

**ESC-20 BENEFITS COOPERATIVE SHARED SERVICE ARRANGEMENT  
INTERLOCAL AGREEMENT ADOPTION RESOLUTION**

WHEREAS, Brackett ISD, a political subdivision of the State of Texas with principal offices at Brackettville, Texas ("Applicant") pursuant to the authority granted under Chapter 791 of the Government Code V.T.C.A., as amended, desires to join together with other school districts, charter schools or political subdivisions to participate in employee benefits procured through the ESC-20 Benefits Cooperative Shared Service Arrangement, holding the opinion that participation in these programs will be beneficial to the school district, charter school or political subdivision and its employees. NOW, THEREFORE be it:

RESOLVED, that we request the ESC-20 Benefits Cooperative Shared Service Arrangement to include Brackett ISD (name of school district) as a participant.

FURTHER RESOLVED, that the Interlocal Agreement of the ESC-20 Benefits Cooperative Shared Service Arrangement has been reviewed by the Board of Trustees of the Applicant and by execution of this Adoption Resolution, Applicant does hereby agree to the terms and conditions of such Interlocal Agreement.

FURTHER RESOLVED, Applicant does hereby acknowledge the obligation to comply with the operational procedures as established and approved by the ESC-20 Benefits Cooperative Shared Service Arrangement and the Board of Record.

I certify that the foregoing is a true and correct copy of the Adoption Resolution adopted by the Board of Trustees of

Brackett ISD and that the same is reflected in the minutes of the Board meeting held

August 16, , 20 10

In witness thereof, we hereunto affix our signatures this 16 day of Aug , 20 10

BY: \_\_\_\_\_  
Signature of Board Chairperson

\_\_\_\_\_  
Signature of Chief Executive Officer

Sondra Meil  
Typed Name of Board Chairperson

Robert K. Westbrook  
Typed Name of Chief Executive Officer

Name of Agency: Brackett Independent School District

Address: 400 N. Ann Street / P O Box 586 Brackettville, TX 78832

Name of Contact Person: Marci Resendez

Phone Number: ( 830 ) 563-2491 Fax # ( 830 ) 562-9264



**INTERLOCAL AGREEMENT  
ESC-20 BENEFITS COOPERATIVE  
SHARED SERVICE ARRANGEMENT**

This Interlocal Agreement is created by and between the ESC-20 Benefits Cooperative Shared Service Arrangement ("ESC-20BC SSA") and all school districts, charter schools, and political subdivisions wishing to join the ESC-20BC, hereinafter individually referred to as PARTICIPANT pursuant to the provisions of the Texas Interlocal Corporation Act (Texas Government Code Chapter 791). Acceptance and agreement to the terms and conditions thereof is a requirement for participation in the ESC-20 Benefits Cooperative Shared Service Arrangement; therefore hereon, known as ESC-20BC SSA.

**RECITALS**

Whereas, the ESC-20BC SSA is organized pursuant to Texas Government Code Chapter 791 for the purpose of developing request for proposals with respect to the procurement of certain supplemental employee benefits and the administration of employee benefits procured pursuant to Texas Government Code 791.025;

Whereas, by entering into the Interlocal Agreement, the independent school district/charter school/political subdivision adopting this Interlocal Agreement as a participant intends that the benefits procured pursuant to this Interlocal Agreement satisfy any requirement that such independent school district/charter school/political subdivision seek request for proposals for the purchase of the employee benefits procured pursuant to this Interlocal Agreement;

Whereas, it is the intent of ESC-20BC SSA and PARTICIPANT and all ESC-20BC current and future members that this Interlocal Agreement define and clarify the statutory authority pursuant to which the ESC-20 Benefits Cooperative Committee Members and PARTICIPANT are acting, the governance duties, rights and responsibilities of ESC-20BC SSA, the rights and responsibilities of the PARTICIPANT, and the terms and conditions under which ESC-20BC and PARTICIPANT are acting with respect to the matters subject of the Interlocal Agreement.

NOW, THEREFORE, for and in consideration of the premises, and the mutual covenants and agreements set forth below, and other good and valuable consideration, PARTICIPANT and ESC-20BC SSA agrees as follows:

## **I.**

### **DEFINITIONS**

1.01 Unless the context of their use clearly indicates otherwise, the terms listed below shall have the meanings indicated as follows:

- a. **Board of Record-** The governing body of the ESC-20BC SSA which is composed of the Superintendent/Designee from each independent school district/charter school/political subdivision that becomes a member of the ESC-20BC SSA by execution of the required Adoption Resolution.
- b. **Participant-** Any independent school district/charter school/political subdivision that has been accepted/approved for participation in the ESC-20BC SSA by the Board of Record/Designee after execution of the required Adoption Resolution by the PARTICIPANT.
- c. **Facilitate Communications-** Any dealings with selected vendors offering supplemental employee benefits to independent school districts, charter schools and political subdivisions pursuant to this Interlocal Agreement.
- d. **Employee Benefits Program-** Includes, but is not limited to, accident, cafeteria plan, cancer, COBRA, dental insurance, disability income protection, life/voluntary group term insurance, section 125 administration, vision, other supplemental employee benefits, and optional offerings: health savings account, 403(b)/457(b) plan administration, flexible spending account, and health care enrollment assistance procured pursuant to this Interlocal Agreement by the Board of Record.
- e. **Interlocal Agreement --** Includes any applicable amendments.

## **II.**

### **PURPOSE**

2.01 The purpose of the Interlocal Agreement is to enable the participating independent school districts/charter schools/political subdivisions to:

- a. Agree with the ESC-20BC SSA and the other independent school districts/charter schools/political subdivisions participating in the ESC-20BC SSA through adoption of this Interlocal Agreement to the purchase of supplemental employee benefits pursuant to this Interlocal Agreement;
- b. Maximize the purchasing power of all the participating independent school districts/charter schools/political subdivisions by procuring, through the request for proposal process permitted pursuant to Texas Government Code

791.025 of supplemental employee benefits for employees of all of the participating independent school districts/charter schools/political subdivisions in accordance with the terms and conditions of this Interlocal Agreement;

- c. Facilitate communications and dealings with selected vendors offering supplemental employee benefits to independent school districts/charter schools/political subdivisions pursuant to this Interlocal Agreement;
- d. Develop request for proposals with respect to supplemental employee benefits for employees of participating independent school districts/charter schools/political subdivisions;
- e. Evaluate responses to request for proposals from vendors offering supplemental employee benefits to employees of participating independent school districts/charter schools/political subdivisions and select a specific vendor which will be permitted to offer the supplemental employee benefits awarded by the Board of Record with respect to a particular request for proposal;
- f. Facilitate the enrollment and administration of the supplemental employee benefits made available to employees of participating independent school districts/charter schools/political subdivisions pursuant to this Interlocal Agreement;
- g. Gather, exchange and share information and expertise on the supplemental employees benefits offered pursuant to the terms and conditions of this Interlocal Agreement to employees of participating independent school districts/political subdivisions; and,
- h. Allow all participants access to the services, information, reports and work product of the vendors and consultants concerning the supplemental employee benefits made available to the employees of participating independent school districts/charter schools/political subdivisions pursuant to this Interlocal Agreement.

### **III.**

#### **GOVERNANCE STRUCTURE OF THE ESC-20 BENEFITS COOPERATIVE SHARED SERVICE ARRANGEMENT**

- 3.01 The management, direction and administration of this Interlocal Agreement is vested in the Board of Record composed of each participant's Superintendent/Designee and the Region 20 Education Service Center's Executive Director/designee.

- 3.02 The Board of Record will meet as often as required to fulfill its role and function. It may meet at any place of its choosing and is not required to operate under the provisions of the Texas Open Meetings Law (Texas Government Code Chapter 551). Meetings of the Board of Record may be conducted in person, by telephone, email, or other electronic methods, provided that all members or their designees may participate in the conference call, receive the email correspondence, or access other electronic methods. Any action which the Board of Record/Designee is empowered to take may be taken without the necessity of a formal meeting if the action is evidenced by a unanimous consent executed by all members or their designees.
- 3.03 The members of the Board of Record shall serve without compensation.
- 3.04 The Board of Record shall elect annually the Chairman, Vice Chairman and Secretary. The Chairman/Designee shall prepare the agenda and preside at all meetings of the Board of Record. The Vice Chairman/Designee shall act as Chairman in the absence of the Chairman. The Secretary shall act as custodian of all minutes, records and reports of the Board of Record and shall maintain minutes of the meetings of the Board of Record.
- 3.05 The participating independent school districts, charter schools, and political subdivisions shall underwrite any costs associated with the operation of the ESC-20BC SSA. The costs shall be allocated among the participating independent school districts/charter schools/political subdivisions by the Board of Record.

#### **IV.**

#### **MEMBERSHIP**

- 4.01 The original members of the ESC-20BC SSA shall be those independent school districts/charter schools, and political subdivisions that adopt this Interlocal Agreement and thereby agree to the terms and conditions of the Interlocal Agreement for the fiscal year 2008-2009. Membership is also open to any independent school district/charter school/political subdivision which executes the Adoption Resolution promulgated by the Board of Record and thereby agrees to the terms and conditions of this Interlocal Agreement.
- 4.02 By execution of the Adoption Resolution, whereby agreeing to the terms and conditions of the Interlocal Agreement, the PARTICIPANT agrees that the ESC-20BC SSA has the sole and exclusive authority to seek request for proposals for the purchase of the supplemental employee benefits procured by the ESC-20BC SSA for employees of the participating independent school districts, charter schools, and political subdivisions.

#### **V.**

#### **ROLE AND FUNCTION OF THE BOARD OF RECORD**

- 5.01 The principal role of the Board of Record is to provide overall direction to the development and operation of the ESC-20BC SSA. The Board of Record shall act in a manner that is in the best interest of the ESC-20BC SSA and ensure that the activities of the ESC-20BC SSA promote only the purpose for which the ESC-20BC SSA is organized. Further, the Board of Record shall act only in accordance with the provisions of Texas Government Code Chapter 791 and any other applicable statutory provisions in carrying out the duties and responsibilities of the ESC-20BC SSA pursuant to the terms and conditions of this Interlocal Agreement.
- 5.02 The Board of Record shall have the following authority, duties and responsibilities on behalf of each participant:
- a. Develop request for proposals for supplemental employee benefits to be made available to employees of participating school districts/charter schools/political subdivisions;
  - b. To circulate to interested vendors request for proposals seeking responses and proposals from such interested vendors;
  - c. Evaluate the responses to request for proposals issued by the ESC-20BC SSA;
  - d. Make awards to the responding vendor making the most suitable response to the request for proposal and agreeing to terms for the provision of supplemental employee benefits to employees of each participating school district, charter school, and political subdivision in accordance with the selected request for proposal and the contract resulting from negotiations between the selected vendor and the ESC-20BC SSA;
  - e. Serve as a liaison between employees of participants, participants, and vendors to whom awards are made and with whom contracts are negotiated by the ESC-20 Benefits Cooperative Board of Record including general communications, problem resolution, enrollment meetings, and PARTICIPANT meeting coordination;
  - f. Terminate any agreement into which the ESC-20BC SSA has entered on behalf of the participating school districts, charter schools, and political subdivisions in accordance with the terms and conditions of the contracts negotiated by the ESC-20 BC SSA with the vendor;
  - g. Establish guidelines for membership in the ESC-20BC SSA;
  - h. Carry out its duties and responsibilities in accordance with all applicable statutes and in a fair and responsive manner; and,
  - i. Determine a fiscal agent/financial officer for the ESC-20BC SSA. The fiscal agent/financial officer shall be responsible for making reports to the ESC-

20BC SSA on the performance of the contracts negotiated by the ESC-20BC SSA pursuant to this Interlocal Agreement. The fiscal agent/financial officer is not liable for any financial or other loss that is incurred by the ESC-20BC SSA unless there is a judgment by a court of competent jurisdiction that the fiscal agent/financial officer has acted in a grossly negligent or fraudulent manner.

- 5.03 The Board of Record, its authorized representatives, employees and designees and each participant shall have no duty or liability to any employee of any participating school district, charter school and political subdivision electing to participate in any employee benefit made available pursuant to this Interlocal Agreement as a result of the negligence of any participant, insurance carrier, or other provider.

## VI. RESPONSIBILITIES OF PARTICIPANTS

- 6.01 Any independent school district, charter school, and political subdivision by action of its governing authority may become a participant in the ESC-20BC SSA by executing the Adoption Resolution promulgated pursuant to this Interlocal Agreement and pursuant to which such participant agrees to the terms and conditions of this Interlocal Agreement. Any independent school district, charter school, political subdivision may petition the Board of Record for participation in the ESC-20BC SSA and request an Adoption Resolution for execution pursuant to the governing authority of such independent school district, charter school and political subdivision.
- 6.02 PARTICIPANT will execute any enrollment or similar agreement required by any vendor selected by the ESC-20BC SSA to provide a supplemental employee benefit to the employees of participants in this Interlocal Agreement. Further, the employees of each participant will execute any enrollment or similar document required by the vendor selected by the ESC-20BC SSA to provide an employee benefit to the employees of the participants in the ESC-20BC SSA.
- 6.03 PARTICIPANT agrees to furnish any needed census data as directed or required by the Board of Record.
- 6.04 PARTICIPANT will remit in a timely manner all premiums and/or contract charges specified in the contracts providing employee benefits as selected by the Board of Record.
- 6.05 PARTICIPANT shall be responsible for its prorated share of any yearend deficit as respects the operations of the ESC-20BC SSA. The prorated share owed by PARTICIPANT shall be determined by the ESC-20BC SSA predicated upon the premiums and/or contract charges paid by all the participants' employees for the benefit plans made available pursuant to this Interlocal Agreement compared to the total premiums and/or contract charges paid by all employees of the

PARTICIPANT in the ESC-20BC SSA for the fiscal year which is the basis for the prorated calculation.

- 6.06 PARTICIPANT shall maintain a 9/1 Plan Year effective date, in accordance with the ESC-20BC SSA 9/1 Plan Year effective date.

## **VII.**

### **TERMINATION**

- 7.01 This Interlocal Agreement shall be for an initial term ending on the last day of the month of the fiscal year in which this Interlocal Agreement shall automatically renew for an additional 12 month period, unless PARTICIPANT shall provide written notice to the Board of Record of PARTICIPANT's intent to terminate its participation in this ESC-20BC SSA by April 1<sup>st</sup> of the fiscal year during which this Interlocal Agreement is in effect. Termination of this Interlocal Agreement may only be made by PARTICIPANT at the conclusion of a fiscal year.
- 7.02 The ESC-20BC SSA may terminate participation of PARTICIPANT for a good cause other than the experience of the employees of PARTICIPANT with respect to any benefit plan offered by a vendor pursuant to this Interlocal Agreement upon one hundred twenty (120) days written notice to PARTICIPANT. Good cause is defined to mean that the continued participation of PARTICIPANT jeopardizes the overall continued success of the ESC-20BC SSA.
- 7.03 A terminated participant has no claim on any ESC-20BC SSA fund balance or other moneys which may be available to the ESC-20BC SSA based on the experience of all participants.
- 7.04 Only current members of the ESC-20BC SSA upon dissolution may share in any ESC-20BC SSA asset distribution.

## **VIII.**

### **ELIGIBILITY REQUIREMENTS**

- 8.01.1 The ESC-20BC SSA will consider applications for participation annually. Independent school districts, charter schools, and political subdivisions must make application for membership to the Board of Record/Designee by the date specified by the Board of Record/Designee. The Board of Record/Designee shall publish to all potentially interested participants the deadline for membership in the ESC-20BC SSA. An independent school district, charter school, political subdivision will be considered for membership upon submission of the required Adoption Resolution and other participation documents as are specified by the Board of




Record/Designee. To participate in the ESC-20BC SSA, the independent school district, charter school, political subdivision is required to participate in all employee benefits procured through the ESC-20BC SSA, unless participation in a specified benefit is designated optional. Competing products may not be payroll deducted. The ESC-20BC SSA will notify requesting independent school districts, charter schools, and political subdivisions seeking membership of the Board of Record's/Designee's decision to accept or reject the Adoption Resolution of such independent school district, charter school and political subdivision, for the ensuing September 1, plan year.

## **IX. LIABILITY**

- 9.01 PARTICIPANT does hereby hold the Board of Record, employees of the participating school districts, charter schools, and political subdivisions and all other participants harmless with respect to any claim, liability, loss, cause of action arising from the procurement and/or administration of supplemental employee benefits pursuant to this Interlocal Agreement. PARTICIPANT does hereby agree that any dispute with respect to any matter arising under this Interlocal Agreement shall be subject to binding arbitration pursuant to the rules of The American Arbitration Association and such arbitration shall be conducted in San Antonio, Texas.
- 9.02 PARTICIPANT is responsible for the payment of all premiums and/or charges for any employee benefit program made available to its employees pursuant to this Interlocal Agreement.

This Interlocal Agreement of the ESC-20 Benefits Cooperative Shared Service Arrangement has been duly approved by the governing board of ESC-20BC SSA at a meeting held on June 23, 2010. By adoption of this Interlocal Agreement, PARTICIPANT does hereby agree to the terms and conditions set out herein and certifies that the governing board of PARTICIPANT has agreed to the terms and conditions of the Interlocal Agreement.

Adopted this 23<sup>rd</sup> day of June, 2010.

  
Terry W. Smith, Executive Director

ESC-20 Benefits Cooperative Shared Service Arrangement

Board of Record Agents:

Jeffrey J. Stone – Associate Director, Business and Human Resource Services

Michelle Mika DeAtley – C. Director, Human Resource Services