

Texas Public Unemployment Compensation Program

Interlocal Agreement

This Contract and Interlocal Participation Agreement (hereinafter "Agreement") is entered into by and between the Texas Public Unemployment Compensation Program (hereinafter referred to as "Program") and the undersigned local government of the State of Texas (hereinafter "Program Member").

WITNESSETH

WHEREAS, Program members are authorized by the Interlocal Cooperation Act (Chapter 791, Title 7, Texas Government Code) (hereinafter "the Interlocal Act") to enter into cooperative agreements among themselves for the purpose of jointly acting to fulfill and accomplish "governmental functions and services," as defined by the Interlocal Act, including without limitation, the provision of unemployment compensation benefits to their eligible employees; and

WHEREAS, each Program Member is authorized by the Texas Unemployment Compensation Act, Title 4, Subtitle A, Texas Labor Code, (hereinafter "the Act") to adopt a plan of reimbursement to provide statutory unemployment compensation benefits; and

WHEREAS, the provision of unemployment compensation benefits to their eligible former employees is an essential and important public, administrative, and governmental function of each Program Member; and

WHEREAS, such efforts by Program Members are regulated by the Act in accordance with Texas Revised Civil Statutes Annotated article 715c (Vernon 1993); and

WHEREAS, this Agreement is entered into pursuant to the Interlocal Act for the purposes of permitting a Program Member to meet its statutory obligations to provide unemployment compensation benefits to its eligible former employees in an efficient and effective manner by acting cooperatively with other Program Members;

NOW, THEREFORE, the conditions of participation in the Program agreed upon by and between the parties are as follows:

1. Term. The duration of the Interlocal Agreement shall continue in existence for a period of 30 years expiring on August 31, 2026. The Program Member or the Program may terminate this Agreement upon 30 days written notice.
2. Contributions. The Program Member agrees to pay contributions based on a rating system approved by the Board of Directors of the Program (hereinafter "the Board"). The Program reserves the right to collect all contributions that are due the Program and to require a supplemental contribution from each Program Member in any Program year for which the initial contributions are inadequate to pay operating costs and claim reimbursements required of the Program during that year. Contributions are payable by September 15th of each year. A late charge amounting to the maximum interest allowed by law, but not less than the rate of interest under Chapter 2251.021, et seq., Texas Government Code, shall begin to accrue daily on the first day following the due date and continue until the contribution and late charges are paid in full.

3. **Non-Payment.** In the event that the Program Member fails or refuses to make the payment of contribution as herein provided, the Program reserves the right to terminate the Program Member's participation the first day of the quarter in which the Program Member fails to make a contribution payment within the time provided for payment thereof. Any Program Member that is terminated hereunder shall not be entitled to any unpaid excess contribution refunds even if such refund has previously been declared by the Board.
4. **Interlocal Nature.** By entering into this Agreement, each of the participating Program Members agrees to pay into the Program proportionate parts due hereunder and for the Program, in accordance with the provisions hereof, to make the payments due to the Texas Workforce Commission (hereinafter "TWC") under the Act for the participating Program Member. It is recognized that this Agreement is between concurring political subdivisions, as authorized by the Interlocal Act to provide for their former employees the unemployment compensation benefits required by the Act.
5. **Quarterly Payments.** The Program agrees to assume responsibility for the quarterly claims payments to TWC for the quarter in which the Program Member commences participation in this Agreement and thereafter. Upon termination of this Agreement, the Program Member agrees to assume responsibility for the quarterly claim payments due to TWC for the quarter in which termination commences and thereafter.
6. **Coordinator.** The Program Member agrees to appoint an Unemployment Compensation Coordinator of department head rank or above and that the Program shall not be required to contact any other individual except this person. The Unemployment Compensation Coordinator shall be the responsible contact person for all Program business including, but not limited to quarterly wage reporting, claims administration, manual updates and billings. Any notice to or any agreements with the Unemployment Compensation Coordinator shall be binding upon the Program Member. The Program Member reserves the right to change the Unemployment Compensation Coordinator from time to time by giving written notice to the Program.
7. **Power of Attorney.** The Program Member agrees to execute a Power of Attorney to the Program permitting the Program to represent the Program Member in its relations with the Texas Workforce Commission.
8. **Member Responsibilities.** The Program Member agrees to comply with the provisions of the Act, its rules and procedures. The Program Member agrees to respond timely to TWC requirements. The Program Member agrees to submit all wage reports directly to the Program according to TWC requirements and timelines. The Program Member agrees to report total gross wages to the Program and to comply with all wage reporting instructions established by the Program. The Program member agrees to complete and submit necessary wage report corrections to the Program for submission to TWC.
9. **Representation.** The Program agrees to represent the Program Member at all levels of the TWC, assist in preparation of required TWC reports and represent the Program Member at TWC hearings when feasible, at the Program Member's request. The Program shall supply the Program Member with a quarterly claims summary.
10. **Investment.** The Program shall invest, in accordance with Board approved guidelines, any and all funds that are on deposit with the Program, and the investment earnings from these particular funds shall be used for the benefit of all Program Members until such time as the Board deems that it is financially prudent to declare excess contribution refunds.
11. **Audit.** The Program agrees that all Program transactions will be audited annually by a certified public accounting firm.

12. Reporting Changes. The Program Member agrees to notify the Program before making a change from manual wage reporting to magnetic tape wage reporting or vice versa. When reporting wages on magnetic tape, the Program Member agrees to submit the tape to the Program according to specifications established by the Program.
13. Cost Control. The Program Member agrees that it will cooperate in instituting any and all reasonable cost control recommendations for the purpose of eliminating or minimizing conditions that would contribute to unemployment compensation losses, including, but not limited to, the issuance of notices of reasonable assurance. In the event that the recommendations submitted by the Program seem unreasonable, the Program Member has a right to appeal to the Board, and the decision of the Board shall then be final.
14. Member Reporting. The Program Member agrees to provide all necessary information, including claims information, to the Program or its designee as may be needed or required for the administration of the Program.
15. Bylaws. The Program Member agrees to abide by the Bylaws of the Program and any and all reasonable policies and procedures established by the Program, as may be amended during the term of this Agreement.
16. Political Subdivision. The Program Member is a political subdivision of the State of Texas and shall be bound by the provisions of the Interlocal Act as such act may be amended during the term of this Agreement.
17. Severability. If any portion of this Agreement shall be declared illegal or held unenforceable for any reason, the remaining portions hereof shall continue in full force and effect.
18. Board Appeal. The Program Member shall have the right to appeal any decision or recommendation to the Board, whose determination will be final. Any appeal shall be made in writing to the Board Chair within 30 days of the decision or recommendation.
19. Self-Insurance. Any reference at any time in this Agreement to an insurance term not ordinarily part of self-insurance terminology shall be deemed to apply to self-insurance and is not to be construed as being contrary to the self-insurance concept.
20. Current Revenue. The Program Member hereby warrants that all payments, contributions, fees, and disbursements required of it hereunder shall be made from current revenues budgeted and available to the Program Member.
21. Defense and Prosecution of Claims. The Program Member authorizes the Board to regulate the commencement, defense, or other appearance of the Program and/or any past or current Program Member in any litigation, claim or dispute, and to engage counsel and appropriate experts for the Program, and for and on behalf of all Program Member(s), in respect of such litigation.
22. Notices. Time shall be of the essence in the performance of any duties, payment of any monies, or delivery of any written notice to the Program which shall be made by first class mail, postage prepaid, and delivered to the Texas Public Unemployment Compensation Program, 1205 Lakeshore Drive, Marble Falls, Texas 78654.
23. Merger. This Agreement, together with the Bylaws of the Program, represents the complete understanding of the Program, participating Program Members, and the Program Member identified below.

IN WITNESS WHEREOF, the undersigned, shall become Program Members to the Interlocal Agreement.

Cedar Hill Independent School

By: _____

Valerie Banks

Its Duly Authorized: Board President

Date: 09/13/10

Texas Public Unemployment Compensation Program

By: _____

Chairman

Texas Public Unemployment Compensation Program

Date: _____