

Board of Education Regular Meeting

Monday, November 9, 2020 7:30 PM

Minden High School Media Center, 543 West Fifth, Minden, NE 68959-0301

Ken Carpenter: Present
Justin Glanzer: Present
Craig Grams: Present
Richard Jacobsen: Present
Kevin Raun: Present
Rusty Rhynalds: Present

1. Call to Order

2. Public Comment

3. Consent Agenda

Action(s):

Motion to approve the Consent Agenda. This motion, made by Ken Carpenter and seconded by Justin Glanzer, Passed.

Voting Detail:

Ken Carpenter: Yea
Justin Glanzer: Yea

Craig Grams: Yea
Richard
Jacobsen: Yea
Kevin Raun: Yea
Rusty Rhynalds: Yea

Voting Summary: Yea: 6, Nay: 0

- a. Consider Minutes from October 12, October 22, October 28, and November 2 Meetings
- b. Consider Financial Reports
- c. Consider Expenditures and Claims for Payment

4. Reports

- a. Board Committees
- b. Principals
- c. Superintendent
- d. Other

5. Policy Review and Updates

6. Action Items

- a. Consider, Discuss, and Take Action on District Audit

Action(s):

Motion to approve the 2019-20 district audit.
This motion, made by Justin Glanzer and seconded
by Kevin Raun, Passed.

Voting Detail:

Ken Carpenter: Yea

Justin Glanzer: Yea

Craig Grams: Yea

Richard
Jacobsen: Yea

Kevin Raun: Yea

Rusty Rhynalds: Yea

Voting Summary: Yea: 6, Nay: 0

- b. Consider, Discuss, and Take Action on Contract
with Engineering Technologies Inc.

Action(s):

Motion to approve the contract with Engineering
Technologies Inc as the HVAC engineer for the
C.L. Jones Middle School HVAC renovation work.
This motion, made by Justin Glanzer and seconded
by Craig Grams, Passed.

Voting Detail:

Ken Carpenter: Yea

Justin Glanzer: Yea

Craig Grams: Yea

Richard
Jacobsen: Yea

Kevin Raun: Yea

Rusty Rhynalds: Yea

Voting Summary: Yea: 6, Nay: 0

7. **Next Meeting**

8. **Adjournment per Board President Action at 7:56
P.M.**

Board Secretary

**MINDEN PUBLIC SCHOOLS
BOARD OF EDUCATION
November 2, 2020**

Notice for the November 2, 2020 special meeting was posted at the United States Post Office in Minden, Minden Exchange Bank, First Bank and Trust Company, Kearney County Courthouse, and the Minden city office. Notices were mailed to the United States Post Office in Upland and Heartwell. The agenda was posted in the superintendent's office.

The board meeting began at 7:30 am with all board members present.

Motion by Grams and second by Glanzer to approve Engineering Technologies Inc. as the HVAC Engineer for the C.L. Jones Middle School HVAC renovation work and authorize the Facilities Committee and the Superintendent to negotiate a contract for same. Roll call: Carpenter, aye; Glanzer, aye; Grams, aye; Jacobsen, aye; Raun, aye; Rhynalds, aye. Motion carried.

At 8:12 am, the meeting was adjourned by Board President action.

Secretary, Board of Education

**MINDEN PUBLIC SCHOOLS
BOARD OF EDUCATION
October 12, 2020**

The agenda for the October 12, 2020 hearings and meeting was posted at the United States Post Office in Minden, Minden Exchange Bank, First Bank and Trust Company, Kearney County Courthouse, and the Minden city office. Agendas were mailed to the United States Post Office in Upland and Heartwell. The agenda was posted in the superintendent's office and notice was published in the local paper.

The board meeting began at 7:30 pm with all board members present, except Glanzer and Jacobsen.

Motion by Grams and second by Raun to excuse the absences of Glanzer and Jacobsen. Roll call: Carpenter, aye; Glanzer, absent; Grams, aye; Jacobsen, absent; Raun, aye; Rhynalds, aye. Motion carried.

Motion by Carpenter and second by Raun to approve the consent agenda consisting of minutes from the September 14 and September 25 meetings, financial reports, and claims for payment. Roll call: Carpenter, aye; Glanzer, absent; Grams, aye; Jacobsen, absent; Raun, aye; Rhynalds, aye. Motion carried.

Motion by Grams and second by Carpenter to adopt Policy 1211 Title IX Grievance Policy. Roll call: Carpenter, aye; Glanzer, absent; Grams, aye; Jacobsen, absent; Raun, aye; Rhynalds, aye. Motion carried.

Motion by Rhynalds and second by Raun to re-approve the property tax levy of \$0.909523 due to a \$40.00 clerical error and read the following resolution: Now be it therefore resolved that (1) the Tax Request for the General Fund should be, and hereby is set at \$8,916,352.12 for the 2020-2021 school fiscal year; (2) the Tax Request for the Bond Fund should be, and hereby is set at \$1,722,773.00 for the 2020-2021 school fiscal year; and (3) the Tax Request for the Building Fund should be, and hereby is set at \$404,040.00 for the 2020-2021 school fiscal year. Roll call: Carpenter, aye; Glanzer, absent; Grams, aye; Jacobsen, absent; Raun, aye; Rhynalds, aye. Motion carried.

Motion by Raun and second by Carpenter to approve Nemaha Construction Change Order #3. Roll call: Carpenter, aye; Glanzer, absent; Grams, aye; Jacobsen, absent; Raun, aye; Rhynalds, aye. Motion carried.

Motion by Carpenter and second by Raun to approve Nemaha Construction Change Order #4. Roll call: Carpenter, aye; Glanzer, absent; Grams, aye; Jacobsen, absent; Raun, aye; Rhynalds, aye. Motion carried.

At 8:12 pm, meeting adjourned per Board President action.

Secretary, Board of Education

MINDEN PUBLIC SCHOOLS
Board of Education Facilities Committee
October 22, 2020

The agenda for the October 22, 2020 hearing was posted at the United States Post Office in Minden, Minden Exchange Bank, First Bank and Trust Company, Kearney County Courthouse, and the Minden city office. Agendas were mailed to the United States Post Office in Upland and Heartwell. The agenda was posted in the superintendent's office.

The Facilities Committee meeting began at 8:00 am with Carpenter, Glanzer, and Rhynalds present

The Committee discussed the letters of interest received from prospective engineering candidates for the proposed renovations to the HVAC system at C.L.Jones Middle School.

The meeting ended at 8:55 am.

Secretary, Board of Education

MINDEN PUBLIC SCHOOLS
Board of Education Facilities Committee
October 28, 2020

The agenda for the October 28, 2020 Facilities Committee meeting was posted at the United States Post Office in Minden, Minden Exchange Bank, First Bank and Trust Company, Kearney County Courthouse, the Minden city office, and in the superintendent's office. Agendas were mailed to the United States Post Office in Upland and Heartwell.

The Committee meeting began at 9:00 am with Carpenter, Glanzer, and Rhynalds present.

The Committee interviewed and discussed prospective engineering firms for the proposed renovation work on the HVAC system at C.L.Jones Middle School.

The meeting ended at 3:45 pm.

Secretary, Board of Education

MINDEN PUBLIC SCHOOLS
TREASURER'S REPORT
October 31, 2020

| | | | |
|---|----------------|---|----------------|
| SCHOOL BALANCE - September 30, 2020 | | | \$97,694.55 |
| Current Months Receipts | | | \$407,141.25 |
| Transfers from Investments | | | \$450,000.00 |
| Total Beginning Balance and Receipts | | | \$954,835.80 |
| Less: Disbursements | | | \$931,797.07 |
| Transfer to Investments | | | \$0.00 |
| Total Disbursements | | | \$931,797.07 |
| SCHOOL BALANCE - October 31, 2020 | | | \$23,038.73 |
| BALANCE PER BANK STATEMENT - October 31, 2020 | | | \$26,699.78 |
| Deposits In Transit | | | \$0.00 |
| LESS : Outstanding Checks | | | \$3,661.05 |
| RECONCILED BANK BALANCE - October 31, 2020 | | | \$23,038.73 |
| | | (Balance - October 31, 2019 = \$183,847.34) | |
| GENERAL FUND INVESTMENTS | | | \$3,241,305.49 |
| Money Market Minden Exchange | \$1,957,557.27 | 0.45% demand | |
| Money Market First Bank | \$1,283,748.22 | 0.21% demand | |
| | | (Balance October 31, 2019 = \$3,112,657.05) | |
| DEPRECIATION FUND INVESTED | | | \$693,302.45 |
| Money Market Minden Exchange Bank | \$304,840.14 | 0.45% demand | |
| Money Market First Bank | \$118,763.09 | 0.21% demand | |
| NE Liquid Asset Fund - Depreciation Fund | \$269,694.03 | 0.02% demand | |
| Checking Minden Exchange Bank | \$5.19 | | |
| | | (Balance October 31, 2019 = \$683,990.16) | |
| BUILDING FUND | | | \$754,567.40 |
| Money Market Minden Exchange Bank | \$381,874.73 | 0.45% demand | |
| Money Market First Bank | \$358,478.51 | 0.21% demand | |
| NE Liquid Asset Fund - Building Fund | \$14,209.66 | 0.02% demand | |
| Checking Minden Exchange Bank | \$4.50 | | |
| | | (Balance October 31, 2019 = \$2,301,282.98) | |
| BOND FUND | | | \$2,059,628.48 |
| Money Market Minden Exchange Bank | \$1,260,771.98 | 0.45% demand | |
| NE Liquid Asset Fund - Bond Fund | \$798,856.50 | 0.02% demand | |
| | | (Balance October 31, 2019 = \$2,206,010.94) | |
| LUNCH FUND | | | \$4,776.36 |
| Money Market First Bank | \$3,902.16 | 0.06% demand | |
| Checking First Bank | \$874.20 | | |
| | | (Balance October 31, 2019 = \$28,881.69) | |
| FUNDS PLEDGED FOR DEPOSITS | | | |
| Minden Exchange Bank | \$6,451,078.37 | Plus 250M FDIC | |
| First Bank | \$2,065,000.00 | Plus 250M FDIC | |

Scott W. Johnson, Treasurer

MINDEN PUBLIC SCHOOLS
TREASURER'S REPORT SUPPLEMENT
ACCOUNT RECONCILIATIONS
October 31, 2020

| Bank | Account # | Beginning Balance | Plus: Receipts | Plus/(Minus) Transfers | Minus: Expenditures | Ending/ Reconciled Balance | Previous Year Ending Balance |
|--------------------------|-----------------|-----------------------|---------------------|------------------------|-----------------------|----------------------------|------------------------------|
| General Fund | | | | | | | |
| MEB | 401505 | \$97,694.55 | \$407,141.25 | \$450,000.00 | \$931,797.07 | \$23,038.73 | \$183,847.34 |
| MEB | 601096 | \$2,406,789.14 | \$768.13 | (\$450,000.00) | \$0.00 | \$1,957,557.27 | \$1,835,425.80 |
| FB&T | 801472 | \$1,283,519.30 | \$228.92 | \$0.00 | \$0.00 | \$1,283,748.22 | \$1,277,231.25 |
| | Subtotal | \$3,788,002.99 | \$408,138.30 | \$0.00 | \$931,797.07 | \$3,264,344.22 | \$3,296,504.39 |
| Depreciation Fund | | | | | | | |
| MEB | 401919 | \$5.19 | \$0.00 | \$0.00 | \$0.00 | \$5.19 | \$5.19 |
| MEB | 613109 | \$304,727.43 | \$112.71 | \$0.00 | \$0.00 | \$304,840.14 | \$4,397.02 |
| FB&T | 807982 | \$118,741.91 | \$21.18 | \$0.00 | \$0.00 | \$118,763.09 | \$118,160.21 |
| NLAF | 9300656 | \$269,693.64 | \$0.39 | \$0.00 | \$0.00 | \$269,694.03 | \$561,427.74 |
| | Subtotal | \$693,168.17 | \$134.28 | \$0.00 | \$0.00 | \$693,302.45 | \$683,990.16 |
| Building Fund | | | | | | | |
| MEB | 106690 | \$4.50 | \$0.00 | \$208,587.87 | \$208,587.87 | \$4.50 | \$4.50 |
| MEB | 603209 | \$529,667.19 | \$60,795.41 | (\$208,587.87) | \$0.00 | \$381,874.73 | \$452,200.43 |
| FB&T | 801407 | \$358,414.58 | \$63.93 | \$0.00 | \$0.00 | \$358,478.51 | \$58,003.30 |
| NLAF | 9300655 | \$14,209.41 | \$0.25 | \$0.00 | \$0.00 | \$14,209.66 | \$1,791,074.75 |
| | Subtotal | \$902,295.68 | \$60,859.59 | \$0.00 | \$208,587.87 | \$754,567.40 | \$2,301,282.98 |
| Bond Fund | | | | | | | |
| MEB | 620112 | \$1,198,736.44 | \$62,035.54 | \$0.00 | \$0.00 | \$1,260,771.98 | \$956,996.76 |
| NLAF | 9300692 | \$798,855.36 | \$1.14 | \$0.00 | \$0.00 | \$798,856.50 | \$1,249,014.18 |
| | Subtotal | \$1,997,591.80 | \$62,036.68 | \$0.00 | \$0.00 | \$2,059,628.48 | \$2,206,010.94 |
| Lunch Fund | | | | | | | |
| FB&T | 990119 | \$52,253.27 | \$2,065.38 | \$0.00 | \$53,444.45 | \$874.20 | \$24,636.05 |
| FB&T | 801399 | \$3,902.16 | \$0.20 | \$0.00 | \$0.00 | \$3,902.36 | \$4,245.64 |
| | Subtotal | \$56,155.43 | \$2,065.58 | \$0.00 | \$53,444.45 | \$4,776.56 | \$28,881.69 |
| Grand Total | | \$7,437,214.07 | \$533,234.43 | \$0.00 | \$1,193,829.39 | \$6,776,619.11 | \$8,516,670.16 |

2020/21 Projections vs. Actuals for General Fund As of October 31, 2020

Income

2020/21 Budgeted Income = \$10,644,125.12

| Month | Projected Income | Actual Income | Over/(Under) Projection | Running Balance Over/(Under) Projection |
|-----------|------------------|----------------|-------------------------|---|
| September | \$2,028,770.25 | \$2,220,565.03 | \$191,794.78 | \$191,794.78 |
| October | \$571,589.52 | \$406,818.24 | (\$164,771.28) | \$27,023.50 |
| November | \$161,790.70 | | | |
| December | \$150,082.16 | | | |
| January | \$1,667,934.41 | | | |
| February | \$873,882.67 | | | |
| March | \$579,040.41 | | | |
| April | \$523,690.96 | | | |
| May | \$2,749,377.52 | | | |
| June | \$987,774.81 | | | |
| July | \$155,404.23 | | | |
| August | \$194,787.48 | | | |

Cash Flow

| Month | Projected Cash Flow | Actual Cash Flow | Over/(Under) Projection | Running Balance Over/(Under) Projection |
|-----------|---------------------|------------------|-------------------------|---|
| September | \$931,893.66 | \$1,204,581.41 | \$272,687.75 | \$272,687.75 |
| October | (\$364,598.14) | (\$523,658.77) | (\$159,060.63) | \$113,627.12 |
| November | (\$780,219.02) | | | |
| December | (\$796,585.21) | | | |
| January | \$725,924.69 | | | |
| February | (\$57,647.34) | | | |
| March | (\$364,133.72) | | | |
| April | (\$422,976.41) | | | |
| May | \$1,779,421.90 | | | |
| June | (\$15,948.78) | | | |
| July | (\$776,125.78) | | | |
| August | (\$859,005.85) | | | |

Expenses

2020/21 Budgeted Expenses = \$11,644,125.12

| Month | Projected Expenses | Actual Expenses | Over/(Under) Projection | Running Balance Over/(Under) Projection |
|-----------|--------------------|-----------------|-------------------------|---|
| September | \$1,096,876.59 | \$1,015,983.62 | (\$80,892.97) | (\$80,892.97) |
| October | \$936,187.66 | \$930,477.01 | (\$5,710.65) | (\$86,603.62) |
| November | \$942,009.72 | | | |
| December | \$946,667.37 | | | |
| January | \$942,009.72 | | | |
| February | \$931,530.01 | | | |
| March | \$943,174.13 | | | |
| April | \$946,667.37 | | | |
| May | \$969,955.62 | | | |
| June | \$1,003,723.59 | | | |
| July | \$931,530.01 | | | |
| August | \$1,053,793.33 | | | |

General Fund Balance

Beginning Reconciled GF Balance = \$2,583,421.58

| Month | Projected GF Balance | Actual Reconciled GF Balance | Over/(Under) Projection |
|-----------|----------------------|------------------------------|-------------------------|
| September | \$3,515,315.24 | \$3,788,002.99 | \$272,687.75 |
| October | \$3,150,717.10 | \$3,264,344.22 | \$113,627.12 |
| November | \$2,370,498.08 | | |
| December | \$1,573,912.87 | | |
| January | \$2,299,837.56 | | |
| February | \$2,242,190.22 | | |
| March | \$1,878,056.50 | | |
| April | \$1,455,080.09 | | |
| May | \$3,234,501.99 | | |
| June | \$3,218,553.21 | | |
| July | \$2,442,427.43 | | |
| August | \$1,583,421.58 | | |

General Fund Expenditures

| Account Description | Adopted Budget | Disbursed | Remaining Balance | Percent Spent |
|--|------------------------|-----------------------|-----------------------|---------------|
| 01100 - Regular Instruction | \$5,427,944.11 | \$1,362,394.71 | \$4,065,549.40 | 25.10% |
| 01125 - Academic Intervention (Flex Funding) | \$87,527.04 | \$22,758.64 | \$64,768.40 | 26.00% |
| 01200 - School Age SPED | \$1,149,755.70 | \$219,541.99 | \$930,213.71 | 19.09% |
| 01291 - Preschool Age 3-5 | \$14,296.20 | \$1,641.85 | \$12,654.35 | 11.48% |
| 01292 - Preschool Age 0-2 | \$100.00 | \$0.00 | \$100.00 | 0.00% |
| 01300 - Summer School | \$15,039.18 | \$0.00 | \$15,039.18 | 0.00% |
| 02120 - Guidance Counselor | \$325,318.31 | \$82,678.26 | \$242,640.05 | 25.41% |
| 02130 - Health Services | \$65,284.94 | \$19,522.62 | \$45,762.32 | 29.90% |
| 02141 - School Psychologist - School Age | \$68,678.76 | \$17,179.33 | \$51,499.43 | 25.01% |
| 02151 - Speech Path & Deaf Ed | \$195,633.11 | \$44,085.09 | \$151,548.02 | 22.53% |
| 02152 - Speech Path & Deaf Ed | \$500.00 | \$0.00 | \$500.00 | 0.00% |
| 02161 - Occupational Therapy | \$26,750.00 | \$5,515.98 | \$21,234.02 | 20.62% |
| 02171 - Physical Therapy | \$10,500.00 | \$1,006.50 | \$9,493.50 | 9.59% |
| 02172 - Physical Therapy | \$100.00 | \$0.00 | \$100.00 | 0.00% |
| 02173 - Physical Therapy | \$500.00 | \$0.00 | \$500.00 | 0.00% |
| 02190 - Student Activities | \$204,672.07 | \$50,495.95 | \$154,176.12 | 24.67% |
| 02213 - Instructional Staff Training | \$10,000.00 | \$2,500.00 | \$7,500.00 | 25.00% |
| 02220 - Media Center | \$227,450.63 | \$60,472.73 | \$166,977.90 | 26.59% |
| 02230 - Technology Support | \$179,750.80 | \$47,010.69 | \$132,740.11 | 26.15% |
| 02240 - Assessment Coordinator | \$10,594.46 | \$2,396.64 | \$8,197.82 | 22.62% |
| 02310 - Board of Education | \$42,900.00 | \$5,088.96 | \$37,811.04 | 11.86% |
| 02320 - Superintendent | \$274,796.23 | \$70,200.96 | \$204,595.27 | 25.55% |
| 02330 - District Legal Services | \$100,000.00 | \$17,020.58 | \$82,979.42 | 17.02% |
| 02410 - Principal | \$609,909.76 | \$158,006.78 | \$451,902.98 | 25.91% |
| 02510 - Business Office | \$204,122.54 | \$40,160.34 | \$163,962.20 | 19.67% |
| 02610 - Custodial | \$471,812.04 | \$168,978.99 | \$302,833.05 | 35.81% |
| 02620 - Building Maintenance | \$812,522.89 | \$151,040.08 | \$661,482.81 | 18.59% |
| 02630 - Grounds Maintenance | \$157,214.34 | \$26,566.18 | \$130,648.16 | 16.90% |
| 02640 - Equipment Repair & Maintenance | \$40,980.28 | \$8,259.61 | \$32,720.67 | 20.16% |
| 02650 - Non-Pupil Vehicle | \$34,350.00 | \$34,823.51 | (\$473.51) | 101.38% |
| 02660 - Security | \$9,500.00 | \$0.00 | \$9,500.00 | 0.00% |
| 02670 - Safety | \$33,560.00 | \$725.83 | \$32,834.17 | 2.16% |
| 02710 - School Bus Driving | \$304,358.56 | \$47,572.37 | \$256,786.19 | 15.63% |
| 02712 - School Age SPED Driving | \$2,244.75 | \$0.00 | \$2,244.75 | 0.00% |
| 02713 - Below Age 5 SPED Driving | \$10,722.68 | \$1,458.30 | \$9,264.38 | 13.60% |
| 02730 - School Bus Driving Vehicle Maintenance | \$58,612.81 | \$10,448.80 | \$48,164.01 | 17.83% |
| 02732 - School Age SPED Vehicle Maintenance | \$2,000.00 | \$0.00 | \$2,000.00 | 0.00% |
| 03535 - High Ability Learners | \$66,409.06 | \$9,021.20 | \$57,387.86 | 13.58% |
| 06200 - Title IA | \$163,334.00 | \$39,279.77 | \$124,054.23 | 24.05% |
| 06406 - IDEA Preschool (619) Base Allocation | \$3,139.00 | \$396.50 | \$2,742.50 | 12.63% |
| 06408 - IDEA Part B (611) | \$166,851.01 | \$92,135.22 | \$74,715.79 | 55.22% |
| 06412 - IDEA Non-Public | \$4,389.86 | \$4,389.00 | \$0.86 | 99.98% |
| 06996 - Elementary & Secondary School Emergency Fund | \$0.00 | \$10,742.50 | (\$10,742.50) | |
| 08000 - Transfers (Outgoing) | \$50,000.00 | \$50,000.00 | \$0.00 | 100.00% |
| 09000 - Reimbursed by Other Funds/Entities | \$0.00 | \$1,236.96 | (\$1,236.96) | |
| Total | \$11,644,125.12 | \$2,886,753.42 | \$8,757,371.70 | 24.79% |

Bank Statement Reconciliation

Description

Adjustment Date

Adjustment Amount

Minden High School

10/01/2020 through 10/31/2020

Bank Statement Reconciliation Summary

| | |
|------------------------------------|---------------|
| Statement Balance | \$ 349,474.22 |
| - Outstanding checks | \$ 4,827.56 |
| + Outstanding Deposits | \$ 0.00 |
| + Outstanding Adjustments | \$ 0.00 |
| - Outstanding Investment Transfers | \$ 0.00 |
| Total | \$ 344,646.66 |
| + Investments | \$ 37,000.00 |
| Book Balance | \$ 381,646.66 |

Checks For Payment Listing

| Date | Check Number | Payee | Reason | Amount |
|------------|--------------|---|--------------------------------------|--------------|
| 11/10/2020 | 1403 | Ameritas Life Insurance Corp. | Ameritas Tsa | \$ 500.00 |
| 11/10/2020 | 1404 | Ameritas Life Insurance Corp.. | Vision Insurance | \$ 1,068.90 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | Dental Insurance | \$ 699.80 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | District Dental Insurance | \$ 220.33 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | District HDHP Health Ins 2PT | \$ 4,724.28 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | District HDHP Health Ins 9 Mo | \$ 1,820.22 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | District HDHP Health Ins FAM | \$ 3,151.50 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | District HDHP Health Ins SNG | \$ 1,905.81 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | District HDHP Health Ins SPD | \$ 1,044.00 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | District Health Ins 2PT | \$ 23,704.12 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | District Health Ins 9 Mo | \$ 12,845.88 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | District Health Ins FAM | \$ 89,382.72 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | District Health Ins SNG | \$ 7,473.95 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | District Health Ins SPD | \$ 7,391.34 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | District Health Ins Split | \$ 1,862.14 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | Feba Bcbs Dental 2PT | \$ 584.28 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | Feba Bcbs Dental FAM | \$ 1,290.00 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | Feba Bcbs Dental SPD | \$ 228.20 |
| 11/10/2020 | 1405 | Blue Cross Blue Shield | Health Insurance | \$ 752.53 |
| 11/10/2020 | 1406 | Cavalry SPV I, LLC | Kearney County Court Cavalry | \$ 176.99 |
| 11/10/2020 | 1407 | Credit Management Services, Inc. | Credit Mgmt Services, Inc | \$ 195.84 |
| 11/10/2020 | 1408 | Horace Mann Life Insurance Company | Horace Mann Life Insurance | \$ 1,475.00 |
| 11/10/2020 | 1409 | Madison National Life Insurance Co., Inc. | Feba Life Insurance | \$ 275.05 |
| 11/10/2020 | 1409 | Madison National Life Insurance Co., Inc. | Long-Term Disability | \$ 1,243.70 |
| 11/10/2020 | 1409 | Madison National Life Insurance Co., Inc. | Term Life Policy | \$ 444.83 |
| 11/10/2020 | 1410 | Minden Exchange Bank & Trust Co. | HSA Contribution | \$ 2,860.85 |
| 11/10/2020 | 1411 | Minden Public Schools | District Court | \$ 1,186.00 |
| 11/10/2020 | 1411 | Minden Public Schools | F/b Dependent Care | \$ 2,691.69 |
| 11/10/2020 | 1411 | Minden Public Schools | F/b Medical Dental | \$ 3,922.60 |
| 11/10/2020 | 1411 | Minden Public Schools | Increased Retirement Percent | \$ 13,173.55 |
| 11/10/2020 | 1411 | Minden Public Schools | NE Retirement | \$ 89,385.74 |
| 11/10/2020 | 1411 | Minden Public Schools | NE Retirement Repayment | \$ 288.50 |
| 11/10/2020 | 1412 | Minden Public Schools. | Computer Lease Purchase | \$ 244.20 |
| 11/10/2020 | 1413 | Mps Payroll | Federal Withholding | \$ 41,311.46 |
| 11/10/2020 | 1413 | Mps Payroll | FICA | \$ 65,478.16 |
| 11/10/2020 | 1413 | Mps Payroll | Medicare | \$ 15,313.44 |
| 11/10/2020 | 1414 | Mps Payroll NE Income Tax | State Withholding - NE | \$ 18,109.78 |
| 11/10/2020 | 1415 | New York Life | Ny Life Tsa | \$ 200.00 |
| 11/10/2020 | 1416 | Alpha Rehabilitation, P.C. | OT & Speech Services | \$ 108.73 |
| 11/10/2020 | 1417 | Amazon Capital Services, Inc. | Corrective Reading Books | \$ 179.70 |
| 11/10/2020 | 1417 | Amazon Capital Services, Inc. | Face Masks | \$ 261.00 |
| 11/10/2020 | 1417 | Amazon Capital Services, Inc. | Safety & SPED Supplies | \$ 63.50 |
| 11/10/2020 | 1417 | Amazon Capital Services, Inc. | SPED & Grounds Supplies | \$ 50.98 |
| 11/10/2020 | 1417 | Amazon Capital Services, Inc. | SPED & Tech Supplies | \$ 49.64 |
| 11/10/2020 | 1418 | Apple Computer | Teacher Computers | \$ 25,568.00 |
| 11/10/2020 | 1419 | Aurora Cooperative | Fuel & Grounds Chemicals | \$ 3,256.95 |
| 11/10/2020 | 1420 | Axtell Community Schools | SPED Contracted Services | \$ 486.15 |
| 11/10/2020 | 1421 | Bamford, Inc. | Bus Barn Fire Sprinkler Test | \$ 250.00 |
| 11/10/2020 | 1422 | Black Hills Energy | Bus Barn Natural Gas | \$ 35.88 |
| 11/10/2020 | 1422 | Black Hills Energy | East Natural Gas | \$ 383.35 |
| 11/10/2020 | 1422 | Black Hills Energy | MS Natural Gas (Activity Bldg Meter) | \$ 656.53 |

Checks For Payment Listing

| Date | Check Number | Payee | Reason | Amount |
|------------|--------------|---|-----------------------------------|--------------|
| 11/10/2020 | 1422 | Black Hills Energy | MS/HS Natural Gas | \$ 1,559.89 |
| 11/10/2020 | 1423 | BSN Sports | Basketball Supplies | \$ 375.58 |
| 11/10/2020 | 1423 | BSN Sports | Wrestling Supplies | \$ 498.21 |
| 11/10/2020 | 1424 | Cardmember Service | East Computer Management Software | \$ 152.84 |
| 11/10/2020 | 1424 | Cardmember Service | HS Computer Repair | \$ 39.00 |
| 11/10/2020 | 1424 | Cardmember Service | HS Software Subscription | \$ 5.00 |
| 11/10/2020 | 1424 | Cardmember Service | MS Classroom Management Materials | \$ 160.00 |
| 11/10/2020 | 1424 | Cardmember Service | Projector Bulb | \$ 69.88 |
| 11/10/2020 | 1425 | Carolina Biological Supply Company | Hs Ag Class Supplies | \$ 34.30 |
| 11/10/2020 | 1426 | Century Link Long Distance | Long Distance Telephone Service | \$ 15.16 |
| 11/10/2020 | 1427 | CenturyLink - Regular Telephone | Telephone Service | \$ 523.92 |
| 11/10/2020 | 1428 | City Of Minden | Utilities | \$ 20,839.92 |
| 11/10/2020 | 1429 | Clearly Communications | Telephone Services | \$ 243.51 |
| 11/10/2020 | 1430 | Communications Engineering, Inc. | MS Clock Replacement | \$ 366.00 |
| 11/10/2020 | 1431 | Computer Hardware, Inc. | East MacBook Repair | \$ 650.00 |
| 11/10/2020 | 1432 | Conditioned Air Mechanical Systems & Service | MS & East HVAC Repair | \$ 8,657.00 |
| 11/10/2020 | 1433 | Dana F. Cole & Company, LLP | Annual Audit | \$ 3,050.00 |
| 11/10/2020 | 1434 | DAS State Accounting - Central Finance | Internet Service | \$ 339.00 |
| 11/10/2020 | 1435 | Dollar General | HS Custodial Supplies | \$ 20.00 |
| 11/10/2020 | 1435 | Dollar General | HS Life Skills Supplies | \$ 15.00 |
| 11/10/2020 | 1435 | Dollar General | Preschool Supplies | \$ 15.75 |
| 11/10/2020 | 1436 | Educational Service Unit #10 | SPED Services | \$ 747.95 |
| 11/10/2020 | 1437 | Family Physical Therapy & Sports Center, P.C. | OT/PT Services | \$ 4,620.75 |
| 11/10/2020 | 1438 | Graham Tire Co. | 05 Pickup Tires | \$ 726.48 |
| 11/10/2020 | 1439 | Heartland Refrigeration, LLC | HS Ice Machine Repair | \$ 498.76 |
| 11/10/2020 | 1440 | Hometown Leasing | Copier & Printer Lease #22795217 | \$ 3,900.00 |
| 11/10/2020 | 1441 | Jim's OK Tire Minden, LLC | 05 Pickup Tire Mounting | \$ 156.00 |
| 11/10/2020 | 1441 | Jim's OK Tire Minden, LLC | Bus 20P Tire Repair | \$ 35.00 |
| 11/10/2020 | 1442 | Kearney Winnelson Co. | East Plumbing Repair | \$ 50.10 |
| 11/10/2020 | 1442 | Kearney Winnelson Co. | Football Field Sprinkler Repair | \$ 193.36 |
| 11/10/2020 | 1443 | Landmark Implement Carquest | Air Compressor Pressure Gauge | \$ 17.39 |
| 11/10/2020 | 1443 | Landmark Implement Carquest | Bus 02A Repair/Maintenance | \$ 16.95 |
| 11/10/2020 | 1443 | Landmark Implement Carquest | Bus Filter & Air Chuck | \$ 27.91 |
| 11/10/2020 | 1443 | Landmark Implement Carquest | Bus Oil Filters | \$ 87.46 |
| 11/10/2020 | 1443 | Landmark Implement Carquest | Sprayer Repair | \$ 103.88 |
| 11/10/2020 | 1444 | LandMark Implement, Inc. | Skidsteer Lease | \$ 2,000.00 |
| 11/10/2020 | 1445 | Mason's Market | East SPED Supplies | \$ 8.41 |
| 11/10/2020 | 1445 | Mason's Market | HS Ag Class Supplies | \$ 25.99 |
| 11/10/2020 | 1445 | Mason's Market | HS FCS Supplies | \$ 335.34 |
| 11/10/2020 | 1445 | Mason's Market | HS Life Skills Supplies | \$ 99.95 |
| 11/10/2020 | 1445 | Mason's Market | Kindergarten Supplies | \$ 18.75 |
| 11/10/2020 | 1445 | Mason's Market | MS Life Skills Supplies | \$ 60.49 |
| 11/10/2020 | 1445 | Mason's Market | Preschool Supplies | \$ 3.59 |
| 11/10/2020 | 1445 | Mason's Market | Water Softener Salt | \$ 880.74 |
| 11/10/2020 | 1446 | McGraw Hill School Education | Corrective Reading Books | \$ 691.57 |
| 11/10/2020 | 1447 | Menards | HS Tech Supplies | \$ 46.17 |
| 11/10/2020 | 1448 | Minden Courier | District Printing & Advertising | \$ 111.44 |
| 11/10/2020 | 1449 | Minden Hardware | Supplies Repairs, & UPS Shipping | \$ 600.35 |
| 11/10/2020 | 1450 | Minden Lumber & Concrete | Building Maintenance Supplies | \$ 23.28 |
| 11/10/2020 | 1450 | Minden Lumber & Concrete | East Repairs | \$ 5.32 |
| 11/10/2020 | 1450 | Minden Lumber & Concrete | FB Field Bleacher Gate | \$ 38.40 |

Checks For Payment Listing

| Date | Check Number | Payee | Reason | Amount |
|---|--------------|---|----------------------------------|----------------------|
| 11/10/2020 | 1450 | Minden Lumber & Concrete | Fb Field Gate Latch | \$ 5.99 |
| 11/10/2020 | 1450 | Minden Lumber & Concrete | Grounds Repairs | \$ 6.40 |
| 11/10/2020 | 1450 | Minden Lumber & Concrete | Preschool Dividers | \$ 145.62 |
| 11/10/2020 | 1451 | Minden Office Supply | Classroom Supplies | \$ 82.57 |
| 11/10/2020 | 1451 | Minden Office Supply | East Library Book Tape | \$ 36.04 |
| 11/10/2020 | 1451 | Minden Office Supply | East Supplies | \$ 19.50 |
| 11/10/2020 | 1451 | Minden Office Supply | Journalism Envelopes | \$ 48.50 |
| 11/10/2020 | 1452 | Mosyle Corporation | iPad Management Software | \$ 156.56 |
| 11/10/2020 | 1453 | Mps Lunch Fund M.s. | Temporary Transfer to Lunch Fund | \$ 50,000.00 |
| 11/10/2020 | 1454 | Mps Petty Cash | Postage | \$ 65.78 |
| 11/10/2020 | 1455 | Napa Auto Parts | Bus 02A Light & Shop Supplies | \$ 20.33 |
| 11/10/2020 | 1455 | Napa Auto Parts | Shop Supplies | \$ 24.11 |
| 11/10/2020 | 1455 | Napa Auto Parts | Transmission Fluid | \$ 28.94 |
| 11/10/2020 | 1456 | National Science Teaching Association | Physics Textbooks | \$ 62.74 |
| 11/10/2020 | 1457 | Ne Association School Boards | State Education Conference | \$ 2,456.00 |
| 11/10/2020 | 1458 | NSASSP - Region IV | NSASSP Region IV Dues | \$ 40.00 |
| 11/10/2020 | 1459 | One Source | Background Checks | \$ 134.00 |
| 11/10/2020 | 1460 | Perry, Guthery, Haase & Gessford, P.C., L.L.O | Legal Fees - General | \$ 2,829.00 |
| 11/10/2020 | 1460 | Perry, Guthery, Haase & Gessford, P.C., L.L.O | Legal Fees - Water Damage | \$ 735.00 |
| 11/10/2020 | 1461 | Pony Express Ford | 05 Pickup Repairs/Maintenance | \$ 1,844.63 |
| 11/10/2020 | 1462 | Presto-X Company | Pest Control Services | \$ 133.00 |
| 11/10/2020 | 1463 | Protex Central, Inc. | MS Fire Alarm Repair | \$ 446.40 |
| 11/10/2020 | 1464 | Sportboardz, LLC | Wall of Champions Boards | \$ 4,198.00 |
| 11/10/2020 | 1465 | Striv, Inc. | StrivTV Upgrade | \$ 149.25 |
| 11/10/2020 | 1466 | The Home Depot Pro | Custodial Supplies | \$ 1,552.83 |
| 11/10/2020 | 1467 | U.S. Post Office | Journalism Stamps | \$ 110.00 |
| 11/10/2020 | 1468 | Verizon Wireless | Wireless Hotspot Data Plan | \$ 160.04 |
| 11/10/2020 | 1469 | Village Uniform | East Mop & Mat Service | \$ 116.30 |
| 11/10/2020 | 1469 | Village Uniform | HS Mop & Mat Service | \$ 337.40 |
| 11/10/2020 | 1469 | Village Uniform | MS Mop & Mat Service | \$ 263.70 |
| 11/10/2020 | 1470 | Widdifield, James T | October Reimbursement | \$ 493.39 |
| 11/10/2020 | 1471 | Woodward's Disposal Service, Inc. | Shredding Service | \$ 52.00 |
| 11/10/2020 | 1472 | Wright Express Fleet Services | Fuel | \$ 719.11 |
| 11/10/2020 | EFT | Minden Exchange Bank - EFT | Direct Deposit Fees | \$ 35.65 |
| Subtotal | | | | \$ 571,248.31 |
| Net Payroll - November 2020 | | | | \$ 369,044.88 |
| Total General Fund Disbursements - November 2020 | | | | \$ 940,293.19 |

Secretary Kenneth Carpenter

Lunch Fund Checks and Liabilities

| Check Number | Date | Payee | Reason | Amount |
|---------------------------------------|------------|---|--|---------------------|
| EFT | 10/7/2020 | Sysco - EFT | Commodities | \$ 9,083.45 |
| EFT | 10/7/2020 | US Foods | Commodities | \$ 3,080.69 |
| 5604 | 10/7/2020 | Minden Hardware | Lunch Room Supplies | \$ 23.97 |
| 5605 | 10/7/2020 | Mason's Market | Commodities | \$ 27.01 |
| 5606 | 10/7/2020 | Jim Schnieder | Account Refund | \$ 32.15 |
| 5607 | 10/7/2020 | Jodi Boudreau | Account Refund | \$ 109.05 |
| 5608 | 10/7/2020 | Chesterman Company | Beverages | \$ 217.50 |
| 5609 | 10/7/2020 | Cash-wa Distributing Co. | East Milk Cooler | \$ 2,675.00 |
| 5609 | 10/7/2020 | Cash-wa Distributing Co. | Commodities | \$ 12,602.94 |
| 5610 | 10/7/2020 | Hiland Dairy | Milk Products | \$ 5,777.41 |
| 5611 | 10/7/2020 | Minden Office Supply | Lunch Room Printer Ink | \$ 78.33 |
| 5612 | 10/7/2020 | Village Uniform | Kitchen Rag and Apron Service | \$ 161.58 |
| 5613 | 10/7/2020 | Dollar General | Lunch Room Supplies | \$ 19.55 |
| 201 | 11/10/2020 | Ameritas Life Insurance Corp.. | EE Vision Insurance Premiums | \$ 49.46 |
| 202 | 11/10/2020 | Blue Cross Blue Shield | Health & Dental Insurance Premiums | \$ 4,731.82 |
| 203 | 11/10/2020 | Madison National Life Insurance Co., Inc. | EE FEBA Life Insurance Premiums | \$ 10.95 |
| 203 | 11/10/2020 | Madison National Life Insurance Co., Inc. | EE Life Insurance Premiums | \$ 16.22 |
| 203 | 11/10/2020 | Madison National Life Insurance Co., Inc. | Long Term Disability | \$ 9.80 |
| 204 | 11/10/2020 | Minden Exchange Bank & Trust Co. | EE & ER HSA Contributions | \$ 71.31 |
| 205 | 11/10/2020 | Minden Public Schools | EE & ER Retirement Contributions | \$ 2,645.70 |
| 205 | 11/10/2020 | Minden Public Schools | Employee FEBA - Medical/Dental | \$ 206.63 |
| 206 | 11/10/2020 | Mps Payroll | EE & ER FICA, Medicare, & Federal Income Tax | \$ 2,384.61 |
| 207 | 11/10/2020 | Mps Payroll NE Income Tax | EE Nebraska Income Tax Withholding | \$ 211.98 |
| Subtotal | | | | \$ 44,227.11 |
| Net Payroll - November 2020 | | | | \$ 10,426.24 |
| Total Lunch Fund Disbursements | | | | \$ 54,653.35 |

Building Fund Liabilities

| Check Number | Date | Payee | Reason | Amount |
|--|------------|----------------------------|---------------------------------------|---------------------|
| 571 | 11/10/2020 | CBS Constructors | North Ramp Fabrication & Installation | \$ 11,875.00 |
| 572 | 11/10/2020 | Nemaha Sports Construction | CO #10 - Irrigation Remobilization | \$ 935.00 |
| Total Building Fund Disbursements - November 2020 | | | | \$ 12,810.00 |



MINDEN PUBLIC SCHOOLS
ACTIVITIES/ATHLETIC DEPARTMENT
Ed Rowse, Asst. Prin./Act. Dir.

622 W. 3rd Street
Minden, NE 68959-1598
308-832-2254 School
308-832-1892 Fax

NOVEMBER 2020 BOARD MEETING
ACTIVITIES DIRECTOR REPORT

All fall sports teams have finished their season now as we get into November. I was proud of the work put in over the summer by our student athletes and saw improvements in many of our athletes both physically and emotionally. This summer was much different coming off of Covid lay off and dealing with all the issues that have come with this virus. Committing the time and effort to be your best is a large sacrifice but the rewards and experiences outweigh the input as well as provide learning experiences that mold and build our students into future leaders. Overall this summer I was impressed with the time our coaches and players put in preparing for their upcoming seasons. I never heard complaints from our coaches or student athletes, instead they were grateful for the opportunity to be together training.

The varsity volleyball team continued to play hard all season. The team placed fourth at the 2020 SWC Tournament this year. The team also finished third in the regular season. The team competed in sub districts at Kearney Catholic High School where they defeated Gibbon and then lost to Kearney Catholic. There was a point in their season where they were missing players to illness or injury 34 straight days but continued to practice and play matches with the players available. There have been lessons/experiences that our coaches and players have gotten that wouldn't have been possible in the absence of this Covid pandemic. Hopefully these experiences will be valuable for our coaches and players as they move forward in their lives. Congratulations to the players and their coaches on a fine season!

The boys and girls cross country teams had a terrific season. The girls finished 3rd in SWC and our boys were runner up! At districts the girls team finished as the champions and our boys finished 3rd. At the state meet Jessie Hurt finished 4th and the girls finished 10th as a team. Our boys finished 8th as a team. Congrats to these fine athletes and their coaches on a great season!!!

Varsity football finished their regular season with a 3-5 record. They lost their first football game to Covid but were able to play the rest of their games. Our team was highly competitive in jv and varsity football and showed improvement from the summer and through the season. The football coaches were very instrumental in organizing and running the weight room this summer.

Play Production has been working hard preparing for their performances. The team will be competing in a One Act Play Festival in Ord on Monday, November 9th. Good luck! They will also host a Public Play Production Performance at the Minden High School theater Tuesday, Nov. 17th at 7 pm. They will host their Play Production Festival at the High School Saturday, November 21st and will host the SWC Play Production contest Monday, November 23rd at the High School.

The winter sport seasons have started for junior high girls basketball, junior high wrestling, high school wrestling, and high school basketball for girls and boys. At this time there are 25 jr. high wrestlers, 12 girls in 7th grade basketball, and 19 girls in 8th grade basketball. We will also have a High School Winter Sports Parents meeting Monday, November 16th at 6:30 pm in the high school theater. After the large group meeting each sport will break into their own sport group meetings to discuss team and parent expectations, rules, schedules, goals etc.

We have been working on our Minden Championship Wall for the high school. It will be delivered this Thursday and hopefully we can get it mounted during the Christmas break!

Ed Rowse

Minden Public School Board of Education Report

November, 2020

Submitted by Sandy Pohl, Principal

Reading:

The Minden Public Schools school improvement goal states, **“All students will show measurable progress in their reading skills across all curricular areas.”** This is a goal that is worked on every single day at East Elementary by every teacher. The following are strategies and services that we are so very proud of and committed to.

All students receive grade level instruction in their whole group general education setting. However, each classroom teacher also works to differentiate accordingly for each student based on their proficiency level and really work to meet individual needs are areas to grow in. For instance, kindergarten students’ homework is a folder of sight words each night. One side pocket is filled with words they have mastered. The other side pocket is filled with the words they have not yet mastered and can be read to parents each night verifying the practice with a parent signature.

Reading interventions are a part of every classroom. This includes interventions with the area of Special Education and Title but also higher achieving academics through our G.A.T.E. program. Beginning in the first grade, students can be recommended for a special assessment that would possibly qualify them for our G.A.T.E. program. This program focuses on providing extensions that promote creative thinking, encourage problem solving, and delivers higher levels of instruction.

Our reading services fully utilize every teacher within our building in order to minimize reading group size and maximize engagement and instructional minutes. Every morning the second grade teachers split their readers into small groups. Not only does each classroom teacher lead a group, but Mrs. Woodward and Mr. McCarthy lead multiple reading groups. We have intentionally scheduled their Art and P.E. classes around focused reading time in order for them to be a part of the reading process. Mrs. Olson (library/media) does the same thing at the third grade level, and Mrs. Rowley joins in the reading collaboration services with first grade.

Teachers come to school extremely focused every day to move students along in their reading. However, we are also working diligently in providing reading development instructional strategies to parents to use at home. There is a large correlation to the involvement and support of parents in the success of a child’s reading. Numbers from Scholastic Book Company say that a child who reads only one minute per day at home will learn 8,000 new words per year. In contrast, children who read twenty minutes per day are estimated to hear and learn 1,800,000 words per year. We have also produced videos for parents to watch in order to give them at home strategies to practice the five main areas of reading: phonics, phonemic awareness, fluency, vocabulary, and comprehension.

Breakfast:

Starting students' days with breakfast is another component of support that the school offers students. Our breakfast in the classroom program has really increased the number of children we feed in the morning. In September of 2019, we fed a total of 184 children breakfast in the morning. Drastically different, the total number of children fed in September 2020 was 2,959.

Health:

Not only is Nurse Julie a crucial part of the prevention, communication, and case monitoring of covid-19 in our schools. She also continues to do all the other important work that has previously been done. For example, Nurse Julie monitors students with diabetes, she takes temperatures and cleans up playground scrapes, as well as documenting and delivering daily medication given to select students in our schools. During the lunch session at East, you can find Nurse Julie coaching a boy through eating various foods after a food allergy reaction (prior to coming to school) caused him to be greatly fearful of food. She eats her lunch alongside him so he learns that food can be safe and is necessary for our bodies. This last month she also organized and completed required height, weight, and vision screenings for all students. After sharing just some of the ways Nurse Julie makes our school district better, I would personally like to recognize Nurse Julie for her dedication to every single child that attends Minden Public Schools.

Community Connection:

The third grade students walked to Bethany home on the afternoon of November 3rd with hands full of cheerful, brightly colored artwork/signs. The beautiful afternoon allowed for the students to hold the signs up outside of residents' windows and brighten their day. Both Bethany home residents and our students' hearts were full.



Minden High School

November 2020

Board of Education Report



Veteran's Day Celebration:

On November 11th, we will be hosting our first ever Virtual Veteran's Day Celebration. This event will include Mrs. Johnson's FCCLA students hosting a drive-thru breakfast served to our local veterans. Additionally, we will be broadcasting a virtual program that follows our traditional Veteran's Day program. I would like to thank the numerous people that have put in extra time and effort to organize this virtual event. I am very proud of our students and our school for continuing the tradition of hosting a program for our veterans and their families. The website link for the Veteran's Day Celebration will be sent out via our various social media platforms and also on our district website.

Vocal Music by Mr. Hugo Madera:

For educational and safety purposes, our Concert Choir has recently been divided into multiple smaller ensembles. This year, MHS Vocal Department is proud to provide students with the opportunity to experience new works by creating the following chamber ensembles: Women's Choir, Men's Choir, and Madrigal Choir (a selective chamber group). Curriculum for each one of these choirs is currently based on sight reading skills and music literacy.

Exploring the depths of American music, all of our students are currently applying historical context to their current repertoire. As an introduction to this topic, we have spent a good amount of time talking about Revolutionary War Era composer William Billings and the start of the American choral music. Who was he? Why is he relevant? How was he related to John Revere?

Our Show Choir members are about to start learning choreography to our 2020-2021 show. Through the development of performing strategies and show presence, we have been able to portray a story through the music, allowing us to continue improving as an ensemble.

They have worked tirelessly and are ready to bring the music to life.

Instrumental Band by Mr. Jack Moore:

Even though Covid-19 has taken away most of our outside activities, we still kept busy. With the 34 we have in band, we managed to have a pep band of 23 after taking out the football players and cheerleaders. We did the National Anthem before every football game and did a few pep band songs during the games.

The only outside marching we participated in was the 1st Annual Alma Marching Festival which was begun this year because all the other street marching parades, including Minden Bandfest, were cancelled due to the pandemic. We not only received a superior rating for the parade, we came in 3rd overall out of 17 bands.

This week we contributed to the Veteran's Day Program by playing a collection of the Armed Forces songs or hymns. We are also beginning rehearsals for the coming Christmas season programs.

ACT/MAP Data Review and Staff Development:

During our Friday staff development the high school staff have been reviewing our student's different assessment data, including the recent ACT test scores and our most recent MAP scores. In addition to the review scores our individual departments will be working to identify the essential state standards in their area. The review of testing data and the identification of essential standards allows the staff to focus our efforts on those areas of instruction that may need assistance as well as those areas of strength. We do appreciate the opportunity to hold our Friday staff development as they have become a vital component to improving teacher effectiveness, classroom performance and student achievement.

FFA Classes-Land Judging by Macie Wippel

This term in Introduction to Agriculture the students are learning about Natural Resources and how being good stewards of the land makes a difference in the future of agriculture production. This week the students got to go on a field trip to learn about land judging. Land Judging enables students to learn how to recognize the physical features of the soil, determine land capability for crop production, and evaluate management practices needed for proper stewardship. Bruce Favinger dug two soil pits for our students to utilize to see the difference between an alfalfa field and a corn field in terms of soil texture, root growth, and soil depth. The students had a great time and enjoyed a beautiful morning outside.





Minden Public Schools
C.L. Jones Middle School
November 2020 Report to the Board of Education
Mrs. Chelsey Jensen, Administrator

The following information is a list of highlights at C.L. Jones Middle School:

Calm Classroom- Many of the classrooms at C.L. Jones Middle School are implementing the Calm Classroom mindfulness curriculum into their daily schedules. This curriculum focuses on the importance of teaching mindful breathing, stretching, focusing, and relaxation exercises to cultivate a greater sense of self-awareness, mental focus, and emotional resilience within educational spaces. This allows students and teachers to take short breaks throughout the day to relax and re-energize their minds. This includes 3 minute, scripted lessons that teach mindfulness-based skills to an entire classroom of students.

Additional information about Calm Classroom: "Luster Learning Institute (LLI) is a not-for-profit organization founded in 2007 by Jai and Joy Luster. In 2008 Calm Classroom launched in Chicago Public Schools, and is currently implemented in thousands of classrooms around the world" (www.calmclassroom.com).

Donation- The C.L. Jones Middle School staff participated in an extra "jeans day" in exchange for a \$5 donation. We are proud to share that our C.L. Jones staff donated \$110 to The Closet/ Food Pantry. We are thrilled to collaborate with local organizations/ businesses and to give back to others in our community. Thank you C.L. Jones staff for your generosity!

Middle School Quiz Bowl- The Middle School Quiz Bowl team was scheduled to participate in their first competition on October 8, 2020 in Holdrege. Unfortunately, this event was cancelled due to Covid-19. The Educational Service Unit (ESU) 11 is working on virtual quiz bowl options for our students.

Parent-Advisory Committee- The Parent- Advisory Committee met on November 4, 2020. We discussed upcoming events at C.L. Jones Middle School and continued Covid-19 safety procedures. Thank you to the Parent- Advisory Committee members, Vallerie Grollmes, Angie Althouse, Kyle Jensen, Sara Swanson, and Justin Betty, for their continued support and collaboration for our staff and students!

Costume Parade- All students were allowed to wear costumes on Friday, October 30, 2020. 4th and 5th grade students participated in a costume parade at 8:00 AM in the

C.L. Jones gym. This was a way for the students to show off their fun costumes with the rest of our student body. Students in grades 6-8 were able to watch the parade. The students really enjoyed this parade of costumes. Thank you Mrs. Stepp for organizing this fun event for our students!



Paw Patrol- Students in the Purple Power Safety club are ensuring the safety of our students by monitoring our crosswalks. If you are around C.L. Jones around 3:30 PM daily, you have probably noticed students wearing reflective, yellow vests holding STOP signs to control the flow of traffic near the crosswalks on 3rd and Park Avenue. This new crosswalk patrol, Paw Patrol, has been a wonderful addition to our daily routine. Thank you Paw Patrol for keeping our students safe!



Whippet of the Month-

This was our first month implementing the new Whippet of the Month positive behavior support system. The C.L. Jones Middle School staff nominate students that demonstrate outstanding character, behavior, and commitment to academic progress. These students were presented with a certificate of achievement and a Pizza Hut gift certificate for their hard work. Congratulations to the following October Whippets of the Month:

4th graders- Caleb Mostrom, Brinley Pohl

5th graders- Maverick Betty, Cole Schwenka

6th graders- Gabrielle Lee, Evan Lutkemeier

7th graders- Luke Grollmes, Isabelle Martin

8th graders- Dawson Conyers, Brock Reed



Winter MAP Testing- Grades 4-6 will participate in the winter Measures of Academic Progress (MAP) testing in the areas of math/ reading. We will begin MAP testing on December 8th, 2020. The data from these MAP tests will help us plan differentiated instruction and interventions for students. We will also use the data to interpret each student's progress from fall (September) MAP testing and winter (December) MAP testing.

Million Words Club- One of the missions of the CL Jones library is to "...enable students in their ongoing pursuit of knowledge to become lifelong learners." One of the ways we do this is to encourage a love of reading for fun by tracking the number of words students read each year. We are able to track this data through our Accelerated Reading program as students are assessed after reading each book. We recognize students who read a million words or more by posting their picture outside of the library on our "Million Words Club" board so they can be recognized by teachers and peers.

They are also entered into a drawing for a prize. Often, students will race to see who can get to a million words first. So far this year we have had two students, Josa Ciemnoczowski and Frank Kovacs, reach the million word benchmark and have many more well on their way! We are creating lifelong learners one book at a time. Others that are on their way to meet the million word goal include: Addison Klabunde, Brielle Boudreau, Emma Grube, Ava Fickler, Rebecca Lempka, Kabel Johansen, Kate Boudreau and Xander Linner. Keep up the great work readers!

7th Grade Girls Basketball- The first practice was October 20, 2020. There are currently 12 girls participating this season. These student athletes already have a good knowledge of the game and have been working hard during practice. Their first game will be Thursday, November 5, 2020 against Wood River/ Shelton. Thank you Mrs. Emery and Mr. Wilson for coaching this great group of athletes this season!

7th and 8th Grade Wrestling- Wrestling practice began on October 19, 2020 at C.L. Jones Middle School. The wrestlers are using two separate areas to practice to help practice social distancing. There are currently 26 wrestlers participating this year. Their first meet will be November 17, 2020 at C.L. Jones Middle School. Thank you Mr. Wragge and Mr. Reed for coaching this fantastic group of athletes!

C.L. Jones Student Council- Student Council is having a great year at C.L. Jones and this year's crew includes 41 members with all 5 grade levels being equally represented. Young students continue to find great role models to look up to and work with as the Student Council puts on numerous events throughout the year. Adalle Banzhaf won a very tight Student Council Presidential election and has eagerly stepped up to fill that leadership role. Currently, Student Council members are working on the production of the C.L. Jones middle school talent show which will be held virtually/online this year. We also have a school-wide food drive planned for December that benefits The Closet and Kearney County food pantry. Last year the Student Council food drive collected over 1,300 lbs of food. The C.L. Jones Student Council continues to be a great way for students to have a huge impact in their school and community throughout the year. Thank you Mr. Nichols for leading this fantastic group of students!

Superintendent Report

Meeting: November Board Meeting

Date: 11/9/20

Mr. Widdifield

=====

Topics:

Veterans Day Virtual Program: A big Thank You to all our Veterans and the service they have given for our country. I would also like to Thank all the people that helped out making the video. A special thanks to Ms. Oberg, Mr. Nichols, Mrs. Emery, Mrs. Maulsby, Mr. Wragge, and Color Guard.

Commissioners Advisory Group: We met with Dr. Bloomstedt, Nebraska Education Commissioner two weeks ago. We had a great conversation about COVID, regulations with NDE, working on a common message with our schools, and how we can be more proactive in our current environment.

HVAC Project: ETI is starting to get plans drawn up, we are working on the contract, and should have some of the contractors ready to go for next summer by the end of December.

Fall Activities: I want to Thank the coaches, staff, and community for volunteering their time for all of our activities. Build it and they will come has been a theme for us this year. We get to host great activities and these events put money back into our community. Thanks to Mr. Rowse and admin for making these events possible.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503

MINDEN, NEBRASKA

FINANCIAL STATEMENTS

AUGUST 31, 2020



**DANA F. COLE
& COMPANY LLP**
CERTIFIED PUBLIC ACCOUNTANTS

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
TABLE OF CONTENTS

| | Page |
|---|---------|
| INDEPENDENT AUDITORS' REPORT | 1 - 3 |
| FINANCIAL STATEMENTS | |
| Government-Wide Financial Statements | |
| Statement of Activities and Net Position - Modified Cash Basis | 4 - 6 |
| Fund Financial Statements | |
| Statement of Receipts, Disbursements, and Changes in Fund Balances - Modified Cash Basis and Statement of Assets and Fund Balances - Modified Cash Basis - Governmental Funds | 7 - 9 |
| Statement of Net Position - Modified Cash Basis - Fiduciary Funds | 10 |
| NOTES TO FINANCIAL STATEMENTS | 11 - 27 |
| SUPPLEMENTARY INFORMATION | |
| General Fund Components - Combining Schedule of Receipts, Disbursements, and Changes in Fund Balance - Modified Cash Basis | 28 - 30 |
| General Fund Components - Combining Schedule of Assets and Fund Balance - Modified Cash Basis | 31 |
| Schedules of Receipts, Disbursements, and Changes in Fund Balance - Modified Cash Basis - Budget and Actual | |
| General Fund | 32 - 36 |
| Depreciation Fund | 37 |
| School Nutrition Fund | 38 |
| Bond Fund | 39 - 40 |
| Special Building Fund | 41 - 42 |
| Student Fee Fund | 43 |
| Activities Fund | 44 |
| Notes to Budgetary Schedules | 45 |
| Activities Fund - Schedule of Changes in Cash Balances (Unaudited) | 46 - 48 |
| REPORT REQUIRED BY GOVERNMENT AUDITING STANDARDS | |
| Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> | 49 - 50 |
| SCHEDULE OF FINDINGS AND RESPONSES | 51 |
| SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS | 52 |



**DANA F. COLE
& COMPANY^{LLP}**
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Minden Public Schools District No. 503
Minden, Nebraska

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Minden Public Schools District No. 503, Minden, Nebraska, as of and for the year ended August 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. 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 error or fraud.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position - modified cash basis of the governmental activities, each major fund, and the aggregate remaining fund information of Minden Public Schools District, No. 503, Minden, Nebraska, as of and for the year ended August 31, 2020, and the respective changes in financial position - modified cash basis thereof for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Minden Public Schools District No. 503, Minden, Nebraska's basic financial statements. The supplementary information on pages 28 - 48 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information on pages 28 - 45 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information on pages 28 - 45 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, Minden Public Schools District No. 503, Minden, Nebraska's basic financial statements for the year ended August 31, 2019, which are not presented with the accompanying financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Minden Public Schools District No. 503, Minden, Nebraska's basic financial statements as a whole. The supplementary information on pages 32 - 44 is presented for purposes of additional analysis and is not a required part of the basic financial statements. 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 2019 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the

basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2019 supplementary information on pages 32 - 44 is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

The supplementary information included on pages 46 - 48 is the responsibility of management, is presented for purposes of additional analysis, and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2020, on our consideration of Minden Public Schools District No. 503, Minden, Nebraska's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Minden Public Schools District No. 503, Minden, Nebraska's internal control over financial reporting and compliance.

Dana F Cole + Company, LLP

Minden, Nebraska
October 27, 2020

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
STATEMENT OF ACTIVITIES AND NET POSITION - MODIFIED CASH BASIS
FOR THE YEAR ENDED AUGUST 31, 2020

| FUNCTIONS/PROGRAMS | Disburse- ments | Program Receipts | | | Net (Disbursements) Receipts and Changes in Net Position |
|--|--------------------|----------------------------|--|--|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government |
| | | | | | Total Governmental Activities |
| Governmental Activities | | | | | |
| Regular instruction | 5,259,680 | 20,645 | | | (5,239,035) |
| Special education programs | 1,011,752 | | 504,957 | | (506,795) |
| Support services | | | | | |
| Students | 814,290 | | | | (814,290) |
| Instruction | 293,504 | | | | (293,504) |
| General admini- stration | 955,284 | | | | (955,284) |
| Operation and maintenance of plant | 1,225,912 | | | | (1,225,912) |
| Central services | 186,616 | | | | (186,616) |
| Other support services | 374 | | | | (374) |
| Student transpor- tation | 273,634 | | | | (273,634) |
| State categorical programs | 43,633 | | 7,610 | | (36,023) |
| Federal programs | 416,769 | | 320,924 | | (95,845) |
| Debt service | | | | | |
| Principal | 10,935,000 | | | | (10,935,000) |
| Interest | 622,632 | | | | (622,632) |
| Trustee fees | 1,103 | | | | (1,103) |
| Capital outlay | 1,496,315 | | | 35,000 | (1,461,315) |
| Other | 7,335 | 7,335 | | | |
| Nutrition services | 463,403 | 133,593 | 308,189 | | (21,621) |
| Total governmen- tal activities | 24,007,236 | 161,573 | 1,141,680 | 35,000 | (22,668,983) |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
STATEMENT OF ACTIVITIES AND NET POSITION - MODIFIED CASH BASIS
FOR THE YEAR ENDED AUGUST 31, 2020

| | | Program Receipts | | | Net (Disbursements) Receipts and Changes in Net Position |
|---|--------------------|----------------------------|--|--|--|
| | Disburse- ments | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government Total Governmental Activities |
| General Receipts | | | | | |
| Taxes | | | | | |
| Property taxes - general purpose | | | | | 8,116,121 |
| Property taxes - special building | | | | | 166,967 |
| Property taxes - debt service | | | | | 1,395,214 |
| Motor vehicle taxes | | | | | 439,681 |
| Interest | | | | | |
| County and ESU sources | | | | | 101,869 |
| State funding | | | | | 31,311 |
| Federal funding | | | | | 1,379,676 |
| Public power district sales tax | | | | | 49,221 |
| Donations | | | | | 57,955 |
| Insurance proceeds | | | | | 1,000 |
| Sale of property | | | | | 288,004 |
| Other receipts | | | | | 12,800 |
| Total general receipts | | | | | 25,410 |
| | | | | | |
| Change in net position resulting from receipts and disbursements | | | | | 12,065,229 |
| | | | | | |
| Special Items | | | | | |
| Bond proceeds | | | | | 9,465,000 |
| Bond original issue premium | | | | | 532,771 |
| Bond issue costs | | | | | (151,260) |
| Total special items | | | | | 9,846,511 |
| | | | | | |
| CHANGE IN NET POSITION | | | | | (757,243) |
| | | | | | |
| NET POSITION, beginning of year | | | | | 9,481,064 |
| | | | | | |
| NET POSITION, end of year | | | | | 8,723,821 |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
STATEMENT OF ACTIVITIES AND NET POSITION - MODIFIED CASH BASIS
FOR THE YEAR ENDED AUGUST 31, 2020

| | | | | | Net (Disbursements) Receipts and Changes in Net Position |
|---------------------------|--------------------|----------------------------|--|--|--|
| | Disburse- ments | Program Receipts | | | Primary Government |
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Total Governmental Activities |
| ASSETS | | | | | |
| Cash and cash equivalents | | | | | 6,122,881 |
| Cash at county treasurer | | | | | 2,600,940 |
| TOTAL ASSETS | | | | | 8,723,821 |
| NET POSITION | | | | | |
| Restricted for: | | | | | |
| Debt services | | | | | 1,997,174 |
| Capital projects | | | | | 1,177,618 |
| Unrestricted | | | | | 5,549,029 |
| TOTAL NET POSITION | | | | | 8,723,821 |

See accompanying notes to financial statements.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
AND STATEMENT OF ASSETS AND FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2020

| | Major Funds | | | | | | Total Governmental Funds |
|------------------------------------|-------------------|-----------------------------|------------------|-----------------------------|------------------------|-------------------|--------------------------------|
| | General Fund | School Nutrition Fund | Bond Fund | Special Building Fund | Student Fee Fund | Elimi- nations | |
| RECEIPTS | | | | | | | |
| Local receipts | | | | | | | |
| Property taxes - general purpose | 8,116,121 | | | | | | 8,116,121 |
| Property taxes - special building | | | | 166,967 | | | 166,967 |
| Property taxes - debt service | | | 1,395,214 | | | | 1,395,214 |
| Motor vehicle taxes | 439,681 | | | | | | 439,681 |
| Public power district sales tax | 48,426 | | 8,430 | 1,099 | | | 57,955 |
| Interest | 42,836 | 8 | 29,807 | 29,218 | | | 101,869 |
| Other | 7,628 | | 599 | 22 | 7,335 | | 15,584 |
| Rental of school facilities | 5,865 | | | | | | 5,865 |
| Preschool tuition | 14,780 | | | | | | 14,780 |
| Nutrition sales | | 133,593 | | | | | 133,593 |
| Sale of property | 12,800 | | | | | | 12,800 |
| Insurance proceeds | 13,139 | | | 274,865 | | | 288,004 |
| County and ESU sources | 31,311 | | | | | | 31,311 |
| State receipts | 1,713,136 | 1,649 | 158,239 | 20,868 | | | 1,893,892 |
| Federal receipts | 370,145 | 300,379 | | | | | 670,524 |
| Nonrevenue receipts | 10,061 | 7,100 | | | | | 17,161 |
| Total receipts | <u>10,825,929</u> | <u>442,729</u> | <u>1,592,289</u> | <u>493,039</u> | <u>7,335</u> | | <u>13,361,321</u> |
| DISBURSEMENTS | | | | | | | |
| Regular instruction | 5,259,680 | | | | | | 5,259,680 |
| Special education programs | 1,011,752 | | | | | | 1,011,752 |
| Support services | | | | | | | |
| Students | 814,290 | | | | | | 814,290 |
| Instruction | 293,504 | | | | | | 293,504 |
| General administration | 955,284 | | | | | | 955,284 |
| Central services | 186,616 | | | | | | 186,616 |
| Operation and maintenance of plant | 1,225,912 | | | | | | 1,225,912 |
| Other | 374 | | | | | | 374 |
| Student transportation | 273,634 | | | | | | 273,634 |
| State categorical programs | 43,633 | | | | | | 43,633 |
| Federal programs | 416,769 | | | | | | 416,769 |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
AND STATEMENT OF ASSETS AND FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2020

| | Major Funds | | | | | | Total Governmental Funds |
|---|-------------------|-----------------------------|--------------------|-----------------------------|------------------------|-------------------|--------------------------------|
| | General Fund | School Nutrition Fund | Bond Fund | Special Building Fund | Student Fee Fund | Elimi- nations | |
| DISBURSEMENTS (Continued) | | | | | | | |
| Debt service | | | | | | | |
| Principal | | | 10,935,000 | | | | 10,935,000 |
| Interest | | | 622,632 | | | | 622,632 |
| Trustee fees | | | 1,103 | | | | 1,103 |
| Capital outlay | | | | 1,496,315 | | | 1,496,315 |
| Nutrition services | | 463,403 | | | | | 463,403 |
| Other | | | | | 7,335 | | 7,335 |
| ∞ Total disbursements | <u>10,481,448</u> | <u>463,403</u> | <u>11,558,735</u> | <u>1,496,315</u> | <u>7,335</u> | | <u>24,007,236</u> |
| EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS | | | | | | | |
| | <u>344,481</u> | <u>(20,674)</u> | <u>(9,966,446)</u> | <u>(1,003,276)</u> | | | <u>(10,645,915)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Donations | 1,000 | 6,161 | | 35,000 | | | 42,161 |
| Transfers in | 1 | 50,000 | | | (50,001) | | |
| Transfers out | (50,000) | | (1) | | 50,001 | | |
| Bond proceeds | | | 9,465,000 | | | | 9,465,000 |
| Bond original issue premium | | | 532,771 | | | | 532,771 |
| Bond issue costs | | | (151,260) | | | | (151,260) |
| Total other financing sources (uses) | <u>(48,999)</u> | <u>56,161</u> | <u>9,846,510</u> | <u>35,000</u> | | | <u>9,888,672</u> |
| NET CHANGE IN FUND BALANCES | 295,482 | 35,487 | (119,936) | (968,276) | | | (757,243) |
| FUND BALANCES, beginning of year | <u>5,161,567</u> | <u>56,493</u> | <u>2,117,110</u> | <u>2,145,894</u> | | | <u>9,481,064</u> |
| FUND BALANCES, end of year | <u>5,457,049</u> | <u>91,980</u> | <u>1,997,174</u> | <u>1,177,618</u> | | | <u>8,723,821</u> |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
AND STATEMENT OF ASSETS AND FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2020

| | Major Funds | | | | | | |
|----------------------------|------------------|-----------------------------|------------------|-----------------------------|------------------------|-------------------|--------------------------------|
| ASSETS | General Fund | School Nutrition Fund | Bond Fund | Special Building Fund | Student Fee Fund | Elimi- nations | Total Governmental Funds |
| ASSETS | | | | | | | |
| Cash and cash equivalents | 3,278,451 | 91,980 | 1,624,165 | 1,128,285 | | | 6,122,881 |
| Cash at county treasurer | <u>2,178,598</u> | | <u>373,009</u> | <u>49,333</u> | | | <u>2,600,940</u> |
| TOTAL ASSETS | <u>5,457,049</u> | <u>91,980</u> | <u>1,997,174</u> | <u>1,177,618</u> | | | <u>8,723,821</u> |
| 6 FUND BALANCES | | | | | | | |
| FUND BALANCES | | | | | | | |
| Restricted for: | | | | | | | |
| Debt services | | | 1,997,174 | | | | 1,997,174 |
| Capital projects | | | | 1,177,618 | | | 1,177,618 |
| Assigned | | | | | | | |
| Capital projects | 693,030 | | | | | | 693,030 |
| Nutrition program | | 91,980 | | | | | 91,980 |
| Subsequent year's budget | 2,787,876 | | | | | | 2,787,876 |
| Unassigned | <u>1,976,143</u> | | | | | | <u>1,976,143</u> |
| Total fund balances | <u>5,457,049</u> | <u>91,980</u> | <u>1,997,174</u> | <u>1,177,618</u> | | | <u>8,723,821</u> |
| TOTAL FUND BALANCES | <u>5,457,049</u> | <u>91,980</u> | <u>1,997,174</u> | <u>1,177,618</u> | | | <u>8,723,821</u> |

See accompanying notes to financial statements.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
FIDUCIARY FUNDS
AUGUST 31, 2020

| | Agency Funds |
|---|----------------------------|
| ASSETS | |
| Cash and cash equivalents | 344,632 |
| Certificate of deposit | <u>20,000</u> |
| TOTAL ASSETS | <u>364,632</u> |
| LIABILITIES | |
| Due to students groups and other | 354,795 |
| Due to flexible benefit plan participants | <u>9,837</u> |
| TOTAL LIABILITIES | <u>364,632</u> |
| NET POSITION | <u><u>- 0 -</u></u> |

See accompanying notes to financial statements.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant accounting policies of the Minden Public Schools District No. 503, Minden, Nebraska (the District).

Reporting Entity

The Minden Public Schools District No. 503's Board of Education is the basic level of government, which has financial accountability and control over all activities related to public school education in the District. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental "reporting entity" as defined by the GASB pronouncement, since the District's board members are elected by the public and have decision-making authority, the authority to levy taxes, the power to designate management, the ability to significantly influence operations, and primary accountability for fiscal matters.

All significant activities and organizations on which the District exercises oversight responsibility have been included in the District's financial statements.

The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The District holds the corporate powers of the organization
- The District appoints a voting majority of the organization's board
- The District is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the District
- There is fiscal dependency by the organization on the District

Based on the aforementioned criteria, the only potential component unit of the District is the Minden Public School Foundation, a not-for-profit entity organized exclusively for the benefit of the District. Financial activities related to the Foundation are not reflected in the District's financial statements since activities of the Foundation for the year were not significant to the reporting entity.

Basic Financial Statements - Government-Wide Statements

The District utilizes the provisions of Statement No. 34 of the Government Accounting Standards Board, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Statement No. 34 established standards for external financial reporting for all state and local government entities, which includes government-wide financial statements, fund financial statements, and the classification of net position into the following components: restricted and unrestricted.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic Financial Statements - Government-Wide Statements (Continued)

The statement of net position and statement of activities report information on the District as a whole. They include all funds of the District except for fiduciary funds. The effects of interfund activity have been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental receipts, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not report any business-type activities.

The statement of activities demonstrates the degree to which the direct disbursements of a given function or segment are offset by program receipts. Direct disbursements are those that are clearly identifiable with a specific function or segment. Program receipts include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program receipts are reported instead as general receipts.

Basic Financial Statements - Fund Financial Statements

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements as applicable.

The financial transactions of the District are reported in individual funds in the fund financial statements. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, receipts, and disbursements.

Fund Types

The accounts of the District are organized on the basis of funds, which are grouped into the following fund types:

Governmental Fund Types

General Fund - The General Fund is the general operating fund of the District and accounts for all receipts and disbursements of the District not encompassed within other funds. It may finance all facets of services rendered by the District, inclusive of operation and maintenance. General Fund receipts are classified according to source while its disbursements are classified according to specific functions. All property tax receipts and other receipts that are not allocated by law, budgetary requirement, or contractual

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Types (Continued)

Governmental Fund Types (Continued)

agreement to some other fund are accounted for in this fund. General operating disbursements and the new replacement capital outlay costs that are not paid through other funds are paid from the General Fund. General Fund disbursements are limited by the Tax Equity and Educational Opportunities Support Act.

Depreciation Fund - The Depreciation Fund is established by the District in order to facilitate the eventual purchase of a costly capital outlay by reserving such monies from the General Fund. To allocate monies from the General Fund, the District will show the movement of monies as a disbursement from the General Fund and the Depreciation Fund will show the receipt as a "transfer from the General Fund." The District may divide this fund into more than one account to allocate a portion of this fund for different valid purposes. The purpose of a depreciation fund is to spread replacement costs of capital outlay over a period of years in order to avoid a disproportionate tax effect in a single year to meet such an expense. This fund is restricted as part of the Allowable Reserve by the Tax Equity and Educational Opportunities Support Act. The Depreciation Fund is considered a component of the General Fund.

School Nutrition Fund - The School Nutrition Fund is used to accommodate the financial activities of the Child Nutrition Programs. These include the School Lunch, School Breakfast, After School Snack, Special Milk, Child and Adult Care Food, and the Summer Food Service Programs. The fund accounts for all receipts and disbursements of all Child Nutrition Programs. Receipts in this fund include the federal and state program cost reimbursements received by the District and General Fund support of the lunch program. All food purchases and other supplies are accounted for as disbursements of the School Nutrition Fund; accordingly, no inventories are maintained in this fund.

Bond Fund - The Bond Fund is used to record receipts and disbursements for the payment of bond principal and interest, and other related costs (i.e. investment interest, trustee fees, etc.). Receipts from a levy to retire bonds in the District are retained in a separate fund by the county treasurer, the financial institution serving as a fiscal agent, or the District. Funds are disbursed upon appropriate demand. All records of the transaction are maintained in this fund. Proceeds from bond issuance are deposited and recorded as a receipt in the Special Building Fund to be expended on the actual building project. The General Fund is used to make interest and bond retirement payments if the Bond Fund balance is not sufficient to meet these requirements.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Types (Continued)

Governmental Fund Types (Continued)

Special Building Fund - The Special Building Fund is established for acquiring or improving sites and buildings, including the construction, alteration, or improvement of buildings. The primary sources of receipts for the Special Building Fund include the sale of bonds, the sale of property, and tax receipts. Regardless of the source, all receipts for this purpose are accountable through this fund. General Fund disbursements for the purpose of this fund are not allowable. Special Building Fund accounting provides a more effective means of identifying those disbursements associated with construction activities and provides a complete and consolidated record of all costs of the building program at the conclusion of a project(s). If more than one Special Building Fund activity is active at the same time, separate accounts for each project may be established within the single Special Building Fund. The tax levy for this fund is restricted. The Board of Education may approve a budget with a levy limitation of \$0.14 per one hundred dollars of valuation, or a tax levy not to exceed \$0.175 per one hundred dollars of valuation may be established for this fund by a vote of the people within the District for a term not to exceed ten years.

Student Fee Fund - The Student Fee Fund is established to collect fees from students for participation in extracurricular activities, postsecondary education costs, and summer school or night school. The money is disbursed for the purposes for which it was collected from the students.

Fiduciary Fund Types

Activities Fund - The Activities Fund is used to account for the financial operations of quasi-independent student organizations, interschool athletics, and other self-supporting or partially self-supporting school activities not part of another fund. The Activities Fund shall not be used to record general operation receipts or disbursements, nor shall the Activities Fund be used as a clearing account for the General Fund. The District may divide this fund into more than one account to allocate a portion of this fund for different purposes.

Flexible Employee Benefit Account (FEBA) - The FEBA Fund is established to facilitate the funding and operation of the District's cafeteria plan which is an Internal Revenue Code Section 125 Plan used by employees to fund medical and dependent care reimbursements on a pretax basis.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Major Funds

The District reports all governmental funds as major funds. The General Fund and its components are considered one fund for reporting purposes.

Basis of Accounting

The District prepares its financial statements on the modified cash basis, which is in conformity with the accounting practices prescribed or permitted by the State of Nebraska Department of Education.

The modified cash basis of accounting is a basis of accounting other than GAAP as established by GASB. The modified cash basis of accounting is based on the recording of cash and cash equivalents and changes therein, and only recognizes revenues, expenses, assets, and liabilities resulting from cash transactions, adjusted for modifications that have substantial support in generally accepted accounting principles.

Only cash (and cash equivalents) and items that involve the receipt or disbursement of cash (or equivalents) during the period are recognized, except for the following modifications:

Assets that normally convert to cash or cash equivalents (e.g., certificates of deposit) that arise from transactions and events involving cash or cash equivalents are recognized; and

Taxes and other revenues collected by the county treasurers are included in revenues of the District in the year collected by the counties and the District funds held by the county treasurers at year end are included as assets of the District. This is in accordance with the requirements of the State of Nebraska Department of Education.

As a result of the use of this modified cash basis of accounting, certain transactions are not recorded in the financial statements. For example, accounts receivable and revenue for billed or provided services that have not been collected in cash are not accrued as revenue or receivables. Additionally, capital assets, such as property, equipment, and infrastructure, are not reported and long-term liabilities, such as debt and compensated absences, are not reported.

If the District utilized accounting principles generally accepted in the United States of America, the fund financial statements for governmental funds would use the modified accrual basis of accounting, and the fund financial statements for proprietary fund types would use the accrual basis of accounting. All government-wide financial statements would be presented in accordance with the accrual basis of accounting.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets are not recorded as assets on the government-wide or fund financial statements, and depreciation is not recognized. Purchases of capital assets are recorded as disbursements by function in the financial statements.

Long-Term Obligations

Long-term debt is not reported as a liability in the government-wide or fund financial statements. Proceeds from long-term debt are reported as receipts and payments of principal are reported as disbursements in both the government-wide and fund financial statements.

Equity Classification

Government-Wide Statements

Equity is classified as net position and displayed in two components:

Restricted net position consists of net assets with constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or through constitutional provision or enabling legislation.

Unrestricted net position consists of net assets that do not meet the definition of restricted.

It is the District's policy to use restricted net assets first, prior to the use of unrestricted net assets, when a disbursement is paid for purposes in which both restricted and unrestricted net assets are available.

Fund Financial Statements

Governmental fund equity is classified as fund balance.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable

This classification includes amounts that cannot be spent because they either (a) are not in spendable form or (b) are legally or contractually required to be maintained intact. The District currently has no amounts classified in this category.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity Classification (Continued)

Fund Financial Statements (Continued)

Fund Balance Classification (Continued)

Restricted

This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed

This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The District currently has no amounts classified in this category.

Assigned

This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board delegating this responsibility to the District administrator through the budgetary process.

Unassigned

This classification includes the residual fund balance for the General Fund.

The District would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Balances and Activities

In the process of aggregating the financial information of the government-wide financial statements, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Budget Process and Property Taxes

The District is required by state law to hold public hearings and adopt annual budgets for all funds on the modified cash basis of accounting. Total disbursements for each fund may not exceed the total budgeted disbursements. The General Fund is also subject to a total non-special education disbursement limit. Appropriations for disbursements lapse at year end. Any revisions to the adopted budget of total disbursements to any fund require a public hearing. State statutes of the Nebraska Budget Act provide the prescribed budget practices and procedures that governing bodies are required to follow. The amounts that may be budgeted for certain specific funds are subject to various disbursements and/or tax levy limitations.

The property tax requirement resulting from the budget process is utilized to establish the tax levy in accordance with state statutes, which tax levy attaches as an enforceable lien on property within the District as of January 1. Taxes are due as of that date. One-half of the real estate taxes due January 1 become delinquent after the following May 1, with the second one-half becoming delinquent after September 1.

Compensated Absences

Vacation and sick leave are recorded when paid. Certain employees can accrue days for sick leave; however, there is no payment for unused sick leave. Management believes the amounts attributable to accumulated annual leave will not have a material financial impact on the accompanying financial statements. The liability for accrued vacation at August 31, 2020, was deemed to be immaterial for disclosure in the financial statements as most vacation earned during the year is used by August 31. In addition, certain employees can accrue days for the number of hours worked each week that exceed those stated in their contracts. Management believes the amounts attributable to these accrued days will not have a material impact on the accompanying financial statements and is deemed to be immaterial for disclosure.

Use of Estimates

The preparation of financial statements in conformity with the modified cash basis of accounting used by the District requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS

For the following disclosures, deposits - including checking accounts, savings accounts, money market accounts, and certificates of deposit - are all classified as cash or cash and cash equivalents on the financial statements.

The District's cash and investments are reported as follows:

| | |
|----------------------------|------------------|
| Governmental activities | 6,122,881 |
| Fiduciary funds | <u>344,632</u> |
| Total cash and investments | <u>6,467,513</u> |

The carrying value (fair value) of the cash and investments consisted of the following:

| | |
|-------------------------------|------------------|
| Checking and savings accounts | 6,430,513 |
| Certificates of deposit | <u>37,000</u> |
| Total cash and investments | <u>6,467,513</u> |

Maturities of certificates of deposit are as follows:

| | |
|-------------------------------|---------------|
| Less than a year | 17,000 |
| Over one year | <u>20,000</u> |
| Total certificates of deposit | <u>37,000</u> |

Investments

Nebraska statutes allow the District to make any investment allowed by the State Investment Officer. This includes bank certificates of deposit.

Listed below is a summary of the investment portfolio that comprises the cash and cash equivalents on the District's August 31, 2020, basic financial statements.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of August 31, 2020, the District held bank deposits and also held funds in certificates of deposit with the Nebraska Liquid Asset Fund (NLAFF).

The NLAFF was formed in 1988 under the Interlocal Cooperation Act to provide a cash management program for school districts, educational service units and community colleges, public agencies, and other governmental subdivisions. The NLAFF was established to assist public bodies throughout the state of Nebraska with the investment of their available cash reserves. Participation in the investment fund is voluntary for its members. The objective of the fund is to provide a means for investors to achieve a high rate of return while preserving principal and maintaining liquidity, while investing only in instruments permitted by applicable Nebraska statutes. NLAFF seeks to achieve its

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

Custodial Credit Risk - Deposits (Continued)

investment objective through professionally managed investment funds governed by the investment policies and restrictions specified. The NLAFF Board of Trustees is elected from representatives of various participants in the fund. The NLAFF Board of Trustees has engaged PFM Asset Management, LLC, as administrator and investment advisor. For a copy of the most recent audit report for the NLAFF, contact NLAFF at 1-877-667-3523 or via the NLAFF website at <https://www.nlafpool.org/>.

Bank Deposits

As of August 31, 2020, all of the District's deposits with financial institutions were fully insured or collateralized by securities held in the District's name in the form of joint safekeeping receipts. State law requires all funds in depositories to be fully insured or collateralized, and the District's policy is to require depositories to provide pledged securities to cover deposits in excess of FDIC limits.

NLAFF Deposits

State law required collateralization of deposits with Federal depository insurance or with U.S. Treasury and U.S. Agency securities having an aggregate value at least equal to the balance of deposits. As of August 31, 2020, all of NLAFF's deposits were insured and collateralized by securities held by the pledging financial institution in other than the NLAFF's name.

Investments

The NLAFF is a pooled cash account that invests primarily in U.S. government & agency obligations and repurchase agreements. The NLAFF seeks to maintain a stable net asset value of \$1 per share, but it is possible to lose money investing in the NLAFF. The NLAFF is not insured or guaranteed by the Federal Depository Insurance Corporation or any other governmental agency.

At August 31, 2020, the District had \$1,082,756 in NLAFF investments. These investments consisted of government agency securities and repurchase agreements that were collateralized by U.S. government securities.

The District is exposed to risks noted below in relation to its investments in the NLAFF. The District does not have a policy for these risks. The following NLAFF risk policies below were taken from footnotes in the NLAFF audit report.

Interest Rate Risk

The NLAFF investment policy limits its exposure to market value fluctuations due to changes in interest rates by requiring that the portfolio maintain a dollar-weighted average maturity of not greater than 60 days. The weighted average maturity of the entire portfolio at May 31, 2020, the date of the latest NLAFF audit report, was 50 days. All of the NLAFF's investments had a maturity of less than two years.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

Investments (Continued)

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. According to the latest audit report on the NLAf, as of May 31, 2020, the NLAf limits the investments to certain fixed income instruments which school entities are permitted to invest in under Nebraska law. As of May 31, 2020, the investment portfolio was comprised of investments that were, in aggregate, rated by Standard & Poor's (S&P) as shown in the table below. The rates include the ratings of collateral underlying repurchase agreements in effect at May 31, 2020.

| <u>S&P Rating</u> | <u>Percent of Portfolio</u> |
|-----------------------|-----------------------------|
| AA+* | 22.87% |
| A-1+ | 24.48% |
| Exempt** | 50.34% |
| Not Rated*** | 2.31% |

**Represents investments in obligations of the U.S. government or its agencies or instrumentalities, which are rated Aaa and AAA by Moody's Investor Service and Fitch Ratings, Inc., respectively, which are the highest category of credit ratings by each of those statistical rating organizations.*

***Represents investments in U.S. Treasury securities, which are not considered to be subject to overall credit risk per GASB.*

****Represents investments in certificates of deposit insured by the FDIC.*

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the NLAf will not be able to recover the value of its investment or collateral securities that are in the possession of the outside party. The NLAf has no specific policy as to custodial credit risk. All of the underlying securities for the NLAf investments in repurchase agreements at May 31, 2020, the latest audit report date for the NLAf, were collateralized at 102% of the obligation's principal and interest value. In the event of default on the obligation to repurchase, the NLAf has the right to liquidate the collateral and apply the proceeds in satisfaction of the obligation.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 2. CASH AND INVESTMENTS (Continued)

Concentration of Credit Risk

The NLAIF investment policy establishes certain restrictions on investments and limitations on portfolio composition. The investment portfolio at May 31, 2020, included the issuers shown in the table below, which individually represented greater than 5% of the total investment portfolio.

| Issuer | Percent of Fund |
|--|-----------------|
| Credit Agricole Corporate & Investment Bank (NY) | 10.83% |
| Federal Farm Credit Banks | 18.46% |
| Federal Home Loan Bank | 23.49% |
| U.S. Treasury | 37.56% |

The District complies with state law; however, the District has no formal written policy regarding investments.

NOTE 3. RETIREMENT PLAN

Plan Description

The Minden Public Schools District No. 503 contributes to the Nebraska School Employees Retirement System, a cost-sharing multiple-employer defined benefit pension plan administered by the Nebraska Public Employees Retirement System (NPERS). NPERS provides retirement and disability benefits to plan members and beneficiaries. The School Employees Retirement Act establishes benefit provisions.

In 1945, the Nebraska Legislature enacted the law establishing a retirement plan for school employees of the State. During the NPERS fiscal year ended June 30, 2019, there were 265 participating school districts. These were the districts that had contributions during the fiscal year. All regular public school employees in Nebraska, other than those who have their own retirement plans (Class V school districts, Nebraska State Colleges, University of Nebraska, and Nebraska Community Colleges), are members of the plan.

Normal retirement is at age 65. For an employee who became a member before July 1, 2013, the monthly benefit is equal to the greater of the following: (1) the sum of a savings annuity, which is the actuarial equivalent of the member's accumulated contributions and a service annuity equal to \$3.50 per year of service or (2) the average of the three 12-month periods of service as a school employee in which such compensation was the greatest, multiplied by total years of creditable service, multiplied by a formula factor of 2%, and an actuarial factor based on age.

For an employee who became a member on or after July 1, 2013, the monthly benefit is equal to the greater of the following: (1) the sum of a savings annuity, which is the actuarial equivalent of the member's accumulated contributions and a service annuity equal to

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 3. RETIREMENT PLAN (CONTINUED)

Plan Description (Continued)

\$3.50 per year of service or (2) the average of the five 12-month periods of service as a school employee in which such compensation was the greatest, multiplied by total years of creditable service, multiplied by a formula factor multiplied by a formula factor of 2%, and an actuarial factor based on age.

Benefit calculations vary with early retirement. Employees' benefits are vested after five years of plan participation or when termination occurs at age 65 or later.

For school employees who became members prior to July 1, 2013, the benefit paid to a retired member or beneficiary receives an annual cost of living adjustment, which is increased by the lesser of the percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers or two and one-half percent. The current benefit paid to a retired member or beneficiary is adjusted so that the purchasing power of the benefit being paid is not less than 75 percent of the purchasing power of the initial benefit.

For school employees who became members on or after July 1, 2013, the benefit paid to a retired member or beneficiary receives an annual cost-of-living adjustment, which is increased by the lesser of the percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers or one percent. There is no purchasing power floor for employees who fall under this tier.

Contributions

The State's contribution is based on an annual actuarial valuation. In addition, the State contributes an amount equal to two percent of the compensation of all members. This contribution is considered a nonemployer contribution since school employees are not employees of the State. The employee contribution was equal to 9.78 percent from July 1, 2018 to June 30, 2019, (and from July 1, 2019 through August 31, 2020). The school district (employer) contribution is 101 percent of the employee contribution. The District's contribution to the Plan for its year ended August 31, 2020, was \$586,894.

For the District's year ended August 31, 2020, the District's total payroll for all employees was \$6,100,745. Total covered payroll was \$5,941,544. Covered payroll refers to all compensation paid by the District to active employees covered by the Plan.

Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued Nebraska Public Employees Retirement Systems Plan financial report. NPERS issues a publicly available financial report that includes financial statements and required supplementary information for NPERS. That report may be obtained via the internet at http://www.auditors.nebraska.gov/APA_Reports.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 4. DEFINED CONTRIBUTION RETIREMENT PLAN

On January 1, 2009, the District established a 403(b) retirement plan. The Plan is a defined contribution plan that covers all common law employees except student teachers and student workers. Employer contributions are to be made in accordance with applicable employment agreements, which may be determined from year to year by the District. During the year ending August 31, 2020, the District did not make any contributions to the Plan.

NOTE 5. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To manage its workers' compensation and property and casualty risks, the District has joined All Lines Interlocal Cooperative Aggregate Pool (ALICAP), currently operating as a common risk management and insurance program for its members. The District pays an annual contribution to ALICAP for its pooled self-insurance coverage of property, general liability, automobile liability and physical damage, school board errors and omissions, crime, public employee dishonesty, workers' compensation, and associated coverages. Settled claims have not significantly exceeded the coverage limits offered by ALICAP in any of the past three fiscal years.

NOTE 6. LONG-TERM DEBT

General Obligation Bonds

On December 30, 2014, the District issued General Obligation Bonds of \$12,945,000 (par value) with interest rates ranging from 4% to 5%, due annually beginning on December 15, 2028, with semiannual interest payments each December 15 and June 15 through December 15, 2039. The bonds are being retired by a tax levy through the Bond Fund and then refunded on February 25, 2020, with General Obligation Refunding Bonds Series 2020. Interest paid for the year was \$274,444.

On September 30, 2016, the District issued General Obligation Bonds of \$9,000,000 (par value) with interest rates ranging from 1.97% to 2.05%, due annually beginning on December 15, 2018, with semiannual interest payments each December 15 and June 15 through December 15, 2028. The bonds are being retired by a tax levy through the Bond Fund. Interest paid for the year was \$157,465.

On March 15, 2017, the District defeased an amount of \$3,445,000 of the General Obligation Bonds issued in 2014. The District issued General Obligation and Refunding Bonds of \$4,605,000 (par value) with interest rates ranging from 2% to 3%, due annually beginning on December 15, 2017, with semiannual interest payments each December 15 and June 15 through December 15, 2029. The bonds are being retired by a tax levy through the Bond Fund. Interest paid for the year was \$105,237.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 6. LONG-TERM DEBT (Continued)

On February 25, 2020, the District refunded an amount of \$9,880,000 of the General Obligation Bonds issued in 2014. The District issued General Obligation and Refunding Bonds of \$9,465,000 (par value) with interest rates ranging from 1% to 2%, due annually beginning on June 15, 2020, with semiannual interest payments each December 15 and June 15 through December 15, 2034. The bonds are being retired by a tax levy through the Bond Fund. Interest paid for the year was \$85,485.

Capital Lease Agreements

On May 20, 2019, the District entered into a lease agreement with Eakes Office Plus for the use of printers and copiers. This lease qualifies as a capital lease for accounting purposes. The lease payments require monthly payments of \$3,900 until termination of the lease on May 20, 2024. This is being paid from General Fund.

Changes in Long-Term Debt

| | General Obligation Bonds | Capital Lease | Total |
|----------------------------|--------------------------------|------------------|---------------------|
| Balance, beginning of year | 22,430,000 | 226,164 | 22,656,164 |
| Bond proceeds | 9,465,000 | | 9,465,000 |
| Principal payments | <u>(10,935,000)</u> | <u>(44,421)</u> | <u>(10,979,421)</u> |
| Balance, end of year | <u>20,960,000</u> | <u>181,743</u> | <u>21,141,743</u> |

Future Maturities

Maturities on the above long-term debt are as follows:

| Years Ending August 31, | General Obligation & Refunding Bonds | | | Capital Lease | |
|----------------------------|--------------------------------------|------------------|-------------------|----------------|----------------|
| | Principal | Interest | Total | Principal | Total |
| 2021 | 1,185,000 | 520,545 | 1,705,545 | 46,800 | 46,800 |
| 2022 | 1,210,000 | 497,586 | 1,707,586 | 46,800 | 46,800 |
| 2023 | 1,235,000 | 473,078 | 1,708,078 | 46,800 | 46,800 |
| 2024 | 1,260,000 | 446,875 | 1,706,875 | 41,343 | 41,343 |
| 2025 | 1,290,000 | 419,753 | 1,709,753 | | |
| 2026 - 2030 | 6,895,000 | 1,640,386 | 8,535,386 | | |
| 2031 - 2035 | 7,885,000 | 602,825 | 8,487,825 | | |
| Total | <u>20,960,000</u> | <u>4,601,046</u> | <u>25,561,046</u> | <u>181,743</u> | <u>181,743</u> |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 7. EARLY RETIREMENT INCENTIVE

The District amended an early retirement program during the year ended August 31, 2007, for eligible certified employees to provide an incentive for early separation from the District. Eligible employees must be a fully certified teacher or administrator and have a minimum of 15 years of service with the District. In general, approved participants receive a stipend based upon years of service and their age. The early retirement program is unfunded, with the District paying the entire cost of the Plan. During the year ended August 31, 2020, the District did not incur any expenses.

NOTE 8. TRANSFERS

Transfers for the year ended August 31, 2020, consisted of \$50,000 transferred from the General Fund to the School Nutrition Fund for support. Transfers from the Bond Fund in the amount of \$1 for collections received for paid off bonds were transferred into the General Fund.

NOTE 9. COMMITMENTS

As of August 31, 2020, the District was committed for capital outlay disbursements in the approximate amount of \$354,000 to be paid from the Special Building Fund in the following year.

NOTE 10. FEDERAL AWARD PROGRAMS

The District receives funds under various federal grant programs and such assistance is to be expended in accordance with the provisions of the various grants. Compliance with the grants is subject to audit by various government agencies, which may impose sanctions in the event of noncompliance. Management believes that they have complied with all aspects of the various grant provisions and the results of adjustments, if any, relating to such audits would not have any material financial impact.

NOTE 11. RECENTLY ISSUED AND ADOPTED ACCOUNTING PRONOUNCEMENTS

In January 2017, GASB issued Statement 84, *Fiduciary Activities*. This statement is effective for fiscal years beginning after December 15, 2019. The District did not early implement this statement. GASB 84 establishes criteria for identifying fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. Certain fiduciary activities meeting the new criteria will be reported as custodial funds and a statement of changes will be a required financial statement. Other activities not meeting this criteria will be reported as governmental funds. When adopted, GASB 84 may have a significant effect on the District's financial reporting for the Activities Fund currently reported as an agency fund.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO FINANCIAL STATEMENTS

NOTE 11. RECENTLY ISSUED AND ADOPTED ACCOUNTING PRONOUNCEMENTS (Continued)

In June 2017, GASB issued Statement 87, *Leases*. This statement is effective for fiscal years beginning after June 15, 2021. The District did not early implement this statement. When adopted, GASB 87 will require disclosure of the timing significance, and purpose of a government's leasing arrangements. When adopted, GASB 87 will not have a material effect on the financial statements other than possible disclosures in the notes.

NOTE 12. SUBSEQUENT EVENTS

The COVID-19 (Coronavirus) outbreak has prompted global concern. Consequently, the District may experience a loss in revenue sources due to the economic impacts of the virus, or may experience an increase in costs to provide services. An estimate of the effect of the COVID-19 pandemic cannot be made at this time.

In preparing the financial statements, the District has evaluated events and transactions for potential recognition or disclosure through October 27, 2020, the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
GENERAL FUND COMPONENTS
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
YEAR ENDED AUGUST 31, 2020

| | General Fund | Depreciation Fund | Reclassifi- cations | Total |
|---|------------------|----------------------|------------------------|------------------|
| RECEIPTS | | | | |
| Local sources | | | | |
| Taxes | | | | |
| Property taxes - general purpose | 8,116,121 | | | 8,116,121 |
| Carline tax | 3,488 | | | 3,488 |
| Public power district sales tax | 48,426 | | | 48,426 |
| Motor vehicle taxes | 439,681 | | | 439,681 |
| Penalty and interest on delinquent taxes | 17,199 | | | 17,199 |
| Interest | 15,114 | 10,523 | | 25,637 |
| Local license fees and fines | 3,341 | | | 3,341 |
| Rental of school facilities | 5,865 | | | 5,865 |
| Contributions and donations | 1,000 | | | 1,000 |
| Preschool tuition | 14,780 | | | 14,780 |
| Police court fines | 799 | | | 799 |
| Total local sources | <u>8,665,814</u> | <u>10,523</u> | <u> </u> | <u>8,676,337</u> |
| County sources | | | | |
| County fines and license fees | 31,111 | | | 31,111 |
| ESU receipts | 200 | | | 200 |
| Total county sources | <u>31,311</u> | <u> </u> | <u> </u> | <u>31,311</u> |
| State sources | | | | |
| State aid | 93,154 | | | 93,154 |
| Special education - school age | 502,356 | | | 502,356 |
| Special education - transportation | 2,601 | | | 2,601 |
| Homestead exemption | 73,159 | | | 73,159 |
| Property tax credit | 782,008 | | | 782,008 |
| Personal property tax credit | 33,992 | | | 33,992 |
| High ability learners | 7,610 | | | 7,610 |
| Pro-rate motor vehicle | 16,845 | | | 16,845 |
| Flex funding - school age | 28,596 | | | 28,596 |
| Other state receipts | 53,579 | | | 53,579 |
| State apportionment | 119,236 | | | 119,236 |
| Total state sources | <u>1,713,136</u> | <u> </u> | <u> </u> | <u>1,713,136</u> |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
GENERAL FUND COMPONENTS
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
YEAR ENDED AUGUST 31, 2020

| | General Fund | Depreciation Fund | Reclassifi- cations | Total |
|---|-------------------|----------------------|------------------------|-------------------|
| RECEIPTS (Continued) | | | | |
| Federal sources | | | | |
| Title I, Part A: ESSA Improving Basic Programs Operated by Local State Agencies | 112,100 | | | 112,100 |
| Title II, Part A: ESSA Supporting Effective Instruction | 48,926 | | | 48,926 |
| IDEA Part B enrollment/poverty | 146,168 | | | 146,168 |
| Medicaid in public schools | 30,341 | | | 30,341 |
| Medicaid administrative activities | 18,880 | | | 18,880 |
| Federal vocational and applied techonology education (Carl Perkins) | 2,470 | | | 2,470 |
| Other federal receipts | 1,260 | | | 1,260 |
| Title IV Part A | 10,000 | | | 10,000 |
| Total federal sources | <u>370,145</u> | | | <u>370,145</u> |
| Nonrevenue receipts | | | | |
| Sale of property | 12,800 | | | 12,800 |
| Insurance adjustments | 13,139 | | | 13,139 |
| Nonrevenue receipts | 10,061 | | | 10,061 |
| Total nonrevenue receipts | <u>36,000</u> | | | <u>36,000</u> |
| Total receipts | <u>10,816,406</u> | <u>10,523</u> | | <u>10,826,929</u> |
| DISBURSEMENTS | | | | |
| Regular instruction | 5,259,680 | | | 5,259,680 |
| Special education programs | 1,011,752 | | | 1,011,752 |
| Support services | | | | |
| Students | 814,290 | | | 814,290 |
| Instruction | 293,504 | | | 293,504 |
| General administration | 955,284 | | | 955,284 |
| Central services | 186,616 | | | 186,616 |
| Operation and maintenance of plant | 1,225,912 | | | 1,225,912 |
| Other | | 374 | | 374 |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
GENERAL FUND COMPONENTS
COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN FUND BALANCE - MODIFIED CASH BASIS
YEAR ENDED AUGUST 31, 2020

| | General Fund | Depreciation Fund | Reclassifi- cations | Total |
|---------------------------------|-------------------|----------------------|------------------------|-------------------|
| DISBURSEMENTS (Continued) | | | | |
| Student transportation | 273,634 | | | 273,634 |
| State categorical programs | 43,633 | | | 43,633 |
| Federal programs | 416,769 | | | 416,769 |
| Total disbursements | <u>10,481,074</u> | <u>374</u> | <u> </u> | <u>10,481,448</u> |
| RECEIPTS OVER DISBURSEMENTS | 335,332 | 10,149 | | 345,481 |
| OTHER FINANCING USES | | | | |
| Transfers - net | <u>(49,999)</u> | | | <u>(49,999)</u> |
| NET CHANGE IN FUND BALANCE | 285,333 | 10,149 | | 295,482 |
| FUND BALANCE, beginning of year | <u>4,478,686</u> | <u>682,881</u> | | <u>5,161,567</u> |
| FUND BALANCE, end of year | <u>4,764,019</u> | <u>693,030</u> | | <u>5,457,049</u> |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
GENERAL FUND COMPONENTS
COMBINING SCHEDULE OF ASSETS AND FUND BALANCE
MODIFIED CASH BASIS
YEAR ENDED AUGUST 31, 2020

| | General Fund | Depreciation Fund | Reclassifi- cations | Total |
|----------------------------|----------------------|----------------------|------------------------|----------------------|
| ASSETS | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | 2,585,421 | 693,030 | | 3,278,451 |
| County treasurer's balance | <u>2,178,598</u> | <u> </u> | <u> </u> | <u>2,178,598</u> |
| TOTAL ASSETS | <u>4,764,019</u> | <u>693,030</u> | <u> </u> | <u>5,457,049</u> |
| FUND BALANCE | | | | |
| Assigned | 2,787,876 | 693,030 | | 3,480,906 |
| Unassigned | <u>1,976,143</u> | <u> </u> | <u> </u> | <u>1,976,143</u> |
| Total fund balance | <u>4,764,019</u> | <u>693,030</u> | <u> </u> | <u>5,457,049</u> |
| TOTAL FUND BALANCE | <u>4,764,019</u> | <u>693,030</u> | <u> </u> | <u>5,457,049</u> |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED AUGUST 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

| | Original and Final Budget | 2020 Actual | 2019 Actual |
|---------------------------------|---|------------------|------------------|
| FUND BALANCE, beginning of year | | <u>4,478,686</u> | <u>4,477,919</u> |
| RECEIPTS | | | |
| Local sources | | | |
| Taxes | | | |
| 1100 | Property taxes - general purpose | 8,662,258 | 8,116,121 |
| 1115 | Carline tax | 4,000 | 3,488 |
| 1120 | Public power district sales tax | 10,000 | 48,426 |
| 1125 | Motor vehicle taxes | 400,000 | 439,681 |
| 1140 | Penalty and interest on delinquent taxes | 11,100 | 17,199 |
| 1370 | Tuition | 17,500 | 14,780 |
| 1510 | Interest | 12,000 | 15,114 |
| 1910 | Rental of school facilities and equipment | 13,200 | 5,865 |
| 1911 | Local license fees | 3,750 | 3,341 |
| 1920 | Contributions and donations from private sources | 1,000 | 1,000 |
| 1921 | Police court fines | 200 | 799 |
| 1990 | Miscellaneous local revenue | 300 | 200 |
| | Total local sources | <u>9,135,308</u> | <u>8,665,814</u> |
| County and ESU sources | | | |
| 2110 | County fines and license fees | 25,000 | 31,111 |
| 2210 | ESU receipts | | 200 |
| | Total county and ESU sources | <u>25,000</u> | <u>31,311</u> |
| State sources | | | |
| 3110 | State aid | 93,154 | 93,154 |
| 3120 | Special education - school age | 575,000 | 502,356 |
| 3125 | Special education - transportation | 1,000 | 2,601 |
| 3130 | Homestead exemption | | 73,159 |
| 3131 | Property tax credit | | 782,008 |
| 3132 | Personal property tax credit | | 30,338 |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED AUGUST 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

| | Original and Final Budget | 2020 Actual | 2019 Actual |
|---------------------------|---|----------------|------------------|
| RECEIPTS (Continued) | | | |
| State sources (Continued) | | | |
| 3134 | Personal property tax credit - railroads and public service entities | 3,654 | 8,871 |
| 3166 | Flex funding - school age | 28,596 | 29,000 |
| 3180 | Pro-rate motor vehicle | 15,000 | 17,318 |
| 3200 | State apportionment | 54,000 | 106,451 |
| 3535 | High ability learners | 7,000 | 7,148 |
| 3990 | Other state receipts | 53,579 | 1,260 |
| | Total state sources | <u>745,154</u> | <u>1,565,255</u> |
| Federal sources | | | |
| 4505 | Title I, Part A: ESSA Improving Basic Programs Operated by Local State Agencies | 126,002 | 97,057 |
| 4509 | Title II, Part A: ESSA Supporting Effective Instruction | 41,804 | 1,882 |
| 4512 | IDEA Part B (611) base allocation | 64,000 | 64,491 |
| 4516 | IDEA preschool (619) base/IDEA enrollments/poverty (619) allocation | 2,124 | 3,223 |
| 4518 | IDEA Part B (611) base and enrollment poverty allocation | | 146,168 |
| 4519 | IDEA enrollment/poverty | 100,810 | 111,341 |
| 4521 | IDEA Part B proportionate share | 4,280 | |
| 4708 | Medicaid in public schools | 7,500 | 13,194 |
| 4709 | Medicaid administrative activities | 10,000 | 12,938 |
| 4525 | Federal vocational and applied technology (Carl Perkins) | 1,000 | 1,883 |
| 4524 | Other federal receipts | 2,500 | |
| 4969 | Title IV Part A | | 10,000 |
| | Total federal sources | <u>360,020</u> | <u>316,009</u> |
| Nonrevenue receipts | | | |
| 5300 | Sale of property | 5,000 | 56,288 |
| 5301 | Insurance adjustments | 180,000 | 40,537 |
| 5690 | Nonrevenue receipts | 57,000 | |
| | Total nonrevenue receipts | <u>242,000</u> | <u>96,825</u> |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED AUGUST 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

| | Original and Final Budget | 2020 Actual | 2019 Actual |
|--|---------------------------------|----------------|----------------|
| RECEIPTS (Continued) | | | |
| 5200 Transfers in | | 1 | 234 |
| Total receipts | 10,507,482 | 10,816,407 | 10,259,065 |
| TOTAL FUNDS AVAILABLE | | 15,295,093 | 14,736,984 |
| DISBURSEMENTS | | | |
| Instruction | | | |
| 1100 Regular instruction | 5,265,601 | 5,168,588 | 5,120,402 |
| 1125 Regular instruction - flex-spending | 82,903 | 86,821 | 85,029 |
| 1200 Special education programs | 1,067,059 | 988,452 | 929,053 |
| 1291 Special education programs - ages 3 - 5 | 30,253 | 20,309 | 25,667 |
| 1292 Special education programs - ages 0 - 2 | 3,112 | 2,991 | 12,574 |
| 1300 Summer school | 15,039 | 4,271 | 2,339 |
| Support services - students | | | |
| 2120 Guidance services | 313,605 | 307,175 | 290,936 |
| 2130 Health services | 62,414 | 58,270 | 55,903 |
| 2140 Psychological services | | | 64,413 |
| 2141 Psychological services: SPED school age | 66,279 | 67,774 | |
| 2151 Speech pathology - SPED | 141,268 | 139,936 | 122,536 |
| 2152 Speech pathology - ages 3 - 5 | 5,118 | 4,607 | 3,060 |
| 2161 Occupational therapy - SPED | 20,500 | 24,661 | 9,775 |
| 2162 Occupational therapy - ages 3 - 5 | 750 | 122 | |
| 2163 Occupational therapy - ages 0 - 2 | 750 | | 305 |
| 2171 Physical therapy - SPED | 13,500 | 4,834 | 17,965 |
| 2172 Physical therapy - ages 3 - 5 | 100 | | 220 |
| 2173 Physical therapy - ages 0 - 2 | 750 | 442 | 442 |
| 2190 Activities transportation | 212,891 | 206,469 | 195,642 |
| Support services - instruction | | | |
| 2213 Instructional staff training | 2,500 | 8,542 | 2,014 |
| 2220 Library/media services | 275,079 | 273,812 | 260,001 |
| 2230 Instruction - related technology | | 1,980 | |
| 2240 Academic student assessment | 10,017 | 9,170 | 1,766 |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED AUGUST 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

| | | Original and Final Budget | 2020 Actual | 2019 Actual |
|--|--|---------------------------------|----------------|----------------|
| DISBURSEMENTS (Continued) | | | | |
| Support services - general administration | | | | |
| 2310 | Board of education | 41,700 | 38,196 | 42,652 |
| 2320 | Executive administrative services | 268,649 | 266,371 | 259,812 |
| 2330 | District legal services | 100,000 | 53,100 | 31,906 |
| 2410 | Office of the principal | 614,883 | 597,617 | 575,591 |
| Support services - central services | | | | |
| 2510 | Fiscal services | 200,026 | 186,616 | 149,127 |
| Support services - operation and maintenance of plant | | | | |
| 2610 | Operation of buildings | 469,195 | 417,546 | 747,353 |
| 2620 | Maintenance of buildings | 804,055 | 573,190 | 323,831 |
| 2630 | Care and upkeep of grounds | 193,845 | 126,887 | 161,668 |
| 2640 | Care and upkeep of equipment | 48,299 | 41,208 | 33,968 |
| 2650 | Vehicle acquisition and maintenance other than pupil transportation | 49,500 | 30,039 | 29,582 |
| 2660 | Security | 11,000 | 20,068 | 1,927 |
| 2670 | Safety | 12,560 | 16,974 | 23,873 |
| Student transportation | | | | |
| 2710 | Vehicle operation and purchasing | 343,444 | 229,456 | 149,096 |
| 2712 | Vehicle operation and purchasing - SPED | 2,199 | 6,329 | 5,929 |
| 2713 | Vehicle operation and purchasing - SPED below age 5 | 10,493 | 4,813 | 5,949 |
| 2730 | Vehicle servicing and maintenance | 134,231 | 32,299 | 117,947 |
| 2732 | Vehicle servicing and maintenance - SPED | 2,000 | 699 | 569 |
| 2733 | Vehicle servicing and maintenance - SPED below age 5 | | 38 | 188 |
| State categorical programs | | | | |
| 3535 | High ability learners | 62,897 | 43,633 | 40,805 |
| Federal programs | | | | |
| 6200 | Title I Part A | 126,000 | 108,850 | 118,191 |
| 6310 | Title II Part A | 41,803 | 42,327 | 7,468 |
| 6404 | IDEA Part B (611) base allocation | | | 64,491 |
| 6406 | IDEA preschool | 2,124 | 1,129 | 3,223 |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED AUGUST 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

| | Original and Final Budget | 2020 Actual | 2019 Actual |
|------------------------------|---|-------------------|-------------------|
| DISBURSEMENTS (Continued) | | | |
| Federal programs (Continued) | | | |
| 6408 | IDEA Part B (611) base and enrollment poverty allocation birth through age twenty-one | 164,810 | 164,809 |
| 6410 | IDEA enrollment/poverty | | 111,340 |
| 6412 | IDEA Part B proportionate share | 4,280 | 4,280 |
| 6700 | Federal vocational and applied technology education (Carl Perkins) | | 2,470 |
| 6996 | Elementary and secondary school emergency relief (ESSER) | | 1,770 |
| 8000 | Transfers | 92,904 | |
| | Transfers (LB 235) | 50,000 | 50,000 |
| | | <u>1,758,443</u> | |
| | Total disbursements | <u>13,105,924</u> | <u>10,531,074</u> |
| | | <u>10,531,074</u> | <u>10,258,298</u> |
| FUND BALANCE, end of year | | <u>4,764,019</u> | <u>4,478,686</u> |
| ANALYSIS OF FUND BALANCE | | | |
| Cash in bank | | | |
| | Checking and savings accounts | <u>2,585,421</u> | <u>2,562,020</u> |
| | County treasurers | <u>2,178,598</u> | <u>1,916,666</u> |
| TOTAL FUND BALANCE | | <u>4,764,019</u> | <u>4,478,686</u> |

See accompanying notes to budgetary schedules.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
DEPRECIATION FUND
YEAR ENDED AUGUST 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

| | Original and Final Budget | 2020 Actual | 2019 Actual |
|---------------------------------|------------------------------------|----------------|------------------|
| FUND BALANCE, beginning of year | | <u>682,881</u> | <u>1,086,162</u> |
| RECEIPTS | | | |
| Interest | <u>12,600</u> | <u>10,523</u> | <u>17,017</u> |
| TOTAL FUNDS AVAILABLE | | <u>693,404</u> | <u>1,103,179</u> |
| DISBURSEMENTS | | | |
| Supplies and materials | 492,885 | | 12,983 |
| Investment charges | 2,000 | 374 | 365 |
| Capital outlay | <u>200,000</u> | | <u>406,950</u> |
| Total disbursements | <u>694,885</u> | <u>374</u> | <u>420,298</u> |
| FUND BALANCE, end of year | | <u>693,030</u> | <u>682,881</u> |
| ANALYSIS OF FUND BALANCE | | | |
| Cash in bank | | | |
| Checking account | | 423,337 | 122,417 |
| Investments | | <u>269,693</u> | <u>560,464</u> |
| | | <u>693,030</u> | <u>682,881</u> |

See accompanying notes to budgetary schedules.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
SCHOOL NUTRITION FUND
YEAR ENDED AUGUST 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

| | Original Budget | Final Budget | 2020 Actual | 2019 Actual |
|---------------------------------|--------------------|-----------------|----------------|----------------|
| FUND BALANCE, beginning of year | | | <u>56,493</u> | <u>57,933</u> |
| RECEIPTS | | | | |
| Local | | | | |
| Interest | 7 | 7 | 8 | 8 |
| Nutrition services | 180,000 | 180,000 | 133,593 | 176,984 |
| Contributions and donations | | | 6,161 | |
| State | 10,000 | 10,000 | 1,649 | 1,710 |
| Federal | 190,000 | 290,000 | 300,379 | 158,052 |
| Other nonrevenue receipts | | | 7,100 | |
| Transfers from the General Fund | <u>50,000</u> | <u>50,000</u> | <u>50,000</u> | <u>50,000</u> |
| Total receipts | <u>430,007</u> | <u>530,007</u> | <u>498,890</u> | <u>386,754</u> |
| TOTAL FUNDS AVAILABLE | | | <u>555,383</u> | <u>444,687</u> |
| DISBURSEMENTS | | | | |
| Nutrition services | <u>461,573</u> | <u>561,573</u> | <u>463,403</u> | <u>388,194</u> |
| FUND BALANCE, end of year | | | <u>91,980</u> | <u>56,493</u> |
| ANALYSIS OF FUND BALANCE | | | | |
| Cash in bank | | | | |
| Checking and savings accounts | | | <u>91,980</u> | <u>56,493</u> |

See accompanying notes to budgetary schedules.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
BOND FUND
YEAR ENDED AUGUST 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

| | Original and Final Budget | 2020 Actual | 2019 Actual |
|---------------------------------|------------------------------------|-------------------|------------------|
| FUND BALANCE, beginning of year | | <u>2,117,110</u> | <u>2,503,520</u> |
| RECEIPTS | | | |
| Local | | | |
| Property taxes - debt service | 1,512,903 | 1,395,214 | 1,192,054 |
| Interest | 32,000 | 29,807 | 7,362 |
| Carline tax | | 599 | 551 |
| Public power district sales tax | | 8,430 | 7,285 |
| Bond refunding proceeds | 10,150,000 | 9,465,000 | |
| Bond original issue premium | | 532,771 | |
| State | | | |
| Homestead exemption | | 12,843 | 10,566 |
| Property tax credit | | 136,870 | 105,865 |
| Personal property tax credits | | 5,648 | 3,590 |
| Pro-rate motor vehicle | 2,500 | 2,878 | 2,919 |
| Total receipts | <u>11,697,403</u> | <u>11,590,060</u> | <u>1,330,192</u> |
| TOTAL FUNDS AVAILABLE | | <u>13,707,170</u> | <u>3,833,712</u> |
| DISBURSEMENTS | | | |
| Bond issue costs | 2,500 | 151,260 | |
| Trustee fees | 2,500 | 1,103 | 2,566 |
| Principal | 13,277,719 | 10,935,000 | 1,035,000 |
| Interest | 657,903 | 622,632 | 678,803 |
| Transfers to the General Fund | | 1 | 233 |
| Total disbursements | <u>13,940,622</u> | <u>11,709,996</u> | <u>1,716,602</u> |
| FUND BALANCE, end of year | | <u>1,997,174</u> | <u>2,117,110</u> |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
BOND FUND
YEAR ENDED AUGUST 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

| | Original and Final Budget | 2020 Actual | 2019 Actual |
|--------------------------|------------------------------------|-------------------------|-------------------------|
| ANALYSIS OF FUND BALANCE | | | |
| Cash in bank | | | |
| Checking account | | 825,311 | 584,363 |
| Investments | | <u>798,854</u> | <u>1,248,932</u> |
| | | <u>1,624,165</u> | <u>1,833,295</u> |
| | | | |
| County treasurers | | <u>373,009</u> | <u>283,815</u> |
| | | | |
| TOTAL FUND BALANCE | | <u><u>1,997,174</u></u> | <u><u>2,117,110</u></u> |

See accompanying notes to budgetary schedules.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
SPECIAL BUILDING FUND
YEAR ENDED AUGUST 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

| | Original and Final Budget | 2020 Actual | 2019 Actual |
|---------------------------------------|------------------------------------|------------------|------------------|
| FUND BALANCE, beginning of year | | <u>2,145,894</u> | <u>3,004,711</u> |
| RECEIPTS | | | |
| Local | | | |
| Property taxes - special building | 200,000 | 166,967 | 15,197 |
| Interest | | 29,218 | 57,107 |
| Carline tax | | 22 | |
| Public power district sales tax | | 1,099 | |
| Other | | | |
| From private sources | | 35,000 | |
| State | | | |
| Homestead exemption | | 1,698 | |
| Property tax credit | | 18,055 | |
| Personal property tax credit | | 784 | 511 |
| Pro-rate motor vehicle | | 331 | 136 |
| Nonrevenue receipts | | | |
| Insurance proceeds | | 274,865 | 52,924 |
| Total receipts | <u>200,000</u> | <u>528,039</u> | <u>125,875</u> |
| TOTAL FUNDS AVAILABLE | | <u>2,673,933</u> | <u>3,130,586</u> |
| DISBURSEMENTS | | | |
| Investment charges | 2,500 | | 1,003 |
| Land improvement | | 12,247 | |
| Architecture and engineering | 80,000 | 99,807 | 376,072 |
| Construction services | 2,301,827 | 1,216,335 | 15,162 |
| Building acquisition and construction | 150,000 | 167,926 | 592,455 |
| Total disbursements | <u>2,534,327</u> | <u>1,496,315</u> | <u>984,692</u> |
| FUND BALANCE, end of year | | <u>1,177,618</u> | <u>2,145,894</u> |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
SPECIAL BUILDING FUND
YEAR ENDED AUGUST 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

| | Original and Final Budget | 2020 Actual | 2019 Actual |
|--------------------------|------------------------------------|-------------------------|-------------------------|
| ANALYSIS OF FUND BALANCE | | | |
| Cash in bank | | | |
| Checking account | | 1,114,076 | 358,022 |
| Investments | | <u>14,209</u> | <u>1,787,869</u> |
| | | <u>1,128,285</u> | <u>2,145,891</u> |
| County treasurer | | <u>49,333</u> | <u>3</u> |
| TOTAL FUND BALANCE | | <u><u>1,177,618</u></u> | <u><u>2,145,894</u></u> |

See accompanying notes to budgetary schedules.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
STUDENT FEE FUND
YEAR ENDED AUGUST 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

| | Original and Final Budget | 2020 Actual | 2019 Actual |
|---------------------------------|------------------------------------|-------------------|-------------------|
| FUND BALANCE, beginning of year | | <u> </u> | <u> 100</u> |
| RECEIPTS | | | |
| Fees | <u>12,000</u> | <u> 7,335</u> | <u> 6,520</u> |
| TOTAL FUNDS AVAILABLE | | <u> 7,335</u> | <u> 6,620</u> |
| DISBURSEMENTS | | | |
| Miscellaneous | <u>12,000</u> | <u> 7,335</u> | <u> 6,620</u> |
| FUND BALANCE, end of year | | <u> </u> | <u> </u> |

See accompanying notes to budgetary schedules.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL
ACTIVITIES FUND
YEAR ENDED AUGUST 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

| | Original and Final Budget | 2020 Actual | 2019 Actual |
|---------------------------------|------------------------------------|----------------|----------------|
| FUND BALANCE, beginning of year | | <u>346,117</u> | <u>300,842</u> |
| RECEIPTS | <u>350,000</u> | <u>292,607</u> | <u>364,164</u> |
| TOTAL FUNDS AVAILABLE | | <u>638,724</u> | <u>665,006</u> |
| DISBURSEMENTS | <u>693,805</u> | <u>283,929</u> | <u>318,889</u> |
| FUND BALANCE, end of year | | <u>354,795</u> | <u>346,117</u> |
| ANALYSIS OF FUND BALANCE | | | |
| Cash in bank | | | |
| Checking account | | 317,795 | 309,117 |
| Certificates of deposit | | <u>37,000</u> | <u>37,000</u> |
| TOTAL FUND BALANCE | | <u>354,795</u> | <u>346,117</u> |

See accompanying notes to budgetary schedules.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
NOTES TO BUDGETARY SCHEDULES

NOTE 1. SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - BUDGET AND ACTUAL

Basis of Accounting

The accompanying schedules of receipts, disbursements, and changes in fund balance - modified cash basis - budget and actual are presented on the modified cash basis of accounting. This basis is consistent with the basis of accounting used in preparing the basic financial statements. All undisbursed appropriations lapse at the end of the budget year. For budgetary purposes, transfers to the Depreciation Fund are reflected as disbursements in the General Fund when the transfer is made. These transfers are reflected in functional disbursements of the General Fund as required by Nebraska Department of Education budget reporting requirements. This classification is made based on the District's eventual intended use of the funds.

Budget Law

The District is required by state law to hold public hearings and adopt annual budgets for all funds on the modified cash basis of accounting. Total disbursements for each fund may not exceed the total budgeted disbursements. The General Fund is also subject to a total non-special education disbursement limit. Appropriations for disbursements lapse at year end. Any revisions to the adopted budget of total disbursements to any fund require a public hearing.

Comparative Data

Comparative data for the prior year have been presented in the budgetary schedules in order to provide an understanding of the changes in the District's financial position and operation (modified cash basis).

Reconciliation

The Nebraska Department of Education requires separate budgets for those funds considered as General Fund components for budget purposes.

A reconciliation of the General Fund financial reporting basis to the budgetary basis is as follows:

| | |
|---|----------------|
| Receipts over disbursements - financial reporting basis | |
| General Fund | <u>295,482</u> |
| Receipts over disbursements - budgetary basis | |
| General Fund | 285,333 |
| Depreciation Fund | <u>10,149</u> |
| | <u>295,482</u> |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
ACTIVITIES FUND
SCHEDULE OF CHANGES IN CASH BALANCES
(UNAUDITED)
YEAR ENDED AUGUST 31, 2020

| | Balance 9/1/19 | Receipts | Disburse- ments | Balance 8/31/20 |
|------------------------|-------------------|----------|--------------------|--------------------|
| Football | 6,759 | 12,410 | 17,794 | 1,375 |
| Volleyball | 1,015 | 13,649 | 11,540 | 3,124 |
| Softball | 5,127 | 1,788 | 1,784 | 5,131 |
| Cross Country | 2,116 | 3,671 | 3,767 | 2,020 |
| Golf | 15,958 | 11,743 | 5,823 | 21,878 |
| Basketball | 8,393 | 18,618 | 20,197 | 6,814 |
| Wrestling | 3,619 | 16,683 | 18,348 | 1,954 |
| Track | 1,699 | 5,881 | 7,575 | 5 |
| Athlete Rewards | 157 | 3,473 | 720 | 2,910 |
| Art Club | 276 | 748 | 262 | 762 |
| Cheerleaders | 2,822 | 1,461 | 4,094 | 189 |
| Dance Team | 1,419 | 713 | 1,582 | 550 |
| SADD | 193 | 404 | 585 | 12 |
| FBLA | 741 | 8,846 | 7,440 | 2,147 |
| FCCLA | | 6,188 | 4,970 | 1,218 |
| Industrial Tech Club | 4,534 | 5,379 | 3,589 | 6,324 |
| M-W-Club | 424 | 750 | 966 | 208 |
| Student Senate | 597 | 1,475 | 1,139 | 933 |
| Spanish Club | 2,113 | 608 | 816 | 1,905 |
| Speech Team | 12,810 | 6,754 | 8,958 | 10,606 |
| FCS Fundraising | 33 | | | 33 |
| One Act Plays | 6,095 | 11,677 | 10,245 | 7,527 |
| Spring Play/Musical | 1,809 | | 629 | 1,180 |
| Yearbook | 3,196 | 13,202 | 15,422 | 976 |
| Metals | 162 | 3,053 | 2,660 | 555 |
| Calculator Rent | 3,107 | 160 | 322 | 2,945 |
| English | 147 | | | 147 |
| Industrial Arts | | 12,209 | 10,268 | 1,941 |
| Instrumental Music | | 9,814 | 3,290 | 6,524 |
| National Honor Society | 1,493 | 1,206 | 1,260 | 1,439 |
| Vocal Music | 2,250 | 848 | 1,322 | 1,776 |
| Automotive | 574 | | 53 | 521 |
| ACT Prep | 92 | | | 92 |
| Archery | 105 | | | 105 |
| Class of 2012 | 1,043 | | | 1,043 |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
ACTIVITIES FUND
SCHEDULE OF CHANGES IN CASH BALANCES
(UNAUDITED)
YEAR ENDED AUGUST 31, 2020

| | Balance 9/1/19 | Receipts | Disburse- ments | Balance 8/31/20 |
|--------------------------|-------------------|----------|--------------------|--------------------|
| Class of 2013 | 837 | | | 837 |
| Class of 2014 | 2,055 | | | 2,055 |
| Class of 2015 | 1,602 | | | 1,602 |
| Class of 2016 | 1,065 | | | 1,065 |
| Class of 2017 | 746 | | 72 | 674 |
| Class of 2018 | 195 | | 195 | |
| Class of 2019 | 59 | | 59 | |
| Class of 2020 | 2,218 | 1,377 | 3,595 | |
| Class of 2021 | | 7,402 | 4,173 | 3,229 |
| HS Library | 252 | 229 | 122 | 359 |
| HSPM | 727 | 3,854 | 4,258 | 323 |
| Sub Districts | 761 | 11,135 | 11,896 | |
| HS Pictures | 5,728 | 5,858 | 2,741 | 8,845 |
| Graduation Fees | 686 | | 71 | 615 |
| Circle of Friends | 884 | 3,300 | 2,678 | 1,506 |
| Backpack Program | 2,391 | | | 2,391 |
| HS Protection Plan | 6,930 | 5,063 | 1,787 | 10,206 |
| Band Boosters | 6,790 | 546 | 7,336 | |
| MS Library | 605 | 2,985 | 3,108 | 482 |
| MSPM | 6,900 | 2,837 | 3,281 | 6,456 |
| Student Council | 1,358 | 1,373 | 1,362 | 1,369 |
| Quiz Bowl | 407 | | | 407 |
| Art Club | 233 | 166 | 130 | 269 |
| CL Jones iPad Insurance | 8,650 | 7,375 | 4,509 | 11,516 |
| MS Circle of Friends | 280 | | 86 | 194 |
| Box Tops (MS) | 1,814 | 94 | 1,222 | 686 |
| MS Journalism | 620 | 165 | 488 | 297 |
| Purple Power Safety Club | 164 | 261 | 352 | 73 |
| DC Trip | 110 | 8,336 | 7,823 | 623 |
| Box Tops (East) | 14,760 | 1,205 | 585 | 15,380 |
| East Library | 3,095 | 4,226 | 5,177 | 2,144 |
| PAC | 5,216 | 378 | 185 | 5,409 |
| Pop Machine | 868 | 269 | 690 | 447 |
| Pup Club | 3,782 | | 250 | 3,532 |

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
ACTIVITIES FUND
SCHEDULE OF CHANGES IN CASH BALANCES
(UNAUDITED)
YEAR ENDED AUGUST 31, 2020

| | Balance 9/1/19 | Receipts | Disburse- ments | Balance 8/31/20 |
|------------------------------|-------------------|----------------|--------------------|--------------------|
| Technology | 2,667 | 120 | | 2,787 |
| Denim Day | | 425 | 204 | 221 |
| Drivers' Education | 5,224 | 3,900 | 3,020 | 6,104 |
| Adult Passes | 649 | 6,975 | 7,624 | |
| Concessions | 4,648 | 24,104 | 24,016 | 4,736 |
| General | 1,229 | 485 | 490 | 1,224 |
| All Stars | 2,434 | | | 2,434 |
| Adult Education | 955 | 600 | 250 | 1,305 |
| Bio Center | 99 | | | 99 |
| Current Interest | 2,132 | 1,056 | 2,876 | 312 |
| Interest | 911 | | 411 | 500 |
| Scholarship | 9,078 | 4,500 | 3,500 | 10,078 |
| Stanley Smith Scholarship | 1,373 | 250 | | 1,623 |
| Kendal Peterson Scholarship | 126,586 | | 2,000 | 124,586 |
| Beef in Schools | 5,205 | 3,597 | 2,068 | 6,734 |
| Key Fobs | 8,842 | 4,750 | 1,819 | 11,773 |
| Facility Rental | 419 | | | 419 |
| TOTAL ACTIVITIES FUND | <u>346,117</u> | <u>292,607</u> | <u>283,929</u> | <u>354,795</u> |
| BUDGET | | <u>350,000</u> | <u>693,805</u> | |



**DANA F. COLE
& COMPANY LLP**
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Education
Minden Public Schools District No. 503
Minden, Nebraska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Minden Public Schools District No. 503, Minden, Nebraska, as of and for the year ended August 31, 2020, and the related notes to the financial statements, which collectively comprise Minden Public Schools District No. 503, Minden, Nebraska's basic financial statements, and have issued our report thereon dated October 27, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Minden Public Schools District No. 503, Minden, Nebraska's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Minden Public Schools District No. 503, Minden, Nebraska's internal control. Accordingly, we do not express an opinion on the effectiveness of Minden Public Schools District No. 503, Minden, Nebraska's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and responses, that we consider to be a significant deficiency as item 2020-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Minden Public Schools District No. 503, Minden, Nebraska's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Minden Public Schools District No. 503, Minden, Nebraska's Response to Findings

Minden Public Schools District No. 503, Minden, Nebraska's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Minden Public Schools District No. 503, Minden, Nebraska's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Dana J Cole + Company, LLP

Minden, Nebraska
October 27, 2020

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SCHEDULE OF FINDINGS AND REPOSSES
YEAR ENDED AUGUST 31, 2020

2020-001 SEGREGATION OF DUTIES

Criteria

Internal controls should be in place to ensure proper segregation of duties.

Condition

Due to the size of the District, there is limited segregation of duties over accounting functions; one person has extensive knowledge of the District's accounting records used for the financial statement preparation. The same individual routinely reconciles the bank statements, makes journal entries, and manages the general ledger functions. There is a lack of segregation of duties within the cash receipts and cash disbursements functions. Administrative personnel have access to cash receipts, preparing checks, recording the transactions, and making deposits.

Cause

The District has a limited number of personnel involved in the accounting functions.

Potential Effect

Inadequate segregation of duties could lead to the misappropriation of assets or unauthorized transactions could occur or improper reporting.

Recommendations

We recommend that the District continue to monitor and evaluate its internal controls with the use of limited personnel and to provide as much segregation of duties as determined to be feasible within its operations.

District's Response

The District, within the constraints of existing time and cost considerations, will continue to review the situation and make improvements as deemed appropriate.

MINDEN PUBLIC SCHOOLS DISTRICT NO. 503
MINDEN, NEBRASKA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED AUGUST 31, 2020

2019-001 SEGREGATION OF DUTIES

The District had a limited number of personnel involved in the accounting function, and also a limited number of personnel involved in the functions for ensuring compliance with laws, regulations, contracts, grant agreements, and requirements applicable to each of its major federal programs, thus limiting its internal control procedures. The District implemented some mitigating controls in certain areas. We recommended that the District continue to monitor and evaluate its internal controls with the use of limited personnel to provide as much segregation of duties as feasible. We also recommend that, at a minimum, a review be conducted for the data contained in reports and all material records and accounts of the District be reconciled. This is a continuing finding for the financial statements as noted in the schedule of findings and responses as item 2020-001.

Minden Public Schools

- Audit Presentation
- For the Year Ended August 31, 2020



Dana F. Cole and Company, LLP

Minden Public Schools

- Unmodified audit report (pages 1-3)
- This is the best report that a District can receive as a result of an audit and to receive an unmodified audit report speaks highly of your District, of you as board members, and of your staff.
- It means that in our opinion, the financial statements are presented fairly in all material respects in accordance with the modified cash basis of accounting.

Minden Public Schools

- The audit results reflect that the District followed the rules of accounting and financial reporting, but not whether the District managed its finances properly.
- Benefits of Financial Statements
 - Provide accountability to the public
 - Provide information that is useful to taxpayers, creditors, and management for decision making.

Minden Public Schools

- Statement of Activities- (pages 4-6)
- This is a district-wide statement and provides a comprehensive financial information and an overarching view of the state of District finances.
- It shows where the entire District received its resources from, and disbursements by District Function, as well as change in cash balance.

Minden Public Schools

- Statement of Activities

(pages 4-6)

| | 8/31/20 | 8/31/19 |
|------------------------|--------------|---------------|
| Charges for Services | \$161,573 | \$213,874 |
| Operating grants | \$1,141,680 | \$1,007,825 |
| Capital Grants | 35,000 | |
| General receipts | \$12,065,229 | \$10,853,491 |
| Disbursements | \$24,007,236 | \$13,724,471 |
| Change in net position | \$(757,243) | \$(1,649,281) |

Minden Public Schools Fund Balances (Summary)

| | 8/31/2020 | 8/31/2019 | Change |
|----------------------------|---------------------|---------------------|---------------------|
| General * | \$ 4,764,019 | \$ 4,478,686 | \$ 285,333 |
| Depreciation* | 693,030 | 682,881 | 10,149 |
| School Nutrition | 91,980 | 56,493 | 35,487 |
| Bond | 1,997,174 | 2,117,110 | (119,936) |
| Building | 1,177,618 | 2,145,894 | (968,276) |
| Student Fee | - | - | - |
| TOTAL FUND BALANCES | \$ 8,723,821 | \$ 9,481,064 | \$ (757,243) |

Building fund decreased by expenses paid for capital disbursement items. Bond fund decreased overall with tax collections approximately \$1.6 million, refunding proceeds of 9.8 million reduced by principal and interest paid of approximately \$11.7 million due to bond refunding and normal debt payments.

* Reported as General Fund on Fund statements with details on pages 28-31

Minden Public Schools General Fund (Summary)

| | 8/31/20 | 8/31/19 | |
|---------------------------|------------|------------|----------|
| Support and Revenue | | | |
| Local Sources and taxes | 8,665,814 | 8,255,255 | 410,559 |
| County and ESU sources | 31,311 | 25,487 | 5,824 |
| State Sources | 1,713,136 | 1,565,255 | 147,881 |
| Federal Sources | 370,145 | 316,009 | 54,136 |
| Other Sources | 36,000 | 96,825 | (60,825) |
| Transfer in | 1 | 234 | (233) |
| | 10,816,407 | 10,259,065 | 557,342 |
| Expenses | | | |
| Educational expenses | 6,545,066 | 6,454,742 | 90,324 |
| Support services | 2,520,322 | 2,496,307 | 24,015 |
| Administrative services | 955,284 | 909,961 | 45,323 |
| State and federal program | 460,402 | 347,288 | 113,114 |
| Transfers | 50,000 | 50,000 | 0 |
| | 10,531,074 | 10,258,298 | 272,776 |
| Change in fund balance | 285,333 | 767 | 284,566 |

Minden Public Schools

General Fund Analysis Revenues and Expenses:

- Local revenues and taxes decreased in the budgeted tax levy from \$8,742,417 in the prior year to \$8,662,258 in the current year which is a decrease of approximately \$80,000. Also, actual year tax collections increased approximately \$426,000.
- Federal sources increased approximately \$54,000, due to change in IDEA primarily.
- Other sources decreased \$60,825 due to sale of property and insurance proceeds.
- Expenditures increased approximately \$272,000, with \$92,000 eligible for Cares Act reimbursement.

Minden Public Schools

General Fund Balance Reserve

The current reserve ratio to operating expenses for the past five years is shown below:

| | |
|-----------|------------|
| 2015-2016 | 5.1 months |
| 2016-2017 | 5.4 months |
| 2017-2018 | 5.2 months |
| 2018-2019 | 5.2 months |
| 2019-2020 | 5.4 months |

Over the past five years, the fund balance in the general fund has remained steady around the \$4.5 million in 2015 to \$4.7 million in 2020. We recommend that at least a 3 month reserve be maintained as levied property taxes are not due until December 31st of the current year. Reserve ratio has remained steady which shows strong financial position.

Minden Public Schools

Total Requirements

Bond Fund (Summary)

| | |
|---------|------------------|
| 8/31/21 | 1,705,545 |
| 8/31/22 | 1,707,586 |
| 8/31/23 | 1,708,078 |
| 8/31/24 | 1,706,875 |
| 8/31/25 | <u>1,709,753</u> |

Five year Debt Service Schedule

8,537,837

Fund Balance

| | |
|----------------------------|------------------|
| Beginning of year | 2,117,110 |
| Change in Fund Balance | <u>(119,936)</u> |
| End of year balance | <u>1,997,174</u> |
| Tax amount levied for 2020 | <u>1,512,903</u> |

Minden Public Schools

- Fiduciary Funds (Page 10)
 - Funds the District acts as a trustee or agent for the benefit of others, to whom the resources belong.
- Due to Student Activities groups
- Due to flexible benefit plan participants

Minden Public Schools

- Notes to Financial Statements

pages- 11-27

- Brief Description of:
 - Significant accounting policies
 - District Wide Statements and Fund Statements
 - Program revenues
 - Component unit and relationships to District
 - Long term debt – including issuances, payment requirements and maturities
 - Retirement Note
 - Capital Lease Agreement
 - Commitments
 - Federal Award Programs
 - Recently issues and adopted accounting pronouncements
 - Subsequent Events

Minden Public Schools

- Schedules of General Fund Components

(Pages 28-31)

- General Fund
- Depreciation Fund

These two funds comprise the General Fund on the Fund statements.

Minden Public Schools

- Schedules of Receipts and Disbursements
 - Budget and Actual (pages 32-45)
 - All funds within adopted budget

Minden Public Schools

- Activities Fund (page 46-48)
 - Summary of the changes in cash balances by Activity.
 - Cash Balance is reported as a Fiduciary Fund on page 10 of the Basic Financial Statements
 - Compares Receipts and Expenses to Budget in total for Activity Fund.

Minden Public Schools

Summary of Findings Reported (page 51)

- The findings related to segregation of duties are normal for a District this size. However, we do recommend that the District implement certain controls and review processes to further assist in ensuring that the District records report accurate financial information.

Minden Public Schools

- Federal Awards

The District spent less than \$750,000 of federal expenditures, and therefore federal compliance audits were not required to be completed this year ending August 31, 2020.

Minden Public Schools

General Items

- We recommended and management approved our proposed adjusting entries.
- We noted no unauthorized transactions.
- District staff were prepared and organized for our audit procedures.
- We encountered no difficulties in dealing with management in performing and completing our audit.
- District staff were courteous and pleasant to work with and we appreciate all their hard work.

 **AIA[®] Document B101[™] – 2017****Standard Form of Agreement Between Owner and Architect**

AGREEMENT made as of the 9th day of November in the year 2020 ("Effective Date")
(*In words, indicate day, month and year.*)

BETWEEN the Architect's client identified as the Owner:
(*Name, legal status, address and other information*)

Kearney County School District 50-0503, a/k/a Minden Public Schools
A political subdivision and Class III public school district of the State of Nebraska
543 W. 5th Street
Minden, NE 68959
308-832-2440

and the Architect:
(*Name, legal status, address and other information*)

Engineering Technologies, Inc. d/b/a ETI
A Nebraska corporation
825 M Street, Suite 200
Lincoln, NE 68508
402-476-1273
(Engineering firm hereinafter referred to as "Architect")

for the following Project:
(*Name, location and detailed description*)

Minden Public Schools – C.L. Jones Middle School heating, ventilation, and air conditioning (HCAV) system replacement project, generally consisting of the evaluation, design, installation and related construction of a new HVAC system serving the facility located at 520 West 3rd Street, Minden, Nebraska.

The Owner and Architect agree as follows.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Init.

TABLE OF ARTICLES

| | |
|----|--------------------------------------|
| 1 | INITIAL INFORMATION |
| 2 | ARCHITECT'S RESPONSIBILITIES |
| 3 | SCOPE OF ARCHITECT'S BASIC SERVICES |
| 4 | SUPPLEMENTAL AND ADDITIONAL SERVICES |
| 5 | OWNER'S RESPONSIBILITIES |
| 6 | COST OF THE WORK |
| 7 | COPYRIGHTS AND LICENSES |
| 8 | CLAIMS AND DISPUTES |
| 9 | TERMINATION OR SUSPENSION |
| 10 | MISCELLANEOUS PROVISIONS |
| 11 | COMPENSATION |
| 12 | SPECIAL TERMS AND CONDITIONS |
| 13 | SCOPE OF THE AGREEMENT |

ARTICLE 1 INITIAL INFORMATION

§ 1.1 This Agreement is based on the Initial Information set forth in this Section 1.1.

(For each item in this section, insert the information or a statement such as "not applicable" or "unknown at time of execution.")

§ 1.1.1 The Owner's program for the Project:

(Insert the Owner's program, identify documentation that establishes the Owner's program, or state the manner in which the program will be developed.)

The Owner's program for the selected Project is identified and described on the attached Scope of Project sheet, Appendix A.

§ 1.1.2 The Project's physical characteristics:

(Identify or describe pertinent information about the Project's physical characteristics, such as size; location; dimensions; geotechnical reports; site boundaries; topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site, etc.)

The physical characteristics for the selected Project are identified and described on the attached Scope of Project sheet, Appendix A.

§ 1.1.3 The Owner's Construction Budget:

(Provide total and, if known, a line item breakdown.)

The Owner's Construction Budget for the selected Project is identified and described on the attached Scope of Project sheet, Appendix A.

§ 1.1.4 The Owner's anticipated design and construction milestone dates:

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- .1 Design phase milestone dates, if any:
See Scope of Project sheet, Appendix A
- .2 Construction commencement date:
See Scope of Project sheet, Appendix A
- .3 Substantial Completion date or dates:
See Scope of Project sheet, Appendix A
- .4 Other milestone dates:
See Scope of Project sheet, Appendix A

§ 1.1.5 The Owner intends the following construction procurement and delivery method for the Project:
(Identify method such as competitive bid or negotiated contract, as well as any requirements for accelerated or fast-track design and construction, multiple bid packages, or phased construction.)

Design-Bid-Build under Neb. Rev. Stat, §73-101 and §73-106.

§ 1.1.6 The Owner’s anticipated Sustainable Objective for the Project:
(Identify and describe the Owner’s Sustainable Objective for the Project, if any.)

None

(Paragraph deleted)

§ 1.1.7 The Owner identifies the following representative in accordance with Section 5.3:
(List name, address, and other contact information.)

James Widdifield, Superintendent
Minden Public Schools
543 W. 5th Street
Minden, NE 68959
308-832-2440
james.widdifield@mindenwhippets.org

§ 1.1.8 The persons or entities, in addition to the Owner’s representative, who are required to review the Architect’s submittals to the Owner are as follows:
(List name, address, and other contact information.)

Not applicable

§ 1.1.9 The Owner shall retain the following consultants and contractors:
(List name, legal status, address, and other contact information.)

- .1 Geotechnical Engineer:
To be determined (if necessary or required)
(Paragraphs deleted)
- .2 Site Survey:
To be determined (if necessary or required)

- .3** Other, if any:
(List any other consultants and contractors retained by the Owner.)

None

§ 1.1.10 The Architect identifies the following representative in accordance with Section 2.3:
(List name, address, and other contact information.)

Derek Kotschwar, Project Manager
Engineering Technologies, Inc.
825 M Street, Suite 200
Lincoln, NE 68508
402-476-1273
dkotschwar@eti-engineers.com

§ 1.1.11 The Architect shall retain the consultants identified in Sections 1.1.11.1 and 1.1.11.2:
(List name, legal status, address, and other contact information.)

§ 1.1.11.1 Consultants retained under Basic Services:

- .1** Electrical Engineer:

None

- .2** Civil Engineer:

None

- .3** Mechanical Engineer:

None

- .4** Structural Engineering:

R.O. Youker, Inc.
A Nebraska corporation
1201 O Street, Suite 310
Lincoln, NE 68508
402-477-7640

- .5** HVAC Consultant:

None

- .6** Architectural Design Consultant:

Cannon Moss Brygger & Associates, P.C. d/b/a CMBA Architects
A Nebraska professional corporation
208 N. Pine Street, Suite 301
Grand Island, NE 68803
308-384-4444

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§ 1.1.11.2 Consultants retained under Supplemental Services:

None

§ 1.1.11.3 The Owner reserves the right to refuse or limit Architect's use of any employee or consultants and to require Architect to remove any employee or consultant already engaged in the performance of the services on the Project.

§ 1.1.12 Other Initial Information on which the Agreement is based:

None

§ 1.2 The Owner and Architect may rely on the Initial Information. Both parties, however, recognize that the Initial Information may materially change and, in that event, the Owner and the Architect shall appropriately adjust the Architect's services, schedule for the Architect's services, and the Architect's compensation. The Owner shall adjust the Owner's budget for the Cost of the Work and the Owner's anticipated design and construction milestones, as necessary, to accommodate material changes in the Initial Information.

§ 1.3 The parties shall agree upon protocols governing the transmission and use of Instruments of Service or any other information or documentation in digital form.

(Paragraph deleted)

§ 1.4 The term of this Agreement shall be for a period beginning on the Effective Date and shall continue through the occurrence of one of the following events, whichever occurs first in time:

- .1 The completion of all services provided by the Architect for the Project under the terms of this Agreement, with the term of this Agreement to extend to twelve (12) months after the issuance to the Owner by the Architect of the Certificate of Substantial Completion for the Project.
- .2 The termination of this Agreement according to its terms.

§ 1.5 This Agreement shall not create a continuing contract for architectural services for future building projects or bond elections beyond the terms of this Agreement.

§ 1.6 Any additional services to be provided by the Architect not otherwise identified in this Agreement shall be determined by a separate written agreement or addendum to this Agreement signed by both parties.

ARTICLE 2 ARCHITECT'S RESPONSIBILITIES

§ 2.1 The Architect shall provide professional services as set forth in this Agreement. The Architect represents that it is properly licensed in the jurisdiction where the Project is located to provide the services required by this Agreement, or shall cause such services to be performed by appropriately licensed design professionals.

§ 2.2 The Architect shall perform its services consistent with the professional skill and care ordinarily provided by architects practicing in the same or similar locality under the same or similar circumstances. The Architect shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project.

§ 2.3 The Architect shall identify a representative authorized to act on behalf of the Architect with respect to the Project.

§ 2.4 Except with the Owner's knowledge and consent, the Architect shall not engage in any activity, or accept any employment, interest or contribution that would reasonably appear to compromise the Architect's professional judgment with respect to this Project.

§ 2.5 The Architect shall maintain the following insurance until termination of this Agreement.

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§ 2.5.1 Commercial General Liability with policy limits of not less than One Million Dollars (\$ 1,000,000) for each occurrence and Two Million Dollars (\$ 2,000,000) in the aggregate for bodily injury and property damage.

§ 2.5.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Architect with policy limits of not less than One Million Dollars (\$ 1,000,000) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

§ 2.5.3 The Architect may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess or umbrella liability insurance, provided such primary and excess or umbrella liability insurance policies result in the same or greater coverage as the coverages required under Sections 2.5.1 and 2.5.2, and in no event shall any excess or umbrella liability insurance provide narrower coverage than the primary policy. The excess policy shall not require the exhaustion of the underlying limits only through the actual payment by the underlying insurers.

§ 2.5.4 Workers' Compensation at statutory limits.

§ 2.5.5 Employers' Liability with policy limits not less than One Million Dollars (\$ 1,000,000) each accident, One Million Dollars (\$ 1,000,000) each employee, and One Million Dollars (\$ 1,000,000) policy limit.

§ 2.5.6 Professional Liability covering negligent acts, errors and omissions in the performance of professional services with policy limits of not less than Two Million Dollars (\$ 2,000,000) per claim and Two Million Dollars (\$ 2,000,000) in the aggregate. Policy limits for Professional Liability in excess of the Architect's usual and customary limits may be required to be added by a Specific Job endorsement, the premium of which may be covered by the Owner as a reimbursable expense.

§ 2.5.7 **Additional Insured Obligations.** To the fullest extent permitted by law, the Architect shall cause the primary and excess or umbrella policies for Commercial General Liability and Automobile Liability to include the Owner as an additional insured for claims caused in whole or in part by the Architect's negligent acts or omissions. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies and shall apply to both ongoing and completed operations.

§ 2.5.8 The Architect shall provide certificates of insurance to the Owner that evidence compliance with the requirements in this Section 2.5.

§ 2.5.9 Excess or Umbrella Liability with policy limits of not less than Three Million Dollars (\$ 3,000,000).

ARTICLE 3 SCOPE OF ARCHITECT'S BASIC SERVICES

§ 3.1 The Architect's Basic Services consist of those described in this Article 3 and include usual and customary architectural services, usual and customary structural, mechanical, civil and electrical engineering services and other services described herein. Services not set forth in this Article 3, or not identified as Basic Services in Article 4, are Supplemental or Additional Services.

§ 3.1.1 The Architect shall manage the Architect's services, research applicable design criteria, attend Project meetings, communicate with members of the Project team, and report progress to the Owner.

§ 3.1.2 The Architect shall coordinate its services with those services provided by the Owner and the Owner's consultants. The Architect shall be entitled to rely on, and shall not be responsible for, the accuracy, completeness, and timeliness of, services and information furnished by the Owner and the Owner's consultants. The Architect shall provide prompt written notice to the Owner if the Architect becomes aware of any error, omission, or inconsistency in such services or information.

§ 3.1.3 As soon as practicable after the date of this Agreement, the Architect shall submit for the Owner's approval a schedule for the performance of the Architect's services. The schedule initially shall include anticipated dates for the commencement of construction and for the date of Substantial Completion of the Work as set forth in the Initial Information. The schedule shall include allowances for periods of time required for the Owner's review, for the

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performance of the Owner's consultants, and for approval of submissions by authorities having jurisdiction over the Project. Once approved by the Owner, time limits established by the schedule shall not, except for reasonable cause, be exceeded by the Architect or Owner. With the Owner's approval, the Architect shall adjust the schedule, if necessary, as the Project proceeds until the commencement of construction.

§ 3.1.4 The Architect shall not be responsible for an Owner's directive or substitution, or for the Owner's acceptance of non-conforming Work, made or given without the Architect's written approval.

§ 3.1.5 The Architect, at appropriate times, shall contact governmental authorities required to approve the Construction Documents and entities providing utility services to the Project. The Architect shall respond to applicable design requirements imposed by those authorities and entities.

§ 3.1.6 The Architect shall assist the Owner in connection with the Owner's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project.

§ 3.1.7 Basic Services

In addition to the usual and customary architecture and engineering services to be provided by the Architect under this Article 3, Basic Services under this Agreement also shall include the specific services identified in the non-exclusive list below.

- .1 Engineering design (including Electrical, Mechanical, Structural, and Civil engineering)
- .2 Construction administration and construction observation
- .3 Value analysis
- .4 Cost estimating
- .5 Conformed documents for construction
- .6 As-designed record drawings
- .7 Contractor's as-built drawings
- .8 Commissioning
- .9 Post-occupancy evaluation
- .10 Consultant coordination
- .11 Architectural design

§ 3.1.8 **Owner's Approval Not a Waiver.** Approval by the Owner of any plans, studies, designs, specifications, reports, or Instruments of Service furnished by the Architect under this Agreement shall not constitute and shall not in any way be deemed to be a release of the responsibility and liability of the Architect, its agents, employees, and subcontractors, for the adequacy of the Architect's work or for the Instruments of Service, nor shall such approval be deemed to be an assumption of such responsibility and liability by the Owner for any defect in the Instruments of Service prepared by the Architect, its agents, employees, subcontractors, or consultants. The Owner's approval or acceptance of, or payment for, any of the Architect's services shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

§ 3.2 Schematic Design Phase Services

§ 3.2.1 The Architect shall review the program and other information furnished by the Owner, and shall review laws, codes, and regulations applicable to the Architect's services, including all applicable building codes, fire codes, in-door air quality standards, life-safety codes and standards, accessibility barrier standards, and any other required building components, systems or structures.

§ 3.2.2 The Architect shall prepare a preliminary evaluation of the Owner's program, schedule, budget for the Cost of the Work, Project site, the proposed procurement and delivery method, and other Initial Information, each in terms of the other, to ascertain the requirements of the Project. The Architect shall notify the Owner of (1) any inconsistencies discovered in the information, and (2) other information or consulting services that may be reasonably needed for the Project.

§ 3.2.3 The Architect shall present its preliminary evaluation to the Owner and shall discuss with the Owner alternative approaches to design and construction of the Project. The Architect shall reach an understanding with the Owner regarding the requirements of the Project.

Init.

§ 3.2.4 Based on the Project requirements agreed upon with the Owner, the Architect shall prepare and present, for the Owner's approval, a preliminary design illustrating the scale and relationship of the Project components.

§ 3.2.5 Based on the Owner's approval of the preliminary design, the Architect shall prepare Schematic Design Documents for the Owner's approval. The Schematic Design Documents shall consist of drawings and other documents including a site plan, if appropriate, and preliminary building plans, sections and elevations; and may include some combination of study models, perspective sketches, or digital representations. Preliminary selections of major building systems and construction materials shall be noted on the drawings or described in writing.

§ 3.2.5.1 The Architect shall consider sustainable design alternatives, such as material choices and building orientation, together with other considerations based on program and aesthetics, in developing a design that is consistent with the Owner's program, schedule and budget for the Cost of the Work. The Owner may obtain more advanced sustainable design services as a Supplemental Service under Section 4.1.1.

§ 3.2.5.2 The Architect shall consider the value of alternative materials, building systems and equipment, together with other considerations based on program and aesthetics, in developing a design for the Project that is consistent with the Owner's program, schedule, and budget for the Cost of the Work.

§ 3.2.6 The Architect shall submit to the Owner a written Opinion of Probable Cost of the Work prepared in accordance with Section 6.3.

§ 3.2.7 The Architect shall submit the Schematic Design Documents to the Owner, and request the Owner's approval.

§ 3.3 Design Development Phase Services

§ 3.3.1 Based on the Owner's approval of the Schematic Design Documents, the Owner's written authorization to proceed, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Design Development Documents for the Owner's approval. The Design Development Documents shall illustrate and describe the development of the approved Schematic Design Documents and shall consist of drawings and other documents including plans, sections, elevations, typical construction details, and diagrammatic layouts of building systems to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, and other appropriate elements. The Design Development Documents shall also include outline specifications that identify major materials and systems and establish, in general, their quality levels.

§ 3.3.2 The Architect shall update the written Opinion of Probable Cost of the Work prepared in accordance with Section 6.3.

§ 3.3.3 The Architect shall submit the Design Development Documents to the Owner, advise the Owner of any adjustments to the written Opinion of Probable Cost of the Work, and request the Owner's approval.

§ 3.4 Construction Documents Phase Services

§ 3.4.1 Based on the Owner's approval of the Design Development Documents, the Owner's written authorization to proceed, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Construction Documents for the Owner's approval. The Construction Documents shall illustrate and describe the further development of the approved Design Development Documents and shall consist of Drawings and Specifications setting forth in detail the quality levels and performance criteria of materials and systems and other requirements for the construction of the Work. The Owner and Architect acknowledge that, in order to perform the Work, the Contractor will provide additional information, including Shop Drawings, Product Data, Samples and other similar submittals, which the Architect shall review in accordance with Section 3.6.4.

§ 3.4.2 The Architect shall incorporate the design requirements of governmental authorities having jurisdiction over the Project into the Construction Documents.

§ 3.4.2.1 The Architect, at appropriate times during the Construction Documents Phase, shall contact the governmental authorities required to approve the Construction Documents and the entities providing utility services to the Project. In designing the Project, the Architect shall respond to applicable design requirements imposed by such governmental authorities and by such entities providing utility services, including:

- .1 Design and prepare plans and specifications for the Project that meet the design and construction requirements of all applicable local, state and federal codes, statutes and regulations and mandates of governmental authorities, including but not limited to all building codes, fire codes, in-door air quality standards, life-safety codes and standards, accessibility barrier standards, and any other required building components, systems or structures.
- .2 Prepare written Opinions of Probable Cost of the Work to include such codes compliance design standards and requirements for the improvements to be constructed.
- .3 At the time of the delivery of the completed Construction Documents for the Project to the Owner, the Architect shall submit to the Owner written approval of the plans and specifications for the Project from all applicable governmental authorities, including but not limited to the building codes inspector(s) and Nebraska State Fire Marshal, and any deputy Fire Marshal, with jurisdiction over the Project which confirms that such plans and specifications meet all applicable building codes, fire codes, in-door air quality standards, life-safety codes and standards, accessibility barrier standards, and any other required building components, systems or structures for the Project. The Architect will bring to the Owner's attention any authority/entity failing to provide written or stamped approval along with a brief summary of the Architect's efforts to gain approval. If the Architect performs the requirements of this paragraph, and subsequently the plans and specifications for the Project, or any portion thereof, are subsequently determined by any governmental authority to not meet the design requirements of applicable local, state and federal codes, statutes and regulations or mandates of governmental authorities, the Architect shall be responsible to redesign that portion of the Project as an additional fee to bring the Work into compliance with such code, statute or regulation; PROVIDED, however, that if the Architect fails to perform the requirements of this paragraph, the Architect shall be responsible to redesign that portion of the Project at no additional fee. The Owner will notify the Architect if there is a change in the governmental authorities with jurisdiction over the Project during the term of this Agreement.

§ 3.4.2.2 The Architect shall design for accessibility by persons with disabilities in conformance with the provisions and references in applicable state or local building codes and the technical design requirements of the Americans with Disabilities Act (ADA) and, if applicable, the Fair Housing Act (FHA) in effect as of the date of completion of the design to the extent those statutes apply to the Project. The Owner will determine the full extent of its obligations under the ADA and FHA, including whether the ADA and/or the FHA apply to the Project, the extent that modifications are readily achievable under the ADA, and the extent that modifications to improve disability access are necessary during an alteration and provide the Architect with such information.

§ 3.4.3 During the development of the Construction Documents, the Architect shall assist the Owner in the development and preparation of (1) procurement information that describes the time, place, and conditions of bidding, including bidding or proposal forms; (2) the form of agreement between the Owner and Contractor; and (3) the Conditions of the Contract for Construction (General, Supplementary and other Conditions). The Architect shall also compile a project manual that includes the Conditions of the Contract for Construction and Specifications, and may include bidding requirements and sample forms.

§ 3.4.4 The Architect shall update the written Opinion of Probable Cost of the Work prepared in accordance with Section 6.3.

§ 3.4.5 The Architect shall submit the Construction Documents to the Owner, advise the Owner of any adjustments to the Opinion of Probable Cost of the Work, take any action required under Section 6.5, and request the Owner's approval.

§ 3.5 Procurement Phase Services

§ 3.5.1 General

The Architect shall assist the Owner in establishing a list of prospective contractors. Following the Owner's approval of the Construction Documents, the Architect shall assist the Owner in (1) obtaining either competitive bids or, if applicable, negotiated proposals; (2) confirming responsiveness of bids or, if applicable, proposals; (3) determining the successful bid or, if applicable, proposal, if any; and, (4) awarding and preparing contracts for construction.

§ 3.5.2 Competitive Bidding

§ 3.5.2.1 Bidding Documents shall consist of bidding requirements and proposed Contract Documents.

§ 3.5.2.2 The Architect shall assist the Owner in bidding the Project by:

- .1 assisting in preparing Bidding Documents for distribution to prospective bidders;
- .2 facilitating the distribution of Bidding Documents to prospective bidders;
- .3 organizing and conducting a pre-bid conference for prospective bidders;
- .4 preparing responses to questions from prospective bidders and providing clarifications and interpretations of the Bidding Documents to the prospective bidders in the form of addenda;
- .5 organizing and conducting the opening of the bids, and subsequently documenting and distributing the bidding results, as directed by the Owner; and
- .6 make recommendations to the Owner as to the lowest responsible bidder.

§ 3.5.2.3 If the Bidding Documents permit substitutions, upon the Owner's written authorization, the Architect shall consider requests for substitutions and prepare and distribute addenda identifying approved substitutions to all prospective bidders.

(Paragraphs deleted)

§ 3.6 Construction Phase Services

§ 3.6.1 General

§ 3.6.1.1 The Architect shall provide administration of the Contract between the Owner and the Contractor as set forth below and in AIA Document A201, General Conditions of the Contract for Construction, as amended. If the Owner and Contractor modify AIA Document A201, those modifications shall not affect the Architect's services under this Agreement unless the Owner and the Architect amend this Agreement.

§ 3.6.1.2 The Architect shall advise and consult with the Owner during the Construction Phase Services. The Architect shall have authority to act on behalf of the Owner only to the extent provided in this Agreement. The Architect shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, nor shall the Architect be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Architect shall be responsible for the Architect's negligent acts or omissions, but shall not have control over or charge of, and shall not be responsible for, acts or omissions of the Contractor or of any other persons or entities performing portions of the Work.

§ 3.6.1.3 Except as provided in Section 3.6.6.5 through 3.6.6.8, the Architect's responsibility to provide Construction Phase Services commences with the award of the Contract for Construction and terminates on the date the Architect issues the final Certificate for Payment.

§ 3.6.2 Evaluations of the Work

§ 3.6.2.1 The Architect shall visit the site at intervals appropriate to the stage of construction to become generally familiar with the progress and quality of the portion of the Work completed, and to determine, in general, if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. On the basis of the site visits, the Architect shall keep the Owner reasonably informed about the observable progress and quality of the portion of the Work completed, and promptly report to the Owner (1) known deviations from the Contract Documents, (2) known deviations from the most recent construction schedule submitted by the Contractor, and (3) defects and deficiencies observed in the Work.

§ 3.6.2.2 The Architect, after consulting with the Owner, has the authority to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect shall have the

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authority to require inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not the Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, material and/or equipment suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 3.6.2.3 The Architect shall interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests shall be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 3.6.2.4 Interpretations and decisions of the Architect shall be consistent with the intent of, and reasonably inferable from, the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and decisions, the Architect shall endeavor to secure faithful performance by both Owner and Contractor, shall not show partiality to either, and shall not be liable for results of interpretations or decisions rendered in good faith. The Architect's decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the Contract Documents and accepted by the Owner.

§ 3.6.2.5 Unless the Owner and Contractor designate another person to serve as an Initial Decision Maker, as that term is defined in AIA Document A201, the Architect shall render initial decisions on Claims, disputes or other matters in question between the Owner and Contractor as provided in the Contract Documents. However, the Owner's decisions in consultation with the Architect's decisions on matter relating to aesthetic effect shall be final if consistent with the intentions expressed in the Contract Documents.

§ 3.6.2.6 Interpretations and decisions of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and initial decisions, the Architect shall endeavor to secure faithful performance by both the Owner and the Contractor, shall not show partiality to either, and shall not be liable for the results of interpretations or decisions so rendered in good faith.

§ 3.6.3 Certificates for Payment to Contractor

§ 3.6.3.1 The Architect shall review and certify the amounts due the Contractor and shall issue certificates in such amounts. The Architect's certification for payment shall constitute a representation to the Owner, based on the Architect's observations at the site and of the Work on the Project as provided in Section 3.6.2 and on the data comprising the Contractor's Application for Payment, that, to the best of the Architect's knowledge, information and belief, the Work has progressed to the point indicated, the quality of the Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment in the amount certified. The foregoing representations are subject to (1) an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, (2) results of subsequent tests and inspections, (3) correction of minor deviations from the Contract Documents prior to completion, and (4) specific qualifications expressed by the Architect.

§ 3.6.3.2 The issuance of a Certificate for Payment shall not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, (3) reviewed copies of requisitions received from Subcontractors and suppliers and other data requested by the Owner to substantiate the Contractor's right to payment, or (4) ascertained how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

§ 3.6.3.3 The Architect shall maintain a record of the Applications and Certificates for Payment.

§ 3.6.4 Submittals

§ 3.6.4.1 The Architect shall review the Contractor's submittal schedule and shall not unreasonably delay or withhold approval of the schedule. The Architect's action in reviewing submittals shall be taken in accordance with the approved submittal schedule or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time, in the Architect's professional judgment, to permit adequate review.

§ 3.6.4.2 In accordance with the Owner and Architect approved submittal schedule, the Architect shall review and approve, or take other appropriate action upon, the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. Review of such submittals is not for the purpose of determining the accuracy and completeness of other information such as dimensions, quantities, and installation or performance of equipment or systems, which are the Contractor's responsibility. The Architect's review shall not constitute approval of safety precautions or construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 3.6.4.3 If the Contract Documents specifically require the Contractor to provide professional design services or certifications by a design professional related to systems, materials, or equipment, the Architect shall specify the appropriate performance and design criteria that such services must satisfy. The Architect shall review and take appropriate action on Shop Drawings and other submittals related to the Work designed or certified by the Contractor's design professional, provided the submittals bear such professional's seal and signature when submitted to the Architect. The Architect's review shall be for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Architect shall be entitled to rely upon, and shall not be responsible for, the adequacy and accuracy of the services, certifications, and approvals performed or provided by such design professionals.

§ 3.6.4.4 The Architect shall review and respond to requests for information about the Contract Documents, unless such information is available to the Contractor from careful study and comparison of the Contract Documents, field conditions, other Owner-provided information, Contractor-prepared coordination drawings, or prior Project correspondence or documentation. The Architect shall set forth, in the Contract Documents, the requirements for requests for information. Requests for information shall include, at a minimum, a detailed written statement that indicates the specific Drawings or Specifications in need of clarification and the nature of the clarification requested. The Architect shall acknowledge the receipt of each Contractor-generated request for information within three (3) working days after receipt by the Architect. The Architect shall endeavor to issue a written answer to the Contractor and the Owner, if desired, for each Contractor request for information (along with necessary descriptive drawings, specifications, or other documents) with the promptness necessary to avoid unnecessary delay or cost, but no longer than ten (10) working days after the request for information is received by the Architect. If the request for information processing will exceed the agreed upon review period, the Architect will notify the Contractor and Owner.

§ 3.6.4.5 The Architect shall maintain a record of submittals and copies of submittals supplied by the Contractor in accordance with the requirements of the Contract Documents.

§ 3.6.5 Changes in the Work

§ 3.6.5.1 The Architect, after advising the Owner in writing, may order minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. The Architect shall prepare Change Orders and Construction Change Directives for the Owner's approval and execution in accordance with the Contract Documents.

§ 3.6.5.2 The Architect shall maintain records relative to changes in the Work.

§ 3.6.6 Project Completion

§ 3.6.6.1 The Architect shall:

- .1 conduct site visits for observable or reasonably discoverable defects and/or deficiencies in the Work;
- .2 conduct inspections to determine the date or dates of Substantial Completion and the date of final completion;
- .3 in consultation and with approval of the Owner, issue Certificates of Substantial Completion;
- .4 forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Contract Documents and received from the Contractor; and,
- .5 issue a final Certificate for Payment based upon a final inspection indicating that, to the best of the Architect's knowledge, information, and belief, the Work complies with the requirements of the Contract Documents.

§ 3.6.6.2 The Architect's inspections shall be conducted with the Owner to check conformance of the Work with the requirements of the Contract Documents and to verify the accuracy and completeness of the list submitted by the Contractor of Work to be completed or corrected.

§ 3.6.6.3 When Substantial Completion has been achieved, the Architect shall inform the Owner about the balance of the Contract Sum remaining to be paid the Contractor, including the amount to be retained from the Contract Sum, if any, for final completion or correction of the Work.

§ 3.6.6.4 The Architect shall forward to the Owner the following information received from the Contractor: (1) consent of surety or sureties, if any, to reduction in or partial release of retainage or the making of final payment; (2) affidavits, receipts, releases and waivers of liens, or bonds indemnifying the Owner against liens; and (3) any other documentation required of the Contractor under the Contract Documents.

§ 3.6.6.5 Upon request of the Owner, and prior to the expiration of one year from the date or dates of Substantial Completion, the Architect shall, without additional compensation, conduct a meeting with the Owner to review the facility operations and performance.

§ 3.6.6.6 Promptly after the Owner receives the Certificate of Substantial Completion from the Architect, the Architect shall furnish the Owner, at no expense to the Owner, reproducible Architect As-Design Record Drawings, and the Contractor's As-Constructed Drawings in a form approved by the Owner. The Architect shall also provide the Owner an electronic file of the Architect's As-Design Record Drawings, and the Contractor's As-Constructed Drawings in a computer program acceptable to the Owner. Revisions or changes shall be properly annotated on the reproducible plans and cross-referenced. Each sheet of the plans shall be prominently noted as either "As-Designed Record Drawings," or "As-Constructed Record Drawings."

§ 3.6.6.7 The Architect shall, on behalf of the Owner, review the work of the contractors and suppliers with regard to the preparation of operating and maintenance manuals, extensive assistance in utilization of any equipment or system (such as initial start-up, testing, adjusting and balancing); and training personnel for operation and maintenance. Upon written request by the Owner, Architect shall participate in Commissioning and Training of Owner's staff on an hourly basis.

§ 3.6.6.8 Upon the issuance of a Certificate of Substantial Completion, the Architect shall:

- .1 Provide assistance, as requested by the Owner, to obtain from the Contractor any refinement or adjustment to any equipment or system during the Corrective Work period. Corrective Work period shall mean one (1) year from the date of the Certificate of Substantial Completion.
- .2 Make visits to the Project in response to Owner observations and reporting of apparent defects and deficiencies in the completed construction. Advise the Owner in writing of deficient or defective work and consult with the Owner to discuss satisfactory correction. Additional site visits during the Warranty Period by the Architect shall be provided as an Additional Service on an hourly basis.
- .3 Architect shall render prompt advice on claims, disputes, and other matters which may arise between construction contractor and the Owner relating to operations of and defects in the completed work of the Project.

§ 3.6.6.9 Commissioning. For purposes of this Agreement, Commissioning shall consist of the following work:

- .1 25% random sampling for functional testing of all new installed HVAC Equipment including air & water balancing and temperature controls testing.
- .2 Shop drawing review of HVAC equipment and Temperature Controls.
- .3 Review of the final air & water balancing reports.
- .4 Verification that HVAC Start-up of equipment was performed.
- .5 Review of the O&M manuals.
- .6 Verification that Owner training was completed.

ARTICLE 4 SUPPLEMENTAL AND ADDITIONAL SERVICES

§ 4.1 Supplemental Services

§ 4.1.1 Unless otherwise specified as an Architect-provided Basic Service, the Architect shall provide the listed Services as Supplemental Services only if specifically designated in the table below as the Architect’s responsibility and only if the Owner notifies the Architect in writing of the need for Supplemental Service and the Owner authorizes the Architect to perform such Supplemental Services in writing. The Owner shall compensate the Architect for those Supplemental Services authorized by the Owner as provided in Section 11.2. Failure of the Architect to notify and obtain written authorization to perform Supplemental Services will result in a denial of compensation by the Owner. Unless otherwise specifically addressed in this Agreement, if neither the Owner nor the Architect is designated, the parties agree that the listed Supplemental Service is not being provided for the Project.

(Designate the Architect’s Supplemental Services and the Owner’s Supplemental Services required for the Project by indicating whether the Architect or Owner shall be responsible for providing the identified Supplemental Service. Insert a description of the Supplemental Services in Section 4.1.2 below or attach the description of services as an exhibit to this Agreement.)

| Architect Services | Responsibility <i>(Architect, Owner, or not provided)</i> |
|--|---|
| § 4.1.1.1 Programming | Not Provided |
| § 4.1.1.2 Multiple preliminary designs | Not Provided |
| § 4.1.1.3 Measured drawings | Not Provided |
| § 4.1.1.4 Existing facilities surveys | Architect (as Basic Service) |
| § 4.1.1.5 Site evaluation and planning | Not Provided |
| § 4.1.1.6 Building Information Model management responsibilities | Not Provided |
| § 4.1.1.7 Development of Building Information Models for post construction use | Not Provided |
| § 4.1.1.8 Civil engineering | Architect (as Basic Service) |
| § 4.1.1.9 Landscape design | Not Provided |
| § 4.1.1.10 Architectural interior design | Architect (as Basic Service) |
| § 4.1.1.11 Value analysis required under Sections 6.5, 6.6 and 6.7 | Architect (as Basic Service) |
| § 4.1.1.12 Detailed cost estimating beyond that required in Section 6.3 | Not Provided |
| § 4.1.1.13 On-site project representation | Architect (as Basic Service) |
| § 4.1.1.14 Conformed documents for construction | Architect (as Basic Service) |
| § 4.1.1.15 As-designed record drawings | Architect (as Basic Service) |
| § 4.1.1.16 As-constructed record drawings | Architect (as Basic Service) |
| § 4.1.1.17 Post-occupancy evaluation | Architect (as Basic Service per § 3.6.6.8) |
| § 4.1.1.18 Facility support services | Not Provided |
| § 4.1.1.19 Tenant-related services | Not Provided |
| § 4.1.1.20 Architect’s coordination of the Architect’s consultants | Architect (as Basic Service) |
| § 4.1.1.21 Telecommunications/data design | Not Provided |
| § 4.1.1.22 Security evaluation and planning | Not Provided |
| § 4.1.1.23 Commissioning | Architect (as Basic Service) |
| § 4.1.1.24 Sustainable Project Services pursuant to Section 4.1.3 | Not Provided |
| § 4.1.1.25 Fast-track design services | Not Provided |

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| Architect Services | Responsibility <i>(Architect, Owner, or not provided)</i> |
|---|---|
| § 4.1.1.26 Multiple bid packages | Not Provided |
| § 4.1.1.27 Historic preservation | Not Provided |
| § 4.1.1.28 Furniture, furnishings, and equipment design | Not provided |
| § 4.1.1.29 Other services provided by specialty Consultants | Architect (as Basic Service) |
| § 4.1.1.30 Other Supplemental Services | Architect (if authorized) |
| | |

§ 4.1.2 Description of Supplemental Services

§ 4.1.2.1 A description of each Supplemental Service identified in Section 4.1.1 as the Architect's responsibility is provided below.

(Describe in detail the Architect's Supplemental Services identified in Section 4.1.1 or, if set forth in an exhibit, identify the exhibit. The AIA publishes a number of Standard Form of Architect's Services documents that can be included as an exhibit to describe the Architect's Supplemental Services.)

None

§ 4.1.2.2 A description of each Supplemental Service identified in Section 4.1.1 as the Owner's responsibility is provided below.

(Describe in detail the Owner's Supplemental Services identified in Section 4.1.1 or, if set forth in an exhibit, identify the exhibit.)

None

(Paragraph deleted)

§ 4.2 Architect's Additional Services

The Architect may provide Additional Services after execution of this Agreement without invalidating the Agreement. Except for services required due to the fault of the Architect, any Additional Services provided in accordance with this Section 4.2 shall entitle the Architect to compensation pursuant to Section 11.3 and an appropriate adjustment in the Architect's schedule.

§ 4.2.1 Upon recognizing the need to perform the following Additional Services, the Architect shall notify the Owner with reasonable promptness and explain the facts and circumstances giving rise to the need. The Architect shall not proceed to provide the following Additional Services until the Architect receives the Owner's written authorization:

- .1 Services necessitated by a change in the Initial Information, previous instructions or approvals given by the Owner, or a material change in the Project including size, quality, complexity, the Owner's schedule or budget for Cost of the Work, or procurement or delivery method;
- .2 Services necessitated by the enactment or revision of codes, laws, or regulations, including changing or editing previously prepared Instruments of Service;
- .3 Changing or editing previously prepared Instruments of Service necessitated by official interpretations of applicable codes, laws or regulations, provided that the Architect fully complied with the Architect's requirements under §§ 3.1.7 and 3.4.2.1 herein;
- .4 Services necessitated by decisions of the Owner not rendered in a timely manner or any other failure of performance on the part of the Owner or the Owner's consultants or contractors;
- .5 Preparing digital models or other design documentation for transmission to the Owner's consultants and contractors, or to other Owner-authorized recipients;
- .6 Preparation of design and documentation for alternate bid or proposal requests proposed by the Owner after initial bidding;
- .7 Preparation for, and attendance at, a public presentation, meeting or hearing;
- .8 Preparation for, and attendance at, a dispute resolution proceeding or legal proceeding, except where the Architect is party thereto;
- .9 [omit];

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- .10 Consultation concerning replacement of Work resulting from fire or other cause during construction; or,
- .11 Assistance to the Initial Decision Maker, if other than the Architect.

§ 4.2.2 To avoid delay in the Construction Phase, the Architect shall provide the following Additional Services, notify the Owner with reasonable promptness, and explain the facts and circumstances giving rise to the need. If, upon receipt of the Architect's notice, the Owner determines that all or parts of the services are not required, the Owner shall give prompt written notice to the Architect of the Owner's determination, and thereafter the Owner and the Architect shall meet and confer about how, if at all, the Architect may be compensated for those services already performed

- .1 Reviewing a Contractor's submittal out of sequence from the submittal schedule approved by the Architect;
- .2 Responding to the Contractor's requests for information that are not prepared in accordance with the Contract Documents or where such information is available to the Contractor from a careful study and comparison of the Contract Documents, field conditions, other Owner-provided information, Contractor-prepared coordination drawings, or prior Project correspondence or documentation;
- .3 [omit];
- .4 Evaluating an extensive number of Claims as the Initial Decision Maker; or,
- .5 Evaluating substitutions proposed by the Owner or Contractor and making subsequent revisions to Instruments of Service resulting therefrom.

§ 4.2.3
(Paragraphs deleted)
 [omit]

§ 4.2.4 Except for services required under Section 3.6.6.5 and those services that do not exceed the limits set forth in Section 4.2.3, Construction Phase Services provided more than 60 days after (1) the date of Substantial Completion of the Work or (2) the initial date of Substantial Completion identified in the agreement between the Owner and Contractor, whichever is later, may be compensated, in the sole discretion of the Owner, as Additional Services to the extent the Architect incurs additional cost in providing those Construction Phase Services.

(Paragraph deleted)

ARTICLE 5 OWNER'S RESPONSIBILITIES

§ 5.1 Unless otherwise provided for under this Agreement, the Owner shall provide information in a timely manner regarding requirements for and limitations on the Project, including a written program, which shall set forth the Owner's objectives; schedule; constraints and criteria, including space requirements and relationships; flexibility; expandability; special equipment; systems; and site requirements. The Owner hereby refers Architect to any applicable building code authority to obtain building code specifications.

§ 5.2 The Owner shall establish the Owner's budget for the Project, including (1) the budget for the Cost of the Work as defined in Section 6.1; (2) the Owner's other costs; and, (3) reasonable contingencies related to all of these costs. The Owner shall update the Owner's budget for the Project as necessary throughout the duration of the Project until final completion. If the Owner significantly increases or decreases the Owner's budget for the Cost of the Work, the Owner shall notify the Architect. The Owner and the Architect shall thereafter agree to a corresponding change in the Project's scope and quality.

§ 5.3 The Owner shall identify a representative authorized to act on the Owner's behalf with respect to the Project. The Owner shall render decisions and approve the Architect's submittals in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of the Architect's services; provided, however, nothing herein shall relieve Architect of any responsibility or liability for the performance of Architect's contracted services.

§ 5.4 The Owner shall furnish surveys to describe physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions, and other necessary data with respect to existing buildings, other

improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths. All the information on the survey shall be referenced to a Project benchmark.

§ 5.5 The Owner shall furnish services of geotechnical engineers, which may include test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

§ 5.6 The Owner shall provide the Supplemental Services designated as the Owner's responsibility in Section 4.1.1.

(Paragraph deleted)

§ 5.7[omit]

§ 5.8 The Owner shall coordinate the services of its own consultants with those services provided by the Architect. The Owner shall furnish the services of consultants other than those designated as the responsibility of the Architect in this Agreement, or authorize the Architect to furnish them as an Additional Service, when the Architect requests such services and demonstrates that they are reasonably required by the scope of the Project.

§ 5.9 The Owner shall furnish tests, inspections and reports required by law or the Contract Documents, such as structural, mechanical, and chemical tests, tests for air and water pollution, and tests for hazardous materials.

§ 5.10 The Owner shall furnish, for the benefit of the Owner only, all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 5.11 The Owner shall provide timely written notice to the Architect if the Owner becomes aware of any fault or defect in the Project, including errors, omissions or inconsistencies in the Architect's Instruments of Service and Construction Documents, provided however that the Owner's failure or omission to do so shall not relieve the Architect of its responsibilities hereunder and the Owner shall have no duty of observation, inspection or investigation. The Owner shall be entitled to rely on the Architect's Instruments of Service, Construction Documents, services and information furnished by the Architect. This Section shall not relieve Architect of any responsibility or liability for the performance of Architect's contracted services on the Project.

§ 5.12 The Owner shall include the Architect in all communications with the Contractor that relate to or affect the Architect's services or professional responsibilities. The Owner shall timely notify the Architect of the substance of any direct communications between the Owner and the Contractor otherwise relating to the Project. Communications by and with the Architect's consultants shall be through the Architect.

§ 5.13 Before executing the Contract for Construction, the Owner shall coordinate the Architect's duties and responsibilities set forth in the Contract for Construction with the Architect's services set forth in this Agreement. The Owner shall provide the Architect a copy of the executed agreement between the Owner and Contractor, including the General Conditions of the Contract for Construction.

§ 5.14 The Owner shall provide the Architect access to the Project site prior to commencement of the Work and shall obligate the Contractor to provide the Architect access to the Work wherever it is in preparation or progress.

(Paragraph deleted)

ARTICLE 6 COST OF THE WORK

§ 6.1 For purposes of this Agreement, the Cost of the Work shall be the total cost to the Owner to construct all elements of the Project designed or specified by the Architect and shall include contractors' general conditions costs, overhead and profit. The Cost of the Work also includes the reasonable value of labor, materials, and equipment, donated to, or otherwise furnished by, the Owner. The Cost of the Work does not include the compensation of the Architect; the costs of the land, rights-of-way, financing, or contingencies for changes in the Work; or other costs that are the responsibility of the Owner. The Owner's Construction Budget shall include the Cost of the Work and construction contingency, but not an Owner's contingency.

§ 6.2 The Owner's budget for the Cost of the Work is provided in Initial Information, and shall be adjusted throughout the Project as required under Sections 5.2, 6.4 and 6.5. Evaluations of the Owner's budget for the Cost of the Work, and the preliminary Opinion of Probable Cost of the Work and updated Opinions of Probable Cost of the Work, prepared by the Architect, represent the Architect's judgment as a design professional. It is recognized, however, that neither the Architect nor the Owner has control over the cost of labor, materials, or equipment; the Contractor's methods of determining bid prices; or competitive bidding, market, or negotiating conditions. Accordingly, the Architect cannot and does not warrant or represent that bids or negotiated prices will not vary from the Owner's budget for the Cost of the Work, or from any Opinion of Probable Cost of the Work by the Architect, or evaluation, prepared or agreed to by the Architect.

§ 6.3 In preparing Opinions of Probable Cost of Work, the Architect shall be permitted to include reasonable contingencies for design, bidding, and price escalation; to determine what materials, equipment, component systems, and types of construction are to be included in the Contract Documents; to recommend reasonable adjustments in the program and scope of the Project; and to include design alternates as may be necessary to adjust the Opinion of Probable Cost of the Work to meet the Owner's budget. The Architect's Opinion of Probable Cost of the Work shall be based on current area, volume or similar conceptual estimating techniques. If the Owner requires a detailed cost estimating services, the Architect shall provide such an estimate, if identified as the Architect's responsibility in Section 4.1.1, as a Supplemental Service.

§ 6.4 If, through no fault of the Architect, the Procurement Phase has not commenced within 90 days after the Architect submits the Construction Documents to the Owner, the Owner's budget for the Cost of the Work shall be adjusted to reflect changes in the general level of prices in the applicable construction market.

§ 6.5 If at any time the Architect's latest Opinion of Probable Cost of the Work exceeds the Owner's budget for the Cost of the Work, the Architect shall at the Owner's direction and in the Owner's sole discretion (i) redesign and make appropriate changes, modifications and revisions to the design and Construction Documents for the Project in order to reduce the Architect's Opinion of Probable Cost of the Work within the Owner's budget for the Cost of the Work, or (ii) make appropriate recommendations to the Owner to adjust the Project's size, quality, or budget for the Cost of the Work.

§ 6.6 If the Owner's budget for the Cost of the Work at the conclusion of the Construction Documents Phase Services is exceeded by the lowest bona fide bid(s) or negotiated proposal:

- .1 the Owner may give written approval of an increase in the budget for the Cost of the Work;
- .2 the Owner may authorize rebidding or renegotiating of the Project within a reasonable time;
- .3 the Owner may terminate this Agreement in accordance with Section 9.5;
- .4 in consultation with the Architect, the Owner may revise the Project program, scope, or quality as required to reduce the Cost of the Work;
- .5 in consultation with the Owner, the Architect shall redesign and make appropriate changes, modifications and revisions to the design and Construction Documents without change to the Project program, scope or quality; or,
- .6 the Owner may implement any other mutually acceptable alternative.

§ 6.7 If the Owner chooses to proceed under either Section 6.6.4 or Section 6.6.5, the Architect, without additional compensation, shall modify the Construction Documents as necessary to comply with the Owner's budget for the Cost of the Work at the conclusion of the Construction Documents Phase Services, or the budget as adjusted under Section 6.6.1, and assist with the negotiation of a lower contract price with the Contractor for the Project or the re-bidding of the Project as required by the Owner and/or by law.

ARTICLE 7 COPYRIGHTS AND LICENSES

§ 7.1 The Architect and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project.

§ 7.2 The Architect and the Architect's consultants shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and shall retain all common law, statutory and

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other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of the Architect and the Architect's consultants.

§ 7.3 The Architect grants to the Owner a perpetual, world-wide, royalty-free, paid-up, nonexclusive license to use the Architect's Instruments of Service, including all Drawings and Specifications and all electronic source files in whatever format, for any purpose, including the design and/or construction of current or future facility projects of the Owner. The Architect shall obtain similar nonexclusive licenses from the Architect's consultants consistent with this Agreement. The license granted under this section permits the Owner to authorize the Contractor, Subcontractors, Sub-subcontractors, and suppliers, as well as the Owner's consultants and separate contractors, to reproduce applicable portions of the Instruments of Service. The Architect and the Architect's consultants shall incur no liability for the Owner's use or reuse of Instruments of Service other than in connection with the Project unless the Architect is involved in the reuse project. Prior to the reuse of any Instruments of Service for a project in which the Architect is not also involved, the Owner shall remove and obliterate from such documents all identification of the original Architect, including name, address, and professional seal and stamp. If the Architect rightfully terminates this Agreement for cause as provided in Section 9.4, the license granted in this Section 7.3 shall terminate.

§ 7.3.1 In the event the Owner uses the Instruments of Service without retaining the authors of the Instruments of Service, the Owner releases the Architect and Architect's consultant(s) from all claims and causes of action arising from such uses. The terms of this Section 7.3.1 shall not apply if the Owner rightfully terminates this Agreement for cause under Section 9.4.

§ 7.4 Except for the licenses granted in this Article 7, no other license or right shall be deemed granted or implied under this Agreement. The Owner shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of the Architect. Any unauthorized use of the Instruments of Service shall be at the Owner's sole risk and without liability to the Architect and the Architect's consultants.

§ 7.5 Except as otherwise stated in Section 7.3, the provisions of this Article 7 shall survive the termination of this Agreement.

ARTICLE 8 CLAIMS AND DISPUTES

§ 8.1 General

§ 8.1.1 The Owner and Architect shall commence all claims and causes of action against the other and arising out of or related to this Agreement, whether in contract, tort, or otherwise, in accordance with the requirements of the binding dispute resolution method selected in this Agreement and within the period specified by applicable law, but in any case not more than 10 years after the date of Substantial Completion of the Work. The Owner and Architect waive all claims and causes of action not commenced in accordance with this Section 8.1.1.

§ 8.1.1.2 The Architect acknowledges that the Owner is a political subdivision of the State of Nebraska, and, as such, may enjoy immunities from suit and/or liability under the Constitution and laws of the State of Nebraska. By entering into this Agreement, the Owner does not waive any of its immunities from suit and/or liability, except as otherwise specifically provided herein and as specifically authorized by law.

§ 8.1.2 Only to the extent damages are covered by property insurance and payment is received from applicable insurance, the Owner and Architect waive all rights against each other and against the contractors, consultants, agents, and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in AIA Document A201, General Conditions of the Contract for Construction. The Owner or the Architect, as appropriate, shall require of the contractors, consultants, agents, and employees of any of them, similar waivers in favor of the other parties enumerated herein.

§ 8.1.3 The Architect waives consequential damages against the Owner for claims, disputes, or other matters in question, arising out of or relating to this Agreement. This waiver is applicable, without limitation, to all consequential damages due to Owner's termination of this Agreement, except as specifically provided in Section 9.7. The Owner expressly reserves the right to claim consequential damages against the Architect, subject to the limitation on damages provided in § 12.14.

§ 8.1.4 Architect Indemnity

§ 8.1.4.1 **Indemnity / Non-Professional Acts.** The Architect and Architect's consultants shall indemnify, defend and hold harmless the Owner, and all of its board members, officers, administrators, agents, representatives, and employees, from any and all third party losses, damages, liabilities, judgments, or expenses, including reasonable attorney's fees and expenses, on account of damage or destruction to property and personal injuries, including death, to any or all persons, including but not limited to invitees and employees of the Owner, Owner's consultants, the Architect, and the Architect's consultants, to the extent caused by the negligent acts, errors or omissions by the Architect, its employees and its consultants, and for patent, copyright or trademark infringement attributable to the Architect's services.

§ 8.1.4.2 **Indemnity / Professional Acts.** The Architect shall indemnify and hold harmless the Owner, and all of its board members, officers, administrators, agents, representatives, and employees, from and against from any and all third party losses, damages, liabilities, judgments, or expenses, including reasonable attorney's fees and expenses, on account of damage or destruction to property and personal injuries, including death, to any or all persons, including but not limited to invitees and employees of the Owner, Owner's consultants, the Architect, and the Architect's consultants, but only to the extent they are caused by the negligent acts, errors or omissions of the Architect. its employees and its consultants in the performance of professional services under this Agreement. The Architect's obligation to indemnify and hold harmless the Owner does not include a duty to defend. The Architect's duty to indemnify the Owner under this § 8.1.4.2 shall be limited to the available proceeds of the insurance coverage required by this Agreement.

§ 8.1.4.3 The Architect understands and agrees that the indemnification, defense, and hold harmless obligations of this section constitute a continuing obligation on the part of the Architect and survive and are enforceable beyond the term of the contract to the fullest extent permitted by law.

§ 8.1.5 **Direct Negotiation.** Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to a written request to seek to resolve such through direct negotiation at a meeting of the senior management of the Owner and the Architect as a condition precedent to mediation. The parties shall endeavor to schedule a meeting within two weeks of such request.

§ 8.2 Mediation

§ 8.2.1 Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to binding dispute resolution.

§ 8.2.2 The Owner and Architect shall endeavor to resolve claims, disputes and other matters in question between them by mediation, which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Mediation Procedures in effect on the date of this Agreement. A request for mediation shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of a complaint or other appropriate demand for binding dispute resolution but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this section, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

§ 8.2.3 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 8.2.4 If the parties do not resolve a dispute through mediation pursuant to this Section 8.2, the method of binding dispute resolution shall be the following:

(Check the appropriate box.)

Arbitration pursuant to Section 8.3 of this Agreement

[X] Litigation in a court of competent jurisdiction in Kearney County, Nebraska

[] Other: *(Specify)*

If the Owner and Architect do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, the dispute will be resolved in a court of competent jurisdiction.

§ 8.3 [omit]

(Paragraphs deleted)

§ 8.4 The provisions of this Article 8 shall survive the termination of this Agreement.

ARTICLE 9 TERMINATION OR SUSPENSION

§ 9.1 If the Owner fails to make payments to the Architect for undisputed sums in accordance with this Agreement and such non-payment is not cured within ten (10) calendar days' after receipt by the Owner of written notice from the Architect, such failure shall be considered substantial nonperformance and cause for termination or, at the Architect's option, cause for suspension of performance of services under this Agreement. If the Architect elects to suspend services, the Architect shall give seven days' written notice to the Owner before suspending services. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Owner shall pay the Architect all undisputed sums due prior to suspension. The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.2 If the Owner suspends the Project for more than ninety (90) consecutive days, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

§ 9.3 If the Owner suspends the Project for more than ninety (90) consecutive days for reasons other than the fault of the Architect, the Architect may terminate this Agreement by giving not less than seven days' written notice.

§ 9.4 Either party may terminate this Agreement upon not less than twenty-one (21) days' advance written notice and opportunity for the other party to cure should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

§ 9.5 The Owner may terminate this Agreement upon not less than seven (7) days' written notice to the Architect for the Owner's convenience and without cause.

§ 9.6 If the Owner terminates this Agreement for its convenience pursuant to Section 9.5, or the Architect terminates this Agreement pursuant to Section 9.3, the Owner shall compensate the Architect for services performed prior to termination, Reimbursable Expenses incurred, and costs attributable to termination, including the costs attributable to the Architect's termination of consultant agreements.

§ 9.7

(Paragraphs deleted)

Notwithstanding any other provisions of the Contract Documents to the contrary, it is expressly understood and agreed that the legal obligation of the Owner to pay the contract sum or any part thereof shall be contingent upon the availability of funds for the Project and any formal action of the Board of Education of the Owner. In the event the funding for the Project becomes unavailable for any reason, the Owner may terminate this Agreement without cause under the provisions of this Article 9.

(Paragraphs deleted)

ARTICLE 10 MISCELLANEOUS PROVISIONS

§ 10.1 This Agreement shall be governed by the law of the State of Nebraska. Mandatory and exclusive jurisdiction and venue for any disputes shall be in state or federal courts in Kearney County, Nebraska.

§ 10.2 Terms in this Agreement shall have the same meaning as those in AIA Document A201, General Conditions of the Contract for Construction, as amended. As a material consideration of the making of this Agreement, the Modifications to this Agreement shall not be construed against the maker of said Modifications.

§ 10.3 The Owner and Architect, respectively, bind themselves, their agents, successors, assigns, and legal representatives to this Agreement. Neither the Owner nor the Architect shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner's rights and obligations under this Agreement, including any payments due to the Architect by the Owner prior to the assignment.

§ 10.4 If the Owner requests the Architect to execute certificates, the proposed language of such certificates shall be submitted to the Architect for review at least fourteen (14) days prior to the requested dates of execution. If the Owner requests the Architect to execute consents reasonably required to facilitate assignment to a lender, the Architect shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to the Architect for review at least fourteen (14) days prior to execution. The Architect shall not be required to execute certificates or consents that would require knowledge, services, or responsibilities beyond the scope of this Agreement.

§ 10.5 Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of, a third party against either the Owner or Architect.

§ 10.6 Unless otherwise required in this Agreement, the Architect shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

§ 10.6.1 Notwithstanding § 10.6, the Architect shall be responsible and liable for any hazardous materials or toxic substances, as defined in AIA A201, that the Architect, by its acts or omissions, knowingly or should have known introduces, causes, or allows to be introduced to the Project site. The Architect shall promptly disclose in writing to the Owner any hazardous materials specified for the Project or discovered on site, regardless of the date of discovery or the date on which the Architect learns of the hazardous nature of the materials.

§ 10.7 With prior written authorization by the owner, the Architect may include photographic or artistic representations of the design of the Project among the Architect's promotional and professional materials. The Architect shall be given reasonable access to the completed Project to make such representations. However, the Architect's materials shall not include the Owner's confidential or proprietary information if the Owner has previously advised the Architect of the specific information considered by the Owner to be confidential or proprietary.

§ 10.8 If the Architect or Owner receives information specifically designated as "confidential" or "business proprietary," the receiving party shall keep such information strictly confidential and shall not disclose it to any other person except as set forth in Section 10.8.1. This Section 10.8 shall survive the termination of this Agreement. Notwithstanding the foregoing, **the parties expressly understand, acknowledge and agree that because the Owner is a governmental entity subject to public records laws, any information provided by the Architect to the Owner may be subject to disclosure in accordance with applicable State and federal public records laws.**

§ 10.8.1 The receiving party may disclose "confidential" or "business proprietary" information after seven (7) days' notice to the other party, when required by law, arbitrator's order, or court order, including a public records request, subpoena or other form of compulsory legal process issued by a court or governmental entity, or to the extent such information is reasonably necessary for the receiving party to defend itself in any dispute. The receiving party may also disclose such information to its employees, consultants, or contractors in order to perform services or work solely and exclusively for the Project, provided those employees, consultants and contractors are subject to the restrictions on the disclosure and use of such information as set forth in this Section 10.8. The Owner hereby designates the following as confidential information: security measures; security access codes; pending real estate purchases, exchange, lease

Init.

or value; any information pertaining to litigation; student likenesses and student record information; employee information; and any other information deemed confidential by law.

§ 10.9 The invalidity of any provision of the Agreement shall not invalidate the Agreement or its remaining provisions. If it is determined that any provision of the Agreement violates any law, or is otherwise invalid or unenforceable, then that provision shall be revised to the extent necessary to make that provision legal and enforceable. In such case the Agreement shall be construed, to the fullest extent permitted by law, to give effect to the parties' intentions and purposes in executing the Agreement.

ARTICLE 11 COMPENSATION

§ 11.1 For the Architect's Basic Services described under Article 3, the Owner shall compensate the Architect as follows:

.1 Stipulated Sum
(Insert amount)

Not Applicable

.2 Percentage Basis
(Insert percentage value)

Eight and Three-Quarters Percent (8.75%) % of the actual Cost of the Work, as determined at Final Completion and as calculated in accordance with Section 11.6.

.3 Other
(Describe the method of compensation)

Not Applicable

§ 11.2 For the Architect's Supplemental Services designated in Section 4.1.1, if approved by the Owner, the Owner shall compensate the Architect as follows:

(Insert amount of, or basis for, compensation. If necessary, list specific services to which particular methods of compensation apply.)

The Architect's Hourly Rate Schedule, Appendix B, for hours incurred by the Architect's personnel assigned and working on the Project.

§ 11.3 For Additional Services that may arise during the course of the Project, including those under Section 4.2, if approved by the Owner, the Owner shall compensate the Architect as follows:

(Insert amount of, or basis for, compensation.)

The Architect's Hourly Rate Schedule, Appendix B, for hours incurred by the Architect's personnel assigned and working on the Project.

§ 11.4 Compensation for Supplemental and Additional Services of the Architect's consultants when not included in Section 11.2 or 11.3, shall be the amount invoiced to the Architect

(Paragraphs deleted)

with no markup.

§ 11.5 When compensation for Basic Services is based on a stipulated sum or a percentage basis, the proportion of compensation for each phase of services shall be as follows:

| | | | | |
|------------------------------|---------|-----------|----|----|
| Schematic Design Phase | Fifteen | percent (| 15 | %) |
| Design Development Phase | Twenty | percent (| 20 | %) |
| Construction Documents Phase | Thirty | percent (| 30 | %) |
| Procurement Phase | Five | percent (| 5 | %) |

Init.

| | |
|--------------------------|------------------------------|
| Construction Phase | Thirty percent (30 %) |
| Total Basic Compensation | one hundred percent (100 %) |

§ 11.6 When compensation identified in Section 11.1 is on a percentage basis, progress payments for each phase of Basic Services shall be calculated by multiplying the percentages identified in this Article by the Owner's most recent budget for the Cost of the Work. Compensation paid in previous progress payments shall not be adjusted based on subsequent updates to the Owner's budget for the Cost of the Work. The Architect's final compensation shall be adjusted based on the final, actual Cost of the Work.

(Paragraph deleted)

§ 11.7 The hourly billing rates for services of the Architect and the Architect's consultants are set forth

(Paragraphs deleted)

on the Architect's Hourly Rate Schedule, Appendix B. Except as otherwise agreed to in writing by the Owner, the hourly for all personnel and consultants listed on the Architect's Hourly Rate Schedule, Appendix B, shall remain fixed and shall not be adjusted during the entire term of this Agreement. Except as otherwise agreed to in writing by the Owner, the hourly rates of the Architect's consultants charged to the Owner shall be the same hourly rates the consultants charge the Architect, without any markup to the Owner.

(Table deleted)

§ 11.8 Compensation for Reimbursable Expenses

§ 11.8.1 Reimbursable Expenses are in addition to compensation for Basic, Supplemental, and Additional Services and include expenses incurred by the Architect and the Architect's consultants directly related to the Project only if requested by and authorized in writing in advance by the Owner, as follows:

- .1 Transportation and authorized out-of-town travel and subsistence (but not Architect time), only if requested by and authorized in writing in advance by the Owner;
- .2 Long distance services, dedicated data and communication services, teleconferences, Project web sites, and extranets;
- .3 Permitting and other fees required by authorities having jurisdiction over the Project;
- .4 Printing, reproductions, plots, and standard form documents, not otherwise provided or directly paid for by the Owner;
- .5 Postage, handling, and delivery;
- .6 [omit]
- .7 Renderings, physical models, mock-ups, professional photography, and presentation materials requested by the Owner for the Project;
- .8 [omit]
- .9 All taxes levied on professional services and on reimbursable expenses;
- .10 [omit]
- .11 [omit]
- .12 Reproduction of bid documents (plans and specifications) and associated distribution and postage/shipping costs will be directly billed to the Owner by the printer in order for the Owner to obtain tax exempt privileges.

Rates for the foregoing Reimbursable Expenses shall be based upon the Architect's Reimbursable Expense Schedule, attached as Appendix C. Except as otherwise agreed to by the parties, the rates for all reimbursable expenses listed on the Architect's Reimbursable Expense Schedule, Appendix C, shall remain fixed and shall not be adjusted during the entire term of this Agreement.

§ 11.8.2 For Reimbursable Expenses the compensation shall be the expenses incurred by the Architect and the Architect's consultants with no markup.

(Paragraphs deleted)

§ 11.8.3 The Architect shall not incur Reimbursable Expenses in excess of the aggregate amount of \$2,000.00 without the prior written consent of the Owner, which consent shall not be unreasonably withheld.

§ 11.10 Payments to the Architect

§ 11.10.1 Initial Payments

§ 11.10.1.1 An initial payment of Zero (\$ 0.00) shall be made upon execution of this Agreement and is the minimum payment under this Agreement. It shall be credited to the Owner's account in the final invoice.

(Paragraph deleted)

§ 11.10.2 Progress Payments

§ 11.10.2.1 Unless otherwise agreed, payments for services shall be made monthly in proportion to services

(Paragraphs deleted)

performed in the preceding month. Payments of undisputed invoice amounts are due and payable by the Owner within forty-five (45) calendar days after receipt by the Owner of the Architect's invoice. If the Owner disputes all or any portion of an invoice of the Architect, the Owner shall give written notice to the Architect within forty-five (45) calendar days of the Owner's receipt of the invoice, stating the amounts and reasons for the dispute. Undisputed amounts unpaid forty-five (45) calendar days after the Owner receives the invoice shall bear interest at the rate of six percent (6%) per annum. Disputed invoice amounts shall not bear any interest.

§ 11.10.2.2 The Owner may withhold amounts from the Architect's compensation for the purpose of reimbursing the Owner for any damages or expenses caused by the Architect's negligence or inability to uphold the standard of care, or to offset sums requested by or paid to contractors for the cost of changes in the Work as a result of the Architect's negligence.

§ 11.10.2.3 Records of Reimbursable Expenses, expenses pertaining to Supplemental and Additional Services, and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times and shall be provided to the Owner upon presentation of the Architect's progress payment applications. Records of all reimbursable expenses shall be kept on a generally recognized accounting basis and shall be available for review to the Owner or its authorized representative during business hours at the Architect's office. Proof of payment of any reimbursable expenses item shall be provided to the Owner with each claim for reimbursement by the Architect.

ARTICLE 12 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Agreement are as follows:

(Include other terms and conditions applicable to this Agreement.)

§ 12.1 The Architect will exercise the Architect's professional effort to interpret the Americans with Disability Act (ADA) and the ADA Accessibility Guideline (ADAAG) in place on the date of this Agreement. The Scope of Services provided by the Architect are limited to the requirements of Title II and III of the ADA. The Architect cannot provide recommendations or advice concerning which ADA requirements or measure may be "readily achievable", nor can the Architect determine the priorities of phasing of selected measures. These issues must be addressed by the Owner with priorities or phasing of selected measures. These issues must be addressed by the Owner with assistance from his or her financial and legal counsel.

§ 12.2 The Architect agrees that neither the Architect nor its subcontractors will discriminate against any employee or applicant for employment to be employed in the performance of this contact, with respect to his or her hire, tenure, terms and conditions or privileges of employment, because of his/her race, color, religion, sex, disability, or national origin. The Architect by execution of this agreement certifies that the Architect is an equal opportunity employer and actively recruits a well-qualified and diverse staff including minority applicants as well as historically underutilized business subcontractors, and does not discriminate against any employee or applicant for employment or subcontractor by reason of race, color, national origin, religion, marital status, sex, age, disability or sexual orientation.

§ 12.3 The parties agree that no architect, engineer, mechanic, contractor, materialman, artisan, laborer or subcontractor, whether skilled or unskilled, shall ever, in any manner have, claim or acquire any lien upon the Owner's property of whatever nature or kind, nor upon any of the land of the Owner, such property being public property belonging to a political subdivision of the State of Nebraska, or upon any funds of Owner.

§ 12.4 It is understood and agreed that the relationship of Architect to Owner shall be that of an independent contractor. Nothing contained in this Agreement or inferable from this Agreement shall be deemed or construed to: (1) make Architect the agent, servant or employee of the Owner; or (2) create any partnership, joint venture, or other association between Owner and Architect. Any direction or instruction by Owner or any of its authorized

representatives in respect to the Architect's services shall relate to the results the Owner desires to obtain from the Architect, and shall in no way affect the Architect's independent contractor status. The Architect shall assume sole responsibility for any debts or liabilities that may be incurred by Architect in fulfilling the terms of this Agreement and shall be solely responsible for the payment of all federal, state, and local taxes which may accrue because of this Agreement.

§ 12.5 No delay or omission by either of the parties hereto in exercising any right or power accruing upon the noncompliance or failure of performance by the other party hereto of any of the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by either of the parties hereto of any of the covenants, conditions or agreements hereof to be performed by the other party hereto shall not be construed to be a waiver of any subsequent breach thereof or of any other covenant, condition or agreement herein contained.

§ 12.6 The Architect must give advance written notice to the Owner if the Architect or an owner or operator of the Architect has been convicted of a felony. The Owner may terminate this Agreement if the Owner determines that the Architect failed to give such notice or misrepresented the conduct resulting in the conviction. This paragraph requiring advance notice does not apply to a publicly-held corporation.

§ 12.7 Criminal History Record Checks

§ 12.7.1 The Architect shall obtain all criminal history information regarding its "covered employees", as defined below. Upon request by Owner, Architect will provide, in writing: updated certifications and the names and any other requested information regarding covered employees, so that the Owner may obtain criminal history recommended information on the covered employees. Architect shall assume all expenses associated with obtaining criminal history record information.

§ 12.7.2 Architect will not assign any "covered employee" with a "disqualifying criminal history", as those terms are defined below, to work on the Project. If Architect receives information that a covered employee has a reported disqualifying criminal history, then Architect will immediately remove the covered employee from the Project and notify the Owner in writing within three business days. If the Owner objects to the assignment of any covered employee on the basis of the covered employee's criminal history record information, then Architect agrees to discontinue using that covered employee to provide services on Owner's Project. If Architect has taken precautions or imposed conditions to ensure that the employees of Architect and any Architect consultant will not become covered employees, Architect will ensure that these precautions or conditions continue throughout the time the contracted services are provided.

§ 12.7.3 For the purposes of this Section, "covered employees" means employees, agents or subcontractors of Architect or any of Architect's consultants who has or will have continuing duties related to the services to be performed on Owner's Project and has or will have direct contact with Owner's students. The Owner will decide what constitutes direct contact with Owner's students. "Disqualifying criminal history" means any conviction or other criminal history information designated by the Owner, or one of the following offenses, if at the time of the offense, the victim was under 18 years of age or enrolled in a public school: a felony offense under Nebraska Revised Statutes, Chapter 28, Article 3; an offense for which a defendant is required to register as a sex offender under Nebraska law; or an equivalent offense under federal law or the laws of another state.

§ 12.8 The Architect shall keep all accounting and construction records on the Project for a period of at least ten (10) years after Final Completion of the Project, and thereafter shall offer the records to the Owner in writing, in order for Owner to comply with its records retention requirements. In the alternative, Architect may provide such records to Owner for retention at any time if Owner agrees in writing to accept such records in lieu of Architect's retention under this Section.

§ 12.9 The Architect agrees to use the federal immigration verification system to determine the work eligibility status of new employees physically performing services on the Project within the State of Nebraska. The federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee. This requirement applies to all subcontractors of the Architect. The Architect shall, by written agreement, require compliance with the federal

immigration verification system by all subcontractors. If the Architect is an individual or sole proprietorship, the following applies:

- .1 The Architect must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at www.das.state.ne.us.
- .2 If the Architect indicates on such attestation form that he or she is a qualified alien, the Architect agrees to provide the US Citizenship and Immigration Services documentation required to verify the Architect's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.
- .3 The Architect understands and agrees that lawful presence in the United States is required and the Architect may be disqualified or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

§ 12.10 The Owner does not waive governmental immunity by entering into this Agreement and specifically retain immunity and all defenses available to them as sovereigns.

§ 12.11 Neither party shall be liable for failure to perform under this Agreement if such failure to perform arises out of causes beyond the control and without the fault or negligence of the nonperforming party. Such causes may include, but are not limited to, acts of God or the public enemy, fires, floods, epidemics, quarantine restrictions, freight embargoes, and unusually severe weather. This provision shall become effective only if the party failing to perform immediately notifies the other party of the extent and nature of the problem, limits delay in performance to that required by the event, and takes all reasonable steps to minimize delays. This provision shall not be effective unless the failure to perform is beyond the control and without the fault or negligence of the nonperforming party.

§ 12.12 The Architect certifies and warrants that no gratuities, kickbacks, or contingency fees were paid in connection with this Agreement, nor were any fees, commissions, gifts, or other considerations made contingent upon the award of this Agreement. If the Architect breaches or violates this warranty, the Owner may, at its discretion, terminate this Agreement without liability to the Owner, or deduct from the Agreement price or consideration, or otherwise recover the full amount of any commission, percentage, brokerage, or contingency fee.

§ 12.13 The waiver of any breach of any term or condition in this Agreement shall not be deemed a waiver of any prior or subsequent breach.

§ 12.14 Notwithstanding any other provision of this Agreement, the Owner agrees that Architect's total liability to the Owner for any and all injuries, claims, losses, expenses, damages, or claims expenses of any kind arising from any services provided by or through Architect under this Agreement, shall not exceed the greater of (1) the amount of Architect's insurance provided and recovered under this Agreement, or (2) the amount of Architect's total compensation under this Agreement.

§ 12.15 If, due to the Architect's omission, a required item or component of the Project is omitted from the Architect's Construction Documents, the Architect shall not be responsible for paying the cost required to add such item or component to the extent that such item or component would have been required and included in the original construction documents; provided the Architect will be responsible for paying any increased costs to the Project as a result of the Architect's omissions which are above and beyond the cost the Owner would have had to pay had the omission not occurred. In no event will the Architect be responsible for that portion of any cost or expense that provides betterment or upgrades or enhances the value of the Project.

ARTICLE 13 SCOPE OF THE AGREEMENT

§ 13.1 This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the Owner and Architect.

§ 13.2 This Agreement is comprised of the following documents identified below:

- .1 AIA Document B101™–2017, Standard Form Agreement Between Owner and Architect
- .2

.3 Exhibits:
(Check the appropriate box for any exhibits incorporated into this Agreement.)

AIA Document E204™-2017, Sustainable Projects Exhibit, dated as indicated below:
(Insert the date of the E204-2017 incorporated into this agreement.)

Other Exhibits incorporated into this Agreement:
(Clearly identify any other exhibits incorporated into this Agreement, including any exhibits and scopes of services identified as exhibits in Section 4.1.2.)

.4 Other documents:
(List other documents, if any, forming part of the Agreement.)

Scope of Project sheet, Appendix A
Architect's Hourly Rate Schedule, Appendix B
Architect's Reimbursable Expense Schedule, Appendix C

This Agreement entered into as of the day and year first written above.

**Kearney County School District 50-0503,
a/k/a Minden Public Schools**

Engineering Technologies, Inc.

OWNER *(Signature)*

Craig Grams, President of the Board of Education
(Printed name and title)

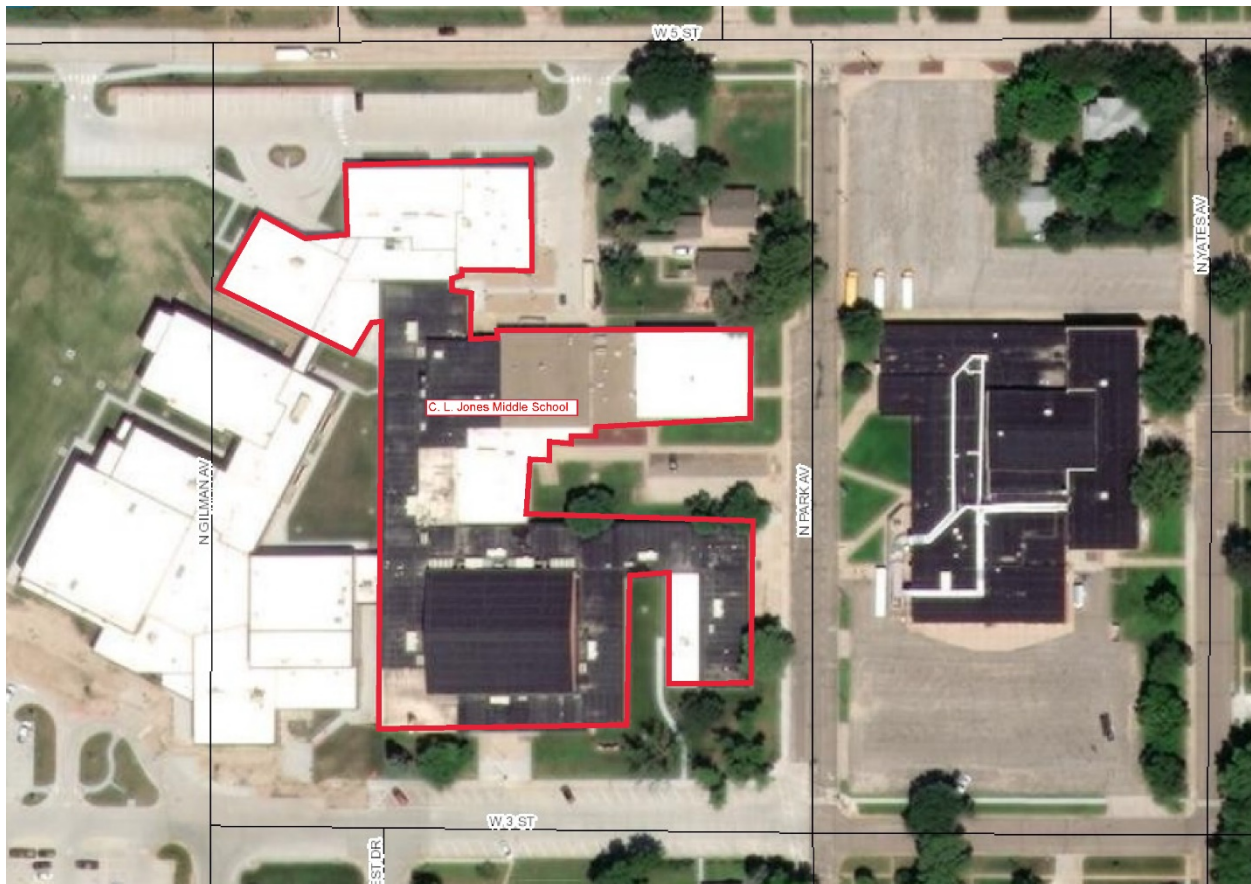
Derek Kotschwar

ARCHITECT *(Signature)*

Derek Kotschwar, Principal
(Printed name, title, and license number, if required)

Appendix A
Scope of Project

1. Scope. The Project generally consist of the evaluation and potential design, installation and related construction of a new heating, ventilation, and air conditioning (HVAC) system serving the C.L. Jones Middle School (Middle School) facility located at 520 West 3rd Street, Minden, Nebraska, as generally shown on the diagram below.



A. General physical parameters of the Middle School facility include:

- Originally constructed in 1960, 1994, and 2017
- Approximately 90,000 square feet in size.
- Capacity for approximately 425 students and staff.
- Approximate age of existing HVAC systems is between late 1980s and early 2000s.
- Control systems are manufactured by Daykin, Siemens, and McQuay.

B. General parameters of new HVAC system:

- Systems controls must be nonproprietary and work with the existing system controls in the new high school addition.

- The system needs to be expandable to address a potential new elementary building addition attached to the middle school.
- Additional work that needs to be added is air controls for our middle school gym, other HVAC units for our activity gym that would include additional energy efficiency requirements, like insulation for the roof and walls.
- Additional work may include in the high school to address concerns with circulation pumps and insulation for the pipes on exterior walls.
- Middle School Gym will need a comprehensive system to address humidity and overall run time for the rooftop units.
- The activities gym in the middle school will need to have ductwork for heating and air conditioning and a comprehensive plan to address the lack of energy efficiency in that area.

C. General information regarding high school addition:

- The high school control system is Honeywell.
- System controls should communicate between the high school and middle school.
- The high school system was put done in 2017.
- There are areas in the high school that need to be addressed regarding circulation pumps and insulation that we would like addressed.

2. Schedule. The initial schedule for the Project is as follows. The Owner and the Architect shall revise and keep this schedule continually updated.

| Date | Task |
|-------------------------------------|--|
| November 16, 2020 | Preliminary discussions on system solution options, proposed systems sketches, equipment locations, and other matters with goal to final the Scope of Supply for the project |
| November 17 – December 14, 2020 | Facility existing condition; determine viability of the proposed new systems; develop Design Development (DD) level drawings |
| December 14, 2020 | Review budget, scope DD drawings, approval to proceed with Construction Documents (CD) |
| December 15, 2020 – January 6, 2021 | Work on Construction Documents; finalize coordination of site conditions with drawings |
| January 6, 2019 | Provide 90% progress drawings for review |
| January 21, 2021 | Complete (100%) Construction Documents; project is bid |
| February 11, 2021 | Bids due |
| February 22, 2021 | Determine low responsible bidder and recommendation to award contract |
| February 23, 2021 | Finalize contractor contract and authorize long lead-time items |
| April 26, 2021 | Possible mobilization of contractor and beginning of selective demolition |

| Date | Task |
|--------------------|-----------------------------------|
| May 20, 2021 | Construction commencement |
| July 23, 2021 | Half of classrooms complete |
| July 30, 2021 | Last of classrooms complete |
| August 12, 2021 | Substantial Completion of project |
| August 12, 2021 | School starts (approximate) |
| September 15, 2021 | Final Completion of project |

3. Budget. Preliminary budget for the Project is \$1,500,000. Budget included all engineer fees and expenses and the cost of the work.

Appendix B



Engineering Technologies, Inc.
2020 STANDARD BILLING RATES

| Staff Position | Billing Rate |
|------------------------------------|---------------------|
| Principal | \$180.00 |
| Professional Engineer | \$155.00 |
| Engineer I / Senior Designer | \$130.00 |
| Engineer II | \$120.00 |
| Designer I | \$120.00 |
| Designer II | \$110.00 |
| Construction Manager | \$120.00 |
| Engineering Technician I | \$100.00 |
| Engineering Technician II | \$95.00 |
| Engineering Technician III | \$90.00 |
| Administrative Staff | \$75.00 |

Engineering Technologies Inc

Mechanical & Electrical Building Solutions

825 M Street, Suite 200, Lincoln, NE 68508

1111 N. 13th Street, Suite 216, Omaha, NE 68102

P 402.476.1273 F 402.476.1274

P 402.330.2772 F 402.330.2630

Innovative. Comprehensive. **Proven**

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Principals

Martin D. Kasl, PE, LEED AP, Mechanical Engineer
Thomas A. Ernst, PE, Electrical Engineer

Daniel W. Schinstock, PE, Mechanical Engineer
Daniel L. Thompson, PE, Mechanical Engineer

Derek R Kotschwar, PE, CxA, LEED AP, Mechanical Engineer
Shane M. Hoss, PE, RCDD, Architectural Engineer - Electrical

Justin L. Veik, PE, LEED AP, Architectural Engineer - Mechanical



Engineering Technologies, Inc.

2020 REIMBURSABLE EXPENSE CHARGES

| <u>Expense</u> | <u>Charge</u> |
|--|---------------------------|
| Mileage | Federal Mileage Allowance |
| Transportation Expense | Actual Cost + 10% |
| Printing Charges | Actual Cost + 10% |
| Advertising Charges | Actual Cost + 10% |
| Consultants | Actual Cost + 5% |
| Supplies, Miscellaneous, Etc. | Actual Cost + 10% |
| Black and White Copies/Prints | \$0.12/each |
| Color Copies/Prints | \$0.59/each |
| Bond Paper (Plots)/Small - 24" x 36" | \$3.00/sheet |
| Bond Paper (Plots)/Large - 30" x 42" | \$4.50/sheet |
| Mylars - 24" x 36" | \$6.75/each |
| Mylars – oversized | \$13.50/each |

Additions and Deletions Report for **AIA® Document B101™ – 2017**

This Additions and Deletions Report, as defined on page 1 of the associated document, reproduces below all text the author has added to the standard form AIA document in order to complete it, as well as any text the author may have added to or deleted from the original AIA text. Added text is shown underlined. Deleted text is indicated with a horizontal line through the original AIA text.

Note: This Additions and Deletions Report is provided for information purposes only and is not incorporated into or constitute any part of the associated AIA document. This Additions and Deletions Report and its associated document were generated simultaneously by AIA software at 16:23:45 ET on 11/05/2020.

PAGE 1

AGREEMENT made as of the 9th day of November in the year 2020 ("Effective Date")

...

Kearney County School District 50-0503, a/k/a Minden Public Schools
A political subdivision and Class III public school district of the State of Nebraska
543 W. 5th Street
Minden, NE 68959
308-832-2440

...

Engineering Technologies, Inc. d/b/a ETI
A Nebraska corporation
825 M Street, Suite 200
Lincoln, NE 68508
402-476-1273
(Engineering firm hereinafter referred to as "Architect")

...

Minden Public Schools – C.L. Jones Middle School heating, ventilation, and air conditioning (HCAV) system replacement project, generally consisting of the evaluation, design, installation and related construction of a new HVAC system serving the facility located at 520 West 3rd Street, Minden, Nebraska.

PAGE 2

The Owner's program for the selected Project is identified and described on the attached Scope of Project sheet, Appendix A.

...

The physical characteristics for the selected Project are identified and described on the attached Scope of Project sheet, Appendix A.

§ 1.1.3 ~~The Owner's budget for the Cost of the Work, as defined in Section 6.1: Construction Budget:~~

...

The Owner's Construction Budget for the selected Project is identified and described on the attached Scope of Project sheet, Appendix A.

PAGE 3

See Scope of Project sheet, Appendix A

...

See Scope of Project sheet, Appendix A

...

See Scope of Project sheet, Appendix A

...

See Scope of Project sheet, Appendix A

§ 1.1.5 The Owner intends the following construction procurement and delivery method for the Project:

...

Design-Bid-Build under Neb. Rev. Stat, §73-101 and §73-106.

...

None

§ 1.1.6.1 If the Owner identifies a Sustainable Objective, the Owner and Architect shall complete and incorporate AIA Document E204™-2017, Sustainable Projects Exhibit, into this Agreement to define the terms, conditions and services related to the Owner’s Sustainable Objective. If E204-2017 is incorporated into this agreement, the Owner and Architect shall incorporate the completed E204-2017 into the agreements with the consultants and contractors performing services or Work in any way associated with the Sustainable Objective.

...

James Widdifield, Superintendent
Minden Public Schools
543 W. 5th Street
Minden, NE 68959
308-832-2440
james.widdifield@mindenwhippets.org

...

Not applicable

...

To be determined (if necessary or required)

.2 — Civil Engineer;.2 Site Survey:

To be determined (if necessary or required)

PAGE 4

None

...

Derek Kotschwar, Project Manager
Engineering Technologies, Inc.
825 M Street, Suite 200
Lincoln, NE 68508
402-476-1273
dkotschwar@eti-engineers.com

...

.1 Structural Electrical Engineer:

None

.2 Civil Engineer:

None

.2 Mechanical Engineer: .3 Mechanical Engineer:

None

.4 Structural Engineering:

R.O. Youker, Inc.
A Nebraska corporation
1201 O Street, Suite 310
Lincoln, NE 68508
402-477-7640

.3 Electrical Engineer: .5 HVAC Consultant:

None

.6 Architectural Design Consultant:

Cannon Moss Brygger & Associates, P.C. d/b/a CMBA Architects
A Nebraska professional corporation
208 N. Pine Street, Suite 301
Grand Island, NE 68803
308-384-4444

PAGE 5

None

§ 1.1.11.3 The Owner reserves the right to refuse or limit Architect's use of any employee or consultants and to require Architect to remove any employee or consultant already engaged in the performance of the services on the Project.

...

None

...

§ 1.3 The parties shall agree upon protocols governing the transmission and use of Instruments of Service or any other information or documentation in digital form. ~~The parties will use AIA Document E203™ 2013, Building Information Modeling and Digital Data Exhibit, to establish the protocols for the development, use, transmission, and exchange of digital data.~~

~~§ 1.3.1 Any use of, or reliance on, all or a portion of a building information model without agreement to protocols governing the use of, and reliance on, the information contained in the model and without having those protocols set forth in AIA Document E203™ 2013, Building Information Modeling and Digital Data Exhibit, and the requisite AIA Document G202™ 2013, Project Building Information Modeling Protocol Form, shall be at the using or relying party's sole risk and without liability to the other party and its contractors or consultants, the authors of, or contributors to, the building information model, and each of their agents and employees.~~

§ 1.4 The term of this Agreement shall be for a period beginning on the Effective Date and shall continue through the occurrence of one of the following events, whichever occurs first in time:

- .1 The completion of all services provided by the Architect for the Project under the terms of this Agreement, with the term of this Agreement to extend to twelve (12) months after the issuance to the Owner by the Architect of the Certificate of Substantial Completion for the Project.
- .2 The termination of this Agreement according to its terms.

§ 1.5 This Agreement shall not create a continuing contract for architectural services for future building projects or bond elections beyond the terms of this Agreement.

§ 1.6 Any additional services to be provided by the Architect not otherwise identified in this Agreement shall be determined by a separate written agreement or addendum to this Agreement signed by both parties.

...

§ 2.5 The Architect shall maintain the following insurance until termination of this Agreement. ~~If any of the requirements set forth below are in addition to the types and limits the Architect normally maintains, the Owner shall pay the Architect as set forth in Section 11.9.~~

§ 2.5.1 Commercial General Liability with policy limits of not less than One Million Dollars (\$ 1,000,000) for each occurrence and Two Million Dollars (\$ 2,000,000) in the aggregate for bodily injury and property damage.

§ 2.5.2 Automobile Liability covering vehicles owned, and non-owned vehicles used, by the Architect with policy limits of not less than One Million Dollars (\$ 1,000,000) per accident for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles, along with any other statutorily required automobile coverage.

PAGE 6

§ 2.5.5 Employers' Liability with policy limits not less than One Million Dollars (\$ 1,000,000) each accident, One Million Dollars (\$ 1,000,000) each employee, and One Million Dollars (\$ 1,000,000) policy limit.

§ 2.5.6 Professional Liability covering negligent acts, errors and omissions in the performance of professional services with policy limits of not less than Two Million Dollars (\$ 2,000,000) per claim and Two Million Dollars (\$ 2,000,000) in the aggregate. Policy limits for Professional Liability in excess of the Architect's usual and customary limits may be required to be added by a Specific Job endorsement, the premium of which may be covered by the Owner as a reimbursable expense.

...

§ 2.5.9 Excess or Umbrella Liability with policy limits of not less than Three Million Dollars (\$ 3,000,000).

§ 3.1 The Architect's Basic Services consist of those described in this Article 3 and include usual and customary ~~structural, mechanical, and electrical engineering services.~~ architectural services, usual and customary structural, mechanical, civil and electrical engineering services and other services described herein. Services not set forth in this ~~Article 3~~ Article 3, or not identified as Basic Services in Article 4, are Supplemental or Additional Services.

...

§ 3.1.3 As soon as practicable after the date of this Agreement, the Architect shall submit for the Owner's approval a schedule for the performance of the Architect's services. The schedule initially shall include anticipated dates for the commencement of construction and for the date of Substantial Completion of the Work as set forth in the Initial Information. The schedule shall include allowances for periods of time required for the Owner's review, for the performance of the Owner's consultants, and for approval of submissions by authorities having jurisdiction over the Project. Once approved by the Owner, time limits established by the schedule shall not, except for reasonable cause, be exceeded by the Architect or Owner. With the Owner's approval, the Architect shall adjust the schedule, if necessary, as the Project proceeds until the commencement of construction.

PAGE 7

§ 3.1.5 ~~The Architect~~ Architect, at appropriate times, shall contact governmental authorities required to approve the Construction Documents and entities providing utility services to the Project. The Architect shall respond to applicable design requirements imposed by those authorities and entities.

...

§ 3.1.7 Basic Services

In addition to the usual and customary architecture and engineering services to be provided by the Architect under this Article 3, Basic Services under this Agreement also shall include the specific services identified in the non-exclusive list below.

- .1 Engineering design (including Electrical, Mechanical, Structural, and Civil engineering)
- .2 Construction administration and construction observation
- .3 Value analysis
- .4 Cost estimating
- .5 Conformed documents for construction
- .6 As-designed record drawings
- .7 Contractor's as-built drawings
- .8 Commissioning
- .9 Post-occupancy evaluation
- .10 Consultant coordination
- .11 Architectural design

§ 3.1.8 Owner's Approval Not a Waiver. Approval by the Owner of any plans, studies, designs, specifications, reports, or Instruments of Service furnished by the Architect under this Agreement shall not constitute and shall not in any way be deemed to be a release of the responsibility and liability of the Architect, its agents, employees, and subcontractors, for the adequacy of the Architect's work or for the Instruments of Service, nor shall such approval be deemed to be an assumption of such responsibility and liability by the Owner for any defect in the Instruments of Service prepared by the Architect, its agents, employees, subcontractors, or consultants. The Owner's approval or acceptance of, or payment for, any of the Architect's services shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

§ 3.2.1 The Architect shall review the program and other information furnished by the Owner, and shall review laws, codes, and regulations applicable to the Architect's ~~services.~~ services, including all applicable building codes, fire codes, in-door air quality standards, life-safety codes and standards, accessibility barrier standards, and any other required building components, systems or structures.

PAGE 8

§ 3.2.6 The Architect shall submit to the Owner ~~an estimate of the~~ a written Opinion of Probable Cost of the Work prepared in accordance with Section 6.3.

...

§ 3.3.1 Based on the Owner's approval of the Schematic Design Documents, the Owner's written authorization to proceed, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Design Development Documents for the Owner's approval. The Design Development Documents shall illustrate and describe the development of the approved Schematic Design Documents and shall consist of drawings and other documents including plans, sections, elevations, typical construction details, and diagrammatic layouts of building systems to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, and other appropriate elements. The Design Development Documents shall also include outline specifications that identify major materials and systems and establish, in general, their quality levels.

§ 3.3.2 The Architect shall update the ~~estimate of the written Opinion of Probable~~ Cost of the Work prepared in accordance with Section 6.3.

§ 3.3.3 The Architect shall submit the Design Development Documents to the Owner, advise the Owner of any adjustments to the ~~estimate of the written Opinion of Probable~~ Cost of the Work, and request the Owner's approval.

...

§ 3.4.1 Based on the Owner's approval of the Design Development Documents, the Owner's written authorization to proceed, and on the Owner's authorization of any adjustments in the Project requirements and the budget for the Cost of the Work, the Architect shall prepare Construction Documents for the Owner's approval. The Construction Documents shall illustrate and describe the further development of the approved Design Development Documents and shall consist of Drawings and Specifications setting forth in detail the quality levels and performance criteria of materials and systems and other requirements for the construction of the Work. The Owner and Architect acknowledge that, in order to perform the Work, the Contractor will provide additional information, including Shop Drawings, Product Data, Samples and other similar submittals, which the Architect shall review in accordance with Section 3.6.4.

PAGE 9

§ 3.4.2.1 The Architect, at appropriate times during the Construction Documents Phase, shall contact the governmental authorities required to approve the Construction Documents and the entities providing utility services to the Project. In designing the Project, the Architect shall respond to applicable design requirements imposed by such governmental authorities and by such entities providing utility services, including:

- .1 Design and prepare plans and specifications for the Project that meet the design and construction requirements of all applicable local, state and federal codes, statutes and regulations and mandates of governmental authorities, including but not limited to all building codes, fire codes, in-door air quality standards, life-safety codes and standards, accessibility barrier standards, and any other required building components, systems or structures.
- .2 Prepare written Opinions of Probable Cost of the Work to include such codes compliance design standards and requirements for the improvements to be constructed.
- .3 At the time of the delivery of the completed Construction Documents for the Project to the Owner, the Architect shall submit to the Owner written approval of the plans and specifications for the Project from all applicable governmental authorities, including but not limited to the building codes inspector(s) and Nebraska State Fire Marshal, and any deputy Fire Marshal, with jurisdiction over the Project which confirms that such plans and specifications meet all applicable building codes, fire codes, in-door air quality standards, life-safety codes and standards, accessibility barrier standards, and any other required building components, systems or structures for the Project. The Architect will bring to the Owner's attention any authority/entity failing to provide written or stamped approval along with

a brief summary of the Architect's efforts to gain approval. If the Architect performs the requirements of this paragraph, and subsequently the plans and specifications for the Project, or any portion thereof, are subsequently determined by any governmental authority to not meet the design requirements of applicable local, state and federal codes, statutes and regulations or mandates of governmental authorities, the Architect shall be responsible to redesign that portion of the Project as an additional fee to bring the Work into compliance with such code, statute or regulation; PROVIDED, however, that if the Architect fails to perform the requirements of this paragraph, the Architect shall be responsible to redesign that portion of the Project at no additional fee. The Owner will notify the Architect if there is a change in the governmental authorities with jurisdiction over the Project during the term of this Agreement.

§ 3.4.2.2 The Architect shall design for accessibility by persons with disabilities in conformance with the provisions and references in applicable state or local building codes and the technical design requirements of the Americans with Disabilities Act (ADA) and, if applicable, the Fair Housing Act (FHA) in effect as of the date of completion of the design to the extent those statutes apply to the Project. The Owner will determine the full extent of its obligations under the ADA and FHA, including whether the ADA and/or the FHA apply to the Project, the extent that modifications are readily achievable under the ADA, and the extent that modifications to improve disability access are necessary during an alteration and provide the Architect with such information.

§ 3.4.4 The Architect shall update the estimate for the written Opinion of Probable Cost of the Work prepared in accordance with Section 6.3.

§ 3.4.5 The Architect shall submit the Construction Documents to the Owner, advise the Owner of any adjustments to the estimate of the Opinion of Probable Cost of the Work, take any action required under Section 6.5, and request the Owner's approval.

PAGE 10

The Architect shall assist the Owner in establishing a list of prospective contractors. Following the Owner's approval of the Construction Documents, the Architect shall assist the Owner in (1) obtaining either competitive bids ~~or~~ or, if applicable, negotiated proposals; (2) confirming responsiveness of bids ~~or~~ or, if applicable, proposals; (3) determining the successful bid ~~or~~ or, if applicable, proposal, if any; and, (4) awarding and preparing contracts for construction.

...

- .1 assisting in preparing Bidding Documents for distribution to prospective bidders;
- .2 facilitating the distribution of Bidding Documents to prospective bidders;
- ~~.2~~ .3 organizing and conducting a pre-bid conference for prospective bidders;
- ~~.3~~ .4 preparing responses to questions from prospective bidders and providing clarifications and interpretations of the Bidding Documents to the prospective bidders in the form of addenda; and,
- ~~.4~~ .5 organizing and conducting the opening of the bids, and subsequently documenting and distributing the bidding results, as directed by the ~~Owner~~ Owner; and
- .6 make recommendations to the Owner as to the lowest responsible bidder.

§ 3.5.2.3 If the Bidding Documents permit substitutions, upon the Owner's written authorization, the Architect ~~shall, as an Additional Service,~~ shall consider requests for substitutions and prepare and distribute addenda identifying approved substitutions to all prospective bidders.

§ 3.5.3 Negotiated Proposals

~~§ 3.5.3.1 Proposal Documents shall consist of proposal requirements and proposed Contract Documents.~~

§ 3.5.3.2 The Architect shall assist the Owner in obtaining proposals by:

- ~~.1~~ .1 facilitating the distribution of Proposal Documents for distribution to prospective contractors and requesting their return upon completion of the negotiation process;
- ~~.2~~ .2 organizing and participating in selection interviews with prospective contractors;
- ~~.3~~ .3 preparing responses to questions from prospective contractors and providing clarifications and interpretations of the Proposal Documents to the prospective contractors in the form of addenda; and,

~~4 participating in negotiations with prospective contractors, and subsequently preparing a summary report of the negotiation results, as directed by the Owner.~~

§ 3.5.3.3 If the Proposal Documents permit substitutions, upon the Owner's written authorization, the Architect shall, as an Additional Service, consider requests for substitutions and prepare and distribute addenda identifying approved substitutions to all prospective contractors.

...

§ 3.6.1.1 The Architect shall provide administration of the Contract between the Owner and the Contractor as set forth below and in AIA Document ~~A201™-2017, A201, General Conditions of the Contract for Construction.~~ Construction, as amended. If the Owner and Contractor modify AIA Document ~~A201-2017, A201,~~ those modifications shall not affect the Architect's services under this Agreement unless the Owner and the Architect amend this Agreement.

...

§ 3.6.1.3 ~~Subject to Section 4.2 and except~~ Except as provided in Section ~~3.6.6.5, 3.6.6.5 through 3.6.6.8,~~ the Architect's responsibility to provide Construction Phase Services commences with the award of the Contract for Construction and terminates on the date the Architect issues the final Certificate for Payment.

...

§ 3.6.2.1 The Architect shall visit the site at intervals appropriate to the stage of ~~construction, or as otherwise required in Section 4.2.3, construction~~ to become generally familiar with the progress and quality of the portion of the Work completed, and to determine, in general, if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. ~~However, the Architect shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work.~~ On the basis of the site visits, the Architect shall keep the Owner reasonably informed about the observable progress and quality of the portion of the Work completed, and promptly report to the Owner (1) known deviations from the Contract Documents, (2) known deviations from the most recent construction schedule submitted by the Contractor, and (3) defects and deficiencies observed in the Work.

§ 3.6.2.2 ~~The Architect~~ Architect, after consulting with the Owner, has the authority to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect shall have the authority to require inspection or testing of the Work in accordance with the provisions of the Contract Documents, whether or not the Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, material and/or equipment suppliers, their agents or employees, or other persons or entities performing portions of the Work.

PAGE 11

§ 3.6.2.4 Interpretations and decisions of the Architect shall be consistent with the intent of, and reasonably inferable from, the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and decisions, the Architect shall endeavor to secure faithful performance by both Owner and Contractor, shall not show partiality to either, and shall not be liable for results of interpretations or decisions rendered in good faith. The Architect's decisions on matters relating to aesthetic effect shall be final if consistent with the intent expressed in the ~~Contract Documents.~~ Documents and accepted by the Owner.

§ 3.6.2.5 Unless the Owner and Contractor designate another person to serve as an Initial Decision Maker, as that term is defined in AIA Document ~~A201-2017, A201,~~ the Architect shall render initial decisions on ~~Claims~~ Claims, disputes or other matters in question between the Owner and Contractor as provided in the Contract Documents. However, the Owner's decisions in consultation with the Architect's decisions on matter relating to aesthetic effect shall be final if consistent with the intentions expressed in the Contract Documents.

§ 3.6.2.6 Interpretations and decisions of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in writing or in the form of drawings. When making such interpretations and initial decisions, the Architect shall endeavor to secure faithful performance by both the Owner and the Contractor, shall not show partiality to either, and shall not be liable for the results of interpretations or decisions so rendered in good faith.

...

§ 3.6.3.1 The Architect shall review and certify the amounts due the Contractor and shall issue certificates in such amounts. The Architect's certification for payment shall constitute a representation to the Owner, based on the Architect's evaluation of the Work observations at the site and of the Work on the Project as provided in Section 3.6.2 and on the data comprising the Contractor's Application for Payment, that, to the best of the Architect's knowledge, information and belief, the Work has progressed to the point indicated, the quality of the Work is in accordance with the Contract Documents, and that the Contractor is entitled to payment in the amount certified. The foregoing representations are subject to (1) an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, (2) results of subsequent tests and inspections, (3) correction of minor deviations from the Contract Documents prior to completion, and (4) specific qualifications expressed by the Architect.

PAGE 12

§ 3.6.4.2 The In accordance with the Owner and Architect approved submittal schedule, the Architect shall review and approve, or take other appropriate action upon, the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. Review of such submittals is not for the purpose of determining the accuracy and completeness of other information such as dimensions, quantities, and installation or performance of equipment or systems, which are the Contractor's responsibility. The Architect's review shall not constitute approval of safety precautions or construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

...

§ 3.6.4.4 Subject to Section 4.2, the The Architect shall review and respond to requests for information about the Contract Documents. Documents, unless such information is available to the Contractor from careful study and comparison of the Contract Documents, field conditions, other Owner-provided information, Contractor-prepared coordination drawings, or prior Project correspondence or documentation. The Architect shall set forth, in the Contract Documents, the requirements for requests for information. Requests for information shall include, at a minimum, a detailed written statement that indicates the specific Drawings or Specifications in need of clarification and the nature of the clarification requested. The Architect's response to such requests shall be made in writing within any time limits agreed upon, or otherwise with reasonable promptness. If appropriate, the Architect shall prepare and issue supplemental Drawings and Specifications in response to the requests for information. Architect shall acknowledge the receipt of each Contractor-generated request for information within three (3) working days after receipt by the Architect. The Architect shall endeavor to issue a written answer to the Contractor and the Owner, if desired, for each Contractor request for information (along with necessary descriptive drawings, specifications, or other documents) with the promptness necessary to avoid unnecessary delay or cost, but no longer than ten (10) working days after the request for information is received by the Architect. If the request for information processing will exceed the agreed upon review period, the Architect will notify the Contractor and Owner.

...

§ 3.6.5.1 The Architect Architect, after advising the Owner in writing, may order minor changes in the Work that are consistent with the intent of the Contract Documents and do not involve an adjustment in the Contract Sum or an extension of the Contract Time. Subject to Section 4.2, the The Architect shall prepare Change Orders and Construction Change Directives for the Owner's approval and execution in accordance with the Contract Documents.

...

- .1 conduct site visits for observable or reasonably discoverable defects and/or deficiencies in the Work;

- .2 conduct inspections to determine the date or dates of Substantial Completion and the date of final completion;
- .2—.3 in consultation and with approval of the Owner, issue Certificates of Substantial Completion;
- .3—.4 forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Contract Documents and received from the Contractor; and,
- .4—.5 issue a final Certificate for Payment based upon a final inspection indicating that, to the best of the Architect's knowledge, information, and belief, the Work complies with the requirements of the Contract Documents.

PAGE 13

§ 3.6.6.5 Upon request of the Owner, and prior to the expiration of one year from the date or dates of Substantial Completion, the Architect shall, without additional compensation, conduct a meeting with the Owner to review the facility operations and performance.

§ 3.6.6.6 Promptly after the Owner receives the Certificate of Substantial Completion from the Architect, the Architect shall furnish the Owner, at no expense to the Owner, reproducible Architect As-Design Record Drawings, and the Contractor's As-Constructed Drawings in a form approved by the Owner. The Architect shall also provide the Owner an electronic file of the Architect's As-Design Record Drawings, and the Contractor's As-Constructed Drawings in a computer program acceptable to the Owner. Revisions or changes shall be properly annotated on the reproducible plans and cross-referenced. Each sheet of the plans shall be prominently noted as either "As-Designed Record Drawings," or "As-Constructed Record Drawings."

§ 3.6.6.7 The Architect shall, on behalf of the Owner, review the work of the contractors and suppliers with regard to the preparation of operating and maintenance manuals, extensive assistance in utilization of any equipment or system (such as initial start-up, testing, adjusting and balancing); and training personnel for operation and maintenance. Upon written request by the Owner, Architect shall participate in Commissioning and Training of Owner's staff on an hourly basis.

§ 3.6.6.8 Upon the issuance of a Certificate of Substantial Completion, the Architect shall:

- .1 Provide assistance, as requested by the Owner, to obtain from the Contractor any refinement or adjustment to any equipment or system during the Corrective Work period. Corrective Work period shall mean one (1) year from the date of the Certificate of Substantial Completion.
- .2 Make visits to the Project in response to Owner observations and reporting of apparent defects and deficiencies in the completed construction. Advise the Owner in writing of deficient or defective work and consult with the Owner to discuss satisfactory correction. Additional site visits during the Warranty Period by the Architect shall be provided as an Additional Service on an hourly basis.
- .3 Architect shall render prompt advice on claims, disputes, and other matters which may arise between construction contractor and the Owner relating to operations of and defects in the completed work of the Project.

§ 3.6.6.9 Commissioning. For purposes of this Agreement, Commissioning shall consist of the following work:

- .1 25% random sampling for functional testing of all new installed HVAC Equipment including air & water balancing and temperature controls testing.
- .2 Shop drawing review of HVAC equipment and Temperature Controls.
- .3 Review of the final air & water balancing reports.
- .4 Verification that HVAC Start-up of equipment was performed.
- .5 Review of the O&M manuals.
- .6 Verification that Owner training was completed.

PAGE 14

§ 4.1.1 The services listed below are not included in Basic Services but may be required for the Project. The Architect shall provide the listed ~~Unless otherwise specified as an Architect-provided Basic Service, the Architect shall provide the listed Services as Supplemental Services~~ only if specifically designated in the table below as the Architect's

responsibility, and the Owner shall compensate the Architect as provided in Section 11.2. responsibility and only if the Owner notifies the Architect in writing of the need for Supplemental Service and the Owner authorizes the Architect to perform such Supplemental Services in writing. The Owner shall compensate the Architect for those Supplemental Services authorized by the Owner as provided in Section 11.2. Failure of the Architect to notify and obtain written authorization to perform Supplemental Services will result in a denial of compensation by the Owner. Unless otherwise specifically addressed in this Agreement, if neither the Owner nor the Architect is designated, the parties agree that the listed Supplemental Service is not being provided for the Project.

...

| Supplemental Architect Services | Responsibility <i>(Architect, Owner, or not provided)</i> |
|--|---|
| § 4.1.1.1 Programming | <u>Not Provided</u> |
| § 4.1.1.2 Multiple preliminary designs | <u>Not Provided</u> |
| § 4.1.1.3 Measured drawings | <u>Not Provided</u> |
| § 4.1.1.4 Existing facilities surveys | <u>Architect (as Basic Service)</u> |
| § 4.1.1.5 Site evaluation and planning | <u>Not Provided</u> |
| § 4.1.1.6 Building Information Model management responsibilities | <u>Not Provided</u> |
| § 4.1.1.7 Development of Building Information Models for post construction use | <u>Not Provided</u> |
| § 4.1.1.8 Civil engineering | <u>Architect (as Basic Service)</u> |
| § 4.1.1.9 Landscape design | <u>Not Provided</u> |
| § 4.1.1.10 Architectural interior design | <u>Architect (as Basic Service)</u> |
| § 4.1.1.11 Value analysis required under Sections 6.5, 6.6 and 6.7 | <u>Architect (as Basic Service)</u> |
| § 4.1.1.12 Detailed cost estimating beyond that required in Section 6.3 | <u>Not Provided</u> |
| § 4.1.1.13 On-site project representation | <u>Architect (as Basic Service)</u> |
| § 4.1.1.14 Conformed documents for construction | <u>Architect (as Basic Service)</u> |
| § 4.1.1.15 As-designed record drawings | <u>Architect (as Basic Service)</u> |
| § 4.1.1.16 As-constructed record drawings | <u>Architect (as Basic Service)</u> |
| § 4.1.1.17 Post-occupancy evaluation | <u>Architect (as Basic Service per § 3.6.6.8)</u> |
| § 4.1.1.18 Facility support services | <u>Not Provided</u> |
| § 4.1.1.19 Tenant-related services | <u>Not Provided</u> |
| § 4.1.1.20 Architect's coordination of the Owner's —Architect's consultants | <u>Architect (as Basic Service)</u> |
| § 4.1.1.21 Telecommunications/data design | <u>Not Provided</u> |
| § 4.1.1.22 Security evaluation and planning | <u>Not Provided</u> |
| § 4.1.1.23 Commissioning | <u>Architect (as Basic Service)</u> |
| § 4.1.1.24 Sustainable Project Services pursuant to Section 4.1.3 | <u>Not Provided</u> |
| § 4.1.1.25 Fast-track design services | <u>Not Provided</u> |
| § 4.1.1.26 Multiple bid packages | <u>Not Provided</u> |
| § 4.1.1.27 Historic preservation | <u>Not Provided</u> |
| § 4.1.1.28 Furniture, furnishings, and equipment design | <u>Not provided</u> |
| § 4.1.1.29 Other services provided by specialty Consultants | <u>Architect (as Basic Service)</u> |
| § 4.1.1.30 Other Supplemental Services | <u>Architect (if authorized)</u> |

PAGE 15

None

...

None

~~§ 4.1.3 If the Owner identified a Sustainable Objective in Article 1, the Architect shall provide, as a Supplemental Service, the Sustainability Services required in AIA Document E204™ 2017, Sustainable Projects Exhibit, attached to this Agreement. The Owner shall compensate the Architect as provided in Section 11.2.~~

...

- ~~.3 Changing or editing previously prepared Instruments of Service necessitated by official interpretations of applicable codes, laws or regulations that are either (a) contrary to specific interpretations by the applicable authorities having jurisdiction made prior to the issuance of the building permit, or (b) contrary to requirements of the Instruments of Service when those Instruments of Service were prepared in accordance with the applicable standard of care; regulations, provided that the Architect fully complied with the Architect’s requirements under §§ 3.1.7 and 3.4.2.1 herein;~~

...

- ~~.6 Preparation of design and documentation for alternate bid or proposal requests proposed by the Owner; Owner after initial bidding;~~

...

- ~~.9 Evaluation of the qualifications of entities providing bids or proposals; [omit];~~

PAGE 16

~~§ 4.2.2 To avoid delay in the Construction Phase, the Architect shall provide the following Additional Services, notify the Owner with reasonable promptness, and explain the facts and circumstances giving rise to the need. If, upon receipt of the Architect’s notice, the Owner determines that all or parts of the services are not required, the Owner shall give prompt written notice to the Architect of the Owner’s determination. The Owner shall compensate the Architect for the services provided prior to the Architect’s receipt of the Owner’s notice determination, and thereafter the Owner and the Architect shall meet and confer about how, if at all, the Architect may be compensated for those services already performed~~

...

- ~~.3 Preparing Change Orders and Construction Change Directives that require evaluation of Contractor’s proposals and supporting data, or the preparation or revision of Instruments of Service; [omit];~~

...

~~§ 4.2.3 The Architect shall provide Construction Phase Services exceeding the limits set forth below as Additional Services. When the limits below are reached, the Architect shall notify the Owner:~~

- ~~.1 reviews of each Shop Drawing, Product Data item, sample and similar submittals of the Contractor~~
- ~~.2 visits to the site by the Architect during construction~~
- ~~.3 inspections for any portion of the Work to determine whether such portion of the Work is substantially complete in accordance with the requirements of the Contract Documents~~
- ~~.4 inspections for any portion of the Work to determine final completion. [omit]~~

~~§ 4.2.4 Except for services required under Section 3.6.6.5 and those services that do not exceed the limits set forth in Section 4.2.3, Construction Phase Services provided more than 60 days after (1) the date of Substantial Completion of~~

the Work or (2) the initial date of Substantial Completion identified in the agreement between the Owner and Contractor, whichever is ~~earlier, shall be compensated later, may be compensated, in the sole discretion of the Owner,~~ as Additional Services to the extent the Architect incurs additional cost in providing those Construction Phase Services.

~~§ 4.2.5 If the services covered by this Agreement have not been completed within () months of the date of this Agreement, through no fault of the Architect, extension of the Architect's services beyond that time shall be compensated as Additional Services.~~

§ 5.1 Unless otherwise provided for under this Agreement, the Owner shall provide information in a timely manner regarding requirements for and limitations on the Project, including a written program, which shall set forth the Owner's objectives; schedule; constraints and criteria, including space requirements and relationships; flexibility; expandability; special equipment; systems; and site requirements. The Owner hereby refers Architect to any applicable building code authority to obtain building code specifications.

...

§ 5.3 The Owner shall identify a representative authorized to act on the Owner's behalf with respect to the Project. The Owner shall render decisions and approve the Architect's submittals in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of the Architect's services; provided, however, nothing herein shall relieve Architect of any responsibility or liability for the performance of Architect's contracted services.

PAGE 17

~~§ 5.7 If the Owner identified a Sustainable Objective in Article 1, the Owner shall fulfill its responsibilities as required in AIA Document E204™-2017, Sustainable Projects Exhibit, attached to this Agreement.~~

~~§ 5.7[omit]~~

§ 5.8 The Owner shall coordinate the services of its own consultants with those services provided by the Architect. ~~Upon the Architect's request, the Owner shall furnish copies of the scope of services in the contracts between the Owner and the Owner's consultants. The Owner shall furnish the services of consultants other than those designated as the responsibility of the Architect in this Agreement, or authorize the Architect to furnish them as an Additional Service, when the Architect requests such services and demonstrates that they are reasonably required by the scope of the Project. The Owner shall require that its consultants and contractors maintain insurance, including professional liability insurance, as appropriate to the services or work provided.~~

...

§ 5.10 The Owner shall ~~furnish~~ furnish, for the benefit of the Owner only, all legal, insurance and accounting services, including auditing services, that may be reasonably necessary at any time for the Project to meet the Owner's needs and interests.

§ 5.11 The Owner shall provide ~~prompt~~ timely written notice to the Architect if the Owner becomes aware of any fault or defect in the Project, including errors, omissions or inconsistencies in ~~the Architect's Instruments of Service.~~ the Architect's Instruments of Service and Construction Documents, provided however that the Owner's failure or omission to do so shall not relieve the Architect of its responsibilities hereunder and the Owner shall have no duty of observation, inspection or investigation. The Owner shall be entitled to rely on the Architect's Instruments of Service, Construction Documents, services and information furnished by the Architect. This Section shall not relieve Architect of any responsibility or liability for the performance of Architect's contracted services on the Project.

§ 5.12 The Owner shall include the Architect in all communications with the Contractor that relate to or affect the Architect's services or professional responsibilities. The Owner shall ~~promptly~~ timely notify the Architect of the substance of any direct communications between the Owner and the Contractor otherwise relating to the Project. Communications by and with the Architect's consultants shall be through the Architect.

...

~~§ 5.15 Within 15 days after receipt of a written request from the Architect, the Owner shall furnish the requested information as necessary and relevant for the Architect to evaluate, give notice of, or enforce lien rights.~~

§ 6.1 For purposes of this Agreement, the Cost of the Work shall be the total cost to the Owner to construct all elements of the Project designed or specified by the Architect and shall include contractors' general conditions costs, overhead and profit. The Cost of the Work also includes the reasonable value of labor, materials, and equipment, donated to, or otherwise furnished by, the Owner. The Cost of the Work does not include the compensation of the Architect; the costs of the land, rights-of-way, financing, or contingencies for changes in the Work; or other costs that are the responsibility of the Owner. The Owner's Construction Budget shall include the Cost of the Work and construction contingency, but not an Owner's contingency.

§ 6.2 The Owner's budget for the Cost of the Work is provided in Initial Information, and shall be adjusted throughout the Project as required under Sections 5.2, 6.4 and 6.5. Evaluations of the Owner's budget for the Cost of the Work, and the preliminary ~~estimate of the~~ Opinion of Probable Cost of the Work and updated ~~estimates of the~~ Opinions of Probable Cost of the Work, prepared by the Architect, represent the Architect's judgment as a design professional. It is recognized, however, that neither the Architect nor the Owner has control over the cost of labor, materials, or equipment; the Contractor's methods of determining bid prices; or competitive bidding, market, or negotiating conditions. Accordingly, the Architect cannot and does not warrant or represent that bids or negotiated prices will not vary from the Owner's budget for the Cost of the Work, or from any ~~estimate of the Cost of the Work, Opinion of Probable Cost of the Work by the Architect,~~ or evaluation, prepared or agreed to by the Architect.

§ 6.3 In preparing ~~estimates of the~~ Opinions of Probable Cost of Work, the Architect shall be permitted to include reasonable contingencies for design, bidding, and price escalation; to determine what materials, equipment, component systems, and types of construction are to be included in the Contract Documents; to recommend reasonable adjustments in the program and scope of the Project; and to include design alternates as may be necessary to adjust the estimated Opinion of Probable Cost of the Work to meet the Owner's budget. The Architect's ~~estimate of the~~ Opinion of Probable Cost of the Work shall be based on current area, volume or similar conceptual estimating techniques. If the Owner requires a detailed ~~estimate of the Cost of the Work, cost estimating services,~~ the Architect shall provide such an estimate, if identified as the Architect's responsibility in Section 4.1.1, as a Supplemental Service.

PAGE 18

§ 6.5 If at any time the Architect's ~~estimate of the latest~~ Opinion of Probable Cost of the Work exceeds the Owner's budget for the Cost of the Work, the Architect shall at the Owner's direction and in the Owner's sole discretion (i) redesign and make appropriate changes, modifications and revisions to the design and Construction Documents for the Project in order to reduce the Architect's Opinion of Probable Cost of the Work within the Owner's budget for the Cost of the Work, or (ii) make appropriate recommendations to the Owner to adjust the Project's size, quality, or budget for the Cost of the Work, and the Owner shall cooperate with the Architect in making such adjustments. Work.

§ 6.6 If the Owner's budget for the Cost of the Work at the conclusion of the Construction Documents Phase Services is exceeded by the lowest bona fide ~~bid-bid(s) or negotiated proposal, proposal:~~

- ~~.1~~ the Owner shall
 - ~~.1~~ may give written approval of an increase in the budget for the Cost of the Work;
 - ~~.2~~ the Owner may authorize rebidding or renegotiating of the Project within a reasonable time;
 - ~~.3~~ the Owner may terminate this Agreement in accordance with Section 9.5;
 - ~~.4~~ in consultation with the Architect, the Owner may revise the Project program, scope, or quality as required to reduce the Cost of the Work;
 - ~~.5~~ in consultation with the Owner, the Architect shall redesign and make appropriate changes, modifications and revisions to the design and Construction Documents without change to the Project program, scope or quality; or,
 - ~~.5~~ .6 the Owner may implement any other mutually acceptable alternative.

§ 6.7 If the Owner chooses to proceed under ~~Section 6.6.4, the Architect either Section 6.6.4 or Section 6.6.5, the Architect, without additional compensation,~~ shall modify the Construction Documents as necessary to comply with the Owner's budget for the Cost of the Work at the conclusion of the Construction Documents Phase Services, or the

budget as adjusted under Section 6.6.1. ~~If the Owner requires the Architect to modify the Construction Documents because the lowest bona fide bid or negotiated proposal exceeds the Owner's budget for the Cost of the Work due to market conditions the Architect could not reasonably anticipate, the Owner shall compensate the Architect for the modifications as an Additional Service pursuant to Section 11.3; otherwise the Architect's services for modifying the Construction Documents shall be without additional compensation. In any event, the Architect's modification of the Construction Documents shall be the limit of the Architect's responsibility under this Article 6.6.6.1, and assist with the negotiation of a lower contract price with the Contractor for the Project or the re-bidding of the Project as required by the Owner and/or by law.~~

PAGE 19

§ 7.3 ~~The Architect grants to the Owner a perpetual, world-wide, royalty-free, paid-up, nonexclusive license to use the Architect's Instruments of Service solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner substantially performs its obligations under this Agreement, including prompt payment of all sums due pursuant to Article 9 and Article 11. Service, including all Drawings and Specifications and all electronic source files in whatever format, for any purpose, including the design and/or construction of current or future facility projects of the Owner. The Architect shall obtain similar nonexclusive licenses from the Architect's consultants consistent with this Agreement. The license granted under this section permits the Owner to authorize the Contractor, Subcontractors, Sub-subcontractors, and suppliers, as well as the Owner's consultants and separate contractors, to reproduce applicable portions of the Instruments of Service, subject to any protocols established pursuant to Section 1.3, solely and exclusively for use in performing services or construction for the Project. Service. The Architect and the Architect's consultants shall incur no liability for the Owner's use or reuse of Instruments of Service other than in connection with the Project unless the Architect is involved in the reuse project. Prior to the reuse of any Instruments of Service for a project in which the Architect is not also involved, the Owner shall remove and obliterate from such documents all identification of the original Architect, including name, address, and professional seal and stamp. If the Architect rightfully terminates this Agreement for cause as provided in Section 9.4, the license granted in this Section 7.3 shall terminate.~~

§ 7.3.1 ~~In the event the Owner uses the Instruments of Service without retaining the authors of the Instruments of Service, the Owner releases the Architect and Architect's consultant(s) from all claims and causes of action arising from such uses. The Owner, to the extent permitted by law, further agrees to indemnify and hold harmless the Architect and its consultants from all costs and expenses, including the cost of defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner's use of the Instruments of Service under this Section 7.3.1. The terms of this Section 7.3.1 shall not apply if the Owner rightfully terminates this Agreement for cause under Section 9.4.~~

...

§ 8.1.1.2 ~~The Architect acknowledges that the Owner is a political subdivision of the State of Nebraska, and, as such, may enjoy immunities from suit and/or liability under the Constitution and laws of the State of Nebraska. By entering into this Agreement, the Owner does not waive any of its immunities from suit and/or liability, except as otherwise specifically provided herein and as specifically authorized by law.~~

§ 8.1.2 ~~To Only to the extent damages are covered by property insurance and payment is received from applicable insurance, the Owner and Architect waive all rights against each other and against the contractors, consultants, agents, and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in AIA Document A201-2017, A201, General Conditions of the Contract for Construction. The Owner or the Architect, as appropriate, shall require of the contractors, consultants, agents, and employees of any of them, similar waivers in favor of the other parties enumerated herein.~~

§ 8.1.3 ~~The Architect and Owner waive waives consequential damages against the Owner for claims, disputes, or other matters in question, arising out of or relating to this Agreement. This mutual-waiver is applicable, without limitation, to all consequential damages due to either party's Owner's termination of this Agreement, except as specifically provided in Section 9.7. The Owner expressly reserves the right to claim consequential damages against the Architect, subject to the limitation on damages provided in § 12.14.~~

§ 8.1.4 Architect Indemnity

§ 8.1.4.1 Indemnity / Non-Professional Acts. The Architect and Architect's consultants shall indemnify, defend and hold harmless the Owner, and all of its board members, officers, administrators, agents, representatives, and employees, from any and all third party losses, damages, liabilities, judgments, or expenses, including reasonable attorney's fees and expenses, on account of damage or destruction to property and personal injuries, including death, to any or all persons, including but not limited to invitees and employees of the Owner, Owner's consultants, the Architect, and the Architect's consultants, to the extent caused by the negligent acts, errors or omissions by the Architect, its employees and its consultants, and for patent, copyright or trademark infringement attributable to the Architect's services.

§ 8.1.4.2 Indemnity / Professional Acts. The Architect shall indemnify and hold harmless the Owner, and all of its board members, officers, administrators, agents, representatives, and employees, from and against from any and all third party losses, damages, liabilities, judgments, or expenses, including reasonable attorney's fees and expenses, on account of damage or destruction to property and personal injuries, including death, to any or all persons, including but not limited to invitees and employees of the Owner, Owner's consultants, the Architect, and the Architect's consultants, but only to the extent they are caused by the negligent acts, errors or omissions of the Architect, its employees and its consultants in the performance of professional services under this Agreement. The Architect's obligation to indemnify and hold harmless the Owner does not include a duty to defend. The Architect's duty to indemnify the Owner under this § 8.1.4.2 shall be limited to the available proceeds of the insurance coverage required by this Agreement.

§ 8.1.4.3 The Architect understands and agrees that the indemnification, defense, and hold harmless obligations of this section constitute a continuing obligation on the part of the Architect and survive and are enforceable beyond the term of the contract to the fullest extent permitted by law.

§ 8.1.5 Direct Negotiation. Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to a written request to seek to resolve such through direct negotiation at a meeting of the senior management of the Owner and the Architect as a condition precedent to mediation. The parties shall endeavor to schedule a meeting within two weeks of such request.

§ 8.2.1 Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to binding dispute resolution. If such matter relates to or is the subject of a lien arising out of the Architect's services, the Architect may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by binding dispute resolution.

PAGE 21

[] Litigation in a court of competent jurisdiction in Kearney County, Nebraska

...

§ 8.3 Arbitration[omit]

§ 8.3.1 If the parties have selected arbitration as the method for binding dispute resolution in this Agreement, any claim, dispute or other matter in question arising out of or related to this Agreement subject to, but not resolved by, mediation shall be subject to arbitration, which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules in effect on the date of this Agreement. A demand for arbitration shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the arbitration.

§ 8.3.1.1 A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the claim, dispute or other matter in question would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the claim, dispute or other matter in question.

§ 8.3.2 The foregoing agreement to arbitrate, and other agreements to arbitrate with an additional person or entity duly consented to by parties to this Agreement, shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof.

~~§ 8.3.3~~ The award rendered by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

~~§ 8.3.4 Consolidation or Joinder~~

~~§ 8.3.4.1~~ Either party, at its sole discretion, may consolidate an arbitration conducted under this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation; (2) the arbitrations to be consolidated substantially involve common questions of law or fact; and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).

~~§ 8.3.4.2~~ Either party, at its sole discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent.

~~§ 8.3.4.3~~ The Owner and Architect grant to any person or entity made a party to an arbitration conducted under this Section 8.3, whether by joinder or consolidation, the same rights of joinder and consolidation as the Owner and Architect under this Agreement.

...

~~§ 9.1~~ If the Owner fails to make payments to the Architect ~~in accordance with this Agreement, for undisputed sums in accordance with this Agreement and such non-payment is not cured within ten (10) calendar days' after receipt by the Owner of written notice from the Architect,~~ such failure shall be considered substantial nonperformance and cause for termination or, at the Architect's option, cause for suspension of performance of services under this Agreement. If the Architect elects to suspend services, the Architect shall give seven days' written notice to the Owner before suspending services. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Owner shall pay the Architect all ~~sums due prior to suspension and any expenses incurred in the interruption and resumption of the Architect's services, undisputed sums due prior to suspension.~~ The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

~~§ 9.2~~ If the Owner suspends the ~~Project, Project~~ for more than ninety (90) consecutive days, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, ~~the Architect shall be compensated for expenses incurred in the interruption and resumption of the Architect's services.~~ The Architect's fees for the remaining services and the time schedules shall be equitably adjusted.

~~§ 9.3~~ If the Owner suspends the Project for more than ~~90 cumulative ninety (90) consecutive days~~ for reasons other than the fault of the Architect, the Architect may terminate this Agreement by giving not less than seven days' written notice.

~~§ 9.4~~ Either party may terminate this Agreement upon not less than ~~seven days' written notice twenty-one (21) days' advance written notice and opportunity for the other party to cure should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.~~

~~§ 9.5~~ The Owner may terminate this Agreement upon not less than seven (7) days' written notice to the Architect for the Owner's convenience and without cause.

...

~~§ 9.7~~ In addition to any amounts paid under Section 9.6, if the Owner terminates this Agreement for its convenience pursuant to Section 9.5, or the Architect terminates this Agreement pursuant to Section 9.3, the Owner shall pay to the Architect the following fees:

~~(Set forth below the amount of any termination or licensing fee, or the method for determining any termination or licensing fee.)~~

~~.1~~ Termination Fee:

~~.2~~ Licensing Fee if the Owner intends to continue using the Architect's Instruments of Service: Notwithstanding any other provisions of the Contract Documents to the contrary, it is expressly understood and agreed that the legal obligation of the Owner to pay the contract sum or any part thereof shall be contingent upon the availability of funds for the Project and any formal action of the Board of Education of the Owner. In the event the funding for the Project becomes unavailable for any reason, the Owner may terminate this Agreement without cause under the provisions of this Article 9.

~~§ 9.8~~ Except as otherwise expressly provided herein, this Agreement shall terminate one year from the date of Substantial Completion.

~~§ 9.9~~ The Owner's rights to use the Architect's Instruments of Service in the event of a termination of this Agreement are set forth in Article 7 and Section 9.7.

~~§ 10.1~~ This Agreement shall be governed by the law of the place where the Project is located, excluding that jurisdiction's choice of law rules. If the parties have selected arbitration as the method of binding dispute resolution, the Federal Arbitration Act shall govern Section 8.3, State of Nebraska. Mandatory and exclusive jurisdiction and venue for any disputes shall be in state or federal courts in Kearney County, Nebraska.

~~§ 10.2~~ Terms in this Agreement shall have the same meaning as those in AIA Document A201-2017, A201, General Conditions of the Contract for ~~Construction~~ Construction, as amended. As a material consideration of the making of this Agreement, the Modifications to this Agreement shall not be construed against the maker of said Modifications.
PAGE 22

~~§ 10.4~~ If the Owner requests the Architect to execute certificates, the proposed language of such certificates shall be submitted to the Architect for review at least ~~14~~ fourteen (14) days prior to the requested dates of execution. If the Owner requests the Architect to execute consents reasonably required to facilitate assignment to a lender, the Architect shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to the Architect for review at least ~~14~~ fourteen (14) days prior to execution. The Architect shall not be required to execute certificates or consents that would require knowledge, services, or responsibilities beyond the scope of this Agreement.

...

~~§ 10.6.1~~ Notwithstanding § 10.6, the Architect shall be responsible and liable for any hazardous materials or toxic substances, as defined in AIA A201, that the Architect, by its acts or omissions, knowingly or should have known introduces, causes, or allows to be introduced to the Project site. The Architect shall promptly disclose in writing to the Owner any hazardous materials specified for the Project or discovered on site, regardless of the date of discovery or the date on which the Architect learns of the hazardous nature of the materials.

~~§ 10.7~~ ~~The Architect shall have the right to~~ With prior written authorization by the owner, the Architect may include photographic or artistic representations of the design of the Project among the Architect's promotional and professional materials. The Architect shall be given reasonable access to the completed Project to make such representations. However, the Architect's materials shall not include the Owner's confidential or proprietary information if the Owner has previously advised the Architect ~~in writing~~ of the specific information considered by the Owner to be confidential or proprietary. ~~The Owner shall provide professional credit for the Architect in the Owner's promotional materials for the Project. This Section 10.7 shall survive the termination of this Agreement unless the Owner terminates this Agreement for cause pursuant to Section 9.4.~~

~~§ 10.8~~ If the Architect or Owner receives information specifically designated as "confidential" or "business proprietary," the receiving party shall keep such information strictly confidential and shall not disclose it to any other person except as set forth in Section 10.8.1. This Section 10.8 shall survive the termination of this Agreement.

Notwithstanding the foregoing, the parties expressly understand, acknowledge and agree that because the Owner is a governmental entity subject to public records laws, any information provided by the Architect to the Owner may be subject to disclosure in accordance with applicable State and federal public records laws.

§ 10.8.1 The receiving party may disclose "confidential" or "business proprietary" information after ~~7~~seven (7) days' notice to the other party, when required by law, arbitrator's order, or court order, including a public records request, subpoena or other form of compulsory legal process issued by a court or governmental entity, or to the extent such information is reasonably necessary for the receiving party to defend itself in any dispute. The receiving party may also disclose such information to its employees, consultants, or contractors in order to perform services or work solely and exclusively for the Project, provided those employees, consultants and contractors are subject to the restrictions on the disclosure and use of such information as set forth in this Section 10.8. The Owner hereby designates the following as confidential information: security measures; security access codes; pending real estate purchases, exchange, lease or value; any information pertaining to litigation; student likenesses and student record information; employee information; and any other information deemed confidential by law.

PAGE 23

Not Applicable

...

~~(Eight and Three-Quarters Percent (8.75%))~~ % of the ~~Owner's budget for the actual~~ Cost of the Work, as determined at Final Completion and as calculated in accordance with Section 11.6.

...

Not Applicable

§ 11.2 For the Architect's Supplemental Services designated in Section 4.1.1 and for any ~~Sustainability Services required pursuant to Section 4.1.3, 4.1.1, if approved by the Owner,~~ the Owner shall compensate the Architect as follows:

...

The Architect's Hourly Rate Schedule, Appendix B, for hours incurred by the Architect's personnel assigned and working on the Project.

§ 11.3 For Additional Services that may arise during the course of the Project, including those under Section 4.2, if approved by the Owner, the Owner shall compensate the Architect as follows:

...

The Architect's Hourly Rate Schedule, Appendix B, for hours incurred by the Architect's personnel assigned and working on the Project.

§ 11.4 Compensation for Supplemental and Additional Services of the Architect's consultants when not included in Section 11.2 or 11.3, shall be the amount invoiced to the Architect ~~plus~~ percent (—%), or as follows:
(Insert amount of, or basis for computing, Architect's consultants' compensation for Supplemental or Additional Services.)

with no markup.

...

| | | | | | |
|------------------------------|----------------|-----------|-----------|---|----|
| Schematic Design Phase | <u>Fifteen</u> | percent (| <u>15</u> |) | %) |
| Design Development Phase | <u>Twenty</u> | percent (| <u>20</u> |) | %) |
| Construction Documents Phase | <u>Thirty</u> | percent (| <u>30</u> |) | %) |
| Procurement Phase | <u>Five</u> | percent (| <u>5</u> |) | %) |

§ 11.6 When compensation identified in Section 11.1 is on a percentage basis, progress payments for each phase of Basic Services shall be calculated by multiplying the percentages identified in this Article by the Owner’s most recent budget for the Cost of the Work. Compensation paid in previous progress payments shall not be adjusted based on subsequent updates to the Owner’s budget for the Cost of the Work. The Architect’s final compensation shall be adjusted based on the final, actual Cost of the Work.

~~§ 11.6.1 When compensation is on a percentage basis and any portions of the Project are deleted or otherwise not constructed, compensation for those portions of the Project shall be payable to the extent services are performed on those portions. The Architect shall be entitled to compensation in accordance with this Agreement for all services performed whether or not the Construction Phase is commenced.~~

§ 11.7 The hourly billing rates for services of the Architect and the Architect’s consultants are set forth below. The rates shall be adjusted in accordance with the Architect’s and Architect’s consultants’ normal review practices. *(If applicable, attach an exhibit of hourly billing rates or insert them below.)*

on the Architect’s Hourly Rate Schedule, Appendix B. Except as otherwise agreed to in writing by the Owner, the hourly for all personnel and consultants listed on the Architect’s Hourly Rate Schedule, Appendix B, shall remain fixed and shall not be adjusted during the entire term of this Agreement. Except as otherwise agreed to in writing by the Owner, the hourly rates of the Architect’s consultants charged to the Owner shall be the same hourly rates the consultants charge the Architect, without any markup to the Owner.

| Employee or Category | Rate (\$0.00) |
|----------------------|---------------|
|----------------------|---------------|

...

§ 11.8.1 Reimbursable Expenses are in addition to compensation for Basic, Supplemental, and Additional Services and include expenses incurred by the Architect and the Architect’s consultants directly related to the ~~Project~~, Project only if requested by and authorized in writing in advance by the Owner, as follows:

.1 ~~Transportation and authorized out-of-town travel and subsistence;~~ subsistence (but not Architect time), only if requested by and authorized in writing in advance by the Owner;

...

.4 ~~Printing, reproductions, plots, and standard form documents;~~ documents, not otherwise provided or directly paid for by the Owner;

...

.6 ~~Expense of overtime work requiring higher than regular rates, if authorized in advance by the Owner;~~ [omit]

.7 ~~Renderings, physical models, mock-ups, professional photography, and presentation materials requested by the Owner or required for the Project;~~

.8 ~~If required by the Owner, and with the Owner’s prior written approval, the Architect’s consultants’ expenses of professional liability insurance dedicated exclusively to this Project, or the expense of additional insurance coverage or limits in excess of that normally maintained by the Architect’s consultants;~~ [omit]

...

.10 ~~Site office expenses;~~ [omit]

.11 ~~Registration fees and any other fees charged by the Certifying Authority or by other entities as necessary to achieve the Sustainable Objective; and,~~

~~.12 Other similar Project related expenditures. [omit]~~

~~.12~~ Reproduction of bid documents (plans and specifications) and associated distribution and postage/shipping costs will be directly billed to the Owner by the printer in order for the Owner to obtain tax exempt privileges.

Rates for the foregoing Reimbursable Expenses shall be based upon the Architect's Reimbursable Expense Schedule, attached as Appendix C. Except as otherwise agreed to by the parties, the rates for all reimbursable expenses listed on the Architect's Reimbursable Expense Schedule, Appendix C, shall remain fixed and shall not be adjusted during the entire term of this Agreement.

§ 11.8.2 For Reimbursable Expenses the compensation shall be the expenses incurred by the Architect and the Architect's consultants ~~plus percent (—%) of the expenses incurred with no markup.~~

§ 11.9 **Architect's Insurance.** ~~If the types and limits of coverage required in Section 2.5 are in addition to the types and limits the Architect normally maintains, the Owner shall pay the Architect for the additional costs incurred by the Architect for the additional coverages as set forth below:~~

~~(Insert the additional coverages the Architect is required to obtain in order to satisfy the requirements set forth in Section 2.5, and for which the Owner shall reimburse the Architect.)~~

§ 11.8.3 The Architect shall not incur Reimbursable Expenses in excess of the aggregate amount of \$2,000.00 without the prior written consent of the Owner, which consent shall not be unreasonably withheld.

PAGE 25

§ 11.10.1.1 An initial payment of Zero (\$ 0.00) shall be made upon execution of this Agreement and is the minimum payment under this Agreement. It shall be credited to the Owner's account in the final invoice.

§ 11.10.1.2 ~~If a Sustainability Certification is part of the Sustainable Objective, an initial payment to the Architect of (\$ —) shall be made upon execution of this Agreement for registration fees and other fees payable to the Certifying Authority and necessary to achieve the Sustainability Certification. The Architect's payments to the Certifying Authority shall be credited to the Owner's account at the time the expense is incurred.~~

§ 11.10.2.1 ~~Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed. Payments are due and payable upon presentation of the Architect's invoice. Amounts unpaid (—) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Architect.~~
~~(Insert rate of monthly or annual interest agreed upon.)~~

~~—% performed in the preceding month. Payments of undisputed invoice amounts are due and payable by the Owner within forty-five (45) calendar days after receipt by the Owner of the Architect's invoice. If the Owner disputes all or any portion of an invoice of the Architect, the Owner shall give written notice to the Architect within forty-five (45) calendar days of the Owner's receipt of the invoice, stating the amounts and reasons for the dispute. Undisputed amounts unpaid forty-five (45) calendar days after the Owner receives the invoice shall bear interest at the rate of six percent (6%) per annum. Disputed invoice amounts shall not bear any interest.~~

§ 11.10.2.2 ~~The Owner shall not may withhold amounts from the Architect's compensation to impose a penalty or liquidated damages on the Architect, for the purpose of reimbursing the Owner for any damages or expenses caused by the Architect's negligence or inability to uphold the standard of care, or to offset sums requested by or paid to contractors for the cost of changes in the Work, unless the Architect agrees or has been found liable for the amounts in a binding dispute resolution proceeding. Work as a result of the Architect's negligence.~~

§ 11.10.2.3 Records of Reimbursable Expenses, expenses pertaining to Supplemental and Additional Services, and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times and shall be provided to the Owner upon presentation of the Architect's progress payment applications. Records of all reimbursable expenses shall be kept on a generally recognized accounting basis and shall be available for review to the

Owner or its authorized representative during business hours at the Architect's office. Proof of payment of any reimbursable expenses item shall be provided to the Owner with each claim for reimbursement by the Architect.

...

§ 12.1 The Architect will exercise the Architect's professional effort to interpret the Americans with Disability Act (ADA) and the ADA Accessibility Guideline (ADAAG) in place on the date of this Agreement. The Scope of Services provided by the Architect are limited to the requirements of Title II and III of the ADA. The Architect cannot provide recommendations or advice concerning which ADA requirements or measure may be "readily achievable", nor can the Architect determine the priorities of phasing of selected measures. These issues must be addressed by the Owner with priorities or phasing of selected measures. These issues must be addressed by the Owner with assistance from his or her financial and legal counsel.

§ 12.2 The Architect agrees that neither the Architect nor its subcontractors will discriminate against any employee or applicant for employment to be employed in the performance of this contract, with respect to his or her hire, tenure, terms and conditions or privileges of employment, because of his/her race, color, religion, sex, disability, or national origin. The Architect by execution of this agreement certifies that the Architect is an equal opportunity employer and actively recruits a well-qualified and diverse staff including minority applicants as well as historically underutilized business subcontractors, and does not discriminate against any employee or applicant for employment or subcontractor by reason of race, color, national origin, religion, marital status, sex, age, disability or sexual orientation.

§ 12.3 The parties agree that no architect, engineer, mechanic, contractor, materialman, artisan, laborer or subcontractor, whether skilled or unskilled, shall ever, in any manner have, claim or acquire any lien upon the Owner's property of whatever nature or kind, nor upon any of the land of the Owner, such property being public property belonging to a political subdivision of the State of Nebraska, or upon any funds of Owner.

§ 12.4 It is understood and agreed that the relationship of Architect to Owner shall be that of an independent contractor. Nothing contained in this Agreement or inferable from this Agreement shall be deemed or construed to: (1) make Architect the agent, servant or employee of the Owner; or (2) create any partnership, joint venture, or other association between Owner and Architect. Any direction or instruction by Owner or any of its authorized representatives in respect to the Architect's services shall relate to the results the Owner desires to obtain from the Architect, and shall in no way affect the Architect's independent contractor status. The Architect shall assume sole responsibility for any debts or liabilities that may be incurred by Architect in fulfilling the terms of this Agreement and shall be solely responsible for the payment of all federal, state, and local taxes which may accrue because of this Agreement.

§ 12.5 No delay or omission by either of the parties hereto in exercising any right or power accruing upon the noncompliance or failure of performance by the other party hereto of any of the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by either of the parties hereto of any of the covenants, conditions or agreements hereof to be performed by the other party hereto shall not be construed to be a waiver of any subsequent breach thereof or of any other covenant, condition or agreement herein contained.

§ 12.6 The Architect must give advance written notice to the Owner if the Architect or an owner or operator of the Architect has been convicted of a felony. The Owner may terminate this Agreement if the Owner determines that the Architect failed to give such notice or misrepresented the conduct resulting in the conviction. This paragraph requiring advance notice does not apply to a publicly-held corporation.

§ 12.7 Criminal History Record Checks

§ 12.7.1 The Architect shall obtain all criminal history information regarding its "covered employees", as defined below. Upon request by Owner, Architect will provide, in writing: updated certifications and the names and any other requested information regarding covered employees, so that the Owner may obtain criminal history recommended information on the covered employees. Architect shall assume all expenses associated with obtaining criminal history record information.

§ 12.7.2 Architect will not assign any "covered employee" with a "disqualifying criminal history", as those terms are defined below, to work on the Project. If Architect receives information that a covered employee has a reported

disqualifying criminal history, then Architect will immediately remove the covered employee from the Project and notify the Owner in writing within three business days. If the Owner objects to the assignment of any covered employee on the basis of the covered employee's criminal history record information, then Architect agrees to discontinue using that covered employee to provide services on Owner's Project. If Architect has taken precautions or imposed conditions to ensure that the employees of Architect and any Architect consultant will not become covered employees, Architect will ensure that these precautions or conditions continue throughout the time the contracted services are provided.

§ 12.7.3 For the purposes of this Section, "covered employees" means employees, agents or subcontractors of Architect or any of Architect's consultants who has or will have continuing duties related to the services to be performed on Owner's Project and has or will have direct contact with Owner's students. The Owner will decide what constitutes direct contact with Owner's students. "Disqualifying criminal history" means any conviction or other criminal history information designated by the Owner, or one of the following offenses, if at the time of the offense, the victim was under 18 years of age or enrolled in a public school: a felony offense under Nebraska Revised Statutes, Chapter 28, Article 3; an offense for which a defendant is required to register as a sex offender under Nebraska law; or an equivalent offense under federal law or the laws of another state.

§ 12.8 The Architect shall keep all accounting and construction records on the Project for a period of at least ten (10) years after Final Completion of the Project, and thereafter shall offer the records to the Owner in writing, in order for Owner to comply with its records retention requirements. In the alternative, Architect may provide such records to Owner for retention at any time if Owner agrees in writing to accept such records in lieu of Architect's retention under this Section.

§ 12.9 The Architect agrees to use the federal immigration verification system to determine the work eligibility status of new employees physically performing services on the Project within the State of Nebraska. The federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee. This requirement applies to all subcontractors of the Architect. The Architect shall, by written agreement, require compliance with the federal immigration verification system by all subcontractors. If the Architect is an individual or sole proprietorship, the following applies:

- .1 The Architect must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at www.das.state.ne.us.
- .2 If the Architect indicates on such attestation form that he or she is a qualified alien, the Architect agrees to provide the US Citizenship and Immigration Services documentation required to verify the Architect's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.
- .3 The Architect understands and agrees that lawful presence in the United States is required and the Architect may be disqualified or the contract terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

§ 12.10 The Owner does not waive governmental immunity by entering into this Agreement and specifically retain immunity and all defenses available to them as sovereigns.

§ 12.11 Neither party shall be liable for failure to perform under this Agreement if such failure to perform arises out of causes beyond the control and without the fault or negligence of the nonperforming party. Such causes may include, but are not limited to, acts of God or the public enemy, fires, floods, epidemics, quarantine restrictions, freight embargoes, and unusually severe weather. This provision shall become effective only if the party failing to perform immediately notifies the other party of the extent and nature of the problem, limits delay in performance to that required by the event, and takes all reasonable steps to minimize delays. This provision shall not be effective unless the failure to perform is beyond the control and without the fault or negligence of the nonperforming party.

§ 12.12 The Architect certifies and warrants that no gratuities, kickbacks, or contingency fees were paid in connection with this Agreement, nor were any fees, commissions, gifts, or other considerations made contingent upon the award of this Agreement. If the Architect breaches or violates this warranty, the Owner may, at its discretion, terminate this

Agreement without liability to the Owner, or deduct from the Agreement price or consideration, or otherwise recover the full amount of any commission, percentage, brokerage, or contingency fee.

§ 12.13 The waiver of any breach of any term or condition in this Agreement shall not be deemed a waiver of any prior or subsequent breach.

§ 12.14 Notwithstanding any other provision of this Agreement, the Owner agrees that Architect's total liability to the Owner for any and all injuries, claims, losses, expenses, damages, or claims expenses of any kind arising from any services provided by or through Architect under this Agreement, shall not exceed the greater of (1) the amount of Architect's insurance provided and recovered under this Agreement, or (2) the amount of Architect's total compensation under this Agreement.

§ 12.15 If, due to the Architect's omission, a required item or component of the Project is omitted from the Architect's Construction Documents, the Architect shall not be responsible for paying the cost required to add such item or component to the extent that such item or component would have been required and included in the original construction documents; provided the Architect will be responsible for paying any increased costs to the Project as a result of the Architect's omissions which are above and beyond the cost the Owner would have had to pay had the omission not occurred. In no event will the Architect be responsible for that portion of any cost or expense that provides betterment or upgrades or enhances the value of the Project.

PAGE 27

- .2 AIA Document E203™ 2013, Building Information Modeling and Digital Data Exhibit, dated as indicated below:
(Insert the date of the E203-2013 incorporated into this agreement.)

PAGE 28

Scope of Project sheet, Appendix A
Architect's Hourly Rate Schedule, Appendix B
Architect's Reimbursable Expense Schedule, Appendix C

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**Kearney County School District 50-0503,
a/k/a Minden Public Schools**

Engineering Technologies, Inc.

...

Craig Grams, President of the Board of Education

Derek Kotschwar, Principal

Certification of Document's Authenticity

AIA® Document D401™ – 2003

I, Rex R. Schultze, hereby certify, to the best of my knowledge, information and belief, that I created the attached final document simultaneously with its associated Additions and Deletions Report and this certification at 16:23:45 ET on 11/05/2020 under Order No. 5071078667 from AIA Contract Documents software and that in preparing the attached final document I made no changes to the original text of AIA® Document B101™ – 2017, Standard Form of Agreement Between Owner and Architect, as published by the AIA in its software, other than those additions and deletions shown in the associated Additions and Deletions Report.

(Signed)

(Title)

(Dated)