	1401 Compton Drive Algonquin, IL 60102
deLacey Family Educ. Center	50 Cleveland Avenue Carpentersville, IL 60110
Dundee Highlands Elementary	407 South Fifth Street West Dundee, IL 60118-2899
Eastview Elementary	540 Longwood Drive Algonquin, IL 60102
Gilberts Elementary	729 Paperbark Lane Gilberts, IL 60136
Golfview Elementary	124 Golfview Lane Carpentersville, IL 60110-2399
Hampshire Elementary	321 Terwilliger Avenue Hampshire, IL 60140-9604
Lake in the Hills Elementary	519 Willow Street Lake in the Hills, IL 60156-
Lakewood	1651 Ravine Lane Carpentersville, IL 60110-2130
Liberty Elementary	6500 Miller Road Carpentersville, IL 60110
Lincoln Prairie Elementary	500 Harvest Gate Road Lake in the Hills, IL 60156
Meadowdale Elementary	14 Ash Street Carpentersville, IL 60110-1694
Neubert Elementary School	1100 Huntington Drive Algonquin, IL 60102-1999
Parkview Elementary	122 Carpenter Blvd. Carpentersville, IL 60110-1918
Perry Elementary	251 Amarillo Drive Carpentersville, IL 60110-1199
Sleepy Hollow Elementary	898 Glen Oak Drive Sleepy Hollow, IL 60118-2698
Westfield Community School	2100 Sleepy Hollow Road Algonquin, IL 60102-2698
Wright Elementary	1500 Ketchum Road Hampshire, IL 60140
Algonquin Middle School	520 Longwood Drive Algonquin, IL 60102-3099
Carpentersville Middle School	100 Cleveland Avenue Carpentersville, IL 60110-1960
Dundee Middle School	37W450 Route 72 West Dundee, IL 60118-9590
Hampshire Middle	560 South State Street Hampshire, IL 60140-9606
Dundee-Crown High School	1 Charger Country Drive Carpentersville, IL 60110-1474
Hampshire High School	1600 East Big Timber Road Hampshire, IL 60140
Jacobs High School	2601 Bunker Hill Drive Algonquin, IL 60102-9734

Project Manager:

Eberto Mora, Executive Director of Human Resources
Office: 847-551-8300
Email: Eberto.mora@d300.org

17. WARRANTY

The bidder shall warrant the work services, and/or products to be free of defects in material and workmanship for a period of _3_ years. This warranty shall obligate the contractor to repair or replace the products at no additional charge to the District.

18. INSURANCE (REQUIRED)

The contractor shall provide and maintain insurance in the amounts outlined below with companies acceptable to the District:

MINIMUM INSURANCE REQUIREMENTS

General Liability	General Aggregate	$2,000,000
	Products-Comp/OP Agg	2,000,000
	Personal Injury	1,000,000
	Each Occurrence	1,000,000
	Fire Damage (Any one fire)	50,000
	Medical Exp. (Any one person)	5,000
Excess Liability	Each Occurrence	2,000,000
	Aggregate	2,000,000
Automobile Liability	Bodily Injury (each occ)	1,000,000
	Property Damage (each occ)	1,000,000
Worker's Compensation	Statutory Limits	
	Each Accident	500,000
	Disease-Policy Limit	500,000
	Disease-Each employee	500,000

All such insurance shall not be cancelable without thirty (30) days prior written notice being given to the District.

With respect to the insurance required herein, the contractor shall provide such insurance naming the District, the Board of Education and its members individually, and its employees and agents as **additional named**

insured. The contractor shall also purchase and maintain such insurance as will protect the District from and against all claims, damages, loss and expenses, including attorney's fees arising out of or resulting from the performance of the work, provided that any such claim, damage, loss or expense, (1) is attributable to bodily injury to or destruction of tangible property (other than the work itself), including the loss of use resulting there from, and (2) is caused in whole or in part by a negligent act or omission of the contractor, subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts they may be liable, regardless of whether or not it is caused in part by a party to whom insurance is afforded pursuant to this paragraph.

It is MANDATORY within ten (10) days after the proposal award, that the Certificate(s) of Insurance shall be submitted to the insurance agent for the District.

19. TOTAL PRICE FOR ALL ITEMS BID

A total proposal dollar amount, regardless of whether or not the bidder is bidding all items, must be entered in the appropriate section of the proposal form before signing and submitting the proposal.

20. HOLD HARMLESS AND INDEMNIFICATION

The contractor shall assume all liability for, and shall protect, defend, indemnify and hold harmless, the Board of Education, its members individually, officers, employees, servants and agents, from and against all claims, actions suits, judgments, costs, losses, expenses and liabilities of whatsoever kind or nature including reasonable legal fees incurred by owner arising out of:

A. Any infringement (actual or claimed) of any patents, copyrights or trade names by reason of any work performed or to be performed by the contractor under this contract or by reason of anything to be supplied by the contractor pursuant to this contract.

B. Bodily injury, including death, to any person or persons (including contractor's officers, employees, agents and servants) or damage to or destruction of any property, including the loss of use thereof:

-Caused in whole or in part by an act, error or omissions by the contractor or any subcontractor or anyone directly or indirectly employed by any of them regardless of whether or not it is caused in part by a party to be indemnified hereunder.

-Arising directly or indirectly out of the presence of any person in or about any part of the project site or the streets, sidewalks and property adjacent thereto.

-Arising directly or indirectly out of the use, misuse or failure of any machinery or equipment used directly or indirectly in the performance of this contract.

21. DAMAGE TO PROPERTY

In the event the bidder damages the District's property, the bidder shall, at the bidder's sole cost, restore the property or any surrounding area. Such restoration shall be to a condition at least equivalent to the condition of the affected area immediately before the destruction or damage. If the bidder does not repair such damage within 14 days after receiving written notice from the District, or such lesser time if the District determines the damage creates an emergency situation, the District may repair the damage and the bidder shall reimburse the District for the costs the District incurs within 14 days after the District provides a written invoice to the bidder.

22. LATE PROPOSALS

Proposals received after the time specified in the Request for Proposals will not be opened or considered. The method of transmittal of the proposal is at the bidder's risk of untimely receipt by the Board of Education. The use of Board of Education equipment for transmission of proposals is prohibited.

23. RECYCLED PRODUCTS

The District supports national and local efforts for recycling. Bidders are encouraged to offer recycled supplies and materials as proposal alternatives. Notations are to be included as to the percentage of recycled products in each item.

24. PAYMENT

Payment to be made within 45 days after the project completion.

Does your company accept ACH payments?
Does your company accept credit cards?
Does your company allow discounts for early payments?

Discounts examples –
2% 10 days net 30
1% 20 days net 30

25. MANUALS

The successful bidder shall supply, at no cost to the District, a detailed service manual, parts list, and list of service locations.

26. CONTRACT TERM -

The work is to commence on **August 27, 2020 to prepare for open enrollment starting in October 2020. Term of the contract is for 1 year with the option of two (2) one year extensions with favorable recommendation from the Executive Director of Human Resources.**

27. PERSONNEL

If any person employed on the work site were, in the opinion of the District project manager, intemperate, disorderly, incompetent, willfully negligent or dishonest on the performance of his/her duties, he or she shall be directed by the contractor to cease work and vacate the job site immediately.

28. SEXUAL HARASSMENT

775 ILCS 5/2-105, Human Rights Act Requirement – Written Sexual Harassment Policies contained as follows: Bidder shall have written sexual harassment policies that shall include, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under State law; (iii) a description of sexual harassment, utilizing examples; (iv) the vendor's internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Department and the Commission; (vi) directions on how to contact the Department and Commission; and (vii) protection against retaliation as provided by Section 6-101 of this Act. A copy of the policies shall be provided to the Department upon request.

29. QUALIFICATIONS

Vendor must be an authorized dealer and installer of products vendor is bidding on. Vendor must supply a list of references of like products and installations. Reference sheet is attached.

30. FINANCIAL STABILITY. The District may require, upon request, evidence as to the financial stability of the contractor. Upon request, the contractor shall provide the following information to the District within 48 hours:

a. The name of any owner or co-owner, equity of each co-owner or corporate offices of the entity submitting the proposal, and the name, address, and business telephone number of each such person.

b. The last financial statement and balance sheet of the bidder, including a specification in detail of all loans outstanding, or a copy of the last certified annual audit.

31. COMPLIANCE WITH LAWS.

Successful bidder shall at all times observe and comply with all laws, ordinances, regulations and codes of the federal, state, county and other local government agencies, which may in any manner affect the performance of the contract and in particular any such laws pertaining to safety.

32. GOVERNING LAW

The terms of this quote shall be governed and construed in accordance with the laws of the State of Illinois. If any provision hereof shall be held to contravene any applicable law, such provision shall be deemed reformed to the extent of conforming to said law, and in all other respects the terms hereof shall remain in full force and effect.

33. PROPOSAL

The signing of the submittal form shall be construed as acceptance of all provisions contained herein. All proposals shall be submitted with each space properly completed. Any explanation or statement which the bidder wishes to make must be placed in the same envelope with the bid. Unless the bidder so indicates, it is understood that the bidder has submitted the proposal in strict accordance with the specification requirements. The Bidder acknowledges that any variation from the specifications will be grounds for the District to reject the quote, although the District may accept the quote with the verification if, in its sole discretion, it determines that such proposal is in the District's best interest. All quotes shall be deemed final, conclusive and irrevocable. No claim for relief because of errors or omissions in the bidding will be considered, and bidders will be held strictly to the proposals as submitted. Should a bidder find any discrepancies in, or omissions from any of the documents, or be in doubt as to their meanings, the bidder shall submit questions as provided in this document. Bidders must satisfy themselves upon examination of these specifications, as to the intent of the specifications. After the submission of the proposal, no complaint or claim that there was any misunderstanding in regard to items listed for bidding will be entertained from a bidder.

34. BIDDER'S AGREEMENT

The bidder hereby declares understanding, agreement, and certification of compliance to provide the services, work, and/or products to the District, at the prices quoted, in accordance with all terms and conditions, requirements, and specifications contained in these documents, and any issued amendments. The contractor further agrees that the language of this document shall govern in the event of a conflict with (1) the bidder's bid or

(2) any subsequent purchase order between the bidder and the District. The bidder should, as a matter of clarity and assurance, also sign and submit all amendment(s) issued by the District related to this work. The bidder further agrees that upon receipt of an authorized purchase order or when an authorized official of the District countersigns this document, a binding contract shall exist between the bidder and the District. This document combined with amendments, the bidder's proposal, the required submittals, and the purchase order, if any, shall comprise the binding contract.

35. CANCELLATION – The District reserves the right to cancel this contract at any time for reasons of unsatisfactory services.

36. ADDITIONAL INFORMATION

Contact Diane C. White, Director of Purchasing, (847) 551-8460, between the hours of 8:00AM and 4:30PM, or by email – diane.white@d300.org

REFERENCES

LIST BELOW THE LAST FOUR (4) BUSINESSES OR OTHER ORGANIZATIONS FOR WHICH YOU HAVE PROVIDED COMPARABLE SERVICES PERFORMED ON EDUCATIONAL, LIBRAIRIES, OR OTHER MUNICIPALITIES IN THE LAST (5) YEARS..

---

1. **ORGANIZATION:**
   _____

   ADDRESS:
   _____

   CITY, STATE, and ZIP CODE:
   _____

   TELEPHONE NUMBER:
   _____

   CONTACT PERSON:
   _____

   DATE OF SERVICES:
   _____

   DOLLAR AMOUNT OF THE JOB:
   _____

2. **ORGANIZATION:**
   _____

   ADDRESS:
   _____

   CITY, STATE, and ZIP CODE:
   _____

   TELEPHONE NUMBER:
   _____

   CONTACT PERSON:
   _____

   DATE OF SERVICES:
   _____

   DOLLAR AMOUNT OF THE JOB:
   _____

REFERENCES (CONT.)

3. **ORGANIZATION:**
_____

ADDRESS:
_____

CITY, STATE, and ZIP CODE:
_____

TELEPHONE NUMBER
_____

CONTACT PERSON:
_____

DATE OF SERVICES:
_____

DOLLAR AMOUNT OF THE JOB:
_____

4. **ORGANIZATION:**
_____

ADDRESS:
_____

CITY, STATE, and ZIP CODE:
_____

TELEPHONE NUMBER
_____

CONTACT PERSON:
_____

DATE OF SERVICES:
_____

DOLLAR AMOUNT OF THE JOB:
_____

OFFEROR'S NAME: _____

SIGNATURE: _____ **DATE -** _____

CERTIFICATE OF BIDDER ELIGIBILITY

720 ILCS 5/33E-11 requires that all contractors bidding for public agencies in the State of Illinois certify that they are not barred from bidding on public contracts for bid rigging or bid rotation.

The following certification must be signed and submitted with bidder's bid Quote. FAILURE TO DO SO MAY RESULT IN DISQUALIFICATION OF THE BIDDER.

_____, as part of its bid for the _____ work for Community Unit School District #300, Algonquin, Illinois , of Cook, DeKalb, Kane, and McHenry Counties, Illinois certifies that said contractor is not barred from bidding on the aforementioned contract as a result of a violation of either 720 ILCS 5/33E-3 or 720 ILCS 5/33-E4.

Firm: _____

By: _____
(Signature)

_____
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

_____
NOTARY PUBLIC

CERTIFICATE OF COMPLIANCE WITH ILLINOIS DRUG-FREE WORKPLACE ACT

_____, having 25 or more employees, does hereby certify pursuant to section 3 of the *Illinois Drug-Free Workplace Act* (30 ILCS 580/3) that it shall provide a drug-free workplace for all employees engaged in the performance of work under the contract by complying with the requirements of the *Illinois Drug-Free Workplace Act* and, further certifies that it is not ineligible for award of this contract by reason of debarment for a violation of the *Illinois Drug-Free Workplace Act.*

Firm: _____

By: _____
(Signature)

_____
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

_____
NOTARY PUBLIC

CERTIFICATE REGARDING
SEXUAL HARASSMENT POLICY

_____, does hereby certify pursuant to Section 2-105 of the *Illinois Human Rights Act* (775 ILCS 5/2-105) that it has a written sexual harassment policy that includes, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under State law; (iii) a description of sexual harassment, utilizing examples; (iv) an internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Department of Human Rights and Human Rights Commission; (vi) directions on how to contact the Department of Human Rights and Human Rights Commission; and (vii) protection against retaliation.

Firm: _____

By: _____
(Signature)

_____
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

_____

NOTARY PUBLIC

CERTIFICATE REGARDING
EQUAL EMPLOYMENT OPPORTUNITY

_____, does hereby certify pursuant to Section 2-105 of the *Illinois Human Rights Act* (775 ILCS 5/2-105) that it has a written equal employment opportunity policy that is in compliance with all terms and conditions of the Equal Employment Opportunity provisions of the Illinois Human Rights Act.

Firm: _____

By: _____
(Signature)

_____
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

_____

NOTARY PUBLIC

CERTIFICATE REGARDING

EMPLOYMENT OF ILLINOIS WORKERS ON PUBLIC WORKS

_____ agrees if at the time the Agreement is executed, or if during the term of the Agreement, there is excessive unemployment in Illinois as defined in the Employment of Illinois Workers on Public Works Act, 30 ILCS 570/0/01 et seq., as two consecutive months of unemployment exceeding 5%, then _____ agrees to employ Illinois laborers in accordance with the Employment of Illinois Workers on Public Works Act. An "Illinois laborer" is defined as any person who has resided in Illinois for at least thirty (30) days and intends to become or remain an Illinois resident.

Firm:
_____

By:
_____
(Signature)

_____
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

_____
NOTARY PUBLIC

NON-COLLUSION AFFIDAVIT

AFFIDAVIT: "I (we) hereby certify and affirm that my (our) Quote was prepared independently for this project and that it contains no fees or amounts other than that for the legitimate execution of this work as specified and that it includes no understanding or agreements in restraint of trade."

The following affidavit must be signed and submitted with bidder's bid Quote. FAILURE TO DO SO MAY RESULT IN DISQUALIFICATION OF THE BIDDER.

_____, as part of its bid for the _____ work for Community Unit School District #300, Algonquin, Illinois certifies that said Contractor is not barred from bidding on the aforementioned contract as a result of a violation of the above Non-Collusion Affidavit.

Firm: _____

By: _____
(Signature)

_____
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

_____
NOTARY PUBLIC

CERTIFICATE REGARDING
COMMUNITY UNIT SCHOOL DISTRICT 300
VENDOR/CONTRACTOR CONFLICT OF INTEREST

_____, does hereby certify that they have read and fully understand the Vendor/Contractor Conflict of Interest Board Policy as stated below:

Vendor/Contractor Conflict of Interest
Any vendor or contractor doing $5,000 - $25,000 in business with the District within a fiscal year shall not contribute to any political campaign that directly affects the District while doing business for the District or for a period of two years after completion of business with the District. Further, the District will not enter into significant business with a vendor or contractor that has contributed to a political campaign that directly affects the District within two years prior to commencing business. Any vendor or contractor that participates and is awarded a contract through the competitive bidding process is exempt from this policy.

LEGAL REF.: 105 ILCS 5/10-20.19c, 5/10-20.21, 510-22.34c, and 5/19b-1 et seq.
820 ILCS 130/0.01 et seq.

CROSS REF: 2:100 (Board Member Conflict of Interest), 4:70 (Resource Conservation) 4:150 (Facility Management and Building Programs)

ADOPTED: February 10, 2003

Firm: _____

By: _____
(Signature)

_____
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

_____
NOTARY PUBLIC

CRIMINAL BACKGROUND INVESTIGATIONS

Contractor hereby represents, warrants, and certifies that no officer or director thereof has any knowledge that any employee thereof has been convicted of committing or attempting to commit "Criminal Code of 1961," 720 ILCS, Sections 5/11-6 (Indecent solicitation of a child), 5/11-9 (Public indecency), 5/11-14 (Prostitution), 5/11-15 (Soliciting for a prostitute), 5/11-15.1 (Soliciting for a juvenile prostitute), 5/11-19 (Pimping), 5/11-19.1 (Juvenile pimping), 5/11-19.2 (Exploitation of a child), 5/11-20 (Obscenity), 5/11-20.1 (Sexual assault), 5/12-14 (Aggravated criminal sexual assault), 5/12-15 (Criminal sexual abuse), and 5/12-16 (Aggravated criminal sexual abuse), and/or those offenses defined in the "Cannabis Control Act," 720 ILCS, 550/1 et seq. (except the "Illinois Controlled Substances Act, " 720 ILCS 570/100 et seq., any of the offenses that would subject a certificated employee to suspension or revocation pursuant to Section 21-23a of the School Code or anyone found to be the perpetrator of sexual or physical abuse of any minor under 18 years of age pursuant to proceedings under Article II of the Juvenile Court Act of 1987 and/or any offense committed or attempted in any other state or against the laws of the United States, which if committed or attempted in this State, would have been punishable as one or more of the foregoing offenses.

Contractor further agrees that it shall not employ any person who has or may have direct, daily contact with the pupils of any school in the district, and for whom a criminal background investigation has not been conducted pursuant hereto, and further represents and agrees that all applicants for any such employment shall furnish with their applications the attached written "Authorization for Criminal Background Information" form authorizing the District to request a criminal background investigation of said applicant pursuant to Section 5/10-21.9 of the School Code of Illinois and to receive criminal history record information pursuant thereto to determine if the applicant has been convicted of committing or attempting to commit any of the criminal or drug offenses enumerated above. Contractor further agrees to submit with said authorization payment for any costs and expenses associated with the criminal background investigation.

Contractor further represents, warrants, and certifies that no applicant for employment with respect to whom the criminal investigation reveals any conviction for committing and/or attempting to commit any of the above enumerated offenses, shall be employed thereby in any position that involves or may involve contact with the students of the school district.

This certification is executed on the date hereinafter indicated by the designated contractor by its duly authorized officer.

By:_____

Its: _____

Dated:_____

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

_____

NOTARY PUBLIC

AUTHORIZATION FOR CRIMINAL BACKGROUND INVESTIGATION

The undersigned hereby authorizes the Board of Education of Community Unit School District 300, Algonquin, Illinois to request a criminal background investigation from the Illinois State Police, pursuant to Section 5/10-21.9 of the School Code of Illinois, 105 ILCS 5/10-21.9 and to receive criminal history record information pursuant thereto.

_____

(Printed or Typed Name of Applicant Employee)

_____

Signature of Applicant or Employee

Dated: _____

COMMUNITY UNIT SCHOOL DISTRICT 300
PURCHASING DEPARTMENT
2605 Bunker Hill Drive
Algonquin, IL 60102
847-551-8300
Fax: 847-551-8463

VENDOR APPLICATION FORM (SUBJECT TO LOCAL LAWS)	**APPLICATION DATE**
Fill in all spaces. Insert "NA" in blocks not applicable. Type all entries	**REVISION DATE**

DATE: 7/1/2020

COMPANY	HOW LONG IN PRESENT BUSINESS?
American Fidelity Assurance Company	60 years

ADDRESS	CITY	STATE	ZIP
9000 Cameron Parkway			

CONTACT PERSON/REPRESENTATIVE	FAX NUMBER	PHONE AND EXTENSION
	( )	( )

TYPE OF ORGANIZATION (Check Applicable)
☐ INDIVIDUAL ☐ PARTNERSHIP ☐ CORPORATION

IF INCORPORATED INDICATE IN WHICH STATE: Oklahoma

YEARS ESTABLISHED: 60 years

DO YOU ACCEPT PURCHASE ORDERS? YES ☐ NO ☐

DO YOU ACCEPT CREDIT CARDS? YES ☐ NO ☐

CATEGORY **(Check below the category which applies to the applicant)**

☐ (A) MANUFACTURER OR PRODUCER ☐ (C) RETAILER ☐ (E) DISTRIBUTOR
☐ (B) WHOLESALER ☐ (D) MANUFACTURER'S AGENT ☐ (F) SERVICE ESTABLISHMENT

NAMES OF OFFICERS, MEMBERS OR OWNERS OF CONCERN, PARTNERSHIP, ETC.

(A) PRESIDENT Jeanette Rice
(B) VICE PRESIDENT Keith Johnson
(C) SECRETARY Lisa Knatvold
(D) TREASURER Lucy Fritts
(E) OWNERS, PARTNERS, OR STOCKHOLDERS Bill Cameron

TAXPAYER'S I.D. NO.
FEIN 73-0714500
or
S.S. No. _____

INSURANCE INFORMATION (Check Applicable)
LIABILITY INSURANCE: $2,000,000 ☐ $2,500,000 ☐ $5,000,000 ☐ OTHER ☐
Workers' Compensation : State Minimum ☐ Greater than Minimum ☐
Required that CUSD be named as an Additional Insured ☐ INSURANCE CO. _____

BONDING INFORMATION **(Check each area in which you have been bonded and the latest date of bonding)**
Perf. Bond ___/___ (Mo. Year) ☐ Payment Bond (Labor and Materials) ___/___ (Mo. Year) ☐ Builder's Risk ___/___ (Mo. Year) ☐

PERSONS AUTHORIZED TO SIGN QUOTES, PROPOSALS, BIDS AND CONTRACTS:

NAME	OFFICIAL CAPACITY
Jason Pledger	VP of Marketing and Customer Experience

Average number of employees (including affiliates) for four preceding calendar quarters.	Average annual sales for preceding three fiscal years:	Floor Space (Square Feet)	
		Manufacturing	Warehouse
1,800	$1,000,000,000		

MINORITY/WOMEN BUSINESS ENTERPRISE
(Check One) See Definitions Below

☐ MBE ☐ MBE/WBE ☐ WBE ☐ PBE

FOR USE BY CONTRACT COMPLIANCE ONLY:
BY:_____
DATE_____ ☐ C ☐ NC

MINORITY GROUP MEMBERSHIP (Check One) See Definitions Below

NOTE: DO NOT COMPLETE THIS SECTION UNLESS YOU HAVE CHECKED ONE OF THE BOXES IN THE MINORITY/WOMEN BUSINESS ENTERPRISE SECTION ABOVE.

☐ AFRICAN AMERICAN OR BLACK ☐ HISPANIC AMERICAN ☐ NATIVE AMERICAN ☐ ASIAN-PACIFIC AMERICAN

CERTIFICATION DATE ISSUED: _____ EXPIRATION: _____

MINORITY AND WOMEN OWNED BUSINESS ENTERPRISE DEFINITIONS

MINORITY BUSINESS ENTERPRISE ("MBE") means a certified participating business at least 51 percent (51%) of which is owned and controlled by one or more members or one or more minority groups, or in the case of a publicly held corporation, 51 percent (51%) of the stock is owned by one or more members of one or more minority groups and whose daily business operations are controlled by one or more such individuals.

WOMEN'S BUSINESS ENTERPRISE ("WBE") means a certified participating business at least 51 percent (51%) of which is owned by one or more women, or in the case of a publicly held corporation, 51 percent (51%) of the stock of which is owned by one or more women and whose daily operations are controlled by one or more such individuals. Determination of whether a business is at least 51 percent (51%) owned by a woman or women shall be made without regard to community property laws.

BUSINESS OWNED AND OPERATED BY A PERSON WITH A DISABILITY ("PBE") means a business concern of which at least 51 percent (51%) is owned by one or more persons with a disability, or in the case of the corporation, one in which at least 51 per centum of the stock is owned by one or more persons with a disability or by a not for profit agency for the disabled organized pursuant to Section 501 of the Internal Revenue Code 1954; and the management and daily business operations of which are controlled by one or more of the persons with a disability who own it.

MINORITY GROUP MEMBER is an individual who is one of the following:

AFRICAN AMERICAN OR BLACK (persons with origins in any of the Black racial groups of Africa):
HISPANIC AMERICAN (persons of Spanish culture with origins in Puerto Rico, Mexico, Cuba, South or Central America, Spain, Portugal or the Caribbean Islands regardless of race).
NATIVE AMERICAN (American Indian)
ASIAN-PACIFIC AMERICAN (persons with origins from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, Taiwan, or the Indian subcontinent).

IF YOU HAVE EVER DONE BUSINESS WITH THE SCHOOL DISTRICT UNDER ANOTHER NAME, PLEASE INDICATE NAME OR NAMES.

N/A

Give names, complete addresses, buyer's names and phone numbers of four of your customers. (Please include Federal, State or City Governments).

	ORGANIZATION	ADDRESS, STATE, ZIP	BUYER	PHONE NUMBER
1.	Northwest R-1	4290 Gravois Rd, House Springs, MO 63051	Michelle Adams	636-677-3473
2.	Jacksonville SD #117	211 West State St, Jacksonville, IL 62650	Tami Stice	217-243-9411
3.	Champaign Community ISD #4	502 W Windsor Rd, Champaign, IL 61820	Deedra Miskimins	217-351-3822
4.	Quincy SD 172	1416 Maine St, Quincy, IL 62301	Teresa Kemp	217-223-8700

Bank References

NAME OF BANK	ADDRESS, STATE, ZIP	CONTACT PERSON	PHONE NUMBER
First Fidelity Bank	P.O. Box 32282, Oklahoma City, OK 73123-0482	Lee Symcox	405-416-2222

I certify that the information supplied herein (including all pages attached) is correct and that neither the applicant nor any person (or concern) in any connection with the applicant as a principal or officer, so far as is known, is not debarred or otherwise declared ineligible by any public agency from furnishing materials, supplies or services to any agency thereof.

SIGNATURE OF PERSON AUTHORIZED TO SIGN THIS APPLICATION
Jason Pledger, VP of Marketing & Customer Experience
NAME AND TITLE OF PERSON SIGNING (Please type or print)

PERSONS OR BUSINESSES INTERESTED IN BEING ADDED TO THE BIDDER'S LIST MUST FILE THIS APPLICATION WITH THE PURCHASING DEPARTMENT.

AFTER PLACEMENT ON THE BIDDERS' LIST, A VENDOR'S FAILURE TO RESPOND TO INVITATIONS FOR BIDS WILL BE UNDERSTOOD BY THE SCHOOL DISTRICT TO INDICATE LACK OF INTEREST AND SHALL RESULT IN THE REMOVAL OF THE VENDOR'S NAME FROM THE BIDDERS' LIST FOR THE ITEMS CONCERNED.

NOTE: ANY CHANGES TO INFORMATION SUBMITTED (ADDRESSES, AUTHORIZED PERSONNEL, ETC.,) WILL REQUIRE A REVISED COPY OF THIS FORM. ADDITIONAL FORMS MAY BE OBTAINED BY CONTACTING THE PURCHASING DEPARTMENT AT THE ADDRESS SHOWN ON THE FRONT OF THIS FORM.

USE BY COMMUNITY UNIT SCHOOL DISTRICT 300 ONLY

VENDOR I.D. NUMBER	APPROVED BY	DATE	W9	COMM LIST

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

Requester's name and address (optional)

COMMUNITY UNIT SCHOOL DISTRICT 300
2550 HARNISH DRIVE
ALGONQUIN, IL 60102

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN,* later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

			–			–				

or

Employer identification number

		–							

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here | **Signature of U.S. person** ▶ | **Date** ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and

4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting,* later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the instructions for Part II for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code,* later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships,* earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code,* later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities

3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities

5—A corporation

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession

7—A futures commission merchant registered with the Commodity Futures Trading Commission

8—A real estate investment trust

9—An entity registered at all times during the tax year under the Investment Company Act of 1940

10—A common trust fund operated by a bank under section 584(a)

11—A financial institution

12—A middleman known in the investment community as a nominee or custodian

13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5[2]
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester,* later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/Businesses* and clicking on Employer Identification Number (EIN) under Starting a Business. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to *www.irs.gov/OrderForms* to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code,* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	**Give name and EIN of:**
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships,* earlier.

***Note:** The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint*. You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Visit *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

SCOPE OF WORK

Online Benefits – Open Enrollment

Scope of service below is also in Scope of Service

Response Form A - Vendor Questionnaire

District 300 is seeking services for:

- A vendor to assist in the process of open enrollment for all current and new hired district employees.
- District 300 has an annual Open Enrollment time frame for active employees between October 15 and November 15
- The successful vendor will be expected to:
    - Provide comprehensive education to all current and new employees on fringe benefits offered by the district (health, dental, vision, etc.)
    - Provide accurate and efficient communication to inform all employees of available benefits prior to open enrollment
    - Provide an online platform for employees to complete a selection process that best fits their needs
    - Provide comprehensive education and support to employees on benefit selection process including printed and electronic communication
    - Provide education for new employees during the onboarding process
    - Coordinate the employee selections with the HR Department for proper premium deductions

- **School District Background**
- Community Unit School District 300 is the sixth largest student enrollment in
- Illinois with over 21,000 students, covering 118 square miles. The District provides
- pre-Kindergarten through twelfth grade education in an area of 118 square miles in
- Northwestern Illinois, 40 miles west of Chicago.
- District 300 is comprised of three (3) high schools (grades 9-12), four (4) middle
- school (grades 6-8), one (1) school (grades K-8), sixteen (16) elementary schools
- (Grades K-5), one (1) school Pre-K, and one (1) alternative school.
- District 300 employs approximately 2100 Full Time Employees (FTE)
- Firm to Provide copy of standard contract with submitted proposal in Section 6
- Complete the Scope of Work – RFP Response Form – Part A (excel file) and Part
- B and provide in Section 3 of your submitted proposal.
- Below is the evaluation criteria that will be used to grade submitted proposals.
- Submitted proposals will be evaluated by a committee.
- District 300 current EFP system is Infor/Lawson
- Kronos – hourly employees
- Smartfind for attendance of staff

SCOPE OF SERVICES

1) Provide background information about your company.
    a. History
    b. What percent of your business is in the education sector?
    c. Organizational mission, brand, and market differentiators
2) Identify the number of IL public schools your company currently provides Section 125 administration services and employee benefit education and enrollment support.
3) Please summarize in 250 words or less why your company is the best candidate and the principal reasons your company should be selected over your competitors
4) Does your firm offer an Online Enrollment System? If so, please describe this system and how it is used in the enrollment process. Include the following information.
    i. When was the system implemented?
    ii. Who has access to the information?
    iii. How is the information accessed?
    iv. Describe information and functions available via the system.
5) Define the number of plan customers using your Online Enrollment System, including (Illinois) school districts?
6) Provide a sample project timeline that outlines the implementation process.
7) What security standards do you implement to ensure participant privacy?
8) Can the Online Enrollment System be programmed with complex eligibility rules? Is software programming done in-house or by third party?
9) Do employees have 24/7 access to login and view benefit choices items?
10) Is the system capable of exporting enrollment data to plan providers in acceptable electronic formats?
11) Is the system capable of generating employee deduction files for upload to the district's payroll program?
12) Is the system used to educate employees on the benefits offered? If so, please describe.
13) Are there any fees to the district associated with the Online Benefit System?

14) Please provide the details on the Account Management staff, including key personnel whom would have primary responsibility of supporting the District. As well as who will be enrolling the employees.
15) Please describe the training provided to your field staff.

16) Describe your Section 125 Administration.
    a. Who is responsible for the employer risk? If the account is negative at the end of the plan year when the account is reconciled (i.e., employee leaves plan with negative unreimbursed medical balance), who is responsible?
    b. Through which methods can employees submit claims for reimbursement?
17) Describe your online service center for employees and the District
18) Describe your firm's service model including claims' services.

19) Describe the process for completing annual employee election form requirements.
20) Describe your process for onboarding new employees.
21) What measurements does your company have in place to ensure all employees are educated equally on the Section 125 options available to them?
22) How are employee elections provided back to the District?

23) Describe post-enrollment services.

24) How would your company work with the district to develop a communication campaign?
25) Describe the process to educate employees on the employee benefits available at open enrollment. Include a description of your print and digital resources, including benefits website
26) How are employees able to access in-person resources to assist with the enrollment process?

Other Services:

27) Describe the benefits compliance resources your company can offer to the district and its employees.
28) Does your company have other services or technology that could be offered?
29) Please describe any additional services or support that would be available to the District.
30) What are the hours of operation for the live customer service office?
31) Does your customer service staff support other languages? What policies and procedures are in place to accommodate these needs?

RFP – Open Enrollment Services

PROPOSAL EVALUATION CRITERIA

	DEFINITION	POINT VALUE
PRICE	The lowest price that met the minimum requirements outline will be awarded	10
EDUCATION AND TRAINING	Meet the delineated expectations on the RFP	25
CUSTOMER SERVICE	Points are determined by quality of education provided to employees and HR	25
ENROLLMENT PLATFORM	End user experience in successfully completing open enrollment including plan selection changes	25
REFERENCES	Other client successful experiences	10
OTHER ENHANCEMENTS OR ADDITIONAL SERVICES	Other services provided by the vendor that can enhance the district operational systems and employee benefits	5
TOTAL POSSIBLE POINTS		100

Proposal Content and Proposal Format Submittal to include:
One complete electronic copy of proposal

Section 1 - Firm Experience and Capabilities -

- ✓ Provide a list of all School District clients for which you have provided services for in the last five years.
- ✓ Highlight your experience in performing work such as described in the Proposal.
- ✓ Samples of work that demonstrate experience at the School level or higher education.

Section 2 - Project Approach

Provide a brief discussion of the following:

- ✓ The methodology that your firm would use in collaborating with District personnel. Please provide an adequate description and summary of capabilities.
- ✓ Provide staffing resumes who would be proposed to oversee our account, along with resumes of potential employees that would be assigned to District 300.
- ✓ Your approach to project scheduling.
- ✓ Your approach for providing the necessary support to District 300 to insure the successful implementation.
- ✓ Your procedure for training personnel to adhere to the District 300 guidelines of this contract.

Section 3 – Economic Impact – Pricing and Proposal Questionnaire
Include Proposal Response Forms A and B in this section

Section 4 - References-

- ✓ Provide a minimum of four *(4)* references for professional services performed on educational, libraries, or other municipalities in the last five *(5)* years.

Section 5 – Required District 300 certificates, Vendor Application, W-9 form.
These forms are included within this Proposal.

Section 6 – Sample Contract

Section 7 – Other information proposed that in not included in the questionnaire

Section 8 – Please provide audited financials or financials for the past five years.
You may provide a link to these documents for the district to review.

RFP RESPONSE FORM – PART B

RFP – Open Enrollment Services

RFP response form Part A and B must be completed and included in your response along with all other required documents and additional documentation.

Include your fee schedule for proposal in Section 3, along with Response form A and B.

Vendor has received: Addendum #1 Yes _____ No _____
Addendum #2 Yes _____ No_____

COMMENTS AND ADDITIONAL INFORMATION

_____

_____

_____

_____

The undersigned hereby certifies that she/he has read, understands and agrees that acceptance by the Board of Education of the bidder's offer by issuance of a purchase order(s) or other documents(s) will create a binding contract. Further, she/he agrees to fully comply with the specifications and other documentary forms and regulations made a part of this specific procurement of contract. The bidder must comply with all State and Federal Regulations including FEPC, the Illinois Laborer's Act and the Illinois Prevailing Wage Act, with preference to Public Act 86-799 which states "…not less than the prevailing rate of wages as found by the public body or Department of Labor or determined by the court on review shall be paid to all laborers, workers and mechanics performing work under the contract." The Illinois Department of Labor prevailing wages for the county where the project will be undertaken are included on Attachments I & II of this bid package if applicable.

_____ 90 DAYS
Name of Company/Corporation Length of time bid is firm

_____
Street Address Bid Submitted by:

_____ _____
City, State, Zip Code Authorized Signature

_____ _____
Telephone Number Please Type or Print Name

_____ _____
Fax Number Illinois License Number

Email address - _____

*****Electronic Proposals are due by 3:00PM CT, Thursday, July 9, 2020 *****

COMMUNITY UNIT SCHOOL DISTRICT #300
PURCHASING DEPARTMENT
2605 BUNKER HILL DR
ALGONQUIN IL, 60102
Phone – 847-551-8460
Fax – 847-551-8463

June 25, 2020

Dear Vendor:

ADDENDUM 1

RFP – Open Enrollment Services

QUESTIONS AND ANSWERS:

Question: Is there any consideration to add payroll services to the scope of services?

Answer: District 300 is not exploring the outsourcing of payroll at this time.

Question: How did District 300 handle Open Enrollment Services last year?

Answer: District 300 has used Infor/Lawson self-service in the past. This RFP is for new services.

Question: Was there a trigger event resulting in the decision to put out an RFP?

Answer: Yes, the in house process is cumbersome for employees to select their insurance options; therefore, District 300 seeks to enhance the open enrollment process to make it easier for its employees.

Question: Is this RFP only for open enrollment or for qualified life events and new hires?

Answer: The RFP focuses on the active open enrollment process, and will be utilized for employees to complete life events and new hire enrollment.

Question: Of the 2100 full-time employees, what percentage or number are benefit eligible?

Answer: District 300 has 2400 employees. Approximately 2100 employees are eligible for benefits.

Question: Regarding question 8 in the Scope of Services: *Can the Online Enrollment System be programmed with complex eligibility rules,* please explain complex eligibility rules.

Answer: D300 seeks an enrollment system that will allow participants to select plans based on eligibility rules. Example: HSA participants would only see the option to select Limited Purpose FSA and HSA Contributions but not Health FSA. HMO/PPO participants would only see the option to select Health FSA but not Limited Purpose FSA and HSA Contributions.

Question: Does District 300 have eligibility groups?

Answer: Yes, please expand on this question. Currently 2100 employees are eligible for benefits.

Question: Please explain the eligibility rule problems.

Answer: We do not have a system that can offer options based on benefit plan selection as addressed in the previous question.

Question: Does District 300 offer voluntary benefits?

Answer: Yes, District 300 offers voluntary life insurance

Question: What are the #1 and #2 priorities of this RFP? Would the goal be to provide a better enrollment experience or to provide comprehensive education to assist employees to make better enrollment decisions?

Answer: Both. District 300 seeks to provide a positive open enrollment experience for new and current employees. It is also a high priority to educate all employees on the different benefit options. District 300 offers a comprehensive benefit package and we want to ensure that employees are selecting the best option for themselves.

Question: After the employee enrolls for benefits, how is the data transferred to the carriers?

Answer: Data is transferred through an electronic feed using an interface between Infor/Lawson and the carriers. This is a constant feed sent weekly as employees are hired year-round.

Question: What is the process or format to send this information to carriers?

Answer: Data is transferred through an electronic feed using an interface between Infor/Lawson and the carriers. This is a constant feed sent weekly as employees are hired year-round.

Question: Who are District 300's current benefits carriers?

Answer: District 300 uses Blue Cross Blue Shield of Illinois for health insurance, Delta Dental for dental insurance, VSP for vision insurance and Voya for Group, Supplemental Life insurance and Long Term Disability, Horace Mann/Payflex for FSA, and HSA Savings Account is administered by First American Bank.

Question: Regarding samples of work, is District 300 looking for case studies or something else?

Answer: District 300 is requesting samples of successful implementation and execution of an open enrollment platform deployed with large school districts or employers.

Make changes to the original RFP documents

Change 1 – Under 1. GENERAL

h. Oral, telephonic, telegraphic, facsimile or electronically transmitted proposals will not be accepted.

To

h. Oral, telephonic, telegraphic, or facsimile transmitted proposals will not be accepted. Proposals should be transmitted electronically to bids.purchasing@d300.org

Change 2

The CERTIFICATE REGARDING EMPLOYMEN T OF ILLINOIS WORKERS ON PUBLIC WORKS is not a required certificate.

ADDITIONAL INFORMATION

1) **The evaluation team may request a Demonstration of the respondent's services.**

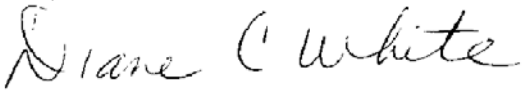
Please acknowledge receipt of this addendum in a letter of acknowledgement and included with your sealed bid.

This Addendum is to be considered part of the original bid documents.

Please confirm receipt of this email by a telephone call, email, or fax.
Phone Number – 847-551-8460.
E-mail- bids.purchasing@d300.org

Fax Number – 847-551-8463
If you have any questions, please feel free to contact me at the phone number listed above.

Sincerely,



Diane C. White / Director of Purchasing

COMMUNITY UNIT SCHOOL DISTRICT #300
PURCHASING DEPARTMENT
2605 BUNKER HILL DR
ALGONQUIN IL, 60102
Phone – 847-551-8460
Fax – 847-551-8463

July 3, 2020

Dear Vendor:

ADDENDUM 2

RFP – Open Enrollment Services

QUESTIONS AND ANSWERS:

Question: What is the District's current turnover percentage?

Answer: The turnover percentage is 8%.

Question: How many unique eligibility groups are within the District's benefit eligible population? (i.e. different location, executives, rate structures, coverage level, etc.)

Answer: There are three different benefit eligible groups (24 pay, 20 pay and 18 pay).

Question: Can you list the rate structures within the benefit eligibility groups?

Answer: The rate structures are based on employee groups:
24 pay employees – Admin, LEAD, DEPA, NUG
20 pay employees – Grandfathered LEAD members
18 pay employees – DESA, DESPA10 Full-time SUBS

Question: Do you have any union employees? If yes, how many separate union contracts? Do the union employees receive benefits through your company?

Answer: Yes, we have union employees. There are four separate contracts. Please click here and navigate to the list of Labor Agreements. Yes, union employees do receive benefits through District 300.

Question: Does the District have any retirees? If so, how many are under 65 and over 65? How do the retirees pay for their benefits? Do you offer split family and survivor benefits?

Answer: Yes, there are four retirees under 65 and no retirees over 65. Retirees pay District 300 directly. No, we do not offer split family and survivor benefits outside of COBRA.

Question: Can you confirm your Annual Enrollment is held in October? Is the timeframe for your Annual Enrollment start date flexible?

Answer: The Annual Open Enrollment takes place during October 15 – November 15. We are not flexible with the start date.

Question: Please describe your Benefit plan offerings and carriers. Are you currently evaluating any major plan design changes?

Answer: For plan offerings please visit our website or click here

Question: Do you offer Voluntary Benefits to your employees? If so, please list the plan design and carrier.

Answer: Yes, District 300 does offer a Voluntary/Supplemental Life through VOYA, click here.

Question: Does the District require proof when enrolling a dependent? What events do you require this (Life events, New Hire, Open Enrollment)?

Answer: Yes, District 300 does require proof when enrolling a dependent. We require a certified copy of the marriage certificate if enrolling a spouse and a certified copy of the birth certificate if enrolling a dependent child. We require these documents when an employee adds a dependent through a Life Event, as a New Hire, or during Open Enrollment.

Question: How many benefit eligible employees have at least one dependent?

Answer: 1,373 benefit eligible employees have at least one dependent enrolled on District 300's insurance plan(s). District 300 is not able to provide you with the number of benefit eligible employees who have at least one dependent. The dependent may not be enrolled or listed as a dependent in our system because they are not enrolled in one of District 300's insurance plan(s).

Question: Have you determined who will join the District's team to be a resource during the implementation process?

Answer: District 300 will use current staff to assist with the implementation process.

Question: Can you confirm the District's timeline to make a vendor decision is August 25th, 2020? Is that deadline flexible? When is the soonest the District would make a vendor decision?

Answer: District 300 confirms the decision deadline is August 25, 2020. This deadline is not flexible. The vendor recommendation will be brought before the Board of Education at the regularly scheduled meeting on August 25, 2020. Human Resources may make a vendor decision prior to August 25, 2020, but it must go to the Board of Education for approval.

Please acknowledge receipt of this addendum in a letter of acknowledgement and included with your sealed bid.

This Addendum along with attachments is to be considered part of the original bid documents.

Please confirm receipt of this email by a telephone call, email, or fax.
Phone Number – 847-551-8460.
E-mail- bids.purchasing@d300.org

Fax Number – 847-551-8463
If you have any questions, please feel free to contact me at the phone number listed above.

Sincerely,

Diane C White

Diane C. White / Director of Purchasing

EMPLOYER BENEFIT SOLUTIONS FOR EDUCATION

PROPOSAL FOR

Community Unit School District #300



Kaitlin Economon
Account Development Coordinator

Illinois Branch Office
333 Salem Place Suite 130
Fairview Heights, IL 62208

Office: 855-822-9168 | Cell: 314-703-8208
kaitlin.economon@americanfidelity.com

americanfidelity.com/illinois

AMERICAN FIDELITY
a different opinion

SB-32743-0919

PROPOSAL FOR

Community Unit School District #300

I enjoyed meeting your team and discussing how we can work together to enhance your benefits program. As we discussed, our goal is to shift the focus from providing benefit plan information to motivating employees to make decisions about how to best utilize their benefits in a way that is economical to both their plan sponsor and the employees' families.



Many districts are in search of a better way to manage their enrollment without adding costs to their bottom line. Our model helps streamline enrollments and improve efficiencies, while providing individual support and education.

A Single Benefits System

- Central location to store your core and voluntary benefits information.
- Year-round functionality eliminates paper enrollment forms.
- EDI file feeds including new hire and qualifying event changes are sent to carriers directly.
- Available at no additional charge in exchange for offering voluntary benefits.

Customized Communication Strategy

Along with technology, we'll deliver a customized communication strategy for your organization. Through group meetings and individual education sessions, supported by our extensive collection of educational material, we help employees understand their options and enroll in the benefits that make the most sense for them and their families.

See a Sample Enrollment Site

Solutions for Community Unit School District 300

I am confident that our approach to providing benefits and services will enhance your program.

- Comprehensive, customized benefits solution.
- Complete web-based enrollment, communication, and administration platform, including EDI feeds.
- Employee education and one-on-one benefit reviews prior to enrollment.
- Year-round service from a dedicated salaried account manager.

Thank you for considering American Fidelity Assurance Company. I look forward to speaking to you further about this opportunity.



Kaitlin Economon

Account Development Coordinator

American Fidelity | Illinois Branch Office

P: 800.654.8489, ext. 2432 | americanfidelity.com/illinois

Firm Experience & Capabilities

- School District Clients
- Experience
- Samples of Work

Firm Experience & Capabilities

School District Clients

American Fidelity serves more than 4,400 school districts nationwide, including 240 districts in the state of Illinois. Due to company policy, we are not able to disclose a full list of these clients.

See How We Are Helping Educators in St. Louis

4,400+
School Districts Served Today

140+
Education Association Relationships

60
Years Working in Education

Experience

American Fidelity has 60 years of experience providing top-notch benefits administration for the education community. We offer benefits strategies to empower employers like you to make benefits decisions that help both your organization and your employees. Our goal is act as an extension of your human resources department by providing employee education, enrollment, year-round administration, and compliance support.

Serving Your Region

Both **Champaign Comm USD #4** and **Evansville Vanderburgh School Corp** are similar in size to yours and have gained efficiencies by utilizing our online platform.

Associaton Partnerships

We proudly partner with more than 140 state and national education associations, and are an endorsed provider for the top business/administative associations for districts, the Association of School Business Officials (ASBO), and the top national association for school employees, the National Education Association (NEA).

Our local association partnerships include IASBO, IASA, IASPA, and LUDA.

> Since 2006, American Fidelity has provided personalized service through annual employee benefit reviews and FSA and HRA administration. Our partner is always a quick phone call away, and I consider Kaitlin and her team to be part of our 'unofficial' HR department.
>
> *Jan Bush, Business Manager*
> *Murphysboro CUSD #186, IL*

02

Project Approach

- Methodology
- Staffing Resumes
- Project Scheduling
- Implementation
- Personnel Training

Methodology

American Fidelity wants to partner with your District to create a holistic benefits strategy that will help increase participation, retain employees, and save money. We also want to help take the burden off your administration by helping you create a comprehensive benefits plan, educating your employees, answering benefits questions, and executing your annual enrollment.

Objectives:

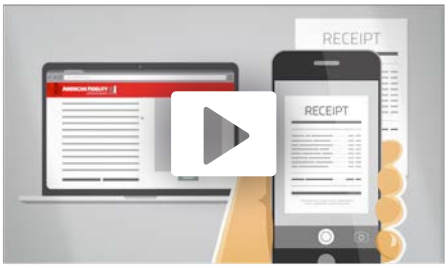
- Provide the District with a full benefits enrollment platform to enroll your employees in all their benefits, including medical, vision, and dental.
- Help you develop and execute a benefits education plan that ensure your employees are prepared for their enrollment.
- Provide local support throughout the plan year through our local account management team.

Employee Education

As your partner, we will help you implement valuable, consistent benefits education that allows each of your employees to learn about their benefit options through channels they prefer. We believe that when employees are properly educated, they will better appreciate and understand the benefits you offer, leading to higher satisfaction and retention. Our education strategy includes the following resources that can be customized to meet your needs:



Pre-Enrollment Materials – We can provide email blasts, posters, flyers, postcards, and benefits booklets to ensure your employees understand their benefits and know when it's time to enroll.

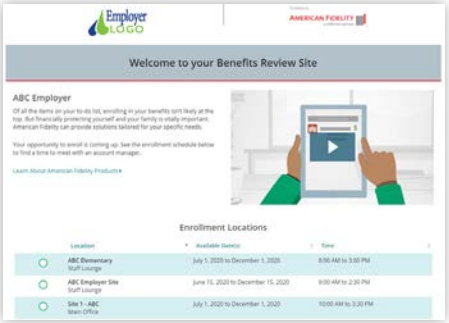


Educational Videos – We have an expansive video library that includes enrollment preparation tips, product information, testimonials, and self-service support options.

Visit our video library here.

Benefits Websites – We can work with you to create a custom benefits website with up-to-date plan information and an enrollment appointment scheduler.

View a sample at https://americanfidelity.com/pages/district-300/



One-on-One Benefit Reviews – Employees can meet individually with one of our experienced account managers to receive customized guided enrollment education; get their questions answered; and help ensure they select the benefit that best meet their needs.

Group Meetings – We educate your employees on their benefit options in a group setting to prepare them for their annual enrollment.

Enrollment Support

You and your employees will have access to AFenroll®, American Fidelity's online enrollment platform that can assist with your entire enrollment.

We'll provide you with a customized online benefits enrollment system with year-round features and maintenance. This includes:

- Full benefits and system enrollment monitoring
- Setup for mutually agreed upon plan functionality
- Data and census analysis, pre-load, and setup
- Testing and carrier review
- Multiple product categories, plan options, and coverage levels
- Administrative tools (reports, enrollment monitoring, etc.)
- Post-enrollment data transfer to employer



Customer Service and Support

We work hard to exceed your expectations by providing excellent customer service and claims processing for your employees, and efficient plan administration tools and support for your Human Resources department. By partnering with American Fidelity, you and your employees will have a direct line of communication with our local account managers as well as our customer service department.

Billing Support – Our employer online portal includes a section dedicated to helping you efficiently manage and reconcile your American Fidelity bill. The system allows your payroll team to reconcile bills entirely online and choose the payment method. This helps to eliminate paper bills and drastically cuts the time it normally takes to reconcile.

Claims Processing – We make it simple for your employees to file a claim in their time of need with multiple options for submitting a claim, and quick and efficient claims processing. All claims are paid in an average of five business days. For a complete video on our claims process, click here.

Customer Support – We understand there will be times when your employees need to speak to someone about their benefits. You will have a local account manager available to answer employee questions directly. In addition, we have a dedicated team of customer service specialists, and participants have 24/7 access to our toll-free automated phone system to check their reimbursement account balances.

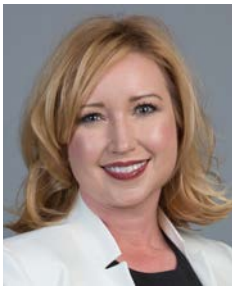


Mary Hatfield

Executive Account Manager
mary.hatfield@americanfidelity.com

Mary Hatfield is entering her fifth year with American Fidelity, working exclusively with the education market to provide solutions for employers — including employee benefit education, enrollment and benefits administration, Section 125 compliance education, High Deductible Health Plan implementation, customized supplemental insurance packages, and reimbursement account administration.

Honored by the company nationwide as the 2017 "Rookie of the Year", Mary works hard to deliver excellent customer service to the districts she works with, as well as each employee. She is the account manager for several of our largest districts in Illinois. She also leads a team of four account managers, ensuring the highest standard of customer service, account development and retention. Mary holds a Bachelor of Science degree from the University of Illinois at Urbana Champaign.

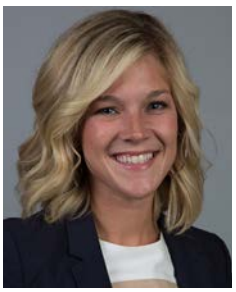


Whitney Dyson

State Manager
whitney.dyson@americanfidelity.com

Whitney Dyson serves as Illinois State Manager for American Fidelity. She has been with American Fidelity for more than nine years and has over 18 years of experience working in leadership. In her current role, Whitney is responsible for professional development, recruiting, staff development, strategic planning, business management, and market development. She manages a team of 13 salaried account managers that support more than 500 K-12 public school districts.

Whitney supports and contributes to many association organizations such as: Illinois ASBO, ASBO International, Illinois Association of School Administrators, as well as the Illinois Large Unit District Association. She is a B-School Graduate, completed Challenger Training, attended leadership training at The University of Texas at Austin- School of Executive Training, studied Communications and Business at Illinois State University, and is currently pursuing her GBA designation.



Audra Bussard

Enrollment Coordinator

audra.bussard@americanfidelity.com

Audra Bussard serves as Enrollment Coordinator for American Fidelity. She works exclusively with school districts in Illinois. As an Enrollment Coordinator, her main goal is to facilitate implementation and onboarding processes — including developing, maintaining, and strengthening customer relationships by providing superb customer service and supporting administrative aspects of assigned accounts. Audra has worked with more than 300 school districts throughout the state in her time at American Fidelity.

Prior to working at American Fidelity, Audra was a Human Resource Manager for a Human Resource company that outsourced HR services to school districts in Illinois. This experience in addition to her time with American Fidelity, has made her well versed in benefits and HR administration in the K-12 world. She received a Bachelor's degree in Biology/Chemistry from Southern Illinois University Edwardsville.



Tammy Hinkle-Davis

Illinois Branch Administrator/Secretary

tammy.hinkle@americanfidelity.com

Tammy Hinkle-Davis has served as the Illinois Branch Administrator/Secretary with American Fidelity for more than eight years. In her role, Tammy supports the efforts of our account managers, management, our outside professional business association groups, and over 200 school districts we service throughout the state of Illinois.

Tammy's responsibilities require her to handle many details, tasks, and projects at once. Therefore, being able to multitask; effectively, efficiently, and accurately deems essential in this position, just as providing exceptional and extraordinary customer service does to every customer and co-worker she encounters.

Tammy earned a Bachelor of Science degree in Business Management from Fontbonne University in St. Louis, MO.

Implementation

Implementing your benefits program is one of the most important steps in ensuring a smooth and successful enrollment. We work with you to develop a strategy centered around the needs of your organization and your employees.

Here's how we can help:

Planning Meeting

Our highly-trained account managers will meet with your staff prior to your plan year enrollment to develop an implementation plan based on your needs.

Your District will be assigned an Enrollment Analyst (responsible for configuring AFenroll® to reflect the school's specific needs), Enrollment Coordinator (responsible for training staff members and ongoing customer service) and a Data Analyst (responsible for the accurate return of payroll data and carrier data) to provide the necessary support throughout the implementation process.

Implementation

We'll schedule an implementation call to go through a benefit inventory where we learn about your benefits, carriers, and eligibility rules. We'll also:

- Help you develop a communication plan designed for your District.
- Discuss the data that we will need to conduct the enrollment.
- Contact your carriers to work through the details of their return data requirements.

Pre-Enrollment

We'll distribute pre-enrollment materials, host group meetings for your employees, and provide your employees with an online appointment scheduler to help them easily sign up for an enrollment session.

Open Enrollment

Our account managers will provide in-person enrollments with employees to discuss benefit options and help them enroll (if necessary, we can also provide one-on-one enrollments virtually). Employees will sign the annual election form.

Post-Enrollment

We'll conduct a post-enrollment review immediately following the enrollment to get feedback from you staff on the positive and negatives of the process. We'll also train your staff for American Fidelity's online billing and administration system.

AMERICAN FIDELITY
a different opinion

Enrollment Timeline

CUSD 300

10/15/2020 - 11/15/2020

COMPLETED	TASK DESCRIPTION	ASSIGNED TO	DUE DATE
	Planning Meeting	AF and CUSD 300	8/27/2020
	Send Completed Benefit Blueprint to AF	CUSD 300	9/3/2020
	Send Employee Data to AF (Census/Benefit File)	CUSD 300	9/4/2020
	Send Additional Benefit Info to AF (Copays/Core Plans)	CUSD 300	9/4/2020
	Send Payroll Deduction Codes and Payroll Spec to AF	CUSD 300	9/4/2020
	Implementation Call	AF and CUSD 300	9/8/2020
	Carrier Calls	AF and CUSD 300	9/11/2020
	Principal/Supervisor Meeting	American Fidelity	9/25/2020
	IEA Presentation (if needed)	American Fidelity	9/30/2020
	Approve Enrollment Schedule	AF and CUSD 300	9/30/2020
	Approve Enrollment Communication	AF and CUSD 300	9/30/2020
	Initial Communication Sent to CUSD 300 Staff	CUSD 300	10/1/2020
	Group Benefit Overview Meetings by Building	American Fidelity	10/1 -11/5
	Approve Online Enrollment Platform (AF Enroll)	AF and CUSD 300	10/9/2020
	Time to Enroll Communication Sent to CUSD 300 Staff	CUSD 300	10/12/2020
	Enrollment	American Fidelity	10/15-11/15
	Enrollment Progress Sent to CUSD 300 Admin	American Fidelity	10/31/2020
	Send Completed Life Event Workbook to AF	CUSD 300	10/31/2020
	Last Chance to Enroll Communications Sent to CUSD 300 Staff	CUSD 300	11/9/2020
	Make-Up Enrollment Days	American Fidelity	11/11 -11/15
	Provide Post-Enrollment Reports	American Fidelity	11/27/2020
	Post-Enrollment Meeting	AF and CUSD 300	11/30/2020
	**This is a sample timeline, dates are subject to change		

Strategic Partnership

American Fidelity's account managers offer our customers ***a different opinion***. We hire experienced professionals that are salaried employees, not brokers or commissioned sales people. Our account managers are trained to be your strategic partner in helping you achieve your benefits goals.



Selective Hiring

We seek professionals with a pattern of success, demonstrated by career growth and leadership skills. Each candidate has at minimum a one-month interview process which includes several formal interviews and shadowing, and because we value your organization's security and safety, all our account managers undergo an extensive background check.

8 Years
Average tenure for sales colleagues

500+
Total sales colleagues in the U.S.

100+
Hours of training for new sales colleagues

Highly Trained

Our account managers are required to attend training year-round to help ensure they are up-to-date on benefits management trends. New account managers are required to attend over 100 hours of training, both in person and online, and must pass multiple exams within the first six months.

Annually, all our account managers are trained on:

- Industry benefit trends
- Compliance requirements
- Section 125 Plan regulations
- Reimbursement account regulations
- Patient Protection and Affordable Care Act (ACA)
- Data security
- Fraud detection
- HIPAA regulations

Dedicated to You Year-Round

Our account managers are available year-round to support you and your employees and help you make the most of your benefits. For employers, we help create a benefits strategy to accomplish your goals, whether that means moving to a High Deductible Health Plan, reducing costs, or implementing a new benefit. For employees, we offer one-on-one benefit reviews to help ensure they are choosing the right benefits for their individual needs, specifically focusing on benefits that complement your medical plan.

Economic Impact - Pricing and Proposal Questionnaire

- Response Form A
- Response Form B

	Response Form A - Scope of Service Questionnaire	Firm Response and Comments
1)	Provide background information about your company.	
	a. History	American Fidelity Assurance Company was established in 1960 and has been providing voluntary benefits and employer administative services for the education community for 60 years. We offer benefits strategies that empower districts like yours to make benefits decisions to help your organization and your employees. Our goal is to act as an extension of your human resources department by providing employee education, enrollment, year-round administration, and compliance support.
	b. What percent of your business is in the education sector?	American Fidelity has a division solely dedicated to education community, meaning you will be served by an account team that is truly embedded within your industry's trends and benefit needs. Overall, the education sector makes up about 80% of our business.
	c. Organizational mission, brand, and market differentiators	American Fidelity's mission is to provide financial security and benefit solutions to meet the specific needs of employers and employees in our select market segments. We accomplish our mission by providing your employees with a personal approach focused on providing each of your employees with the proper education to help them understand the full scope of the benefits being offered and how they can be used to supplement their core benefits.
2)	Identify the number of IL public schools your company currently provides Section 125 administration services and employee benefit education and enrollment support.	We currently serve 240 public school districts in Illinois.
3)	Please summarize in 250 words or less why your company is the best candidate and the principal reasons your company should be selected over your competitors	American Fidelity is committed to providing your District with more than just a benefits package. We want to help you implement valuable, consistent benefit education to ensure your employees understand their benefit options and how each option fits into their overall benefits package. We do this by utilizing salaried account managers who provide a one-on-one guided enrollment experience for each eligible employee to answer questions and provide comprehensive benefits education. Additionally, we provide educational videos, a benefits website, emails, and customized print materials to ensure each employee can learn about their benefit options through the channels they prefer. We believe that with a true benefits education strategy, your employees will be more prepared to make benefits decisions, leading to higher overall participation in your benefits plan.
4)	Does your firm offer an Online Enrollment System? If so, please describe this system and how it is used in the enrollment process. Include the following information.	AFenroll® is American Fidelity's complete web-based enrollment, communication, and administration platform that can assist with your entire benefit enrollment process. With ease of administration and one central location for you and your carriers, AFenroll® is your enrollment solution. We'll provide you with a customized online benefits enrollment system with year-round features and maintenance. This includes: • Full benefits and system enrollment monitoring • Setup for mutually agreed upon plan functionality • Data and census analysis, pre-load, and setup • Testing and carrier review • Multiple product categories, plan options, and coverage levels • Administrative tools (reports, enrollment monitoring, etc.) • Post-enrollment data transfer to employer
	i. When was the system implemented?	We began using our current enrollment system in 2011.
	ii. Who has access to the information?	Access is granted to administrators and HR team members via a secure login to our system.
	iii. How is the information accessed?	Information is accessed through administrative login into our secure webbased system.
	iv. Describe information and functions available via the system.	Employer Features: • Electronic payroll deduction upload • New Hire enrollments • View employee enrollment status • Employee benefit participation reports • Administrative changes, including terminations, leaves of absence, retirements and more • View employee coverage at any time • Electronic, historic record of employee data • View employee beneficiary information at any time • Customize your enrollment with company colors, logo, and photos Employee Features: • Accessible from any desktop browser • Customized enrollment based on demographic information and hire date • Enroll in all available benefits • View benefit confirmation statements • View benefit materials, brochures, and summary plan descriptions • Educational benefit videos • Enrollment preparation videos • Benefit calculators and Section 125 worksheets
5)	Define the number of plan customers using your Online Enrollment System, including (Illinois) school districts?	Approximately 7,200 clients currently use AFenroll, including 240 school districts throughout Illinois. We provide full benefit enrollments, including EDI data feeds to carriers, for 187 clients and eight clients in Illinois.
6)	Provide a sample project timeline that outlines the implementation process.	A sample implementation timeline is included in Section 2 of this response.

7)	What security standards do you implement to ensure participant privacy?	As an insurance company, American Fidelity is held to a high standard by Federal Government Regulations and other entities to protect the personal information of our clients. We have measures in place to continually meet these standards. These include: All American Fidelity colleagues are required to take a HIPAA class and have adopted work practices that emphasize confidentiality and security. American Fidelity provides a licensed attorney and certified PHR (Professional Human Resources) manager who ensure HIPAA compliance. Additionally, customer information is shredded and kept in locked binds. Our file server is backed up and stored offsite in a secured and monitored facility. Please see the Supporting Documents section of this response for our HIPAA Notice of Privacy Practices.
8)	Can the Online Enrollment System be programmed with complex eligibility rules? Is software programming done in-house or by third party?	Yes – AFenroll® can be programmed with complex eligibility rules. All programing is done in-house by a tech assigned specifically to your district. Our team will work with you during implementation to determine your needs and build your enrollment to meet those needs.
9)	Do employees have 24/7 access to login and view benefit choices items?	Yes – Employees have 24/7 access to manage their benefits through our secure online portal.
10)	Is the system capable of exporting enrollment data to plan providers in acceptable electronic formats?	Yes – American Fidelity has more than 18 years of experience providing EDI files to carriers. We have been successful because we take the time and make the effort to continually verify all carrier details and revise data specs to ensure their accuracy. This is done through conference calls with the carriers and through our secure test file process. We work back and forth with the carrier to make sure they are receiving what they expect and can load the file accurately. Once the test phase is complete and the enrollment is conducted, we can quickly provide the carrier files with the confidence that they are produced accurately.
11)	Is the system capable of generating employee deduction files for upload to the district's payroll program?	Yes – We can provide a file of plan year enrollments directly into the District's payroll system.
12)	Is the system used to educate employees on the benefits offered? If so, please describe.	Yes – AFenroll® can be customized to incorporate benefit materials, brochures, educational videos, and summary plan descriptions to assist employees during the enrollment experience. Employees may also utilize the custom benefits website for quick web access to educational material for each of the benefit options.
13)	Are there any fees to the district associated with the Online Benefit System?	We are offering our online enrollment platform and payroll integration at no additional charge to Community Unit School District # 300 in exchange for: •Access to offer our portfolio of voluntary benefits to District employees through payroll deduction; and •Access to school sites for group and individual enrollment meetings.
14)	Please provide the details on the Account Management staff, including key personnel whom would have primary responsibility of supporting the District. As well as who will be enrolling the employees.	Your District will be served year-round by a team of our salaried account managers that live and work in Illinois. This team includes Mary Hatfield, Audra Busssard, Whitney Dyson, and Tammy Hinkle. We will provide additional account managers as needed during the open enrollment process.
15)	Please describe the training provided to your field staff.	Our account managers are required to attend training year-round to help ensure they are up-to-date on benefits management trends. New account managers are required to attend over 100 hours of training, complete 11 online courses, and must pass multiple exams within the first six months. Annually, all our account managers are trained on: •Industry benefit trends •Compliance requirements •Section 125 Plan regulations •Reimbursement account regulations •Patient Protection and Affordable Care Act (ACA) •Data security •Fraud detection •HIPAA regulations
16)	Describe your Section 125 Administration.	American Fidelity is one of the leading Section 125 Plan providers nationwide with nearly 40 years of experience providing these Plans to school districts like yours. When you choose American Fidelity as your Plan provider, we will help you properly implement and maintain your Section 125 Plan. This includes helping you establish your Plan Document. Our business model is convenient, IRS compliant, and will help to relieve your organization of the administrative burden. **We provide our Section 125 services at no additional cost.**
	a. Who is responsible for the employer risk? If the account is negative at the end of the plan year when the account is reconciled (i.e., employee leaves plan with negative unreimbursed medical balance), who is responsible?	Because of the potential loss to the employer, American Fidelity provides insurance to cover the Health FSA risk. The risk policy "insures" the employer's uniform coverage risk for the Health FSA, up to $2,750 per participant for shortages in the account due to termination of employment. American Fidelity will provide this risk protection to the District at no additional cost.
	b. Through which methods can employees submit claims for reimbursement?	We offer several convenient ways for employees to submit claims for reimbursement: Benefits Debit Card - Allows employees to pay for eligible medical expenses directly from their accounts. Our system is tied to an inventory information approval system (IIAS) allowing us to verify that a transaction is valid at the point-of-sale for most retail locations without further documentation. Mobile App – Employees can file a claim by snapping a photo of the expense receipt and submit using a smartphone. Online – Employees can file a claim and upload their expense receipts through our Online Service Center. Mail & Fax – Employees can file a claim manually by mail or fax. Printable claim forms are available on our website.

17)	Describe your online service center for employees and the District	Our Employee Online Service Center allows your employees to easily manage their American Fidelity benefits in one place. Employees can: • File a new claim through an online submission form • Check the status of an existing claims • Check reimbursement account balance and track account activity • Update account information • Download and print insurance policies • Set up account notifications and view statements Our Employer Online Service Center is a secure portal that allows you to manage your entire benefits program and reconcile your bill in one place. Employers can: • Review or terminate employees from their plan • Update organization's contact information • Download sick pay reports • Create and manage employer account logins • Access employee election forms • Upload census data • Download reports
18)	Describe your firm's service model including claims' services.	At American Fidelity, we work hard to exceed your expectations by providing excellent customer service and claims processing for your employees and efficient plan administration tools and support for your human resources department. We are available throughout the year to assist you and your employees with any questions or need, both from our headquarters in Oklahoma City, OK and through our local account managers. We make claim submission fast and easy for your employees with options to submit online through our Online Service Center or through our mobile app. We pay claims in an average of five business days from the time a claim is received
19)	Describe the process for completing annual employee election form requirements.	During enrollment, all elections are captured electronically and documented on the employee's Section 125 election form, which are printed and provided to the employee. At the end of the enrollment, American Fidelity provides the employer with access to these forms, as well as the opportunity for American Fidelity to automatically upload employee elections to your payroll system. This eliminates the need for your administrative staff to key in all changes manually.
20)	Describe your process for onboarding new employees.	As previously discussed, we can meet in person or virtually with all new hires on set dates twice a month or when district requests. During this time, we can fully complete the onboarding process and collect all necessary forms and items on behalf of your HR department. All benefit elections can be processed through AFenroll®, making enrollment notifications to carriers and billing updates seamless.
21)	What measurements does your company have in place to ensure all employees are educated equally on the Section 125 options available to them?	We focus on providing a one-on-one, in-person enrollment experience for each employee. This approach allows our account managers to help educate and enroll your employees in all their benefit options. We also provide a variety of pre-enrollment marketing materials, including emails, posters, flyers, postcards, and brochures to ensure your employees understand their benefit options and know when it's time to enroll.
22)	How are employee elections provided back to the District?	Your District will be provided with complete enrollment documentation following the enrollment. This information can be provided by paper and/or we can provide an electronic "upload" of election changes directly into your payroll system, eliminating the need for manual data entry.
23)	Describe post-enrollment services.	We will coordinate a meeting with your District to review enrollment successes, participation by benefit and service, and improvement opportunities for the following plan year. In addition, we will meet with the payroll administrator to provide one-on-one training for our online billing and administration system and assist with the first billing. Complete tasks include: •Review Payroll Deduction Report •Upload payroll deductions •Walk through the first bill and ongoing support •Training for American Fidelity's Online Service Center •Review year-round support mode
24)	How would your company work with the district to develop a communication campaign?	Your benefits enrollment period is a unique opportunity to engage your employees about your benefit offerings and ensure they are choosing the benefits that meet their needs. If executed properly, your employees will better appreciate and understand the benefits you offer, leading to higher satisfaction and retention. American Fidelity will work with you during the planning meetings to develop and execute a communication strategy that removes much of the administrative burden on your organization while also ensuring your employees are educated on their benefit options.

25)	Describe the process to educate employees on the employee benefits available at open enrollment. Include a description of your print and digital resources, including benefits website	We will work with your District to develop a communication and education strategy that may include the following options: One-on-One Benefit Reviews - Employees can meet individually with one of ou experienced account managers to receive customized guided enrollment education; get their questions answered; and help ensure they select the benefit that best meet their needs. Group Meetings - We educate your employees on their benefit options in a group setting to prepare them for their annual enrollment. Pre-Enrollment Materials - We can provide emails, posters, flyers, postcards, and brochures to ensure your employees understand their benefits and know when it's time to enroll. Educational Videos -We have an expansive video library that includes enrollment preparation tips, product information, testimonials, and self-service support options. Benefits Website - We can work with you to create a custom benefits website with up-to-date plan information and an enrollment appointment scheduler.
26)	How are employees able to access in-person resources to assist with the enrollmen process?	Your employees can sign up to attend one-on-one benefit reviews and group meetings with one of our account managers in-person during the enrollment process.
	Other Services:	
27)	Describe the benefits compliance resources your company can offer to the district and its employees.	American Fidelity recognizes that staying on top of changes in the law is imperative for a successful benefits program. We have an entire compliance team dedicated to monitoring and educating our customers through lunch-and-learns, VIP email notifications, newsletters, our Benefits Blog, and personal benefit reviews with our account managers. These resources help give employers a head start with trying to understand new rules. We have in-house benefit attorneys and compliance experts who continually monitor both state and federal requirements. We want to be your partner and primary resource for managing the challenges and changes resulting from the ACA. We understand the requirements and how those responsibilities can impact employers and employees. We provide a variety of services to educate employers on the developing law, assist with implementation and ongoing compliance, and communicate plan changes to employees.
28)	Does your company have other services or technology that could be offered?	• We offer our mobile app, AFmobile®, for submitting and managing claims for our voluntary benefits and reimbursement accounts (FSA, HSA, and HRA). • Our online enrollment platform can assist with your entire enrollment. • We offer a GoToMeeting enrollment option that allows your employees to meet face-to-face with one of our account managers from anywhere.
29)	Please describe any additional services or support that would be available to the District.	American Fidelity can provide the following additional services to the District: •Section 125 Compliance •Administration of Flexible Spending Accounts (FSAs) and Health Savings Accounts (HSAs) •Dependent Verification Reviews •Group Dental and Vision Insurance •Retirement Readiness Seminars •ACA Compliance Support
30)	What are the hours of operation for the live customer service office?	Our experienced customer care team and department specialists are available Monday through Friday, 7:00 am-7:00 pm CST. Customers may contact us via email using our contact form at americanfidelity.com or through phone. We also have voicemail capabilities.
31)	Does your customer service staff support other languages? What policies and procedures are in place to accommodate these needs?	American Fidelity employs both English and Spanish speaking customer service representatives to assist with customer questions.

	Technology Questionnaire	
1	What sets your product apart from the others?	We believe that our focus on the education market and our individualized guided enrollment experience set us apart from the competition. According to a survey we conducted of more than 12,000 education employees, more than 90% responded that they favored our one-on-one approach as opposed to only 7% that preferred to self-educate and enroll on their own.
2	Does you firm accept terms of deferred billing?	There are no costs associated with our enrollment platform.
3	Does the product support SSO Implementation?	Yes
4	Is SSO implementation available via SAML?	Yes
5	Is SSO implementation included in base cost?	There are no costs associated with our enrollment platform.
6	What type of support is provided and what hours is it available (CST)?	Technical support for our enrollment system is available 24/7.
7	Is technical support 24/7 available?	Yes
8	Is technical support 24/7 included in base price?	There are no costs associated with our enrollment platform.
9	Do you partner with a hosting provider (ex: AWS) and does you have data center redundancy?	Our site is hosted on premise with data center redundancy in two geographically separate locations.
10	List the products uptime over last 6 months:	99% +/-
11	List the products uptime over last 12 months:	99% +/-
12	List the products uptime over last 24 months:	99% +/-
13	Does the products license include continuous updates to the software?	Contractually, there are two maintenance windows a week for software/hardware updates – Wednesday evening through Thursday morning (8:00 p.m. – 12:00 a.m. CST) and Sunday evening through Monday morning (8:00 p.m. – 12:00 a.m. EST). Notification is sent out if there is emergency maintenance required outside of the maintenance window.

14	Does the product integrate with Google?	AFenroll® is web-based and is supported on the most used versions of any web browser, including Google Chrome.
15	Is there a Chromebook app?	AFenroll® is web-based and can be accessed from a Chromebook.
16	Does the product run in the Chrome web browser (Chromebooks)?	Yes – AFenroll® can be access from the Chrome web browser.
17	How is the content delivered on a Chromebook (web/app/other)?	AFenroll® can be accessed from the web by visiting www.afenroll.com.
18	If the content is delivered through the web, how is it delivered (HTML5/Flash)?	HTML5
19	If there is flash-based content, when will it be converted to HTML5?	N/A
20	Is Chromebook Kiosk mode supported?	Yes
21	Is an ebook/etext included?	We have electronic enrollment education materials and account managers available to assist with enrollment.
22	Is the ebook/etext available offline?	We have electronic enrollment education materials and account managers available to assist with enrollment.
23	Is there a client/app needed for teachers?	AFenroll® can be accessed from the web by visiting www.afenroll.com.
24	Is the product for teachers compatible on Windows devices?	Yes
25	Is the product supported on Windows 10?	Yes
26	Is the client/app for teachers deployable to Windows machines via MSI?	AFenroll® can be accessed from the web by visiting www.afenroll.com.
27	Does the client/app for teachers require custom configurations based on user?	N/A
28	Is an ebook/etext included?	We have electronic enrollment education materials and account managers available to assist with enrollment.
29	Is the ebook/etext available offline?	We have electronic enrollment education materials and account managers available to assist with enrollment.
30	Is there a client/app needed for teachers?	AFenroll® can be accessed from the web by visiting www.afenroll.com.
31	Is the product for teachers compatible on Windows devices?	Yes
32	Is the product supported on Windows 10?	Yes
33	Is the client/app for teachers deployable to Windows machines via MSI?	AFenroll® can be accessed from the web by visiting www.afenroll.com.
34	Does the client/app for teachers require custom configurations based on user?	N/A

RFP RESPONSE FORM – PART B

RFP – Open Enrollment Services

RFP response form Part A and B must be completed and included in your response along with all other required documents and additional documentation.

Include your fee schedule for proposal in Section 3, along with Response form A and B.

Vendor has received: Addendum #1 Yes __X__ No _____
Addendum #2 Yes __X__ No_____

COMMENTS AND ADDITIONAL INFORMATION

_____

_____

_____

_____

The undersigned hereby certifies that she/he has read, understands and agrees that acceptance by the Board of Education of the bidder's offer by issuance of a purchase order(s) or other documents(s) will create a binding contract. Further, she/he agrees to fully comply with the specifications and other documentary forms and regulations made a part of this specific procurement of contract. The bidder must comply with all State and Federal Regulations including FEPC, the Illinois Laborer's Act and the Illinois Prevailing Wage Act, with preference to Public Act 86-799 which states "…not less than the prevailing rate of wages as found by the public body or Department of Labor or determined by the court on review shall be paid to all laborers, workers and mechanics performing work under the contract." The Illinois Department of Labor prevailing wages for the county where the project will be undertaken are included on Attachments I & II of this bid package if applicable.

American Fidelity Assurance Company
Name of Company/Corporation

90 DAYS
Length of time bid is firm

9000 Cameron Parkway
Street Address

Bid Submitted by:

Oklahoma City, OK 73114
City, State, Zip Code

Authorized Signature

800-654-8489
Telephone Number

Jason Pledger
Please Type or Print Name

n/a
Fax Number

42500-21
Illinois License Number

Email address - proposal@americanfidelity.com

***Electronic Proposals are due by 3:00PM CT, Thursday, July 9, 2020 ***

PROPOSED SERVICE FEES FOR

Community Unit School District #300

VALUE ADDED PLAN SERVICES	Your Cost
Section 125 Services*	
Section 125 Sample Plan Document, Implementation and Annual Review	$0.00
Annual Non-Discrimination Testing Worksheets	$0.00
Employee Election Form/Salary Reduction Agreement Assistance	$0.00
Flexible Spending Account Administrative Services*	
Healthcare Flexible Spending Account (HCFSA) Administration	$0.00
Dependent Care Account Administration	$0.00
HCFSA Benefits Debit Card and Dependent Card(s)	$0.00
Upfront HCFSA Funding Assistance	$0.00
Insured HCFSA Risk Premium up to $2,750	$0.00
Health Savings Account Administrative Services*	
Health Savings Account Administration	$0.00
HSA Benefits Debit Cards and Dependent Card(s)	$0.00
Enrollment Solutions*	
Full Benefits Online Enrollment Platform	$0.00
Employee Communication & Education	$0.00
New Hire Enrollment & Year-Round Support	$0.00
Additional Services	
Dependent Verification Reviews	$0.00
Major Medical Plan Waivers	$0.00
	$0.00

**American Fidelity Assurance Company is providing these services at no additional charge to the District in exchange for access to offer our voluntary benefits to District employees and access to school sites for group and individual enrollment meetings. Please refer to the Service Exchange Agreement for details.*



Benefits Live Here. ACA Compliance Should Too.

Functionality:
- IRS Compliant Form Generation
- IRS Electronic Form Filing
- Lookback Monitoring
- IRS Form Fulfillment Options
- Automated IRS Code Determinations
- Automated Affordability Calculations

Service:
- Full-Service ACA Manager
- Setup/On-boarding Assistance
- IRS Form Generation Assistance

Convenience:
- One System , One Solution
- Pricing Structure That Decreases as Your Headcount Increases

The Selerix 2019 ACA Solution: The Perfect Blend of Service & Technology to Suit Your ACA Needs.

Core Services

- ☑ Lookback Monitoring
- ☑ IRS Form Generation
- ☑ IRS Electronic Filing

First 1,000 FTE:	**$6.00 per full-time employee** (50¢ per FT EE per month x 12 months) **$1,500 minimum annual charge**
Next 1,001 – 5,000 FTE:	**$5.00 per full-time employee** (42¢ per FT EE per month x 12 months)
Next 5,001+ FTE:	**$4.00 per full-time employee** (33¢ per FT EE per month x 12 months)

1st Year Setup

☑ Implementation Support: 10 Hours

Group Size: 1 – 1,000 FTE	**$1,000 one-time fee**
1,001 – 5,000 FTE	**$2,000 one-time fee**
5,001+ FTE	**$3,000 one-time fee**

Optional Form Mailing

$1.50	**Per form -** postage included
$1.00	**Per correction form**

Pricing Details

- FTE (Full-time employee) is defined as any employee for whom an employer must file a 1095-C form - as defined by the ACA mandate.
- 1st year implementation support in excess of 10 hours will be billed separately.
- Electronic filing fees:
  1st EIN: Included at no charge
  2nd -5th EINs: $500 per EIN
  Over 5 EINs: $100 per EIN
- Support in excess of 20 hours annually will be billed separately.

sales@selerix.com

www.selerix.com/acareporting

selerix
benefit solutions simplified

04

References

- References

REFERENCES

LIST BELOW THE LAST FOUR (4) BUSINESSES OR OTHER ORGANIZATIONS FOR WHICH YOU HAVE PROVIDED COMPARABLE SERVICES PERFORMED ON EDUCATIONAL, LIBRAIRIES, OR OTHER MUNICIPALITIES IN THE LAST (5) YEARS..

---

1. ORGANIZATION:
Northwest R-1

ADDRESS:
4290 Gravois Road

CITY, STATE, and ZIP CODE:
House Springs, MO 63051

TELEPHONE NUMBER:
636-677-3473

CONTACT PERSON:
Michelle Adams

DATE OF SERVICES:
Since 10/1/2019

DOLLAR AMOUNT OF THE JOB:
$0

2. ORGANIZATION:
Jacksonville School District #117

ADDRESS:
211 West State Street

CITY, STATE, and ZIP CODE:
Jacksonville, IL 62650

TELEPHONE NUMBER:
217-243-9411

CONTACT PERSON:
Tami Stice

DATE OF SERVICES:
Since 3/1/2010

DOLLAR AMOUNT OF THE JOB:
$0

REFERENCES (CONT.)

3. ORGANIZATION:
Champaign Community USD #4

ADDRESS:
502 W Windsor Road

CITY, STATE, and ZIP CODE:
Champaign, IL 61820

TELEPHONE NUMBER
217-351-3822

CONTACT PERSON:
Deedra Miskimins

DATE OF SERVICES:
Since 11/1/1995

DOLLAR AMOUNT OF THE JOB:
$0

4. ORGANIZATION:
Quincy School District 172

ADDRESS:
1416 Maine Street

CITY, STATE, and ZIP CODE:
Quincy, IL 62301

TELEPHONE NUMBER
217-223-8700

CONTACT PERSON:
Teresa Kemp

DATE OF SERVICES:
Since 10/1/2016

DOLLAR AMOUNT OF THE JOB:
$0

OFFEROR'S NAME: Jason Pledger

SIGNATURE:  **DATE -** 6/30/2020

Required Forms

- Certificate of Bidder Eligibility
- Certificate of Compliance with Illinois Drug-Free Workplace Act
- Certificate Regarding Sexual Harassment Policy
- Certificate Regarding Equal Employment Opportunity
- Certificate Regarding Employment of Illinois Workers on Public Works
- Non-Collusion Affidavit
- Vendor/Contractor Conflict of Interest
- Criminal Background Investigations
- Vendor Application
- W-9 Form

CERTIFICATE OF BIDDER ELIGIBILITY

720 ILCS 5/33E-11 requires that all contractors bidding for public agencies in the State of Illinois certify that they are not barred from bidding on public contracts for bid rigging or bid rotation.

The following certification must be signed and submitted with bidder's bid Quote. FAILURE TO DO SO MAY RESULT IN DISQUALIFICATION OF THE BIDDER.

American Fidelity Assurance Company, as part of its bid for the Open Enrollment Services work for Community Unit School District #300, Algonquin, Illinois , of Cook, DeKalb, Kane, and McHenry Counties, Illinois certifies that said contractor is not barred from bidding on the aforementioned contract as a result of a violation of either 720 ILCS 5/33E-3 or 720 ILCS 5/33-E4.

Firm: American Fidelity Assurance Company

By: _____
(Signature)

Jason Pledger VP, Marketing Operations & Business Development
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020

Jordan N. Jester
NOTARY PUBLIC

JORDAN N. JESTER
Notary Public, State of Oklahoma
Commission # 18007342
My Commission Expires 07-24-2022

CERTIFICATE OF COMPLIANCE WITH ILLINOIS DRUG-FREE WORKPLACE ACT

American Fidelity Assurance Company, having 25 or more employees, does hereby certify pursuant to section 3 of the *Illinois Drug-Free Workplace Act* (30 ILCS 580/3) that it shall provide a drug-free workplace for all employees engaged in the performance of work under the contract by complying with the requirements of the *Illinois Drug-Free Workplace Act* and, further certifies that it is not ineligible for award of this contract by reason of debarment for a violation of the *Illinois Drug-Free Workplace Act.*

Firm: American Fidelity Assurance Company

By: _____
(Signature)

Jason Pledger VP, Marketing Operations & Business Development
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020

Jordan N. Jester
NOTARY PUBLIC

JORDAN N. JESTER
Notary Public, State of Oklahoma
Commission # 18007342
My Commission Expires 07-24-2022

CERTIFICATE REGARDING
SEXUAL HARASSMENT POLICY

American Fidelity Assurance Company, does hereby certify pursuant to Section 2-105 of the *Illinois Human Rights Act* (775 ILCS 5/2-105) that it has a written sexual harassment policy that includes, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under State law; (iii) a description of sexual harassment, utilizing examples; (iv) an internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Department of Human Rights and Human Rights Commission; (vi) directions on how to contact the Department of Human Rights and Human Rights Commission; and (vii) protection against retaliation.

Firm: American Fidelity Assurance Company

By: _____
(Signature)

Jason Pledger VP, Marketing Operations & Business Development
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020

Jordan N. Jester
NOTARY PUBLIC

JORDAN N. JESTER
Notary Public, State of Oklahoma
Commission # 18007342
My Commission Expires 07-24-2022

CERTIFICATE REGARDING
EQUAL EMPLOYMENT OPPORTUNITY

American Fidelity Assurance Company, does hereby certify pursuant to Section 2-105 of the *Illinois Human Rights Act* (775 ILCS 5/2-105) that it has a written equal employment opportunity policy that is in compliance with all terms and conditions of the Equal Employment Opportunity provisions of the Illinois Human Rights Act.

Firm: American Fidelity Assurance Company

By: _____
(Signature)

Jason Pledger VP, Marketing Operations & Business Development
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020

Jordan N. Jester
NOTARY PUBLIC

JORDAN N. JESTER
Notary Public, State of Oklahoma
Commission # 18007342
My Commission Expires 07-24-2022

CERTIFICATE REGARDING

EMPLOYMENT OF ILLINOIS WORKERS ON PUBLIC WORKS

American Fidelity Assurance Company agrees if at the time the Agreement is executed, or if during the term of the Agreement, there is excessive unemployment in Illinois as defined in the Employment of Illinois Workers on Public Works Act, 30 ILCS 570/0/01 et seq., as two consecutive months of unemployment exceeding 5%, then American Fidelity Assurance Company agrees to employ Illinois laborers in accordance with the Employment of Illinois Workers on Public Works Act. An "Illinois laborer" is defined as any person who has resided in Illinois for at least thirty (30) days and intends to become or remain an Illinois resident.

Firm:
American Fidelity Assurance Company

By: _____
(Signature)

Jason Pledger VP, Marketing Operations & Business Development
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020

_____
NOTARY PUBLIC

JORDAN N. JESTER
Notary Public, State of Oklahoma
Commission # 18007342
My Commission Expires 07-24-2022

NON-COLLUSION AFFIDAVIT

AFFIDAVIT: "I (we) hereby certify and affirm that my (our) Quote was prepared independently for this project and that it contains no fees or amounts other than that for the legitimate execution of this work as specified and that it includes no understanding or agreements in restraint of trade."

The following affidavit must be signed and submitted with bidder's bid Quote. FAILURE TO DO SO MAY RESULT IN DISQUALIFICATION OF THE BIDDER.

American Fidelity Assurance Company, as part of its bid for the Open Enrollment Services work for Community Unit School District #300, Algonquin, Illinois certifies that said Contractor is not barred from bidding on the aforementioned contract as a result of a violation of the above Non-Collusion Affidavit.

Firm: American Fidelity Assurance Company

By: _____
(Signature)

Jason Pledger VP, Marketing Operations & Business Development
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020

Jordan N. Jester
NOTARY PUBLIC

JORDAN N. JESTER
Notary Public, State of Oklahoma
Commission # 18007342
My Commission Expires 07-24-2022

CERTIFICATE REGARDING
COMMUNITY UNIT SCHOOL DISTRICT 300
VENDOR/CONTRACTOR CONFLICT OF INTEREST

American Fidelity Assurance Company, does hereby certify that they have read and fully understand the Vendor/Contractor Conflict of Interest Board Policy as stated below:

Vendor/Contractor Conflict of Interest

Any vendor or contractor doing $5,000 - $25,000 in business with the District within a fiscal year shall not contribute to any political campaign that directly affects the District while doing business for the District or for a period of two years after completion of business with the District. Further, the District will not enter into significant business with a vendor or contractor that has contributed to a political campaign that directly affects the District within two years prior to commencing business. Any vendor or contractor that participates and is awarded a contract through the competitive bidding process is exempt from this policy.

LEGAL REF.: 105 ILCS 5/10-20.19c, 5/10-20.21, 510-22.34c, and 5/19b-1 et seq.
820 ILCS 130/0.01 et seq.

CROSS REF: 2:100 (Board Member Conflict of Interest), 4:70 (Resource Conservation) 4:150 (Facility Management and Building Programs)

ADOPTED: February 10, 2003

Firm: American Fidelity Assurance Company

By: _____
(Signature)

Jason Pledger VP, Marketing Operations & Business Development
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020

_____
NOTARY PUBLIC

JORDAN N. JESTER
Notary Public, State of Oklahoma
Commission # 18007342
My Commission Expires 07-24-2022

CRIMINAL BACKGROUND INVESTIGATIONS

Contractor hereby represents, warrants, and certifies that no officer or director thereof has any knowledge that any employee thereof has been convicted of committing or attempting to commit "Criminal Code of 1961," 720 ILCS, Sections 5/11-6 (Indecent solicitation of a child), 5/11-9 (Public indecency), 5/11-14 (Prostitution), 5/11-15 (Soliciting for a prostitute), 5/11-15.1 (Soliciting for a juvenile prostitute), 5/11-19 (Pimping), 5/11-19.1 (Juvenile pimping), 5/11-19.2 (Exploitation of a child), 5/11-20 (Obscenity), 5/11-20.1 (Sexual assault), 5/12-14 (Aggravated criminal sexual assault), 5/12-15 (Criminal sexual abuse), and 5/12-16 (Aggravated criminal sexual abuse), and/or those offenses defined in the "Cannabis Control Act," 720 ILCS, 550/1 et seq. (except the "Illinois Controlled Substances Act, " 720 ILCS 570/100 et seq., any of the offenses that would subject a certificated employee to suspension or revocation pursuant to Section 21-23a of the School Code or anyone found to be the perpetrator of sexual or physical abuse of any minor under 18 years of age pursuant to proceedings under Article II of the Juvenile Court Act of 1987 and/or any offense committed or attempted in any other state or against the laws of the United States, which if committed or attempted in this State, would have been punishable as one or more of the foregoing offenses.

Contractor further agrees that it shall not employ any person who has or may have direct, daily contact with the pupils of any school in the district, and for whom a criminal background investigation has not been conducted pursuant hereto, and further represents and agrees that all applicants for any such employment shall furnish with their applications the attached written "Authorization for Criminal Background Information" form authorizing the District to request a criminal background investigation of said applicant pursuant to Section 5/10-21.9 of the School Code of Illinois and to receive criminal history record information pursuant thereto to determine if the applicant has been convicted of committing or attempting to commit any of the criminal or drug offenses enumerated above. Contractor further agrees to submit with said authorization payment for any costs and expenses associated with the criminal background investigation.

Contractor further represents, warrants, and certifies that no applicant for employment with respect to whom the criminal investigation reveals any conviction for committing and/or attempting to commit any of the above enumerated offenses, shall be employed thereby in any position that involves or may involve contact with the students of the school district.

This certification is executed on the date hereinafter indicated by the designated contractor by its duly authorized officer.

By: American Fidelity Assurance Company

Jason Pledger VP, Marketing Operations & Business Development

Its: _____

Dated: 6/23/2020

JORDAN N. JESTER
Notary Public, State of Oklahoma
Commission # 18007342
My Commission Expires 07-24-2022

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020

Jordan N. Jester

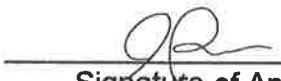
NOTARY PUBLIC

AUTHORIZATION FOR CRIMINAL BACKGROUND INVESTIGATION

The undersigned hereby authorizes the Board of Education of Community Unit School District 300, Algonquin, Illinois to request a criminal background investigation from the Illinois State Police, pursuant to Section 5/10-21.9 of the School Code of Illinois, 105 ILCS 5/10-21.9 and to receive criminal history record information pursuant thereto.

Jason Pledger VP, Marketing Operations & Business Development

(Printed or Typed Name of Applicant Employee)



Signature of Applicant or Employee

Dated: June 23, 2020

COMMUNITY UNIT SCHOOL DISTRICT 300
PURCHASING DEPARTMENT
2605 Bunker Hill Drive
Algonquin, IL 60102
847-551-8300
Fax: 847-551-8463

VENDOR APPLICATION FORM (SUBJECT TO LOCAL LAWS)	**APPLICATION DATE**
Fill in all spaces. Insert "NA" in blocks not applicable. Type all entries	**REVISION DATE**

DATE: 7/1/2020

COMPANY	HOW LONG IN PRESENT BUSINESS?
American Fidelity Assurance Company	60 years

ADDRESS	CITY	STATE	ZIP
9000 Cameron Parkway			

CONTACT PERSON/REPRESENTATIVE	FAX NUMBER	PHONE AND EXTENSION
	( )	( )

TYPE OF ORGANIZATION (Check Applicable)
☐ INDIVIDUAL ☐ PARTNERSHIP ☐ CORPORATION

IF INCORPORATED INDICATE IN WHICH STATE: Oklahoma

YEARS ESTABLISHED: 60 years

DO YOU ACCEPT PURCHASE ORDERS? YES ☐ NO ☑

DO YOU ACCEPT CREDIT CARDS? YES ☐ NO ☑

CATEGORY **(Check below the category which applies to the applicant)**

☐ (A) MANUFACTURER OR PRODUCER ☐ (C) RETAILER ☐ (E) DISTRIBUTOR
☐ (B) WHOLESALER ☐ (D) MANUFACTURER'S AGENT ☐ (F) SERVICE ESTABLISHMENT

NAMES OF OFFICERS, MEMBERS OR OWNERS OF CONCERN, PARTNERSHIP, ETC.

(A) PRESIDENT Jeanette Rice
(B) VICE PRESIDENT Keith Johnson
(C) SECRETARY Lisa Knatvold
(D) TREASURER Lucy Fritts
(E) OWNERS, PARTNERS, OR STOCKHOLDERS Bill Cameron

TAXPAYER'S I.D. NO.
FEIN 73-0714500
or
S.S. No. _____

INSURANCE INFORMATION (Check Applicable)
LIABILITY INSURANCE: $2,000,000 ☐ $2,500,000 ☐ $5,000,000 ☐ OTHER ☐
Workers' Compensation : State Minimum ☐ Greater than Minimum ☐
Required that CUSD be named as an Additional Insured ☐ INSURANCE CO. _____

BONDING INFORMATION **(Check each area in which you have been bonded and the latest date of bonding)**

Perf. Bond ___/___ (Mo. Year) ☐ Payment Bond (Labor and Materials) ___/___ (Mo. Year) ☐ Builder's Risk ___/___ (Mo. Year) ☐

PERSONS AUTHORIZED TO SIGN QUOTES, PROPOSALS, BIDS AND CONTRACTS:

NAME	OFFICIAL CAPACITY
Jason Pledger	VP of Marketing and Customer Experience

Average number of employees (including affiliates) for four preceding calendar quarters.	Average annual sales for preceding three fiscal years:	Floor Space (Square Feet)	
		Manufacturing	Warehouse
1,800	$1,000,000,000		

MINORITY/WOMEN BUSINESS ENTERPRISE
(Check One) See Definitions Below

☐ MBE ☐ MBE/WBE ☐ WBE ☐ PBE

FOR USE BY CONTRACT COMPLIANCE ONLY:
BY:_____
DATE_____ ☐ C ☐ NC

MINORITY GROUP MEMBERSHIP (Check One) See Definitions Below

NOTE: DO NOT COMPLETE THIS SECTION UNLESS YOU HAVE CHECKED ONE OF THE BOXES IN THE MINORITY/WOMEN BUSINESS ENTERPRISE SECTION ABOVE.

☐ AFRICAN AMERICAN OR BLACK ☐ HISPANIC AMERICAN ☐ NATIVE AMERICAN ☐ ASIAN-PACIFIC AMERICAN

CERTIFICATION DATE ISSUED: _____ EXPIRATION: _____

MINORITY AND WOMEN OWNED BUSINESS ENTERPRISE DEFINITIONS

MINORITY BUSINESS ENTERPRISE ("MBE") means a certified participating business at least 51 percent (51%) of which is owned and controlled by one or more members or one or more minority groups, or in the case of a publicly held corporation, 51 percent (51%) of the stock is owned by one or more members of one or more minority groups and whose daily business operations are controlled by one or more such individuals.

WOMEN'S BUSINESS ENTERPRISE ("WBE") means a certified participating business at least 51 percent (51%) of which is owned by one or more women, or in the case of a publicly held corporation, 51 percent (51%) of the stock of which is owned by one or more women and whose daily operations are controlled by one or more such individuals. Determination of whether a business is at least 51 percent (51%) owned by a woman or women shall be made without regard to community property laws.

BUSINESS OWNED AND OPERATED BY A PERSON WITH A DISABILITY ("PBE") means a business concern of which at least 51 percent (51%) is owned by one or more persons with a disability, or in the case of the corporation, one in which at least 51 per centum of the stock is owned by one or more persons with a disability or by a not for profit agency for the disabled organized pursuant to Section 501 of the Internal Revenue Code 1954; and the management and daily business operations of which are controlled by one or more of the persons with a disability who own it.

MINORITY GROUP MEMBER is an individual who is one of the following:

AFRICAN AMERICAN OR BLACK (persons with origins in any of the Black racial groups of Africa):
HISPANIC AMERICAN (persons of Spanish culture with origins in Puerto Rico, Mexico, Cuba, South or Central America, Spain, Portugal or the Caribbean Islands regardless of race).
NATIVE AMERICAN (American Indian)
ASIAN-PACIFIC AMERICAN (persons with origins from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, Taiwan, or the Indian subcontinent).

IF YOU HAVE EVER DONE BUSINESS WITH THE SCHOOL DISTRICT UNDER ANOTHER NAME, PLEASE INDICATE NAME OR NAMES.

N/A

Give names, complete addresses, buyer's names and phone numbers of four of your customers. (Please include Federal, State or City Governments).

	ORGANIZATION	ADDRESS, STATE, ZIP	BUYER	PHONE NUMBER
1.	Northwest R-1	4290 Gravois Rd, House Springs, MO 63051	Michelle Adams	636-677-3473
2.	Jacksonville SD #117	211 West State St, Jacksonville, IL 62650	Tami Stice	217-243-9411
3.	Champaign Community ISD #4	502 W Windsor Rd, Champaign, IL 61820	Deedra Miskimins	217-351-3822
4.	Quincy SD 172	1416 Maine St, Quincy, IL 62301	Teresa Kemp	217-223-8700

Bank References

NAME OF BANK	ADDRESS, STATE, ZIP	CONTACT PERSON	PHONE NUMBER
First Fidelity Bank	P.O. Box 32282, Oklahoma City, OK 73123-0482	Lee Symcox	405-416-2222

I certify that the information supplied herein (including all pages attached) is correct and that neither the applicant nor any person (or concern) in any connection with the applicant as a principal or officer, so far as is known, is not debarred or otherwise declared ineligible by any public agency from furnishing materials, supplies or services to any agency thereof.

SIGNATURE OF PERSON AUTHORIZED TO SIGN THIS APPLICATION

Jason Pledger, VP of Marketing & Customer Experience

NAME AND TITLE OF PERSON SIGNING (Please type or print)

PERSONS OR BUSINESSES INTERESTED IN BEING ADDED TO THE BIDDER'S LIST MUST FILE THIS APPLICATION WITH THE PURCHASING DEPARTMENT.

AFTER PLACEMENT ON THE BIDDERS' LIST, A VENDOR'S FAILURE TO RESPOND TO INVITATIONS FOR BIDS WILL BE UNDERSTOOD BY THE SCHOOL DISTRICT TO INDICATE LACK OF INTEREST AND SHALL RESULT IN THE REMOVAL OF THE VENDOR'S NAME FROM THE BIDDERS' LIST FOR THE ITEMS CONCERNED.

NOTE: ANY CHANGES TO INFORMATION SUBMITTED (ADDRESSES, AUTHORIZED PERSONNEL, ETC.,) WILL REQUIRE A REVISED COPY OF THIS FORM. ADDITIONAL FORMS MAY BE OBTAINED BY CONTACTING THE PURCHASING DEPARTMENT AT THE ADDRESS SHOWN ON THE FRONT OF THIS FORM.

USE BY COMMUNITY UNIT SCHOOL DISTRICT 300 ONLY

VENDOR I.D. NUMBER	APPROVED BY	DATE	W9	COMM LIST

Form **W-9**
(Rev. October 2018)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

▶ **Go to *www.irs.gov/FormW9* for instructions and the latest information.**

Give Form to the requester. Do not send to the IRS.

Print or type. See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
American Fidelity Assurance Company

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☑ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ▶

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) 5

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.
PO Box 25523

Requester's name and address (optional)

6 City, state, and ZIP code
Oklahoma City, OK 73125-0523

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number
			–			–				

or

Employer identification number
7	3	–	0	7	1	4	5	0	0

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here Signature of U.S. person ▶ [signature] Date ▶ 11/12/2020

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9.*

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, *later.*

Sample Contract

- Sample Contract

AMERICAN FIDELITY
a different opinion

Service Exchange Agreement

This Service Exchange Agreement is entered into by and between American Fidelity Assurance Company ("American Fidelity") and [INSERT GROUP'S LEGAL NAME HERE] ("Customer"), who in consideration of the mutual agreements and promises contained herein, agree to work together as described in this Service Exchange Agreement. This Service Exchange Agreement shall be effective on the date signed by American Fidelity, and shall continue until terminated or modified by agreement of the parties.

American Fidelity will provide to Customer the following services (the "Services"):

- [Section 125 Plan Administrative Services]
- [Healthcare Flexible Spending Account Administrative Services]
- [Benefits Debit Card Services for Healthcare FSA Participants]
- [Annual Enrollment (American Fidelity's or Customer's platform)]
- [Year-Round Support from a dedicated Account Manager]

In exchange for the Services, Customer shall:

[Products]

- [Allow American Fidelity to be the primary provider for supplemental insurance products; and]
- [Give American Fidelity the opportunity to offer insurance products to all eligible employees.]

[Communication]

- [Permit American Fidelity opportunities to present to employees or employee groups prior to enrollment;]
- [Facilitate one-on-one meetings of employees with American Fidelity to discuss employee benefit options and as applicable, to make their annual Section 125 Plan enrollment elections; and]
- [Provide working space for American Fidelity during enrollment meetings.]

[Administration]

- [Provide a complete employee census to American Fidelity each year;]
- [Provide other administrative services to American Fidelity as may be mutually agreed to by the parties; and]
- [Provide payroll deduction for American Fidelity products and services.]

By agreeing to the Services, Customer acknowledges its understanding of the following:

- The Services described above will be provided to the extent allowed by law;
- American Fidelity does not provide tax or legal advice;
- [American Fidelity reserves the right to change the delivery of Services and cost associated with them, but only with advanced written communication to Customer.]

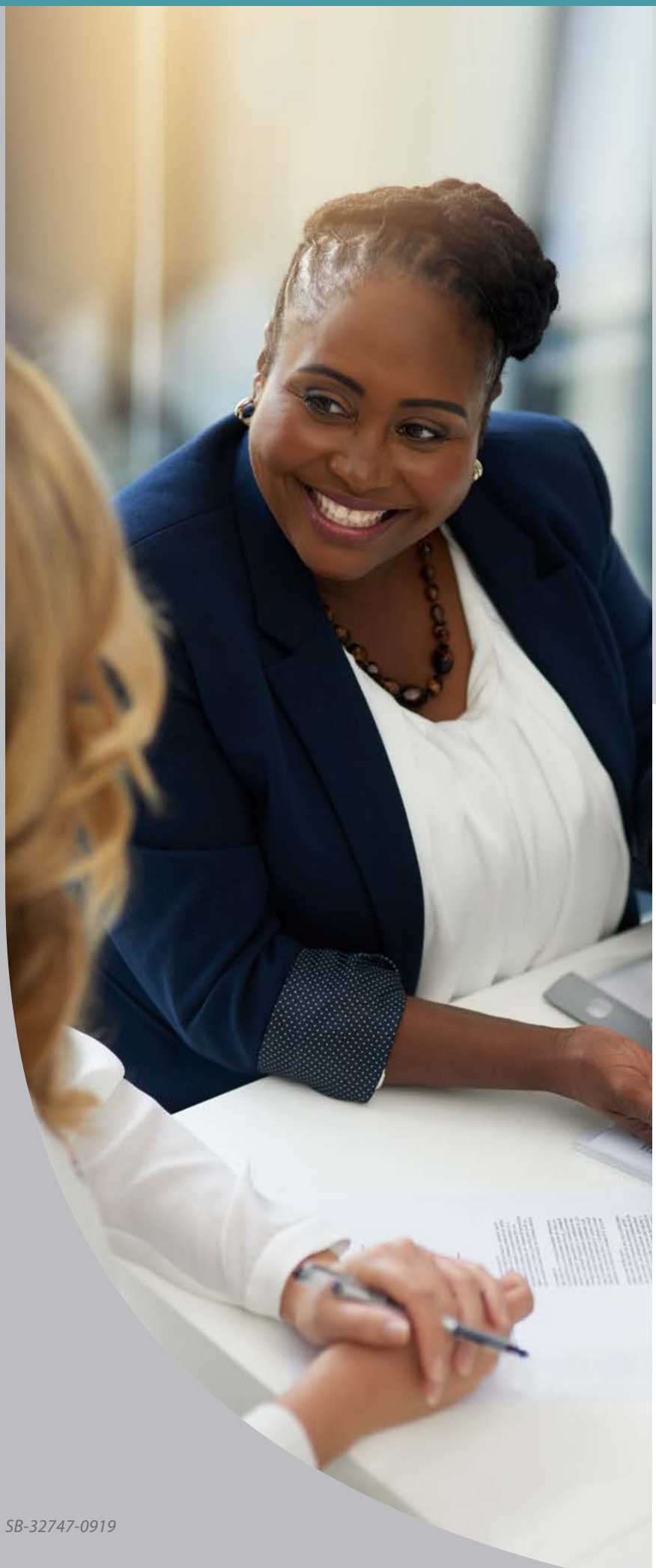
Intending to be bound, American Fidelity and Customer have caused their duly authorized representatives to execute this Service Exchange Agreement.

AMERICAN FIDELITY OFFICER		CUSTOMER	
_____	_____	_____	_____
Signature	Date	Signature	Date
_____	_____	_____	_____
Printed Name	Date	Printed Name	Date

SAMPLE

Additional Information

- Additional Info



Products and Services

We believe your benefits package should be customized for your market and your employees' needs. We create solutions for your employees to help maximize their coverage without affecting your bottom line.

Reasons to Offer Employee Benefits Through American Fidelity

- Create a custom benefits plan designed to help manage healthcare costs.
- Offer your employees additional benefits at little or no direct effect to your bottom line.
- Streamline your enrollment process with our highly trained account managers.
- Utilize our robust enrollment platform for your entire benefits enrollment process.

SB-32747-0919

Section 125 Plan Administration

With nearly 40 years of experience helping organizations like yours with Section 125 Plan administration, American Fidelity is the partner you are looking for. As your Plan provider, we will help you create your Section 125 Plan Document, manage election changes, and assist with reporting — all while helping you maintain compliance year-round.

Why Choose American Fidelity for Section 125 Plan Administration

Expertise

40 years of experience providing Section 125 Plan administration to organizations like yours.

Plan Setup

We work with you to capture all the details in your benefits offering and help you implement and maintain your Section 125 Plan, including the Plan Document.

Compliance

Our in-house employee benefits experts can assist your HR department by helping track plan changes and new regulations.

Employee Education

Provide year-round education to help your employees understand their benefits, leading to better participation in your Section 125 Plan.

> "American Fidelity is outstanding at talking to us about what we need and how we can customize the services we offer to fit our district, our employees, and the community we serve."
>
> *Kevin Carl, Superintendent, Hancock Place School District, MO*

Reimbursement Accounts

We offer a variety of tax-advantaged reimbursement accounts that can be included under your Section 125 Plan. These accounts allow money to be set aside on a pre-tax basis to cover eligible expenses for things like medical, dental, vision, and dependent care.

Reimbursement Account Options:



Healthcare Flexible Spending Account (HCFSA)

Allows employees to pay for eligible medical expenses, including deductibles, copays, and prescription drugs.

We assist with upfront funding and offer optional protection to cover the risk associated with required upfront reimbursement.



Dependent Care Account (DCA)

Reimburses expenses associated with dependent daycare for either a dependent child under the age of 13 or an adult dependent who is incapable of self-care.



Health Savings Account (HSA)

Combined with a qualified High Deductible Health Plan, it offers tax savings and investment options to pay for current and future medical expenses.



Limited Purpose FSA (LPFSA)

Reimburses employees for eligible dental and vision expenses. Most commonly offered with a Health Savings Account and a qualified High Deductible Health Plan.

Supplemental Benefits

American Fidelity offers a full suite of supplemental benefits that can help your employees fill the gaps in their individual coverage. Benefits are paid directly to your employees and can be used to pay for whatever health insurance doesn't cover—including lost income, deductibles, copayments, aftercare, everyday living expenses.

Supplemental Benefit Options:



Disability Income Insurance

Provides a percentage of your employees' monthly income if they are unable to work due to a covered illness or injury. Our disability products can be customized to meet the needs of each employee and complement your benefit offerings.



Life Insurance

Offers term and whole life insurance policies to meet the immediate and long-term life insurance needs of your employees.



Accident Insurance

May help your employees cover out-of-pocket treatment costs for injuries resulting from unexpected covered accidents. Our accident policy covers more than 25 treatments—including fractures, lacerations, physical therapy, and more.



Cancer Insurance

Includes individual and group plans with 30 benefits specifically designed to help your employees and their families with the financial aspect of being diagnosed with cancer, allowing them to focus on treatment.



Critical Illness Insurance

Pays a lump-sum benefit directly to your employees if they're diagnosed with a covered critical illness, such as a heart attack or stroke.

Additional Employee Benefits

Researching and Vetting Employee Benefit Vendors Can Be Time Consuming

American Fidelity General Agency, a member of the American Fidelity family, can help lessen this burden by connecting you with trusted partner vendors to provide additional employee benefits. This gives you an opportunity to find competitive rates and allows our account managers to conduct your entire enrollment, providing a seamless process for your employees.

Products offered by American Fidelity General Agency through Partner Carriers

- Individual Worksite Life Insurance
- Group Life Insurance
- Group Accidental Death & Dismemberment Insurance
- Group Vision Insurance
- Group Dental Insurance
- Individual Long-Term Care Insurance
- Hospital and other Medical Indemnity Insurance
- Identity Protection
- Telemedicine

Premier Partner Carriers – Available through American Fidelity General Agency

- Always Care
- Ameritas
- AUL/One America
- Boston Mutual
- Cigna
- Delta Dental (Multi-State)
- Dental Care Plus
- EyeMed
- Guardian Life
- Hartford
- Health Resources Inc.
- Life Secure
- Lincoln Financial
- Mass Mutual
- MetLife
- Mutual of Omaha
- Principal Financial
- Reliance Standard
- Security Life
- The Standard
- Sunlife
- Superior Dental
- Superior Vision
- Texas Life
- Transamerica
- Vision Care Direct
- Vision Service Plan (VSP)
- Voya
- VPI Pet Insurance

Dependent Verification Reviews

As healthcare costs continue to increase, it is important to ensure that you are only offering medical, dental, and vision plans to those dependents who are eligible to participate according to your plan design. Covering ineligible dependents may mean you are spending money on people you don't intend to cover. Additionally, employees who cover ineligible dependents may be at risk for bearing the total cost of healthcare claims for those dependents.

American Fidelity conducts complimentary Dependent Verification Reviews (DVR) to provide cost savings by eliminating non-qualified dependents and helping to ensure that employers are meeting carrier eligibility requirements.

Why We Perform In-Person Reviews

Some dependent verification companies offer electronic-only or mail-in reviews, but this can cause delays in validation as well as pose a potential privacy or security risk. We exclusively perform DVRs in-person because they:

- Don't require the transfer of sensitive data, making them more secure.
- Save time by completing the review during annual enrollment.
- Allow us to assist employees with questions and concerns.
- Offer immediate results instead of waiting for processing and mail time.

Benefits of a Third-Party Provider

While some employers choose to complete the reviews themselves, there are many reasons why using a third party is beneficial:

Confidentiality

Because of the sensitive nature of these reviews, employees may feel more comfortable speaking honestly with someone they don't work with every day.

Trained Staff

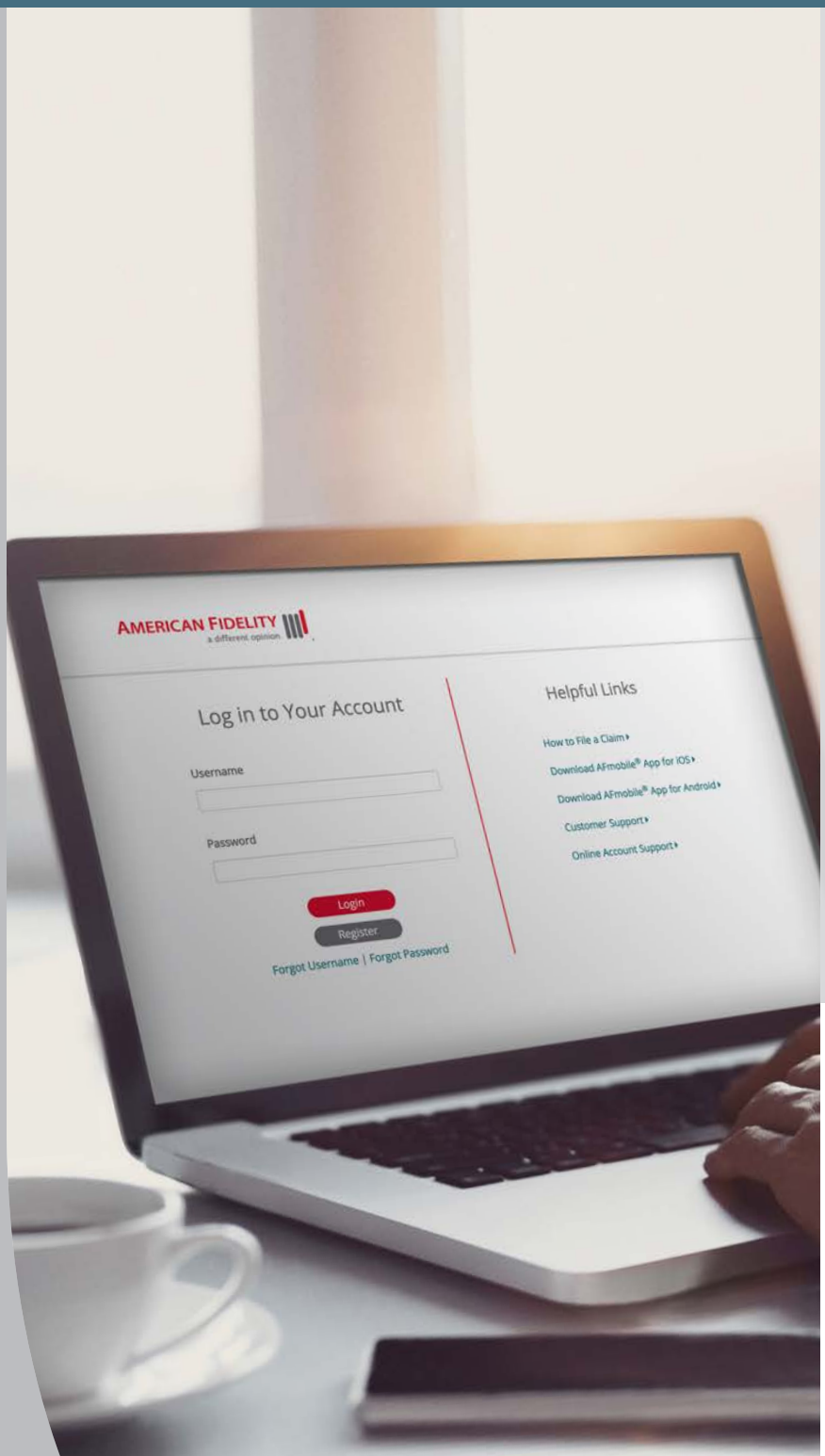
Our account managers are required to attend data security and HIPAA security training every year.

Immediate Results

Our account managers review your employees' verification documents in person, providing immediate results to you.

Save Time

DVRs take time, effort, and focus. We can help with the heavy lifting, so all you must worry about is removing ineligible dependents from your plan.



Resources and Tools

We work hard to exceed your expectations by providing excellent customer service and claims processing for your employees, and efficient plan administration tools and support for your Human Resources department. From our secured website and our convenient mobile app, to our local account managers and dedicated customer service team, American Fidelity is truly a different opinion.

- Employer Administration and Billing
- Policyholder Service and Support
- Hassle-Free Claims
- Data Security

SB-32748-0919

Employer Administration and Billing

The administration of your benefits program may seem daunting without the proper resources. We have the resources and systems in place to handle all your administrative needs.

Employer Online Accounts

Our secure online system allows you to manage your entire benefits program and manage your bill in one place. Employers can:

- Review or terminate employees from their plan.
- Update contact information.
- Download sick pay reports.
- Create and manage employer account logins.
- Access employee election forms.
- Upload census data.
- Download reports.

Billing and Reconciliation

American Fidelity provides multiple ways to meet the billing needs of our customers. Let us help you determine what option is best for you.

- **Hands-Free Bill Reconciliation**
  Provide American Fidelity with a report of your premium deductions and we'll handle the reconciliation for you.
- **Employer Bill Reconciliation**
  American Fidelity provides an itemized bill listing the premium due for each employee's coverage.

Employer Solutions Blog

We provide resources for employers to gain helpful insights about benefits management each month on our blog. Topics include tips on benefits compliance, reimbursement account management, how to get the most out of supplemental insurance, and more. Every month we email new articles to our Section 125 bookkeeper contacts. Employers can also access the articles anytime at **solutions.americanfidelity.com**.



Billing Paths to Meet Your Needs

Below are the three recommended billing paths. Start by logging into your American Fidelity online account at americanfidelity.com/myaccount

Hands-Free Bill Reconciliation

Premium Deduction File Upload

Provide documentation to American Fidelity outlining the amount you deducted from each employee's pay per coverage type.

Employer Bill Reconciliation

Online Bill Reconciliation

Make changes to your bill online so the bill reflects the premium deductions made.

Offline Bill Reconciliation

Download your bill in excel from your online account, make changes, and then upload back to your online account.

Submit matching payment.

American Fidelity compares what was billed to the information received from you.

American Fidelity sends discrepancies to **you** and **your account manager**. You work with your dedicated billing specialist and account manager to resolve before the following month's bill.



For detailed instructions on how to reconcile and pay your bills online, visit americanfidelity.com/billing-tutorials.

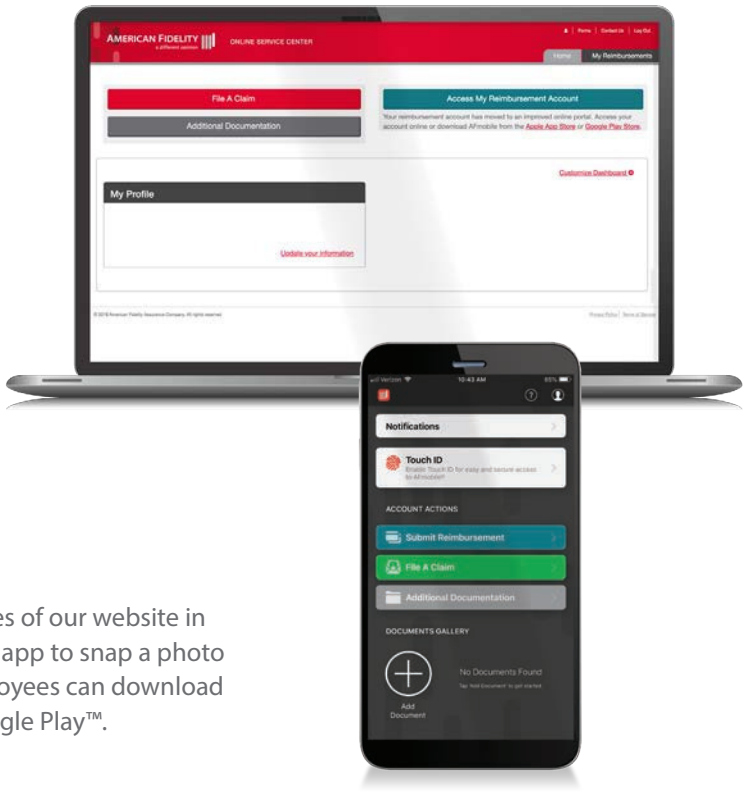
Policyholder Service and Support

We want to ensure your employees have the resources necessary to effectively utilize their benefits throughout the year. That's why we designed a variety of tools to help your employees file a claim, access account information, and get the support they need.

americanfidelity.com

Our website allows your employees to easily manage their benefits in one secure place. Employees can:

- File claims online.
- Check the status of an existing claim.
- Check reimbursement account balance and track account activity.
- Update account information.
- Download and print insurance policies.
- Set up account notifications and view statements.



AFmobile®

Our mobile app gives your employees all the features of our website in the palm of their hand. Employees may also use the app to snap a photo of documentation to conveniently file a claim. Employees can download AFmobile for free from the Apple App Store® or Google Play™.

Customer Support

There will be times when your employees need to speak to someone about their benefits. You will have a local account manager available to answer employee questions directly. In addition, we have a dedicated team of customer service representatives and participants have 24/7 access to our toll-free automated phone system to check their reimbursement account and annuity balances. Customers can also receive account support and answers to frequently asked questions at **americanfidelity.com/support**.

AFQuickClaims® - Paid in as little as one day!

When participants submit their annual wellness, diagnostic testing, or health screening claim online or through AFmobile®, they can receive their benefit in as little as one business day when enrolled in direct deposit, without the need to upload documentation.

Data Security

Your employees' personal information is valuable. We understand you may have security concerns regarding sharing your information with others. That's why we want to tell you about some of the ways we are protecting your data.

Security measures we take to protect your private information:

Network Security

For enhanced security, our data servers are divided into multiple zones. Each zone is protected by security devices. Our network security permits only authorized traffic to access the system from the outside or between zones. Administrative traffic is restricted to authorized Virtual Private Network (VPN) users whose access is controlled via two-factor authentication. In addition to hardware firewalls, our servers are protected by anti-virus software.

Role-Based User Access

User access to the system is governed by roles, or groupings of permissions that specify which users have access to certain sets of features. Users log in with unique usernames and strong passwords. This means only trained, authorized, and necessary colleagues within American Fidelity have access to your private information.

Data Encryption

Our platform uses 256-bit encryption and Transport Layer Security (TLS) for all personal information transmitted over the Internet. The system also encrypts all backups before transmission off-site.

Secure Data Centers

All data is stored and managed on secure systems. Access to systems in these facilities is restricted to a limited number of authorized personnel. Physical access is monitored and controlled by proximity readers and authorized escorts. Security updates are applied on a recurring basis based on level of criticality and applicability.

Committed to Privacy

We understand that the protection of customer information and private health information is critical. It is our policy to keep any information that is collected secure and confidential. We respect the privacy of our customers and treat all personal information responsibly in accordance with privacy laws and regulations.

03

Audited Financials

- Audited Financials

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Financial Statements and Schedules

December 31, 2019 and 2018

(With Independent Auditors' Report Thereon)

KPMG LLP
210 Park Avenue, Suite 2650
Oklahoma City, OK 73102-5683

Independent Auditors' Report

The Board of Directors
American Fidelity Assurance Company:

We have audited the accompanying financial statements of American Fidelity Assurance Company (the Company), which comprise the statutory statements of admitted assets, liabilities, and capital and surplus as of December 31, 2019 and 2018, and the related statutory statements of operations, capital and surplus, and cash flow for the years then ended, and the related notes to the statutory financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 to the financial statements, the financial statements are prepared by the Company using statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department, which is a basis of accounting other than U.S. generally accepted accounting principles. Accordingly, the financial statements are not intended to be presented in accordance with U.S. generally accepted accounting principles.

The effects on the financial statements of the variances between the statutory accounting practices and U.S. generally accepted accounting principles also are described in Note 18.

KPMG LLP is a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the variances between statutory accounting practices and U.S. generally accepted accounting principles discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to above do not present fairly, in accordance with U.S. generally accepted accounting principles, the financial position of American Fidelity Assurance Company as of December 31, 2019 and 2018, or the results of its operations or its cash flows for the years then ended.

Opinion on Statutory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of American Fidelity Assurance Company as of December 31, 2019 and 2018, and the results of its operations and its cash flow for the years then ended, in accordance with statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department described in Note 1.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included in the supplemental schedules of selected financial data, investment risk interrogatories, and summary schedule of investments, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Oklahoma Insurance Department. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

KPMG LLP

Oklahoma City, Oklahoma
April 13, 2020

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Admitted Assets,
Liabilities, and Capital and Surplus

December 31, 2019 and 2018

Admitted Assets		2019	2018
Cash and invested assets:			
Bonds, at amortized cost (fair value: $4,652,363,276 and $4,105,274,207 at December 31, 2019 and 2018, respectively)	$	4,374,405,435	4,115,251,600
Preferred stocks, at cost (fair value: $19,455,638 and $4,628,588 at December 31, 2019 and 2018, respectively)		17,647,066	4,211,220
Common stocks, at fair value (cost: $11,949,875 and $12,581,365 at December 31, 2019 and 2018, respectively)		23,741,020	23,322,478
Common stock, investment in affiliates at equity value		1,335,908	1,139,211
Mortgage loans on real estate		550,520,170	484,256,052
Investment real estate, at cost (less accumulated depreciation of $11,969,556 and $9,186,852 at December 31, 2019 and 2018, respectively, and less encumbrances of $30,097,988 and $31,480,666 at December 31, 2019 and 2018, respectively)		23,773,327	24,071,571
Policy loans		56,447,154	56,675,209
Cash and short-term investments, at cost, which approximates fair value		289,209,412	336,915,573
Other invested assets		56,152,849	40,278,452
Total cash and invested assets		5,393,232,341	5,086,121,366
Life insurance premiums and annuity considerations deferred and uncollected		44,924,305	38,320,816
Accident and health premiums due and unpaid		81,075,450	54,160,453
Investment income due and accrued		40,762,334	40,490,632
Amounts recoverable from reinsurers		1,417,663	3,162,472
Other receivables under reinsurance contracts		9,486,135	8,271,235
Furniture and Equipment, at cost (less accumulated depreciation of $646,437 and $528,271 at December 31, 2019 and 2018, respectively)		—	116,824
Deferred tax assets		32,308,666	28,072,095
Other assets		72,905,510	87,687,289
Separate accounts' assets		980,712,323	754,806,790
Total admitted assets	$	6,656,824,727	6,101,209,972

(Continued)

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Admitted Assets,
Liabilities, and Capital and Surplus

December 31, 2019 and 2018

Liabilities and Capital and Surplus	2019	2018
Aggregate reserves:		
Life policies and contracts	$ 2,517,865,702	2,390,305,977
Accident and health policies	765,011,449	709,006,176
Total aggregate reserves	3,282,877,151	3,099,312,153
Policy and contract claims reserves	137,286,075	116,179,693
Liability for premiums and other deposit funds	22,990,986	24,373,519
Remittances and items not allocated	45,793,086	21,444,809
General insurance expenses, taxes, licenses, and fees due or accrued	99,013,620	104,023,684
Funds held under coinsurance	691,753,769	706,187,716
Other liabilities	354,457,691	271,986,543
Borrowed money	497,645,003	497,669,116
Separate Accounts' liabilities	980,712,323	754,806,790
Total liabilities	6,112,529,704	5,595,984,023
Capital and surplus:		
Common stock, par value $10 per share, 250,000 shares authorized, issued, and outstanding	2,500,000	2,500,000
Additional paid-in capital	5,887,698	5,887,698
Unassigned surplus	535,907,325	496,838,251
Total capital and surplus	544,295,023	505,225,949
Commitments and contingencies		
Total liabilities and capital and surplus	$ 6,656,824,727	6,101,209,972

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Operations

Years ended December 31, 2019 and 2018

	2019	2018
Income:		
Life insurance premiums and annuity considerations	$ 370,729,063	348,399,110
Accident and health insurance premiums	805,431,515	739,319,233
Consideration for supplementary contracts with life contingencies	966,339	1,141,320
Net investment income (less investment expenses of $39,359,896 and $33,696,562 in 2019 and 2018, respectively)	180,829,179	184,959,903
Commissions and expense allowances on reinsurance ceded	(8,051,076)	(5,957,867)
Other income	58,903,173	56,076,296
Total income	1,408,808,193	1,323,937,995
Benefits and other deductions:		
Death benefits and matured endowments	33,395,707	29,675,601
Annuity benefits	186,437	2,665,949
Accident and health and disability benefits	419,763,284	368,901,423
Interest and adjustments on policy or deposit-type contract funds	25,501,129	1,559,015
Other benefits to policyholders and beneficiaries	187,510,674	182,961,204
Increase in aggregate reserves for future policy benefits	159,527,561	135,268,507
Commissions on premiums and annuity considerations	147,532,277	145,679,305
Commissions and expense allowances on reinsurance assumed	12,172,355	13,121,320
General insurance expenses, taxes, licenses, and fees	278,219,501	316,679,535
Other	28,436,859	27,463,979
Total benefits and other deductions	1,292,245,784	1,223,975,838
Net gain from operations before federal income taxes and net realized capital gains	116,562,409	99,962,157
Federal income taxes	26,428,520	7,521,969
Net gain from operations before net realized capital gains	90,133,889	92,440,188
Net realized capital gains, net of federal income tax expense (benefit) of $9,599,983 and $(9,142,363) in 2019 and 2018, respectively (excluding gains (losses) of $37,515,252 and $(4,218,990) transferred to the interest maintenance reserve in 2019 and 2018, respectively)	145,877	6,448,632
Net income	$ 90,279,766	98,888,820

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Capital and Surplus

Years ended December 31, 2019 and 2018

		2019	2018
Capital and surplus, beginning of year	$	505,225,949	430,624,340
Net income		90,279,766	98,888,820
Change in net unrealized capital gains, net of tax (expense) benefit of $(517,132) and $40,364 for 2019 and 2018, respectively		7,466,637	8,814,035
Change in net deferred taxes		10,740,955	(3,533,775)
Change in nonadmitted assets		(11,040,546)	10,497,598
Change in asset valuation reserve		2,490,485	(4,822,912)
Dividends to stockholder		(60,000,000)	(35,000,000)
Change in liability for reinsurance in unauthorized companies		(438,425)	22,981
Other changes		(429,798)	(265,138)
Net change in capital and surplus		39,069,074	74,601,609
Capital and surplus, end of year	$	544,295,023	505,225,949

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Cash Flow

Years ended December 31, 2019 and 2018

	2019	2018
Premiums and annuity considerations, net of reinsurance	$ 1,131,351,981	1,091,465,791
Allowances and reserve adjustments on reinsurance ceded	(10,512,331)	(5,957,867)
Investment income received	179,977,287	182,510,343
Other income	54,492,425	49,891,286
Life and accident and health claims paid	(435,539,514)	(390,836,382)
Surrender benefits and other fund withdrawals paid	(184,922,205)	(131,850,901)
Other benefits to policyholders paid	(27,087,029)	(83,588,529)
Commissions and other expenses paid	(439,633,273)	(454,077,905)
Federal income taxes paid	(27,649,958)	(9,602,014)
Dividends paid to policyholders	(953,445)	(884,406)
Net cash from operations	239,523,938	247,069,416
Proceeds from investments sold, matured, or repaid:		
Bonds	1,446,951,582	492,427,928
Stocks	1,308,755	1,553,668
Mortgage loans	41,085,883	69,461,272
Other	28,750,000	265,306
Total investment proceeds	1,518,096,220	563,708,174
Cost of investments acquired:		
Bonds	(1,654,975,728)	(567,992,125)
Stocks	(13,435,846)	—
Mortgage loans	(107,350,000)	(73,442,830)
Other	(13,117,507)	(18,175,686)
Total investments acquired	(1,788,879,081)	(659,610,641)
Net change in policy loans and loans on fund deposits	228,055	(1,408,951)
Net cash from investing	(270,554,806)	(97,311,418)
Borrowed money		
Other cash provided	63,006,680	36,178,981
Dividends paid to stockholder	(60,000,000)	(35,000,000)
Other cash applied	(19,681,973)	(55,852,809)
Net cash from financing and miscellaneous sources	(16,675,293)	(54,673,828)
Net change in cash and short-term investments	(47,706,161)	95,084,170
Cash and short-term investments, beginning of year	336,915,573	241,831,403
Cash and short-term investments, end of year	$ 289,209,412	336,915,573

See accompanying notes to statutory financial statements.

(1) Significant Accounting Policies

(a) Business

American Fidelity Assurance Company (AFA or the Company) provides a variety of financial services. AFA is a wholly owned subsidiary of American Fidelity Corporation (AFC), a Nevada insurance holding company. AFA is domiciled in the state of Oklahoma. The Company is subject to state insurance regulations and periodic examinations by state insurance departments.

AFA is licensed in 49 states, as well as the District of Columbia, American Samoa, Puerto Rico, and Guam, with approximately 39% of direct premiums written in Oklahoma, Texas, and California. Activities of AFA are largely concentrated in the group disability income, group and individual annuity, supplemental health, and individual medical markets. In addition, individual and group life business is also conducted. The main thrust of AFA's sales is worksite marketing of voluntary products through the use of payroll deduction. The Company sells these voluntary products through a salaried sales force that is broken down into two primary divisions: the Association Worksite Division (AWD) and American Fidelity Educational Services (AFES). AWD specializes in voluntary disability income insurance programs aimed at selected groups and associations whose premiums are funded by employees through payroll deductions. AFES focuses on marketing to public school employees with voluntary insurance products such as disability income, tax-sheltered annuities, life insurance, dread disease, and accident only. These premiums are also funded by employees through payroll deductions. The expertise gained by the Company in worksite marketing of voluntary products is used by the Strategic Alliances Division in developing products to meet special situations. The Life Division was formed upon the acquisition of a block of life business in 2000. This division is marketing individual life products through independent brokers in the United States of America and Latin America.

These statutory financial statements were prepared for the purpose of filing with the various state insurance departments.

(b) Basis of Presentation

The accompanying statutory financial statements of the Company have been prepared in conformity with accounting practices prescribed or permitted by the Oklahoma Insurance Department, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles (GAAP). Certain amounts in prior year have been reclassified to conform to the current year presentation. Effective January 1, 2001, the National Association of Insurance Commissioners (NAIC) and the Oklahoma Insurance Department required that insurance companies domiciled in the state of Oklahoma prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures Manual Statements of Statutory Accounting Principles (SSAP) subject to any deviations prescribed or permitted by the Insurance Commissioner of the state of Oklahoma (the Commissioner). There are no differences between the accounting practices prescribed or permitted by the Oklahoma Insurance Department and the accounting practices prescribed and permitted by the NAIC. There have been no permitted practices granted to the Company for 2019 and 2018 by the Oklahoma Insurance Department.

SSAP differ from GAAP in several respects, which cause differences in reported assets, liabilities, stockholder's equity (statutory capital and surplus), net income, and cash flows. The principal SSAP that differ from GAAP include the following:

- The financial statements of subsidiaries are not consolidated and are accounted for as investments in common stock.
- Investments in bonds and preferred stocks are carried amortized cost, cost, or the lower of cost or fair value; under GAAP, investments in bonds and preferred stock, other than those classified as held-to-maturity, are carried at fair value.
- Certain assets (principally certain deferred taxes, furniture, equipment, prepaid expenses, and premiums due from policyholders, agents' balances, and amounts recoverable from reinsurers over 90 days) have been designated as nonadmitted assets and excluded from assets by a charge to statutory surplus. Under GAAP, such amounts are carried at amortized cost with the appropriate valuation allowance, when necessary.
- Aggregate reserves for life, annuities, and accident and health are based on statutory mortality and interest requirements without consideration for anticipated withdrawals except where allowed. Morbidity assumptions are based on the statutory morbidity requirements or Company's experience where allowed. Under GAAP, the reserves are based on either (i) the present value of future benefits less the present value of future net premiums based on mortality, morbidity, and other assumptions that were appropriate at the time the policies were issued or acquired, or (ii) the account value for certain contracts without significant life contingencies.
- The interest maintenance reserve (IMR) represents the deferral of interest-related realized gains and losses, net of tax, on primarily fixed maturity investments, which are amortized into income over the remaining life of the investment sold. No such reserve is required under GAAP.
- Deferred income taxes are recognized for both SSAP and GAAP; however, the amount permitted to be recognized is generally more restrictive under SSAP and the change in deferred taxes is reported as a direct charge to surplus.
- The asset valuation reserve (AVR) represents a contingency reserve for credit-related risk on most invested assets of the Company, and is charged to statutory surplus. No such reserve is required under GAAP.
- Policy acquisition costs are expensed as incurred, while under GAAP, successful acquisition costs are deferred and recognized over either (1) the expected premium-paying period or (2) the estimated life of the contract.
- Reserves are reported net of ceded reinsurance; under GAAP, reserves are reported gross with a corresponding reinsurance receivable.
- A 100% provision is established for unsecured reinsurance recoverable balances from unauthorized reinsurers. The change in this provision is credited or charged to unassigned surplus. Under GAAP, a provision is established for uncollectible reinsurance balances with any changes to this provision reflected in earnings for the period.

- The statements of operations are different in certain respects, with life and annuity premiums being recognized as revenue when the policies and contracts are issued. Under GAAP, premiums on life insurance policies are recognized when due; premiums on annuity contracts are not recognized as revenue, but as deposits.
- Revenues for universal life policies and investment products consist of the entire premium received, and benefits represent the death benefits paid and the change in policy reserves, unless the products do not incorporate mortality or morbidity risk. Under GAAP, premiums received in excess of policy charges are not recognized as premium revenue, and benefits represent the excess of benefits paid over the policy account values and interest credited to the account values.
- The statements of cash flow differ in certain respects from the presentation required under GAAP, including the presentation of the changes in cash and short-term investments instead of cash and cash equivalents. Short-term investments include securities with maturities, at the time of acquisition, of one year or less. For statutory purposes, there is no reconciliation between net income and cash from operations.
- A statement of comprehensive income is not required for SSAP reporting.

(c) Use of Estimates

The preparation of financial statements in conformity with accounting practices prescribed or permitted by the Oklahoma Insurance Department, Annual Statement Instructions, and NAIC Manual requires management to make estimates and assumptions that affect the reported amounts of admitted assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in those estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in the period in which they occur. Principal estimates that could change in the future are the fair value of investments, whether a security is other-than-temporarily impaired, and the actuarial assumptions used in establishing policy liabilities.

(d) Investments in Affiliates, Joint Ventures, Partnerships, or Limited Liability Companies

The statutory financial statements include the Company's investment in its wholly owned subsidiaries. Intercompany accounts and transactions have not been eliminated in the statutory financial statements. The Company's wholly and majority-owned subsidiaries at December 31, 2019 and 2018 are noninsurance entities that have no significant ongoing operations other than to hold assets that are primarily for the direct or indirect benefit or use of the Company or its affiliates, and are carried at the underlying equity of the respective entity's financial statements adjusted to a statutory basis of accounting.

The Company's investments in joint ventures, partnerships, and limited liability companies are recorded at cost, adjusted for the Company's share of the GAAP basis earnings or losses of the investee, net of

any distributions received. Such investments are reported as other invested assets and the related adjustments are reported as unrealized capital gains or losses in surplus.

(e) Investments

The investment portfolio includes bonds, preferred stocks, common stocks, mortgage loans, real estate, policy loans, other invested assets, and short-term investments.

Investments are carried in accordance with rules established by the NAIC. Bonds are carried at cost, adjusted where appropriate for accretion of premium or amortization of discount using the scientific interest method and taking into consideration stated interest and principal provisions. Additionally, bonds rated as NAIC 6 are carried at the lower of their cost or fair market value. Preferred stocks are carried at the lower of cost or fair value since there is no premium or discount. Common stocks are carried at fair value. Policy loans are stated at their aggregate unpaid balances. Mortgage loans on real estate are stated at their aggregate unpaid balances. Real estate held for investment is carried at cost less accumulated depreciation and encumbrances. Encumbrances as of December 31, 2019 and 2018 were approximately $30,098,000 and $31,481,000, respectively. The promissory note bears interest at 4.32% and is due in monthly installments of approximately $103,000 (including interest) to 2022. Property occupied by the Company is carried at cost, less accumulated depreciation.

Realized gains or losses are determined on the specific identification basis. Unrealized gains and losses on common stocks of affiliates and nonaffiliates are accounted for as direct increases or decreases in surplus.

Because the Company's primary business is in the insurance industry, the Company holds a significant amount of assets that it intends to match with its liabilities in relation to maturity and interest margin. In order to maximize earnings and minimize risk, the Company invests in a diverse portfolio of investments. The portfolio is diversified by geographic region, investment type, underlying collateral, maturity, and industry. Management does not believe that the Company has any significant concentrations of credit risk in its investments.

The Company generally does not invest in any low investment-grade high-yield investment bonds (junk bonds). Certain bonds are guaranteed by the U.S. government. The Company limits its risks by investing in bonds and stocks of rated companies, mortgage loans adequately collateralized by real estate, selective real estate supported by appraisals, and policy loans collateralized by policy cash values. In addition, the Company performs due diligence procedures prior to making mortgage loans. These procedures include evaluations of the credit worthiness of the mortgagees and/or tenants and independent appraisals.

The maximum and minimum lending rates for mortgage loans originated during 2019 were 5.00% and 3.50%, respectively. The maximum and minimum lending rates for mortgage loans originated during 2018 were 5.06% and 4.17%, respectively. The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 80% during 2019 and 2018. During 2019 and 2018, the Company did not reduce interest rates on any outstanding mortgage loans. The Company held no mortgages with interest more than 180 days past due or impaired mortgage loans.

For loan-backed securities, the Company has elected to use the carrying value as of January 1, 1994 as the cost for applying the retrospective adjustment method to securities purchased prior to that date. In 2019 and 2018, the Company had no changes from the retrospective to prospective methodology due to negative yield on specific securities. Prepayment assumptions for single class and multiclass mortgage-backed/asset-backed securities were obtained from broker-dealer survey values or internal estimates.

The Company periodically reviews its investment portfolio to determine if provisions for possible losses or provisions for other-than-temporary impairment (OTTI) are necessary. In connection with this determination, management reviews published market values, credit ratings, independent appraisals, expected cash flows, and other valuation information. Securities with impairments are written down to the present value of expected cash flows to be collected rather than fair value unless the Company has the intent to sell or inability to retain the security until recovery of amortized cost. For the year ended December 31, 2019, the Company recorded no OTTI. For the year ended December 31, 2018, the Company recorded approximately $1,926,000 of OTTI. While management believes that no additional provisions for OTTI are currently necessary, adjustments may be necessary in the future due to changes in economic conditions. In addition, regulatory agencies periodically review investment valuation as an integral part of their examination process. Such agencies may require the Company to recognize adjustments based upon available information and judgments of the regulatory examiners at the time of their examination.

(f) Equipment

Equipment consists of electronic data processing equipment and is stated at cost less accumulated depreciation. Equipment is depreciated on a straight-line basis using estimated lives of five to ten years. Additions, renewals, and betterments are capitalized. Expenditures for software, maintenance, and repairs are expensed. Upon retirement or disposal of an asset, the asset and related accumulated depreciation are eliminated and any related gain or loss is included in income.

(g) Company-Owned Life Insurance

The Company is the owner of three single premium insurance policies and one group variable life insurance policy for certain current executives of the Company, where the Company is the beneficiary. These policies, accounted for using the investment method, were purchased in 2018, 2014 and in 2010. The policies are recorded in other assets at their net cash surrender values, as reported by the four issuing insurance companies, whose Standard & Poor’s financial strength ratings are AA+ for the single premium insurance policies and A for the group variable life insurance policy. The net cash surrender values totaled approximately $69,226,000 and $66,423,000 as of December 31, 2019 and 2018, respectively. The face value (death benefit) of the life insurance policies underlying the contracts was approximately $185,841,000 and $184,584,000 as of December 31, 2019 and 2018, respectively.

(h) Premiums

Life premiums are recognized as revenue when the policy is written and on each anniversary date thereafter. Accident and health premiums are recognized when due from the policyholder. Both life and accident and health premiums are increased by reinsurance premiums assumed and reduced by reinsurance premiums ceded. Contracts issued that do not incorporate mortality or morbidity risk are not accounted for as insurance contracts. Amounts received as payments for such contracts are recorded as direct increases to the policy reserves.

The Company estimates accrued retrospective premium adjustments (premium rate stabilization) for certain contracts in its group health and group life business based on contractually determined formulas by group. The amount of net premiums written by the Company for the years ended December 31, 2019 and 2018 that were subject to retrospective rating features were approximately $190,000 and $190,000, respectively, which represented approximately 0.04% and 0.05% of net premiums written for group health and group life products in 2019 and 2018, respectively. No other net premiums written by the Company were subject to retrospective rating features.

(i) Reinsurance

The Company accounts for reinsurance transactions as prescribed by the applicable accounting standards, which require the reporting of reinsurance transactions relating to the statements of admitted assets, liabilities, and capital and surplus on a net basis and precludes immediate gain recognition on reinsurance contracts.

(j) Income Taxes

Current income taxes incurred includes current income taxes for the amount of federal income taxes paid or payable for the current year. These amounts are determined based on estimates of federal income taxes for the current year, including tax contingencies and benefits. The Company's current tax recoverable is reported as a component of other assets and current tax payable is reported as a component of other liabilities. The changes in current taxes are reflected in the statutory statements of operations.

Deferred income tax assets and liabilities are determined based on differences between statutory financial statement carrying amounts of existing assets and liabilities and their respective tax bases, as well as operating loss, capital loss, and tax credit carryforwards. Temporary differences related to AVR and IMR are not included in the determination of gross deferred income taxes while temporary differences for unrealized gains/losses and nonadmitted assets are included. Gross deferred tax assets are reduced by a valuation allowance if it is more likely than not (i.e. greater than 50% likelihood) that some portion or all of the gross deferred tax assets will not be realized. The deferred tax assets and liabilities are measured using federal enacted tax rates. Deferred income tax assets are limited as to their admissibility. The changes in net deferred tax assets and liabilities are reflected in surplus. The Company's net admitted deferred tax assets are reported as a component of other assets.

(k) Policy Liabilities

Aggregate reserves for life policies and contracts include reserve amounts principally for life insurance policies, payout annuity policies, and disability insurance policies. The life insurance reserves are principally based on the 1941, 1958, 1980, 2001, and 2017 Commissioners Standard Ordinary (CSO) mortality tables, and are established with interest rate assumptions ranging from 2.0% to 6.0%. Annuity insurance reserves are established with interest rate assumptions ranging from 3.0% to 8.8%. Disability reserves are principally based on the 2012 Group Long Term Disability Table, with adjustments for actual Company experience. The tabular interest, tabular less actual reserves released, and the tabular cost have been determined by formula. Aggregate reserves for accident and health policies include the present value of amounts not yet due on claims, additional reserves, and unearned premiums.

Policy and contract claims reserves include a provision for reported claims and claims incurred but not reported. The provision for claims incurred but not reported is estimated based primarily on Company experience. Although these provisions are the Company's best estimate of the ultimate value, the actual results may vary from these values.

Liability for premiums and other deposit funds include reserves for qualified before tax annuities and other accumulation policies that do not subject the Company to any risks from policyholder mortality and morbidity. Such reserves are established using guaranteed interest rates of 3.0% to 7.5%.

The Company has a significant amount of allocated deferred annuity contracts with life contingencies. The liability for these contracts is recorded as aggregate reserves for life policies and contracts. The Company also has annuities certain without life contingencies. The liability for these contracts is recorded as a liability for premiums and other deposit funds.

The Company started issuing business in 2017 on the 2017 CSO table for life products where approved. There were two valuation basis changes for reserves in 2016. Disability reserves moved from the 1987 Commissioners Group Disability Table to the 2012 Group Long Term Disability Table. Group term life waiver of premium reserves moved from the 1952 Disability Study, period 2, with the 1958 CSO mortality table to the 2005 Group Term Life Waiver Reserve Table.

The Company waives deduction of deferred fractional premiums upon death of the insured, and returns any portion of the final premium beyond the month of death for policies developed and issued subsequent to December 1977.

Surrender values are not promised in excess of the legally computed reserves.

Extra premiums are charged for substandard lives in addition to the regular gross premium for the true age.

Mean reserves are determined by computing the regular mean reserve for the plan at the true age and holding in addition one-half of the extra premium charge for the year.

The Company had approximately $1,151,998,000 and $1,305,394,000 of insurance in force (after reinsurance ceded) for which the gross premiums are less than the net premiums according to the standard valuation set by the state of Oklahoma at December 31, 2019 and 2018, respectively.

The Company had approximately $32,904,000 and $34,709,000 as of December 31, 2019 and 2018, respectively, of annuity actuarial reserves and deposit liabilities that were subject to discretionary withdrawal at book value less current surrender charge of 5% or more. As of December 31, 2019 and 2018, the Company has approximately $970,926,000 and $746,745,000, respectively, of annuity actuarial reserves and deposit liabilities that were subject to discretionary withdrawal at market value where the withdrawal of the funds is payable at the current market value of the assets supporting the liabilities. Annuity reserves and deposit liabilities that were subject to discretionary withdrawal at book value without adjustment were approximately $1,976,689,000 and $1,883,672,000 as of December 31, 2019 and 2018, respectively. There were approximately $44,033,000 and $46,426,000 of annuity reserves and deposit liabilities that are not subject to discretionary withdrawal at December 31, 2019 and 2018, respectively. At December 31, 2019 and 2018, the total gross annuity actuarial reserves and deposit liabilities were approximately $3,024,553,000 and $2,711,552,000, respectively, and the net annuity actuarial reserves and deposit liabilities were approximately $3,019,535,000 and $2,706,415,000, respectively. The ceded amount of annuity actuarial reserves and deposit liabilities was approximately $5,018,000 and $5,137,000 as of December 31, 2019 and 2018, respectively. The Company's earnings related to these products are impacted by conditions in the overall interest rate environment.

(l) Capital and Surplus

Capital and surplus of the Company is restricted as to payment of dividends by statutory limitations applicable to insurance companies. Without prior approval of the respective state insurance department, dividends that can be paid are generally limited to the greater of 10% of statutory capital and surplus or the statutory net gain from operations before net realized capital gains/losses reported for the previous calendar year. The maximum dividend payout, which may be made without prior approval in 2020, is approximately $90,134,000.

The Oklahoma Insurance Department has adopted Risk-Based Capital (RBC) requirements for life insurance companies. The RBC calculation serves as a benchmark for the regulation of life insurance companies by state insurance regulators. RBC provides for surplus formulas similar to target surplus formulas used by commercial rating agencies. The formulas specify various weighting factors that are applied to statutory financial balances or various levels of activity based on the perceived degree of risk, and are set forth in the RBC requirements. The Company has calculated RBC in accordance with the NAIC's Model Rule and RBC rules as adopted by the Oklahoma Insurance Department. The RBC, as calculated by the Company, exceeds levels requiring Company or regulatory action at December 31, 2019 and 2018.

(m) Separate Accounts

The Company maintains a separate account under Oklahoma insurance law designated as American Fidelity Separate Account A (Account A). Account A was formerly known as American Fidelity Variable Annuity Fund A, and operated as an open-end diversified management investment company from 1968 to 1998. Effective January 1, 1999, it was converted to a unit investment trust separate account, and it transferred its investment portfolio to the American Fidelity Dual Strategy Fund, Inc. (the Fund), an open-end investment company sponsored by AFA, in exchange for shares of the Fund.

On November 25, 2014, Account A's investment in the Fund was substituted with the Vanguard Total Stock Market Index Fund. Under Oklahoma law, the assets of Account A are segregated from the

Company's assets, are held for the exclusive benefit of the variable annuity contract owners, and are not chargeable with liabilities arising out of the business conducted by any other account or by the Company.

The Company also maintains separate accounts under Oklahoma insurance law designated as American Fidelity Separate Account B (Account B) and American Fidelity Separate Account C (Account C). Account B and Account C are registered as unit investment trusts under the Investment Company Act of 1940, as amended. Under Oklahoma law, the assets of each of the ten (10) segregated subaccounts of Account B and the ten (10) segregated subaccounts of Account C are held for the exclusive benefit of the variable annuity contract owners, and are not chargeable with liabilities arising out of the business conducted by any other account or by the Company.

The separate accounts maintained by the Company represent funds for nonguaranteed variable annuities. The assets of these accounts are carried at market value. The net investment experience of the separate account is credited directly to the policyholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of the account value or the premium paid. The minimum guaranteed death benefit reserve is held in the Company's general account. For the years ended December 31, 2019 and 2018, the amount of premiums, considerations, or deposits for the year was approximately $83,930,000 and $75,231,000, respectively.

(2) Admitted and Nonadmitted Assets

Assets in the statutory statements of admitted assets, liabilities, and capital and surplus are stated at admitted asset values, which are the values permitted to be reported in the annual report to the Oklahoma Insurance Department. All other assets are "nonadmitted assets" and are excluded from the statutory statements of admitted assets, liabilities, and capital and surplus by a charge to surplus. Nonadmitted assets as of December 31 are as follows:

	2019	2018
Prepaids, deposits, and other receivables	$ 11,815,227	7,665,554
Amounts receivable from reinsurers	1,420,225	—
Agents' balances	23,960	26,904
Deferred tax asset	29,993,314	24,006,062
Leasehold improvements	18,547,634	19,061,294
	$ 61,800,360	50,759,814

(3) Fair Value of Financial Instruments

A summary of the Company's financial instruments and the fair value estimates, methods, and assumptions is set forth below:

		Estimated fair value as of December 31, 2019			
	Admitted assets	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and short-term investments	$ 289,209,412	289,209,412	—	—	289,209,412
Bonds	4,374,405,435	503,204	4,062,644,812	589,215,260	4,652,363,276
Common and preferred stock	42,723,994	38,301,466	1,468,440	4,762,660	44,532,566
Mortgage loans on real estate	550,520,170	—	—	569,102,537	569,102,537
Financial liabilities:					
Certain policy liabilities	2,026,548,359	—	—	2,027,871,376	2,027,871,376
Borrowed money	497,645,003	—	509,022,658	—	509,022,658

		Estimated fair value as of December 31, 2018			
	Admitted assets	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and short-term investments	$ 336,915,573	336,915,573	—	—	336,915,573
Bonds	4,115,251,600	24,200,433	3,601,822,771	479,251,003	4,105,274,207
Common and preferred stock	28,672,909	23,700,796	1,258,513	4,130,968	29,090,277
Mortgage loans on real estate	484,256,052	—	—	490,749,585	490,749,585
Financial liabilities:					
Certain policy liabilities	1,936,558,042	—	—	1,937,397,267	1,937,397,267
Borrowed money	497,669,116	—	494,665,695	—	494,665,695

(a) Cash and Short-Term Investments

The carrying amounts of the financial instruments listed above approximate their fair values because they mature within a relatively short period of time, and do not present unanticipated credit concerns.

(b) Bonds, Common Stocks and Preferred Stocks

For fixed maturities and marketable equity securities, for which market quotations generally are available, the Company primarily uses independent pricing services to assist in determining fair value measurements. When the fair value of certain securities is not readily available, the fair value estimates are based on quoted market prices of similar instruments adjusted for the differences between the quoted instruments and the instruments being valued, or fair value is estimated using discounted cash flow analysis. Interest rates used in this analysis are similar to currently offered contracts with comparable maturities as the investments being valued. The Company's investments also include certain less liquid or private fixed maturity debt securities, such as private placements and certain structured notes. Valuations are estimated based on nonbinding broker prices or valuation models discounted cash flow models and other similar techniques that use observable or unobservable inputs and are considered Level 3.

The fair value of equity securities investments of the Company is based on quotations from independent pricing services, bid prices published in financial newspapers, or bid quotations received from securities dealers.

(c) Mortgage Loans on Real Estate

Fair values are estimated for portfolios of loans with similar characteristics. Commercial mortgage loans have average net yield rates of 4.44% and 4.58% for December 31, 2019 and 2018, respectively. The fair value of mortgage loans was calculated by discounting scheduled cash flows to maturity using estimated market discount rates of 3.93% and 4.39% for December 31, 2019 and 2018, respectively. These rates reflect the credit and interest rate risk inherent in the loans. Assumptions regarding credit risk, cash flows, and discount rates are judgmentally determined using available market information and specific borrower information. The fair value of certain residential loans is based on the approximate fair value of the underlying real estate securing the mortgages.

(d) Policy Loans

Policy loans have average interest yields of 5.27% and 5.91% as of December 31, 2019, and 2018, respectively, and have no specified maturity dates. These loans typically carry an interest rate that is tied to the crediting rate applied to the related policy and contract reserves. Policy loans are an integral part of the life insurance policies that the Company has in force and cannot be valued separately.

(e) Certain Policy Liabilities

Certain policies sold by the Company are investment-type contracts. These liabilities are segregated into two categories: premiums and other deposit funds and immediate annuities. These liabilities are further defined to segregate the deferred annuity contract with life contingencies, which are reported as aggregate reserves for life policies and contracts. The fair value of aggregate reserves for life policies and contracts is estimated as the fund value of each policy less applicable surrender charges. The fair value of the immediate annuities without life contingencies and premiums and other deposit funds is

estimated as the discounted cash flows of expected future benefits less the discounted cash flows of expected future premiums, using the current pricing assumptions.

	2019		2018	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Aggregate reserves for life policies and contracts	$ 2,003,856,743	2,002,797,723	1,912,520,605	1,911,471,263
Annuities	22,691,616	25,073,653	24,037,437	25,926,004

(f) Borrowed Money

The fair value of the Company's notes payable is estimated by the present value of a stream of future expected cash flows using an appropriate discount rate. Discount factors are based on the LIBOR/Swap curve.

(g) Limitations

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These fair value estimates do not reflect any premium or discount that could result from offering for sale at one time the Company's entire holdings of a particular financial instrument, nor do they reflect income taxes on differences between fair value and tax basis of the assets. Because no established exchange exists for a significant portion of the Company's financial instruments, fair value estimates are based on judgments regarding future expected loss experience, current economic conditions, risk characteristics of various financial instruments, and other factors. These fair value estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the fair value estimates.

(h) Fair Value Hierarchy

The following are the levels of hierarchy and a description of the type of valuation inputs that are used to establish each level:

Level 1 inputs are quoted in active markets for identical securities.

Level 2 inputs are other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 inputs are significant unobservable inputs (including the Company's own assumptions used to determine the fair value of investments).

Assets that are recorded at fair value are categorized into a three-level fair value hierarchy as required by SSAP No. 100, *Fair Value Measurements*. The balances of these assets as of December 31, 2019 are as follows:

	Level 1	Level 2	Level 3	Total
Assets recorded at fair value:				
Bonds – industrial and miscellaneous	$ —	2,637,828	—	2,637,828
Common stock – unaffiliated	23,608,488	132,532	—	23,741,020
Common stock – affiliated	—	1,335,908	—	1,335,908
Total assets at fair value	$ 23,608,488	4,106,268	—	27,714,756

Assets that are recorded at fair value are categorized into a three-level fair value hierarchy as required by SSAP No. 100, *Fair Value Measurements*. The balances of these assets as of December 31, 2018 are as follows:

	Level 1	Level 2	Level 3	Total
Assets recorded at fair value:				
Bonds – industrial and miscellaneous	$ 23,183,381	3,055,236	—	26,238,617
Common stock – unaffiliated	23,203,177	119,301	—	23,322,478
Common stock – affiliated	—	1,139,211	—	1,139,211
Total assets at fair value	$ 46,386,558	4,313,748	—	50,700,306

There were no securities with unobservable inputs (Level 3) at December 31, 2019 or 2018.

The following table presents the change for the year ended December 31, 2018 in the assets measured at fair value using unobservable inputs (Level 3):

	Loan-backed securities
Beginning balance	$ 1,781,086
Transfers in	—
Transfers out	—
Total gain (loss) included in net income	1,307,118
Total gain (loss) included in surplus	195,673
Purchases	—
Issuances	—
OTTI	—
Sales	(3,283,877)
Settlements	—
Ending balance	$ —

(4) Investments

Investment income for the years ended December 31 is summarized below:

		2019	2018
Interest on bonds	$	181,983,049	180,346,598
Dividends on preferred and common stocks		822,142	314,170
Interest on mortgage loans		23,788,064	24,558,391
Investment real estate income		7,436,798	8,459,581
Interest on policy loans		2,981,784	3,305,649
Interest on cash and short-term investments and other		3,177,238	1,372,076
		220,189,075	218,356,465
Less investment expenses		39,359,896	33,396,562
Net investment income	$	180,829,179	184,959,903

Realized gains (losses) for the years ended December 31 consisted of the following:

		2019	2018
Bonds	$	46,301,716	(4,547,506)
OTTI		—	(1,926,441)
Realized gains (losses) on bonds		46,301,716	(6,473,947)
Common stocks of nonaffiliates		677,265	752,169
Real estate		—	(820,296)
Other capital loss		282,131	(370,647)
Total realized gains (losses) before federal income taxes and IMR transfers		47,261,112	(6,912,721)
Federal income tax expense		9,599,983	(9,142,363)
Less IMR transfers		37,515,252	(4,218,990)
Net realized gains	$	145,877	6,448,632

The carrying value and estimated fair value of bonds, preferred stock, and common stock at December 31 are as follows:

	2019			
	Carrying value/ cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities	$ 499,678	3,525	—	503,203
U.S. government agency obligations	2,028,476	153,020	—	2,181,496
Special revenue	374,675,018	11,394,517	(5,170,803)	380,898,732
States and territories	694,369,970	38,085,400	(752,290)	731,703,080
Foreign government	28,084,114	1,817,741	—	29,901,855
Corporate bonds	2,345,239,114	205,672,165	(5,379,808)	2,545,531,471
Loan-backed securities	929,509,065	36,700,464	(4,566,090)	961,643,439
Total bonds	4,374,405,435	293,826,832	(15,868,991)	4,652,363,276
Preferred stocks	17,647,066	1,816,972	(8,400)	19,455,638
Common stocks - unaffiliated	11,949,875	11,791,145	—	23,741,020
Common stocks - affiliated	103,902	1,232,006	—	1,335,908
Total stocks	29,700,843	14,840,123	(8,400)	44,532,566
Total	$ 4,404,106,278	308,666,955	(15,877,391)	4,696,895,842

	2018			
	Carrying value/ cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities	$ 1,006,957	10,094	—	1,017,051
U.S. government agency obligations	2,780,932	190,689	—	2,971,621
Special revenue	420,553,110	8,181,696	(26,611,053)	402,123,753
States and territories	467,834,029	24,468,961	(590,751)	491,712,239
Foreign government	28,159,997	1,215,173	—	29,375,170
Corporate bonds	2,307,793,450	56,359,524	(74,822,358)	2,289,330,616
Loan-backed securities	863,939,743	16,672,110	(15,051,478)	865,560,375
SVO Identified Funds	23,183,382	—	—	23,183,382
Total bonds	4,115,251,600	107,098,247	(117,075,640)	4,105,274,207
Preferred stocks	4,211,220	417,368	—	4,628,588
Common stocks - unaffiliated	12,581,365	10,741,113	—	23,322,478
Common stocks - affiliated	103,902	1,035,309	—	1,139,211
Total stocks	16,896,487	12,193,790	—	29,090,277
Total	$ 4,132,148,087	119,292,037	(117,075,640)	4,134,364,484

The NAIC fair value of total bonds is approximately $1,975,000 less and $5,084,000 more than the estimated fair value in the tables above at December 31, 2019 and 2018, respectively.

The carrying value and estimated fair value of investments in bonds at December 31, 2019, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because the issuers of such securities may have the right to call or prepay obligations with or without call or prepayment penalties.

		Carrying value	Fair value
Due in one year or less	$	37,277,992	37,848,051
Due after one year through five years		313,425,953	327,720,674
Due after five years through ten years		1,040,708,847	1,117,653,228
Due after ten years		2,053,483,578	2,207,497,884
Loan-backed securities		929,509,065	961,643,439
	$	4,374,405,435	4,652,363,276

Proceeds from sales of bonds during 2019 and 2018 were approximately $1,011,922,000 and $238,736,000, respectively. Gross realized gains of approximately $43,990,000 and $6,125,000 and gross realized losses of approximately $5,752,000 and $14,841,000, respectively, were realized on those sales. The Company realized net gains of approximately $7,009,000 and $4,168,000 on bonds that were called or prepaid in 2019 and 2018, respectively. In addition, the Company realized a gain of $1,055,000 on bonds transferred in 2019. There were no bonds transferred in 2018.

Gross unrealized losses on investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2019 were as follows:

	Less than 12 months		12 months or longer		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
Special revenue	$ 167,185,164	(3,295,134)	42,847,423	(1,875,669)	210,032,587	(5,170,803)
States and territories	66,270,841	(752,290)	—	—	66,270,841	(752,290)
Corporate bonds	341,086,783	(4,837,790)	11,189,482	(542,018)	352,276,265	(5,379,808)
Loan-backed securities	161,929,694	(2,483,933)	59,834,984	(2,082,157)	221,764,678	(4,566,090)
Total	$ 736,472,482	(11,369,147)	113,871,889	(4,499,844)	850,344,371	(15,868,991)

Gross unrealized losses on investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2018 were as follows:

	Less than 12 months		12 months or longer		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
Special revenue	$ 53,695,118	(1,911,655)	242,890,758	(24,699,398)	296,585,876	(26,611,053)
States and territories	42,237,520	(440,086)	2,699,334	(150,665)	44,936,854	(590,751)
Corporate bonds	1,167,158,997	(51,835,726)	269,862,924	(22,986,632)	1,437,021,921	(74,822,358)
Loan-backed securities	280,677,754	(6,202,779)	176,571,111	(8,848,699)	457,248,865	(15,051,478)
Total	$ 1,543,769,389	(60,390,246)	692,024,127	(56,685,394)	2,235,793,516	(117,075,640)

The investments included in states and territories are high-grade investment quality and have unrealized losses due to an increase in interest rates since acquisition. Because the securities were acquired during a period of low interest rates, unrealized losses may continue and may become more severe in a rising interest rate environment. As the decline in fair value is attributable to changes in interest rates and not credit quality, the Company expects the unrealized losses to reverse as the securities shorten in duration and mature, and because the Company has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in special revenue securities are comprised of general obligations of U.S. government sponsored agencies for which the U.S. government is indirectly obligated. The unrealized loss is due to interest rate fluctuations, which result in a decline in market values from original purchase price. Because the securities were acquired during a period of low interest rates, unrealized losses may continue and may become more severe in a rising interest rate environment. The Company expects the unrealized losses to reverse as the securities shorten in duration and mature and because the Company has the ability to hold these investments to maturity and does not intend to sell until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in corporate securities are comprised of corporate bonds. The unrealized loss is due to interest rate fluctuations, the current market and economic environment, which affects corporate credit ratings and changes in sector spreads. The unrealized loss may continue and may become more severe if the economy slows or interest rates rise. Because the decline in fair value is attributable to interest rates and economic changes and a slight decline in credit quality, and because the Company expects all contractual cash flows will be received and has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in loan-backed securities are comprised of U.S. government-sponsored agency mortgage-backed securities for which the U.S. government is not directly obligated, and private label whole loan collateralized mortgage obligations. The unrealized losses on these securities are a result of the current market and economic conditions that affect the mortgage-backed sector. The credit quality of some mortgage-backed bonds has declined due to the larger number of home defaults. Because the decline in fair value is attributable mainly to changes in market and economic conditions and the Company believes all contractual cash flows will be received and has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in loan-backed securities are comprised of U.S. government-sponsored agency mortgage-backed securities for which the U.S. government is not directly obligated, and private label whole loan collateralized mortgage obligations. The unrealized losses on these securities are a result of the current market and economic conditions that affect the mortgage-backed sector. The credit quality of some mortgage-backed bonds has declined due to the larger number of home defaults. Because the decline in fair value is attributable mainly to changes in market and economic conditions and the Company believes all contractual cash flows will be received and has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired. When the Company believes it will not receive all contractual cash flows, the securities are considered other-than-temporarily impaired.

At December 31, 2019 and 2018, investments with carrying values of approximately $3,013,000 and $3,463,000, respectively, were on deposit with state insurance departments as required by statute.

The Company has no direct exposure to subprime mortgage loans. An extensive pre-purchase analysis is performed on every loan-backed security. By purchasing only agency mortgage-backed securities and AAA collateralized mortgage-backed whole loan securities, direct exposure to sub-prime mortgages is virtually eliminated. The unrealized losses on these securities are a result of the current market and economic conditions that are affecting the mortgage-backed sector. The credit qualities on some mortgage-backed bonds have begun to decline due to the large number of home mortgage defaults. Because the decline in fair value is attributable mainly to changes in market and economic conditions and only due slightly to a lessening of credit, the Company believes most contractual cash flows will be received.

There were no loan-backed securities that recognized OTTI in 2019 and there were no securities where the present value of cash flows expected to be collected are less than amortized cost basis.

(5) Separate Accounts

The Company utilizes Separate Accounts to record and account for variable annuity business. In accordance with the Insurance Code of the State of Oklahoma, variable annuities are supported for separate account classification by Title 36, Chapter 2, Section 6061. As of December 31, 2019 and 2018, the Company Separate Account statement included legally insulated assets of approximately $980,712,000 and $754,807,000, respectively, attributed to variable annuity contracts. The Separate Accounts held by the Company represent nonguaranteed variable annuity funds. The Company does not have a securities lending program.

The assets of these accounts are carried at fair market value. The net investment experience of the Separate Accounts is credited directly to the policyholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of account value or premium paid. The minimum guaranteed death benefit reserve is held in Exhibit 5, Miscellaneous Reserves Section, of the Company’s general account annual statement.

		2019	2018
1. Premiums, considerations, or deposits for year ended December 31	$	83,929,810	75,230,630
2. Reserves at December 31:			
For accounts with assets at:			
a. Fair market value	$	980,712,323	754,806,790
b. Amortized cost		—	—
c. Total reserves	$	980,712,323	754,806,790
3. By withdrawal characteristics:			
a. Subject to discretionary withdrawal	$	—	—
b. With market value adjustment		—	—
c. At book value without market value adjustment and with current surrender charge of 5% or more		—	—
d. At fair market value		980,712,323	754,806,790
e. At book value without market value adjustment and with current surrender charge less than 5%		—	—
f. Subtotal		980,712,323	754,806,790
g. Not subject to discretionary withdrawal		—	—
h. Total	$	980,712,323	754,806,790
4. Reserves for asset default risk in lieu of AVR	$	—	—

Reconciliation of net transfers to or (from) Separate Accounts.

		2019	2018
1. Transfers as reported in the summary of operations of the separate accounts statements:			
a. Transfers to separate accounts	$	83,929,810	75,230,630
b. Transfers from separate accounts		59,617,687	50,870,488
c. Net transfers to or (from) separate accounts (a) – (b)		24,312,123	24,360,142
2. Reconciling adjustments:			
a Plus change in expense allowance and administration		(2,439,214)	(262,768)
3. AFA net transfer to the separate accounts (fn1)			
a. (1c) + (2)	$	21,872,909	24,097,374

(6) Liability for Accident and Health Reserves

Accident and health reserve activity for the years ended December 31, 2019 and 2018 was as follows:

	2019	2018
Liability beginning of year, net of reinsurance	$ 516,987,838	491,139,445
Incurred related to:		
Current year	466,929,542	418,088,762
Prior years	(22,280,175)	(30,974,899)
Total incurred	444,649,367	387,113,863
Paid related to:		
Current year	236,989,122	215,689,348
Prior years	162,281,917	145,576,122
Total paid	399,271,039	361,265,470
Liability end of year, net of reinsurance	$ 562,366,166	516,987,838

Reinsurance recoverable on paid losses was approximately $2,838,000 and $3,162,000 at December 31, 2019 and 2018, respectively.

The provision for accident and health (A&H) benefits pertaining to prior years decreased approximately $22,280,000 in 2019 from the prior year estimate. This decrease overall includes better than expected experience of approximately $25,567,000 for group medical and disability and worse than expected experience of approximately $3,287,000 for individual A&H business. The increase for individual A&H, primarily cancer, is due to a lengthening of the tail in the claim runoff.

The provision for A&H benefits pertaining to prior years decreased approximately $30,975,000 in 2018 from the prior year estimate. This decrease overall includes better than expected experience of approximately $31,332,000 for group medical and disability and worse than expected experience of approximately $357,000 for individual A&H business. The increase for individual A&H, primary cancer, is due to a reserve increase due to a lengthening of the tail in the claim runoff and a one-time back payment on older diagnostic claims.

The Company paid approximately $2,619,000 and $259,000 in 2019 and 2018, respectively, to settle claims related to extra contractual obligations or bad faith claims stemming from lawsuits.

(7) Borrowed Money

AFA has borrowed approximately $496,500,000 and $496,500,000 on the line of credit with the Federal Home Loan Bank of Topeka (FHLB) at December 31, 2019 and 2018, respectively. The line of credit is secured by investment securities and cash pledged as collateral by AFA with a carrying amount of approximately $517,000,000 and $582,111,000 at December 31, 2019 and 2018, respectively, which exceeds the collateral required for this line of credit. The pledged securities are held in the Company's name in a custodial account at United Missouri Bank, N.A. to secure current and future borrowings. To

participate in this available credit, AFA has acquired 227,956 shares of FHLB common stock with a total carrying value of approximately $23,146,000 and $22,795,600 at December 31, 2019 and 2018, respectively.

FHLB Capital Stock

	2019		
	General account	Separate accounts	Total
Membership stock – class A	$ 834,000	—	834,000
Membership stock – class B	—	—	—
Activity stock	21,842,500	—	21,842,500
Excess stock	469,500	—	469,500
Total	$ 23,146,000	—	23,146,000
Actual or estimate borrowing capacity as determined by the insurer	$ 521,934,270		

FHLB Capital Stock

	2018		
	General account	Separate accounts	Total
Membership stock – class A	$ 500,000	—	500,000
Membership stock – class B	—	—	—
Activity stock	21,842,500	—	21,842,500
Excess stock	453,100	—	453,100
Total	$ 22,795,600	—	22,795,600
Actual or estimate borrowing capacity as determined by the insurer	$ 556,615,156		

FHLB Membership Stock (Class A and B) Eligible for Redemption

	Current year total	Not eligible for redemption	Less than 6 months	6 months to 1 year	1 to 3 years	3 to 5 years
Class A	$ 834,000	500,000	334,000	—	—	—
Class B	—	—	—	—	—	—

FHLB Borrowings

FHLB has the option to convert the initial rate of interest to an adjustable rate of interest on many of these lines of credit on the dates listed in the following table. At any time after FHLB exercises its conversion option, the Company may prepay the advance in full or in part without a fee.

The Company has no unused lines of credit as of December 31, 2019 or 2018.

AFA had no structured note borrowings as of December 31, 2019 and 2018.

Information regarding the terms of the funds borrowed from FHLB are as follows:

Interest rate	Interest rate subject to conversion to adjustable rate	Date issued	Maturity date	Balance at December 31	
				2019	2018
3.270	—	02/08/10	02/10/20	10,000,000	10,000,000
3.630	—	03/25/10	03/25/22	10,000,000	10,000,000
3.710	—	03/25/10	03/25/20	10,000,000	10,000,000
3.440	—	03/25/10	03/25/20	10,000,000	10,000,000
3.500	—	03/25/10	03/25/21	10,000,000	10,000,000
3.770	—	04/13/10	04/13/22	15,000,000	15,000,000
4.190	—	05/07/10	05/07/20	10,000,000	10,000,000
2.570	—	03/27/12	03/26/21	12,500,000	12,500,000
2.080	—	11/19/13	11/20/23	10,000,000	10,000,000
1.980	—	03/12/14	03/12/24	—	12,500,000
3.110	—	05/23/14	05/23/24	15,000,000	15,000,000
1.930	—	11/19/14	11/19/24	—	25,000,000
2.300	—	04/28/15	04/28/23	5,000,000	5,000,000
2.590	—	05/20/15	05/19/23	5,000,000	5,000,000
2.740	—	05/21/15	05/21/24	25,000,000	25,000,000
2.060	—	08/10/15	08/08/25	20,000,000	20,000,000
2.090	—	01/13/16	01/13/22	5,000,000	5,000,000
2.260	—	01/13/16	01/13/23	10,000,000	10,000,000
2.280	—	01/13/16	01/13/26	10,000,000	10,000,000
2.070	—	05/06/16	05/06/26	10,000,000	10,000,000
2.590	—	11/21/16	11/23/26	10,000,000	10,000,000
2.960	—	03/13/17	03/13/25	10,000,000	10,000,000
2.600	—	04/20/17	04/18/25	15,000,000	15,000,000
1.880	—	05/19/17	05/19/27	25,000,000	25,000,000
2.890	—	05/22/17	05/21/27	10,000,000	10,000,000
2.640	—	05/22/17	05/22/25	5,000,000	5,000,000
2.520	—	12/04/17	12/04/23	25,000,000	25,000,000
2.960	—	01/29/18	01/29/25	10,000,000	10,000,000
3.080	—	02/01/18	01/30/26	15,000,000	15,000,000
3.240	—	02/05/18	02/05/27	6,500,000	6,500,000

Interest rate	Interest rate subject to conversion to adjustable rate	Date issued	Maturity date	Balance at December 31 2019	Balance at December 31 2018
3.300	—	03/07/18	03/05/27	25,000,000	25,000,000
3.280	—	03/12/18	03/12/26	10,000,000	10,000,000
2.760	—	04/23/18	04/24/28	5,000,000	5,000,000
3.020	—	04/30/18	04/30/21	5,000,000	5,000,000
2.990	—	06/01/18	06/01/21	15,000,000	15,000,000
2.720	—	06/01/18	05/31/19	—	10,000,000
2.750	—	07/30/18	07/30/19	—	10,000,000
2.780	—	07/30/18	07/31/28	7,500,000	7,500,000
2.930	—	07/30/18	07/31/28	7,500,000	7,500,000
2.690	—	08/31/18	08/30/19	—	20,000,000
2.670	—	09/07/18	09/06/19	—	10,000,000
2.840	—	03/12/19	03/12/24	12,500,000	—
1.900	—	05/30/19	05/29/20	10,000,000	—
2.050	—	07/30/19	07/30/20	10,000,000	—
1.900	—	08/30/19	08/28/20	20,000,000	—
1.900	—	09/06/19	09/04/20	10,000,000	—
1.880	—	11/19/19	11/19/20	25,000,000	—
				496,500,000	496,500,000
			Accrued Interest	1,145,003	1,169,116
			Total	$ 497,645,003	497,669,116

Interest paid in 2019 and 2018 was approximately $13,807,000 and $13,774,000, respectively, and is included in investment expenses in net investment income in the accompanying statutory statements of operations.

Scheduled maturities (excluding interest) of the above indebtedness at December 31, 2019 are as follows:

2020	$ 115,000,000
2021	42,500,000
2022	30,000,000
2023	55,000,000
2024	52,500,000
2025 and thereafter	201,500,000
	$ 496,500,000

(8) Income Taxes

The Company's net deferred tax assets (liabilities) at December 31 and the change from the prior year are comprised of the following components:

	2019			2018			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross deferred tax assets	$ 92,972,084	894,046	93,866,130	82,838,147	905,797	83,743,944	10,133,937	(11,751)	10,122,186
Statutory valuation allowance adjustments	—	—	—	—	—	—	—	—	—
Adjusted gross deferred tax assets	92,972,084	894,046	93,866,130	82,838,147	905,797	83,743,944	10,133,937	(11,751)	10,122,186
Deferred tax asset nonadmitted	29,993,314	—	29,993,314	24,006,062	—	24,006,062	5,987,252	—	5,987,252
Sub-total net admitted deferred tax assets	62,978,770	894,046	63,872,816	58,832,085	905,797	59,737,882	4,146,685	(11,751)	4,134,934
Deferred tax liabilities	28,977,429	2,586,721	31,564,150	29,292,446	2,373,341	31,665,787	(315,017)	213,380	(101,637)
Net admitted deferred tax assets (liabilities)	$ 34,001,341	(1,692,675)	32,308,666	29,539,639	(1,467,544)	28,072,095	4,461,702	(225,131)	4,236,571

Management has reviewed whether a valuation allowance is needed on its total gross deferred tax assets reported above based on factors such as past history and trends, projected taxable income, and expiration of carryforwards. Management believes that in 2019 and 2018 it is more likely than not that the results of operations will generate sufficient taxable income to realize its gross deferred tax assets on ordinary items. Additionally, in 2019 and 2018, management believes that there are sufficient capital gains available in its capital assets portfolio and that holding its fixed debt securities in a loss position to maturity or recovery substantiates the Company's ability to realize its gross deferred tax assets on capital items. As such, there was no statutory valuation allowance adjustments in 2019 or 2018.

The Company's admission calculation components at December 31, 2019 and 2018 are as follows:

	2019			2018			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years years recoverable through loss carrybacks	$ —	—	—	—	—	—	—	—	—
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from (a) above) after application of the threshold limitation. (The lesser of (b)1 and (b)2 below):									
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	32,308,666	—	32,308,666	28,072,095	—	28,072,095	4,236,571	—	4,236,571
2. Adjusted gross deferred tax assets allowed per limitation threshold	—	—	76,797,954	—	—	71,573,078	—	—	5,224,876
Lesser of b(1) or b(2)	32,308,666	—	32,308,666	28,072,095	—	28,072,095	4,236,571	—	4,236,571
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from (a) and (b) above) offset by gross deferred tax liabilities	30,670,104	894,046	31,564,150	30,759,990	905,797	31,665,787	(89,886)	(11,751)	(101,637)
(d) Deferred tax assets admitted									
Total ((a) + (b) + (c))	$ 62,978,770	894,046	63,872,816	58,832,085	905,797	59,737,882	4,146,685	(11,751)	4,134,934

	2019	2018
Ratio percentage used to determine recovery period and threshold limitation amount	736 %	730 %
Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in (b) 2 above	$ 549,873,977	517,531,960

As of December 31, the change in the net deferred income taxes is comprised of the following (this analysis is exclusive of the nonadmitted DTAs as the change in nonadmitted assets is reported separately from the change in net deferred income taxes in the statutory statements of capital and surplus):

		2019	2018	Change
Gross deferred tax assets	$	93,866,130	83,743,944	10,122,186
Gross deferred tax liabilities		31,564,150	31,665,787	(101,637)
Net deferred tax assets/liabilities		62,301,980	52,078,157	10,223,823
Tax effect of unrealized (gains) losses		(2,230,351)	(1,713,219)	(517,132)
Net deferred income taxes	$	64,532,331	53,791,376	10,740,955

The impact of the Company's tax planning strategies as of December 31 is as follows:

	2019		2018		Change	
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
Adjusted gross DTAs	$ 92,972,084	894,046	82,838,147	905,797	10,133,937	(11,751)
Percentage of adjusted gross DTAs attributabe to the impact of tax planning strategies	— %	1.0 %	— %	1.1 %	— %	(0.1)%
Net admitted adjusted gross DTAs	$ 62,978,770	894,046	58,832,085	905,797	4,146,685	(11,751)
Percentage of net admitted adjusted gross DTAs attributable to the impact of tax planning strategies	— %	1.4 %	— %	1.5 %	— %	(0.1)%

None of the Company's tax-planning strategies include the use of reinsurance.

There are no temporary differences for which deferred tax liabilities are not recognized.

As of December 31, current income taxes incurred consist of the following major components:

		2019	2018	Change
Current federal income tax – operations	$	26,428,520	7,521,969	18,906,551
Foreign income tax		—	—	—
Subtotal		26,428,520	7,521,969	18,906,551
Current federal income tax on capital gains taxes incurred		9,599,983	(9,142,363)	18,742,346
Federal and foreign income taxes incurred	$	36,028,503	(1,620,394)	37,648,897

As of December 31, deferred income tax assets and liabilities consist of the following major components:

	2019	2018	Change
Deferred tax assets:			
Ordinary:			
Discounting of unpaid losses	$ 13,936,983	13,084,755	852,228
Policyholder reserves	17,202,187	15,722,541	1,479,646
Investments	—	94,336	(94,336)
Deferred acquisition costs	41,842,231	37,295,387	4,546,844
Fixed assets	3,425,664	1,662,697	1,762,967
Compensation and benefits accrual	8,466,819	8,314,627	152,192
Receivables – nonadmitted	7,152,033	5,997,730	1,154,303
Other	946,167	666,074	280,093
Subtotal	92,972,084	82,838,147	10,133,937
Nonadmitted	29,993,314	24,006,062	5,987,252
Admitted ordinary deferred tax assets	62,978,770	58,832,085	4,146,685
Capital:			
Investments	$ 894,046	905,797	(11,751)
Admitted capital deferred tax assets	894,046	905,797	(11,751)
Admitted deferred tax assets	63,872,816	59,737,882	4,134,934
Deferred tax liabilities:			
Ordinary:			
Investments	50,119	—	50,119
Fixed Assets	441,548	1,065,486	(623,938)
Deferred and uncollected premium	20,191,530	18,826,113	1,365,417
Other	8,294,232	9,400,847	(1,106,615)
Subtotal	28,977,429	29,292,446	(315,017)
Capital:			
Investments	2,586,721	2,373,341	213,380
Deferred tax liabilities	31,564,150	31,665,787	(101,637)
Net deferred tax assets	$ 32,308,666	28,072,095	4,236,571

The following items are included in Other Ordinary Deferred Tax Liabilities:

	2019	2018	Change
Change in reserve method	$ 8,120,624	9,293,554	(1,172,930)
Other (items < 5% of total ordinary tax liabilities)	173,608	107,293	66,315
Total	$ 8,294,232	9,400,847	(1,106,615)

The Company's income tax incurred and change in deferred tax differ from the amount obtained by applying the federal statutory rate of 21% to income before income taxes and net realized capital gains (losses) as follows:

	2019	Effective 2019 tax rate	2018	Effective 2018 tax rate
Income before taxes and realized captial gains (losses)	$ 116,562,409	—%	$ 99,962,157	—%
Income tax expense at 21% statutory rate	24,478,106	21.00%	20,992,053	21.0%
Increase (decrease) in tax resulting from:				
Dividends received deduction	(892,301)	-0.7%	(844,403)	-0.7%
Nondeductible expenses for meals and other items	718,929	0.7%	977,116	1.0%
Management fees	(1,911,000)	-1.6%	(1,269,030)	-1.3%
Tax credits	(2,113,913)	-2.0%	(2,126,320)	-2.2%
Tax-exempt income	(703,032)	-0.6%	(105,065)	-0.1%
Tax adjustment for IMR	(1,411,179)	-1.1%	(1,243,173)	-1.1%
Deferred tax benefit on nonadmitted assets	(1,154,303)	-1.0%	795,981	0.8%
Timing differences on realized gains and losses	88,522	—%	4,047,322	3.9%
Prior year return to provision and amended return adjustments	(1,412,264)	-1.2%	(10,168,737)	-10.2%
Total income tax expected	$ 15,687,565	13.5%	$ 11,055,744	11.1%
Current income taxes incurred (excludes tax on net realized gains and losses)	$ 26,428,520	22.70%	$ 7,521,969	7.6%
Net change in deferred income taxes (excludes tax on unrealized gains and losses)	(10,740,955)	-9.2%	3,533,775	3.5%
Total income tax reported	$ 15,687,565	13.50%	$ 11,055,744	11.1%

The enactment of the Tax Cuts and Jobs Act of 2017 (Tax Act) materially impacted deferred income taxes in 2018 as a result of the tax rate change from 35% in 2017 to 21% in 2018 forward. During 2018, the pension redesignation from 2018 to 2017 and capital loss carryback from 2018 to prior years resulted in an additional 14% of current Federal income tax benefit. The Company generated a capital loss for tax purposes in 2018 of approximately $26,186,000 which was carried back to its 2015, 2016, and 2017 Federal income tax returns, resulting in an additional Federal income tax benefit of approximately $3,666,000 in 2018.

As of December 31, 2019, there are no operations loss deductions, capital loss, or tax credit carryforwards available for tax purposes.

The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

	Ordinary	Capital	Total
December 31, 2019	$ —	9,599,983	9,599,983
December 31, 2018	—	—	—
December 31, 2017	—	8,485,552	8,485,552

Due to the changes in Federal tax laws resulting from the enactment of the Tax Act on December 22,2017, the 3-year carry back of ordinary losses to the extent of ordinary income generated in the carry back years is no longer available. The 3-year carry back of losses is still allowed to the extent of capital gains generated in the carry back years. The amounts in this table represent the income tax incurred on capital gains in the current and prior years that will be available for recoupment in the event of future net capital losses.

As of December 31, 2019, there were no deposits admitted under Section 6603 of the Internal Revenue Code.

The Company is included in a consolidated federal income tax return with the following entities:

American Fidelity Corporation	American Fidelity International Holdings, Inc.
American Public Life Insurance Company	AF Apartments, Inc.
American Fidelity Securities, Inc.	Market Place Realty Corporation
InvesTrust	American Fidelity Property Services, LLC
American Fidelity General Agency, Inc.	American Fidelity Community Services, Inc.
AF Professional Employment Group, LLC	Home Rentals Inc.
First Financial Securities of America, Inc.	Apple Creek Apartments, Inc.
American Fidelity Property Company	Alcott HR Group, LLC
American Fidelity Administrative Services, LLC	All In Sports & Entertainment, LLC

The method of tax allocation between the companies is subject to a written agreement approved by the Board of Directors. Allocation is based on separate return calculations at the group's effective tax rate with current credit for net losses. Intercompany tax balances are settled annually.

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

As of December 31, 2019, the Company did not owe or pay and Repatriation Transition Tax installments under the TCJA.

As of December 31, 2019, the Company has no AMT credit carryforward.

The Company files income tax returns in the U.S. federal jurisdiction and various states. The Company is no longer subject to U.S. federal income tax examinations for years prior to 2016 and state and local income tax examinations for years prior to 2015. The Company is not currently under examination by any taxing authority.

(9) Reinsurance

Reinsurance contracts do not relieve the Company from its obligations to policyholders. Failure of reinsurers to honor their obligations could result in losses to the Company. The Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities, or economic characteristics of the reinsurers to minimize its exposure to significant losses from reinsurer insolvencies. Management believes that all reinsurers presently used are financially sound and will be able to meet their contractual obligations; therefore, no significant allowance for uncollectible amounts has been included in the December 31, 2019 or 2018 statutory financial statements. Estimated amounts that reduce the reserves for future policy benefits at December 31, 2019 and 2018 for reinsurance ceded are approximately $1,085,529,000 and $1,094,467,000, respectively. At December 31, 2019 and 2018, amounts that reduced the reserves for future policy benefits of approximately $697,228,000 and $715,505,0000, respectively, were associated with one reinsurer (note 14).

At December 31, 2019 and 2018, the Company had unsecured aggregate recoverable from the following reinsurers for policy and contracts claims, paid and unpaid, that exceeds 3% of the Company's surplus, as follows:

Group	2019	2018
Hannover Life Reassurance Company	$ 3,491,119	2,496,774
Hannover Reassurance (Ireland) LTD	18,472,006	16,372,259
Total group	21,963,125	18,869,033

Reinsurance agreements in effect for life insurance policies vary according to the age of the insured and the type of risk. Retention amounts for life insurance range from $250,000 on domestic individual life coverages to $500,000 on group life and Latin American individual life coverages, with slightly lower limits on accidental death benefits. At December 31, 2019 and 2018, the face amounts of life insurance in force that are reinsured amounted to approximately $7,421,897,000 and $7,759,000,000, respectively (approximately 24.3% and 27.0% of total life insurance in force, respectively).

Reinsurance agreements in effect for accident and health insurance policies vary with the type of coverage. There are no accident and health reinsurance treaties subject to retention limits.

The effects of reinsurance agreements on earned premiums, prior to deductions for benefits, and commission allowances are as follows for the years ended December 31, 2019 and 2018:

	2019	2018
Reinsurance ceded	$ 209,700,052	207,564,634
Reinsurance assumed	58,091,200	52,646,255

Reinsurance agreements reduced benefits paid for life and accident and health policies by approximately $195,274,600 and $199,434,000 for the years ended December 31, 2019 and 2018, respectively.

(10) Employee Benefit Plans

The Company participates in a pension plan (the Plan), sponsored by AFC, and is not directly liable for obligations under the Plan. The Plan covers all employees who have satisfied longevity and age requirements. The Company's funding policy is to contribute annually the maximum amount that can be deducted for federal income tax purposes. Contributions are intended to provide not only for benefits attributed to service to date, but also for those expected to be earned in the future. The Company contributed approximately $20,019,000 and $56,056,000 to the Plan during the years ended December 31, 2019 and 2018, respectively. AFC also offers certain postretirement benefits other than the Plan.

On September 12, 2018, the Company made an additional approximately $39,000,000 cash contribution over the required minimum contribution of approximately $17,506,000. This transaction allowed the Company to take advantage of the 14% differential in tax rate (35% vs 21%) by designating all 2018 payments as contributions for the 2017 Plan Year for the Plan and for Federal Income Tax purposes. This designation had to occur and be funded prior to the filing of the 2018 tax return. The additional contribution had a pretax impact of approximately $39,000,000. The tax benefits related to the election on required and additional contributions reduced the expense by approximately $16,038,000 causing a net decrease of approximately $22,962,000.

The Company participates in a defined-contribution thrift and profit sharing plan as provided under Section 401(a) of the Code, which includes the tax deferral feature for employee contributions provided by Section 401(k) of the Code. The Company contributed approximately $9,809,000 and $8,898,000 to this plan during the years ended December 31, 2019 and 2018, respectively.

(11) Leases

The Company leases various properties to nonaffiliates under operating lease agreements, which expire or are cancelable within one year. The properties leased are included in the statutory statements of admitted assets, liabilities, and capital and surplus as investment real estate. Rental income on these properties is included in the statutory statements of operations as net investment income.

Investment real estate held for lease is as follows at December 31:

		2019	2018
Land and buildings, net of encumbrances	$	35,742,883	33,258,423
Less accumulated depreciation		(11,969,556)	(9,186,852)
Net investment real estate	$	23,773,327	24,071,571

The Company entered into a lease agreement with 9000 Broadway LLC, a related party, on December 31, 2012, and modified effective January 1, 2014. The balance due will be paid in monthly amounts of approximately $714,000 over the 20 year term of the lease.

(12) Related-Party Transactions

The Company paid cash dividends to AFC in the amount of approximately $60,000,000 during 2019 and $35,000,000 during 2018. There were no other transactions with affiliates in amounts, which exceeded one-half of one percent of the total admitted assets of the Company.

At December 31, 2019 and 2018, the Company reported approximately $6,514,000 and $6,033,000, respectively, as amounts due from AFC.

The Company leases office space from a subsidiary of AFC. The rent payments associated with this lease were approximately $10,107,000 and $9,593,000 in 2019 and 2018, respectively.

During 2017, 2016, and 2015 the Company entered into three-year software lease agreements with AFC. Lease expense related to these agreements was approximately $5,432,000 and $6,246,000 for the years ended December 31, 2019 and 2018, respectively, and is included in general insurance expenses.

The Company leases automobiles, furniture, and equipment from a partnership that owns a controlling interest in AFC. These operating leases are cancelable upon one month’s notice. During the years ended December 31, 2019 and 2018, payments under these leases were approximately $12,209,000 and $12,366,000, respectively.

Under a service agreement approved by the Oklahoma Insurance Department, AFC provides certain services on a cost basis with no markup. During the years ended December 31, 2019 and 2018, the Company paid management fees to AFC totaling approximately $11,268,000 and $14,494,000, respectively.

Under a service agreement approved by the Oklahoma Insurance Department, AFA provides certain services to American Fidelity International (Bermuda) Ltd. (AFIBL). During the years ended December 31, 2019 and 2018, AFIBL paid management fees to AFA of approximately $3,078,000 and $2,103,000, respectively.

Under a service agreement approved by the Oklahoma Insurance Department, AFA provides certain services to American Public Life Insurance Company (APL). During the years ended December 31, 2019 and 2018, APL paid management fees to AFA of approximately $1,500,000 and $1,500,000, respectively.

During the years ended December 31, 2019 and 2018, the Company paid investment advisory fees to a partnership that owns a controlling interest in AFC totaling approximately $15,341,000 and $10,822,000, respectively.

(13) Commitments and Contingencies

Rent expense for the years ended December 31, 2019 and 2018 was approximately $26,464,000 and $25,583,000, respectively. A portion of rent expense relates to leases that expire or are cancelable within one year. The approximate aggregate minimum annual rental commitments as of December 31, 2019 under noncancelable long-term leases for office space are as follows:

2020	$	11,536,000
2021		10,478,000
2022		9,065,000
2023		8,626,000
2024		8,577,000
2025 and thereafter		40,282,000

The Company has outstanding mortgage loan commitments of approximately $40,825,000 and $16,288,000 at December 31, 2019 and 2018, respectively.

The Company is subject to state guaranty association assessments in all states in which it is licensed to do business. These associations generally guarantee certain levels of benefits payable to resident policyholders of insolvent insurance companies. Many states allow premium tax credits for all or a portion of such assessments, thereby allowing potential recovery of these payments over a period of years. However, several states do not allow such credits. The Company estimates its liabilities for guaranty association assessments by using the latest information available from the National Organization of Life and Health Insurance Guaranty Associations. The Company monitors and revises its estimates for assessments as additional information becomes available, which could result in changes to the estimated liabilities. As of December 31, 2019 and 2018, liabilities for guaranty association assessments totaled approximately $1,691,000 and $1,770,000, respectively. Other operating expenses related to state guaranty association assessments were minimal for the years ended December 31, 2019 and 2018.

In the normal course of business, there are various legal actions and proceedings pending against the Company and its subsidiaries. In management's opinion, the ultimate liability, if any, resulting from these legal actions will not have a material adverse effect on the Company's financial position.

(14) Acquired Business – Mid-Continent Life Insurance Company

Effective December 31, 2000, the Company entered into an assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma, in his capacity as receiver of Mid-Continent Life Insurance Company (MCL) of Oklahoma City, Oklahoma. Under this agreement, the Company assumed MCL's policies in force, with the exception of a small block of annuity policies that was assumed effective January 1, 2001. In a concurrent reinsurance agreement, the Company ceded 100% of the MCL policies assumed to Hannover Life Reassurance Company of America. In 2002, this agreement was then transferred to Hannover Life Reassurance Company of Ireland (HLR). The agreement with HLR is a funds

$691,754,000 and $706,188,000 to HLR and maintaining a funds withheld liability at December 31, 2019 and 2018, respectively.

Under the terms of the agreement with the receiver, the Company has guaranteed that the amount of premiums charged under the assumed “Extra-Life” contracts will not increase during the 17-year period beginning December 31, 2000 and will only increase thereafter if certain conditions are met. In 2018, the Company demonstrated to the Oklahoma Department of Insurance that those certain conditions had been met and the Company implemented a 10% rate increase and in July of 2019 the Company implemented an 11% rate increase. The Company has also guaranteed that the current dividend scale on the assumed “Extra-Life” contracts shall not be reduced or eliminated during the five-year period beginning December 31, 2000. Beginning January 1, 2006, the dividends on the assumed “Extra-Life” contracts are no longer guaranteed pursuant to the assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma.

As required by the terms of the assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma, the Company and HLR agreed that a Supplemental Policyholder Reserve (SPR) would be established. The initial SPR is equal to the net of the assets and liabilities received from MCL under the assumption agreement, less amounts ceded to other reinsurance carriers. The SPR is 100% ceded to HLR.

The purpose of the SPR is to provide additional protection to the MCL policyholders against premium increases and to ensure that profits are recognized over the lives of the underlying policies, rather than being recognized up front. The method for calculation of the initial SPR was specified precisely in the agreement with the receiver. The method for calculating the SPR for periods beyond the purchase date was developed by the Company, as this reserve is not otherwise required statutorily or under existing actuarial valuation guidance. The SPR is divided into two parts: (a) an additional reserve for future benefits, which is an estimate of the amount needed, in addition to the policy reserves and liability for future dividends, to fund benefits assuming there are no future premium rate increases, and (b) an additional reserve for future estimated profit, which represents the profit the Company expects to earn on this business over the lives of the underlying policies. The SPR is reprojected each year to recognize current and future profits as a level percentage of future projected required capital amounts each year, resulting in a level return on investment. Any remaining SPR will not automatically be released after the premium guarantee period of 17 years because the SPR is to be held until there is an actuarial certainty that premium rate increases will not be needed. The calculation of the SPR is subject to significant volatility, as it is highly dependent upon assumptions regarding mortality, lapse experience, and investment return. Small shifts in any of these underlying assumptions could have a dramatic impact on the value of the SPR. The SPR was approximately $343,509,000 and $357,847,000 for 2019 and 2018, respectively.

Under the terms of the agreement with HLR, HLR has agreed to share future profits on a 50/50 basis with the Company through an experience refund account. The experience refund account is calculated as premium income plus investment income less reserve increases (including the SPR), benefits paid, and administrative expense allowances paid to the Company and is settled on a quarterly basis. Losses are not shared on a 50/50 basis, except to the extent that a net loss in the experience account at the end of a quarter carries forward to future quarters. There was no experience refund earned by the Company in 2019 and 2018. Due to the nature of a funds withheld reinsurance arrangement, the components of the experience refund calculation are reported as separate components in the accompanying summary of operations. Premium income, reserve increases, and benefits paid related to this block are reported as

reductions of premium income, changes in reserves, and benefits for reinsurance ceded, as required by the terms of the agreement. Investment income on the funds withheld is included in AFA's investment income, and administrative expense allowances paid to AFA are reported as a reduction of AFA's expense. The impact of ceding investment income on funds withheld is reported as a reduction of net investment income in the accompanying summary of operations.

(15) Life Contracts – Premiums

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2019 were as follows:

		Gross	Net of loading
Ordinary new business	$	23,862,178	2,339,815
Ordinary renewal		55,902,416	42,487,089
Group life		97,401	97,401
Total	$	79,861,995	44,924,305

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2018 were as follows:

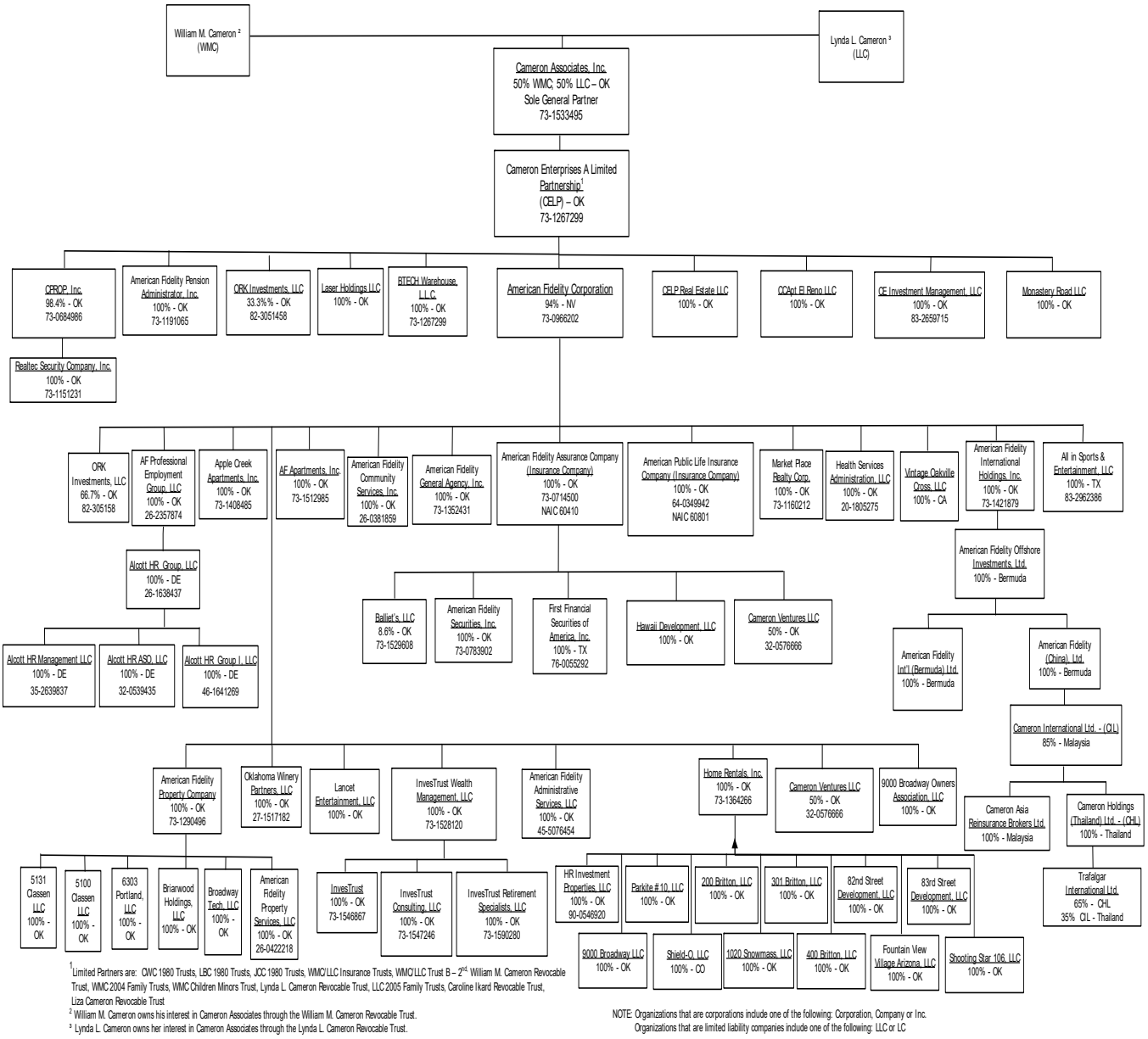
		Gross	Net of loading
Ordinary new business	$	22,491,514	2,118,863
Ordinary renewal		45,199,738	36,110,684
Group life		91,343	91,269
Total	$	67,782,595	38,320,816

(16) Managing General Agents and Third-Party Administrators

There are no MGA or TPA arrangements with direct written premium greater than 5% of surplus at December 31, 2019 and 2018 respectively. Total aggregate direct written premium was approximately $51,120,000 and $58,646,000 at December 31, 2019 and 2018, respectively.

(17) Affiliated Entities

The following is a summary of the significant ownership and affiliated entity relationships that existed at December 31, 2019



[1] Limited Partners are: OWC 1980 Trusts, LBC 1980 Trusts, JCC 1980 Trusts, WMC LLC Insurance Trusts, WMC LLC Trust B – 2nd. William M. Cameron Revocable Trust, WMC 2004 Family Trusts, WMC Children Minors Trust, Lynda L. Cameron Revocable Trust, LLC 2005 Family Trusts, Caroline Ikard Revocable Trust, Liza Cameron Revocable Trust

[2] William M. Cameron owns his interest in Cameron Associates through the William M. Cameron Revocable Trust.

[3] Lynda L. Cameron owns her interest in Cameron Associates through the Lynda L. Cameron Revocable Trust.

NOTE: Organizations that are corporations include one of the following: Corporation, Company or Inc. Organizations that are limited liability companies include one of the following: LLC or LC

(18) Reconciliations

Reconciliations of capital and surplus and net income on a GAAP basis to the amounts included in the accompanying statutory financial statements for the years ended December 31, 2019 and 2018 are as follows (in thousands):

	Net income, year ended December 31		Capital and surplus, at December 31	
	2019	**2018**	**2019**	**2018**
Amounts as reported on statutory basis	$ 90,280	98,889	544,295	505,226
Adjustments:				
Deferred policy acquisition costs	48,006	50,098	719,167	681,183
Policy benefit reserves	(848)	(19,647)	(21,232)	(21,705)
Deferred federal income taxes	1,224	(9,098)	(146,917)	(102,268)
Due and deferred premiums	(4,190)	(1,050)	(24,820)	(25,722)
Nonadmitted assets	—	—	25,842	26,162
Asset valuation reserve	—	—	37,888	40,378
Invested assets	—	(74,834)	277,076	(11,564)
Funds withheld derivative	27,186	75,661	(132,630)	(47,099)
Other, net	34	(823)	62,597	32,997
Amounts on a GAAP basis for consolidated presentation	$ 161,692	119,196	1,341,266	1,077,588

(19) Guaranty Assessments

As of December 31, 2019, American Fidelity Assurance Company did not receive notice of any assessments that would have a material financial impact.

The amount of recognized liabilities under SSAP No. 35R is approximately $1,691,000 and the related asset for premium tax credits is approximately $772,000. The Company expects that the assessments would be billed and paid over the next year and the majority of the premium tax offsets would be realized over the next five years after that.

Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	$	4,229,571
Decreases current year:		
Premium tax offset applied		857,261
Payments on insolvencies which were set up as payables prior to the current year		354,932
Increases current year:		
Assessment payments less refunds on insolvencies billed during the current year		403,052
Adjusted the liability to remove payments on insolvencies which are no longer part of the projected liability		4,160
Increase in the estimated assessment liability based on the new projections at the end of the current year		134,136
Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	$	3,558,725

(20) Subsequent Events

The Company has evaluated events subsequent to December 31, 2019 and through April 13, 2020 the date on which the audited financial statements were issued. The Company's exposure to risk and impact from COVID-19 is being analyzed at every level. Our product mix does not currently have comprehensive medical coverage as we primarily sell supplemental products. Our reserves have proved to be adequate under a wide variety of interest rates and stress tests. At this point, we have no reason to believe that normal reserves will not be adequate to cover impacts of COVID-19. Due to our product mix, we believe that the claim impact, if any due to the virus itself will be very minor. However, if these events would trigger a recession, we could see the potential for additional claims (and claim reserves) in our disability lines. The Company is modeling various stress scenarios for all potentially impacted areas and will monitor outcomes

monthly of all financial impacts. Our investments portfolio is very high credit quality, and as noted earlier in footnote 1(l), Capital and Surplus, our liquidity level is substantial for the Company, with additional sources at the AFC level. Monitoring at every level will continue as long as deemed necessary.

Schedule 1

AMERICAN FIDELITY ASSURANCE COMPANY

Selected Financial Data

December 31, 2019

Investment income earned:		
Government bonds	$	1,655,900
Other bonds (unaffiliated)		180,327,149
Preferred stocks (unaffiliated)		806,724
Common stocks (unaffiliated)		15,418
Mortgage loans		23,788,064
Real estate		7,436,798
Premium notes, policy loans, and liens		2,981,784
Cash on hand and on deposit		1,850,855
Other invested assets		492,719
Aggregate write-ins for investment income		833,664
Gross investment income	$	220,189,075
Real estate owned – book value	$	23,773,327
Mortgage loans – book value:		
Commercial mortgages	$	550,520,170
Total mortgage loans	$	550,520,170
Mortgage loans by standing – book value:		
Good standing	$	550,520,170
Other long-term invested assets – statement value		55,443,823
Bonds and stocks of parents, subsidiaries, and affiliates – book value:		
Common stocks		1,335,908
Bonds and short-term investments by class and maturity:		
Bonds and short-term investments by maturity – statement value:		
Due within 1 year	$	135,001,333
Over 1 year through 5 years		636,364,919
Over 5 years through 10 years		1,371,073,254
Over 10 years through 20 years		962,131,490
Over 20 years		1,269,834,439
Total by maturity	$	4,374,405,435
Bonds and short-term investments by class – statement value:		
Class 1	$	3,070,430,501
Class 2		1,281,103,325
Class 3		20,233,781
Class 4		—
Class 5		—
Class 6		2,637,828
Total by class		4,374,405,435
Total bonds and short-term investments publicly traded		3,258,139,579
Total bonds and short-term investments privately placed	$	1,116,265,856

(Continued)

Schedule 1

AMERICAN FIDELITY ASSURANCE COMPANY

Selected Financial Data

December 31, 2019

Common stocks – fair value (investments in affiliates at equity value)	$ 25,076,928
Cash on hand and on deposit	289,209,412
Life insurance in force (net):	
Ordinary	22,167,190,000
Group life	965,095,000
Amount of accidental death insurance in force under ordinary policies (net)	5,407,762
Life insurance policies with disability provisions in force (net):	
Ordinary	2,207,391,000
Group life	54,367,000
Supplementary contracts in force (net):	
Ordinary – not involving life contingencies:	
Amount on deposit	88,544
Income payable	5,197,800
Ordinary – involving life contingencies (net):	
Income payable	2,275,111
Annuities:	
Ordinary:	
Immediate – amount of income payable	$ —
Deferred – fully paid account balance	1,209,364,835
Group:	
Immediate – amount of income payable	—
Accident and health insurance – premiums in force:	
Ordinary	370,353,586
Group	625,173,268
Deposit funds and dividend accumulations:	
Deposit funds – account balance	7,009
Dividend and coupon accumulations – account balance	203,817
Claims payments:	
Other accident and health:	
2019	115,765,355
2018	73,462,849
2017	12,747,903
2016	5,140,810
2015	3,657,023
Prior	20,271,404
Group accident and health:	
2019	121,223,767
2018	37,620,920
2017	4,552,340
2016	1,804,630
2015	984,400
Prior	2,039,638

See accompanying independent auditors' report.

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2019

1. Total admitted assets, excluding separate accounts: $5,676,112,404

2. The Company's 10 largest exposures to a single issuer/borrower/investment, excluding U.S. government, U.S. government agency securities, and those U.S. government money market funds listed in the Appendix to the NAIC SVO Purposes and Procedures Manual as exempt, property occupied by the Company, and policy loans at December 31, 2019 are as follows:

Investment category	Amount	Percentage of total admitted assets
PepsiCo, Inc	$ 29,479,874	0.519%
Intl Business Machines Corp	28,885,307	0.509%
Apple Inc	28,472,524	0.502%
Mars, Inc	28,115,280	0.495%
Prudential Financial, Inc	27,472,399	0.484%
Bristol-Myers Squibb Company	27,446,650	0.484%
Comcast Corp	26,500,864	0.467%
Exxon Mobil Corporation	26,482,847	0.467%
Target Corporation	25,759,012	0.454%
Burlington Northern Santa Fe	25,355,314	0.447%

3. The Company's investments in bonds, short-term investments, and preferred stocks by NAIC rating at December 31, 2019 are as follows:

Bonds, short-term investments, and preferred stocks	Amount	Percentage of total admitted assets
NAIC-1	$ 3,072,310,751	54.127%
NAIC-2	1,296,556,305	22.842%
NAIC-3	20,336,397	0.358%
NAIC-4	—	0.000%
NAIC-5	—	0.000%
NAIC-6	2,849,048	0.050%

(Continued)

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2019

4. Assets held in foreign investments:

	Amount	Percentage of total admitted assets
Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets?		Yes ( ) No (X)
Total admitted assets held in foreign investment	$ 496,578,839	8.749%
Foreign-currency-denominated investments	—	—
Insurance liabilities denominated in that same foreign currency	—	—

5. Aggregate foreign investment exposure categorized by NAIC sovereign rating:

	Amount	Percentage of total admitted assets
Countries rated NAIC-1	$ 455,873,361	8.031%
Countries rated NAIC-2 or below	40,705,478	0.717%

6. Largest foreign investment exposures by country, categorized by the country's NAIC sovereign rating:

	Amount	Percentage of total admitted assets
Countries rated NAIC – 1:		
Country 1: Australia	$ 94,410,887	1.663%
Country 2: Netherlands	85,494,186	1.506%
Countries rated NAIC – 2 or below:		
Country 1: Mexico	$ 20,846,925	0.367%
Country 2: Panama	13,889,683	0.245%

(Continued)

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2019

10. Ten largest nonsovereign (i.e., nongovernmental) foreign issues:

Issuer	Amount	Percentage of total admitted assets
Shell International Fin**	$ 30,223,770	0.532%
Mitsubishi UFJ Finance Group**	23,666,761	0.417%
Siemens Financieringsmat**	22,361,487	0.394%
Tencent Holdings Ltd.**	15,043,330	0.265%
Ausgrid Finance Pty Ltd**	11,995,722	0.211%
NSW	11,000,000	0.194%
Total Capital International SA	10,539,794	0.186%
BIB	10,000,000	0.176%
ING Groep N.V.**	9,996,898	0.176%
Reckitt Benckiser Tsy**	9,976,714	0.176%

16a. The aggregate mortgage interest represents the combined value of all mortgages secured by the same property or same group of properties. Each of the Company's 10 largest aggregate mortgage interests at December 31, 2019 are as follows:

Type (commercial)	Amount	Percentage of total admitted assets
Crown Equipment	$ 15,872,161	0.280%
Waterloo Devon	14,506,695	0.256%
H.R. Developers	13,498,949	0.238%
CE Enterprise Partners	13,042,750	0.230%
ZP No. 17, LLC	10,899,541	0.192%
Daboo, LLC	10,699,923	0.189%
River Oaks Properties	10,431,596	0.184%
RCG U-45 Hayward	8,651,107	0.152%
Apollo Partners LP	8,448,857	0.149%
Susan A Cox	8,108,543	0.143%

(Continued)

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2019

16b. The Company's mortgage loans have the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

	Loan-to-value	Commercial	Percentage of total admitted assets
i.	above 95%	$ —	— %
ii.	91% to 95%	—	—
iii.	81% to 90%	—	—
iv.	71% to 80%	9,218,175	0.162%
v.	below 70%	541,301,995	9.536%

Items 7 through 9, 11 through 15, 17a, and 18 through 23 are not applicable to the Company.

See accompanying independent auditors' report.

AMERICAN FIDELITY ASSURANCE COMPANY

Summary Schedule of Investments

December 31, 2019

Investment categories	Gross investment holdings		Admitted assets as reported in the annual statement	
	Amount	Percentage	Amount	Percentage
Bonds:				
U.S. Governments	$ 3,978,923	0.074%	$ 3,978,923	0.074%
All Other Governments	28,084,114	0.521%	$ 28,084,114	0.521%
U.S. States, Territories and Possessions, etc., Guaranteed	694,369,970	12.875%	694,369,970	12.875%
U.S. Special Revenue and Special Assessment Obligations, etc., Non-Guaranteed	1,076,795,506	19.966%	1,076,795,506	19.966%
Industrial and Miscellaneous	2,571,176,922	47.674%	2,571,176,922	47.674%
Preferred Stocks:				
Industrial and Misc. (Unaffiliated)	17,647,066	0.327%	17,647,066	0.327%
Common Stocks:				
Industrial and Miscellaneous Publicly Traded (Unaffiliated)	462,488	0.009%	462,488	0.009%
Industrial and Miscellaneous Other (Unaffiliated)	23,146,000	0.429%	23,146,000	0.429%
Parent, Subsidiaries and Affiliates Other	1,335,908	0.025%	1,335,908	0.025%
Mutual Funds (Unaffiliated)	132,532	0.002%	132,532	0.002%

(Continued)

Schedule 3

AMERICAN FIDELITY ASSURANCE COMPANY

Summary Schedule of Investments

December 31, 2019

Investment categories	Gross investment holdings		Admitted assets as reported in the annual statement	
	Amount	Percentage	Amount	Percentage
Mortgage loans:				
Commercial Mortgages	$ 550,520,170	10.208%	$ 550,520,170	10.208%
Real estate investments:				
Property Held for Production of Income	23,773,327	0.441%	23,773,327	0.441%
Cash, Cash Equivalents, and Short-term Investments				
Cash	289,209,412	5.362%	289,209,412	5.362%
Contract Loans	56,447,154	1.047%	56,447,154	1.047%
Receivables for Securities	709,026	0.013%	709,026	0.013%
Other Invested Assets	55,443,823	1.028%	55,443,823	1.028%
Total Invested Assets	$ 5,393,232,341	100%	$ 5,393,232,341	100%

See accompanying independent auditors' report.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Financial Statements and Schedules

December 31, 2017 and 2016

(With Independent Auditors' Report Thereon)

Independent Auditors' Report

To the Board of Directors
American Fidelity Assurance Company:

We have audited the accompanying financial statements of American Fidelity Assurance Company (the Company), which comprise the statutory statements of admitted assets, liabilities, and capital and surplus as of December 31, 2017 and 2016, and the related statutory statements of operations, capital and surplus, and cash flow for the years then ended, and the related notes to the statutory financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in note 1 to the statutory financial statements, the financial statements are prepared by the Company using statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department, which is a basis of accounting other than U.S. generally accepted accounting principles. Accordingly, the financial statements are not intended to be presented in accordance with U.S. generally accepted accounting principles.

The effects on the financial statements of the variances between the statutory accounting practices and U.S. generally accepted accounting principles also are described in note 19.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the variances between statutory accounting practices and U.S. generally accepted accounting principles discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to above do not present fairly, in accordance with U.S. generally accepted accounting principles, the financial position of American Fidelity Assurance Company as of December 31, 2017 and 2016, or the results of its operations or its cash flows for the years then ended.

Opinion on Statutory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of American Fidelity Assurance Company as of December 31, 2017 and 2016, and the results of its operations and its cash flow for the years then ended, in accordance with statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department described in note 1.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included in the supplemental schedules of selected financial data, investment risk interrogatories, and summary schedule of investments, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Oklahoma Insurance Department. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

/s/KPMG LLP

Oklahoma City, Oklahoma
April 19, 2018

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Admitted Assets,
Liabilities, and Capital and Surplus

December 31, 2017 and 2016

Admitted Assets	2017	2016
Cash and invested assets:		
Bonds, at amortized cost (fair value: $4,259,537,835 and $3,998,585,286 in 2017 and 2016, respectively)	$ 4,043,435,952	3,874,796,569
Preferred stocks, at cost (fair value: $5,162,340 and $4,917,320 in 2017 and 2016, respectively)	4,211,220	4,211,220
Common stocks, at fair value (cost: $13,382,865 and $14,126,581 in 2017 and 2016, respectively)	23,252,191	23,169,690
Common stock, investment in affiliates at equity value	962,932	880,238
Mortgage loans on real estate	480,274,494	442,601,524
Investment real estate, at cost (less accumulated depreciation of $8,457,362 and $6,293,343 in 2017 and 2016, respectively, and less encumbrances of $32,803,503 and $13,866,070 in 2017 and 2016, respectively)	20,496,168	10,066,258
Policy loans	55,266,258	53,218,030
Cash and short-term investments, at cost, which approximates fair value	241,831,403	143,509,947
Other invested assets	23,105,556	22,412,589
Total cash and invested assets	4,892,836,174	4,574,866,065
Life insurance premiums and annuity considerations deferred and uncollected	38,791,158	34,697,971
Accident and health premiums due and unpaid	51,829,866	49,353,222
Investment income due and accrued	40,109,898	40,160,883
Amounts recoverable from reinsurers	1,275,751	2,218,140
Other receivables under reinsurance contracts	11,558,586	12,027,490
Equipment, at cost (less accumulated depreciation of $313,482 in 2017 and $102,467 in 2016)	336,914	943,266
Deferred tax assets	24,838,194	38,338,826
Other assets	53,368,892	46,121,395
Separate Accounts' assets	781,742,340	648,033,770
Total admitted assets	$ 5,896,687,773	5,446,761,028

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Admitted Assets,
Liabilities, and Capital and Surplus

December 31, 2017 and 2016

Liabilities and Capital and Surplus	2017	2016
Aggregate reserves:		
Life policies and contracts	$ 2,328,051,699	2,204,233,575
Accident and health policies	661,508,564	603,063,432
Total aggregate reserves	2,989,560,263	2,807,297,007
Policy and contract claims reserves	106,663,883	120,857,902
Liability for premiums and other deposit funds	8,925,655	9,418,602
Remittances and items not allocated	19,868,845	19,786,365
General insurance expenses, taxes, licenses, and fees due or accrued	83,886,053	81,916,342
Funds held under coinsurance	724,753,162	732,348,589
Other liabilities	252,992,978	114,744,886
Borrowed money	497,670,254	497,755,108
Separate Accounts' liabilities	781,742,340	648,033,770
Total liabilities	5,466,063,433	5,032,158,571
Capital and surplus:		
Common stock, par value $10 per share, 250,000 shares authorized, issued, and outstanding	2,500,000	2,500,000
Additional paid-in capital	5,887,698	5,804,686
Unassigned surplus	422,236,642	406,297,771
Total capital and surplus	430,624,340	414,602,457
Commitments and contingencies		
Total liabilities and capital and surplus	$ 5,896,687,773	5,446,761,028

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Operations

Years ended December 31, 2017 and 2016

	2017	2016
Income:		
Life insurance premiums and annuity considerations	$ 277,014,197	269,132,871
Accident and health insurance premiums	680,365,036	637,451,328
Net investment income (less investment expenses of $33,617,790 and $32,288,799 in 2017 and 2016, respectively)	178,067,273	175,492,628
Commissions and expense allowances on reinsurance ceded	(9,320,885)	(11,980,402)
Other income	48,092,873	44,734,212
Total income	1,174,218,494	1,114,830,637
Benefits and other deductions:		
Death benefits and matured endowments	25,688,445	27,772,465
Annuity benefits	8,606,590	9,017,760
Accident and health and disability benefits	319,679,930	279,479,902
Interest and adjustments on policy or deposit-type contract funds	413,696	315,282
Other benefits to policyholders and beneficiaries	121,165,678	106,659,685
Increase in aggregate reserves for future policy benefits	182,263,256	219,515,930
Commissions on premiums and annuity considerations	132,173,398	120,283,886
Commissions and expense allowances on reinsurance assumed	13,378,325	12,339,862
General insurance expenses, taxes, licenses, and fees	261,853,121	231,436,106
Other	6,765,911	1,129,201
Total benefits and other deductions	1,071,988,350	1,007,950,079
Net gain from operations before federal income taxes and net realized capital gains (losses)	102,230,144	106,880,558
Federal income taxes	31,554,611	32,030,414
Net gain from operations before net realized capital gains (losses)	70,675,533	74,850,144
Net realized capital gains (losses), net of federal income tax expense of $9,447,403 and $7,278,712 in 2017 and 2016, respectively (excluding gains of $16,242,903 and $12,699,868 transferred to the interest maintenance reserve in 2017 and 2016, respectively	(4,477,008)	1,584,125
Net income	$ 66,198,525	76,434,269

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Capital and Surplus

Years ended December 31, 2017 and 2016

		2017	2016
Capital and surplus, beginning of year	$	414,602,457	408,497,516
Net income		66,198,525	76,434,269
Change in net unrealized capital gains, net of tax benefit (expense) of $607,835 and ($258,915) for 2017 and 2016, respectively		2,203,033	431,579
Change in net deferred taxes		(32,231,203)	4,865,153
Change in nonadmitted assets		18,927,609	(19,814,729)
Change in asset valuation reserve		(2,673,790)	(6,297,898)
Dividends to stockholder		(35,000,000)	(45,000,000)
Change in liability for reinsurance in unauthorized companies		(1,252,401)	381,660
Correction of error, net of tax expense of $0 and $2,528,052 for 2017 and 2016, respectively (note 1)		—	(5,855,896)
Other changes		(149,890)	960,803
Net change in capital and surplus		16,021,883	6,104,941
Capital and surplus, end of year	$	430,624,340	414,602,457

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Cash Flow

Years ended December 31, 2017 and 2016

	2017	2016
Premiums and annuity considerations, net of reinsurance	$ 939,495,468	900,614,869
Allowances and reserve adjustments on reinsurance ceded	(9,320,885)	(11,980,402)
Investment income received	177,655,461	174,392,452
Other income	41,853,449	40,229,702
Life and accident and health claims paid	(355,803,263)	(336,633,908)
Surrender benefits and other fund withdrawals paid	(121,043,482)	(106,521,586)
Other benefits to policyholders paid	(8,728,786)	(9,155,859)
Commissions and other expenses paid	(408,083,202)	(365,788,138)
Federal income taxes paid	(35,368,482)	(41,065,332)
Dividends paid to policyholders	(795,603)	(488,797)
Net cash from operations	219,860,675	243,603,001
Proceeds from investments sold, matured, or repaid:		
Bonds	739,805,969	763,901,133
Stocks	1,549,846	2,514,516
Mortgage loans	51,610,622	50,247,283
Other	33,879,265	2,803,089
Total investment proceeds	826,845,702	819,466,021
Cost of investments acquired:		
Bonds	(883,786,844)	(894,371,627)
Stocks	(145,376)	—
Mortgage loans	(89,283,592)	(99,568,000)
Other	(33,469,917)	(1,940,513)
Total investments acquired	(1,006,685,729)	(995,880,140)
Net change in policy loans and loans on fund deposits	(2,048,228)	(544,385)
Net cash from investing	(181,888,255)	(176,958,504)
Borrowed money		(25,160,319)
Other cash provided	109,354,854	2,963,162
Dividends paid to stockholder	(35,000,000)	(45,000,000)
Other cash applied	(14,005,818)	(31,125,621)
Net cash from financing and miscellaneous sources	60,349,036	(98,322,778)
Net change in cash and short-term investments	98,321,456	(31,678,281)
Cash and short-term investments, beginning of year	143,509,947	175,188,228
Cash and short-term investments, end of year	$ 241,831,403	143,509,947

See accompanying notes to statutory financial statements.

(1) Significant Accounting Policies

(a) Business

American Fidelity Assurance Company (AFA or the Company) provides a variety of financial services. AFA is a wholly owned subsidiary of American Fidelity Corporation (AFC), a Nevada insurance holding company. AFA is domiciled in the state of Oklahoma. The Company is subject to state insurance regulations and periodic examinations by state insurance departments.

AFA is licensed in 49 states, as well as the District of Columbia, American Samoa, Puerto Rico, and Guam, with approximately 39% of direct premiums written in Oklahoma, Texas, and California. Activities of AFA are largely concentrated in the group disability income, group and individual annuity, supplemental health, and individual medical markets. In addition, individual and group life business is also conducted. The main thrust of AFA's sales is worksite marketing of voluntary products through the use of payroll deduction. The Company sells these voluntary products through a salaried sales force that is broken down into two primary divisions: the Association Worksite Division (AWD) and American Fidelity Educational Services (AFES). AWD specializes in voluntary disability income insurance programs aimed at selected groups and associations whose premiums are funded by employees through payroll deductions. AFES focuses on marketing to public school employees with voluntary insurance products such as disability income, tax-sheltered annuities, life insurance, dread disease, and accident only. These premiums are also funded by employees through payroll deductions. The expertise gained by the Company in worksite marketing of voluntary products is used by the Strategic Alliances Division in developing products to meet special situations. The Life Division was formed upon the acquisition of a block of life business in 2000. This division is marketing individual life products through independent brokers in the United States of America and Latin America.

These statutory financial statements were prepared for the purpose of filing with the various state insurance departments.

In 2016, the Company discovered an error in the amounts recorded for group medical payables and receivables related to ceded insurance contracts. The majority of the cumulative amount was created by the application of incorrect contractual percentages on certain arrangements since 2007. The cumulative impact of this error was recorded in 2016 as an adjustment to the beginning of year surplus. The error had accumulated over the 9-year period, thus the misstatement in a single year was not material. The remainder of the cumulative amount resulted from incorrect postings of receivables dating back to 2000. Total impact of the error to 2016 beginning of period capital and surplus was approximately $5,900,000.

(b) Basis of Presentation

The accompanying statutory financial statements of the Company have been prepared in conformity with accounting practices prescribed or permitted by the Oklahoma Insurance Department, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles (GAAP). Effective January 1, 2001, the National Association of Insurance Commissioners (NAIC) and the Oklahoma Insurance Department required that insurance companies domiciled in the state of Oklahoma prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures Manual Statements of Statutory Accounting Principles (SSAP) subject to any deviations prescribed or permitted by the Insurance Commissioner of the state of Oklahoma

(the Commissioner). There are no differences between the accounting practices prescribed or permitted by the Oklahoma Insurance Department and the accounting practices prescribed and permitted by the NAIC. There have been no permitted practices granted to the Company for 2017 and 2016 by the Oklahoma Insurance Department.

SSAP differ from GAAP in several respects, which cause differences in reported assets, liabilities, stockholder's equity (statutory capital and surplus), net income, and cash flows. The principal SSAP that differ from GAAP include the following:

- The financial statements of subsidiaries are not consolidated and are accounted for as investments in common stock.
- Investments in bonds and preferred stocks are carried amortized cost, cost, or the lower of cost or fair value; under GAAP, investments in bonds and preferred stock, other than those classified as held-to-maturity, are carried at fair value.
- Certain assets (principally certain deferred taxes, furniture, equipment, prepaid expenses, and premiums due from policyholders, agents' balances, and amounts recoverable from reinsurers over 90 days) have been designated as nonadmitted assets and excluded from assets by a charge to statutory surplus. Under GAAP, such amounts are carried at amortized cost with the appropriate valuation allowance, when necessary.
- Aggregate reserves for life, annuities, and accident and health are based on statutory mortality and interest requirements without consideration for anticipated withdrawals except where allowed. Morbidity assumptions are based on the statutory morbidity requirements or Company's experience where allowed. Under GAAP, the reserves are based on either (i) the present value of future benefits less the present value of future net premiums based on mortality, morbidity, and other assumptions that were appropriate at the time the policies were issued or acquired, or (ii) the account value for certain contracts without significant life contingencies.
- The interest maintenance reserve (IMR) represents the deferral of interest-related realized gains and losses, net of tax, on primarily fixed maturity investments, which are amortized into income over the remaining life of the investment sold. No such reserve is required under GAAP.
- Deferred income taxes are recognized for both SSAP and GAAP; however, the amount permitted to be recognized is generally more restrictive under SSAP and the change in deferred taxes is reported as a direct charge to surplus.
- The asset valuation reserve (AVR) represents a contingency reserve for credit-related risk on most invested assets of the Company, and is charged to statutory surplus. No such reserve is required under GAAP.
- Policy acquisition costs are expensed as incurred, while under GAAP, successful acquisition costs are deferred and recognized over either (1) the expected premium-paying period or (2) the estimated life of the contract.
- Reserves are reported net of ceded reinsurance; under GAAP, reserves are reported gross with a corresponding reinsurance receivable.
- A 100% provision is established for unsecured reinsurance recoverable balances from unauthorized reinsurers. The change in this provision is credited or charged to unassigned surplus.

Under GAAP, a provision is established for uncollectible reinsurance balances with any changes to this provision reflected in earnings for the period.

- The statements of operations are different in certain respects, with life and annuity premiums being recognized as revenue when the policies and contracts are issued. Under GAAP, premiums on life insurance policies are recognized when due; premiums on annuity contracts are not recognized as revenue, but as deposits.
- Revenues for universal life policies and investment products consist of the entire premium received, and benefits represent the death benefits paid and the change in policy reserves, unless the products do not incorporate mortality or morbidity risk. Under GAAP, premiums received in excess of policy charges are not recognized as premium revenue, and benefits represent the excess of benefits paid over the policy account values and interest credited to the account values.
- The statements of cash flow differ in certain respects from the presentation required under GAAP, including the presentation of the changes in cash and short-term investments instead of cash and cash equivalents. Short-term investments include securities with maturities, at the time of acquisition, of one year or less. For statutory purposes, there is no reconciliation between net income and cash from operations.
- A statement of comprehensive income is not required for SSAP reporting.

(c) Use of Estimates

The preparation of financial statements in conformity with accounting practices prescribed or permitted by the Oklahoma Insurance Department, Annual Statement Instructions, and NAIC Manual requires management to make estimates and assumptions that affect the reported amounts of admitted assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in those estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in the period in which they occur. Principal estimates that could change in the future are the fair value of investments, whether a security is other-than-temporarily impaired, and the actuarial assumptions used in establishing policy liabilities.

(d) Investments in Affiliates, Joint Ventures, Partnerships, or Limited Liability Companies

The statutory financial statements include the Company's investment in its wholly owned subsidiaries. Intercompany accounts and transactions have not been eliminated in the statutory financial statements. The Company's wholly and majority-owned subsidiaries at December 31, 2017 and 2016 are noninsurance entities that have no significant ongoing operations other than to hold assets that are primarily for the direct or indirect benefit or use of the Company or its affiliates, and are carried at the underlying equity of the respective entity's financial statements adjusted to a statutory basis of accounting.

The Company's investments in joint ventures, partnerships, and limited liability companies are recorded at cost, adjusted for the Company's share of the GAAP basis earnings or losses of the investee, net of any distributions received. Such investments are reported as other invested assets and the related adjustments are reported as unrealized capital gains or losses in surplus.

(e) Investments

The investment portfolio includes bonds, preferred stocks, common stocks, mortgage loans, real estate, policy loans, other invested assets, and short-term investments.

Investments are carried in accordance with rules established by the NAIC. Bonds are carried at cost, adjusted where appropriate for accretion of premium or amortization of discount using the scientific interest method and taking into consideration stated interest and principal provisions. Additionally, bonds rated as NAIC 6 are carried at the lower of their cost or fair market value. Preferred stocks are carried at the lower of cost or fair value since there is no premium or discount. Common stocks are carried at fair value. Policy loans are stated at their aggregate unpaid balances. Mortgage loans on real estate are stated at their aggregate unpaid balances. Real estate held for investment is carried at cost less accumulated depreciation and encumbrances. Encumbrances as of December 31, 2017 and 2016 were approximately $32,803,503 and $13,866,000, respectively. The promissory note bears interest at 4.32% and is due in monthly installments of approximately $103,000 (including interest) to 2022. Property occupied by the Company is carried at cost, less accumulated depreciation.

Realized gains or losses are determined on the specific identification basis. Unrealized gains and losses on common stocks of affiliates and nonaffiliates are accounted for as direct increases or decreases in surplus.

Because the Company's primary business is in the insurance industry, the Company holds a significant amount of assets that it intends to match with its liabilities in relation to maturity and interest margin. In order to maximize earnings and minimize risk, the Company invests in a diverse portfolio of investments. The portfolio is diversified by geographic region, investment type, underlying collateral, maturity, and industry. Management does not believe that the Company has any significant concentrations of credit risk in its investments.

The Company generally does not invest in any low investment-grade high-yield investment bonds (junk bonds). Certain bonds are guaranteed by the U.S. government. The Company limits its risks by investing in bonds and stocks of rated companies, mortgage loans adequately collateralized by real estate, selective real estate supported by appraisals, and policy loans collateralized by policy cash values. In addition, the Company performs due diligence procedures prior to making mortgage loans. These procedures include evaluations of the credit worthiness of the mortgagees and/or tenants and independent appraisals.

The maximum and minimum lending rates for mortgage loans originated during 2017 were 4.70% and 4.00%, respectively. The maximum and minimum lending rates for mortgage loans originated during 2016 were 4.70% and 4.00%, respectively. The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 80% during 2017 and 2016. During 2017 and 2016, the Company did not reduce interest rates on any outstanding mortgage loans. The Company held no mortgages with interest more than 180 days past due or impaired mortgage loans.

For loan-backed securities, the Company has elected to use the carrying value as of January 1, 1994 as the cost for applying the retrospective adjustment method to securities purchased prior to that date. In 2017 and 2016, the Company had no changes from the retrospective to prospective methodology due to negative yield on specific securities. Prepayment assumptions for single class and multiclass mortgage-backed/asset-backed securities were obtained from broker-dealer survey values or internal estimates.

The Company periodically reviews its investment portfolio to determine if provisions for possible losses or provisions for other-than-temporary impairment (OTTI) are necessary. In connection with this determination, management reviews published market values, credit ratings, independent appraisals, expected cash flows, and other valuation information. Securities with impairments are written down to the present value of expected cash flows to be collected rather than fair value unless the Company has the intent to sell or inability to retain the security until recovery of amortized cost. For the year ended December 31, 2017, the Company recorded approximately $5,000,000 of OTTI. For the year ended December 31, 2016, the Company recorded approximately $157,000 of OTTI. While management believes that no additional provisions for OTTI are currently necessary, adjustments may be necessary in the future due to changes in economic conditions. In addition, regulatory agencies periodically review investment valuation as an integral part of their examination process. Such agencies may require the Company to recognize adjustments based upon available information and judgments of the regulatory examiners at the time of their examination.

(f) Equipment

Equipment consists of electronic data processing equipment and is stated at cost less accumulated depreciation. Equipment is depreciated on a straight-line basis using estimated lives of five to ten years. Additions, renewals, and betterments are capitalized. Expenditures for software, maintenance, and repairs are expensed. Upon retirement or disposal of an asset, the asset and related accumulated depreciation are eliminated and any related gain or loss is included in income.

(g) Company-Owned Life Insurance

The Company is the owner of three single premium insurance policies and one group variable life insurance policy for certain current executives of the Company, where the Company is the beneficiary. These policies, accounted for using the investment method, were purchased in 2010 and in 2014. The policies are recorded in other assets at their net cash surrender values, as reported by the four issuing insurance companies, whose Standard & Poor’s financial strength ratings are AA+ for the single premium insurance policies and A for the group variable life insurance policy. The net cash surrender values totaled approximately $34,812,000 and $33,896,000 as of December 31, 2017 and 2016, respectively. The face value (death benefit) of the life insurance policies underlying the contracts was approximately $80,488,000 and $80,510,000 as of December 31, 2017 and 2016, respectively.

(h) Premiums

Life premiums are recognized as revenue when the policy is written and on each anniversary date thereafter. Accident and health premiums are recognized when due from the policyholder. Both life and accident and health premiums are increased by reinsurance premiums assumed and reduced by reinsurance premiums ceded. Contracts issued that do not incorporate mortality or morbidity risk are not accounted for as insurance contracts. Amounts received as payments for such contracts are recorded as direct increases to the policy reserves.

The Company estimates accrued retrospective premium adjustments (premium rate stabilization) for certain contracts in its group health and group life business based on contractually determined formulas by group. The amount of net premiums written by the Company for the years ended December 31, 2017 and 2016 that were subject to retrospective rating features was approximately $199,00 and $214,000, respectively, which represented approximately 0.05% and 0.06% of net premiums written for group health and group life products in 2017 and 2016. No other net premiums written by the Company were subject to retrospective rating features.

(i) Reinsurance

The Company accounts for reinsurance transactions as prescribed by the applicable accounting standards, which require the reporting of reinsurance transactions relating to the statements of admitted assets, liabilities, and capital and surplus on a net basis and precludes immediate gain recognition on reinsurance contracts.

(j) Income Taxes

Current income taxes incurred includes current income taxes for the amount of federal income taxes paid or payable for the current year. These amounts are determined based on estimates of federal income taxes for the current year, including tax contingencies and benefits. The Company's current tax recoverable is reported as a component of other assets and current tax payable is reported as a component of other liabilities. The changes in current taxes are reflected in the statutory statements of operations.

Deferred income tax assets and liabilities are determined based on differences between statutory financial statement carrying amounts of existing assets and liabilities and their respective tax bases, as well as operating loss, capital loss, and tax credit carryforwards. Temporary differences related to AVR and IMR are not included in the determination of gross deferred income taxes while temporary differences for unrealized gains/losses and nonadmitted assets are included. Gross deferred tax assets are reduced by a valuation allowance if it is more-likely-than-not (i.e. greater than 50% likelihood) that some portion or all of the gross deferred tax assets will not be realized. The deferred tax assets and liabilities are measured using federal enacted tax rates. Deferred income tax assets are limited as to their admissibility. The changes in net deferred tax assets and liabilities are reflected in surplus. The Company's net admitted deferred tax assets are reported as a component of other assets.

(k) Policy Liabilities

Aggregate reserves for life policies and contracts include reserve amounts principally for life insurance policies, payout annuity policies, and disability insurance policies. The life insurance reserves are principally based on the 1941, 1958, 1980, 2001 and 2017 Commissioners Standard Ordinary (CSO) mortality tables, and are established with interest rate assumptions ranging from 2.0% to 6.0%. Annuity insurance reserves are established with interest rate assumptions ranging from 3.0% to 8.8%. Disability reserves are principally based on the 2012 Group Long Term Disability Table, with adjustments for actual Company experience. The tabular interest, tabular less actual reserves released, and the tabular cost have been determined by formula. Aggregate reserves for accident and health policies include the present value of amounts not yet due on claims, additional reserves, and unearned premiums.

Policy and contract claims reserves include a provision for reported claims and claims incurred but not reported. The provision for claims incurred but not reported is estimated based primarily on Company experience. Although these provisions are the Company's best estimate of the ultimate value, the actual results may vary from these values.

Liability for premiums and other deposit funds include reserves for qualified before tax annuities and other accumulation policies that do not subject the Company to any risks from policyholder mortality and morbidity. Such reserves are established using guaranteed interest rates of 3.0% to 7.5%.

The Company has a significant amount of allocated deferred annuity contracts with life contingencies. The liability for these contracts is recorded as aggregate reserves for life policies and contracts. The Company also has annuities certain without life contingencies. The liability for these contracts is recorded as a liability for premiums and other deposit funds.

The Company started issuing business in 2017 on the 2017 CSO table for life products where approved. There were two valuation basis changes for reserves in 2016. Disability reserves moved from the 1987 Commissioners Group Disability Table to the 2012 Group Long Term Disability Table. Group term life waiver of premium reserves moved from the 1952 Disability Study, period 2, with the 1958 CSO mortality table to the 2005 Group Term Life Waiver Reserve Table.

The Company waives deduction of deferred fractional premiums upon death of the insured, and returns any portion of the final premium beyond the month of death for policies developed and issued subsequent to December 1977.

Surrender values are not promised in excess of the legally computed reserves.

Extra premiums are charged for substandard lives in addition to the regular gross premium for the true age.

Mean reserves are determined by computing the regular mean reserve for the plan at the true age and holding in addition one-half of the extra premium charge for the year.

The Company had approximately $1,570,099,000 and $1,713,192,000 of insurance in force (after reinsurance ceded) for which the gross premiums are less than the net premiums according to the standard valuation set by the state of Oklahoma at December 31, 2017 and 2016, respectively.

The Company had approximately $43,876,000 and $233,798,000 as of December 31, 2017 and 2016, respectively, of annuity actuarial reserves and deposit liabilities that were subject to discretionary withdrawal at book value less current surrender charge of 5% or more. As of December 31, 2017 and 2016, the Company has approximately $774,454,000 and $642,626,000, respectively, of annuity actuarial reserves and deposit liabilities that were subject to discretionary withdrawal at market value where the withdrawal of the funds is payable at the current market value of the assets supporting the liabilities. Annuity reserves and deposit liabilities that were subject to discretionary withdrawal at book value without adjustment were approximately $1,793,827,000 and $1,503,635,000 as of December 31, 2017 and 2016, respectively. There were approximately $56,759,000 and $65,115,000 of annuity reserves and deposit liabilities that are not subject to discretionary withdrawal at December 31, 2017 and 2016, respectively. At December 31, 2017 and 2016, the total gross annuity actuarial reserves and deposit liabilities were approximately $2,668,916,000 and $2,445,174,000, respectively, and the net annuity actuarial reserves and deposit liabilities were approximately $2,663,595,000 and $2,439,593,000, respectively. The ceded amount of annuity actuarial reserves and deposit liabilities was approximately $5,321,000 and $5,581,000 as of December 31, 2017 and 2016, respectively. The Company's earnings related to these products are impacted by conditions in the overall interest rate environment.

(l) Capital and Surplus

Capital and surplus of the Company is restricted as to payment of dividends by statutory limitations applicable to insurance companies. Without prior approval of the respective state insurance department, dividends that can be paid are generally limited to the greater of 10% of statutory capital and surplus or the statutory net gain from operations before net realized capital gains/losses reported for the previous calendar year. The maximum dividend payout, which may be made without prior approval in 2017, is approximately $70,676,000.

The Oklahoma Insurance Department has adopted Risk-Based Capital (RBC) requirements for life insurance companies. The RBC calculation serves as a benchmark for the regulation of life insurance companies by state insurance regulators. RBC provides for surplus formulas similar to target surplus formulas used by commercial rating agencies. The formulas specify various weighting factors that are applied to statutory financial balances or various levels of activity based on the perceived degree of risk, and are set forth in the RBC requirements. The Company has calculated RBC in accordance with the NAIC's Model Rule and RBC rules as adopted by the Oklahoma Insurance Department. The RBC, as calculated by the Company, exceeds levels requiring Company or regulatory action at December 31, 2017 and 2016.

(m) Separate Accounts

The Company maintains a separate account under Oklahoma insurance law designated as American Fidelity Separate Account A (Account A). Account A was formerly known as American Fidelity Variable Annuity Fund A, and operated as an open-end diversified management investment company from 1968 to 1998. Effective January 1, 1999, it was converted to a unit investment trust separate account, and it transferred its investment portfolio to the American Fidelity Dual Strategy Fund, Inc. (the Fund), an open-end investment company sponsored by AFA, in exchange for shares of the Fund.

On November 25, 2014, Account A's investment in the Fund was substituted with the Vanguard Total Stock Market Index Fund. Under Oklahoma law, the assets of Account A are segregated from the

Company's assets, are held for the exclusive benefit of the variable annuity contract owners, and are not chargeable with liabilities arising out of the business conducted by any other account or by the Company.

The Company also maintains separate accounts under Oklahoma insurance law designated as American Fidelity Separate Account B (Account B) and American Fidelity Separate Account C (Account C). Account B and Account C are registered as unit investment trusts under the Investment Company Act of 1940, as amended. Under Oklahoma law, the assets of each of the ten (10) segregated subaccounts of Account B and the ten (10) segregated subaccounts of Account C are held for the exclusive benefit of the variable annuity contract owners, and are not chargeable with liabilities arising out of the business conducted by any other account or by the Company.

The separate accounts maintained by the Company represent funds for nonguaranteed variable annuities. The assets of these accounts are carried at market value. The net investment experience of the separate account is credited directly to the policyholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of the account value or the premium paid. The minimum guaranteed death benefit reserve is held in the Company's general account. For the years ended December 31, 2017 and 2016, the amount of premiums, considerations, or deposits for the year was approximately $74,957,000 and $67,998,000, respectively.

(2) Admitted and Nonadmitted Assets

Assets in the statutory statements of admitted assets, liabilities, and capital and surplus are stated at admitted asset values, which are the values permitted to be reported in the annual report to the Oklahoma Insurance Department. All other assets are "nonadmitted assets" and are excluded from the statutory statements of admitted assets, liabilities, and capital and surplus by a charge to surplus. Nonadmitted assets as of December 31 are as follows:

	2017	2016
Prepaids, deposits, and other receivables	$ 8,855,125	7,357,049
Agents' balances	39,277	1,534,104
Deferred tax asset	30,733,374	48,856,107
Leasehold improvements	21,629,636	22,437,761
	$ 61,257,412	80,185,021

(Continued)

(3) Fair Value of Financial Instruments

A summary of the Company's financial instruments and the fair value estimates, methods, and assumptions is set forth below:

		Estimated fair value as of December 31, 2017			
	Admitted assets	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and short-term investments	$ 241,831,403	241,831,403	—	—	241,831,403
Bonds	4,043,435,952	21,140,938	3,610,267,203	628,129,694	4,259,537,835
Common and preferred stocks	28,426,343	23,725,544	156,727	5,495,192	29,377,463
Mortgage loans	480,274,494		—	488,921,484	488,921,484
Financial liabilities:					
Certain policy liabilities	1,856,987,606	—	—	1,858,391,904	1,858,391,904
Borrowed money	497,670,254	—	474,352,172	—	474,352,172

		Estimated fair value as of December 31, 2016			
	Admitted assets	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and short-term investments	$ 143,509,947	143,509,947	—	—	143,509,947
Bonds	3,874,796,569	1,085,411	3,481,216,570	516,283,305	3,998,585,286
Common and preferred stocks	28,261,148	23,651,880	90,610	5,224,758	28,967,248
Mortgage loans	442,601,524	—	—	456,011,866	456,011,866
Financial liabilities:					
Certain policy liabilities	1,763,626,783	—	—	1,766,083,135	1,766,083,135
Borrowed money	497,755,108	—	506,677,978	—	506,677,978

(a) Cash and Short-Term Investments and Investment Income Due and Accrued

The carrying amounts of the financial instruments listed above approximate their fair values because they mature within a relatively short period of time, and do not present unanticipated credit concerns.

(Continued)

(b) Bonds, Common Stocks and Preferred Stocks

For fixed maturities and marketable equity securities, for which market quotations generally are available, the Company primarily uses independent pricing services to assist in determining fair value measurements. When the fair value of certain securities is not readily available, the fair value estimates are based on quoted market prices of similar instruments adjusted for the differences between the quoted instruments and the instruments being valued, or fair value is estimated using discounted cash flow analysis. Interest rates used in this analysis are similar to currently offered contracts with comparable maturities as the investments being valued. The Company's investments also include certain less liquid or private fixed maturity debt securities, such as private placements and certain structured notes. Valuations are estimated based on nonbinding broker prices or valuation models discounted cash flow models and other similar techniques that use observable or unobservable inputs and are considered Level 3.

The fair value of equity securities unaffiliated investments of the Company is based on quotations from independent pricing services, bid prices published in financial newspapers, or bid quotations received from securities dealers. Equity securities affiliated are reported at book value, which approximates fair value.

(c) Mortgage Loans on Real Estate

Fair values are estimated for portfolios of loans with similar characteristics. Commercial mortgage loans have average net yield rates of 4.66% and 4.88% for December 31, 2017 and 2016, respectively. The fair value of mortgage loans was calculated by discounting scheduled cash flows to maturity using estimated market discount rates of 4.36% and 4.30% for December 31, 2017 and 2016, respectively. These rates reflect the credit and interest rate risk inherent in the loans. Assumptions regarding credit risk, cash flows, and discount rates are judgmentally determined using available market information and specific borrower information. The fair value of certain residential loans is based on the approximate fair value of the underlying real estate securing the mortgages.

(d) Policy Loans

Policy loans have average interest yields of 5.97% and 6.19% as of December 31, 2017 and 2016, respectively, and have no specified maturity dates. These loans typically carry an interest rate that is tied to the crediting rate applied to the related policy and contract reserves. Policy loans are an integral part of the life insurance policies that the Company has in force and cannot be valued separately; therefore, are not presented in the previous table.

(e) Certain Policy Liabilities

Certain policies sold by the Company are investment-type contracts. These liabilities are segregated into two categories: premiums and other deposit funds and immediate annuities. These liabilities are further defined to segregate the deferred annuity contract with life contingencies, which are reported as aggregate reserves for life policies and contracts. The fair value of aggregate reserves for life policies and contracts is estimated as the fund value of each policy less applicable surrender charges. The fair value of the immediate annuities without life contingencies and premiums and other deposit funds is

(Continued)

estimated as the discounted cash flows of expected future benefits less the discounted cash flows of expected future premiums, using the current pricing assumptions.

	2017		2016	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Aggregate reserves for life policies and contracts	$ 1,831,470,989	1,830,296,090	1,736,200,804	1,734,971,155
Annuities	25,516,617	28,095,814	27,425,979	31,111,980

(f) Borrowed Money

The fair value of the Company's notes payable is estimated by the present value of a stream of future expected cash flows using an appropriate discount rate. Discount factors are based on the LIBOR/Swap curve.

(g) Limitations

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These fair value estimates do not reflect any premium or discount that could result from offering for sale at one time the Company's entire holdings of a particular financial instrument, nor do they reflect income taxes on differences between fair value and tax basis of the assets. Because no established exchange exists for a significant portion of the Company's financial instruments, fair value estimates are based on judgments regarding future expected loss experience, current economic conditions, risk characteristics of various financial instruments, and other factors. These fair value estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the fair value estimates.

(h) Fair Value Hierarchy

The following are the levels of hierarchy and a description of the type of valuation inputs that are used to establish each level:

Level 1 inputs are quoted in active markets for identical securities.

Level 2 inputs are other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 inputs are significant unobservable inputs (including the Company's own assumptions used to determine the fair value of investments).

Assets that are recorded at fair value are categorized into a three-level fair value hierarchy as required by SSAP No. 100, *Fair Value Measurements*. The balances of these assets as of December 31, 2017 are as follows:

	Level 1	Level 2	Level 3	Total
Assets recorded at fair value:				
Bonds – industrial and miscellaneous	$ 20,093,868	2,790,676	1,781,086	24,665,630
Common stock – unaffiliated	23,095,464	156,727	—	23,252,191
Common stock – affiliated	—	962,932	—	962,932
Total assets at fair value	$ 43,189,332	3,910,335	1,781,086	48,880,753

The following table presents the change for the year ended December 31, 2017 in the assets measured at fair value using unobservable inputs (Level 3):

	Loan-backed securities
Beginning balance	$ 1,835,158
Transfers in	—
Transfers out	—
Total gain (loss) included in net income	90,188
Total gain (loss) included in surplus	5,941
Purchases	—
Issuances	—
OTTI	—
Sales	(150,201)
Settlements	—
Ending balance	$ 1,781,086

(Continued)

Assets that are recorded at fair value are categorized into a three level fair value hierarchy as required by SSAP No. 100, *Fair Value Measurements*. The balances of these assets as of December 31, 2016 are as follows:

	Level 1	Level 2	Level 3	Total
Assets recorded at fair value:				
Bonds – industrial and miscellaneous	$ —	2,298,479	1,835,158	4,133,637
Common stock – unaffiliated	23,079,080	90,610	—	23,169,690
Common stock – affiliated	—	880,238	—	880,238
Total assets at fair value	$ 23,079,080	3,269,327	1,835,158	28,183,565

The following table presents the change for the year ended December 31, 2016 in the assets measured at fair value using unobservable inputs (Level 3):

	Loan-backed securities
Beginning balance	$ 1,758,289
Transfers in	—
Transfers out	—
Total gain (loss) included in net income	138,396
Total gain (loss) included in surplus	168,960
Purchases	—
Issuances	—
OTTI	—
Sales	(230,487)
Settlements	—
Ending balance	$ 1,835,158

(Continued)

(4) Investments

Investment income for the years ended December 31 is summarized below:

	2017	2016
Interest on bonds	$ 175,570,134	176,503,325
Dividends on preferred and common stocks	312,896	311,726
Interest on mortgage loans	24,897,481	22,993,619
Investment real estate income	6,844,174	3,987,896
Interest on policy loans	3,240,046	3,274,867
Interest on cash and short-term investments and other	820,332	709,994
	211,685,063	207,781,427
Less investment expenses	33,617,790	32,288,799
Net investment income	$ 178,067,273	175,492,628

Realized gains (losses) for the years ended December 31 consisted of the following:

	2017	2016
Bonds	$ 25,901,289	20,855,691
OTTI	(5,000,000)	(157,009)
	20,901,289	20,698,682
Common stocks of nonaffiliates	660,753	1,074,925
Real estate	—	—
Other capital loss	(348,744)	(210,902)
Total realized gains before federal income taxes and IMR transfers	21,213,298	21,562,705
Federal income tax expense	9,447,403	7,278,712
Less IMR transfers	16,242,903	12,699,868
Net realized gains (losses)	$ (4,477,008)	1,584,125

The gross unrealized gains on common stocks of nonaffiliates were approximately $9,869,000 and $9,052,000 in 2017 and 2016, respectively. The gross unrealized losses on common stocks of nonaffiliates were approximately $0 and $9,400 in 2017 and 2016, respectively.

(Continued)

The carrying value and estimated fair value of bonds, preferred stock, and common stock at December 31 are as follows:

	2017			
	Carrying value/ cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities	$ 1,020,393	29,798	(3,121)	1,047,070
U.S. government agency obligations	3,874,559	317,184	—	4,191,743
Special revenue	392,916,263	11,535,015	(11,585,348)	392,865,930
States, territories, and political subdivisions	407,706,187	36,524,506	(95,260)	444,135,433
Foreign government	28,230,642	2,138,829	—	30,369,471
Corporate bonds	2,310,659,850	162,459,563	(10,296,017)	2,462,823,396
Loan-backed securities	878,934,190	30,953,824	(5,877,090)	904,010,924
SVO Identified Funds	20,093,868	—	—	20,093,868
Total bonds	4,043,435,952	243,958,719	(27,856,836)	4,259,537,835
Preferred stocks	4,211,220	951,120	—	5,162,340
Common stocks - unaffiliated	13,382,865	9,869,326	—	23,252,191
Common stocks - affiliated	103,902	859,030	—	962,932
Total stocks	17,697,987	11,679,476	—	29,377,463
Total	$ 4,061,133,939	255,638,195	(27,856,836)	4,288,915,298

(Continued)

	2016			
	Carrying value/ cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities	$ 1,032,683	55,465	(2,737)	1,085,411
U.S. government agency obligations	5,228,142	510,799	—	5,738,941
Special revenue	369,580,002	12,864,458	(19,841,347)	362,603,113
States, territories, and political subdivisions	407,848,018	32,478,152	(738,820)	439,587,350
Foreign government	33,291,576	2,201,264	—	35,492,840
Corporate bonds	2,242,745,175	111,323,829	(37,242,075)	2,316,826,929
Loan-backed securities	815,070,973	31,676,006	(9,496,277)	837,250,702
Total bonds	3,874,796,569	191,109,973	(67,321,256)	3,998,585,286
Preferred stocks	4,211,220	706,100	—	4,917,320
Common stocks - unaffiliated	14,126,581	9,052,499	(9,390)	23,169,690
Common stocks - affiliated	103,902	776,336	—	880,238
Total stocks	18,441,703	10,534,935	(9,390)	28,967,248
Total	$ 3,893,238,272	201,644,908	(67,330,646)	4,027,552,534

The NAIC fair value of total bonds is approximately $5,802,000 more and $1,626,000 less than the estimated fair value in the tables above at December 31, 2017 and 2016, respectively.

The carrying value and estimated fair value of investments in bonds at December 31, 2017, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because the issuers of such securities may have the right to call or prepay obligations with or without call or prepayment penalties.

	Carrying value	Fair value
Due in one year or less	$ 50,210,626	50,966,887
Due after one year through five years	519,141,836	539,804,342
Due after five years through ten years	1,006,602,765	1,051,726,840
Due after ten years	1,568,452,667	1,692,934,974
Loan-backed securities	878,934,190	904,010,924
SVO Identified Funds	20,093,868	20,093,868
	$ 4,043,435,952	4,259,537,835

(Continued)

Proceeds from sales of bonds during 2017 and 2016 were approximately $423,619,000 and $260,277,000, respectively. Gross realized gains of approximately $14,693,000 and $16,506,000 and gross realized losses of approximately $279,000 and $65,000, respectively, were realized on those sales. In addition, the Company realized net gains of approximately $11,487,000 and $4,415,000 on bonds that were called or prepaid in 2017 and 2016, respectively.

Gross unrealized losses on investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2017 were as follows:

	Less than 12 months		12 months or longer		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
U.S. Treasury securities	$ —	—	497,578	(3,121)	497,578	(3,121)
Special revenue	30,779,623	(254,366)	225,163,292	(11,330,982)	255,942,915	(11,585,348)
States and territories	—	—	2,910,418	(95,260)	2,910,418	(95,260)
Foreign government	—	—	—	—	—	—
Corporate bonds	106,138,114	(1,170,655)	219,411,904	(9,125,362)	325,550,018	(10,296,017)
Loan-backed securities	96,534,855	(1,221,735)	120,167,845	(4,655,355)	216,702,700	(5,877,090)
Total	233,452,592	(2,646,756)	568,151,037	(25,210,080)	801,603,629	(27,856,836)

Gross unrealized losses on investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2016 were as follows:

	Less than 12 months		12 months or longer		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
U.S. Treasury securities	$ 498,946	(2,737)	—	—	498,946	(2,737)
Special revenue	226,415,082	(19,710,899)	14,850,870	(130,448)	241,265,952	(19,841,347)
States and territories	6,777,080	(330,016)	22,252,657	(408,804)	29,029,737	(738,820)
Foreign government	—	—	—	—	—	—
Corporate bonds	270,916,852	(10,176,304)	455,605,527	(27,065,771)	726,522,379	(37,242,075)
Loan-backed securities	214,096,192	(6,177,772)	15,750,122	(3,318,505)	229,846,314	(9,496,277)
Total	$ 718,704,152	(36,397,728)	508,459,176	(30,923,528)	1,227,163,328	(67,321,256)

The unrealized losses in U.S. Treasury securities, obligations of U.S. government agencies and states and territories, and foreign government securities are due to interest rate fluctuations, which result in a decline in market values from original purchase price. Because the securities were acquired during a period of low interest rates, unrealized losses may continue and may become more severe in a rising interest rate environment. The Company expects the unrealized losses to reverse as the securities shorten in duration and mature, and because the Company has the ability to hold these investments and does not intend to sell until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in states, territories, and political subdivisions are high-grade investment quality and have unrealized losses due to an increase in interest rates since acquisition. Because the decline in fair value is attributable to changes in interest rates and not credit quality, and because the Company has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in special revenue securities are comprised of general obligations of U.S. government sponsored agencies for which the U.S. government is indirectly obligated. The unrealized loss is due to interest rate fluctuations, which result in a decline in market values from original purchase price. Because the securities were acquired during a period of low interest rates, unrealized losses may continue and may become more severe in a rising interest rate environment. The Company expects the unrealized losses to reverse as the securities shorten in duration and mature and because the Company has the ability to hold these investments to maturity and does not intend to sell until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in corporate securities are comprised of corporate bonds. The unrealized loss is due to the current market and economic environment, which is affecting corporate credit ratings and changes in sector spreads. The unrealized loss may continue and may become more severe if the economy continues to trend downward or interest rates rise. Because the decline in fair value is attributable to economic changes and a slight decline in credit quality, and because the Company expects all contractual cash flows will be received and has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in loan-backed securities are comprised of U.S. government-sponsored agency mortgage-backed securities for which the U.S. government is not directly obligated, and private label whole loan collateralized mortgage obligations. The unrealized losses on these securities are a result of the current market and economic conditions that are affecting the mortgage-backed sector. The credit quality on some mortgage-backed bonds has declined due to the larger number of home defaults. Because the decline in fair value is attributable mainly to changes in market and economic conditions and the Company believes all contractual cash flows will be received and has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired. When the Company believes it will not receive all contractual cash flows, the securities are considered other-than-temporarily impaired.

At December 31, 2017 and 2016, investments with carrying values of approximately $2,985,000 and $2,916,000, respectively, were on deposit with state insurance departments as required by statute.

The Company has no direct exposure to subprime mortgage loans. An extensive pre-purchase analysis is performed on every loan-backed security. By purchasing only AAA agency mortgage-backed securities and AAA collateralized mortgage-backed whole loan securities, direct exposure to sub-prime mortgages is virtually eliminated. The unrealized losses on these securities are a result of the current market and economic conditions that are affecting the mortgage-backed sector. The credit qualities on some mortgage-backed bonds have begun to decline due to the large number of home mortgage defaults. Because the decline in fair value is attributable mainly to changes in market and economic conditions and only due slightly to a lessening of credit, the Company believes most contractual cash flows will be received.

(5) Separate Accounts

The Company utilizes Separate Accounts to record and account for variable annuity business. In accordance with the Insurance Code of the State of Oklahoma, variable annuities are supported for separate account classification by Title 36, Chapter 2, Section 6061. As of December 31, 2017 and 2016, the Company Separate Account statement included legally insulated assets of approximately $781,742,000 and $648,034,000, respectively, attributed to variable annuity contracts. The Separate Accounts held by the Company represent nonguaranteed variable annuity funds. The Company does not have a securities lending program.

The assets of these accounts are carried at fair market value. The net investment experience of the Separate Accounts is credited directly to the policyholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of account value or premium paid. The minimum guaranteed death benefit reserve is held in Exhibit 5, Miscellaneous Reserves Section, of the Company's general account annual statement.

		2017	2016
1. Premiums, considerations, or deposits for year ended December 31	$	74,957,069	67,998,082
2. Reserves at December 31:			
For accounts with assets at:			
a. Fair market value	$	781,742,340	648,033,770
b. Amortized cost		—	—
c. Total reserves	$	781,742,340	648,033,770
3. By withdrawal characteristics:			
a. Subject to discretionary withdrawal	$	—	—
b. With market value adjustment		—	—
c. At book value without market value adjustment and with current surrender charge of 5% or more		—	—
d. At fair market value		781,742,340	648,033,770
e. At book value without market value adjustment and with current surrender charge of 5%		—	—
f. Subtotal		781,742,340	648,033,770
g. Not subject to discretionary withdrawal		—	—
h. Total	$	781,742,340	648,033,770
4. Reserves for asset default risk in lieu of AVR	$	—	—

(Continued)

Reconciliation of net transfers to or (from) Separate Accounts.

		2017	2016
1. Transfers as reported in the summary of operations of the separate accounts statements:			
a. Transfers to separate accounts	$	75,624,877	68,594,854
b. Transfers from separate accounts		50,877,654	45,344,768
c. Net transfers to or (from) separate accounts (a) – (b)		24,747,223	23,250,086
2. Reconciling adjustments:			
a. Plus net investment income (expense)		118,997,712	74,632,055
b. Less increase (decrease) in liability for premiums		133,456,449	89,387,684
c. Plus change in expense allowance		1,628,734	1,182,735
d. Less fees for investment management and administration		10,288,486	8,494,457
3. Transfers as reported in the summary of operations of the life, accident and health annual statement:		—	—
a. (1c) + (2)	$	1,628,734	1,182,735

(6) Liability for Accident and Health Reserves

Accident and health reserve activity for the years ended December 31, 2017 and 2016 was as follows:

		2017	2016
Liability beginning of year, net of reinsurance	$	471,470,553	456,563,871
Incurred related to:			
Current year		385,359,058	379,400,106
Prior years		(34,022,788)	(51,124,835)
Total incurred		351,336,270	328,275,271
Paid related to:			
Current year		193,002,436	189,306,565
Prior years		138,664,942	124,062,024
Total paid		331,667,378	313,368,589
Liability end of year, net of reinsurance	$	491,139,445	471,470,553

Reinsurance recoverable on paid losses was approximately $1,276,000 and $2,218,000 at December 31, 2017 and 2016, respectively.

(Continued)

The provision for accident and health benefits pertaining to prior years decreased approximately $34,023,000 in 2017 from the prior year estimate. This decrease overall includes better than expected experience of approximately $31,113,000 for group medical and disability and approximately $2,910,000 for cancer business. The decrease is due to subsequent better than expected claim experience.

The provision for accident and health benefits pertaining to prior years decreased approximately $51,125,000 in 2016 from the prior year estimate. This decrease overall includes better than expected experience of approximately $48,009,000 for group medical and disability and approximately $3,116,000 for cancer business. The decrease is due to subsequent better than expected claim experience.

The Company paid approximately $53,000 and $291,000 in 2017 and 2016, respectively, to settle claims related to extra contractual obligations or bad faith claims stemming from lawsuits.

(7) Borrowed Money

AFA has borrowed approximately $496,500,000 and $496,500,000 on the line of credit with the Federal Home Loan Bank of Topeka (FHLB) at December 31, 2017 and 2016, respectively. The line of credit is secured by investment securities and cash pledged as collateral by AFA with a carrying amount of approximately $510,769,000 and $529,187,000 at December 31, 2017 and 2016, respectively, which exceeds the collateral required for this line of credit. The pledged securities are held in the Company's name in a custodial account at United Missouri Bank, N.A. to secure current and future borrowings. To participate in this available credit, AFA has acquired 227,532 shares in 2017 and 227,312 shares in 2016 of FHLB common stock with a total carrying value of approximately $22,753,200 and $22,731,200 at December 31, 2017 and 2016, respectively.

FHLB Capital Stock

	2017		
	General account	Separate accounts	Total
Membership stock – class A	$ 500,000	—	500,000
Membership stock – class B	—	—	—
Activity stock	21,842,500	—	21,842,500
Excess stock	410,700	—	410,700
Total	$ 22,753,200	—	22,753,200
Actual or estimate borrowing capacity as determined by the insurer	$ 505,364,379		

(Continued)

		2016		
		General account	Separate accounts	Total
Membership stock – class A	$	500,000	—	500,000
Membership stock – class B		—	—	—
Activity stock		21,842,500	—	21,842,500
Excess stock		388,700	—	388,700
Total	$	22,731,200	—	22,731,200
Actual or estimate borrowing capacity as determined by the insurer	$	—	—	532,731,343

FHLB Membership Stock (Class A and B) Eligible for Redemption

	Current year total	Not eligible for redemption	Less than 6 months	6 months to 1 year	1 to 3 years	3 to 5 years
Class A	$ 500,000	500,000	—	—	—	—
Class B	—	—	—	—	—	—

FHLB Borrowings

FHLB has the option to convert the initial rate of interest to an adjustable rate of interest on many of these lines of credit on the dates listed in the following table. At any time after FHLB exercises its conversion option, the Company may prepay the advance in full or in part without a fee.

The Company has no unused lines of credit as of December 31, 2017.

AFA had no Structured Note borrowings as of December 31, 2017 and 2016.

(Continued)

Information regarding the terms of the funds borrowed from FHLB are as follows:

Interest rate	Interest rate subject to conversion to adjustable rate	Date issued	Maturity date	Balance at December 31 2017	Balance at December 31 2016
4.640	March 2012	03/12/07	03/13/17	—	10,000,000
5.060	May 2013	05/22/07	05/22/17	—	10,000,000
3.900	December 2012	12/04/07	12/04/17	—	25,000,000
3.520	January 2013	01/28/08	01/29/18	10,000,000	10,000,000
3.460	February 2013	02/01/08	02/01/18	15,000,000	15,000,000
3.490	February 2013	02/04/08	02/05/18	6,500,000	6,500,000
4.020	March 2009	03/07/08	03/07/18	25,000,000	25,000,000
3.460	March 2013	03/12/08	03/12/18	10,000,000	10,000,000
4.100	April 2009	04/28/08	04/30/18	5,000,000	5,000,000
4.100	May 2009	05/19/08	05/19/17	—	25,000,000
4.140	May 2009	05/20/08	05/22/17	—	5,000,000
4.290	July 2009	07/28/08	07/30/18	25,000,000	25,000,000
3.270	—	02/08/10	02/10/20	10,000,000	10,000,000
3.630	—	03/25/10	03/25/22	10,000,000	10,000,000
3.710	—	03/25/10	03/25/20	10,000,000	10,000,000
3.440	—	03/25/10	03/25/20	10,000,000	10,000,000
3.500	—	03/25/10	03/25/21	10,000,000	10,000,000
3.770	—	04/13/10	04/13/22	15,000,000	15,000,000
4.190	—	05/07/10	05/07/20	10,000,000	10,000,000
2.870	—	04/20/11	04/20/17	—	15,000,000
2.570	—	03/27/12	03/26/21	12,500,000	12,500,000
2.080	—	11/19/13	11/20/23	10,000,000	10,000,000
1.980	—	03/12/14	03/12/24	12,500,000	12,500,000
3.110	—	05/23/14	05/23/24	15,000,000	15,000,000
1.930	—	11/19/14	11/19/24	25,000,000	25,000,000
2.300	—	04/28/15	04/28/23	5,000,000	5,000,000
2.590	—	05/20/15	05/19/23	5,000,000	5,000,000
2.740	—	05/21/15	05/21/24	25,000,000	25,000,000
2.060	—	08/10/15	08/08/25	20,000,000	20,000,000
2.090	—	01/13/16	01/13/22	5,000,000	5,000,000
2.260	—	01/13/16	1/13/23	10,000,000	10,000,000
2.280	—	01/13/16	01/13/26	10,000,000	10,000,000
0.660	—	04/22/16	04/21/17	—	5,000,000
2.070	—	05/06/16	05/06/26	10,000,000	10,000,000

(Continued)

Interest rate	Interest rate subject to conversion to adjustable rate	Date issued	Maturity date	Balance at December 31 2017	2016
0.770		06/03/16	06/02/17	—	25,000,000
0.790		08/31/16	08/31/17	—	20,000,000
0.810		09/09/16	09/08/17	—	10,000,000
2.590		11/21/16	11/23/26	10,000,000	10,000,000
2.960		03/13/17	03/13/25	10,000,000	—
2.600		04/20/17	04/18/25	15,000,000	—
1.450		04/21/17	04/20/18	5,000,000	—
1.880		05/19/17	05/19/27	25,000,000	—
2.890		05/22/17	05/21/27	10,000,000	—
2.640		05/22/17	05/22/25	5,000,000	—
1.600		06/02/17	06/01/18	25,000,000	—
1.590		08/31/17	08/31/18	20,000,000	—
1.620		09/08/17	09/07/18	10,000,000	—
2.520		12/4/17	12/4/23	25,000,000	—
				496,500,000	496,500,000
			Accrued Interest	1,170,254	1,255,108
			Total	$ 497,670,254	497,755,108

* These lines of credits have interest rates subject to conversion to an adjustable rate at the date specified above, as well as quarterly thereafter.

Interest paid in 2017 and 2016 was approximately $14,385,000 and $16,146,000, respectively, and is included in investment expenses in net investment income in the accompanying statutory statements of operations.

Scheduled maturities (excluding interest) of the above indebtedness at December 31, 2017 are as follows:

2018	$ 156,500,000
2019	—
2020	40,000,000
2021	22,500,000
2022	30,000,000
2023 and thereafter	247,500,000
	$ 496,500,000

(Continued)

(8) Income Taxes

The Company's net deferred tax assets (liabilities) at December 31 and the change from the prior year are comprised of the following components:

	2017			2016			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross deferred tax assets	$ 71,890,297	4,708,769	76,599,066	113,266,528	6,101,701	119,368,229	(41,376,231)	(1,392,932)	(42,769,163)
Statutory valuation allowance adjustments	—	—	—	—	—	—	—	—	—
Adjusted gross deferred tax assets	71,890,297	4,708,769	76,599,066	113,266,528	6,101,701	119,368,229	(41,376,231)	(1,392,932)	(42,769,163)
Deferred tax assets nonadmitted	28,005,630	2,727,744	30,733,374	45,507,280	3,348,827	48,856,107	(17,501,650)	(621,083)	(18,122,733)
Sub-total net admitted deferred tax assets	43,884,667	1,981,025	45,865,692	67,759,248	2,752,874	70,512,122	(23,874,581)	(771,849)	(24,646,430)
Deferred tax liabilities	19,046,476	1,981,025	21,027,501	29,420,422	2,752,874	32,173,296	(10,373,946)	(771,849)	(11,145,795)
Net admitted deferred tax assets (liabilities)	$ 24,838,191	—	24,838,191	38,338,826	—	38,338,826	(13,500,635)	—	(13,500,635)

Management has reviewed whether a valuation allowance is needed on its total gross deferred tax assets reported above based on factors such as past history and trends, projected taxable income, and expiration of carryforwards. Additionally, management considered the various aspects of the Tax Cuts and Jobs Act when it assessed whether or not its criteria for establishing a valuation allowance was impacted. Management believes that in 2017 and 2016 it is more likely than not that the results of operations will generate sufficient taxable income to realize its gross deferred tax assets on ordinary items. Additionally, in 2017 and 2016, management believes that there are sufficient capital gains available in its capital assets portfolio and that holding its fixed debt securities in a loss position to maturity or recovery substantiates the Company's ability to realize its gross deferred tax assets on capital items.

On February 8, 2018, the NAIC issued Interpretation (INT) 18-01 to address the reporting and updating of estimates that companies are required to reflect as various accounting adjustments in their financial statements as a result of the Tax Act. This guidance provides that, although some accounting computations may be considered "complete", other accounting computations or assessments may be considered "incomplete" when the financial statements are filed. As such, for those items which are "incomplete" but for which a reasonable estimate can be made, those amounts should be recorded as provisional in the financial statements for the year ended December 31, 2017. For those items for which a reasonable estimate cannot be made, companies may continue to apply pre-Tax Act law. Changes to amounts recognized in the financial statements for the year ended December 31, 2017 as a result of the Tax Act shall be recognized as a change in accounting estimate, pursuant to SSAP No. 3, when the information necessary to update the estimate becomes available. All income tax effects have been identified and appropriately accounted for as a result of the Tax Act in accordance with INT 18-01. The tax accounting for the revaluation of deferred tax liabilities is complete. The income tax effects of life insurance reserves for tax purposes pursuant to the Tax Act have been recorded as provisional as the analysis is incomplete but a

reasonable estimate was determined. The Company is in the process of quantifying the impact of the Tax Act and will record any adjustments in accordance with the guidance provided in INT 18-01 within the measurement period.

The Company's admission calculation components at December 31 are as follows:

	2017			2016			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	$ —	—	—	38,338,826	—	38,338,826	(38,338,826)	—	(38,338,826)
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from (a) above) after application of the threshold limitation. (The lesser of (b)1 and (b)2 below):									
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	24,838,191	—	24,838,191	—	—	—	24,838,191	—	24,838,191
2. Adjusted gross deferred tax assets allowed per limitation threshold	—	—	60,867,922	—	—	56,439,545	—	—	4,428,377
Lesser of b(1) or b(2)	—	—	24,838,191	—	—	—	—	—	24,838,191
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from (a) and (b) above) offset by gross deferred tax liabilities	19,046,476	1,981,025	21,027,501	29,420,422	2,752,874	32,173,296	(10,373,946)	(771,849)	(11,145,795)
(d) Deferred tax assets admitted Total ((a) + (b) + (c))	$ 43,884,667	1,981,025	45,865,692	67,759,248	2,752,874	70,512,122	(23,874,581)	(771,849)	(24,646,430)

	2017	2016
Ratio percentage used to determine recovery period and threshold limitation amount	724 %	730 %
Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in (b)2 above	$ 441,341,339	409,145,035

(Continued)

As of December 31, the change in the net deferred income taxes is comprised of the following (this analysis is exclusive of the nonadmitted DTAs as the change in nonadmitted assets is reported separately from the change in net deferred income taxes in the statutory statements of capital and surplus):

		2017	2016	Change
Gross deferred tax assets	$	76,599,066	119,368,229	(42,769,163)
Gross deferred tax liabilities		21,027,501	32,173,296	(11,145,795)
Net deferred tax assets/liabilities		55,571,565	87,194,933	(31,623,368)
Statutory valuation allowance adjustment		—	—	—
Net deferred tax assets/liabilities after statutory valuation allowance		55,571,565	87,194,933	(31,623,368)
Tax effect of unrealized (gains) losses		(1,735,014)	(2,342,849)	607,835
Statutory valuation allowance adjustment allocated to unrealized		—	—	—
Net deferred income taxes	$	57,306,579	89,537,782	(32,231,203)

The impact of the Company's tax planning strategies as of December 31 is as follows:

		2017		2016		Change	
		Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
Adjusted gross DTAs	$	71,890,297	4,708,769	113,266,528	6,101,701	(41,376,231)	(1,392,932)
Percentage of adjusted gross DTAs attributable to the impact of tax planning strategies		— %	6.1 %	— %	5.1 %	— %	1.0 %
Net admitted adjusted gross DTAs	$	43,884,667	1,981,025	67,759,248	2,752,874	(23,874,581)	(771,849)
Percentage of net admitted adjusted gross DTAs attributable to the impact of tax planning strategies		— %	4.3 %	— %	3.9 %	— %	0.4 %

None of the Company's tax-planning strategies include the use of reinsurance.

There are no temporary differences for which deferred tax liabilities are not recognized.

As of December 31, current income taxes incurred consist of the following major components:

	2017	2016	Change
Current federal income tax – operations	$ 31,554,611	32,030,414	(475,803)
Foreign income tax	—	—	—
Subtotal	31,554,611	32,030,414	(475,803)
Current federal income tax on capital gains	9,447,403	7,278,712	2,168,691
Current tax on the cumulative impact of accounting error reported in surplus	—	(2,528,052)	2,528,052
Federal and foreign income taxes incurred	$ 41,002,014	36,781,074	4,220,940

As of December 31, deferred income tax assets and liabilities consist of the following major components:

	2017	2016	Change
Deferred tax assets:			
Ordinary:			
Discounting of unpaid losses	$ 4,141,107	6,494,567	(2,353,460)
Policyholder reserves	19,305,517	31,274,349	(11,968,832)
Deferred acquisition costs	33,417,685	52,596,815	(19,179,130)
Compensation and benefits accrual	7,506,173	10,492,710	(2,986,537)
Receivables – nonadmitted	6,793,711	11,168,966	(4,375,255)
Other	726,104	1,239,121	(513,017)
Subtotal	71,890,297	113,266,528	(41,376,231)
Statutory valuation allowance adjustment	—	—	—
Nonadmitted	28,005,630	45,507,280	(17,501,650)
Admitted ordinary deferred tax assets	43,884,667	67,759,248	(23,874,581)

(Continued)

	2017	2016	Change
Capital:			
Investments	$ 4,708,769	6,101,701	(1,392,932)
Subtotal	4,708,769	6,101,701	(1,392,932)
Statutory valuation allowance adjustment	—	—	—
Nonadmitted	2,727,744	3,348,827	(621,083)
Admitted capital deferred tax assets	1,981,025	2,752,874	(771,849)
Admitted deferred tax assets	45,865,692	70,512,122	(24,646,430)
Deferred tax liabilities:			
Ordinary:			
Fixed Assets	112,342	156,338	(43,996)
Deferred and uncollected premium	18,630,982	28,414,297	(9,783,315)
Other	303,149	849,787	(546,638)
Subtotal	19,046,473	29,420,422	(10,373,949)
Capital:			
Investments	1,981,025	2,752,874	(771,849)
Subtotal	1,981,025	2,752,874	(771,849)
Deferred tax liabilities	21,027,498	32,173,296	(11,145,798)
Net deferred tax assets	$ 24,838,194	38,338,826	(13,500,632)

(Continued)

The Company's income tax incurred and change in deferred tax differ from the amount obtained by applying the federal statutory rate of 35% to income before income taxes and net realized capital gains (losses) as follows:

	2017	Effective 2017 tax rate	2016	Effective 2016 tax rate
Income before taxes and realized capital gains (losses)	$ 102,230,144	—%	$ 106,880,558	—%
Income tax expense at 35% statutory rate	$ 35,780,550	35.0%	$ 37,408,196	35.0%
Increase (decrease) in tax resulting from:				
Dividends received deduction	$ (1,365,947)	-1.3%	$ (1,573,155)	-1.5%
Nondeductible expenses for meals and other items	1,662,620	1.6%	1,913,616	1.8%
Management fees	(2,253,425)	-2.2%	(1,960,000)	-1.8%
School bond and low income housing tax credits	(2,100,320)	-2.1%	(1,894,320)	-1.8%
Tax-exempt income	(2,741)	0.0%	(3,053)	0.0%
Tax adjustment for IMR	(2,102,283)	-2.0%	(1,669,899)	-1.6%
Deferred tax benefit on nonadmitted assets	4,375,255	4.3%	(5,230,427)	-4.9%
Remove impact of tax rate change included in deferred tax benefit on nonadmitted assets	(4,529,141)	-4.5%	—	0.0%
Timing differences on realized gains and losses	(1,773,790)	-1.7%	268,234	0.3%
Prior year adjustment to current and deferred taxes	(2,109,350)	-2.1%	(506,802)	-0.5%
Total income tax expected before tax rate change	$ 25,581,428	25.0%	$ 26,752,390	25.0%
Adj to SAP deferred income taxes for tax rate change from 35% to 21% (excludes tax on unrealized gains and losses)	38,204,386	37.4%	—	0.0%
Total income tax expected after adjustment for tax rate change from 35% to 21%	$ 63,785,814	62.4%	$ 26,752,390	25.0%
Current income taxes incurred (excludes tax on net realized gains and losses and reserve method changes)	$ 31,554,611	31.0%	$ 32,030,414	30.0%
Net change in deferred income taxes (excludes tax on unrealized gains and losses and reserve method changes)	32,231,203	31.5%	(5,278,024)	-5.0%
Total income tax reported	$ 63,785,814	62.5%	$ 26,752,390	25.0%

The Tax Cuts and Jobs Act was enacted on December 22, 2017 and materially impacts the net deferred tax assets reported by the Company. This $38,204,386 is the impact of the tax rate change from 35% to 21% on net deferred tax assets without unrealized gains and losses. The total impact of the tax rate

(Continued)

change from 35% to 21% on net deferred tax assets is $37,047,712 when including the ($1,156,674) impact of the tax rate change on the deferred tax liability attributable to unrealized gains and losses.

As of December 31, 2017, there are no operations loss deductions, capital loss, or tax credit carryforwards available for tax purposes.

The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

	Ordinary	Capital	Total
December 31, 2017	$ —	9,046,670	9,046,670
December 31, 2016	—	7,114,280	7,114,280
December 31, 2015	—	1,320,831	1,320,831

Due to the change in Federal tax law resulting from the enactment of the Tax Cuts and Jobs Act on December 22, 2017, the 3-year carry back of ordinary losses to the extent of ordinary income generated in the carry back years is no longer available. The 3-year carry back of capital losses is still allowed to the extent of capital gains generated in the carry back years. The amounts in this table represent the income tax incurred on capital gains in the current and prior years that will be available for recoupment in the event of future net capital losses.

As of December 31, 2017, there were no deposits admitted under Section 6603 of the Internal Revenue Code.

The Company is included in a consolidated federal income tax return with the following entities:

American Fidelity Corporation
American Public Life Insurance Company
American Fidelity Securities, Inc.
InvesTrust
American Fidelity General Agency, Inc.
AF Professional Employment Group, LLC
First Financial Securities of America, Inc.
American Fidelity Property Company
American Fidelity Administrative Services, LLC
American Fidelity International Holdings, Inc.
Enrollcom, Inc.
AF Apartments, Inc.
Market Place Realty Corporation
American Fidelity Property Services, LLC
American Fidelity Community Services, Inc.
Home Rentals Inc.
Apple Creek Apartments, Inc.

The method of tax allocation between the companies is subject to a written agreement approved by the Board of Directors. Allocation is based on separate return calculations at the group's effective tax rate with current credit for net losses. Intercompany tax balances are settled annually.

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

The Company files income tax returns in the U.S. federal jurisdiction and various states. The Company is no longer subject to U.S. federal income tax examinations for years prior to 2014 and state and local

income tax examinations for years prior to 2013. The Company is not currently under examination by any taxing authority.

(9) Reinsurance

Reinsurance contracts do not relieve the Company from its obligations to policyholders. Failure of reinsurers to honor their obligations could result in losses to the Company. The Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities, or economic characteristics of the reinsurers to minimize its exposure to significant losses from reinsurer insolvencies. Management believes that all reinsurers presently used are financially sound and will be able to meet their contractual obligations; therefore, no significant allowance for uncollectible amounts has been included in the December 31, 2017 or 2016 statutory financial statements. Estimated amounts that reduce the reserves for future policy benefits at December 31, 2017 and 2016 for reinsurance ceded are approximately $1,121,336,000 and $1,105,970,000, respectively. At December 31, 2017 and 2016, amounts that reduced the reserves for future policy benefits of approximately $734,182,000 and $742,164,000, respectively, were associated with one reinsurer (note 14).

At December 31, 2017 and 2016, the Company had unsecured aggregate recoverable from the following reinsurers for policy and contracts claims, paid and unpaid, that exceeds 3% of the Company's surplus, as follows:

Group		2017	2016
Hannover Life Reassurance Company	$	1,714,431	2,455,492
Hannover Reassurance (Ireland) LTD		15,862,370	11,129,986
Total group		17,576,801	13,585,478
Gerber Life Insurance Company		9,535,683	11,585,543
Total	$	27,112,484	25,171,021

Reinsurance agreements in effect for life insurance policies vary according to the age of the insured and the type of risk. Retention amounts for life insurance range from $250,000 on domestic individual life coverages to $500,000 on group life and Latin American individual life coverages, with slightly lower limits on accidental death benefits. At December 31, 2017 and 2016, the face amounts of life insurance in force that are reinsured amounted to approximately $8,167,000,000 and $8,557,000,000, respectively (approximately 29.8% and 33.9% of total life insurance in force, respectively).

Reinsurance agreements in effect for accident and health insurance policies vary with the type of coverage. There are no accident and health reinsurance treaties subject to retention limits.

The effects of reinsurance agreements on earned premiums, prior to deductions for benefits, and commission allowances are as follows for the years ended December 31, 2017 and 2016:

	2017	2016
Reinsurance ceded	$ 222,403,939	209,666,031
Reinsurance assumed	50,128,570	44,768,192

Reinsurance agreements reduced benefits paid for life and accident and health policies by approximately $197,162,000 and $198,393,000 for the years ended December 31, 2017 and 2016, respectively.

(10) Employee Benefit Plans

The Company participates in a pension plan (the Plan), sponsored by AFC, and is not directly liable for obligations under the Plan. The Plan covers all employees who have satisfied longevity and age requirements. The Company's funding policy is to contribute annually the maximum amount that can be deducted for federal income tax purposes. Contributions are intended to provide not only for benefits attributed to service to date, but also for those expected to be earned in the future. The Company contributed approximately $16,150,000 and $9,566,000 to the Plan during the years ended December 31, 2017 and 2016, respectively. AFC also offers certain postretirement benefits other than the Plan.

The Company participates in a defined-contribution thrift and profit sharing plan as provided under Section 401(a) of the Code, which includes the tax deferral feature for employee contributions provided by Section 401(k) of the Code. The Company contributed approximately $8,483,000 and $7,664,000 to this plan during the years ended December 31, 2017 and 2016, respectively.

SSAP No. 102, *Accounting for Pensions*, *A replacement of SSAP No. 89*, is effective for years beginning January 1, 2013. The Company participates in a Consolidated/Holding Company plan for pension benefits and is not directly liable for obligations under the Plan. The accounting and reporting requirements of SSAP No. 102 have no impact on the Company's financial statements, as the applicable requirements under Paragraph 80 have not changed from past years.

(11) Leases

The Company leases various properties to nonaffiliates under operating lease agreements, which expire or are cancelable within one year. The properties leased are included in the statutory statements of admitted assets, liabilities, and capital and surplus as investment real estate. Rental income on these properties is included in the statutory statements of operations as net investment income.

Investment real estate held for lease is as follows at December 31:

	2017	2016
Land and buildings, net of encumbrances	$ 28,953,530	16,359,601
Less accumulated depreciation	(8,457,362)	(6,293,343)
Net investment real estate	$ 20,496,168	10,066,258

(Continued)

The Company entered into a lease agreement with 9000 Broadway LLC, a related party, on December 31, 2012, and modified effective January 1, 2014. The balance due will be paid in monthly amounts of approximately $714,000 over the 20 year term of the lease.

(12) Related-Party Transactions

The Company paid cash dividends to AFC in the amount of approximately $35,000,000 during 2017 and $45,000,000 during 2016. There were no other transactions with affiliates in amounts, which exceeded one-half of one percent of the total admitted assets of the Company.

At December 31, 2017 and 2016, the Company reported approximately $9,936,000 and $6,492,000, respectively, as amounts due from AFC.

The Company leases office space from a subsidiary of AFC. The rent payments associated with this lease were approximately $13,643,000 and $14,045,000 in 2017 and 2016, respectively.

During 2017 and 2016, the Company entered into three-year software lease agreements with AFC. Lease expense related to these agreements was approximately $5,397,000 and $5,471,000 for the years ended December 31, 2017 and 2016, respectively, and is included in general insurance expenses.

The Company leases automobiles, furniture, and equipment from a partnership that owns a controlling interest in AFC. These operating leases are cancelable upon one month's notice. During the years ended December 31, 2017 and 2016, payments under these leases were approximately $12,692,000 and $10,904,000, respectively.

Under a service agreement approved by the Oklahoma Insurance Department, AFC provides certain services on a cost basis with no markup. During the years ended December 31, 2017 and 2016, the Company paid management fees to AFC totaling approximately $8,456,000 and $8,662,000, respectively.

Under a service agreement approved by the Oklahoma Insurance Department, AFA provides certain services to American Fidelity International (Bermuda) Ltd. (AFIBL). During the years ended December 31, 2017 and 2016, AFIBL paid management fees to AFA of approximately $2,103,000.

Under a service agreement approved by the Oklahoma Insurance Department, AFA provides certain services to American Public Life Insurance Company (APL). During the years ended December 31, 2017 and 2016, APL paid management fees to AFA of approximately $1,500,000 and $750,000, respectively.

During the years ended December 31, 2017 and 2016, the Company paid investment advisory fees to a partnership that owns a controlling interest in AFC totaling approximately $10,481,000 and $10,048,000, respectively.

(13) Commitments and Contingencies

Rent expense for the years ended December 31, 2017 and 2016 was approximately $30,516,000 and $29,273,000, respectively. A portion of rent expense relates to leases that expire or are cancelable within one year. The approximate aggregate minimum annual rental commitments as of December 31, 2017 under noncancelable long-term leases for office space are as follows:

2018	$	11,713
2019		11,193
2020		10,082
2021		9,214
2022		8,706
2023 and thereafter		127,115

The Company has outstanding mortgage loan commitments of approximately $9,500,000 and $19,010,000 at December 31, 2017 and 2016, respectively.

The Company is subject to state guaranty association assessments in all states in which it is licensed to do business. These associations generally guarantee certain levels of benefits payable to resident policyholders of insolvent insurance companies. Many states allow premium tax credits for all or a portion of such assessments, thereby allowing potential recovery of these payments over a period of years. However, several states do not allow such credits. The Company estimates its liabilities for guaranty association assessments by using the latest information available from the National Organization of Life and Health Insurance Guaranty Associations. The Company monitors and revises its estimates for assessments as additional information becomes available, which could result in changes to the estimated liabilities. As of December 31, 2017 and 2016, liabilities for guaranty association assessments totaled approximately $2,210,000 and $985,000, respectively. Other operating expenses related to state guaranty association assessments were minimal for the years ended December 31, 2017 and 2016.

In the normal course of business, there are various legal actions and proceedings pending against the Company and its subsidiaries. In management's opinion, the ultimate liability, if any, resulting from these legal actions will not have a material adverse effect on the Company's financial position.

(14) Acquired Business – Mid-Continent Life Insurance Company

Effective December 31, 2000, the Company entered into an assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma, in his capacity as receiver of Mid-Continent Life Insurance Company (MCL) of Oklahoma City, Oklahoma. Under this agreement, the Company assumed MCL's policies in force, with the exception of a small block of annuity policies that was assumed effective January 1, 2001. In a concurrent reinsurance agreement, the Company ceded 100% of the MCL policies assumed to Hannover Life Reassurance Company of America. In 2002, this agreement was then transferred to Hannover Life Reassurance Company of Ireland (HLR). The agreement with HLR is a funds withheld arrangement, with the Company ceding net policy assets and liabilities of approximately $724,753,000 and $732,349,000 to HLR and maintaining a funds withheld liability at December 31, 2017 and 2016, respectively.

(Continued)

Under the terms of the agreement with the receiver, the Company has guaranteed that the amount of premiums charged under the assumed “Extra-Life” contracts will not increase during the 17-year period beginning December 31, 2000, and will only increase thereafter if certain conditions are met. In 2018, the Company demonstrated to the Oklahoma Department of Insurance that those certain conditions had been met and the Company will implement a rate increase beginning in July of 2018. The Company has also guaranteed that the current dividend scale on the assumed “Extra-Life” contracts shall not be reduced or eliminated during the five-year period beginning December 31, 2000. Beginning January 1, 2006, the dividends on the assumed “Extra-Life” contracts are no longer guaranteed pursuant to the assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma.

As required by the terms of the assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma, the Company and HLR agreed that a Supplemental Policyholder Reserve (SPR) would be established. The initial SPR is equal to the net of the assets and liabilities received from MCL under the assumption agreement, less amounts ceded to other reinsurance carriers. The SPR is 100% ceded to HLR.

The purpose of the SPR is to provide additional protection to the MCL policyholders against premium increases and to ensure that profits are recognized over the lives of the underlying policies, rather than being recognized up front. The method for calculation of the initial SPR was specified precisely in the agreement with the receiver. The method for calculating the SPR for periods beyond the purchase date was developed by the Company, as this reserve is not otherwise required statutorily or under existing actuarial valuation guidance. The SPR is divided into two parts: (a) an additional reserve for future benefits, which is an estimate of the amount needed, in addition to the policy reserves and liability for future dividends, to fund benefits assuming there are no future premium rate increases, and (b) an additional reserve for future estimated profit, which represents the profit the Company expects to earn on this business over the lives of the underlying policies. The SPR is reprojected each year to recognize current and future profits as a level percentage of future projected required capital amounts each year, resulting in a level return on investment. Any remaining SPR will not automatically be released after the premium guarantee period of 17 years because the SPR is to be held until there is an actuarial certainty that premium rate increases will not be needed. The calculation of the SPR is subject to significant volatility, as it is highly dependent upon assumptions regarding mortality, lapse experience, and investment return. Small shifts in any of these underlying assumptions could have a dramatic impact on the value of the SPR. The SPR was approximately $369,102,000 and $376,521,000 for 2017 and 2016, respectively.

Under the terms of the agreement with HLR, HLR has agreed to share future profits on a 50/50 basis with the Company through an experience refund account. The experience refund account is calculated as premium income plus investment income less reserve increases (including the SPR), benefits paid, and administrative expense allowances paid to the Company and is settled on a quarterly basis. Losses are not shared on a 50/50 basis, except to the extent that a net loss in the experience account at the end of a quarter carries forward to future quarters. There was no experience refund earned by the Company in 2017 and 2016. Due to the nature of a funds withheld reinsurance arrangement, the components of the experience refund calculation are reported as separate components in the accompanying summary of operations. Premium income, reserve increases, and benefits paid related to this block are reported as reductions of premium income, changes in reserves, and benefits for reinsurance ceded, as required by the terms of the agreement. Investment income on the funds withheld is included in AFA’s investment income, and administrative expense allowances paid to AFA are reported as a reduction of AFA’s expense. The

impact of ceding investment income on funds withheld is reported as a reduction of net investment income in the accompanying summary of operations.

(15) Life Contracts – Premiums

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2017 were as follows:

		Gross	Net of loading
Ordinary new business	$	22,313,524	2,142,189
Ordinary renewal		43,492,685	36,593,406
Group life		55,596	55,563
Total	$	65,861,805	38,791,158

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2016 were as follows:

		Gross	Net of loading
Ordinary new business	$	15,540,170	2,060,989
Ordinary renewal		38,666,438	32,565,141
Group life		71,993	71,841
Total	$	54,278,601	34,697,971

(16) Short-Duration Contracts

Liabilities for Unpaid Claims and Claims Expenses

The following is information about incurred and paid claims development as of December 31, 2017. Such amounts are presented net of reinsurance, and are not discounted. The tables present claims development and cumulative claim payments by incurred year. The development tables are only presented for significant short-duration product liabilities. The information about incurred and paid claims development prior to 2016 is presented as supplementary information.

(Continued)

Joint Venture (in thousands):

Accident Year	Incurred Claims and Allocated Claim Adjustment Expenses, Net of Reinsurance For the Years Ended December 31, Unaudited										As of December 31, 2017	
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total of IBNR Liabilities Plus Expected Development on Reported Claims	Cumulative Number of Reported Claims*
2008	$ 77,492	66,603	63,557	63,623	63,560	63,517	63,517	63,517	63,517	63,517	—	NA
2009		76,333	66,360	62,478	61,776	61,690	62,037	62,037	62,037	62,037	—	NA
2010			74,400	67,176	68,029	67,271	67,271	67,225	67,247	67,247	—	NA
2011				77,020	57,571	54,187	54,151	54,076	54,112	54,112	—	NA
2012					79,103	66,845	65,243	63,987	64,188	64,153	—	NA
2013						79,418	68,263	65,067	64,474	64,265	—	NA
2014							67,194	55,110	53,387	53,363	37	NA
2015								64,488	56,920	55,788	171	NA
2016									65,557	61,175	983	NA
2017										69,000	21,859	NA
Total										$ 614,657		

* Reported claims for the Joint Venture segment are processed and reported by different Managing General Underwriters or Third Party Administrators for each separate venture. While most reported claims are detailed in a centralized database, some historical information has not been maintained at the level necessary for this disclosure. Therefore, the number of individu claims reported is not available.

Accident Year	Cumulative Paid Claims and Paid Allocated Claim Adjustment Expenses, Net of Reinsurance For the Years Ended December 31, Unaudited									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
2008	$ 42,703	62,181	63,342	63,414	63,520	63,517	63,517	63,517	63,517	63,517
2009		36,804	58,664	61,516	61,744	61,690	62,037	62,037	62,037	62,037
2010			32,894	61,039	67,315	67,271	67,271	67,247	67,247	67,247
2011				27,839	52,153	54,049	54,061	54,076	54,112	54,112
2012					29,111	61,017	63,648	63,924	64,188	64,153
2013						30,034	62,988	64,306	64,217	64,265
2014							26,932	52,175	53,246	53,326
2015								26,476	53,995	55,195
2016									28,614	58,072
2017										34,060
Total										$ 575,984
All outstanding liabilities before 2008, net of reinsurance										$ —
Liabilities for claims and claim adjustment expenses, net of reinsurance										38,673

(Continued)

Average Annual Percentage Payout

The following is supplementary information about average historical claims duration as of December 31, 2017:

	Average annual percentage payout of incurred claims by age, net of reinsurance									
Years	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
Joint venture	51.31 %	44.28 %	3.70 %	0.13 %	0.10 %	0.11 %	— %	— %	— %	— %

Significant Methodologies and Assumptions

Joint Venture (JV) reserves are developed by looking at the historical pattern of paid claims and pending case reserves. Factors are developed using these patterns and are applied to the current cumulative paid claims and pending case reserves. For incurred months that are not fully credible, the Company weights the non-credible portion with the target loss ratio for the block.

Reconciliation of the Disclosure of Incurred and Paid Claims Development to the Liability for Unpaid Claims and Cost Adjustment Expenses.

The reconciliation of the net incurred and paid claims development tables to the liability for unpaid claims and claim adjustment expenses on the consolidated balance sheet were as follows at (in thousands):

	December 31, 2017	December 31, 2016
Net Outstanding Liabilities		
JV Insurance	$ 38,673	$ 40,268
Other short-duration insurance lines	1,546	2,833
Liabilities for unpaid claims and claim adjustment expenses, net of reinsurance	40,219	43,101
Reinsurance recoverable on unpaid claims		
JV Insurance	29,240	22,129
Other insurance lines	90,726	81,011
Total reinsurance recoverable on unpaid claims	119,966	103,140
Insurance lines other than short-duration	448,590	428,607
Unallocated claim adjustment expenses	10,329	9,968
Liabilities for unpaid claims and claim adjustment expenses, net of reinsurance	458,919	438,575
Total gross liability for unpaid claims and claim adjustment expense	$ 619,104	$ 584,816

(Continued)

(17) Managing General Agents and Third-Party Administrators

Managing general agents (MGAs) and direct written contracts at December 31 were as follows:

Name and address of managing general agent or third-party administrator	Federal employer identification number	Exclusive contract	Type of business written	Type of authority granted *	2017 Direct written premium	2016 Direct written premium
TRU Services, LLC 200 Cummings Center, Ste. 272 D Beverly, MA 01915	04-3392571	No	Excess loss medical and group life	U, C, CA, R, P	$ 31,322,507	37,729,238
	Aggregate other				65,270,322	47,981,973
Total MGA and third-party administrator premium					$ 96,592,829	85,711,211

* Abbreviations
U: Underwriting
C: Claims payment
CA: Claims adjustment
R: Reinsurance ceding
P: Premium collection

(Continued)

(18) Affiliated Entities

The following is a summary of the significant ownership and affiliated entity relationships that existed at December 31, 2017:

Immediate parent	American Fidelity Corporation
Other insurance affiliates	American Public Life Insurance Company
	American Fidelity International (Bermuda) Ltd.
Other affiliates	American Fidelity International Holdings, Inc.
	American Fidelity Property Company
	6303 Portland, LLC
	Broadway Tech, LLC
	Apple Creek Apartments, Inc.
	American Fidelity General Agency, Inc.
	American Fidelity Securities, Inc.
	First Fidelity Bank and its affiliates
	INSURICA, Inc. and its affiliates
	Cameron Enterprises, A Limited Partnership and its affiliates
	InvesTrust Consulting, LLC
	InvesTrust Retirement Specialists, LLC
	InvesTrust
	American Fidelity Property Services, LLC
	Alcott HR Group, LLC
	First Financial Securities of America, Inc.
	AF Professional Employment Group, LLC
	Hawaii Development, LLC
	Home Rentals, Inc.
	9000 Broadway, LLC
	Market Place Realty Corporation
	Health Services Administration, LLC
	American Fidelity Community Services, Inc.
	AF Apartments, Inc.
	Oklahoma Winery Partners, LLC
	Vintage Oakville Cross, LLC
	American Fidelity Administrative Services, LLC
	First Financial Capital Corporation, Inc. and its affiliates

(Continued)

(19) Reconciliations

Reconciliations of capital and surplus and net income on a GAAP basis to the amounts included in the accompanying statutory financial statements for the years ended December 31, 2017 and 2016 are as follows (in thousands):

	Net income, year ended December 31		Capital and surplus, at December 31	
	2017	2016	2017	2016
Amounts as reported on statutory basis	$ 66,199	76,434	430,624	414,602
Adjustments:				
Deferred policy acquisition costs	41,358	36,200	622,638	584,217
Policy benefit reserves	(254)	10,674	(2,275)	(2,625)
Deferred federal income taxes	57,323	(15,206)	(120,313)	(173,589)
Due and deferred premiums	(2,066)	(1,978)	(24,458)	(21,807)
Nonadmitted assets	—	—	30,222	31,329
Asset valuation reserve	—	—	35,555	32,881
Invested assets	51,719	40,676	215,696	122,712
Funds withheld derivative	(46,050)	(34,465)	(122,760)	(76,710)
Other, net	(2,483)	(7,102)	35,552	26,053
Amounts on a GAAP basis for consolidated presentation	$ 165,746	105,233	1,100,481	937,063

(20) Guaranty Assessments

As of December 31, 2017, American Fidelity Assurance Company did not receive notice of any assessments that would have a material financial impact.

The amount of recognized liabilities under SSAP No. 35R is $2,210,000 and the related asset for premium tax credits is $1,535,558. The Company expects that the assessments would be billed and paid over the next year and the majority of the premium tax offsets would be realized over the next five years after that.

(Continued)

Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	$	954,625
Decreases current year:		
Premium tax offset applied	$	320,194
Reduction in the estimated liability based on the new projections at the end of the current year		3,261,661
Increases current year:		
Assessment payments less refunds on insolvencies billed during the current year	$	3,148,462
Adjustment to remove payments on insolvences		(18,861)
Increase in the estimated assessment liability		4,729,056
Assets recognized from paid and accrued premium tax offsets and policy surcharges current year end	$	5,231,427

(21) Subsequent Events

The Company has evaluated events subsequent to December 31, 2017 and through April 19, 2018, the date on which the audited financial statements were issued.

AMERICAN FIDELITY ASSURANCE COMPANY

Selected Financial Data

December 31, 2017

Investment income earned:	
Government bonds	$ 1,956,048
Other bonds (unaffiliated)	173,614,086
Preferred stocks (unaffiliated)	300,000
Common stocks (unaffiliated)	12,896
Mortgage loans	24,897,481
Real estate	6,844,174
Premium notes, policy loans, and liens	3,240,046
Cash on hand and on deposit	359,924
Other invested assets	199,808
Aggregate write-ins for investment income	260,600
Gross investment income	$ 211,685,063
Real estate owned – book value	$ 20,496,168
Mortgage loans – book value:	
Commercial mortgages	$ 480,274,494
Total mortgage loans	$ 480,274,494
Mortgage loans by standing – book value:	
Good standing	$ 480,274,494
Other long-term invested assets – statement value	22,213,579
Bonds and stocks of parents, subsidiaries, and affiliates – book value:	
Common stocks	962,932
Bonds and short-term investments by class and maturity:	
Bonds and short-term investments by maturity – statement value:	
Due within 1 year	$ 140,539,674
Over 1 year through 5 years	808,617,595
Over 5 years through 10 years	1,321,085,509
Over 10 years through 20 years	1,024,831,300
Over 20 years	728,268,006
SVO Identified Funds	20,093,868
Total by maturity	$ 4,043,435,952
Bonds and short-term investments by class – statement value:	
Class 1	$ 2,178,709,065
Class 2	1,789,262,908
Class 3	49,917,585
Class 4	12,009,777
Class 5	8,964,855
Class 6	4,571,762
Total by class	4,043,435,952
Total bonds and short-term investments publicly traded	3,102,343,975

(Continued)

Schedule 1

AMERICAN FIDELITY ASSURANCE COMPANY

Selected Financial Data

December 31, 2017

Common stocks – fair value (investments in affiliates at equity value)	$ 24,215,123
Cash on hand and on deposit	241,831,403
Life insurance in force (net):	
Ordinary	18,351,436,000
Group life	852,566,000
Amount of accidental death insurance in force under ordinary policies (net)	3,166,935,000
Life insurance policies with disability provisions in force (net):	
Ordinary	1,946,443,000
Group life	57,671,000
Supplementary contracts in force (net):	
Ordinary – not involving life contingencies:	
Amount on deposit	95,797
Income payable	
Ordinary – involving life contingencies (net):	61,983
Income payable	
Annuities:	
Ordinary:	
Immediate – amount of income payable	$ 8,009,261
Deferred – fully paid account balance	826,840,159
Group:	
Immediate – amount of income payable	427,452
Accident and health insurance – premiums in force:	
Ordinary	350,347,962
Group	571,217,024
Deposit funds and dividend accumulations:	
Deposit funds – account balance	5,984
Dividend and coupon accumulations – account balance	184,436
Claims payments:	
Other accident and health:	
2017	100,914,637
2016	29,256,152
2015	3,490,756
2014	1,382,558
2013	746,414
Prior	560,230
Group accident and health:	
2017	92,087,799
2016	63,526,254
2015	11,590,303
2014	5,445,545
2013	4,032,238
Prior	18,634,492

See accompanying independent auditors' report.

Schedule 2

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2017

1. Total admitted assets, excluding separate accounts: $5,114,945,433

2. The Company's 10 largest exposures to a single issuer/borrower/investment, excluding U.S. government, U.S. government agency securities, and those U.S. government money market funds listed in the Appendix to the NAIC SVO Purposes and Procedures Manual as exempt, property occupied by the Company, and policy loans at December 31, 2017 are as follows:

Investment category	Amount	Percentage of total admitted assets
Woodside Finance Ltd	$ 16,987,184	0.332%
Enbridge, Inc	16,425,454	0.321
ZP, LLC	16,160,795	0.316
Thermo Fisher Scientific	15,844,306	0.310
Kroger Co	15,483,045	0.303
Crown Equipment	15,323,470	0.300
Equifax, Inc	15,303,030	0.299
Morgan Stanley	15,186,770	0.297
Priceline Group, Inc.	14,981,260	0.293
Cox Communications, Inc	14,944,015	0.292

3. The Company's investments in bonds, short-term investments, and preferred stocks by NAIC rating at December 31, 2017 are as follows:

Bonds, short-term investments, and preferred stocks	Amount	Percentage of total admitted assets
NAIC-1	$ 2,178,709,065	42.595%
NAIC-2	1,793,262,908	35.059
NAIC-3	49,917,585	0.976
NAIC-4	12,009,777	0.235
NAIC-5	8,964,855	0.175
NAIC-6	4,782,982	0.094

Schedule 2

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2017

4. Assets held in foreign investments:

	Amount	Percentage of total admitted assets
Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets?		Yes ( ) No (X)
Total admitted assets held in foreign investment	$ 477,308,286	9.332%
Foreign-currency-denominated investments	—	—
Insurance liabilities denominated in that same foreign currency	—	—

5. Aggregate foreign investment exposure categorized by NAIC sovereign rating:

	Amount	Percentage of total admitted assets
Countries rated NAIC-1	$ 442,455,046	8.650%
Countries rated NAIC-2 or below	34,853,240	0.681

6. Largest foreign investment exposures by country, categorized by the country's NAIC sovereign rating:

	Amount	Percentage of total admitted assets
Countries rated NAIC – 1:		
Country 1: Australia	$ 119,782,987	2.342%
Country 2: Great Britain	100,440,082	1.964
Countries rated NAIC – 2 or below:		
Country 1: Mexico	$ 31,727,687	0.620%
Country 2: Italy	3,000,000	0.059

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2017

10. Ten largest nonsovereign (i.e., nongovernmental) foreign issues:

Issuer		Amount	Percentage of total admitted assets
Woodside Finance Ltd 144A	$	16,987,183	0.332%
Grupo Bimbo		14,935,129	0.292
WPP France 2010		14,817,183	0.290
Shell International		11,187,693	0.219
NSW		11,000,000	0.215
Orange SA		10,935,931	0.214
Scentre Group Trust 1/2		10,306,371	0.201
Electricite De France		10,245,779	0.200
Reckitt Benckiser Tsy		9,971,332	0.195
Transurban Finance Co 144A		9,932,087	0.194

16a. The aggregate mortgage interest represents the combined value of all mortgages secured by the same property or same group of properties. Each of the Company's 10 largest aggregate mortgage interests at December 31, 2017 are as follows:

Type (commercial)		Amount	Percentage of total admitted assets
ZP, LLC	$	16,160,795	0.316%
Crown Equipment		15,323,470	0.300
CE Enterprise Partners		13,620,158	0.266
Wildcat Commons, LLC		11,507,429	0.225
Daboo, LLC		11,404,665	0.223
Susan A Cox		9,414,512	0.184
Apollo Partners LP		9,112,769	0.178
Locke Supply Co		8,330,236	0.163
DWB Greeneville, LLC		6,973,212	0.136
Kuakini Self Storage, LLC		6,425,947	0.126

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2017

16b. The Company's mortgage loans have the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

	Loan-to-value	Commercial	Percentage of total admitted assets
i.	above 95%	$ —	— %
ii.	91% to 95%	—	—
iii.	81% to 90%	—	—
iv.	71% to 80%	37,389,678	0.731
v.	below 70%	442,884,816	8.659

Items 7 through 9, 11 through 15, 17a, and 18 through 23 are not applicable to the Company.

See accompanying independent auditors' report.

AMERICAN FIDELITY ASSURANCE COMPANY

Summary Schedule of Investments

December 31, 2017

Investment categories	Gross investment holdings		Admitted assets as reported in the annual statement	
	Amount	Percentage	Amount	Percentage
Bonds:				
U.S. Treasury securities	$ 1,020,393	0.021%	$ 1,020,393	0.021%
U.S. government agency obligations (excluding mortgage-backed securities):				
Issued by U.S. government agencies	3,874,559	0.079%	3,874,559	0.079%
Issued by U.S. government sponsored agencies	392,916,263	8.030%	392,916,263	8.030%
Non-U.S. government (including Canada, excluding mortgage-backed securities)	28,230,642	0.577%	28,230,642	0.577%
Securities issued by states, territories, and possessions and political subdivisions in the United States:				
States, territories, and possessions general obligations	261,923,324	5.353%	261,923,324	5.353%
Revenue and assessment obligations	145,782,863	2.980%	145,782,863	2.980%
Mortgage-backed securities (includes residential and commercial MBS):				
Pass-through securities:				
Issued or guaranteed by GNMA	1,967,884	0.040%	1,967,884	0.040%
Issued or guaranteed by FNMA and FHLMC	811,746	0.017%	811,746	0.017%
All other				
CMOs and REMICs:				
Issued or guaranteed by GNMA, FNMA, FHLMC, and VA	638,503,848	13.050%	638,503,848	13.050%
All other	82,504,602	1.686%	82,504,602	1.686%
Other debt and other fixed income securities (excluding short-term):				
Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	1,937,552,411	39.600%	1,937,552,411	39.600%
Unaffiliated foreign securities	548,347,417	11.207%	548,347,417	11.207%
Equity interests:				
Preferred stocks:				
Unaffiliated	4,211,220	0.086%	4,211,220	0.086%
Publicly traded equity securities (excluding preferred stocks):				
Unaffiliated	373,438	0.008%	373,438	0.008%
Other equity securities:				
Affiliated	962,932	0.020%	962,932	0.020%
Unaffiliated	22,878,753	0.468%	22,878,753	0.468%

Continued

Schedule 3

AMERICAN FIDELITY ASSURANCE COMPANY

Summary Schedule of Investments

December 31, 2017

Investment categories	Gross investment holdings		Admitted assets as reported in the annual statement	
	Amount	Percentage	Amount	Percentage
Mortgage loans:				
Commercial loans	$ 480,274,494	9.816%	$ 480,274,494	9.816%
Real estate investments:				
Property held for production of income (including $0 of property acquired in satisfaction of debt)	20,496,168	0.419%	20,496,168	0.419%
Property held for sale (including $0 of property acquired in satisfaction of debt)				
Policy loans	55,266,258	1.130%	55,266,258	1.130%
Receivables for securities	891,977	0.018%	891,977	0.018%
Cash, cash equivalents, and short-term investments	241,831,403	4.943%	241,831,403	4.943%
Other invested assets	22,213,579	0.454%	22,213,579	0.454%
Total invested assets	$ 4,892,836,174	100%	$ 4,892,836,174	100%

See accompanying independent auditors' report.



AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Financial Statements and Schedules

December 31, 2015 and 2014

(With Independent Auditors' Report Thereon)

KPMG LLP
210 Park Avenue, Suite 2850
Oklahoma City, OK 73102-5683

Independent Auditors' Report

The Board of Directors
American Fidelity Assurance Company:

Report on the Financial Statements

We have audited the accompanying statutory financial statements of American Fidelity Assurance Company (the Company), which comprise the statutory statements of admitted assets, liabilities, and capital and surplus as of December 31, 2015 and 2014, and the related statutory statements of operations, capital and surplus, and cash flow for the years then ended, and the related notes to the statutory financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

KPMG LLP is a Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in note 1 to the statutory financial statements, the financial statements are prepared by the Company using statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department, which is a basis of accounting other than U.S. generally accepted accounting principles. Accordingly, the financial statements are not intended to be presented in accordance with U.S. generally accepted accounting principles.

The effects on the financial statements of the variances between the statutory accounting practices and U.S. generally accepted accounting principles also are described in note 18.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the variances between statutory accounting principles and U.S. generally accepted accounting principles discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to above do not present fairly, in accordance with U.S. generally accepted accounting principles, the financial position of American Fidelity Assurance Company as of December 31, 2015 and 2014, or the results of its operations or its cash flows for the years then ended.

Opinion on Statutory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of American Fidelity Assurance Company as of December 31, 2015 and 2014, and the results of its operations and its cash flow for the years then ended, in accordance with statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department described in note 1.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included in the supplemental schedules of selected financial data, investment risk interrogatories, and summary schedule of investments, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Oklahoma Insurance Department. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

/s/KPMG LLP

Oklahoma City, Oklahoma
May 16, 2016

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Admitted Assets,
Liabilities, and Capital and Surplus

December 31, 2015 and 2014

Admitted Assets	2015	2014
Cash and invested assets:		
Bonds, at amortized cost (fair value: $3,798,014,131 and $3,766,794,670 in 2015 and 2014, respectively)	$ 3,720,637,147	3,502,505,616
Preferred stocks, at cost (fair value: $4,358,200 and $277,092 in 2015 and 2014, respectively)	4,211,220	211,220
Common stocks, at fair value (cost: $15,566,172 and $16,408,121 in 2015 and 2014, respectively)	24,230,887	24,333,878
Common stock, investment in affiliates at equity value	790,709	780,706
Mortgage loans on real estate	393,280,807	354,597,714
Investment real estate, at cost (less accumulated depreciation of $4,898,719 and $3,540,781 in 2015 and 2014, respectively and less encumbrances of $14,486,300 and $15,079,657 in 2015 and 2014, respectively)	10,713,130	11,954,975
Policy loans	52,673,645	51,928,464
Cash and short-term investments, at cost, which approximates fair value	175,188,228	132,976,274
Other invested assets	21,866,789	22,106,042
Total cash and invested assets	4,403,592,562	4,101,394,889
Life insurance premiums and annuity considerations deferred and uncollected	32,335,500	29,970,810
Accident and health premiums due and unpaid	46,576,168	50,231,651
Investment income due and accrued	39,990,590	38,592,265
Amounts recoverable from reinsurers	2,945,575	874,367
Other receivables under reinsurance contracts	17,521,100	16,328,383
Equipment, at cost (less accumulated depreciation of $0 in 2015 and 2014)	401,367	1,828
Other assets	79,433,645	72,836,409
Separate account assets	558,314,969	648,749,195
Total admitted assets	$ 5,181,111,476	4,958,979,797

(Continued)

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Admitted Assets,
Liabilities, and Capital and Surplus

December 31, 2015 and 2014

Liabilities and Capital and Surplus	2015	2014
Aggregate reserves:		
Life policies and contracts	$ 2,060,946,289	1,840,170,395
Accident and health policies	528,014,413	495,551,552
Total aggregate reserves	2,588,960,702	2,335,721,947
Policy and contract claims reserves	152,759,713	154,040,496
Liability for premiums and other deposit funds	9,955,264	10,391,344
Remittances and items not allocated	17,726,985	3,926,664
General insurance expenses, taxes, licenses, and fees due or accrued	90,446,161	70,250,585
Funds held under coinsurance (notes 9 and 14)	737,412,044	736,704,703
Other liabilities	94,122,695	95,848,223
Borrowed money	522,915,427	522,973,345
Separate account liabilities	558,314,969	648,749,195
Total liabilities	4,772,613,960	4,578,606,502
Capital and surplus:		
Common stock, par value $10 per share, 250,000 shares authorized, issued, and outstanding	2,500,000	2,500,000
Additional paid-in capital	5,804,686	5,804,686
Unassigned surplus	400,192,830	372,068,609
Total capital and surplus	408,497,516	380,373,295
Commitments and contingencies (notes 7, 8, 12, and 13)		
Total liabilities and capital and surplus	$ 5,181,111,476	4,958,979,797

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Operations

Years ended December 31, 2015 and 2014

	2015	2014
Income:		
Life insurance premiums and annuity considerations	$ 355,371,149	239,212,269
Accident and health insurance premiums	602,521,311	583,252,676
Net investment income (less investment expenses of $32,611,100 and $34,122,550 in 2015 and 2014, respectively)	173,129,135	165,218,489
Commissions and expense allowances on reinsurance ceded	(3,156,671)	(2,571,281)
Other income	41,978,170	39,884,685
Total income	1,169,843,094	1,024,996,838
Benefits and other deductions:		
Death benefits and matured endowments	21,861,762	25,411,216
Annuity benefits	9,052,529	9,502,717
Accident and health and disability benefits	294,443,710	293,082,004
Interest and adjustments on policy or deposit-type contract funds	410,929	291,898
Other benefits to policyholders and beneficiaries	107,320,332	99,532,076
Increase in aggregate reserves for future policy benefits	253,238,755	150,631,778
Commissions on premiums and annuity considerations	125,452,653	113,558,638
Commissions and expense allowances on reinsurance assumed	13,360,132	13,652,461
General insurance expenses, taxes, licenses, and fees	226,717,620	210,184,959
Other	3,196,121	4,431,262
Total benefits and other deductions	1,055,054,543	920,279,009
Net gain from operations before federal income taxes and net realized capital gains (losses)	114,788,551	104,717,829
Federal income taxes	41,960,713	35,212,048
Net gain from operations before net realized capital gains (losses)	72,827,838	69,505,781
Net realized capital gains (losses), net of federal income tax expense of $1,408,332 and $1,422,611 in 2015 and 2014, respectively (excluding gains of $5,937,103 and $4,468,608 transferred to the interest maintenance reserve in 2015 and 2014, respectively)	2,539,254	(253,885)
Net income	$ 75,367,092	69,251,896

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Capital and Surplus

Years ended December 31, 2015 and 2014

	2015	2014
Capital and surplus, beginning of year	$ 380,373,295	342,671,304
Net income	75,367,092	69,251,896
Change in net unrealized capital gains, net of tax benefit (expense) of $460,208 and 103,997 for 2015 and 2014, respectively	(957,954)	(211,345)
Change in net deferred taxes	10,913,745	4,634,749
Change in nonadmitted assets	(17,390,290)	(3,514,894)
Change in asset valuation reserve	(4,035,360)	(3,071,279)
Dividends to stockholder	(35,000,000)	(35,000,000)
Change in liability for reinsurance in unauthorized companies	(488,392)	264,076
Correction of error (note 1)	—	4,733,000
Other changes	(284,620)	615,788
Net change in capital and surplus	28,124,221	37,701,991
Capital and surplus, end of year	$ 408,497,516	380,373,295

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Cash Flow

Years ended December 31, 2015 and 2014

	2015	2014
Premiums and annuity considerations, net of reinsurance	$ 957,714,918	818,905,483
Allowances and reserve adjustments on reinsurance ceded	(3,156,671)	(2,571,281)
Investment income received	171,805,186	163,132,957
Other income	38,409,872	55,332,562
Life and accident and health claims paid	(321,908,000)	(335,810,367)
Surrender benefits and other fund withdrawals paid	(107,192,389)	(99,377,891)
Other benefits to policyholders paid	(9,180,472)	(9,656,903)
Commissions and other expenses paid	(347,550,794)	(338,758,795)
Federal income taxes paid	(46,764,729)	(39,575,000)
Dividends paid to policyholders	(532,662)	(414,598)
Net cash from operations	331,644,259	211,206,167
Proceeds from investments sold, matured, or repaid:		
Bonds	386,364,794	324,181,892
Stocks	1,388,423	4,838,273
Mortgage loans	52,010,657	69,147,281
Other	111,955	4,836,875
Total investment proceeds	439,875,829	403,004,321
Cost of investments acquired:		
Bonds	(595,564,334)	(451,769,072)
Stocks	(4,000,000)	—
Mortgage loans	(90,693,750)	(83,690,000)
Other	(5,683,388)	(1,636,073)
Total investments acquired	(695,941,472)	(537,095,145)
Net change in policy loans and loans on fund deposits	(745,181)	(7,952,273)
Net cash from investing	(256,810,824)	(142,043,097)
Borrowed money	(57,918)	(59,116)
Other cash provided	14,176,337	5,348,788
Dividends paid to stockholder	(35,000,000)	(35,000,000)
Other cash applied	(11,739,900)	(28,612,547)
Net cash from financing and miscellaneous sources	(32,621,481)	(58,322,875)
Net change in cash and short-term investments	42,211,954	10,840,195
Cash and short-term investments, beginning of year	132,976,274	122,136,079
Cash and short-term investments, end of year	$ 175,188,228	132,976,274

See accompanying notes to statutory financial statements.

(1) Significant Accounting Policies

(a) Business

American Fidelity Assurance Company (AFA or the Company) provides a variety of financial services. AFA is a wholly owned subsidiary of American Fidelity Corporation (AFC), a Nevada insurance holding company. AFA is domiciled in the state of Oklahoma. The Company is subject to state insurance regulations and periodic examinations by state insurance departments.

AFA is licensed in 49 states, as well as the District of Columbia, American Samoa, Puerto Rico, and Guam, with approximately 40% of direct premiums written in Oklahoma, Texas, and California. Activities of AFA are largely concentrated in the group disability income, group and individual annuity, supplemental health, and individual medical markets. In addition, individual and group life business is also conducted. The main thrust of AFA's sales is worksite marketing of voluntary products through the use of payroll deduction. The Company sells these voluntary products through a salaried sales force that is broken down into two primary divisions: the Association Worksite Division (AWD) and American Fidelity Educational Services (AFES). AWD specializes in voluntary disability income insurance programs aimed at selected groups and associations whose premiums are funded by employees through payroll deductions. AFES focuses on marketing to public school employees with voluntary insurance products such as disability income, tax-sheltered annuities, life insurance, dread disease, and accident only. These premiums are also funded by employees through payroll deductions. The expertise gained by the Company in worksite marketing of voluntary products is used by the Strategic Alliances Division in developing products to meet special situations. The Life Division was formed upon the acquisition of a block of life business in 2000. This division is marketing individual life products through independent brokers in the United States of America and Latin America.

These statutory financial statements were prepared for the purpose of filing with the various state insurance departments.

(b) Basis of Presentation

The accompanying statutory financial statements of the Company have been prepared in conformity with accounting practices prescribed or permitted by the Oklahoma Insurance Department, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles (GAAP). Effective January 1, 2001, the National Association of Insurance Commissioners (NAIC) and the Oklahoma Insurance Department required that insurance companies domiciled in the state of Oklahoma prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures Manual Statements of Statutory Accounting Principles (SSAP) subject to any deviations prescribed or permitted by the Insurance Commissioner of the state of Oklahoma (the Commissioner). There are no material differences between the accounting practices prescribed or permitted by the Oklahoma Insurance Department and the accounting practices prescribed and permitted by the NAIC. There have been no permitted practices granted to the Company for 2015 and 2014 by the Oklahoma Insurance Department.

(Continued)

SSAP differ from GAAP in several respects, which cause differences in reported assets, liabilities, stockholder's equity (statutory capital and surplus), net income, and cash flows. The principal SSAP that differ from GAAP include the following:

- The financial statements of subsidiaries are not consolidated and are accounted for as investments in common stock.
- Investments in bonds and preferred stocks are carried amortized cost, cost, or the lower of cost or fair value; under GAAP, investments in bonds and preferred stock, other than those classified as held-to-maturity, are carried at fair value.
- Certain assets (principally certain deferred taxes, furniture, equipment, prepaid expenses, and premiums due from policyholders, agents' balances, and amounts recoverable from reinsurers over 90 days) have been designated as nonadmitted assets and excluded from assets by a charge to statutory surplus. Under GAAP, such amounts are carried at amortized cost with the appropriate valuation allowance, when necessary.
- Aggregate reserves for life, annuities, and accident and health are based on statutory mortality and interest requirements without consideration for anticipated withdrawals. Morbidity assumptions are based on the statutory morbidity requirements or Company's experience where allowed. Under GAAP, the reserves are based on either (i) the present value of future benefits less the present value of future net premiums based on mortality, morbidity, and other assumptions that were appropriate at the time the policies were issued or acquired, or (ii) the account value for certain contracts without significant life contingencies.
- The interest maintenance reserve (IMR) represents the deferral of interest-related realized gains and losses, net of tax, on primarily fixed maturity investments, which are amortized into income over the remaining life of the investment sold. No such reserve is required under GAAP.
- Deferred income taxes are recognized for both SSAP and GAAP; however, the amount permitted to be recognized is generally more restrictive under SSAP and the change in deferred taxes is reported as a direct charge to surplus.
- The asset valuation reserve (AVR) represents a contingency reserve for credit-related risk on most invested assets of the Company, and is charged to statutory surplus. No such reserve is required under GAAP.
- Policy acquisition costs are expensed as incurred, while under GAAP, successful acquisition costs are deferred and recognized over either (1) the expected premium-paying period or (2) the estimated life of the contract.
- Reserves are reported net of ceded reinsurance; under GAAP, reserves are reported gross with a corresponding reinsurance receivable.
- A 100% provision is established for unsecured reinsurance recoverable balances from unauthorized reinsurers. The change in this provision is credited or charged to unassigned surplus. Under GAAP, a provision is established for uncollectible reinsurance balances with any changes to this provision reflected in earnings for the period.

(Continued)

- The statements of operations are different in certain respects, with life and annuity premiums being recognized as revenue when the policies and contracts are issued. Under GAAP, premiums on life insurance policies are recognized when due; premiums on annuity contracts are not recognized as revenue, but as deposits.
- Revenues for universal life policies and investment products consist of the entire premium received, and benefits represent the death benefits paid and the change in policy reserves, unless the products do not incorporate mortality or morbidity risk. Under GAAP, premiums received in excess of policy charges are not recognized as premium revenue, and benefits represent the excess of benefits paid over the policy account values and interest credited to the account values.
- The statements of cash flow differ in certain respects from the presentation required under GAAP, including the presentation of the changes in cash and short-term investments instead of cash and cash equivalents. Short-term investments include securities with maturities, at the time of acquisition, of one year or less. For statutory purposes, there is no reconciliation between net income and cash from operations.
- A statement of comprehensive income is not required for SSAP reporting.

(c) Use of Estimates

The preparation of financial statements in conformity with accounting practices prescribed or permitted by the Oklahoma Insurance Department, Annual Statement Instructions, and NAIC Manual requires management to make estimates and assumptions that affect the reported amounts of admitted assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in those estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in future periods. Principal estimates that could change in the future are the fair value of investments, whether an available-for-sale security is other-than-temporarily impaired, and the actuarial assumptions used in establishing policy liabilities.

(d) Investments in Affiliates, Joint Ventures, Partnerships, or Limited Liability Companies

The statutory financial statements include the Company's investment in its wholly owned subsidiaries. Intercompany accounts and transactions have not been eliminated in the statutory financial statements. The Company's wholly and majority-owned subsidiaries at December 31, 2015 and 2014 are noninsurance entities that have no significant ongoing operations other than to hold assets that are primarily for the direct or indirect benefit or use of the Company or its affiliates, and are carried at the underlying equity of the respective entity's financial statements adjusted to a statutory basis of accounting.

The Company's investments in joint ventures, partnerships, and limited liability companies are recorded at cost, adjusted for the Company's share of the GAAP basis earnings or losses of the investee, net of any distributions received. Such investments are reported as other invested assets and the related adjustments are reported as unrealized capital gains or losses in surplus.

(e) Investments

The investment portfolio includes bonds, preferred stocks, common stocks, mortgage loans, real estate, policy loans, other invested assets, and short-term investments.

Investments are carried in accordance with rules established by the NAIC. Bonds are carried at cost, adjusted where appropriate for accretion of premium or amortization of discount using the scientific interest method and taking into consideration stated interest and principal provisions. Additionally, bonds rated as NAIC 6 are carried at the lower of their cost or fair market value. Preferred stocks are carried at the lower of cost or fair value since there is no premium or discount. Common stocks are carried at fair value. Policy loans are stated at their aggregate unpaid balances. Mortgage loans on real estate are stated at their aggregate unpaid balances. Real estate held for investment is carried at cost less accumulated depreciation and encumbrances. Encumbrances as of December 31, 2015 and 2014 were $14,486,000 and $15,080,000, respectively. The promissory note bears interest at 4.32% and is due in monthly installments of approximately $103,000 (including interest) to 2022. Property occupied by the Company is carried at cost, less accumulated depreciation.

Realized gains or losses are determined on the specific identification basis. Unrealized gains and losses on common stocks of affiliates and nonaffiliates are accounted for as direct increases or decreases in surplus.

Because the Company's primary business is in the insurance industry, the Company holds a significant amount of assets that it intends to match with its liabilities in relation to maturity and interest margin. In order to maximize earnings and minimize risk, the Company invests in a diverse portfolio of investments. The portfolio is diversified by geographic region, investment type, underlying collateral, maturity, and industry. Management does not believe that the Company has any significant concentrations of credit risk in its investments.

The Company generally does not invest in any low investment-grade high-yield investment bonds (junk bonds). Certain bonds are guaranteed by the U.S. government. The Company limits its risks by investing in bonds and stocks of rated companies, mortgage loans adequately collateralized by real estate, selective real estate supported by appraisals, and policy loans collateralized by policy cash values. In addition, the Company performs due diligence procedures prior to making mortgage loans. These procedures include evaluations of the credit worthiness of the mortgagees and/or tenants and independent appraisals.

The maximum and minimum lending rates for mortgage loans originated during 2015 were 4.660% and 4.125%, respectively. The maximum and minimum lending rates for mortgage loans originated during 2014 were 6.875% and 4.125%, respectively. The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 80% during 2015 and 2014. During 2015 and 2014, the Company did not reduce

interest rates on any outstanding mortgage loans. The Company held no mortgages with interest more than 180 days past due or impaired mortgage loans.

For loan-backed securities, the Company has elected to use the carrying value as of January 1, 1994 as the cost for applying the retrospective adjustment method to securities purchased prior to that date. In 2015 and 2014, the Company had no changes from the retrospective to prospective methodology due to negative yield on specific securities. Prepayment assumptions for single class and multiclass mortgage-backed/asset-backed securities were obtained from broker-dealer survey values or internal estimates.

The Company periodically reviews its investment portfolio to determine if provisions for possible losses or provisions for other-than-temporary impairment (OTTI) are necessary. In connection with this determination, management reviews published market values, credit ratings, independent appraisals, expected cash flows, and other valuation information. Securities with impairments are written down to the present value of expected cash flows to be collected rather than fair value unless the Company has the intent to sell or inability to retain the security until recovery of amortized cost. For the year ended December 31, 2015, the Company recorded $0 OTTI. For the year ended December 31, 2014, the Company recorded approximately $533,000 OTTI on two securities. While management believes that no additional provisions for OTTI are currently necessary, adjustments may be necessary in the future due to changes in economic conditions. In addition, regulatory agencies periodically review investment valuation as an integral part of their examination process. Such agencies may require the Company to recognize adjustments based upon available information and judgments of the regulatory examiners at the time of their examination.

(f) Equipment

Equipment consists of electronic data processing equipment and is stated at cost less accumulated depreciation. Equipment is depreciated on a straight-line basis using estimated lives of five to ten years. Additions, renewals, and betterments are capitalized. Expenditures for software, maintenance, and repairs are expensed. Upon retirement or disposal of an asset, the asset and related accumulated depreciation are eliminated and any related gain or loss is included in income.

(g) Company-Owned Life Insurance

The Company is the owner of three single premium insurance policies and one group variable life insurance policy for certain current executives of the Company, where the Company is the beneficiary. These policies, accounted for using the investment method, were purchased in 2010 and in 2014. The policies are recorded in other assets at their net cash surrender values, as reported by the four issuing insurance companies, whose Standard & Poor's financial strength ratings range are AA+ for the single premium insurance policies and A for the group variable life insurance policy. The net cash surrender values totaled approximately $32,929,000 and $31,935,000 as of December 31, 2015 and 2014, respectively, and are included in other assets. The face value (death benefit) of the life insurance policies underlying the contracts was approximately $80,511,000 and $80,217,000 as of December 31, 2015 and 2014, respectively.

(h) Premiums

Life premiums are recognized as revenue when the policy is written and on each anniversary date thereafter. Accident and health premiums are recognized when due from the policyholder. Both life and accident and health premiums are increased by reinsurance premiums assumed and reduced by reinsurance premiums ceded. Contracts issued that do not incorporate mortality or morbidity risk are not accounted for as insurance contracts. Amounts received as payments for such contracts are recorded as direct increases to the policy reserves.

The Company estimates accrued retrospective premium adjustments (premium rate stabilization) for certain contracts in its group health and group life business based on contractually determined formulas by group. The amount of net premiums written by the Company for the years ended December 31, 2015 and 2014 that were subject to retrospective rating features was approximately $226,000 and $245,000, respectively, which represented approximately 0.07% of net premiums written for group health and group life products in 2015 and 2014. No other net premiums written by the Company were subject to retrospective rating features.

(i) Reinsurance

The Company accounts for reinsurance transactions as prescribed by the applicable accounting standards, which require the reporting of reinsurance transactions relating to the statements of admitted assets, liabilities, and capital and surplus on a net basis and precludes immediate gain recognition on reinsurance contracts.

(j) Income Taxes

Current income taxes incurred includes current income taxes for the amount of federal income taxes paid or payable for the current year. These amounts are determined based on estimates of federal income taxes for the current year, including tax contingencies and benefits. The Company's current tax recoverable is reported as a component of other assets and current tax payable is reported as a component of other liabilities. The changes in current taxes are reflected in the statutory statements of operations.

Deferred income tax assets and liabilities are determined based on differences between statutory financial statement carrying amounts of existing assets and liabilities and their respective tax bases, as well as operating loss, capital loss, and tax credit carryforwards. Temporary differences related to AVR and IMR are not included in the determination of gross deferred income taxes while temporary differences for unrealized gains/losses and nonadmitted assets are included. Gross deferred tax assets are reduced by a valuation allowance if it is more likely than not (i.e. greater than 50% likelihood) that some portion or all of the gross deferred tax assets will not be realized. The deferred tax assets and liabilities are measured using federal enacted tax rates. Deferred income tax assets are limited as to their admissibility. The changes in net deferred tax assets and liabilities are reflected in surplus. The Company's net admitted deferred tax assets are reported as a component of other assets.

(k) Policy Liabilities

Aggregate reserves for life policies and contracts include reserve amounts principally for life insurance policies, payout annuity policies, and disability insurance policies. The life insurance reserves are principally based on the 1941, 1958, 1980, and 2001 Commissioners Standard Ordinary (CSO) mortality tables, and are established with interest rate assumptions ranging from 2.0% to 6.0%. Annuity insurance reserves are established with interest rate assumptions ranging from 3.0% to 8.8%. Disability reserves are principally based on the 1987 Group Life Disability Table, with adjustments for actual Company experience. The tabular interest, tabular less actual reserves released, and the tabular cost have been determined by formula. Aggregate reserves for accident and health policies include the present value of amounts not yet due on claims, additional reserves, and unearned premiums.

Policy and contract claims reserves include a provision for reported claims and claims incurred but not reported. The provision for claims incurred but not reported is estimated based primarily on Company experience. Although these provisions are the Company's best estimate of the ultimate value, the actual results may vary from these values.

Liability for premiums and other deposit funds include reserves for qualified before tax annuities and other accumulation policies that do not subject the Company to any risks from policyholder mortality and morbidity. Such reserves are established using guaranteed interest rates of 3.0% to 7.5%.

The Company has a significant amount of allocated deferred annuity contracts with life contingencies. The liability for these contracts is recorded as aggregate reserves for life policies and contracts. The Company also has annuities certain without life contingencies. The liability for these contracts is recorded as a liability for premiums and other deposit funds.

There were no changes made to the valuation basis for reserves in 2015 and 2014, other than the addition of the 2001 CSO table for life products where approved.

The Company waives deduction of deferred fractional premiums upon death of the insured, and returns any portion of the final premium beyond the month of death for policies developed and issued subsequent to December 1977.

Surrender values are not promised in excess of the legally computed reserves.

Extra premiums are charged for substandard lives in addition to the regular gross premium for the true age.

Mean reserves are determined by computing the regular mean reserve for the plan at the true age and holding in addition one-half of the extra premium charge for the year.

The Company had approximately $1,408,812,000 and $12,754,023,000 of insurance in force (after reinsurance ceded) for which the gross premiums are less than the net premiums according to the standard valuation set by the state of Oklahoma at December 31, 2015 and 2014, respectively.

The Company had approximately $215,549,000 and $114,637,000 as of December 31, 2015 and 2014, respectively, of annuity actuarial reserves and deposit liabilities that were subject to discretionary withdrawal at book value less current surrender charge of 5% or more. As of December 31, 2015 and 2014, the Company has approximately $554,421,000 and $643,936,000, respectively, of annuity actuarial reserves and deposit liabilities that were subject to discretionary withdrawal at market value where the withdrawal of the funds is payable at the current market value of the assets supporting the liabilities. Annuity reserves and deposit liabilities that were subject to discretionary withdrawal at book value without adjustment were approximately $1,407,710,000 and $1,307,917,000 as of December 31, 2015 and 2014, respectively. There were approximately $64,444,000 and $66,025,000 of annuity reserves and deposit liabilities that are not subject to discretionary withdrawal at December 31, 2015 and 2014, respectively. At December 31, 2015 and 2014, the total gross annuity actuarial reserves and deposit liabilities were approximately $2,242,124,000 and $2,132,515,000, respectively, and the net annuity actuarial reserves and deposit liabilities were approximately $2,236,228,000 and $2,126,753,000, respectively. The ceded amount of annuity actuarial reserves and deposit liabilities was approximately $5,896,000 and $5,762,000 as of December 31, 2015 and 2014, respectively. The Company's earnings related to these products are impacted by conditions in the overall interest rate environment.

(l) Capital and Surplus

Capital and surplus of the Company is restricted as to payment of dividends by statutory limitations applicable to insurance companies. Without prior approval of the respective state insurance department, dividends that can be paid are generally limited to the greater of 10% of statutory capital and surplus or the statutory net gain from operations before net realized capital gains/losses reported for the previous calendar year. The maximum dividend payout, which may be made without prior approval in 2015, is approximately $72,828,000.

The Oklahoma Insurance Department has adopted Risk-Based Capital (RBC) requirements for life insurance companies. The RBC calculation serves as a benchmark for the regulation of life insurance companies by state insurance regulators. RBC provides for surplus formulas similar to target surplus formulas used by commercial rating agencies. The formulas specify various weighting factors that are applied to statutory financial balances or various levels of activity based on the perceived degree of risk, and are set forth in the RBC requirements. The Company has calculated RBC in accordance with the NAIC's Model Rule and RBC rules as adopted by the Oklahoma Insurance Department. The RBC, as calculated by the Company, exceeds levels requiring Company or regulatory action at December 31, 2015 and 2014.

(m) Separate Accounts

The Company maintains a separate account under Oklahoma insurance law designated as American Fidelity Separate Account A (Account A). Account A was formerly known as American Fidelity Variable Annuity Fund A, and operated as an open-end diversified management investment company from 1968 to 1998. Effective January 1, 1999, it was converted to a unit investment trust separate account, and it transferred its investment portfolio to the American Fidelity Dual Strategy Fund, Inc. (the Fund), an open-end investment company sponsored by AFA, in exchange for shares of the Fund.

On November 25, 2014, Account A's investment in the Fund was substituted with the Vanguard Total Stock Market Index Fund. Under Oklahoma law, the assets of Account A are segregated from the Company's assets, are held for the exclusive benefit of the variable annuity contract owners, and are not chargeable with liabilities arising out of the business conducted by any other account or by the Company.

The Company also maintains separate accounts under Oklahoma insurance law designated as American Fidelity Separate Account B (Account B) and American Fidelity Separate Account C (Account C). Account B and Account C are registered as unit investment trusts under the Investment Company Act of 1940, as amended. Under Oklahoma law, the assets of each of the ten (10) segregated subaccounts of Account B and the ten (10) segregated subaccounts of Account C are held for the exclusive benefit of the variable annuity contract owners, and are not chargeable with liabilities arising out of the business conducted by any other account or by the Company.

The separate accounts maintained by the Company represent funds for nonguaranteed variable annuities. The assets of these accounts are carried at market value. The net investment experience of the separate account is credited directly to the policyholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of the account value or the premium paid. The minimum guaranteed death benefit reserve is held in the Company's general account. For the years ended December 31, 2015 and 2014, the amount of premiums, considerations, or deposits for the year was approximately $74,568,000 and $103,338,000, respectively.

(n) Reclassification

Certain prior year amounts have been reclassified to conform to the current year presentation.

(2) Admitted and Nonadmitted Assets

Assets in the statutory statements of admitted assets, liabilities, and capital and surplus are stated at admitted asset values, which are the values permitted to be reported in the annual report to the Oklahoma Insurance Department. All other assets are "nonadmitted assets" and are excluded from the statutory statements of admitted assets, liabilities, and capital and surplus by a charge to surplus. Nonadmitted assets as of December 31 are as follows:

	2015	2014
Prepaids, deposits, and other receivables	$ 5,853,047	3,308,702
Agents' balances	1,598,451	77,841
Deferred tax asset	44,146,314	36,509,900
Leasehold improvements	8,772,480	3,083,559
	$ 60,370,292	42,980,002

(3) Fair Value of Financial Instruments

A summary of the Company's financial instruments and the fair value estimates, methods, and assumptions is set forth below:

	Estimated fair value as of December 31, 2015				
	Aggregate fair value	Admitted assets	Level 1	Level 2	Level 3
Financial assets:					
Cash and short-term investments	$ 175,188,228	175,188,228	175,188,228	—	—
Investment income due and accrued	39,990,590	39,990,590	39,990,590	—	—
Bonds	3,798,014,131	3,720,637,147	1,150,731	3,440,489,361	356,374,039
Common and preferred stock	29,379,796	29,232,816	24,391,316	90,171	4,898,309
Mortgage loans	412,812,228	393,280,807	—	—	412,812,228
Financial liabilities:					
Certain policy liabilities	1,649,538,704	1,647,163,360	—	—	1,649,538,704
Borrowed money	540,249,319	522,915,427	—	540,249,319	—

	Estimated fair value as of December 31, 2014				
	Aggregate fair value	Admitted assets	Level 1	Level 2	Level 3
Financial assets:					
Cash and short-term investments	$ 132,976,274	132,976,274	132,976,274	—	—
Investment income due and accrued	38,592,265	38,592,265	38,592,265	—	—
Bonds	3,766,794,670	3,502,505,616	1,182,724	3,441,322,963	324,288,983
Common and preferred stock	25,391,676	25,325,804	24,513,684	97,286	780,706
Mortgage loans	384,680,910	354,597,714	—	—	384,680,910
Financial liabilities:					
Certain policy liabilities	1,449,967,843	1,447,897,929	—	—	1,449,967,843
Borrowed money	547,756,206	522,973,345	—	547,756,206	—

(a) Cash and Short-Term Investments and Investment Income Due and Accrued

The carrying amounts of the financial instruments listed immediately above approximate their fair values because they mature within a relatively short period of time, and do not present unanticipated credit concerns.

(b) Bonds, Common Stocks and Preferred Stocks

For fixed maturities and marketable equity securities, for which market quotations generally are available, the Company primarily uses independent pricing services to assist in determining fair value measurements. When the fair value of certain securities is not readily available, the fair value estimates are based on quoted market prices of similar instruments adjusted for the differences between the quoted instruments and the instruments being valued, or fair value is estimated using discounted cash flow analysis. Interest rates used in this analysis are similar to currently offered contracts with comparable maturities as the investments being valued. The Company's investments also include

certain less liquid or private fixed maturity debt securities, such as private placements and certain structured notes. Valuations are estimated based on nonbinding broker prices or valuation models discounted cash flow models and other similar techniques that use observable or unobservable inputs and are considered Level 3.

The fair value of equity securities investments of the Company is based on quotations from independent pricing services, bid prices published in financial newspapers, or bid quotations received from securities dealers.

(c) Mortgage Loans on Real Estate

Fair values are estimated for portfolios of loans with similar characteristics. Commercial mortgage loans have average net yield rates of 5.17% and 5.52% for December 31, 2015 and 2014, respectively. The fair value of mortgage loans was calculated by discounting scheduled cash flows to maturity using estimated market discount rates of 4.24% and 3.81% for December 31, 2015 and 2014, respectively. These rates reflect the credit and interest rate risk inherent in the loans. Assumptions regarding credit risk, cash flows, and discount rates are judgmentally determined using available market information and specific borrower information. The fair value of certain residential loans is based on the approximate fair value of the underlying real estate securing the mortgages.

(d) Policy Loans

Policy loans have average interest yields of 6.07% and 6.54% as of December 31, 2015 and 2014, respectively, and have no specified maturity dates. These loans typically carry an interest rate that is tied to the crediting rate applied to the related policy and contract reserves. Policy loans are an integral part of the life insurance policies that the Company has in force and cannot be valued separately.

(e) Certain Policy Liabilities

Certain policies sold by the Company are investment-type contracts. These liabilities are segregated into two categories: premiums and other deposit funds and immediate annuities. These liabilities are further defined to segregate the deferred annuity contract with life contingencies, which are reported as aggregate reserves for life policies and contracts. The fair value of aggregate reserves for life policies and contracts is estimated as the fund value of each policy less applicable surrender charges. The fair value of the immediate annuities without life contingencies and premiums and other deposit funds is estimated as the discounted cash flows of expected future benefits less the discounted cash flows of expected future premiums, using the current pricing assumptions.

	2015		2014	
	Carrying amount	**Estimated fair value**	**Carrying amount**	**Estimated fair value**
Aggregate reserves for life policies and contracts	$ 1,621,780,913	1,620,357,076	1,420,981,477	1,419,544,216
Annuities	25,382,447	29,181,628	26,916,452	30,423,627

(Continued)

(f) Borrowed Money

The fair value of the Company's notes payable is estimated by the present value of a stream of future expected cash flows using an appropriate discount rate. Discount factors are based on the LIBOR/Swap curve.

(g) Limitations

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These fair value estimates do not reflect any premium or discount that could result from offering for sale at one time the Company's entire holdings of a particular financial instrument, nor do they reflect income taxes on differences between fair value and tax basis of the assets. Because no established exchange exists for a significant portion of the Company's financial instruments, fair value estimates are based on judgments regarding future expected loss experience, current economic conditions, risk characteristics of various financial instruments, and other factors. These fair value estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the fair value estimates.

(h) Fair Value Hierarchy

The following are the levels of hierarchy and a description of the type of valuation inputs that are used to establish each level:

Level 1 inputs are quoted in active markets for identical securities.

Level 2 inputs are other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 inputs are significant unobservable inputs (including the Company's own assumptions used to determine the fair value of investments).

Assets that are recorded at fair value are categorized into a three-level fair value hierarchy as required by SSAP No. 100, *Fair Value Measurements*. The balances of these assets as of December 31, 2015 are as follows:

	Level 1	Level 2	Level 3	Total
Assets recorded at fair value:				
Bonds – industrial and miscellaneous	$ —	2,368,173	1,758,289	4,126,462
Common stock – unaffiliated	24,230,887	—	—	24,230,887
Common stock – affiliated	—	790,709	—	790,709
Total assets at fair value	$ 24,230,887	3,158,882	1,758,289	29,148,058

(Continued)

The following table presents the change for the year ended December 31, 2015 in the assets measured at fair value using unobservable inputs (Level 3):

		Loan-Backed securities
Beginning balance	$	5,528,118
Transfers in		—
Transfers out		(3,603,833)
Total gain (loss) included in net income		116,230
Total gain (loss) included in surplus		(207,406)
Purchases		118,752
Issuances		(193,572)
OTTI		—
Sales		—
Settlements		—
Ending balance	$	1,758,289

Assets that are recorded at fair value are categorized into a three-level fair value hierarchy as required by SSAP No. 100. The balances of these assets as of December 31, 2014 are as follows:

		Level 1	Level 2	Level 3	Total
Assets recorded at fair value:					
Bonds – industrial and miscellaneous	$	—	—	5,528,118	5,528,118
Common stock – unaffiliated		24,333,878	—	—	24,333,878
Common stock – affiliated		—	780,706	—	780,706
Total assets at fair value	$	24,333,878	780,706	5,528,118	30,642,702

(Continued)

The following table presents the change for the year ended December 31, 2014 in the assets measured at fair value using unobservable inputs (Level 3):

	Loan-Backed securities
Beginning balance	$ 4,948,157
Transfers in	—
Transfers out	—
Total gain (loss) included in net income	18,512
Total gain (loss) included in surplus	71,439
Purchases	520,840
Issuances	—
OTTI	—
Sales	(30,830)
Settlements	—
Ending balance	$ 5,528,118

(4) Investments

Investment income for the years ended December 31 is summarized below:

	2015	2014
Interest on bonds	$ 172,190,442	169,023,064
Dividends on preferred and common stocks	72,327	9,620
Interest on mortgage loans	23,408,487	22,448,739
Investment real estate income	4,414,194	4,134,816
Interest on policy loans	3,176,054	3,134,992
Interest on cash and short-term investments and other	2,478,731	589,808
	205,740,235	199,341,039
Less investment expenses	32,611,100	34,122,550
Net investment income	$ 173,129,135	165,218,489

Realized gains (losses) for the years ended December 31 consisted of the following:

	2015	2014
Bonds	$ 9,467,453	4,512,838
OTTI	—	(532,701)
	9,467,453	3,980,137
Common stocks of nonaffiliates	546,474	1,657,197
Real estate	61,765	—
Other capital loss	(191,003)	—
Total realized gains before federal income taxes and IMR transfers	9,884,689	5,637,334
Federal income tax expense	1,408,332	1,422,611
Less IMR transfers	5,937,103	4,468,608
Net realized gains (losses)	$ 2,539,254	(253,885)

The gross unrealized gains on common stocks of nonaffiliates were approximately $8,675,000 and $7,926,000 in 2015 and 2014, respectively. The gross unrealized losses on common stocks of nonaffiliates were approximately $10,000 and $0 in 2015 and 2014, respectively.

The carrying value and estimated fair value of bonds at December 31 are as follows:

	2015			
	Carrying value	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities	$ 1,076,489	75,346	(1,105)	1,150,730
U.S. government agency obligations	7,105,463	829,647	—	7,935,110
Special revenue	408,936,095	17,001,982	(7,230,572)	418,707,505
States, territories, and political subdivisions	407,547,918	38,635,259	(454,833)	445,728,344
Foreign government	33,352,181	2,293,080	(146,747)	35,498,514
Corporate bonds	2,104,888,861	89,938,369	(99,326,105)	2,095,501,125
Loan-backed securities	757,730,140	41,861,978	(6,099,315)	793,492,803
Total	$ 3,720,637,147	190,635,661	(113,258,677)	3,798,014,131

(Continued)

	2014			
	Carrying value	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities	$ 1,086,679	97,153	(1,107)	1,182,725
U.S. government agency obligations	8,813,983	1,040,662	—	9,854,645
Special revenue	341,183,544	22,178,306	(5,167,158)	358,194,692
States, territories, and political subdivisions	401,639,306	49,196,871	(167,045)	450,669,132
Foreign government	33,408,576	3,017,339	—	36,425,915
Corporate bonds	1,881,091,907	168,766,314	(18,375,725)	2,031,482,496
Loan-backed securities	835,281,621	52,294,075	(8,590,631)	878,985,065
Total	$ 3,502,505,616	296,590,720	(32,301,666)	3,766,794,670

The NAIC fair value of total bonds is approximately $14,571,000 and $6,739,000 more than the estimated fair value in the tables above at December 31, 2015 and 2014, respectively.

The carrying value and estimated fair value of investments in bonds at December 31, 2015, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because the issuers of such securities may have the right to call or prepay obligations with or without call or prepayment penalties.

	Carrying value	Fair value
Due in one year or less	$ 40,376,165	40,688,853
Due after one year through five years	382,658,078	403,640,946
Due after five years through ten years	1,085,362,627	1,070,314,353
Due after ten years	1,454,510,137	1,489,877,176
Loan-backed securities	757,730,140	793,492,803
	$ 3,720,637,147	3,798,014,131

Proceeds from sales of bonds during 2015 and 2014 were approximately $146,704,000 and $150,101,000, respectively. Gross realized gains of approximately $9,167,000 and $6,814,000 and gross realized losses of approximately $4,024,000 and $3,889,000, respectively, were realized on those sales. In addition, the Company realized net gains of approximately $4,324,000 and $1,588,000 on bonds that were called or prepaid in 2015 and 2014, respectively.

(Continued)

Gross unrealized losses on investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2015 were as follows:

	Less than 12 months		12 months or longer		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
U.S. Treasury securities	$ —	—	498,457	(1,105)	498,457	(1,105)
States and territories	15,046,238	(261,860)	11,067,027	(192,973)	26,113,265	(454,833)
Special revenue	67,413,724	(1,254,879)	149,550,379	(5,975,693)	216,964,103	(7,230,572)
Foreign government	4,847,810	(146,747)	—	—	4,847,810	(146,747)
Corporate bonds	592,292,202	(41,823,076)	340,287,158	(57,503,029)	932,579,360	(99,326,105)
Loan-backed securities	55,835,499	(715,111)	75,438,901	(5,384,204)	131,274,400	(6,099,315)
Total	$ 735,435,473	(44,201,673)	576,841,922	(69,057,004)	1,312,277,395	(113,258,677)

Gross unrealized losses on investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2014 were as follows:

	Less than 12 months		12 months or longer		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
U.S. Treasury securities	$ 497,930	(1,107)	—	—	497,930	(1,107)
States and territories	—	—	11,596,858	(167,045)	11,596,858	(167,045)
Special revenue	2,998,683	(1,317)	161,849,490	(5,165,841)	164,848,173	(5,167,158)
Corporate bonds	72,387,672	(1,335,966)	331,700,116	(17,039,759)	404,087,788	(18,375,725)
Loan-backed securities	7,069,603	(71,573)	98,142,581	(8,519,058)	105,212,184	(8,590,631)
Total	$ 82,953,888	(1,409,963)	603,289,045	(30,891,703)	686,242,933	(32,301,666)

The unrealized losses in U.S. Treasury securities, obligations of U.S. government agencies and states and territories, and foreign government securities are due to interest rate fluctuations, which result in a decline in market values from original purchase price. Because the securities were acquired during a period of low interest rates, unrealized losses may continue and may become more severe in a rising interest rate environment. The Company expects the unrealized losses to reverse as the securities shorten in duration and mature, and because the Company has the ability to hold these investments and does not intend to sell until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in states, territories, and political subdivisions are high-grade investment quality and have unrealized losses due to an increase in interest rates since acquisition. Because the decline in fair value is attributable to changes in interest rates and not credit quality, and because the Company has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in special revenue securities are comprised of general obligations of U.S. government sponsored agencies for which the U.S. government is indirectly obligated. The unrealized loss is due to interest rate fluctuations, which result in a decline in market values from original purchase price. Because the securities were acquired during a period of low interest rates, unrealized losses may continue and may become more severe in a rising interest rate environment. The Company expects the unrealized losses to reverse as the securities shorten in duration and mature and because the Company has the ability to hold these investments to maturity and does not intend to sell until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in corporate securities are comprised of corporate bonds. The unrealized loss is due to the current market and economic environment, which is affecting corporate credit ratings and changes in sector spreads. The unrealized loss may continue and may become more severe if the economy continues to trend downward or interest rates rise. Because the decline in fair value is attributable to economic changes and a slight decline in credit quality, and because the Company expects all contractual cash flows will be received and has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in loan-backed securities are comprised of U.S. government-sponsored agency mortgage-backed securities for which the U.S. government is not directly obligated, and private label whole loan collateralized mortgage obligations. The unrealized losses on these securities are a result of the current market and economic conditions that are affecting the mortgage-backed sector. The credit quality on some mortgage-backed bonds has declined due to the larger number of home defaults. Because the decline in fair value is attributable mainly to changes in market and economic conditions and the Company believes all contractual cash flows will be received and has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired. When the Company believes it will not receive all contractual cash flows, the securities are considered other-than-temporarily impaired.

At December 31, 2015 and 2014, investments with carrying values of approximately $2,904,000 and $2,903,000, respectively, were on deposit with state insurance departments as required by statute.

The Company has no direct exposure to subprime mortgage loans. An extensive pre-purchase analysis is performed on every loan-backed security. By purchasing only AAA agency mortgage-backed securities and AAA collateralized mortgage-backed whole loan securities, direct exposure to sub-prime mortgages is virtually eliminated. The unrealized losses on these securities are a result of the current market and economic conditions that are affecting the mortgage-backed sector. The credit qualities on some mortgage-backed bonds have begun to decline due to the large number of home mortgage defaults. Because the decline in fair value is attributable mainly to changes in market and economic conditions and only due slightly to a lessening of credit, the Company believes most contractual cash flows will be received.

(5) Separate Accounts

The Company utilizes Separate Accounts to record and account for variable annuity business. In accordance with the Insurance Code of the State of Oklahoma, variable annuities are supported for separate account classification by Title 36, Chapter 2, Section 6061. As of December 31, 2015 and 2014, the Company Separate Account statement included legally insulated assets of approximately $558,315,000 and $648,749,000, respectively, attributed to variable annuity contracts. The Separate Accounts held by the Company represent nonguaranteed variable annuity funds. The Company does not have a securities lending program.

The assets of these accounts are carried at fair market value. The net investment experience of the Separate Accounts is credited directly to the policyholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of account value or premium paid. The minimum guaranteed death benefit reserve is held in Exhibit 5, Miscellaneous Reserves Section, of the Company's general account annual statement.

		2015	2014
1. Premiums, considerations, or deposits for year ended December 31	$	74,568,350	103,338,113
2. Reserves at December 31:			
For accounts with assets at:			
a. Fair market value	$	558,314,969	648,749,195
b. Amortized cost		—	—
c. Total reserves	$	558,314,969	648,749,195
3. By withdrawal characteristics:			
a. Subject to discretionary withdrawal	$	—	—
b. With market value adjustment		—	—
c. At book value without market value adjustment and with current surrender charge of 5% or more		—	—
d. At fair market value		558,314,969	648,749,195
e. At book value without market value adjustment and with current surrender charge of 5%		—	—
f. Subtotal		558,314,969	648,749,195
g. Not subject to discretionary withdrawal		—	—
h. Total	$	558,314,969	648,749,195
4. Reserves for Asset Default Risk in Lieu of AVR	$	—	—

(Continued)

Reconciliation of net transfers to or (from) Separate Accounts.

		2015	2014
1. Transfers as reported in the Summary of Operations of the Separate Accounts statements:			
a. Transfers to Separate Accounts	$	75,102,615	103,964,789
b. Transfers from Separate Accounts		150,019,091	96,045,522
c. Net transfers to or (from) Separate Accounts (a) – (b)		(74,916,476)	7,919,267
2. Reconciling adjustments:			
a. Plus Net Investment Income (Expense)		(7,439,427)	56,931,791
b. Less Increase (Decrease) in Liability for Premiums		(90,434,224)	55,922,283
c. Plus Change in Expense Allowance		(919,357)	3,931,866
d. Less fees for investment management and administration		8,078,321	8,928,775
3. Transfers as Report in the Summary of Operations of the Life, Accident & Health Annual Statement:			
a. (1c) + (2)	$	(919,357)	3,931,866

(6) Liability for Accident and Health Reserves

Accident and health reserve activity for the years ended December 31, 2015 and 2014 was as follows:

		2015	2014
Liability beginning of year, net of reinsurance	$	447,297,390	438,667,648
Incurred related to:			
Current year		364,072,525	355,472,414
Prior years		(61,471,669)	(54,175,989)
Total incurred		302,600,856	301,296,425
Paid related to:			
Current year		173,031,400	167,881,485
Prior years		120,302,975	124,785,198
Total paid		293,334,375	292,666,683
Liability end of year, net of reinsurance	$	456,563,871	447,297,390

Reinsurance recoverable on paid losses was approximately $2,946,000 and $874,000 at December 31, 2015 and 2014, respectively.

(Continued)

The provision for accident and health benefits pertaining to prior years decreased approximately $61,472,000 in 2015 from the prior year estimate. This decrease overall includes better than expected experience of approximately $54,179,000 for group medical and disability and approximately $7,293,000 for cancer business. The decreases are due to conservative estimate in prior year reserves followed by subsequent better than expected claim experience.

The provision for accident and health benefits pertaining to prior years decreased approximately $54,176,000 in 2014 from the prior year estimate. This decrease overall includes better than expected experience of approximately $52,183,000 for group medical and disability and approximately $1,993,000 for cancer business. The decreases are due to conservative estimate in prior year reserves followed by subsequent better than expected claim experience.

The Company paid approximately $614,000 and $825,000 in 2015 and 2014, respectively, to settle claims related to extra contractual obligations or bad faith claims stemming from lawsuits.

(7) Borrowed Money

AFA has borrowed approximately $521,500,000 on the line of credit with the Federal Home Loan Bank of Topeka (FHLB) at December 31, 2015 and 2014. The line of credit is secured by investment securities and cash pledged as collateral by AFA with a carrying amount of approximately $539,739,000 and $573,243,000 at December 31, 2015 and 2014, respectively, which exceeds the collateral required for this line of credit. The pledged securities are held in the Company's name in a custodial account at United Missouri Bank, N.A. to secure current and future borrowings. To participate in this available credit, AFA has acquired 238,673 shares of FHLB common stock with a total carrying value of approximately $23,867,300 at December 31, 2015.

FHLB Capital Stock

	2015		
	General account	**Separate accounts**	**Total**
Membership stock – class A	$ 500,000	—	500,000
Membership stock – class B	23,367,300	—	23,367,300
Total	$ 23,867,300	—	23,867,300
Activity stock	$ 23,467,500	—	23,467,500
Excess stock	399,800	—	399,800
Total	$ 23,867,300	—	23,867,300
Actual or estimate borrowing capacity as determined by the insurer			$ 534,926,151

	2014		
	General account	**Separate accounts**	**Total**
Membership stock – class A	$ 500,000	—	500,000
Membership stock – class B	23,367,600	—	23,367,600
Total	$ 23,867,600	—	23,867,600
Activity stock	$ 23,467,600	—	23,467,600
Excess stock	400,000	—	400,000
Total	$ 23,867,600	—	23,867,600
Actual or estimate borrowing capacity as determined by the insurer			$ 574,206,149

FHLB Membership Stock (Class A and B) Eligible for Redemption

	Current year total	**Not eligible for redemption**	**Less than 6 months**	**6 months to 1 year**	**1 to 3 years**	**3 to 5 years**
Class A	$ 500,000	500,000	—	—	—	—
Class B	23,367,300	23,367,300	—	—	—	—

FHLB Borrowings

FHLB has the option to convert the initial rate of interest to an adjustable rate of interest on many of these lines of credit on the dates listed in the following table. At any time after FHLB exercises its conversion option, the Company may prepay the advance in full or in part without a fee.

The Company has no unused lines of credit as of December 31, 2015.

AFA had no Structured Note borrowings as of December 31, 2015 and 2014.

(Continued)

Information regarding the terms of the funds borrowed from FHLB are as follows:

Interest rate	Interest rate subject to conversion to adjustable rate	Date issued	Maturity date	Balance at December 31 2015	Balance at December 31 2014
0.310%	—	04/25/14	04/25/15	$ —	5,000,000
4.270	April 2011	04/28/05	04/28/15	—	5,000,000
4.040	May 2011	05/20/05	05/20/15	—	5,000,000
0.320	—	05/21/14	05/21/15	—	25,000,000
0.320	—	06/05/14	06/05/15	—	25,000,000
4.360	July 2012	07/27/05	07/27/15	—	20,000,000
4.200	August 2011	08/29/05	08/31/15	—	20,000,000
0.360	—	09/12/14	09/12/15	—	10,000,000
3.950	January 2008*	01/13/06	01/13/16	10,000,000	10,000,000
4.090	January 2009*	01/13/06	01/13/16	5,000,000	5,000,000
4.430	January 2011*	01/13/06	01/13/16	10,000,000	10,000,000
4.690	October 2011*	10/31/06	10/31/16	25,000,000	25,000,000
4.630	November 2011*	11/21/06	11/21/16	10,000,000	10,000,000
4.640	March 2012	03/12/07	03/13/17	10,000,000	10,000,000
5.060	May 2013	05/22/07	05/22/17	10,000,000	10,000,000
3.900	December 2012	12/04/07	12/04/17	25,000,000	25,000,000
3.520	January 2013	01/28/08	01/29/18	10,000,000	10,000,000
3.460	February 2013	02/01/08	02/01/18	15,000,000	15,000,000
3.490	February 2013	02/04/08	02/05/18	6,500,000	6,500,000
4.020	March 2009	03/07/08	03/07/18	25,000,000	25,000,000
3.460	March 2013	03/12/08	03/12/18	10,000,000	10,000,000
4.100	April 2009	04/28/08	04/30/18	5,000,000	5,000,000
4.100	May 2009	05/19/08	05/19/17	25,000,000	25,000,000
4.140	May 2009	05/20/08	05/22/17	5,000,000	5,000,000
4.290	July 2009	07/28/08	07/30/18	25,000,000	25,000,000
3.270	—	02/08/10	02/10/20	10,000,000	10,000,000
3.630	—	03/25/10	03/25/22	10,000,000	10,000,000
3.710	—	03/25/10	03/25/20	10,000,000	10,000,000
3.440	—	03/25/10	03/25/20	10,000,000	10,000,000
3.500	—	03/25/10	03/25/21	10,000,000	10,000,000
3.770	—	04/13/10	04/13/22	15,000,000	15,000,000
3.230	—	05/07/10	05/06/16	10,000,000	10,000,000
4.190	—	05/07/10	05/07/20	10,000,000	10,000,000
2.870	—	04/20/11	04/20/17	15,000,000	15,000,000
2.570	—	03/27/12	03/26/21	12,500,000	12,500,000

(Continued)

Interest rate	Interest rate subject to conversion to adjustable rate	Date issued	Maturity date	Balance at December 31 2015	Balance at December 31 2014
2.080%	—	11/19/13	11/20/23	$ 10,000,000	10,000,000
1.980	—	3/12/14	3/12/24	12,500,000	12,500,000
3.110	—	5/23/14	5/23/24	15,000,000	15,000,000
1.930	—	11/19/14	11/19/24	25,000,000	25,000,000
0.410	July 2015	4/24/15	4/22/16	5,000,000	—
2.300	—	4/28/15	4/28/23	5,000,000	—
2.590	—	5/20/15	5/29/23	5,000,000	—
2.740	—	5/21/15	5/21/24	25,000,000	—
0.600	September 2015	6/5/15	6/3/16	25,000,000	—
2.060	—	8/10/15	8/8/25	20,000,000	—
0.540	November 2015	8/31/15	8/31/16	20,000,000	—
0.730	December 2015	9/11/15	9/9/16	10,000,000	—
				521,500,000	521,500,000
Interest payable				1,415,427	1,473,345
				$ 522,915,427	522,973,345

* These lines of credits have interest rates subject to conversion to an adjustable rate at the date specified above, as well as quarterly thereafter.

Interest paid in 2015 and 2014 was approximately $17,212,000 and $17,808,000, respectively, and is included in investment expense in net investment income in the accompanying statutory statements of operations.

Scheduled maturities (excluding interest) of the above indebtedness at December 31, 2015 are as follows:

2016	$ 130,000,000
2017	90,000,000
2018	96,500,000
2019	—
2020	40,000,000
2021 and thereafter	165,000,000
	$ 521,500,000

(Continued)

(8) Income Taxes

The Company's net deferred tax assets (liabilities) at December 31 and the change from the prior year are comprised of the following components:

	2015			2014			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross deferred tax assets	$ 105,766,632	6,869,137	112,635,769	92,427,829	9,481,416	101,909,245	13,338,803	(2,612,279)	10,726,524
Statutory valuation allowance adjustments	—	—	—	—	—	—	—	—	—
Adjusted gross deferred tax assets	105,766,632	6,869,137	112,635,769	92,427,829	9,481,416	101,909,245	13,338,803	(2,612,279)	10,726,524
Deferred tax assets nonadmitted	39,771,137	4,375,177	44,146,314	29,984,327	6,525,573	36,509,900	9,786,810	(2,150,396)	7,636,414
Sub-total net admitted deferred tax assets	65,995,495	2,493,960	68,489,455	62,443,502	2,955,843	65,399,345	3,551,993	(461,883)	3,090,110
Deferred tax liabilities	27,553,114	2,493,960	30,047,074	27,738,660	2,955,843	30,694,503	(185,546)	(461,883)	(647,429)
Net admitted deferred tax assets (liabilities)	$ 38,442,381	—	38,442,381	34,704,842	—	34,704,842	3,737,539	—	3,737,539

Management has reviewed whether a valuation allowance is needed on its total gross deferred tax assets reported above based on factors such as past history and trends, projected taxable income, and expiration of carryforwards. Management believes that in 2015 and 2014 it is more likely than not that the results of operations will generate sufficient taxable income to realize its gross deferred tax assets on ordinary items. Additionally, in 2015 and 2014, management believes that there are sufficient capital gains available in its capital assets portfolio and that holding its fixed debt securities in a loss position to maturity or recovery substantiates the Company's ability to realize its gross deferred tax assets on capital items.

(Continued)

The Company's admission calculation components at December 31, 2015 and 2014 are as follows:

	2015			2014			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	$ 38,442,381	—	38,442,381	34,704,842	—	34,704,842	3,737,539	—	3,737,539
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from (a) above) after application of the threshold limitation. (The lesser of (b)1 and (b)2 below):									
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	—	—	—	—	—	—	—	—	—
2. Adjusted gross deferred tax assets allowed per limitation threshold	—	—	55,508,270	—	—	51,850,268	—	—	3,658,002
Lesser of b(1) or b(2)	—	—	—	—	—	—	—	—	—
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from (a) and (b) above) offset by gross deferred tax liabilities	27,553,114	2,493,960	30,047,074	27,738,660	2,955,843	30,694,503	(185,546)	(461,883)	(647,429)
(d) Deferred tax assets admitted Total ((a) + (b) + (c))	$ 65,995,495	2,493,960	68,489,455	62,443,502	2,955,843	65,399,345	3,551,993	(461,883)	3,090,110

	2015	2014
Ratio percentage used to determine recovery period and threshold limitation amount	740%	732%
Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in (b)2 above	$ 396,638,640	368,216,598

(Continued)

As of December 31, the change in net deferred income taxes is comprised of the following:

	2015	2014	Change
Gross deferred tax assets	$ 112,635,769	101,909,245	10,726,524
Gross deferred tax liabilities	30,047,074	30,694,503	(647,429)
Net deferred tax assets/liabilities	82,588,695	71,214,742	11,373,953
Statutory valuation allowance adjustment	—	—	—
Net deferred tax assets/liabilities after statutory valuation allowance	82,588,695	71,214,742	11,373,953
Tax effect of unrealized (gains) losses	(2,083,934)	(2,544,142)	460,208
Statutory valuation allowance adjustment allocated to unrealized	—	—	—
Change in net deferred income taxes	$ 84,672,629	73,758,884	10,913,745

The impact of the Company's tax planning strategies as of December 31 is as follows:

	2015		2014		Change	
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
Adjusted gross DTAs	$ 105,766,632	6,869,137	92,427,829	9,481,416	13,338,803	(2,612,279)
Percentage of adjusted gross DTAs attributable to the impact of tax planning strategies	—%	6.1%	—%	9.3%	—%	(3.2)%
Net admitted adjusted gross DTAs	$ 65,995,495	2,493,960	62,443,502	2,955,843	3,551,993	(461,883)
Percentage of net admitted adjusted gross DTAs attributable to the impact of tax planning strategies	—%	3.6%	—%	4.5%	—%	(0.9)%

None of the Company's tax-planning strategies include the use of reinsurance.

There are no temporary differences for which deferred tax liabilities are not recognized.

(Continued)

As of December 31, current income taxes incurred consist of the following major components:

	2015	2014	Change
Current federal income tax – operations	$ 41,960,713	35,212,048	6,748,665
Foreign income tax	—	—	—
Subtotal	41,960,713	35,212,048	6,748,665
Current federal income tax on capital gains	1,408,332	1,422,611	(14,279)
Federal and foreign income taxes incurred	$ 43,369,045	36,634,659	6,734,386

As of December 31, deferred income tax assets and liabilities consist of the following major components:

	2015	2014	Change
Deferred tax assets:			
Ordinary:			
Discounting of unpaid losses	$ 6,291,456	6,384,300	(92,844)
Policyholder reserves	28,525,020	23,713,608	4,811,412
Deferred acquisition costs	49,810,115	46,628,951	3,181,164
Fixed assets	3,051,169	2,870,037	181,132
Compensation and benefits accrual	10,118,086	8,887,495	1,230,591
Receivables – nonadmitted	5,938,539	2,431,026	3,507,513
Other	2,032,247	1,512,412	519,835
Subtotal	105,766,632	92,427,829	13,338,803
Statutory valuation allowance adjustment	—	—	—
Nonadmitted	39,771,137	29,984,327	9,786,810
Admitted ordinary deferred tax assets	65,995,495	62,443,502	3,551,993
Capital:			
Investments	6,869,137	9,481,416	(2,612,279)
Net capital loss carry-forward	—	—	—
Subtotal	6,869,137	9,481,416	(2,612,279)
Statutory valuation allowance adjustment	—	—	—
Nonadmitted	4,375,177	6,525,573	(2,150,396)
Admitted capital deferred tax assets	2,493,960	2,955,843	(461,883)
Admitted deferred tax assets	68,489,455	65,399,345	3,090,110

(Continued)

	2015	2014	Change
Deferred tax liabilities:			
Ordinary:			
Deferred and uncollected premium	$ 26,778,433	26,952,344	(173,911)
Other	774,681	786,316	(11,635)
Subtotal	27,553,114	27,738,660	(185,546)
Capital:			
Investments	2,493,960	2,955,843	(461,883)
Subtotal	2,493,960	2,955,843	(461,883)
Deferred tax liabilities	30,047,074	30,694,503	(647,429)
Net deferred tax assets	$ 38,442,381	34,704,842	3,737,539

The Company's income tax incurred and change in deferred tax differ from the amount obtained by applying the federal statutory rate of 35% to income before income taxes and net realized capital gains (losses) as follows:

	2015	Effective 2015 tax rate	2014	Effective 2014 tax rate
Income before taxes and realized capital gains (losses)	$ 114,788,551	—%	$ 104,717,829	—%
Income tax expense at 35% statutory rate	$ 40,175,992	35.0%	$ 36,651,240	35.0%
Increase (decrease) in tax resulting from:				
Dividends received deduction	(1,386,395)	(1.2)	(660,092)	(0.6)
Nondeductible expenses for meals and other items	808,606	0.7	1,847,560	1.8
Management fees	(3,815,000)	(3.3)	(4,346,185)	(4.1)
School bond and low income housing tax credits	(1,829,320)	(1.6)	(1,775,320)	(1.8)
Tax-exempt income	(2,240)	—	(2,741)	—
Tax adjustment for IMR	(1,331,024)	(1.2)	(1,123,380)	(1.1)
Deferred tax benefit on nonadmitted assets	(3,507,513)	(3.1)	289,339	0.3
Timing differences on realized gains and losses	2,051,308	1.8	550,455	0.5
Prior year adjustment to current and deferred taxes	(117,446)	(0.1)	(853,577)	(0.8)
Total income tax expected	$ 31,046,968	27.0%	$ 30,577,299	29.2%

(Continued)

	2015	Effective 2015 tax rate	2014	Effective 2014 tax rate
Current income taxes incurred (excludes tax on net realized gains and losses)	$ 41,960,713	36.5%	$ 35,212,048	33.7%
Net change in deferred income taxes (excludes tax on unrealized gains and losses)	(10,913,745)	(9.5)	(4,634,749)	(4.5)
Total income tax reported	$ 31,046,968	27.0%	$ 30,577,299	29.2%

As of December 31, 2015, there are no operations loss deductions, capital loss, or tax credit carryforwards available for tax purposes.

The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

	Ordinary	Capital	Total
December 31, 2015	$ 38,231,101	1,338,701	39,569,802
December 31, 2014	42,706,515	1,049,204	43,755,719
December 31, 2013	34,272,174	2,521,657	36,793,831

As of December 31, 2015, there were no deposits admitted under Section 6603 of the Internal Revenue Code.

The Company is included in a consolidated federal income tax return with the following entities:

American Fidelity Corporation
American Public Life Insurance Company
American Fidelity Securities, Inc.
InvesTrust, N.A.
American Fidelity General Agency, Inc.
AF Professional Employment Group, LLC
First Financial Securities of America, Inc.
American Fidelity Property Company
American Fidelity Administrative Services, LLC
American Fidelity International Holdings, Inc.
Enrollcom, Inc.
AF Apartments, Inc.
Market Place Realty Corporation
American Fidelity Property Services, LLC
American Fidelity Community Services, Inc.
Home Rentals Inc.
Apple Creek Apartments, Inc.

The method of tax allocation between the companies is subject to a written agreement approved by the Board of Directors. Allocation is based on separate return calculations at the group's effective tax rate with current credit for net losses. Intercompany tax balances are settled annually.

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

(Continued)

The Company files income tax returns in the U.S. federal jurisdiction and various states. The Company is no longer subject to U.S. federal income tax examinations for years prior to 2012 and state and local income tax examinations for years prior to 2011. The Company is not currently under examination by any taxing authority.

(9) Reinsurance

Reinsurance contracts do not relieve the Company from its obligations to policyholders. Failure of reinsurers to honor their obligations could result in losses to the Company. The Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities, or economic characteristics of the reinsurers to minimize its exposure to significant losses from reinsurer insolvencies. Management believes that all reinsurers presently used are financially sound and will be able to meet their contractual obligations; therefore, no significant allowance for uncollectible amounts has been included in the December 31, 2015 or 2014 statutory financial statements. Estimated amounts that reduce the reserves for future policy benefits at December 31, 2015 and 2014 for reinsurance ceded are approximately $1,114,739,000 and $1,108,283,000, respectively. At December 31, 2015 and 2014, amounts that reduced the reserves for future policy benefits of approximately $748,059,000 and $747,963,000, respectively, were associated with one reinsurer (note 14).

At December 31, 2015 and 2014, the Company had unsecured aggregate recoverable from the following reinsurers for policy and contracts claims, paid and unpaid, that exceeds 3.0% of the Company's surplus, as follows:

Group		2015	2014
Hannover Life Reassurance Company	$	1,526,535	381,924
Hannover Reassurance (Ireland) LTD		8,870,136	7,874,298
Total group		10,396,671	8,256,222
Gerber Life Insurance Company		7,927,089	14,695,944
Total	$	18,323,760	22,952,166

Reinsurance agreements in effect for life insurance policies vary according to the age of the insured and the type of risk. Retention amounts for life insurance are $500,000 on individual life coverage and group life, with slightly lower limits on accidental death benefits. At December 31, 2015 and 2014, the face amounts of life insurance in force that are reinsured amounted to approximately $8,988,000,000 and $9,611,000,000, respectively (approximately 36.1% and 39.9% of total life insurance in force, respectively).

Reinsurance agreements in effect for accident and health insurance policies vary with the type of coverage. There are no accident and health reinsurance treaties subject to retention limits.

The effects of reinsurance agreements on earned premiums, prior to deductions for benefits, and commission allowances are as follows for the years ended December 31, 2015 and 2014:

	2015	2014
Reinsurance ceded	$ 221,196,842	234,797,928
Reinsurance assumed	43,545,541	45,056,342

Reinsurance agreements reduced benefits paid for life and accident and health policies by approximately $187,656,000 and $200,390,000 for the years ended December 31, 2015 and 2014, respectively.

(10) Employee Benefit Plans

The Company participates in a pension plan (the Plan), sponsored by AFC, and is not directly liable for obligations under the Plan. The Plan covers all employees who have satisfied longevity and age requirements. The Company's funding policy is to contribute annually the maximum amount that can be deducted for federal income tax purposes. Contributions are intended to provide not only for benefits attributed to service to date, but also for those expected to be earned in the future. The Company contributed approximately $7,558,000 and $10,193,000 to the Plan during the years ended December 31, 2015 and 2014, respectively. AFC also offers certain postretirement benefits other than the Plan.

The Company participates in a defined-contribution thrift and profit sharing plan as provided under Section 401(a) of the Code, which includes the tax deferral feature for employee contributions provided by Section 401(k) of the Code. The Company contributed approximately $6,909,000 and $3,293,000 to this plan during the years ended December 31, 2015 and 2014, respectively.

SSAP No. 102, *Accounting for Pensions, A replacement of SSAP No. 89*, is effective for years beginning January 1, 2013. The Company participates in a Consolidated/Holding Company plan for pension benefits and is not directly liable for obligations under the Plan. The accounting and reporting requirements of SSAP No. 102 have no impact on the Company's financial statements, as the applicable requirements under Paragraph 80 have not changed from past years.

(11) Leases

The Company leases various properties to nonaffiliates under operating lease agreements, which expire or are cancelable within one year. The properties leased are included in the statutory statements of admitted assets, liabilities, and capital and surplus as investment real estate. Rental income on these properties is included in the statutory statements of operations as net investment income.

Investment real estate held for lease is as follows at December 31:

	2015	2014
Land and buildings, net of encumbrances	$ 15,611,849	15,450,022
Less accumulated depreciation	(4,898,719)	(3,540,781)
Net investment real estate	$ 10,713,130	11,909,241

(Continued)

In addition to the real estate held for lease, the Company also has approximately $0 and $46,000 of real estate held for sale, net of accumulated depreciation of approximately $0 at December 31, 2015 and 2014, respectively.

The Company entered into a lease agreement with 9000 Broadway LLC, a related party, on December 31, 2012, and modified effective January 1, 2014. The balance due will be paid in monthly amounts of approximately $714,000 over the 20 year term of the lease.

(12) Related-Party Transactions

The Company paid cash dividends to AFC in the amount of approximately $35,000,000 during 2015 and 2014. There were no other transactions with affiliates in amounts, which exceeded one-half of one percent of the total admitted assets of the Company.

At December 31, 2015 and 2014, the Company reported approximately $4,493,000 and $3,330,000, respectively, as amounts due from AFC.

The Company leases office space from a subsidiary of AFC. The rent payments associated with this lease were approximately $14,671,000 and $12,461,000 in 2015 and 2014, respectively.

During 2015 and 2014, the Company entered into three-year software lease agreements with AFC. Lease expense related to these agreements was approximately $5,449,000 and $4,920,000 for the years ended December 31, 2015 and 2014, respectively, and is included in general insurance expenses.

The Company leases automobiles, furniture, and equipment from a partnership that owns a controlling interest in AFC. These operating leases are cancelable upon one month's notice. During the years ended December 31, 2015 and 2014, rentals paid under these leases were approximately $9,374,000 and $8,265,000, respectively.

Under a service agreement approved by the Oklahoma Insurance Department, AFC provides certain services on a cost basis with no markup. During the years ended December 31, 2015 and 2014, the Company paid management fees to AFC totaling approximately $6,316,000 and $6,501,000, respectively.

Under a service agreement approved by the Oklahoma Insurance Department, AFA provides certain services to American Fidelity International (Bermuda) Ltd. (AFIBL) on a cost basis. During the years ended December 31, 2015 and 2014, AFIBL paid management fees to AFA of approximately $2,103,000.

Under a service agreement approved by the Oklahoma Insurance Department, AFA provides certain services to American Public Life Insurance Company (APL) on a cost basis. During the years ended December 31, 2015 and 2014, APL paid management fees to AFA of approximately $750,000.

During the years ended December 31, 2015 and 2014, the Company paid investment advisory fees to a partnership that owns a controlling interest in AFC totaling approximately $9,988,000 and $9,429,000, respectively.

(13) Commitments and Contingencies

Rent expense for the years ended December 31, 2015 and 2014 was approximately $28,001,000 and $25,541,000, respectively. A portion of rent expense relates to leases that expire or are cancelable within one year. The approximate aggregate minimum annual rental commitments as of December 31, 2015 under noncancelable long-term leases for office space are as follows:

2016	$ 11,330,000
2017	11,219,000
2018	9,202,000
2019	8,975,000
2020	8,568,000
2021 and thereafter	144,234,000

The Company has outstanding mortgage loan commitments of approximately $37,836,000 and $34,365,000 at December 31, 2015 and 2014, respectively.

The Company is subject to state guaranty association assessments in all states in which it is licensed to do business. These associations generally guarantee certain levels of benefits payable to resident policyholders of insolvent insurance companies. Many states allow premium tax credits for all or a portion of such assessments, thereby allowing potential recovery of these payments over a period of years. However, several states do not allow such credits. The Company estimates its liabilities for guaranty association assessments by using the latest information available from the National Organization of Life and Health Insurance Guaranty Associations. The Company monitors and revises its estimates for assessments as additional information becomes available, which could result in changes to the estimated liabilities. As of December 31, 2015 and 2014, liabilities for guaranty association assessments totaled approximately $5,128,000. Other operating expenses related to state guaranty association assessments were minimal for the years ended December 31, 2015 and 2014.

In the normal course of business, there are various legal actions and proceedings pending against the Company and its subsidiaries. In management's opinion, the ultimate liability, if any, resulting from these legal actions will not have a material adverse effect on the Company's financial position.

(14) Acquired Business – Mid-Continent Life Insurance Company

Effective December 31, 2000, the Company entered into an assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma, in his capacity as receiver of Mid-Continent Life Insurance Company (MCL) of Oklahoma City, Oklahoma. Under this agreement, the Company assumed MCL's policies in force, with the exception of a small block of annuity policies that was assumed effective January 1, 2001. In a concurrent reinsurance agreement, the Company ceded 100% of the MCL policies assumed to Hannover Life Reassurance Company of America. In 2002, this agreement was then transferred to Hannover Life Reassurance Company of Ireland (HLR). The agreement with HLR is a funds withheld arrangement, with the Company ceding net policy assets and liabilities of approximately $737,412,000 and $736,705,000 to HLR and maintaining a funds withheld liability at December 31, 2015 and 2014, respectively.

Under the terms of the agreement with the receiver, the Company has guaranteed that the amount of premiums charged under the assumed "Extra-Life" contracts will not increase during the 17-year period beginning December 31, 2000. The Company has also guaranteed that the current dividend scale on the assumed "Extra-Life" contracts shall not be reduced or eliminated during the five-year period beginning December 31, 2000. Beginning January 1, 2006, the dividends on the assumed "Extra-Life" contracts are no longer guaranteed pursuant to the assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma.

As required by the terms of the assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma, the Company and HLR agreed that a Supplemental Policyholder Reserve (SPR) would be established. The initial SPR is equal to the net of the assets and liabilities received from MCL under the assumption agreement, less amounts ceded to other reinsurance carriers. The SPR is 100% ceded to HLR.

The purpose of the SPR is to provide additional protection to the MCL policyholders against premium increases and to ensure that profits are recognized over the lives of the underlying policies, rather than being recognized up front. The method for calculation of the initial SPR was specified precisely in the agreement with the receiver. The method for calculating the SPR for periods beyond the purchase date was developed by the Company, as this reserve is not otherwise required statutorily or under existing actuarial valuation guidance. The SPR is divided into two parts: (a) an additional reserve for future benefits, which is an estimate of the amount needed, in addition to the policy reserves and liability for future dividends, to fund benefits assuming there are no future premium rate increases, and (b) an additional reserve for future estimated profit, which represents the profit the Company expects to earn on this business over the lives of the underlying policies. The SPR is reprojected each year to recognize current and future profits as a level percentage of future projected required capital amounts each year, resulting in a level return on investment. Any remaining SPR will not automatically be released after the premium guarantee period of 17 years because the SPR is to be held until there is an actuarial certainty that premium rate increases will not be needed. The calculation of the SPR is subject to significant volatility, as it is highly dependent upon assumptions regarding mortality, lapse experience, and investment return. Small shifts in any of these underlying assumptions could have a dramatic impact on the value of the SPR. The SPR was approximately $378,749,000 and $378,454,000 for 2015 and 2014, respectively.

Under the terms of the agreement with HLR, HLR has agreed to share future profits on a 50/50 basis with the Company through an experience refund account. The experience refund account is calculated as premium income plus investment income less reserve increases (including the SPR), benefits paid, and administrative expense allowances paid to the Company and is settled on a quarterly basis. Losses are not shared on a 50/50 basis, except to the extent that a net loss in the experience account at the end of a quarter carries forward to future quarters. There was no experience refund earned by the Company in 2015 and 2014. Due to the nature of a funds withheld reinsurance arrangement, the components of the experience refund calculation are reported as separate components in the accompanying summary of operations. Premium income, reserve increases, and benefits paid related to this block are reported as reductions of premium income, changes in reserves, and benefits for reinsurance ceded, as required by the terms of the agreement. Investment income on the funds withheld is included in AFA's investment income, and administrative expense allowances paid to AFA are reported as a reduction of AFA's expense. The impact of ceding investment income on funds withheld is reported as a reduction of net investment income in the accompanying summary of operations.

(15) Life Contracts – Premiums

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2015 were as follows:

	Gross	Net of loading
Ordinary new business	$ 14,111,011	1,837,286
Ordinary renewal	36,244,168	30,430,103
Group life	68,295	68,111
Total	$ 50,423,474	32,335,500

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2014 were as follows:

	Gross	Net of loading
Ordinary new business	$ 12,852,534	1,674,303
Ordinary renewal	33,587,381	28,274,733
Group life	21,774	21,774
Total	$ 46,461,689	29,970,810

(16) Managing General Agents and Third-Party Administrators

Managing general agents (MGAs) and direct written contracts at December 31 were as follows:

Name and address of managing general agent or third-party administrator	Federal employer identification number	Exclusive contract	Type of business written	Type of authority granted *	2015 Direct written premium	2014 Direct written premium
TRU Services, LLC 200 Cummings Center, Ste. 272 D Beverly, MA 01915	04-3392571	No	Excess loss medical and group life	U, C, CA, R, P	$ 37,684,320	40,074,609
Elite Brokerage Services, Inc. Suite 200 191 Sheree Blvd. Exton, PA 19341	23-2328659	No	Excess loss medical	U, C, CA, R, P	18,915,226	37,685,243
Excess Reinsurance UW Agency, Inc. Suite 101 307 South Evergreen Ave Woodbury, NJ 08096	22-2945293	No	Excess loss medical	U, C, CA, R, P	11,508,916	16,902,042
	Aggregate other				24,800,260	20,510,891
Total MGA and third-party administrator premium					$ 92,908,722	115,172,785

* Abbreviations
U: Underwriting
C: Claims payment
CA: Claims adjustment
R: Reinsurance ceding
P: Premium collection

(Continued)

(17) Affiliated Entities

The following is a summary of the significant ownership and affiliated entity relationships that existed at December 31, 2015:

Immediate parent	• American Fidelity Corporation
Other insurance affiliates	• American Public Life Insurance Company • American Fidelity International (Bermuda) Ltd.
Other affiliates	• American Fidelity International Holdings, Inc. • American Fidelity Property Company • 6303 Portland, LLC • Broadway Tech, LLC • Apple Creek Apartments, Inc. • American Fidelity General Agency, Inc. • American Fidelity Securities, Inc. • First Fidelity Bank, N.A. and its affiliates • INSURICA, Inc. and its affiliates • Cameron Enterprises, A Limited Partnership and its affiliates • InvesTrust Consulting, LLC • InvesTrust Retirement Specialists, LLC • InvesTrust N.A. • Enrollcom, Inc. • American Fidelity Property Services, LLC • Alcott HR Group, LLC • First Financial Securities of America, Inc. • AF Professional Employment Group, LLC • Hawaii Development, LLC • Home Rentals, Inc. • 9000 Broadway, LLC • Market Place Realty Corporation • Health Services Administration, LLC • American Fidelity Community Services, Inc. • AF Apartments, Inc. • Oklahoma Winery Partners, LLC • Vintage Oakville Cross, LLC • American Fidelity Administrative Services, LLC • First Financial Capital Corporation, Inc. and its affiliates

(Continued)

(18) Reconciliations

Reconciliations of capital and surplus and net income on a GAAP basis to the amounts included in the accompanying statutory financial statements for the years ended December 31, 2015 and 2014 are as follows (in thousands):

	Net income, year ended December 31		Capital and surplus, at December 31	
	2015	2014	2015	2014
Amounts as reported on statutory basis	$ 75,367	69,252	408,498	380,373
Adjustments:				
Deferred policy acquisition costs	39,733	38,241	549,370	496,907
Policy benefit reserves	(448)	23,753	(12,724)	(12,730)
Deferred federal income taxes	(5,471)	(13,914)	(153,763)	(180,353)
Due and deferred premiums	(2,126)	(777)	(19,229)	(16,519)
Nonadmitted assets	—	—	16,224	6,470
Asset valuation reserve	—	—	26,584	22,548
Invested assets	(72,431)	65,102	75,785	263,911
Funds withheld derivative	73,955	(64,566)	(42,246)	(116,201)
Other, net	(1,306)	(2,496)	19,559	17,862
Amounts on a GAAP basis for consolidated presentation	$ 107,273	114,595	868,058	862,268

(19) Guaranty Assessments

As of December 31, 2015, American Fidelity Assurance Company did not receive notice of any assessments that would have a material financial impact.

(Continued)

The amount of recognized liabilities under SSAP No. 35R is $1,050,000 and the related asset for premium tax credits is $194,000. The Company expects that the assessments would be billed and paid over the next year and the majority of the premium tax offsets would be realized over the next five years after that.

Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	$	975,922
Decreases current year:		
Premium tax offset applied	$	299,250
Payments on insolvencies which were set up as payables prior to the current year		146,530
Reduction in the estimated liablility based on new projections at the end of the current year		123,498
Adjusted the liability to remove payments on insolvencies which are no longer part of the projected liability		(50,131)
Increases current year:		
Assessment payments less refunds on insolvencies billed during the current year	$	239,201
Increase in estimated liability based on the new projections at the end of the current year		484,097
Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	$	1,079,811

(20) Reconciliation to Annual Statement

The reconciling items between the annual statement filing and the audited financial statements for the year ended December 31, 2015 are as follows:

Statutory Statements of Cash Flow

	Annual statement	Reclass	Audited financials
Premiums and annuity considerations, net reinsurance	$ 960,201,329	(2,486,411)	957,714,918
Investment income received	184,878,650	(13,073,464)	171,805,186
Life and accident and health claims paid	(325,587,128)	3,679,128	(321,908,000)
Commissions and other expenses paid	(360,789,479)	13,238,685	(347,550,794)
Net cash from operations	330,286,321	1,357,938	331,644,259
Other proceeds from investments sold, matured, or repaid	$ 1,469,893	(1,357,938)	111,955
Total investment proceeds	441,233,767	(1,357,938)	439,875,829
Net cash from investing	(255,452,886)	(1,357,938)	(256,810,824)

(Continued)

The reconciling items between the annual statement filing and the audited financial statements for the year ended December 31, 2014 are as follows:

Statutory Statements of Cash Flow

	Annual statement	Reclass	Audited financials
Life and accident and health claims paid	$ (317,461,676)	(18,348,691)	(335,810,367)
Net cash from operations	229,554,858	(18,348,691)	211,206,167
Net (increase) in policy loans and loans on fund deposits	$ (26,300,964)	18,348,691	(7,952,273)
Net cash from investing	(160,391,788)	18,348,691	(142,043,097)

(21) Subsequent Events

The Company evaluated events subsequent to December 31, 2015 and through February 19, 2016, the date on which the statutory financial statements were issued. The Company also evaluated events subsequent to December 31, 2015 and through May 16, 2016 the date on which the audited financial statements were issued.

Schedule 1

AMERICAN FIDELITY ASSURANCE COMPANY

Selected Financial Data

December 31, 2015

Investment income earned:		
Government bonds	$	2,284,696
Other bonds (unaffiliated)		169,905,746
Preferred stocks (unaffiliated)		61,667
Common stocks (unaffiliated)		10,660
Mortgage loans		23,408,487
Real estate		4,414,194
Premium notes, policy loans, and liens		3,176,054
Cash on hand and on deposit		9,798
Other invested assets		350,221
Aggregate write-ins for investment income		2,118,712
Gross investment income	$	205,740,235
Real estate owned – book value	$	10,713,130
Mortgage loans – book value:		
Commercial mortgages	$	393,280,807
Total mortgage loans	$	393,280,807
Mortgage loans by standing – book value:		
Good standing	$	393,280,807
Other long-term invested assets – statement value		21,866,789
Bonds and stocks of parents, subsidiaries, and affiliates – book value:		
Common stocks		790,709
Bonds and short-term investments by class and maturity:		
Bonds and short-term investments by maturity – statement value:		
Due within 1 year	$	122,118,996
Over 1 year through 5 years		600,436,928
Over 5 years through 10 years		1,355,786,581
Over 10 years through 20 years		1,053,377,860
Over 20 years		588,916,782
Total by maturity	$	3,720,637,147
Bonds and short-term investments by class – statement value:		
Class 1	$	2,105,526,165
Class 2		1,518,729,280
Class 3		77,964,707
Class 4		10,570,953
Class 5		3,719,580
Class 6		4,126,462
Total by class		3,720,637,147
Total bonds and short-term investments publicly traded		3,096,870,962
Total bonds and short-term investments privately placed	$	623,766,185

(Continued)

Schedule 1

AMERICAN FIDELITY ASSURANCE COMPANY

Selected Financial Data

December 31, 2015

Common stocks – fair value (investments in affiliates at equity value)	$ 25,021,596
Cash on hand and on deposit	175,188,228
Life insurance in force (net):	
Ordinary	15,114,999,000
Group life	821,958,000
Amount of accidental death insurance in force under ordinary policies (net)	1,965,321,000
Life insurance policies with disability provisions in force (net):	
Ordinary	1,799,954,000
Group life	46,504,000
Supplementary contracts in force (net):	
Ordinary – not involving life contingencies:	
Amount on deposit	138,530
Income payable	—
Ordinary – involving life contingencies (net):	
Income payable	52,983
Annuities:	
Ordinary:	
Immediate – amount of income payable	$ 8,567,387
Deferred – fully paid account balance	711,634,905
Group:	
Immediate – amount of income payable	474,010
Accident and health insurance – premiums in force:	
Ordinary	301,222,888
Group	512,083,621
Deposit funds and dividend accumulations:	
Deposit funds – account balance	4,917
Dividend and coupon accumulations – account balance	199,440
Claims payments:	
Other accident and health:	
2015	76,913,498
2014	27,684,759
2013	2,488,315
2012	1,016,707
2011	571,369
Prior	321,014
Group accident and health:	
2015	96,117,902
2014	61,972,205
2013	11,279,905
2012	5,114,748
2011	3,021,680
Prior	6,832,273

See accompanying independent auditors' report.

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2015

1. Total admitted assets, excluding separate accounts: $4,622,796,507

2. The Company's 10 largest exposures to a single issuer/borrower/investment, excluding U.S. government, U.S. government agency securities, and those U.S. government money market funds listed in the Appendix to the NAIC SVO Purposes and Procedures Manual as exempt, property occupied by the Company, and policy loans at December 31, 2015 are as follows:

Investment category	Amount	Percentage of total admitted assets
Oracle Corporation	$ 22,836,325	0.494%
Williams Companies, Inc.	21,962,115	0.475
Equifax, Inc.	15,346,851	0.332
Time Warner, Inc.	15,200,457	0.329
Comcast Corp.	15,184,750	0.328
Scripps Networks Inter-CLA	15,115,354	0.327
Electricite De France	15,100,201	0.327
Becton Dickinson & Co.	15,024,706	0.325
Commonwealth Bank Australia	15,000,000	0.324
WPP Finance 2010	14,811,235	0.320

3. The Company's investments in bonds, short-term investments, and preferred stocks by NAIC rating at December 31, 2015 are as follows:

Bonds, short-term investments, and preferred stocks	Amount	Percentage of total admitted assets
NAIC-1	$ 2,105,526,165	45.547%
NAIC-2	1,518,729,280	32.853
NAIC-3	77,964,707	1.687
NAIC-4	10,570,953	0.229
NAIC-5	3,719,580	0.080
NAIC-6	4,126,462	0.089

(Continued)

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2015

4. Assets held in foreign investments:

	Amount	Percentage of total admitted assets
Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets?		Yes ( ) No (X)
Total admitted assets held in foreign investment	$ 473,333,824	10.239%
Foreign-currency-denominated investments	—	—
Insurance liabilities denominated in that same foreign currency	—	—

5. Aggregate foreign investment exposure categorized by NAIC sovereign rating:

	Amount	Percentage of total admitted assets
Countries rated NAIC-1	$ 442,654,323	9.575%
Countries rated NAIC-2 or below	30,679,501	0.664

6. Largest foreign investment exposures by country, categorized by the country's NAIC sovereign rating:

	Amount	Percentage of total admitted assets
Countries rated NAIC – 1:		
Country 1: Great Britain	$ 113,995,402	2.466%
Country 2: Australia	74,623,217	1.614
Countries rated NAIC – 2 or below:		
Country 1: Mexico	$ 27,679,501	0.599%
Country 2: Italy	3,000,000	0.065

(Continued)

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2015

7. Ten largest nonsovereign (i.e., nongovernmental) foreign issues:

Issuer	Amount	Percentage of total admitted assets
Electricite De France	$ 15,100,201	0.327%
Commonwealth Bank of Australia	15,000,000	0.324
WPP France 2010	14,811,235	0.320
Petrobras Global Finance	14,480,576	0.313
France Telecom	10,905,291	0.236
Grupo Bimbo	10,894,786	0.236
Lotte Shopping Co	9,993,436	0.216
Anglo American Capital	9,965,519	0.216
Shelle International	9,952,274	0.215
Formento Economico Mexico	9,857,105	0.213

7a. The aggregate mortgage interest represents the combined value of all mortgages secured by the same property or same group of properties. Each of the Company's 10 largest aggregate mortgage interests at December 31, 2015 are as follows:

Type (commercial)	Amount	Percentage of total admitted assets
Kilkee, LLC	$ 14,150,594	0.306%
Daboo, LLC	12,048,089	0.261
Susan A. Cox	10,590,683	0.229
Crown Equipment	7,625,158	0.165
Colonial Hickary/Rockingham/Clemmons	7,522,097	0.163
Locke Supply Co	7,060,309	0.153
Majestic Regence Woods, LLC	6,589,622	0.143
Lake Park Storage, LLC	6,383,274	0.138
Quick Trip Service Stations	6,330,362	0.137
CVS and O-Reilly Stores	6,199,882	0.134

(Continued)

Schedule 2

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2015

7b. The Company's mortgage loans have the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

	Loan-to-value	Commercial	Percentage of total admitted assets
i.	above 95%	$ —	—
ii.	91% to 95%	—	—
iii.	81% to 90%	—	—
iv.	71% to 80%	26,033,445	0.563%
v.	below 70%	367,247,362	7.944%

Items 8 through 9, 11 through 15, 17a, and 18 through 23 are not applicable to the Company.

See accompanying independent auditors' report.

AMERICAN FIDELITY ASSURANCE COMPANY

Summary Schedule of Investments

December 31, 2015

Investment categories	Gross investment holdings Amount	Gross investment holdings Percentage	Admitted assets as reported in the annual statement Amount	Admitted assets as reported in the annual statement Percentage
Bonds:				
U.S. Treasury securities	$ 1,076,489	0.024%	$ 1,076,489	0.024%
U.S. government agency obligations (excluding mortgage-backed securities):				
Issued by U.S. government agencies	7,105,463	0.161	7,105,463	0.161
Issued by U.S. government sponsored agencies	408,936,095	9.286	408,936,095	9.286
Non-U.S. government (including Canada, excluding mortgage-backed securities)	33,352,181	0.757	33,352,181	0.757
Securities issued by states, territories, and possessions and political subdivisions in the United States:				
States, territories, and possessions general obligations	276,375,942	6.276	276,375,942	6.276
Revenue and assessment obligations	131,171,976	2.979	131,171,976	2.979
Mortgage-backed securities (includes residential and commercial MBS):				
Pass-through securities:				
Issued or guaranteed by GNMA	2,609,477	0.059	2,609,477	0.059
Issued or guaranteed by FNMA and FHLMC	1,718,921	0.039	1,718,921	0.039
All other	14,147,156	0.321	14,147,156	0.321
CMOs and REMICs:				
Issued or guaranteed by GNMA, FNMA, FHLMC, and VA	585,041,381	13.285	585,041,381	13.285
All other	154,213,205	3.502	154,213,205	3.502
Other debt and other fixed income securities (excluding short-term):				
Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	1,562,313,919	35.476	1,562,313,919	35.476
Unaffiliated foreign securities	542,574,942	12.321	542,574,942	12.321
Equity interests:				
Preferred stocks:				
Unaffiliated	4,211,220	0.096	4,211,220	0.096
Publicly traded equity securities (excluding preferred stocks):				
Unaffiliated	273,417	0.006	273,417	0.006
Other equity securities:				
Affiliated	790,709	0.018	790,709	0.018
Unaffiliated	23,957,470	0.544	23,957,470	0.544

(Continued)

Schedule 3

AMERICAN FIDELITY ASSURANCE COMPANY

Summary Schedule of Investments

December 31, 2015

Investment categories	Gross investment holdings		Admitted assets as reported in the annual statement	
	Amount	Percentage	Amount	Percentage
Mortgage loans:				
Commercial loans	$ 393,280,807	8.931%	$ 393,280,807	8.931%
Real estate investments:				
Property held for production of income (including $0 of property acquired in satisfaction of debt)	10,713,130	0.243	10,713,130	0.243
Property held for sale (including $0 property acquired in satisfaction of debt)				
Contract loans	52,673,645	1.196	52,673,645	1.196
Receivables for securities	844	—	844	—
Cash, cash equivalents, and short-term investments	175,188,228	3.978	175,188,228	3.978
Other invested assets	22,086,745	0.502	21,865,945	0.497
Total invested assets	$ 4,403,813,362	100%	$ 4,403,592,562	100%

See accompanying independent auditors' report.

	Response Form A - Scope of Service Questionnaire	Firm Response and Comments
1)	Provide background information about your company.	
	a. History	American Fidelity Assurance Company was established in 1960 and has been providing voluntary benefits and employer administative services for the education community for 60 years. We offer benefits strategies that empower districts like yours to make benefits decisions to help your organization and your employees. Our goal is to act as an extension of your human resources department by providing employee education, enrollment, year-round administration, and compliance support.
	b. What percent of your business is in the education sector?	American Fidelity has a division solely dedicated to education community, meaning you will be served by an account team that is truly embedded within your industry's trends and benefit needs. Overall, the education sector makes up about 80% of our business.
	c. Organizational mission, brand, and market differentiators	American Fidelity's mission is to provide financial security and benefit solutions to meet the specific needs of employers and employees in our select market segments. We accomplish our mission by providing your employees with a personal approach focused on providing each of your employees with the proper education to help them understand the full scope of the benefits being offered and how they can be used to supplement their core benefits.
2)	Identify the number of IL public schools your company currently provides Section 125 administration services and employee benefit education and enrollment support.	We currently serve 240 public school districts in Illinois.
3)	Please summarize in 250 words or less why your company is the best candidate and the principal reasons your company should be selected over your competitors	American Fidelity is committed to providing your District with more than just a benefits package. We want to help you implement valuable, consistent benefit education to ensure your employees understand their benefit options and how each option fits into their overall benefits package. We do this by utilizing salaried account managers who provide a one-on-one guided enrollment experience for each eligible employee to answer questions and provide comprehensive benefits education. Additionally, we provide educational videos, a benefits website, emails, and customized print materials to ensure each employee can learn about their benefit options through the channels they prefer. We believe that with a true benefits education strategy, your employees will be more prepared to make benefits decisions, leading to higher overall participation in your benefits plan.
4)	Does your firm offer an Online Enrollment System? If so, please describe this system and how it is used in the enrollment process. Include the following information.	AFenroll® is American Fidelity's complete web-based enrollment, communication, and administration platform that can assist with your entire benefit enrollment process. With ease of administration and one central location for you and your carriers, AFenroll® is your enrollment solution. We'll provide you with a customized online benefits enrollment system with year-round features and maintenance. This includes: • Full benefits and system enrollment monitoring • Setup for mutually agreed upon plan functionality • Data and census analysis, pre-load, and setup • Testing and carrier review • Multiple product categories, plan options, and coverage levels • Administrative tools (reports, enrollment monitoring, etc.) • Post-enrollment data transfer to employer
	i. When was the system implemented?	We began using our current enrollment system in 2011.
	ii. Who has access to the information?	Access is granted to administrators and HR team members via a secure login to our system.
	iii. How is the information accessed?	Information is accessed through administrative login into our secure web based system.
	iv. Describe information and functions available via the system.	Employer Features: • Electronic payroll deduction upload • New Hire enrollments • View employee enrollment status • Employee benefit participation reports • Administrative changes, including terminations, leaves of absence, retirements and more • View employee coverage at any time • Electronic, historic record of employee data • View employee beneficiary information at any time • Customize your enrollment with company colors, logo, and photos Employee Features: • Accessible from any desktop browser • Customized enrollment based on demographic information and hire date • Enroll in all available benefits • View benefit confirmation statements • View benefit materials, brochures, and summary plan descriptions • Educational benefit videos • Enrollment preparation videos • Benefit calculators and Section 125 worksheets
5)	Define the number of plan customers using your Online Enrollment System, including (Illinois) school districts?	Approximately 7,200 clients currently use AFenroll, including 240 school districts throughout Illinois. We provide full benefit enrollments, including EDI data feeds to carriers, for 187 clients and eight clients in Illinois.
6)	Provide a sample project timeline that outlines the implementation process.	A sample implementation timeline is included in Section 2 of this response.

7)	What security standards do you implement to ensure participant privacy?	As an insurance company, American Fidelity is held to a high standard by Federal Government Regulations and other entities to protect the personal information of our clients. We have measures in place to continually meet these standards. These include: All American Fidelity colleagues are required to take a HIPAA class and have adopted work practices that emphasize confidentiality and security. American Fidelity provides a licensed attorney and certified PHR (Professional Human Resources) manager who ensure HIPAA compliance. Additionally, customer information is shredded and kept in locked binds. Our file server is backed up and stored offsite in a secured and monitored facility. Please see the Supporting Documents section of this response for our HIPAA Notice of Privacy Practices.
8)	Can the Online Enrollment System be programmed with complex eligibility rules? Is software programming done in-house or by third party?	Yes – AFenroll® can be programmed with complex eligibility rules. All programing is done in-house by a tech assigned specifically to your district. Our team will work with you during implementation to determine your needs and build your enrollment to meet those needs.
9)	Do employees have 24/7 access to login and view benefit choices items?	Yes – Employees have 24/7 access to manage their benefits through our secure online portal.
10)	Is the system capable of exporting enrollment data to plan providers in acceptable electronic formats?	Yes – American Fidelity has more than 18 years of experience providing EDI files to carriers. We have been successful because we take the time and make the effort to continually verify all carrier details and revise data specs to ensure their accuracy. This is done through conference calls with the carriers and through our secure test file process. We work back and forth with the carrier to make sure they are receiving what they expect and can load the file accurately. Once the test phase is complete and the enrollment is conducted, we can quickly provide the carrier files with the confidence that they are produced accurately.
11)	Is the system capable of generating employee deduction files for upload to the district's payroll program?	Yes – We can provide a file of plan year enrollments directly into the District's payroll system.
12)	Is the system used to educate employees on the benefits offered? If so, please describe.	Yes – AFenroll® can be customized to incorporate benefit materials, brochures, educational videos, and summary plan descriptions to assist employees during the enrollment experience. Employees may also utilize the custom benefits website for quick web access to educational material for each of the benefit options.
13)	Are there any fees to the district associated with the Online Benefit System?	We are offering our online enrollment platform and payroll integration at no additional charge to Community Unit School District # 300 in exchange for: •Access to offer our portfolio of voluntary benefits to District employees through payroll deduction; and •Access to school sites for group and individual enrollment meetings.
14)	Please provide the details on the Account Management staff, including key personnel whom would have primary responsibility of supporting the District. As well as who will be enrolling the employees.	Your District will be served year-round by a team of our salaried account managers that live and work in Illinois. This team includes Mary Hatfield, Audra Busssard, Whitney Dyson, and Tammy Hinkle. We will provide additional account managers as needed during the open enrollment process.
15)	Please describe the training provided to your field staff.	Our account managers are required to attend training year-round to help ensure they are up-to-date on benefits management trends. New account managers are required to attend over 100 hours of training, complete 11 online courses, and must pass multiple exams within the first six months. Annually, all our account managers are trained on: •Industry benefit trends •Compliance requirements •Section 125 Plan regulations •Reimbursement account regulations •Patient Protection and Affordable Care Act (ACA) •Data security •Fraud detection •HIPAA regulations
16)	Describe your Section 125 Administration.	American Fidelity is one of the leading Section 125 Plan providers nationwide with nearly 40 years of experience providing these Plans to school districts like yours. When you choose American Fidelity as your Plan provider, we will help you properly implement and maintain your Section 125 Plan. This includes helping you establish your Plan Document. Our business model is convenient, IRS compliant, and will help to relieve your organization of the administrative burden. **We provide our Section 125 services at no additional cost.**
	a. Who is responsible for the employer risk? If the account is negative at the end of the plan year when the account is reconciled (i.e., employee leaves plan with negative unreimbursed medical balance), who is responsible?	Because of the potential loss to the employer, American Fidelity provides insurance to cover the Health FSA risk. The risk policy "insures" the employer's uniform coverage risk for the Health FSA, up to $2,750 per participant for shortages in the account due to termination of employment. American Fidelity will provide this risk protection to the District at no additional cost.
	b. Through which methods can employees submit claims for reimbursement?	We offer several convenient ways for employees to submit claims for reimbursement: Benefits Debit Card - Allows employees to pay for eligible medical expenses directly from their accounts. Our system is tied to an inventory information approval system (IIAS) allowing us to verify that a transaction is valid at the point-of-sale for most retail locations without further documentation. Mobile App – Employees can file a claim by snapping a photo of the expense receipt and submit using a smartphone. Online – Employees can file a claim and upload their expense receipts through our Online Service Center. Mail & Fax – Employees can file a claim manually by mail or fax. Printable claim forms are available on our website.

17)	Describe your online service center for employees and the District	Our Employee Online Service Center allows your employees to easily manage their American Fidelity benefits in one place. Employees can: • File a new claim through an online submission form • Check the status of an existing claims • Check reimbursement account balance and track account activity • Update account information • Download and print insurance policies • Set up account notifications and view statements Our Employer Online Service Center is a secure portal that allows you to manage your entire benefits program and reconcile your bill in one place. Employers can: • Review or terminate employees from their plan • Update organization's contact information • Download sick pay reports • Create and manage employer account logins • Access employee election forms • Upload census data • Download reports
18)	Describe your firm's service model including claims' services.	At American Fidelity, we work hard to exceed your expectations by providing excellent customer service and claims processing for your employees and efficient plan administration tools and support for your human resources department. We are available throughout the year to assist you and your employees with any questions or need, both from our headquarters in Oklahoma City, OK and through our local account managers. We make claim submission fast and easy for your employees with options to submit online through our Online Service Center or through our mobile app. We pay claims in an average of five business days from the time a claim is received
19)	Describe the process for completing annual employee election form requirements.	During enrollment, all elections are captured electronically and documented on the employee's Section 125 election form, which are printed and provided to the employee. At the end of the enrollment, American Fidelity provides the employer with access to these forms, as well as the opportunity for American Fidelity to automatically upload employee elections to your payroll system. This eliminates the need for your administrative staff to key in all changes manually.
20)	Describe your process for onboarding new employees.	As previously discussed, we can meet in person or virtually with all new hires on set dates twice a month or when district requests. During this time, we can fully complete the onboarding process and collect all necessary forms and items on behalf of your HR department. All benefit elections can be processed through AFenroll®, making enrollment notifications to carriers and billing updates seamless.
21)	What measurements does your company have in place to ensure all employees are educated equally on the Section 125 options available to them?	We focus on providing a one-on-one, in-person enrollment experience for each employee. This approach allows our account managers to help educate and enroll your employees in all their benefit options. We also provide a variety of pre-enrollment marketing materials, including emails, posters, flyers, postcards, and brochures to ensure your employees understand their benefit options and know when it's time to enroll.
22)	How are employee elections provided back to the District?	Your District will be provided with complete enrollment documentation following the enrollment. This information can be provided by paper and/or we can provide an electronic "upload" of election changes directly into your payroll system, eliminating the need for manual data entry.
23)	Describe post-enrollment services.	We will coordinate a meeting with your District to review enrollment successes, participation by benefit and service, and improvement opportunities for the following plan year. In addition, we will meet with the payroll administrator to provide one-on-one training for our online billing and administration system and assist with the first billing. Complete tasks include: •Review Payroll Deduction Report •Upload payroll deductions •Walk through the first bill and ongoing support •Training for American Fidelity's Online Service Center •Review year-round support mode
24)	How would your company work with the district to develop a communication campaign?	Your benefits enrollment period is a unique opportunity to engage your employees about your benefit offerings and ensure they are choosing the benefits that meet their needs. If executed properly, your employees will better appreciate and understand the benefits you offer, leading to higher satisfaction and retention. American Fidelity will work with you during the planning meetings to develop and execute a communication strategy that removes much of the administrative burden on your organization while also ensuring your employees are educated on their benefit options.

25)	Describe the process to educate employees on the employee benefits available at open enrollment. Include a description of your print and digital resources, including benefits website	We will work with your District to develop a communication and education strategy that may include the following options: One-on-One Benefit Reviews - Employees can meet individually with one of our experienced account managers to receive customized guided enrollment education; get their questions answered; and help ensure they select the benefit that best meet their needs. Group Meetings - We educate your employees on their benefit options in a group setting to prepare them for their annual enrollment. Pre-Enrollment Materials - We can provide emails, posters, flyers, postcards, and brochures to ensure your employees understand their benefits and know when it's time to enroll. Educational Videos -We have an expansive video library that includes enrollment preparation tips, product information, testimonials, and self-service support options. Benefits Website - We can work with you to create a custom benefits website with up-to-date plan information and an enrollment appointment scheduler.
26)	How are employees able to access in-person resources to assist with the enrollment process?	Your employees can sign up to attend one-on-one benefit reviews and group meetings with one of our account managers in-person during the enrollment process.
	Other Services:	
27)	Describe the benefits compliance resources your company can offer to the district and its employees.	American Fidelity recognizes that staying on top of changes in the law is imperative for a successful benefits program. We have an entire compliance team dedicated to monitoring and educating our customers through lunch-and-learns, VIP email notifications, newsletters, our Benefits Blog, and personal benefit reviews with our account managers. These resources help give employers a head start with trying to understand new rules. We have in-house benefit attorneys and compliance experts who continually monitor both state and federal requirements. We want to be your partner and primary resource for managing the challenges and changes resulting from the ACA. We understand the requirements and how those responsibilities can impact employers and employees. We provide a variety of services to educate employers on the developing law, assist with implementation and ongoing compliance, and communicate plan changes to employees.
28)	Does your company have other services or technology that could be offered?	• We offer our mobile app, AFmobile®, for submitting and managing claims for our voluntary benefits and reimbursement accounts (FSA, HSA, and HRA). • Our online enrollment platform can assist with your entire enrollment. • We offer a GoToMeeting enrollment option that allows your employees to meet face-to-face with one of our account managers from anywhere.
29)	Please describe any additional services or support that would be available to the District.	American Fidelity can provide the following additional services to the District: •Section 125 Compliance •Administration of Flexible Spending Accounts (FSAs) and Health Savings Accounts (HSAs) •Dependent Verification Reviews •Group Dental and Vision Insurance •Retirement Readiness Seminars •ACA Compliance Support
30)	What are the hours of operation for the live customer service office?	Our experienced customer care team and department specialists are available Monday through Friday, 7:00 am-7:00 pm CST. Customers may contact us via email using our contact form at americanfidelity.com or through phone. We also have voicemail capabilities.
31)	Does your customer service staff support other languages? What policies and procedures are in place to accommodate these needs?	American Fidelity employs both English and Spanish speaking customer service representatives to assist with customer questions.

	Technology Questionnaire	
1	What sets your product apart from the others?	We believe that our focus on the education market and our individualized guided enrollment experience set us apart from the competition. According to a survey we conducted of more than 12,000 education employees, more than 90% responded that they favored our one-on-one approach as opposed to only 7% that preferred to self-educate and enroll on their own.
2	Does you firm accept terms of deferred billing?	There are no costs associated with our enrollment platform.
3	Does the product support SSO Implementation?	Yes
4	Is SSO implementation available via SAML?	Yes
5	Is SSO implementation included in base cost?	There are no costs associated with our enrollment platform.
6	What type of support is provided and what hours is it available (CST)?	Technical support for our enrollment system is available 24/7.
7	Is technical support 24/7 available?	Yes
8	Is technical support 24/7 included in base price?	There are no costs associated with our enrollment platform.
9	Do you partner with a hosting provider (ex: AWS) and does you have data center redundancy?	Our site is hosted on premise with data center redundancy in two geographically separate locations.
10	List the products uptime over last 6 months:	99% +/-
11	List the products uptime over last 12 months:	99% +/-
12	List the products uptime over last 24 months:	99% +/-
13	Does the products license include continuous updates to the software?	Contractually, there are two maintenance windows a week for software/hardware updates – Wednesday evening through Thursday morning (8:00 p.m. – 12:00 a.m. CST) and Sunday evening through Monday morning (8:00 p.m. – 12:00 a.m. EST). Notification is sent out if there is emergency maintenance required outside of the maintenance window.

14	Does the product integrate with Google?	AFenroll® is web-based and is supported on the most used versions of any web browser, including Google Chrome.
15	Is there a Chromebook app?	AFenroll® is web-based and can be accessed from a Chromebook.
16	Does the product run in the Chrome web browser (Chromebooks)?	Yes – AFenroll® can be access from the Chrome web browser.
17	How is the content delivered on a Chromebook (web/app/other)?	AFenroll® can be accessed from the web by visiting www.afenroll.com.
18	If the content is delivered through the web, how is it delivered (HTML5/Flash)?	HTML5
19	If there is flash-based content, when will it be converted to HTML5?	N/A
20	Is Chromebook Kiosk mode supported?	Yes
21	Is an ebook/etext included?	We have electronic enrollment education materials and account managers available to assist with enrollment.
22	Is the ebook/etext available offline?	We have electronic enrollment education materials and account managers available to assist with enrollment.
23	Is there a client/app needed for teachers?	AFenroll® can be accessed from the web by visiting www.afenroll.com.
24	Is the product for teachers compatible on Windows devices?	Yes
25	Is the product supported on Windows 10?	Yes
26	Is the client/app for teachers deployable to Windows machines via MSI?	AFenroll® can be accessed from the web by visiting www.afenroll.com.
27	Does the client/app for teachers require custom configurations based on user?	N/A
28	Is an ebook/etext included?	We have electronic enrollment education materials and account managers available to assist with enrollment.
29	Is the ebook/etext available offline?	We have electronic enrollment education materials and account managers available to assist with enrollment.
30	Is there a client/app needed for teachers?	AFenroll® can be accessed from the web by visiting www.afenroll.com.
31	Is the product for teachers compatible on Windows devices?	Yes
32	Is the product supported on Windows 10?	Yes
33	Is the client/app for teachers deployable to Windows machines via MSI?	AFenroll® can be accessed from the web by visiting www.afenroll.com.
34	Does the client/app for teachers require custom configurations based on user?	N/A

DISTRICT 300

BOARD OF EDUCATION MEMO

DATE: October 6, 2026

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Colleen O'Keefe
Chief Legal Counsel

Presented at the following Board Meetings	Date
Board Operations Committee	
BOE 1st Reading	10/06/2026
BOE 2nd Reading	10/27/2026

SUBJECT: Review and approval of revisions to Board policies

Background

According to policy 2:240, *Board Policy Development,* "the Board will monitor its policies and consider whether any modifications are required." Policies with modifications are referred to as Draft Updates and policies under a five-year review are referred to as Review and Monitoring.

The following Board policies are presented to the Board for review:
2:70-E, *Checklist for Filling Board Vacancies by Appointment*
2:80, *Board Member Oath and Conduct*
2:200, *Types of Board of Education Meetings*
2:260, *Uniform Grievance Procedure*
2:270, *Discrimination and Harassment on the Basis of Race, Color, and National Origin Prohibited*
3:50, *Administrative Personnel Other than the Superintendent*
3:60, *Administrative Responsibility of the Building Principal*
3:70, *Succession of Authority*
4:120, *Food Services*
4:175, *Convicted Child Sex Offender; Screening; Notifications*
5:50, *Drug- and Alcohol-Free Workplace; E-Cigarette, Tobacco, and Cannabis Prohibition*
5:70, *Religious Holidays*
5:110, *Recognition for Service*
5:140, *Solicitations By or From Staff*
5:290, *Employment Termination and Suspensions*
6:70, *Teaching about Religions*
6:80, *Controversial Issues*
7:30, *Student Assignment and Intra-District Transfer*
7:130, *Student Rights and Responsibilities*
7:345, *Use of Educational Technologies; Student Data Privacy and Security*
8:70, *Accommodating Individuals with Disabilities*
8:100, *Relations with Other Organizations and Agencies*

Administrative Recommendation

The administration recommends the approval of the Board policy revisions as presented.

Fiscal Impact

None.

Document Status: Draft Update - Rewritten

Vacancies on the Board of Education - Filling Vacancies

2:70-E Exhibit - Checklist for Filling Board Vacancies by Appointment

Commented [OC1]: This exhibit has been updated to include corrections to obsolete links to IASB's website and other continuous improvement changes.

The Board of Education fills a vacancy by either appointment or election. The Board uses this checklist for guidance when it must fill a vacancy by appointment. Some items contain guidelines along with explanations. For more information, see *Answers to FAQs: Vacancies on the Board of Education*, published by a committee of the Ill. Council of School Attorneys (ICSA), and available at: www.iasb.com/policy-services-and-school-law/guidance-and-resources/vacancies-on-the-board ~~www.iasb.com/law/vacancies.cfm~~.

☐ **Confirm that the Board must fill the vacancy by appointment.**

Guidelines	**Explanation**
Review Board policy 2:70, *Vacancies on the Board of Education - Filling Vacancies*, to determine if a vacancy on the Board occurred and, if so, whether the successor will be selected by election or Board appointment. Consult the Board Attorney as needed.	Filling a vacancy by Board appointment or election depends upon when the vacancy occurred. If a vacancy occurs with less than: (1) 868 days remaining in the term of office, or (2) 88 days before the next regularly scheduled election for the vacant office, the Board selects an appointee to fill the vacancy, no election to fill the vacancy is held~~,~~ and the appointee serves the remainder of the term. At all other times, an appointee serves until the next regular school election, at which election a successor is elected to serve the remainder of the unexpired term. See 105 ILCS 5/10-10.
In the event a seat on the board goes unfilled at an election, consult the Board Attorney to determine (1) how long the seat can be *held over* by the incumbent member, and (2)	The School Code partially addresses the concept of a *holdover seat* (a board member remaining in office past their term); it states: "no elective office…becomes vacant until the successor of the incumbent of such office has been

the process by which the Board will fill the seat.	appointed or elected, as the case may be, and qualified." 105 ILCS 5/10-11.

☐ **Notify the Regional Superintendent of the vacancy within five days of its occurrence (105 ILCS 5/10-10).**

☐ **Develop a list of qualifications for appointment of a person to fill the vacancy.**

Guidelines	**Explanation**
At a minimum, a candidate must meet the following qualifications: • Be a United States citizen • Be at least 18 years of age • Be a resident of Illinois and the District for at least one year immediately preceding the appointment • Be a registered voter • Not be a child sex offender • Not hold an incompatible public office • Not have a prohibited interest in any contract with the District • Not be a school trustee • Not hold certain types of prohibited State or federal employment	While the School Code does not expressly set forth eligibility requirements for appointment to a Board vacancy, the Board may want to use the qualifications for elected Board members listed in 105 ILCS 5/10-3 (board of directors) or 5/10-10 (board of education). For guidance discussing other qualifications that the Board may want to consider, see IASB's ~~*Recruiting School Board Candidates*~~ *A School Board's Guide to Identifying, Recruiting, and Mentoring Future School Board Members*, available at: www.iasb.com/about-us/publications/pamphlets-and-tools/recruiting-school-board-members ~~www.iasb.com/training/recruiting.cfm~~. For guidance regarding conflict of interest and incompatible offices, see *Answers to FAQs Regarding Conflict of Interest and Incompatible Offices* (ICSA), available at: www.iasb.com/policy-services-and-school-law/guidance-and-resources/answers-to-faqs-regarding-conflict-of-interest-and ~~www.iasb.com/IASB/media/Documents/COI_FAQ.pdf~~.
When additional qualifications apply, the following items may be	Board members of some community unit school districts may be subject to historical

included in the Board's list of qualifications: • Meet all qualifications based upon the distribution of population among congressional townships in the district • Meet all qualifications based upon the distribution of population among incorporated and unincorporated areas	residential qualifications based on the distribution of population among congressional townships in the district or between the district's incorporated and unincorporated areas. 105 ILCS 5/10-11. **Note:** If a vacancy for an area of residence remains unfilled, a board must submit a proposition at the next general election for the election of a board member at large. 105 ILCS 5/10-10.5(c).

☐ **Decide who will receive completed vacancy applications.**

Guidelines	**Explanation**
The Board President will accept applications. The Board will discuss, at an open meeting, its process to review the applications and who will contact applicants for an interview.	Who accepts vacancy applications is at the Board's sole discretion. According to Board policy 2:110, *Qualifications, Term, and Duties of Board Officers*, the Board President is a logical officer to accept the applications, but this task may be delegated to the Secretary or Superintendent's secretary if the Board determines that it is more convenient. Who accepts the applications must be decided prior to posting the vacancy announcement.

☐ **Create the Board member vacancy announcement.**

Announcement	**Explanation**
[*Insert District name*] Board Member Vacancy The School District is accepting applications to fill the vacancy	The contents of a vacancy announcement, how it is announced, and where it is posted are at the Board's sole discretion.

resulting from [*reason for vacancy*] of [*former Board member's name*].	The Board may want to announce the vacancy and its intent to fill it by appointment during an open meeting. The announcement may be posted on the District's website and in the local newspaper(s).
The individual selected will serve on the Board of Education from the date of appointment to [*date*].	The length of the appointment depends upon when during the term of office the vacancy occurred. See 105 ILCS 5/10-10 and Board policy 2:70, *Vacancies on the Board of Education - Filling Vacancies*, to determine the length of the appointment. Consult the Board Attorney as needed.
The School District [*School District's philosophy or mission statement*].	See Board policy 1:30, *School District Philosophy*, for the District's mission statement that is specific to the community's goals.
Applicants for the Board vacancy must be: [*Board's list of qualifications*].	See checklist item titled *Develop a list of qualifications for appointment of a person to fill the vacancy~~,~~* above.
Applicants should show familiarity with the Board's policies regarding general duties and responsibilities of a Board and a Board member, including fiduciary responsibilities, conflict of interest, ethics, and gift ban. The Board's policies are available at [*locations*].	Listing this along with the Board's list of qualifications assists candidates in understanding a Board member's duties and responsibilities and may facilitate a better conversation during the interview process. See Board policies: 2:20, *Powers and Duties of the Board of Education; Indemnification*; 2:80, *Board Member Oath and Conduct*; 2:100, *Board Member Conflict of Interest*; 2:105 *Ethics and Gift Ban*; and 2:120, *Board Member Development*.
Applications may be obtained at [*location and address and/or website*] beginning on [*date and time*].	See action item titled *Decide who will receive completed vacancy applications~~,~~* above.

Completed applications may be turned in by [~~time~~ *date and* ~~*date*~~ *time*] to [*name and title of person receiving applications*].	

☐ **Publicize the vacancy announcement by placing it on the District's website, announcing it at a meeting, and/or advertising it in the local newspaper(s).**

☐ **Accept and review applications from prospective candidates (see *Decide who will receive completed vacancy applications*~~,~~ above).**

☐ **Contact appropriate applicants for interviews (see *Decide who will receive completed vacancy applications*~~,~~ above).**

☐ **Develop interview questions.**

Interview Questions	**Explanation**
Why do you want to be a Board member? What specific skills would you bring to the Board? Please give specific examples of your ability in interpersonal relationships and teamwork. What do you see as the role of a Board member? What have you done to prepare yourself for the challenges of being a Board member? Please describe your previous community or nonprofit experiences.	Interview questions are at the Board's sole discretion. This list is not exhaustive, but it may help the Board tailor its questions toward finding a candidate who will approach Board membership with a clear understanding of its demands and expectations along with a constructive attitude toward the challenge. The Board may also want to consider allowing an equal amount of time for each interview. See IASB's ~~Recruiting School Board Candidates~~*A School Board's Guide to Identifying, Recruiting, and Mentoring Future School Board Members,* available at:~~www.iasb.com/training/recruiting.cfm~~ www.iasb.com/about-us/publications/pamphlets-and-tools/recruiting-school-board-members. A prospective candidate to fill a vacancy may raise other specific issues that the

What areas in the Dd~~d~~istrict would you like to see the Board strengthen? What is your availability to meet the time, training commitments, and other responsibilities required for Board membership? Describe what legacy you would like to leave behind.	Board will want to cover during an interview.

☐ **Conduct interviews with candidates (interviews may occur in closed session pursuant to 5 ILCS 120/2(c)(3)).**

Interview Plan	**Explanation**
In each interview, the Board President will: Introduce Board members to the candidate at the beginning of the interview. Describe the Board's interview process, selection process, anticipated timeline, and ask the candidate if he or she has questions about the Board's process for filling a vacancy by appointment. Describe the District's philosophy or mission statement. Describe the vacancy for the candidate by reviewing the: (1) qualifications, and (2) general duties and responsibilities of the Board and the Board members, including fiduciary responsibilities,	The Board P~~p~~resident will lead the Board as it interviews prospective candidates. See Board policy 2:110, *Qualifications, Term, and Duties of Board Officers*. The President presides at all meetings. 105 ILCS 5/10-13. The Board may also want to consider allowing an equal amount of time for each interview.

conflict of interest, ethics and gift ban, and general Board member development. Begin asking the interview questions that the Board developed. Ask the candidate whether he or she has any questions for the Board. Thank the candidate and inform the candidate when the Board expects to make a decision and how the candidate will be contacted regarding the Board's decision.	

☐ Fill vacancy by a vote during an open meeting of the Board before the 60th day (105 ILCS 5/10-10).

☐ Assist the appointed Board member in filing his or her statement of economic interest (5 ILCS 420/4A-105(c)).

☐ Announce the appointment to District staff and community.

Announcement	**Explanation**
The Board appointed [*appointee's name*] to fill the vacancy on the Board. The appointment will be from [*date*] to [*date*]. The Board previously established qualifications for the appointee in a careful and thoughtful manner. [*Appointee's name*] meets these qualifications and has demonstrated the willingness to	The contents of the appointment announcement and length of time it is displayed are at the Board's sole discretion. The Board may want to consider announcing the appointment during its meeting and also by posting it in the same places that it posted the vacancy announcement. See Board policy 8:10, *Connection with the Community*.

accept the duties and responsibilities of a Board member. [*Appointee's name*] brings a clear understanding of the demands and expectations of being a Board member along with a constructive attitude toward the challenge.	

☐ **Administer the Oath of Office and begin orientation.**

Guidelines	**Explanation**
See Board policy 2:80, *Board Member Oath and Conduct*.	Each individual, before taking his or her seat on the Board, must take an oath in substantially the form given in 105 ILCS 5/10-16.5.
See Board policy 2:120, *Board Member Development*, and exhibit 2:120-E1, *Guidelines for Serving as a Mentor to a New Board of Education Member*.	Orientation assists new Board members to learn, understand, and practice effective governance principles. See the IASB *Foundational Principles of Effective Governance*, available at: ~~www.iasb.com/training-and-events/training/training-resources/foundational-principles-of-effective-governance~~ www.iasb.com/training-and-events/training/training-resources/foundational-principles-of-effective-governance.

☐ **Inform IASB of the newly appointed Board member's name and directory information.** For instructions, see iasb.com/memberships-and-divisions/membership/member-database-instructions/how-to-update-your-district-roster.

Document Status: Draft Update

BOARD OF EDUCATION

2:80 Board Member Oath and Conduct

Each School Board member, before taking his or her seat on the Board, shall take the following oath of office:

I, (name) **do solemnly swear** (or affirm) that I will faithfully discharge the duties of the office of member of the Board of Education of Community Unit School District 300, in accordance with the Constitution of the United States, the Constitution of the State of Illinois, and the laws of the State of Illinois, to the best of my ability.

I further swear (or affirm) that:

I shall respect taxpayer interests by serving as a faithful protector of the School District's assets;

I shall encourage and respect the free expression of opinion by my fellow Board members and others who seek a hearing before the Board, while respecting the privacy of students and employees;

I shall recognize that a Board member has no legal authority as an individual and that decisions can be made only by a majority vote at a public Board meeting;

I shall abide by majority decisions of the Board, while retaining the right to seek changes in such decisions through ethical and constructive channels;

As part of the Board of Education, I shall accept the responsibility for my role in the equitable and quality education of every student in the School District;

I shall foster with the Board extensive participation of the community, formulate goals, define outcomes, and set the course for Community Unit School District 300;

I shall assist in establishing a structure and an environment designed to ensure all students have the opportunity to attain their maximum potential through a sound organizational framework;

I shall strive to ensure a continuous assessment of student achievement and all conditions affecting the education of our children, in compliance with State law;

I shall serve as education's key advocate on behalf of students and our community's school (or schools) to advance the vision for Community Unit School District 300; and

I shall strive to work together with the District Superintendent to lead the School District toward fulfilling the vision the Board has created, fostering excellence for every student in the areas of academic skills, knowledge, citizenship, and personal development.

The Board President will administer the oath in an open Board meeting; in the absence of the President, the Vice-President will administer the oath. If neither is available, the Board member with the longest service on the Board will administer the oath.

<u>The Board of Education as a Team</u>:

A. A Board of Education is a team with seven members each equally responsible for seeing that the schools are properly managed in terms of planning, policy, and decisions on which the Board has reached agreement in a regular or special meeting.
B. The members of the Board of Education act on behalf of the educational welfare of all the people in the community.
C. Members of the Board should be free from commitment to any special group, interest or pressure.
D. A Board of Education transacts business which is legally binding on the District only when it is in regular or special session with a quorum present and its proceedings recorded in the minutes of the meeting.
E. The direct administration of the school system is delegated by the Board of Education to the Superintendent of Schools.
F. It is the function of the Superintendent of Schools to serve the Board of Education as technical advisor in planning and policy making, as an executive in seeing that legislation enacted is put into operation, and as a consultant in the process of evaluating the results of the educational effort.
G. The Board of Education should have an interest in the administration of each building but leave the day to day operation of the schools to trained administrators, thereby keeping the role and function of its executive officer clear to members of the community and the professional staff.
H. The Board of Education retains full legislative and judicial authority over the schools in accordance with the school laws and the expressed will of the electorate, but delegates all executive, supervisory, and instructional authority and operation to its professional staff under the direction of its Superintendent.
I. While it is true that the individual Board member exercises the authority and responsibility of the position only when the Board is in session, the public thinks of each one as a member of the Board twenty-four hours a day and individual interests and desires to serve the community through membership on the Board of Education continues when the Board is not in session. A single Board member has no authority and cannot speak for the Board, but the public has a right to expect the Board members to be able to discuss school matters with understanding. Members have a right to expect to have access to the information which makes it possible to be informed about school affairs.

J. Much of a Board member's information may come in casual conversation with members of the public, parents, or employees of the Board. More of this information will come from publications and bulletins from the office of the Superintendent and other members of the staff. When a Board member is seeking information about a specific problem, the Superintendent would be asked to prepare a report on the matter with the help of staff.
K. At times a person or group of persons may confront a single Board member with a problem or complaint which should be handled by the Superintendent or a member of the staff. The policy of the Board in such cases should be clear to all - no member, nor the Board itself, will officially consider such problems or complaints until they have been submitted to the proper authority, the Superintendent of Schools, and a report made by the Superintendent to the Board in session. If satisfactory adjustment cannot be accomplished by this procedure, the Board may, if it deems it advisable, grant a hearing to the persons interested. Such hearings will be held during a regular or special session of the Board.
L. An effective meeting of the Board of Education should have a well planned agenda. The agenda should be planned by:
    A. The executive officer or Superintendent of Schools, whose direct responsibility for the operation of the schools provides direct knowledge of the policy, appraisal, and legislative needs of the School District.
    B. The President of the Board who must chair the meeting of the Board of Education.
    C. The Board Secretary who keeps Board of Education records and has technical knowledge pertinent to the meeting.

LEGAL REF.:

105 ILCS 5/10-16.5.

CROSS REF.: 1:30 (School District Philosophy), 2:20 (Powers and Duties of the Board of Education; Indemnification), 2:50 (Board Member Term of Office), 2:60 (Board Member Removal from Office), 2:100 (Board Member Conflict of Interest), 2:105 (Ethics and Gift Ban), 2:210 (Organizational Board of Education Meeting)

Commented [OC2]: Legal references have been updated.

ADOPTED: February 10, 2003

REVISED: June 13, 2005, February 26, 2007; August 11, 2015; May 28, 2019; September 26, 2023

Document Status: Review

BOARD OF EDUCATION

2:200 Types of Board of Education Meetings

Commented [OC3]: The Board is required to review policies on a regular basis. This policy has been reviewed and no changes are needed at this time.

General

For all meetings of the Board of Education and its committees, the Superintendent or designee shall satisfy all notice and posting requirements contained herein, as well as the Open Meetings Act. This shall include mailing meeting notifications to news media that have officially requested them, and to others as approved by the Board of Education. Unless otherwise specified, all meetings are held in the District's main office. Board policy 2:220, *Board of Education Meeting Procedure,* governs meeting quorum requirements.

The Superintendent is designated on behalf of the Board and each Board committee to receive the training on compliance with the Open Meetings Act that is required by Section 1.05(a) of that Act. The Superintendent may identify other employees to receive the training. In addition, each Board member must complete a course of training on the Open Meetings Act as required by Section 1.05(b) or (c) of that Act.

Regular Meetings

The Board of Education establishes the places for its regular meetings at the beginning of each fiscal year. The Superintendent shall prepare and make available the calendar of regular Board of Education meetings in accordance with the School Code. The regular meeting calendar may be changed with 10 days' notice in accordance with State law.

A meeting agenda shall be posted at the District's main office and the Board's meeting room, or other location where the meeting is to be held, at least 48 hours before the meeting.

Closed Meetings

The Board of Education and Board of Education committees may meet in a closed meeting to consider the following subjects:

1. The appointment, employment, compensation, discipline, performance, or dismissal of specific employees, specific individuals who serve as independent contractors in a park, recreational, or educational setting, or specific volunteers of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee, a specific individual who serves as an independent contractor in a park, recreational, or educational setting, or a volunteer of the public body or against legal counsel for the public body to determine its validity. However, a meeting to consider an

increase in compensation to a specific employee of a public body that is subject to the Local Government Wage Increase Transparency Act may not be closed and shall be open to the public and posted and held in accordance with [the Open Meetings Act]. 5 ILCS 120/2(c)(1).

2. Collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees. 5 ILCS 120/2(c)(2).
3. The selection of a person to fill a public office, as defined in this Act, including a vacancy in a public office, when the public body is given power to appoint under law or ordinance, or the discipline, performance or removal of the occupant of a public office, when the public body is given power to remove the occupant under law or ordinance. 5 ILCS 120/2(c)(3).
4. Evidence or testimony presented in open hearing, or in closed hearing where specifically authorized by law, to a quasi-adjudicative body, as defined in this Act, provided that the body prepares and makes available for public inspection a written decision setting forth its determinative reasoning. 5 ILCS 120/2(c)(4).
5. Evidence or testimony presented to the Board regarding denial of admission to school events or property pursuant to 105 ILCS 5/24-24, provided that the Board prepares and makes available for public inspection a written decision setting forth its determinative reasoning. 5 ILCS 120/2(c)(4.5).
6. The purchase or lease of real property for the use of the public body, including meetings held for the purpose of discussing whether a particular parcel should be acquired. 5 ILCS 120/2(c)(5).
7. The setting of a price for sale or lease of property owned by the public body. 5 ILCS 120/2(c)(6).
8. The sale or purchase of securities, investments, or investment contracts. 5 ILCS 120/2(c)(7).
9. Security procedures, school building safety and security, and the use of personnel and equipment to respond to an actual, a threatened, or a reasonably potential danger to the safety of employees, students, staff, the public, or public property. 5 ILCS 120/2(c)(8).
10. Student disciplinary cases. 5 ILCS 120/2(c)(9).
11. The placement of individual students in special education programs and other matters relating to individual students. 5 ILCS 120/2(c)(10).
12. Litigation, when an action against, affecting or on behalf of the particular public body has been filed and is pending before a court or administrative tribunal, or when the public body finds that an action is probable or imminent, in which case the basis for the finding shall be recorded and entered into the minutes of the closed meeting. 5 ILCS 120/2(c)(11).
13. The establishment of reserves or settlement of claims as provided in the Local Government and Governmental Employees Tort Immunity Act, if otherwise the disposition of a claim or potential claim might be prejudiced, or the review or discussion of claims, loss or risk management information, records, data, advice or communications from or with respect to any insurer of the public body or any intergovernmental risk management association or self insurance pool of which the public body is a member. 5 ILCS 120/2(c)(12).
14. Self-evaluation, practices and procedures, or professional ethics, when meeting with a representative of a statewide association of which the public body is a member. 5 ILCS 120/2(c)(16).
15. Discussion of minutes of meetings lawfully closed under this Act, whether for purposes of approval by the body of the minutes or semi-annual review of the minutes as mandated by Section 2.06. 5 ILCS 120/2(c)(21).

16. Meetings between internal or external auditors and governmental audit committees, finance committees, and their equivalents, when the discussion involves internal control weaknesses, identification of potential fraud risk areas, known or suspected frauds, and fraud interviews conducted in accordance with generally accepted auditing standards of the United States of America. 5 ILCS 120/2(c)(29).

The Board may hold a closed meeting, or close a portion of a meeting, by a majority vote of a quorum, taken at an open meeting. The vote of each Board of Education member present, and the reason for the closed meeting, will be publicly disclosed at the time of the meeting and clearly stated in the motion and the meeting minutes.

A single motion calling for a series of closed meetings may be adopted by a Board of Education quorum when such meetings will involve the same particular matters and are scheduled to be held within three months of the vote.

No final Board of Education action will be taken at a closed meeting.

Reconvened or Rescheduled Meetings

A meeting may be rescheduled or reconvened. Public notice of a rescheduled or reconvened meeting shall be given in the same manner as that for a special meeting, except that no public notice is required when the original meeting is open to the public and (1) is to be reconvened within 24 hours, or (2) an announcement of the time and place of the reconvened meeting was made at the original meeting and there is no change in the agenda.

Special Meetings

Special meetings may be called by the President or by any three members of the Board of Education by giving notice thereof, in writing, stating the time, place, and purpose of the meeting to remaining Board members by mail at least 48 hours before the meeting, or by personal service at least 24 hours before the meeting.

Public notice of a special meeting is given by posting a notice at the District's administration office at least 48 hours before the meeting and by notifying the news media that have filed a written request for notice. A meeting agenda shall accompany the notice.

All matters discussed by the Board at any special meeting must be related to a subject on the meeting agenda.

Study Meetings

Study meetings, at which no formal action is to be taken, may be called by the President or any three (3) members. All such meetings shall be considered special meetings and must follow the procedures specified by law.

Emergency Meetings

Public notice of emergency meetings shall be given as soon as practicable, but in any event, before the meeting to news media that have filed a written request for notice.

LEGAL REF.:

5 ILCS 120/, Open Meetings Act.

5 ILCS 140/, Freedom of Information Act.

105 ILCS 5/10-6 and 5/10-16.

CROSS REF.: 2:110 (Qualifications Term, and Duties of Board Officers), 2:120 (Board Member Development), 2:210 (Organizational Board of Education Meetings), 2:220 (Board of Education Meeting Procedure), 2:230 (Public Participation at Board of Education Meetings and Petitions to the Board), 8:30 (Visitors to and Conduct on School Property)

ADOPTED: February 10, 2003

REVISED: December 11, 2006; February 22, 2010; March 12, 2012; November 12, 2012; February 28, 2017; January 28, 2020; April 23, 2024

Document Status: Draft Update

BOARD OF EDUCATION

2:260 Uniform Grievance Procedure

Students, parents, guardians, employees, or community members should notify any District Complaint Manager if they believe that the Board of Education, its employees, or its agents have violated their rights guaranteed by the State or federal Constitution, State or federal statute, or Board policy, or has a complaint regarding any one of the following:

1. Title II of the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq*.
2. Title IX of the Education Amendments of 1972, 20 U.S.C. §1681 *et seq*., excluding Title IX complaints governed by Board policy 2:265, *Title IX Grievance Procedure*
3. Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. §791 *et seq*.
4. Discrimination and/or harassment on the basis of race, color, or national origin prohibited by the Illinois Human Rights Act, 775 ILCS 5/; Title VI of the Civil Rights Act of 1964, 42 U.S.C. §2000d *et seq*.; and/or Title VII of the Civil Rights Act of 1964, 42 U.S.C. §2000e *et seq*. (see Board policy 2:270, *Discrimination and Harassment on the Basis of Race, Color, and National Origin Prohibited*)
5. Title VII of the Civil Rights Act of 1964, 42 U.S.C. §2000e *et seq*. (see also number 3 above, for discrimination and/or harassment on the basis of race, color, or national origin)
6. Sexual harassment prohibited by the State Officials and Employees Ethics Act, 5 ILCS 430/70-5(a); Illinois Human Rights Act, 775 ILCS 5/; and Title VII of the Civil Rights Act of 1964, 42 U.S.C. §2000e *et seq*. (Title IX sexual harassment complaints are addressed under Board policy 2:265, *Title IX Grievance Procedure*)
7. Breastfeeding accommodations for students, 105 ILCS 5/10-20.60
8. Bullying, 105 ILCS 5/27-23.7
9. Misuse of funds received for services to improve educational opportunities for educationally disadvantaged or deprived children
10. Curriculum, instructional materials, and/or programs
11. Victims' Economic Security and Safety Act, 820 ILCS 180/
12. Illinois Equal Pay Act of 2003, 820 ILCS 112/
13. Provision of services to homeless students
14. Illinois Whistleblower Act, 740 ILCS 174/
15. Misuse of genetic information prohibited by the Illinois Genetic Information Privacy Act, 410 ILCS 513/; and Titles I and II of the Genetic Information Nondiscrimination Act, 42 U.S.C. §2000ff *et seq*.
16. Employee Credit Privacy Act, 820 ILCS 70/

The Complaint Manager will first attempt to resolve complaints without resorting to this grievance procedure. If a formal complaint is filed under this policy, the Complaint Manager will address the complaint promptly and equitably. A student and/or parent/guardian filing a complaint under this policy may forego any informal suggestions and/or attempts to resolve it

and may proceed directly to this grievance procedure. The Complaint Manager will not require a student or parent/guardian complaining of any form of harassment to attempt to resolve allegations directly with the accused (or the accused's parent(s)/guardian(s)); this includes mediation.

Right to Pursue Other Remedies Not Impaired

The right of a person to prompt and equitable resolution of a complaint filed under this policy shall not be impaired by the person's pursuit of other remedies, e.g., criminal complaints, civil actions, etc. Use of this grievance procedure is not a prerequisite to the pursuit of other remedies and use of this grievance procedure does not extend any filing deadline related to the pursuit of other remedies. If a person is pursuing another remedy subject to a complaint under this policy, the District will continue with a simultaneous investigation under this policy.

Deadlines

All deadlines under this policy may be extended by the Complaint Manager as he or she deems appropriate. As used in this policy, *school business days* means days on which the District's main office is open.

Filing a Complaint

A person (hereinafter Complainant) who wishes to avail him or herself of this grievance procedure may do so by filing a complaint with any District Complaint Manager. The Complainant shall not be required to file a complaint with a particular Complaint Manager and may request a Complaint Manager of the same sex. The Complaint Manager may request the Complainant to provide a written statement regarding the nature of the complaint or require a meeting with the parent(s)/guardian(s) of a student. The Complaint Manager shall assist the Complainant as needed.

For any complaint alleging bullying and/or cyberbullying of students, the Complaint Manager or designee shall process and review the complaint under Board policy 7:180, *Prevention of and Response to Bullying, Intimidation, and Harassment*, in addition to any response required by this policy.

For any complaint alleging sex discrimination that, if true, would implicate Title IX of the Education Amendments of 1972 (20 U.S.C. §1681 *et seq*.), the Title IX Coordinator or designee shall process and review the complaint under Board policy 2:265, *Title IX Grievance Procedure*.

For any complaint alleging harassment on the basis of race, color, or national origin, the Nondiscrimination Coordinator or a Complaint Manager or designee shall process and review the complaint under Board policy 2:270, *Discrimination and Harassment on the Basis of Race, Color, and National Origin Prohibited*, in addition to any response required by this policy.

For any complaint alleging sexual harassment or other violation of Board policy 5:20, *Workplace Harassment Prohibited*, the Nondiscrimination Coordinator or a Complaint Manager or designee shall process and review the complaint according to that policy, in addition to any response required by this policy, and shall consider whether an investigation under Board policy 5:120, *Employee Ethics; Code of Professional Conduct; and Conflict of Interest*, should be initiated.

Investigation Process

The Complaint Manager will investigate the complaint or appoint a qualified person to undertake the investigation on his or her behalf. The Complaint Manager shall ensure both parties have an equal opportunity to present evidence during an investigation. The complaint and identity of the Complainant will not be disclosed except: (1) as required by law, this policy, or any collective bargaining agreement, (2) as necessary to fully investigate the complaint, or (3) as authorized by the Complainant.

The identity of any student witnesses will not be disclosed except: (1) as required by law, this policy, or any collective bargaining agreement, (2) as necessary to fully investigate the complaint, or (3) as authorized by the parent/guardian of the student witness, or by the student if the student is 18 years or age or older.

The Complaint Manager will inform, at regular intervals, the person(s) filing a complaint under this policy about the status of the investigation. Within 30 school business days after the date the complaint was filed, the Complaint Manager shall file a written report of his or her findings with the Superintendent. The Complaint Manager may request an extension of time from the Superintendent.

The Superintendent will keep the Board informed of all complaints.

If a complaint contains allegations involving the Superintendent or Board member(s), the written report shall be filed directly with the Board, which will make a decision in accordance with paragraph four of the following section of this policy.

Decision and Appeal

Within five school business days after receiving the Complaint Manager's report, the Superintendent shall provide his or her written decision to the Complainant and the accused as well as to the Complaint Manager. All decisions shall be based upon the *preponderance of evidence* standard.

Within 10 school business days after receiving the Superintendent's decision, the Complainant or the accused may appeal the decision to the Board of Education by making a written request to the Complaint Manager. The Complaint Manager shall promptly forward all materials relative to the complaint and appeal to the Board of Education.

Within 30 school business days after an appeal of the Superintendent's decision, the Board shall affirm, reverse, or amend the Superintendent's decision or direct the Superintendent to gather additional information. Within five school business days after the Board's decision, the Superintendent shall inform the Complainant and the accused of the Board's action.

For complaints containing allegations involving the Superintendent or Board member(s), within 30 school business days after receiving the Complaint Manager's or outside investigator's report, the Board shall provide its written decision to the Complainant and the accused, as well as to the Complaint Manager.

This policy shall not be construed to create an independent right to a hearing before the Superintendent or Board. The failure to strictly follow the timelines in this grievance procedure shall not prejudice any party.

Appointing a Nondiscrimination Coordinator, Title IX Coordinator, and Complaint Managers

The Superintendent shall appoint a Nondiscrimination Coordinator to manage the District's efforts to provide equal opportunity employment and educational opportunities and prohibit the harassment of employees, students, and others.

The Superintendent shall appoint a Title IX Coordinator to coordinate the District's efforts to comply with Title IX.

The Superintendent shall appoint at least one Complaint Manager to administer this policy. If possible, the Superintendent will appoint two Complaint Managers, each of a different gender. The District's Nondiscrimination Coordinator may be appointed as one of the Complaint Managers.

The Superintendent shall insert into this policy and keep current the names, office addresses, email addresses, and telephone numbers of the Nondiscrimination Coordinator, Title IX Coordinator, and the Complaint Managers.

Nondiscrimination Coordinator

Colleen O'Keefe, Chief Legal Counsel

2550 Harnish Drive,

Algonquin, IL 60102

TitleIX@D300.org

847-551-8321
Complaint Manager

Title IX Coordinator

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LEGAL REF.:

Commented [OC4]: Legal references have been updated.

8 U.S.C. §1324a *et seq*., Immigration Reform and Control Act.

20 U.S.C. §1232g, Family Education Rights Privacy Act.

20 U.S.C. §1400, The Individuals with Disabilities Education Act.

20 U.S.C. §1681 *et seq*., Title IX of the Education Amendments; 34 C.F.R. Part 106.

29 U.S.C. §206(d), Equal Pay Act.

29 U.S.C. §621 *et seq*., Age Discrimination in Employment Act.

29 U.S.C. §791 *et seq*., Rehabilitation Act of 1973.

29 U.S.C. §2612, Family and Medical Leave Act.

42 U.S.C. §2000d *et seq*., Title VI of the Civil Rights Act of 1964.

42 U.S.C. §2000e *et seq*., Title VII of the Civil Rights Act of 1964.

42 U.S.C. §2000ff *et seq*., Genetic Information Nondiscrimination Act.

42 U.S.C. §11431 *et seq*., McKinney-Vento Homeless Assistance Act.

42 U.S.C. §12101 *et seq*., Americans With Disabilities Act; 28 C.F.R. Part 35.

105 ILCS 5/2-3.8, 5/3-10, 5/10-20, 5/10-20.5, 5/10-20.7a, 5/10-20.60, 5/10-20.69, 5/10-20.75, 5/10-22.5, 5/22-19, 5/22-95 ~~(final citation pending)~~, 5/22-110, 5/24-4, and 5/27-1~~, 5/27-23.7, and 45/1-15~~.

105 ILCS 45/, Education for Homeless Children Act.

5 ILCS 415/10(a)(2), Government Severance Pay Act.

5 ILCS 430/70-5(a), State Officials and Employees Ethics Act.

410 ILCS 513/, Ill. Genetic Information Privacy Act.

740 ILCS 174/, Whistleblower Act.

740 ILCS 175/, Ill. False Claims Act.

775 ILCS 5/, Ill. Human Rights Act.

820 ILCS 70/, Employee Credit Privacy Act.

820 ILCS 112/, Equal Pay Act of 2003.

820 ILCS 180/, Victims' Economic Security and Safety Act; 56 Ill.Admin.Code Part 280.

23 Ill.Admin.Code §§1.240, 200.40, 226.50, and 226.570.

CROSS REF.: 2:105 (Ethics and Gift Ban), 2:265 (Title IX Grievance Procedure), 2:270 (Discrimination and Harassment on the Basis of Race, Color, and National Origin Prohibited), 5:10 (Equal Employment Opportunity and Minority Recruitment), 5:20 (Workplace Harassment Prohibited), 5:30 (Hiring Process and Criteria), 5:90 (Abused and Neglected Child Reporting), 6:120 (Education of Children with Disabilities), 6:170 (Title I Programs), 6:260 (Complaints about Curriculum, Instructional Materials, and Programs), 7:10 (Equal Educational Opportunities), 7:15 (Student and Family Privacy Rights), 7:20 (Harassment of Students Prohibited), 7:180 (Prevention of and Response to Bullying, Intimidation, and Harassment), 7:185 (Teen Dating Violence Prohibited), 7:310 (Restrictions on Publications; Elementary Schools), 7:315 (Restrictions on Publications; High Schools), 8:70 (Accommodating Individuals with Disabilities), 8:95 (Parental Involvement), 8:110 (Public Suggestions and Concerns)

ADOPTED: February 10, 2003

REVISED: January 14, 2008; August 24, 2009; April 26, 2010, August 8, 2011; March 12, 2012; December 8, 2015; September 26, 2017; February 13, 2018; June 26, 2018; January 28, 2020; August 25, 2020; February 22, 2022; August 27, 2024; August 12, 2025

Document Status: Draft Update

BOARD OF EDUCATION

2:270 Discrimination and Harassment on the Basis of Race, Color, and National Origin Prohibited

Discrimination and harassment on the basis of race, color, or national origin negatively affect a student's ability to learn and an employee's ability to work. Providing an educational and workplace environment free from such discrimination and harassment is an important District goal. The District does not discriminate on the basis of actual or perceived race, color, or national origin in any of its education programs or activities, and it complies with federal and State non-discrimination laws.

Examples of Prohibited Conduct

Examples of conduct that may constitute discrimination on the basis of race, color, or national origin include: disciplining students more harshly and frequently because of their race, color, or national origin; denying students access to high-rigor academic courses, extracurricular activities, or other educational opportunities based on their race, color, or national origin; denying language services or other educational opportunities to English learners; and assigning students special education services based on a student's race, color, or national origin.

Harassment is a form of prohibited discrimination. Examples of conduct that may constitute harassment on the basis of race, color, or national origin include: the use of racial, ethnic or ancestral slurs or stereotypes; taunts; name-calling; offensive or derogatory remarks about a person's actual or perceived race, color, or national origin; the display of racially-offensive symbols; racially-motivated physical threats and attacks; or other hateful conduct.

Making a Report or Complaint; Investigation Process

Individuals are encouraged to promptly report claims or incidents~~ces~~ of discrimination or harassment based on race, color, or national origin to the Nondiscrimination Coordinator, a Complaint Manager, or any employee with whom the student is comfortable speaking. Reports under this policy will be processed under Board policy 2:260, *Uniform Grievance Procedure*.

Any District employee who receives a report or complaint of discrimination or harassment must promptly forward the report or complaint to the Nondiscrimination Coordinator or a Complaint Manager. Any employee who fails to promptly comply may be disciplined, up to and including discharge.

Commented [OC5]: Updated for continuous improvement.

Reports and complaints of discrimination or harassment will be confidential to the greatest extent practicable, subject to the District's duty to investigate and maintain an educational environment that is productive, respectful, and free of unlawful discrimination, including harassment.

This policy does not impair or otherwise diminish the existing rights of unionized employees to request an exclusive bargaining representative to be present during any investigatory interviews, nor does this policy diminish any rights available under an applicable collective bargaining agreement, including, but not limited to, a grievance procedure.

Federal and State Agencies

If the District fails to take necessary corrective action to stop harassment based on race, color, or national origin, further relief may be available through the Ill. Dept. of Human Rights (IDHR) or the U.S. Dept. of Education's Office for Civil Rights. To contact IDHR, go to: https://dhr.illinois.gov/about-us/contact-idhr.html or call (312) 814-6200 (Chicago) or (217) 785-5100 (Springfield).

Prevention and Response Program

The Superintendent or designee shall establish a prevention and response program to respond to complaints of discrimination based on race, color, and national origin, including harassment, and retaliation. The program shall include procedures for responding to complaints which:

1. Reduce or remove, to the extent practicable, barriers to reporting discrimination, harassment, and retaliation;
2. Permit any person who reports or is the victim of an incident of alleged discrimination, harassment, or retaliation to be accompanied when making a report by a support individual of the person's choice who complies with the District's policies and rules;
3. Permit anonymous reporting, except that an anonymous report may not be the sole basis of any disciplinary action;
4. Offer remedial interventions or take such disciplinary action as may be appropriate on a case-by-case basis;
5. Offer, but do not require or unduly influence, a person who reports or is the victim of an incident of harassment or retaliation the option to resolve allegations directly with the accused; and
6. Protects a person who reports or is the victim of an incident of harassment or retaliation from suffering adverse consequences as a result of a report of, investigation of, or a response to the incident.

Policy Posting and Distribution

This policy shall be posted on the District's website. The Superintendent shall annually inform staff members of this policy by posting it in a prominent and accessible location such as the District website, employee handbook, staff intranet site, and/or in other areas where policies and rules of conduct are made available to staff. The Superintendent shall annually inform students

and their parents/guardians of this policy by posting it on the District's website and including an age-appropriate summary of the policy in the student handbook(s).

Enforcement

Any District employee who is determined, after an investigation, to have engaged in conduct prohibited by this policy will be subject to remedial action and/or disciplinary action, up to and including discharge.

Any District student who is determined, after an investigation, to have engaged in conduct prohibited by this policy will be subject to remedial action and/or disciplinary action, including but not limited to, suspension and expulsion consistent with Board policy 7:190, *Student Behavior*.

Any third party who is determined, after an investigation, to have engaged in conduct prohibited by this policy will be addressed in accordance with the authority of the Board in the context of the relationship of the third party to the District, e.g., vendor, parent, invitee, etc. Any person making a knowingly false accusation regarding prohibited conduct will likewise be subject to remedial and/or disciplinary action.

Retaliation Prohibited

Retaliation against any person for bringing complaints, participating in the complaint process, or otherwise providing information about discrimination or harassment based on race, color, or national origin is prohibited (see Board policy 2:260, *Uniform Grievance Procedure*).

Individuals should report allegations of retaliation to the Building Principal, an administrator, the Nondiscrimination Coordinator, and/or a Complaint Manager.

LEGAL REF.:

42 U.S.C. §2000d, Title VI of the Civil Rights Act of 1964; 34 C.F.R. Part 100.

42 U.S.C. §2000e *et seq*., Title VII of the Civil Rights Act of 1964; 29 C.F.R. Part 1601.

105 ILCS 5/22-95~~ (final citation pending)~~.

775 ILCS 5/1-101 *et seq*., Illinois Human Rights Act.

CROSS REF.: 2:260 (Uniform Grievance Procedure), 5:10 (Equal Employment Opportunity and Minority Recruitment), 5:20 (Workplace Harassment Prohibited), 5:90 (Abused and Neglected Child Reporting), 5:120 (Employee Ethics; Code of Professional Conduct; and Conflict of Interest), 7:10 (Equal Educational Opportunities), 7:20 (Harassment of Students Prohibited), 7:180 (Prevention of and Response to Bullying, Intimidation, and Harassment), 7:190 (Student Behavior), 7:240 (Conduct Code for Participants in Extracurricular Activities)

Document Status: Review and Monitoring

SECTION 3 - GENERAL SCHOOL ADMINISTRATION

3:50 Administrative Personnel Other than the Superintendent

Commented [OC6]: The Board is required to regularly review its policies. This policy has been reviewed and no changes are recommended at this time.

Duties and Authority

The Board of Education establishes District administrative and supervisory positions in accordance with the District's needs and State law. This policy applies to all administrators other than the Superintendent, including without limitation, Building Principals. The general duties and authority of each administrative or supervisory position are approved by the Board, upon the Superintendent's recommendation, and contained in the respective position's job description. In the event of a conflict, State law and/or the administrator's employment agreement shall control.

Qualifications

All administrative personnel shall be appropriately licensed and shall meet all applicable requirements contained in State law and Illinois State Board of Education rules.

Evaluation

The performance of all administrative personnel will be evaluated by the Superintendent or designee; the Superintendent shall make employment and salary recommendations to the Board of Education.

Administrators shall annually present evidence to the Superintendent of professional growth through attendance at educational conferences, additional schooling, in-service training, and Illinois Administrators' Academy courses, or through other means as approved by the Superintendent .

Administrative Work Year

The administrators' work year shall be the same as the District's fiscal year, July 1 through June 30, unless otherwise stated in the employment agreement. In addition to legal holidays, as approved by the Board, the administrators shall have vacation periods as approved by the Superintendent or designee. All administrators shall be available for work when their services are necessary.

Compensation and Benefits

The Board and each administrator shall enter into an employment agreement that complies with Board policy and State law. The terms of an individual employment contract, when in conflict with this policy, will control.

The Board of Education will consider the Superintendent's recommendations when setting compensation for individual administrators. These recommendations should be presented to the Board of Education.

Unless stated otherwise in individual employment contracts, all benefits and leaves of absence available to teaching personnel are available to administrative personnel.

LEGAL REF:

105 ILCS 5/10-21.4a, 5/10-23.8a, 5/10-23.8b, 5/21B, and 5/24A.

23 Ill.Admin.Code §§1.310, 1.705, 50.300; and Parts 25 and 29.

CROSS REF: 3:60 (Administrative Responsibility of the Building Principal), 4:165 (Awareness and Prevention of Child Sexual Abuse and Grooming Behaviors), 4:175 (Convicted Child Sex Offender; Screening; Notifications), 5:30 (Hiring Process and Criteria), 5:90 (Abused and Neglected Child Reporting), 5:120 (Employee Ethics; Code of Professional Conduct; and Conflict of Interest), 5:150 (Personnel Records), 5:210 (Resignations), 5:250 (Leaves of Absence), 5:290 (Employment Termination and Suspensions)

Document Status: Review and Monitoring

SECTION 3 - GENERAL SCHOOL ADMINISTRATION

3:60 Administrative Responsibility of the Building Principal

Commented [OC7]: The Board is required to regularly review its policies. This policy has been reviewed and no changes are recommended at this time.

Duties and Authority[C1]

Building Principals are the chief administrators of their assigned schools. The primary responsibility of Building Principals is the development and improvement of instruction. A majority of the Principal's time shall be spent on curriculum and staff development through formal and informal activities, establishing clear lines of communication regarding school goals, accomplishments, practices, and policies with parents and teachers. Building Principals are responsible for management of their staff, maintenance of the facility and equipment, administration of the educational program, control of the students attending the school, management of the school's budget, communication between the school and the community, and reporting criminal offenses.

Each Building Principal and Assistant Principal shall complete State law requirements to be a prequalified evaluator before conducting an evaluation of a teacher or assistant principal.

Evaluation Plan

The Superintendent or designee shall implement an evaluation plan for Principals and Assistant Principals that complies with Section 24A-15 of the School Code and relevant Illinois State Board of Education rules. Using that plan, the Superintendent or designee shall evaluate each Building Principal and Assistant Principal. The Superintendent or designee may conduct additional evaluations.

Qualifications and Other Terms and Conditions of Employment

Qualifications and other terms and conditions of employment are found in Board policy 3:50, *Administrative Personnel Other Than the Superintendent*.

LEGAL REF.:

105 ILCS 5/2-3.53a, 5/10-20.14, 5/10-21.4a, 5/10-23.8a, 5/10-23.8b, and 5/24A-15.

10 ILCS 5/4-6.2, Election Code.

105 ILCS 127/, School Reporting of Drug Violations Act.

23 Ill.Admin.Code Parts 35 and 50, Subpart D.

CROSS REF.: 3:50 (Administrative Personnel Other Than the Superintendent), 4:165 (Awareness and Prevention of Child Sexual Abuse and Grooming Behaviors), 4:175 (Convicted Child Sex Offender; Screening; Notifications), 5:90 (Abused and Neglected Child Reporting), 5:120 (Employee Ethics; Code of Professional Conduct; and Conflict of Interest), 5:150 (Personnel Records), 5:210 (Resignations), 5:250 (Leaves of Absence), 5:290 (Employment Termination and Suspensions)

ADOPTED: February 10, 2003

REVISED: February 26, 2007; October 11, 2011; February 13, 2012; January 13, 2014; October 13, 2015; September 24, 2019; February 22, 2022

Document Status: Review and Monitoring

SECTION 3 - GENERAL SCHOOL ADMINISTRATION

3:70 Succession of Authority

If the Superintendent , Central Office Administrator, or Building Principal is temporarily unavailable, the succession of authority and responsibility of the respective office shall follow a succession plan, developed by the Superintendent and included in the Administrative Procedures.

CROSS REF.: 1:20 (District Organization, Operations, and Cooperative Agreements), 3:30 (Chain of Command)

ADOPTED: January 9, 2012

REVIEWED: June 25, 2012; June 28, 2022

Commented [OC8]: The Board is required to regularly review its policies. This policy has been reviewed and no changes are recommended at this time.

Document Status: Review and Monitoring

SECTION 4 - OPERATIONAL SERVICES

4:120 Food Services

Commented [OC9]: The Board is required to regularly review its policies. This policy has been reviewed and no changes are recommended at this time.

Good nutrition shall be promoted in the District's meal programs and in other food and beverages that are sold to students during the school day. The Superintendent shall manage a food service program that complies with this policy and is in alignment with Board of Education policy 6:50, *School Wellness*.

Food or beverage items sold to students as part of a reimbursable meal under federal law must follow the nutrition standards specified in the U.S. Dept. of Agriculture rules that implement the National School Lunch and Child Nutrition Acts. Schools being reimbursed for meals under these laws are *participating schools*.

The food service program in participating schools shall comply with the nutrition standards specified in the U.S. Dept. of Agriculture's *Smart Snacks rules* when it offers competitive foods to students on the school campus during the school day. *Competitive foods* are all food and beverages that are offered by any person, organization or entity for sale to students on the school campus during the school day that are not reimbursed under programs authorized by federal law. The food service programs in participating schools shall also comply with any applicable mandates in the Illinois State Board of Education's School Food Service rules implementing these federal laws and the Ill. School Breakfast and Lunch Program Act.

All revenue from the sale of any food or beverages sold in competition with the School Breakfast Program or National School Lunch Program to students in food service areas during the meal period shall accrue to the nonprofit school lunch program account.

LEGAL REF.:

B. Russell National School Lunch Act, 42 U.S.C. §1751 *et seq*.

Child Nutrition Act of 1966, 42 U.S.C. §1771 *et seq*.

7 C.F.R. Parts 210 (National School Lunch Program) and 220 (School Breakfast Program).

105 ILCS 125/, School Breakfast and Lunch Program Act.

23 Ill.Admin.Code Part 305, School Food Service.

CROSS REF.: 4:130 (Free and Reduced-Price Food Services), 6:50 (School Wellness)

Document Status: Review and Monitoring

SECTION 4 - OPERATIONAL SERVICES

4:175 Convicted Child Sex Offender; Screening; Notifications

Commented [OC10]: The Board is required to regularly review its policies. This policy has been reviewed and no changes are recommended at this time.

Persons Prohibited on School Property without Prior Permission

State law prohibits a child sex offender from being present on school property or loitering within 500 feet of school property when persons under the age of 18 are present, unless the offender meets either of the following two exceptions:

1. The offender is a parent/guardian of a student attending the school and has notified the Building Principal of his or her presence at the school for the purpose of: (i) attending a conference with school personnel to discuss the progress of his or her child academically or socially, (ii) participating in child review conferences in which evaluation and placement decisions may be made with respect to his or her child regarding special education services, or (iii) attending conferences to discuss other student issues concerning his or her child such as retention and promotion; or
2. The offender received permission to be present from the Board of Education, Superintendent, or Superintendent's designee. If permission is granted, the Superintendent or Board President shall provide the details of the offender's upcoming visit to the Building Principal.

In all cases, the Superintendent or designee shall supervise a child sex offender whenever the offender is in a child's vicinity. If a student is a sex offender, the Superintendent or designee shall develop guidelines for managing his or her presence in school.

Screening

The Superintendent or designee shall perform fingerprint-based criminal history records information checks and/or screenings required by State law or Board policy for employees; student teachers; students doing field or clinical experience other than student teaching; contractors' employees who have direct, daily contact with one or more children; and resource persons and volunteers. The Board President shall ensure that these checks are completed for the Superintendent. He or she shall take appropriate action based on the result of any criminal background check and/or screen.

Notification to Parents/Guardians

The Superintendent shall develop procedures for the distribution and use of information from law enforcement officials under the Sex Offender Community Notification Law and the Murderer and Violent Offender Against Youth Community Notification Law. The Superintendent or designee shall serve as the District contact person for purposes of these laws. The

Superintendent and Building Principal shall manage a process for schools to notify the parents/guardians during school registration that information about sex offenders is available to the public as provided in the Sex Offender Community Notification Law. This notification must occur during school registration and at other times as the Superintendent or Building Principal determines advisable.

LEGAL REF.:

20 U.S.C. §7926, Elementary and Secondary Education Act.

20 ILCS 2635/, Uniform Conviction Information Act.

720 ILCS 5/11-9.3, Criminal Code of 2012.

730 ILCS 152/, Sex Offender Community Notification Law.

730 ILCS 154/75-105, Murderer and Violent Offender Against Youth Community Notification Law.

CROSS REF.: 2:110 (Qualifications, Term, and Duties of Board Officers), 3:40 (Superintendent), 3:50 (Administrative Personnel Other Than the Superintendent), 3:60 (Administrative Responsibility of the Building Principal), 4:165 (Awareness and Prevention of Child Sexual Abuse and Grooming Behaviors), 5:30 (Hiring Process and Criteria), 5:260 (Student Teachers), 6:250 (Community Resource Persons and Volunteers), 8:30 (Visitors to and Conduct on School Property), 8:100 (Relations with Other Organizations and Agencies)

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REVISED: February 28, 2017; February 22, 2022

Document Status: Draft Update

GENERAL PERSONNEL

5:50 Drug- and Alcohol-Free Workplace; E-Cigarette, Tobacco, and Cannabis Prohibition

Commented [OC11]: The Board is required to regularly review its policies. This policy has been reviewed and no changes are recommended at this time.

All District workplaces are drug- and alcohol-free workplaces.

All employees are prohibited from engaging in any of the following activities while on District premises or while performing work or being *on call* for the District:

1. Unlawful manufacture, dispensing, distribution, possession, or use of an illegal or controlled substance, or being impaired by or under the influence of any illegal substance or any detectible use of any illegal substance regardless of when or where the use occurred.
2. Distribution, consumption, use, possession, or being impaired by or under the influence of an alcoholic beverage; being present on District premises or while performing work for the District when alcohol consumption is detectible, regardless of when and/or where the use occurred.
3. Distribution, consumption, possession, use, or being impaired by or under the influence of cannabis; being present on District premises or while performing work for the District when impaired by or under the influence of cannabis, regardless of when and/or where the use occurred, unless distribution, possession, and/or use is by a school nurse or school administrator pursuant to *Ashley's Law*, 105 ILCS 5/22-33. The District considers employees impaired by or under the influence of cannabis when there is a good faith belief that an employee manifests specific articulable symptoms while working that decrease or lessen the employee's performance of the duties or tasks of the employee's job position.

Upon the Superintendent or designee's reasonable suspicion of an employee's violation of any of the prohibited activities stated above, the Superintendent or designee may direct the employee to undergo a drug and/or alcohol test to corroborate or refute the alleged violation. State law protects the District from liability when it takes actions pursuant to a reasonable workplace drug policy, including but not limited to subjecting an employee or applicant to reasonable drug and alcohol testing, reasonable and nondiscriminatory random drug testing, discipline, termination of employment, or withdrawal of a job offer due to a failure of a drug test.

For purposes of this policy a controlled substance means a substance that is:

1. Not legally obtainable,
2. Being used in a manner different than prescribed,

3. Legally obtainable, but has not been legally obtained, or
4. Referenced in federal or State controlled substance acts.

For purposes of this policy, *District premises* means workplace as defined in the Cannabis Regulation and Tax Act (CRTA) in addition to District and school buildings, grounds, and parking areas; vehicles used for school purposes; and any location used for a Board of Education meeting, school athletic event, or other school-sponsored or school-sanctioned events or activities. *School grounds* means the real property comprising any school, any conveyance used to transport students to school or a school-related activity, and any public way within 1,000 feet of any school ground, designated school bus stops where students are waiting for the school bus, and school-sponsored or school-sanctioned events or activities. “Vehicles used for school purposes” means school buses or other school vehicles.

As a condition of employment, each employee shall:

1. Abide by the terms of this Board policy respecting a drug- and alcohol-free workplace; and
2. Notify his or her supervisor of his or her conviction under any criminal drug statute for a violation occurring on the District premises or while performing work for the District, no later than five calendar days after such a conviction.

Unless otherwise prohibited by this policy, prescription and over-the-counter medications are not prohibited when taken in standard dosages and/or according to prescriptions from the employee's licensed health care provider, provided that an employee's work performance is not impaired.

To make employees aware of the dangers of drug and alcohol abuse, the Superintendent or designee shall perform each of the following:

1. Provide each employee with a copy of this policy.
2. Post notice of this policy in a place where other information for employees is posted.
3. Make available materials from local, State, and national anti-drug and alcohol-abuse organizations.
4. Enlist the aid of community and State agencies with drug and alcohol informational and rehabilitation programs to provide information to District employees.
5. Establish a drug-free awareness program to inform employees about:
   a. The dangers of drug abuse in the workplace,
   b. Available drug and alcohol counseling, rehabilitation, re-entry, and any employee assistance programs, and
   c. The penalties that the District may impose upon employees for violations of this policy.

6. Remind employees that policy 6:60, *Curriculum Content*, requires the District to educate students, depending upon their grade, about drug and substance abuse prevention and relationships between drugs, alcohol, and violence.

<u>E-Cigarette, Tobacco, and Cannabis Prohibition</u>

All employees are covered by the conduct prohibitions contained in policy 8:30, *Visitors to and Conduct on School Property*. The prohibition on the use of e-cigarettes, tobacco, and cannabis products applies both (1) when an employee is on school property, and (2) while an employee is performing work for the District at a school event regardless of the event's location.

Tobacco has the meaning provided in 105 ILCS 5/10-20.5b.

Cannabis has the meaning provided in the CRTA, 410 ILCS 705/1-10.

E-Cigarette is short for electronic cigarette and includes, but is not limited to, any electronic nicotine delivery system (ENDS), electronic cigar, electronic cigarillo, electronic pipe, electronic hookah, vape pen, or similar product or device, and any components or parts that can be used to build the product or device.

District Action Upon Violation of Policy

An employee who violates this policy may be subject to disciplinary action, including termination. In addition or alternatively, the Board may require an employee to successfully complete an appropriate drug- or alcohol-abuse rehabilitation program.

The Board shall take disciplinary action with respect to an employee convicted of a drug offense in the workplace within 30 days after receiving notice of the conviction.

Should District employees be engaged in the performance of work under a federal contract or grant, or under a State contract or grant of $5,000 or more, the Superintendent shall notify the appropriate State or federal agency from which the District receives contract or grant monies of the employee's conviction within 10 days after receiving notice of the conviction.

Disclaimer

The Board reserves the right to interpret, revise or discontinue any provision of this policy pursuant to the **Suspension of Policies** subhead in policy 2:240, *Board Policy Development*.

LEGAL REF.:

20 U.S.C. §7101 *et seq.*, Safe and Drug-Free School and Communities Act of 1994.

21 U.S.C. §812; 21 C.F.R. §1308.11-1308.15, Controlled Substances Act.

41 U.S.C. §8101 *et seq.*, Drug-Free Workplace Act of 1988.

42 U.S.C. §12114, Americans With Disabilities Act.

21 C.F.R. Parts 1100, 1140, and 1143.

30 ILCS 580/, Drug-Free Workplace Act.

105 ILCS 5/10-20.5b.

410 ILCS 82/, Smoke Free Illinois Act.

410 ILCS 130/, Compassionate Use of Medical Cannabis Program Act.

410 ILCS 705/1-1 *et seq.*, Cannabis Regulation and Tax Act.

720 ILCS 675, Prevention of Tobacco Use by Persons under 21 Years of Age and Sale and Distribution of Tobacco Products Act.

820 ILCS 55/, Right to Privacy in the Workplace Act.

23 Ill.Admin.Code §22.20.

CROSS REF.: 5:10 (Equal Employment Opportunity and Minority Recruitment), 5:120 (Employee Ethics; Code of Professional Conduct; and Conflict of Interest), 6:60 (Curriculum Content), 8:30 (Visitors to and Conduct on School Property)

ADOPTED: June 10, 2013

REVISED: January 13, 2014; December 8, 2015; July 7, 2020; February 22, 2022

REVIEWED: August 25, 2020;

5:70 Religious Holidays

Please refer to the current agreements with recognized representatives of employees who may be affected by policy in this area.

For employees not covered by any bargaining agreement or by an agreement that does not address this area:

Supervisors shall grant an employee's request for time off to observe a religious holiday if the employee gives at least five days prior notice and the absence does not cause an undue hardship.

Employees may use earned vacation time, or personal leave to make up the absence, provided such time is consistent with the District's operational needs. A per diem deduction may also be requested by the employee.

LEGAL REF.:

775 ILCS 5/2-101 and 5/2-102, Ill. Human Rights Act.

775 ILCS 35/~~155~~, Religious Freedom Restoration Act.

ADOPTED: June 25, 2012

REVIEWED: June 28, 2022

Commented [OC12]: Legal references have been updated.

Document Status: Review and Monitoring

GENERAL PERSONNEL

5:110 Recognition for Service

Commented [OC13]: The Board is required to regularly review its policies. This policy has been reviewed and no changes are recommended at this time.

The School Board will periodically recognize those District employees who contribute significantly to the educational programs and welfare of the students.

ADOPTED: June 25, 2012

REVIEWED: June 28, 2022

Document Status: Review and Monitoring

GENERAL PERSONNEL

5:140 Solicitations By or From Staff

Commented [OC14]: The Board is required to regularly review its policies. This policy has been reviewed and no changes are recommended at this time.

District employees shall not solicit donations or sales, nor shall they be solicited for donations or sales, on school grounds without prior approval from the Superintendent.

CROSS REF.: 8:90 (Parent Organizations and Booster Clubs)

ADOPTED: June 25, 2012

REVIEWED: June 28, 2022

Document Status: Review and Monitoring

EDUCATIONAL SUPPORT PERSONNEL

5:290 Employment Termination and Suspensions

Commented [OC15]: The Board is required to regularly review its policies. This policy has been reviewed and no changes are recommended at this time.

Retirement

Please refer to the current agreements with recognized representatives of employees who may be affected by policy in this area.

For employees not covered by any bargaining agreement or by an agreement that does not address this area:

- An employee planning to retire should notify his or her supervisor at least 30 days before the retirement date.

Non-RIF Dismissal

The District may terminate an at-will employee at any time for any or no reason, but not for a reason prohibited by State or federal law.

Please refer to the current agreements with recognized representatives of employees who may be affected by policy in this area.

For employees not covered by any bargaining agreement or by an agreement that does not address this area:

- Employees who are employed annually or have a contract, or who otherwise have a legitimate expectation of continued employment, may be dismissed at the end of the school year or at the end of their respective contract after being provided appropriate notice and after compliance with any applicable contractual provisions.
- The Superintendent is responsible for making dismissal recommendations to the Board consistent with the Board's goal of having a highly qualified, high performing staff. This includes recommending a non-licensed employee for immediate dismissal for willful or negligent failure to report an instance of suspected child abuse or neglect as required by 325 ILCS 5/.

Reduction in Force and Recall

Please refer to the current agreements with recognized representatives of employees who may be affected by policy in this area.

For employees not covered by any bargaining agreement or by an agreement that does not address this area:

The Board may, as necessary or prudent, decide to decrease the number of educational support personnel or to discontinue some particular type of educational support service and, as a result of that action, dismiss or reduce the hours of one or more educational support employees. When making decisions concerning reduction in force and recall, the Board will follow Sections 10-22.34c (outsourcing noninstructional services) and 10-23.5 (procedures) of the School Code, to the extent they are applicable and not superseded by legislation or an applicable collective bargaining agreement.

Job Abandonment

Community Unit School District (CUSD) 300 expects employees to report for work on time every scheduled work day. An employee who is unable to report to work at the designated time/date is required to notify his or her supervisor in accordance with policy and procedures established by the CUSD 300 Board Of Education (BOE) policy or by the Collective Bargained Agreement (CBA). Employees who fail to report to work for three consecutive business days without notifying their direct supervisor or a representative of the CUSD 300 HR Department of the absence will be considered as having voluntarily resigned as a result of job abandonment.

If the employee is unable to contact CUSD 300 for any reason, he or she should ask a representative (such as a family member) to do so on the employee's behalf. If the employee or a representative is unable to contact the employee's direct supervisor or a representative of the CUSD 300 HR Department due to extreme circumstances (such as a medical emergency or natural disaster which prohibits the employee or his or her representative from contacting the company within three days), the employee or his or her representative must contact CUSD 300 as soon as practical to explain the situation. In these extreme circumstances, CUSD 300 will consider the explanation and its timing before determining if the voluntary resignation will be upheld.

Final Paycheck

A terminating employee's final paycheck will be adjusted for any unused, earned vacation credit. Employees are paid for all earned vacation. Terminating employees will receive their final pay on the next regular payday following the date of termination, except that an employee dismissed due to a reduction in force shall receive his or her final paycheck on or before the next regular pay date following the last day of employment.

Suspension, Administrative Leave With Pay

Please refer to the current agreements with recognized representatives of employees who may be affected by policy in this area.

For employees not covered by any bargaining agreement or by an agreement that does not address this area:

- The Superintendent or designee is authorized to suspend an employee with pay as a disciplinary measure, during an investigation into allegations of misconduct, or pending a dismissal hearing whenever, in the Superintendent's judgment, the employee's presence is detrimental to the District. The Board of Education has the authority to terminate or suspend without pay.
- Any criminal conviction resulting from the investigation or allegations shall require the employee to repay to the District all compensation and the value of all benefits received by the employee during the suspension. The Superintendent will notify the employee of this requirement when the employee is suspended.

Upon receipt of a recommendation from the Ill. Dept. Children and Family Services (DCFS) that the District remove an employee from his or her position when he or she is the subject of a pending DCFS investigation that relates to his or her employment with the District, the Board or Superintendent or designee, in consultation with the Board Attorney, will determine whether to:

1. Let the employee remain in his or her position pending the outcome of the investigation; or
2. Remove the employee as recommended, proceeding with:

    a. A suspension with pay; or
    b. A suspension without pay.

LEGAL REF.:

105 ILCS 5/10-22.34c and 5/10-23.5.

5 ILCS 430 *et seq*., State Officials and Employees Ethics Act.

325 ILCS 5/7.4(c-10), Abused and Neglected Child Reporting Act.

820 ILCS 105/4a, Minimum Wage Law.

CROSS REF.: 5:90 (Abused and Neglected Child Reporting), 5:120 (Employee Ethics; Code of Professional Conduct; and Conflict of Interest), 5:240 (Suspension), 5:270 (Employment At-Will, Compensation, and Assignment)

ADOPTED: February 10, 2003

REVISED: January 14, 2008, June 8, 2009, May 9, 2011; December 8, 2015; July 7, 2020

REVIEWED: August 25, 2020

Document Status: Draft Update

SECTION 6 – INSTRUCTION

6:70 Teaching about Religions

The School District's curriculum may include the study of religions as they relate to geography, history, culture, and the development of various ethnic groups. The study of religions shall give neither preferential nor derogatory treatment to any single religion, religious belief, or to religion in general. The study of religions shall be treated as an academic subject with no emphasis on the advancement or practice of religion.

LEGAL REF.:

Mahmoud v. Taylor, 606 U.S. 522 (2025).

Allegheny County v. ACLU Pittsburgh Chapter, 492 U.S. 573 (1989).

School Dist. of Abington Twp v. Schempp, 374 U.S. 203 (1963).

~~Allegheny County v. ACLU Pittsburgh Chapter, 492 U.S. 573 (1989).~~

CROSS REF.: 6:40 (Curriculum Development)

Commented [OC16]: Legal references have been updated.

Document Status: Draft Update

SECTION 6 – INSTRUCTION

6:80 Controversial Issues

The Board of Education recognizes the right and responsibility of the students and employees of the District 300 educational community to impartially explore controversial issues which are relevant to the age appropriate subject matter of the students in order to encourage the development of the critical thinking skills necessary for students to formulate and arrive at their own conclusions. While employees of the District 300 educational community may express personal views during periods of instruction, they are obligated to clearly identify such statements as personal opinion, and shall act ethically by providing a fair, objective and balanced perspective. If outside speakers are used and they present only one side of an issue, it shall be the responsibility of the accountable employee(s) of the District 300 educational community to arrange for another approved speaker in order to meet the stated requirements as described above.

Teaching about controversial issues

The Superintendent shall ensure that all school-sponsored presentations and discussions of controversial or sensitive topics in the instructional program, including those made by guest speakers are:

- Age-appropriate. Proper decorum, considering the students' ages, should be followed.
- Consistent with the curriculum and serve an educational purpose.
- Informative and present a balanced view.
- Respectful of the rights and opinions of everyone. Emotional criticisms and hurtful sarcasm should be avoided.
- Not tolerant of profanity or slander.

The District specifically reserves its right to stop any school-sponsored activity that it determines violates this policy, is harmful to the District or the students, or violates State or federal law.

LEGAL REF.:

Mahmoud v. Taylor, 606 U.S. 522 (2025).

Commented [OC17]: Legal references have been updated.

Garcetti v. Ceballos, 547 U.S. 410 (2006).

Mayer v. Monroe Cnty. Cmty. Sch. Corp., 474 F.3d 477 (7th Cir. 2007).

CROSS REF.: 6:40 (Curriculum Development), 6:255 (Assemblies and Ceremonies), 6:260 (Complaints About Curriculum, Instructional Materials, and Programs)

ADOPTED: February 10, 2003

REVISED: November 8, 2010; August 23, 2022

REVIEWED: June 25, 2012; September 26, 2017

Document Status: Review and Monitoring

SECTION 7 – STUDENTS

7:30 Student Assignment and Intra-District Transfer

Attendance Areas

Commented [OC18]: The Board is required to regularly review its policies. This policy has been reviewed and no changes are recommended at this time.

The District is divided into school attendance areas. The Superintendent will:

1. Review the boundary lines annually and recommend to the Board of Education any changes or revisions for existing units; or
2. Create new units using a lens that considers preventing segregation and the elimination of separating students in the District's schools because of color, race, or nationality.

The Superintendent or designee shall maintain a map of the District showing current school attendance areas. All records pertaining to the creation, alteration, or revision of attendance units are open to the public. Students living in a given school attendance area will be assigned to that school. Homeless children shall be assigned according to policy 6:140, *Education of Homeless Children*.

Transfers within the District

A student's parent(s)/guardian(s) may request the student be transferred to a District school other than the one to which the student was assigned. Requests should be directed to the Intra-District Student Transfer Committee.

Transfers may be approved, subject to space availability, for the following reasons.

1. To allow a student to enroll in an educational program not offered at their assigned school;
2. To allow a student to complete their final year at their current school (i.e. 5th, 8th, or 12th grade);
3. To allow children of District employees who reside within the District to attend the school to which their parent/guardian is assigned (see additional details below).

Students approved for an intra-district transfer shall be responsible for their own transportation.

Siblings of students who are granted a transfer will not automatically qualify for a transfer. A sibling may only be approved if they independently meet one of the criteria outlined in this policy.

Employee's Children

Full time District 300 employees shall be allowed to enroll their children in the school in which the employee is based instead of the school to which the student would normally be assigned subject to the following conditions:

1. The student is a legal resident of Community Unit School District 300.
2. Both Principals agree to the placement.
3. The request for placement is not for a reason that is illegal or intended to circumvent laws or regulations such as anti-discrimination laws, athletic eligibility regulations or to avoid consequences resulting from violations of school behavior regulations.
4. The option may only be exercised once while the student is at a particular level. Level in this policy refers to elementary, middle or high school. Once the option is exercised the receiving school becomes the school of attendance for the pupil.
5. The parents/guardians are responsible for transporting the student to the school selected.

Class Assignments

The Building Principal or designee shall assign students to classes.

LEGAL REF.:

105 ILCS 5/10-21.3, 5/10-21.3a, and 5/10-22.50.

CROSS REF.: 6:30 (Organization of Instruction), 6:140 (Education of Homeless Children)

ADOPTED: February 10, 2003

REVISED: August 27, 2012; October 15, 2013; February 28, 2017; February 22, 2022; October 14, 2025

Document Status: Draft Update

SECTION 7 – STUDENTS

7:130 Student Rights and Responsibilities

All students are entitled to enjoy the rights protected by the U.S. and Illinois Constitutions and laws for persons of their age and maturity in a school setting. Students should exercise these rights reasonably and avoid violating the rights of others. Students who violate the rights of others or violate District policies or rules will be subject to disciplinary measures.

Students may, during the school day, during noninstructional time, voluntarily engage in individually or collectively initiated, non-disruptive prayer or religious-based meetings that, consistent with the Free Exercise and Establishment Clauses of the U.S. and Illinois Constitutions, are not sponsored, promoted, or endorsed in any manner by the school or any school employee. *Noninstructional time* means time set aside by a school before actual classroom instruction begins or after actual classroom instruction ends.

LEGAL REF.:

20 U.S.C. §4071 et seq., Equal Access Act.

20 U.S.C. §7904, Every Student Succeeds Act.

Kennedy v. Bremerton Sch. Dist., 597 U.S. 507 (2022).

Tinker v. Des Moines Indep. Cmty. Sch. Dist., 393 U.S. 503 (1969).

105 ILCS 20/5

CROSS REF.: 7:140 (Search and Seizure), 7:150 (Agency and Law Enforcement Requests), 7:160 (Student Appearance), 7:190 (Student Behavior), 7:330 (Student Use of Buildings - Equal Access)

Commented [OC19]: Legal references have been updated.

Document Status: Review and Monitoring

SECTION 7 - STUDENTS

7:345 Use of Educational Technologies; Student Data Privacy and Security

Commented [OC20]: The Board is required to regularly review its policies. This policy has been reviewed and no changes are recommended at this time.

Educational technologies used in the District shall further the objectives of the District's educational program, as set forth in Board policy 6:10, *Educational Philosophy and Objectives*, align with the curriculum criteria in policy 6:40, *Curriculum Development*, and/or support efficient District operations. The Superintendent shall ensure that the use of educational technologies in the District meets the above criteria.

The District and/or vendors under its control may need to collect and maintain data that personally identifies students in order to use certain educational technologies for the benefit of student learning or District operations.

Federal and State law govern the protection of student data, including school student records and/or *covered information*. The sale, rental, lease, or trading of any school student records or covered information by the District is prohibited. Protecting such information is important for legal compliance, District operations, and maintaining the trust of District stakeholders, including parents, students and staff.

Definitions

Covered information means personally identifiable information (PII) or information linked to PII in any media or format that is not publicly available and is any of the following: (1) created by or provided to an operator by a student or the student's parent/guardian in the course of the student's or parent/guardian's use of the operator's site, service or application; (2) created by or provided to an operator by an employee or agent of the District; or (3) gathered by an operator through the operation of its site, service, or application.

Operators are entities (such as educational technology vendors) that operate Internet websites, online services, online applications, or mobile applications that are designed, marketed, and primarily used for K-12 school purposes.

Breach means the unauthorized acquisition of computerized data that compromises the security, confidentiality or integrity of covered information maintained by an operator or the District.

Operator Contracts

The Superintendent or designee designates which District employees are authorized to enter into written agreements with operators for those contracts that do not require separate Board approval. Contracts between the Board and operators shall be entered into in accordance with State law and Board policy 4:60, *Purchases and Contracts,* and shall include any specific provisions required by State law.

Security Standards

The Superintendent or designee shall ensure the District implements and maintains reasonable security procedures and practices that otherwise meet or exceed industry standards designed to protect covered information from unauthorized access, destruction, use, modification, or disclosure. In the event the District receives notice from an operator of a breach or has determined a breach has occurred, the Superintendent or designee shall also ensure that the District provides any breach notifications required by State law.

LEGAL REF.:

20 U.S.C. §1232g, Family and Educational Rights and Privacy Act; 34 C.F.R. Part 99.

105 ILCS 10/, Ill. School Student Records Act.

105 ILCS 85/, Student Online Personal Protection Act.

23 Ill. Admin. Code Part 380.

CROSS REF.: 4:15 (Identity Protection), 4:60 (Purchases and Contracts), 6:235 (Access to Electronic Networks), 7:340 (Student Records)

Document Status: Draft Update

SECTION 8 - COMMUNITY RELATIONS

8:70 Accommodating Individuals with Disabilities

Commented [OC21]: The Board is required to regularly review its policies. This policy has been updated for continuous improvement.

Individuals with disabilities shall be provided an opportunity to participate in all school-sponsored services, programs, or activities and will not be subject to illegal discrimination. When appropriate, the District may provide to persons with disabilities aids, benefits, or services that are separate or different from, but as effective as, those provided to others.

The District will provide auxiliary aids and services where necessary to afford individuals with disabilities equal opportunity to participate in or enjoy the benefits of a service, program, or activity.

Each service, program, website, or activity operated in existing facilities shall be readily accessible to, and useable by, individuals with disabilities. New construction and alterations to facilities existing before January 26, 1992, will be accessible when viewed in their entirety.

The Superintendent or designee is designated the Title II Coordinator and shall:

1. Oversee the District's compliance efforts and~~,~~ recommend necessary modifications to the Board of Education, and maintain the District's final Title II self-evaluation document, update it to the extent necessary, and keep if available for public inspection for at least three years after its completion date.
2. Institute plans to make information regarding Title II's protection available to any interested party.

Individuals with disabilities should notify the Superintendent or Building Principal if they have a disability that will require special assistance or services and, if so, what services are required. This notification should occur as far in advance as possible of the school-sponsored function, program, or meeting.

Individuals with disabilities may allege a violation of this policy or federal law by reporting it to the Superintendent or designated Title II Coordinator, or by filing a grievance under Board policy 2:260,~~the~~ *Uniform Grievance Procedure*.

LEGAL REF.:

~~Americans with Disabilities Act,~~ 42 U.S.C. §§12101 et seq. and 12131 et seq., Americans with Disabilities Act; 28 C.F.R. Part 35.

~~Rehabilitation Act of 1973 §104,~~ 29 U.S.C. §794, Rehabilitation Act of 1973 ~~(2006)~~.

105 ILCS 5/10-20.51.

410 ILCS 25/, Environmental Barriers Act.

71 Ill.Admin.Code Part 400, Illinois Accessibility Code.

CROSS REF.: 2:260 (Uniform Grievance Procedure), 4:150 (Facility Management and Building Programs)

ADOPTED: February 10, 2003

REVISED: February 22, 2010; February 28, 2017; September 26, 2017

REVIEWED: May 23, 2023

Document Status: Review and Monitoring

SECTION 8 - COMMUNITY RELATIONS

8:100 Relations with Other Organizations and Agencies

Commented [OC22]: The Board is required to regularly review its policies. This policy has been updated for continuous improvement.

The District shall cooperate with other organizations and agencies, including but not limited to:

- County Health Department;
- Llaw enforcement agencies;
- Ffire authorities;
- Pplanning authorities;
- Zzoning authorities;
- Ccommunity colleges;
- Park District;
- Village Boards;
- Youth Organizations;
- Library Boards; and
- Illinois Emergency Management Agency (IEMA), local organizations for civil defense, and other appropriate disaster relief organizations concerned with civil defense
- Other school districts.

CROSS REF.: 1:20 (District Organization, Operations, and Cooperative Agreements), 4:170 (Safety), 4:180 (Pandemic Preparedness; Management; and Recovery), 5:90 (Abused and Neglected Child Reporting), 7:150 (Agency and Law Enforcement Requests)

ADOPTED: February 10, 2003

REVISED: December 12, 2011; August 11, 2015; February 22, 2022

DISTRICT 300

BOARD OF EDUCATION MEMO

DATE: October 6, 2026

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Dr. Niki Burkey
Assistant Superintendent of Schools

SUBJECT: Out of District Student Travel

Presented at the following Board Meetings	Date
Board Operations Committee	
BOE 1st Reading	10/6/2026
BOE 2nd Reading	10/27/2026

Background

Per Board Policy 6:240, all field trips must have the Superintendent or designee's prior approval, except that field trips beyond a 200-mile radius of the school or extending overnight must have the prior approval of the School Board. Each trip authorization shall be based on the written rationale of the travel's educational value and the safety and welfare of the students involved.

Administrative Recommendation

The administration recommends approval of the request as presented for student travel as follows:

- Algonquin Middle School - Washington D.C. trip, April 15-17, 2027
- Carpentersville Middle School - Washington D.C. trip, April 15-17, 2027
- Dundee Middle School - Washington D.C. trip, March 18-20, 2027
- Hampshire Middle School - Washington D.C. trip, April 21-23, 2027
- Westfield Middle School - Washington D.C. trip, April 14-16, 2027

Freedom of Information
Board Report
October 6, 2026

FOIA#	Date of Request	Requester	Subject	Date Completed/ STATUS	Time to complete in hours
187-2026	8/21/2026	Ashley Wood **FOIA Professional Services**	**Commercial Purpose** - Requesting to receive information on the current / most recent food service management contract for the Community Unit School District 300. I believe the contract was awarded to Organic Life. I am requesting copies of the following information from the record detailed above: 1.Current FSMC Contract - The complete current agreement between the District and its current FSMC (Food Service Management Contract), including the original executed contract and all exhibits, schedules, addenda, amendments, modifications, extensions, or other documents incorporated into or modifying the agreement. 2. Renewal Documents - All documents relating to each renewal or extension of the current FSMC's contract, from the initial contract award through the present. This request includes, but is not limited to: renewal agreements or contract extensions; amendments or addenda; annual pricing or meal-rate adjustments; financial guarantees or other changes to financial terms; renewal proposals or submissions from the FSMC; District recommendations or approvals relating to renewal; and Board resolutions, agenda materials, or other documents approving or authorizing each renewal. 3. Original FSMC Proposal - The complete proposal submitted by the current FSMC in response to the District's RFP, solicitation, or procurement process that resulted in the current FSMC relationship. Please include the proposal in its entirety, including pricing, financial projections, management or technical proposals, exhibits, attachments, clarifications, supplemental submissions, and any best-and-final offer or revised proposal submitted prior to award. 4. FSMC Invoices - Copies of all invoices issued by the current FSMC to the District, from the commencement of the current FSMC relationship through the present. Please include any attachments, supporting schedules, billing detail, credit memoranda, adjustments, or other documentation provided with or relating to those invoices. 5. Communications between the District (board, staff, etc.) and the FSMC's internal or external legal counsel.	Completed 9/21/2026	6
207-2026	9/3/2026	Anna Avgoustis **ForeFront Power**	**Commercial Purpose** - Requesting copies of all bids submitted in response to the On-Site Solar PV System Services project solicitation, including any available narrative responses, project descriptions, technical details, pricing information, proposed system size, contracts, and other materials included with submissions pursuant to the Freedom of Information Act (FOIA).	Completed 9/28/2026	2
211-2026	9/8/2026	Quinten Lorinczi **Community Member**	Requesting copies of the following public records: 1. Camera footage capturing the exterior doorway threshold and all adult, non-student individuals entering and exiting room 230 at Dundee-Crown High School on 9/2/2026 between 1:25 PM and 1:45 PM. 2. Timestamps of all camera footage with all metadata preserved in its native state. 3. Maintenance logs of all security and surveillance cameras with the exterior of room 230 doors in field of view from 4/1/2025 through 9/4/2026.	Completed 9/18/2026	4
212-2026	9/8/2026	Quinten Lorinczi **Community Member**	Requesting copies of the following records: All written communications (including emails and internal messaging platforms such as Microsoft Teams with all metadata preserved in its native state) between District administrators and/or District legal counsel discussing: 1. My performance evaluations, disciplinary status, Changes in evaluator(s), 2. Rainbow Mask Incident and meetings of April 2021 involving Sydney Osborn. 3. Refusal to Change Medical Vaccination Survey of September 2021 and private BCC email from Eberto Mora which you denied existing, yet I produced from private archives. 4. Continued employment from 6/29/2021 – 6/30 2024. 5. Conversations about the Replication Crisis of Clinical Psychology and Fact Finding Meetings of 4/10/2023.	Completed 9/17/2026	3
213-2026	9/9/2026	Justin Wenig **Starbridge**	**Commercial Purpose** - Requesting payment records for all vendor entities (including companies, organizations, contractors, and other non person payees) made by Community Unit School District 300 from January 1, 2026 to current date including at minimum: purchase date, vendor name, line item description, line item amount. If vendor names are coded in the records, please include the existing vendor list or key identifying those vendors.	Pending	
214-2026	9/10/2026	Anonymous	**Commercial Purpose** - Requesting copies of all existing public records concerning District 300's student identification and Raptor ID scanning system. This request includes, but is not limited to, records concerning the system's procurement and financial costs; contracts, purchase orders, invoices, bids, proposals, and vendor agreements; documentation identifying the information collected, transmitted, processed, or stored through the system; data-retention and deletion policies; records identifying individuals or entities authorized to access such information; applicable privacy, security, and student-data agreements; implementation and training materials; and records describing the system's purpose, operation, and use of student scan records. Where applicable, I request records sufficient to show whether scans record the student's identity, date, time, location, entry or exit, or other associated information.	Pending	
215-2026	9/10/2026	Vincent Mutolo **Argo Agent**	**Commercial Purpose** - Requesting all purchase orders issued by CUSD 300 from 2021-09-04 through 2026-09-04. A purchase-order export is preferred. If one is not readily available, an existing accounts payable register, check register, vendor payment report, or similar finance-system export is also acceptable. Please include the following fields in the export, where available: (1) Purchase order number, or a comparable identifier such as a contract, invoice, encumbrance, or check number, (2) Purchase-order date, (3) Vendor details, including name, ID, address, contact person, and email address, (4) Line-item description, (5) Line-item quantity, (6) Line-item price, (7) Department associated with the purchase, (8) Contract start and end dates, (9) Contract signatory, (10) Whether a competitive process was used and any recorded reason for not using one.	Pending	
216-2026	9/11/2026	Jordan Reese **Community Member**	**Commercial Purpose** - Requesting 1. Any contracts or agreements in effect at any time between January 1, 2023 and the present, between Community Unit School District 300 and third-party providers or individual independent contractors for speech-language pathology (SLP), occupational therapy (OT), and/or physical therapy (PT) services, including but not limited to staffing agencies and independent practitioners. 2. The associated hourly rate(s) or fee schedule(s) paid under each such agreement. If more than 10 such contracts exist within this date range, please provide the 10 most recent. Please provide these records electronically (e.g., PDF), in whatever format they are already maintained, to minimize the burden of production on the District. If any portion of this request is denied, please cite the specific statutory exemption(s) relied upon and release any reasonably segregable non-exempt portions. Thank you for your time and assistance.	Completed 9/17/2026	3

Freedom of Information
Board Report
October 6, 2026

FOIA#	Date of Request	Requester	Subject	Date Completed/ STATUS	Time to complete in hours
218-2026	9/14/2026	Kristina Konstanty **Community Member**	Requesting copies of records relating to food, meal, catering, and beverage expenses paid for or reimbursed by Community Unit School District 300 in connection with business conducted at the District 300 Administrative Building. Please provide records for the most recent full fiscal year for which records are available. I am requesting records concerning, but not limited to: •Board of Education meetings and related meetings •Administrative meetings •Staff or departmental meetings •Informal meetings conducted for district business •Meals provided to employees, administrators, board members, or other attendees •Catering, restaurant, delivery, or other food-service expenses •Coffee, beverages, snacks, and other refreshments •Any other food or beverage expenses charged to, paid by, or reimbursed by the district in connection with activities at the Administrative Building. For each expense, please provide any responsive records showing: •Date of the expense or event •Amount paid •Vendor, restaurant, caterer, or other provider •Description or purpose of the expense •Number of attendees, if recorded •Names or identities of attendees, if recorded •The applicable department, office, meeting, or event, if identified in the records •Receipts, invoices, purchase orders, credit-card statements, reimbursement forms, or other supporting documentation. Please also provide any existing records that show the total amount spent on food, meals, catering, beverages, and refreshments at or for business conducted at the Administrative Building during the requested reporting period.	Completed 9/24/2026	17
219-2026	9/14/2026	Kristina Konstanty **Community Member**	Requesting copies of the most recent records maintained by Community Unit School District 300 showing the salaries or compensation of all current district administrators. Please provide the information in a format that identifies each administrator by: Full name, Job title/position, Current annual salary or base salary, Any additional compensation, stipends, or salary supplements, if separately identified in the records. Please include all administrators employed by the district, including administrators working at the district administrative office, schools, and other district facilities. If the district maintains a current salary schedule, payroll listing, compensation report, or other existing record containing this information, please provide that record. If possible, please provide the information sorted from highest annual salary to lowest annual salary. If the district's existing records are not maintained in that order, please provide the records in their existing electronic format rather than creating a new record.	Completed 9/24/2026	1.5
220-2026	9/14/2026	Community Member	**Commercial Purpose** - Request copies of all existing public records sufficient to show the financial condition, budget, revenues, expenditures, and spending of Community Unit School District 300 for fiscal years 2020 through 2026. This request includes, but is not limited to, adopted and amended annual budgets; detailed expenditure and revenue reports; records for each district fund, including the Education Fund, Operations and Maintenance Fund, Transportation Fund, Capital Projects Fund, Debt Service Fund, and other applicable funds; budget-to-actual financial reports; interfund transfers; purchase orders; invoices; contracts; vendor payments; payroll and personnel expenditure summaries; consultant and professional-service expenditures; technology expenditures; security and safety expenditures; construction and capital-improvement expenditures; grants and grant expenditures; federal, state, and local funding received; COVID-19 relief funding, including ESSER funds and related expenditures; debt obligations and payments; leases; subscriptions; recurring service agreements; and records sufficient to identify significant expenditures or changes in district spending during the requested period. I also request records sufficient to show the district's annual beginning and ending fund balances, outstanding debt, reserve balances, budget amendments, and transfers between funds for each fiscal year from FY2020 through FY2026.	Pending	
221-2026	9/14/2026	Latosha Montgomery **Community Member**	Requesting the following records: 1. The complete available surveillance/video footage covering XXX 5th-period lunch/cafeteria period on August 21, August 24, August 25, August 26, and August 27, 2026, including footage showing interactions involving XXX and Assistant Principal Jamie Driscoll. 2. Any available audio or video recordings of the August 28, 2026 student-witness interviews and investigative conversations concerning the incidents involving XXX and Ms. Driscoll. 3. Any available audio or video recordings of investigative conversations or interviews involving XXX, Ms. Driscoll, the student witnesses, or District personnel concerning these incidents on August 28, 2026. 4. Any available records identifying the date and time the relevant surveillance footage was reviewed, preserved, exported, downloaded, or otherwise accessed, and by whom, to the extent such records are maintained by the District and are subject to disclosure.	Completed 9/28/2026	8
223-2026	9/17/2026	Stacy Money **Community Member**	Requesting any and all Internal communications via electronic mail, forms, documents, meeting minutes, notes, and or Agendas regarding Medieval Times field trip determination for 2026/2027 school year.	Completed 9/23/2026	3
224-2026	9/17/2026	Jennifer Mitchell **Economic Research Institute**	Requesting a copy of the following documents containing education job salary information. We are looking to collect information on salaries for different jobs/positions in the public education (school districts) sector.	Completed 9/18/2026	1.5
225-2026	9/18/2026	Melissa Rajcevich **Community Member**	Request copies of public records regarding District 300 employee Matthew Todd (currently employed at Jacobs High School, formerly the wrestling coach at Hampshire High School). (1) Disciplinary Actions & Suspensions: Any and all formal disciplinary notices, reprimands, suspension letters, or records of administrative actions taken regarding Mr. Todd's employment or coaching status. (2) Board Actions & Agreements: Any formal separation agreements, settlement agreements, or final Board of Education action items concerning his coaching tenure, transitions, or suspensions. (3) IHSA Correspondence: Any formal correspondence, incident reports, or communication between District 300 administration (including athletic directors) and the Illinois High School Association (IHSA) regarding Matthew Todd's coaching eligibility, compliance, or rules violations	Completed 9/30/2026	2.5

Freedom of Information
Board Report
October 6, 2026

FOIA#	Date of Request	Requester	Subject	Date Completed/ STATUS	Time to complete in hours
226-2026	9/18/2026	Melissa Rajcevich **Community Member**	Requesting copies of public records regarding District 300 employee Jack Mueller (formerly a wrestling coach at Hampshire High School): • Disciplinary Actions & Suspensions: Any and all formal disciplinary notices, reprimands, suspension letters, or records of administrative actions taken regarding Mr. Mueller's employment or coaching status. • Board Actions & Agreements: Any formal separation agreements, settlement agreements, or final Board of Education action items concerning his coaching tenure, transitions, or suspensions. • IHSA Correspondence: Any formal correspondence, incident reports, or communication between District 300 administration (including athletic directors) and the Illinois High School Association (IHSA) regarding Jack Mueller coaching eligibility, compliance, or rules violations.	Completed 9/30/2026	3
227-2026	9/18/2026	Lee Bennett **Community Member**	Requesting information regarding males participating in volleyball at Algonquin Middle School for the period 7/1/2021 to present. 1. General policy regarding male participation in this sport. 2. Staff response to any requests by males to participate. 3. Requests from males to participate anonymized in such a fashion which indicates the number of individual students/families making such requests.	Completed 9/22/2026	3
228-2026	9/21/2026	Kristina Konstanty **Community Member**	Requesting a list of all FOIA requests for the years 2020 to date (September 20, 2026). Request number, date, requestor, request description.	Completed 9/22/2026	1
229-2026	9/21/2026	Catarina Mascarenhas **Coalition Opposing Governmental Secrecy, Metric Media LLC, and ClearFront Alliance**	Requesting records concerning the administration of the Freedom of Information Act, created or received between January 1, 2024 and the date of this request: 1. Documents showing compensation and payments made to the FOIA Officer; 2. Documents showing any payments made related to legislation and/or lobbying related to FOIA; 3. Documents showing any correspondence, communications, and/or coordination between the Public Body and any third party related to the Public Body's FOIA Policies; 4. Documents showing any correspondence, communications, and/or coordination between the Public Body and any third party related to any FOIA lobbying activities.	Completed 9/22/2026	2
230-2026	9/21/2026	Keith Somerset **The Data Branch**	**Commercial Purpose** - Requesting all purchase orders issued between February 16, 2026, and the present, reflecting purchasing or procurement activity across all departments, divisions, and offices.	Pending	
231-2026	9/22/2026	Angela Alfe **Community Member**	Requesting records related to communication-access technology for deaf and hard-of-hearing students in local public schools. For the 2025–2026 school year and 2026–2027 school year-to-date, please provide the following existing records: 1. Records reflecting the aggregate number of students receiving services or accommodations related to deafness or hearing loss, including students served through an IEP or Section 504 plan. I am requesting aggregate numbers only and am not requesting student names, personally identifiable information, individual IEPs, 504 plans, medical records, or other student records. 2. Records reflecting the aggregate number of students receiving services from an educational audiologist, teacher of the deaf/hard of hearing, hearing itinerant teacher, or similar D/HH service provider. 3. Records reflecting the number or inventory of FM, DM, remote-microphone, assistive-listening, or similar hearing-assistance systems owned or provided by the District for student use. 4. Records reflecting the District's inventory of school-owned tablets, Chromebooks, laptops, or other devices specifically designated or configured to provide deaf or hard-of-hearing students with real-time speech-to-text transcription or live captioning. 5. Records sufficient to identify any software, applications, platforms, or services currently approved, licensed, purchased, or used by the District to provide real-time speech-to-text transcription or live captioning of classroom speech for deaf or hard-of-hearing students. 6. Contracts, purchase orders, invoices, or records of expenditures for CART, C-Print, TypeWell, remote CART, real-time transcription, live-captioning services, or comparable speech-to-text services during the 2025–2026 and 2026–2027 school years. 7. Existing policies, procedures, guidance, training materials, memoranda, or other written materials addressing real-time captioning, speech-to-text accommodations, communication access, or assistive technology for deaf or hard-of-hearing students. 8. Existing policies, procedures, or guidance addressing the use of personal smartphones or other personal electronic devices by students when the device is required as assistive technology or as an accommodation under an IEP or Section 504 plan, including use for live captioning, speech-to-text, hearing-aid control, or cochlear-implant-related accessibility. 9. Records reflecting the aggregate number of students, if maintained, who are permitted to use a personal smartphone or other personal electronic device during instructional time specifically as a disability-related accommodation or assistive technology. 10. Records reflecting the aggregate number of students, if maintained, who receive real-time classroom speech-to-text transcription or live captioning through a District-provided device or service	Pending	
232-2026	9/22/2026	Stephanie Hanson **Public Employee Research Data**	Requesting a list of all employees of CUSD 300. Specifically, the following fields for each individual: (1) First Name, (2) Last Name, (3) Email Address, (4) Job Title or Position, and (5) Division or Unit	Completed 9/23/2026	2

Freedom of Information
Board Report
October 6, 2026

FOIA#	Date of Request	Requester	Subject	Date Completed/ STATUS	Time to complete in hours
233-2026	9/28/2026	Kia Alborz **Perimeter Paper**	**Commercial Purpose** - Requesting copies of purchase of disposable foodservice and paper products (cafeteria trays, food trays and boats, hinged containers, paper and poly bags, pan liners, wraps): 1. The most recent solicitation documents (invitation for bid, request for proposal, or request for quote) for these products, including specifications and any pricing worksheets. 2. The bid tabulation or award list for that solicitation, showing all bidders, their line-item prices, and the district's award notations. 3. The board agenda item or award memorandum recording the award. 4. Any current contract pricing sheets in force with the awarded vendor(s), including any renewal or escalation letters. 5. The scheduled expiration date of the current contract and the anticipated date of the next solicitation for these products.	Pending	
234-2026	9/28/2026	Bruce Batt **Community Member**	Requesting 1) A complete staff listing of ALL staff, Superintendents on down, in the central office , 300 Cleveland Ave, Carpentersville, in the year of 2005. 2) A CURRENT complete staff listing of all staff now housed in the new(er) "Cube" on Harnish Ave, Algonquin, 2025-26. 3) The student census of 2005. 4} The student census of 2025-26 5) Student test scores from a period between August 2005 - June 2026. These are not reflected in the State of Ill. report card. At least I did not see them.	Pending	
235-2026	9/28/2026	Quinten Lorinczi **Community Member**	Requesting copies of the following public records: 1. Production and explicit electronic preservation of any and all camera footage capturing the second-floor science wing hallway of rooms 208 - 201 at Dundee-Crown High School on 9/22/2026 between 11:33 AM and 11:58 AM. Specifically, this request covers any and all camera angles capturing the hallway corridors, intersections, and common areas adjacent to rooms 208 - 201, documenting the physical movements, hallway surveillance, and interactions between Assistant Principal John Gorby and teacher Quinten Lorinczi. 2. Timestamps of all camera footage with all metadata preserved in its native state	Pending	
236-2026	9/28/2026	Quinten Lorinczi **Community Member**	Requesting copies of the following public records from July 1, 2025, to Present: 1. Legal Billing Invoices: All itemized billing invoices, fee statements, and payment vouchers for the following law firms: Franczek PC, Robbins Schwartz, Kriha Boucek LLC, Klein Thorpe & Jenkins LTD, and Engler Callaway Baasten & Sraga LLC. Note: You may redact attorney-client privileged advice, but you must produce the dates of service, the hours billed, the names of the attorneys performing the work, and the general subject matter headers (e.g., "Personnel Matter," "Employee Discipline," "Lorinczi Matter"). 2. The Metzger Contract: The complete professional service contract, engagement letter, and all itemized billing invoices for the Law Office of Mark C. Metzger. Specific Interest: Records sufficient to show the specific nature of legal services provided by an estate/business planning firm to a public school district. 3. Risk Pool Communications: Any and all "Loss Run Reports" or "Notice of Claim" filings submitted by the District to Collective Liability Insurance Cooperative (CLIC) regarding employee Quinten Lorinczi.	Completed 9/30/2026	2.5
237-2026	9/28/2026	Quinten Lorinczi **Community Member**	Requesting the immediate production of the correct, final, and Board-approved Annual Statement of Affairs (Form 50-37) for: Fiscal Year 2024 (Ending June 30, 2024)Fiscal Year 2025 (Ending June 30, 2025).	Completed 9/29/2026	2

Community Unit School District 300
A/P Board Bill Listing for October 6, 2026
For Invoices Processed from 9/10/26 through 09/23/26

Fund		Amount
Educational	$	2,420,610.42
Health Insurance Fund	$	-
Grant Fund	$	83,910.12
Operations & Maintenance	$	811,776.43
Debt Service		
Transportation	$	209,638.84
Municipal Retirement Fund		
Capital Projects	$	5,368,860.78
Impact Fees		
Tort Immunity Fund		
Total All Funds	$	8,894,796.59

Approved at a meeting of the Board of Education, Community Unit School District No. 300

Date: _____

Signed: _____ _____
President Secretary

AP Check Register

AP Run: 20261006 AP — Post Date: 2026-10-06 — AP Run Type: R **COMMUNITY UNIT SCHOOL DIST 300**

Check Date	Check Number	Payment Type	Name	Check Amount
10/06/2026	00893	Wire Transfer	CSG FORTE PAYMENTS INC	21,877.77
10/06/2026	12762	Check	5-STAR STUDENTS	2,250.00
10/06/2026	12763	Check	ACCO BRANDS CORPORATION	442.00
10/06/2026	12764	Check	ADVOCATE SHERMAN HOSPITAL	4,466.00
10/06/2026	12765	Check	ALARM DETECTION SYSTEMS INC	3,520.23
10/06/2026	12766	Check	ALPHA GRAPHICS	384.73
10/06/2026	12767	Check	ARTHUR J GALLAGHER RISK MGMT	5,343.00
10/06/2026	12768	Check	ATI HOLDINGS LLC	23,400.00
10/06/2026	12769	Check	AUTOMATIC FIRE SYSTEMS INC	10,441.00
10/06/2026	12770	Check	B AND H PHOTO-VIDEO	2,897.80
10/06/2026	12771	Check	BARRINGTON HIGH SCHOOL	750.00
10/06/2026	12772	Check	BARTLETT HIGH SCHOOL	625.00
10/06/2026	12773	Check	BATTERIES PLUS 1028	1,403.74
10/06/2026	12774	Check	BECKERS SCHOOL SUPPLIES	892.24
10/06/2026	12775	Check	BELVIDERE HIGH SCHOOL	300.00
10/06/2026	12776	Check	BIO CORPORATION	1,749.32
10/06/2026	12777	Check	BOOKS BY THE BUSHEL LLC	128.25
10/06/2026	12778	Check	BRIDGES FOR LANGUAGE	3,833.70
10/06/2026	12779	Check	BRIGHTMONT ACADEMY	5,363.60
10/06/2026	12780	Check	BSN SPORTS LLC	18,532.76
10/06/2026	12781	Check	C & L SERVICE & SUPPLY INC	868.91
10/06/2026	12782	Check	CANDOR HEALTH EDUCATION	1,380.00
10/06/2026	12783	Check	CARRIER CORPORATION	6,738.00
10/06/2026	12784	Check	CASSIDY TIRE	2,167.90
10/06/2026	12785	Check	CDI CORPORATION	495.00
10/06/2026	12786	Check	CDM PROMOTIONS, INC	412.29
10/06/2026	12787	Check	CENTRAL TREE & LANDSCAPE MULCH	6,046.00
10/06/2026	12788	Check	CHICAGO HEARING SOCIETY	230.00
10/06/2026	12789	Check	CITICARE SERVICES LLC	14,928.00
10/06/2026	12790	Check	COLLEY ELEVATOR	428.75
10/06/2026	12791	Check	CONTECH MSI CO	19,020.00
10/06/2026	12792	Check	CONVERGINT TECHNOLOGIES LLC	360.00
10/06/2026	12793	Check	CORE MECHANICAL INC	40,149.40

AP Check Register

Check Date	Check Number	Payment Type	Name	Check Amount
10/06/2026	12794	Check	CRYSTAL LAKE SOUTH HIGH SCHOOL	1,000.00
10/06/2026	12795	Check	DEMCO INC	661.82
10/06/2026	12796	Check	DEMOULIN BROTHERS AND COMPANY	2,263.86
10/06/2026	12797	Check	DISCOUNT SCHOOL SUPPLY	29.99
10/06/2026	12798	Check	EDGE SPORTS APPAREL	4,896.00
10/06/2026	12799	Check	EDS RENTAL AND SALES INC	1,062.00
10/06/2026	12800	Check	ELGIN HIGH SCHOOL	225.00
10/06/2026	12801	Check	EMERGENCY SERVICE PARTNERS LLC	19,298.00
10/06/2026	12802	Check	EQUIPMENT DEPOT OF ILLINOIS	6,600.58
10/06/2026	12803	Check	EXPRESS SIGNS & LIGHTING MAINT	360.75
10/06/2026	12804	Check	FAGEN FRIEDMAN AND FULFROST LLP	5,577.00
10/06/2026	12805	Check	FITNESS CONNECTION COMPANY	1,500.00
10/06/2026	12806	Check	FOX VALLEY FIRE AND SAFETY CO	823.00
10/06/2026	12807	Check	GENEVA HIGH SCHOOL ATHLETICS	550.00
10/06/2026	12808	Check	GENSERVE LLC	1,270.00
10/06/2026	12809	Check	GOOBER PRINTS LLC	6,431.00
10/06/2026	12810	Check	GORDON FOOD SERVICE INC	1,000.39
10/06/2026	12811	Check	GUSTAVE A LARSON COMPANY	1,530.37
10/06/2026	12812	Check	HAND2MIND INC	149.95
10/06/2026	12813	Check	HANNAH BOHN	5,460.00
10/06/2026	12814	Check	HARLEM HIGH SCHOOL	540.00
10/06/2026	12815	Check	HEGGERTY	299.04
10/06/2026	12816	Check	HELM MECHANICAL	75,017.61
10/06/2026	12817	Check	HERNANDEZ, ANGELA C	86.71
10/06/2026	12818	Check	HERSEY HIGH SCHOOL	300.00
10/06/2026	12819	Check	HOLIAN INSULATION COMPANY INC	3,373.87
10/06/2026	12820	Check	HOWARD, JEANNE L	69.33
10/06/2026	12821	Check	HUBERT COMPANY	1,179.04
10/06/2026	12822	Check	ILLINOIS ATHLETIC DIRECTORS AS	100.00
10/06/2026	12823	Check	ILLINOIS SCIENCE OLYMPIAD	650.00
10/06/2026	12824	Check	INDIAN PRAIRIE CUSD 204	500.00
10/06/2026	12825	Check	INFINITY TRANSPORTATION MANAGEMENT LLC	1,623.20
10/06/2026	12826	Check	ISCORP	59,997.00

AP Check Register

AP Run: 20261006 AP — Post Date: 2026-10-06 — AP Run Type: R **COMMUNITY UNIT SCHOOL DIST 300**

Check Date	Check Number	Payment Type	Name	Check Amount
10/06/2026	12827	Check	J AND D ENTERPRISES	13,106.00
10/06/2026	12828	Check	JAMF SOFTWARE LLC	8.83
10/06/2026	12829	Check	JC LICHT	677.54
10/06/2026	12830	Check	JOHNSON CONTROLS BUILDING SOLUTIONS LLC	4,763.50
10/06/2026	12831	Check	JOHNSON CONTROLS FIRE PROTECTION LP	11,405.80
10/06/2026	12832	Check	JOLIET TOWNSHIP DISTRICT 204	75.00
10/06/2026	12833	Check	JUDGE ROTENBERG EDUCATIONAL CENTER INC	38,222.30
10/06/2026	12834	Check	JW PEPPER	984.23
10/06/2026	12835	Check	KANE COUNTY REGIONAL OFFICE ED	3,730.00
10/06/2026	12836	Check	KAPLAN COMPANIES INC	966.98
10/06/2026	12837	Check	KINSEY AND KINSEY	7,756.60
10/06/2026	12838	Check	KOZIN, BRETT A	50.17
10/06/2026	12839	Check	LAKE PARK HIGH SCHOOL	500.00
10/06/2026	12840	Check	LAKESHORE LEARNING MATERIALS	7,157.31
10/06/2026	12841	Check	LAUX SPORTS LLC	10,717.18
10/06/2026	12842	Check	LEARNWELL	10,688.28
10/06/2026	12843	Check	LED RITE LLC	6,371.70
10/06/2026	12844	Check	LIBERTYVILLE HIGH SCHOOL	350.00
10/06/2026	12845	Check	LINDEN OAKS HOSPITAL	319.88
10/06/2026	12846	Check	LOVE YOUR CLASSROOM LLC	14,157.23
10/06/2026	12847	Check	M AND A PRECISION TRUCK REPAIR	136.00
10/06/2026	12848	Check	MCMASTER CARR SUPPLY	3,852.44
10/06/2026	12849	Check	MENARDS	25.98
10/06/2026	12850	Check	METROPOLITAN FIRE PROTECTION INC	7,988.00
10/06/2026	12851	Check	MEYER SIGNS INC	540.00
10/06/2026	12852	Check	MF ATHLETIC CO INC	383.95
10/06/2026	12853	Check	MIDWEST COMPUTER PRODUCTS	250.00
10/06/2026	12854	Check	MSC INDUSTRIAL DIRECT CO INC	2,690.59
10/06/2026	12855	Check	MUSCO CORPORATION	355,000.00
10/06/2026	12856	Check	NAVARRO, MARIA S	121.66
10/06/2026	12857	Check	NEUCO INC	6,458.58
10/06/2026	12858	Check	NEW LEADER ACADEMY	2,380.00
10/06/2026	12859	Check	NORTH AMERICAN CORPORATION	3,920.12

AP Check Register

Check Date	Check Number	Payment Type	Name	Check Amount
10/06/2026	12860	Check	NORTHWEST SUBURBAN SPECIAL	128,669.60
10/06/2026	12861	Check	NORTHWESTERN ILLINOIS ASSOCIATION	284,356.69
10/06/2026	12862	Check	OCONOMOWOC DEVELOPMENTAL TRAIN	27,350.84
10/06/2026	12863	Check	OMBUDSMAN EDUCATIONAL SERVICE	20,292.50
10/06/2026	12864	Check	ON TARGET SALES	3,113.50
10/06/2026	12865	Check	ORIENTAL TRADING CO.	253.56
10/06/2026	12866	Check	PACE	640.00
10/06/2026	12867	Check	PADDOCK PUBLICATIONS	195.50
10/06/2026	12868	Check	PALATINE HIGH SCHOOL	250.00
10/06/2026	12869	Check	PARTS TOWN LLC	86.21
10/06/2026	12870	Check	PEARSON ASSESSMENTS	195.46
10/06/2026	12871	Check	PENGUIN RANDOM HOUSE LLC	750.00
10/06/2026	12872	Check	PERIPOLE INC	642.60
10/06/2026	12873	Check	PERONTI, NICHOLAS A	300.00
10/06/2026	12874	Check	PETERSEN FUELS INC.	999.01
10/06/2026	12875	Check	PIONEER RANDUSTRIAL	7,559.84
10/06/2026	12876	Check	POSITIVE PROMOTIONS	357.95
10/06/2026	12877	Check	PRAIRIE RIDGE HIGH SCHOOL	275.00
10/06/2026	12878	Check	PROCOM ENTERPRISES LTD	36,300.00
10/06/2026	12879	Check	PRO-ED	158.40
10/06/2026	12880	Check	PROFESSIONAL AUDIO DESIGNS	38,550.04
10/06/2026	12881	Check	PROJECT LEAD THE WAY INC	5,543.50
10/06/2026	12882	Check	PUSHCOIN	4,047.25
10/06/2026	12883	Check	QUANTUM LEARNING LLC	10,500.00
10/06/2026	12884	Check	QUINLAN AND FABISH MUSIC CO	510.19
10/06/2026	12885	Check	RAYNER AND RINN-SCOTT INC	12,002.62
10/06/2026	12886	Check	REALLY GOOD STUFF INC	191.91
10/06/2026	12887	Check	REBEL ATHLETIC INC	3,468.00
10/06/2026	12888	Check	RED WING BUSINESS ADVANTAGE AC	2,434.90
10/06/2026	12889	Check	RESPONSIVE MAILROOM INC	105.52
10/06/2026	12890	Check	RICOH USA INC	181,736.87
10/06/2026	12891	Check	RIDDELL ALL AMERICAN	6,154.90
10/06/2026	12892	Check	RILCO INC	1,050.00

AP Check Register

Check Date	Check Number	Payment Type	Name	Check Amount
10/06/2026	12893	Check	ROBBINS SCHWARTZ	162.50
10/06/2026	12894	Check	ROCKLER WOODWORKING AND HARDWA	4,368.00
10/06/2026	12895	Check	RODRIGUEZ, AMI M	35.56
10/06/2026	12896	Check	ROGERS ATHLETIC COMPANY	4,460.00
10/06/2026	12897	Check	RUIZ, PATRICIA L	92.32
10/06/2026	12898	Check	RUMORO, DAVID P	44.40
10/06/2026	12899	Check	RUSSO POWER EQUIPMENT	725.99
10/06/2026	12900	Check	SAFETY-KLEEN SYSTEMS INC	304.50
10/06/2026	12901	Check	SARGENTS EQUIPMENT & REPAIR SERVICES INC	6,451.29
10/06/2026	12902	Check	SAVAGE PRO AUDIO INC	1,149.00
10/06/2026	12903	Check	SCHOLASTIC INC	109.89
10/06/2026	12904	Check	SCHOOL DATEBOOKS	412.80
10/06/2026	12905	Check	SCHOOL HEALTH CORPORATION	3,766.12
10/06/2026	12906	Check	SCHOOL OUTFITTERS	1,152.19
10/06/2026	12907	Check	SEAL OF ILLINOIS	155,961.35
10/06/2026	12908	Check	SECURITY UNLIMITED INC	15,930.00
10/06/2026	12909	Check	SEDGWICK CLAIMS MANAGEMENT SEV	750.00
10/06/2026	12910	Check	SPECIAL EDUCATION SYSTEMS	496.10
10/06/2026	12911	Check	SPECIAL EDUCATION SYSTEMS	1,170.18
10/06/2026	12912	Check	SPORTDECALS INC	57.95
10/06/2026	12913	Check	SPORTDECALS INC	535.16
10/06/2026	12914	Check	STAPLES	1,424.56
10/06/2026	12915	Check	STAR AUTISM HOLDINGS LLC	3,050.00
10/06/2026	12916	Check	STATE INDUSTRIAL PRODUCTS	2,925.95
10/06/2026	12917	Check	STENSTROM PETROLEUM SERVICES GROUP	1,871.88
10/06/2026	12918	Check	SWEETWATER SOUND HOLDINGS LLC	859.92
10/06/2026	12919	Check	SYCAMORE HIGH SCHOOL	325.00
10/06/2026	12920	Check	T S LIVINGSTON INC	3,793.70
10/06/2026	12921	Check	THE CLEAR ALTERNATIVE INC	369.50
10/06/2026	12922	Check	TOMS PRODUCTIONS LLC	534.00
10/06/2026	12923	Check	TOWNSHIP HIGH SCHOOL DIST 214	923.00
10/06/2026	12924	Check	TRADUCCIONNOW	1,334.70
10/06/2026	12925	Check	TRANE COMPANY	6,875.03

AP Check Register

AP Run: 20261006 AP — Post Date: 2026-10-06 — AP Run Type: R **COMMUNITY UNIT SCHOOL DIST 300**

Check Date	Check Number	Payment Type	Name	Check Amount
10/06/2026	12926	Check	TRINITY LANDSCAPE INC	15,447.00
10/06/2026	12927	Check	TROPHIES BY GEORGE	898.00
10/06/2026	12928	Check	VALLEY ATHLETICS	320.21
10/06/2026	12929	Check	VARSITY SPIRIT FASHIONS	2,658.85
10/06/2026	12930	Check	VENTRIS LEARNING LLC	90.00
10/06/2026	12931	Check	VEX ROBOTICS INC	1,167.57
10/06/2026	12932	Check	VILLAGE OF ALGONQUIN	11,657.26
10/06/2026	12933	Check	VILLAGE OF GILBERTS	927.62
10/06/2026	12934	Check	VILLAGE OF LAKE IN THE HILLS	517.89
10/06/2026	12935	Check	VT SERVICES INC	125.00
10/06/2026	12936	Check	WAKOH WEAR	2,832.00
10/06/2026	12937	Check	WAREHOUSE DIRECT INC	4,086.06
10/06/2026	12938	Check	WELDERS SUPPLY COMPANY	10,490.61
10/06/2026	12939	Check	WENGER CORP	1,597.04
10/06/2026	12940	Check	WEST A THOMSON REUTERS BUSINES	1,369.04
10/06/2026	12941	Check	WEST SIDE ELECTRIC SUPPLY INC.	165.33
10/06/2026	12942	Check	WESTERN PSYCHOLOGICAL SERVICES	592.90
10/06/2026	12943	Check	WHITEWATER HIGH SCHOOL	400.00
10/06/2026	12944	Check	WILSON LANGUAGE TRAINING CORP	575.64
10/06/2026	12945	Check	WOODSTOCK CUSD 200	919.00
10/06/2026	12946	Check	WOODSTOCK HIGH SCHOOL	350.00
10/06/2026	12947	Check	WOODSTOCK HIGH SCHOOL	350.00
10/06/2026	12948	Check	WOODSTOCK NORTH HIGH SCHOOL	700.00
10/06/2026	12949	Check	WORLD BOOK INC	12,040.43
10/06/2026	12950	Check	ZIOLS, JASON J	27.47
10/06/2026	9000001996	ACH	ADVANTAGE NETWORK	63.83
10/06/2026	9000001997	ACH	AGILE SPORTS TECHNOLOGIES	70,292.27
10/06/2026	9000001998	ACH	AHW LLC	1,133.86
10/06/2026	9000001999	ACH	AIRGAS USA, LLC	582.56
10/06/2026	9000002000	ACH	AL WARREN OIL COMPANY INC	148,551.97
10/06/2026	9000002001	ACH	AMAZON CAPITAL SERVICES INC	19,645.44
10/06/2026	9000002002	ACH	AMERICAN TAXI DISPATCH INC	22,468.00
10/06/2026	9000002003	ACH	ANDERSON LOCK COMPANY LTD	11,218.60

AP Check Register

AP Run: 20261006 AP — Post Date: 2026-10-06 — AP Run Type: R **COMMUNITY UNIT SCHOOL DIST 300**

Check Date	Check Number	Payment Type	Name	Check Amount
10/06/2026	9000002004	ACH	APPLE COMPUTER INC	3,432.00
10/06/2026	9000002005	ACH	BOTTS WELDING & TRUCK SVC INC	165.00
10/06/2026	9000002006	ACH	CASSANDRA STRINGS	10,909.82
10/06/2026	9000002007	ACH	CDW-G	53,202.29
10/06/2026	9000002008	ACH	CONSTELLATION NEW ENERGY	108,866.93
10/06/2026	9000002009	ACH	CREATIVE PROMOTIONAL APPAREL	2,546.76
10/06/2026	9000002010	ACH	DECKER INC	456.27
10/06/2026	9000002011	ACH	DELUXE PRINT AND PROMO BUSINESS SYSTEMS INC	955.00
10/06/2026	9000002012	ACH	DEWBERRY ARCHITECTS INC	150,048.30
10/06/2026	9000002013	ACH	DIAMOND GRAPHICS OF ALGONQUIN	400.00
10/06/2026	9000002014	ACH	EDUSTAFF LLC	243,703.65
10/06/2026	9000002015	ACH	ELARA ENERGY SERVICES INC	20,484.16
10/06/2026	9000002016	ACH	EXELON CORPORATION	47,220.19
10/06/2026	9000002017	ACH	FASTSIGNS OF CARPENTERSVILLE	2,941.80
10/06/2026	9000002018	ACH	FELICITY SCHOOLS	3,250.50
10/06/2026	9000002019	ACH	FLINN SCIENTIFIC INC	650.33
10/06/2026	9000002020	ACH	FLOLO CORPORATION	6,904.47
10/06/2026	9000002021	ACH	FOLLETT CONTENT SOLUTIONS LLC	1,380.21
10/06/2026	9000002022	ACH	FOLLETT SOFTWARE LLC	130.00
10/06/2026	9000002023	ACH	FREEDOM FLAG CO	166.95
10/06/2026	9000002024	ACH	GRAINGER	5,408.83
10/06/2026	9000002025	ACH	GRANITE TELECOMMUNICATIONS LLC	13,348.35
10/06/2026	9000002026	ACH	INTERSTATE ROOF SYSTEMS CONSUL	15,750.00
10/06/2026	9000002027	ACH	JDK SERVICES	214,369.00
10/06/2026	9000002028	ACH	KIMLEY-HORN AND ASSOCIATES INC	4,964.68
10/06/2026	9000002029	ACH	LAMP INC	4,087,449.00
10/06/2026	9000002030	ACH	LEGAT ARCHITECTS INC	255,071.94
10/06/2026	9000002031	ACH	LINDE GAS & EQUIPMENT INC	377.67
10/06/2026	9000002032	ACH	LUMEN ACADEMY	21,968.10
10/06/2026	9000002033	ACH	MANPOWER	1,630.67
10/06/2026	9000002034	ACH	MARKLUND	15,555.96
10/06/2026	9000002035	ACH	MULTI SERVICE TECHNOLOGY SOLUTIONS INC	1,183.22
10/06/2026	9000002036	ACH	MURNANE PAPER COMPANY	2,890.00

AP Check Register

Check Date	Check Number	Payment Type	Name	Check Amount
10/06/2026	9000002037	ACH	NETWORK CRAZE TECHNOLOGIES INC	686.78
10/06/2026	9000002038	ACH	ORGANIC LIFE LLC	733,202.68
10/06/2026	9000002039	ACH	PRO GRAPHICS CUSTOM SCREEN PRINTING LLC	4,942.00
10/06/2026	9000002040	ACH	SANCHEZ, ADRIAN	125.37
10/06/2026	9000002041	ACH	SCHOOL SPECIALTY, LLC	535,723.71
10/06/2026	9000002042	ACH	SOLUTION TREE	48.20
10/06/2026	9000002043	ACH	STEPPING STONES GROUP LLC	10,932.94
10/06/2026	9000002044	ACH	TRAINING CONCEPTS INC	756.20
10/06/2026	9000002045	ACH	TREES R US INC	7,600.00
10/06/2026	9000002046	ACH	ULINE SHIPPING SUPPLY	12,236.66
10/06/2026	9000002047	ACH	VWR FUNDING INC	36.40
			Total:	**8,871,806.09**

20261006 AP Summary

Type	Count	Amount
Regular Checks:	189	1,971,898.80
ACH Checks:	52	6,878,029.52
Wire Transfers:	1	21,877.77
Epayables:	0	0.00
Total:	**242**	**8,871,806.09**

Fund	Total
10 - EDUCATION FUND	2,417,422.32
14 - GRANT FUND	64,107.72
20 - OPERATIONS & MAINTENANCE FUND	811,776.43
40 - TRANSPORTATION FUND	209,638.84
60 - SITE & CONSTRUCTION FUND	5,368,860.78
	8,871,806.09

AP Check Register

AP Run: 20260924 AP OFFCYCLES — Post Date: 2026-09-24 — AP Run Type: R **COMMUNITY UNIT SCHOOL DIST 300**

Check Date	Check Number	Payment Type	Name	Check Amount
09/24/2026	12758	Check	UNITED STATES POSTAL SERVICE	247.00
09/24/2026	9000001990	ACH	ADVANTAGE NETWORK	398.32
09/24/2026	9000001991	ACH	GENUINE PARTS COMPANY	2,616.38
09/24/2026	9000001992	ACH	LINDE GAS & EQUIPMENT INC	176.30
09/24/2026	9000001993	ACH	SPEECH KIDZ LLC	19,552.50
			Total:	**22,990.50**

20260924 AP OFFCYCLES Summary

Type	Count	Amount
Regular Checks:	1	247.00
ACH Checks:	4	22,743.50
Wire Transfers:	0	0.00
Epayables:	0	0.00
Total:	**5**	**22,990.50**

Fund	Total
10 - EDUCATION FUND	3,188.10
14 - GRANT FUND	19,802.40
	22,990.50

COMMUNITY UNIT SCHOOL DISTRICT 300

HUMAN RESOURCES REPORT

October 6, 2026

ADMINISTRATORS

1. Recommend the following be employed by Community Unit School District 300 for the **2026-2027** school year and be compensated according to the Certified Administrators' and Supervisory Staff Compensation & Benefits Handbook:

Name	Position	Location	Annual Salary	Effective
Shaikhali, Sarah	Assistant Principal	Neubert Elementary School	J Step 1	August 17, 2026

RESIGNATION - ADMINISTRATORS

None

RETIREMENT – ADMINISTRATORS

1. Recommend approval of the following request to retire:

Name	Position	Location	Effective
White, Diane	Director of Purchasing	Central Office	September 30, 2026

2. Recommend approval to rescind the following request to retire:

Name	Position	Location	Effective
White, Diane	Director of Purchasing	Central Office	June 30, 2026

CERTIFIED PERSONNEL

1. Recommend the following be employed by Community Unit School District 300 for the **2026-2027** school year and be compensated according to the LEAD negotiated agreement:

Name	Position	Location	FTE	Salary	Type
Newman, Janice	School Social Worker	Lakewood Elementary School	1.0	M30 Step B	Additional
O'Connell, Rebecca	School Social Worker	Lake In The Hills Elementary School	1.0	M30 Step C	Replacement
Oravec, Ann	Preschool For All	Liberty Elementary School	1.0	MA Step D	Replacement

Leave of absence requests are attached separately for Board of Education approval.

Name	Position	Location	FTE	Salary	Type
Oteman, Candice	Cross Categorical	Lincoln Prairie Elementary School	1.0	MA Step K	Replacement
Recendez, Christopher	Success Academy Coach	Hampshire High School	1.0	B15 Step A	Replacement
Stanphill, Kayla	Autism	Parkview Elementary School	1.0	BA Step A	Additional

OTHER EMPLOYMENT – CERTIFIED PERSONNEL

None

RESIGNATION – CERTIFIED PERSONNEL

None

OTHER RESIGNATION – CERTIFIED PERSONNEL

None

RETIREMENT – CERTIFIED PERSONNEL

None

SUPERVISOR/MANAGER – EDUCATIONAL SUPPORT PERSONNEL

None

RESIGNATION – SUPERVISOR/MANAGER EDUCATIONAL SUPPORT PERSONNEL

None

RETIREMENT – SUPERVISOR/MANAGER EDUCATIONAL SUPPORT PERSONNEL

None

Leave of absence requests are attached separately for Board of Education approval.

EDUCATIONAL SUPPORT PERSONNEL

1. Recommend employment of the following educational support personnel:

Name	Position	Location	CBA	Salary	Type
Gedritis, Matthew	Groundsman	Jacobs High School	DESPA	1 Step A	Replacement
Gonzalez, Rebecca	Paraeducator	Neubert Elementary School	DESA	A Step 1	Replacement
Griggs, Cindi	Paraeducator	Gilberts Elementary School	DESA	B Step 1	Additional
Khawaja, Nazhah	Teaching & Learning Administrative Assistant	Central Office	DESPA	3 Step A	Replacement
Montenegro, Emilia	Paraeducator	Big Timber Elementary School	DESA	B Step 1	Replacement
Ortiz Rico, Lucila	Night Custodian	Liberty Elementary School	DESPA	1 Step A	Replacement
Sandoval, Julia	Media Clerical	Hampshire Middle School	DESPA	2 Step A	Replacement
Seeger, Melissa	Registrar Secretary	Hampshire High School	DESPA	2 Step A	Replacement
Taylor, Markus	Safety Staff	Jacobs High School	DESPA	1 Step A	Replacement
Viurquiz Jr, Juan	District Custodian	Buildings & Grounds	DESPA	1 Step A	Additional

RESIGNATION – EDUCATIONAL SUPPORT PERSONNEL

1. Recommend approval of the following letter of resignation:

Name	Position	Location	Effective
Hernandez, Maria	Certified Nursing Assistant	Lincoln Prairie Elementary School	September 17, 2026

Leave of absence requests are attached separately for Board of Education approval.

DISMISSAL – EDUCATIONAL SUPPORT PERSONNEL

1. Recommend dismissal of the following probationary employee, pursuant to Article XVII, Section 17.1 Probationary Period of the DESPA July 1, 2026 – June 30, 2029 negotiated agreement:

Name	Position	Location	Effective
Carlos, Annalucia	Registrar Secretary	deLacey Family Education Center	September 22, 2026

RETIREMENT – EDUCATIONAL SUPPORT PERSONNEL

None

COACHING/VOLUNTEER – EDUCATIONAL SUPPORT PERSONNEL

1. Recommend approval of the following support personnel:

Name	**Position**	**Location**
Doherty, Tricia	Coordinator - Drama Crew	Dundee-Crown High School
Gloudeman, James	Assistant Coach - Wrestling	Jacobs High School

Leave of absence requests are attached separately for Board of Education approval.

DISTRICT POSITION TRANSFERS

None

Leave of absence requests are attached separately for Board of Education approval.