

## MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into between School Business Group (“SBG”), and Keller Independent School District (“District”) on this \_\_\_\_\_ day of April, 2006.

WHEREAS, Keller Independent School District approved retaining the services of School Business Group on September 26, 2005 to perform transition assistance to the District’s Maintenance and Operations Department and to provide a comprehensive assessment of Maintenance and Operations services;

WHEREAS, questions and disputes have arisen concerning the total amount authorized by the Board for such services and the total amount claimed by School Business Group for its performance of those services; and

WHEREAS, the parties wish to formally resolve this dispute by stating their understandings and agreements as to the amounts owed and to be paid for these services;

NOW THEREFORE, the parties entered into this Memorandum of Understanding:

1.

SBG and District agree that SBG has been paid the sum of \$156,930.00 to date for their transition assistance and in-house management of the Maintenance and Operations Department.

2.

SBG and District agree that invoices from SBG which have been submitted to the District but not yet paid are a total of \$48,500.00.

3.

SBG and District agree that the total amount for all transition assistance and in-house management of Maintenance and Operations Department, both paid and unpaid, shall total and shall not exceed \$205,430.00.

4.

SBG and District originally agreed that SBG would be paid the amount of \$80,000.00 for the Comprehensive Review of the Maintenance and Operations Department. SBG has agreed to reduce the cost of the Comprehensive Review by the amount of \$8,000.00 as an allowance for work already completed during its transition assistance work for the District. SBG and District therefore agree that the total amount to be paid for the Comprehensive Review is \$72,000.00.

5.

SBG and District therefore agree that the total compensation for all services performed and to be performed by SBG shall total \$277,430.00.

6.

SBG and District agree that the remaining balance for transition assistance, \$48,500.00, shall be payable by the District within thirty (30) days of the Board's approval of this Memorandum of Understanding.

7.

SBG has proposed, and the District will accept, the following time-lines for completion of the Comprehensive Review:

- a. June 1, 2006 - SBG will present a draft of the Comprehensive Review to the Superintendent of the District;
- b. July 1, 2006 - SBG will submit its completed final draft report to the Superintendent for final review;
- c. July 15, 2006 - The completed final Comprehensive Review will be presented to the District by SBG.

8.

SBG and District agree that the remaining balance of \$72,000.00 on the Comprehensive Review shall be payable as follows:

- a. \$24,000.00 shall be paid within thirty (30) days after the Superintendent has received the first draft of the Comprehensive Review;
- b. \$24,000.00 shall be paid within thirty (30) days after a completed final draft of the Comprehensive Review has been presented to the Superintendent;
- c. The final balance of \$24,000.00 will be paid within thirty (30) days after the completed final Comprehensive Review has been presented to the District.

9.

District acknowledges the current utilization of some components that will be included in the Comprehensive Review, such components normally being implemented after the completion of the

Comprehensive Review and review and adoption of the report by the District. Those components currently in use are as follows:

- a. Custodial cleaning program;
- b. Building volume analysis;
- c. Time Accountability form;
- d. Maintenance and Operations organizational structure;
- e. Portions of Energy Management Program - utility tracking;
- f. Job descriptions;
- g. Portions of training programs - cleaning equipment;
- h. Warehouse reorganization;
- i. HVAC Department set-up;
- j. Preventative Maintenance Program set-up.

10.

SBG has further agreed to provide information to the District upon request concerning incidents or circumstances involving prior operational or management problems in the Maintenance and Operations Department. Such information will be provided in the form and manner requested by the District for its use in accessing those issues. No additional compensation will be charged by SBG for this information.

To signify the agreement of the parties to this Memorandum of Understanding, the parties have signed below on this \_\_\_\_\_ day of April, 2006.

KELLER INDEPENDENT SCHOOL DISTRICT

SCHOOL BUSINESS GROUP

By: \_\_\_\_\_  
David Farmer, President  
Keller ISD Board of Trustees

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_