

# Agenda of Regular Meeting

## The Board of Trustees Galveston Independent School District

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A Regular Meeting of the Board of Trustees of Galveston Independent School District will be held August 3, 2022, beginning at 6:00 PM in the Lovenberg Administration Building, 3904 Avenue T, Galveston, TX 77550.

The subjects discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown.

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- 1) Call to order Open Session in the Board Room of the Lovenberg Administration Building, 3904 Avenue T, Galveston, Texas.
- 2) Pledge of Allegiance to the United States flag and the Texas flag.
- 3) Citizen's Request to Address the Board on Agenda and Non-Agenda Items. Please complete sign-up sheets available in the lobby prior to the start of the meeting.
- 4) The Board may recess into Closed Executive Session in the Library as permitted by the Texas Open Meeting Act Government Code Sections 551.071- 551.090 Subchapter D and E.

Should any final action, final decision, or final vote be required in the opinion of the School Board with regard to any matter considered in such closed meeting then the final action, final decision, or final vote shall be either:

A) in the open meeting covered by the Notice upon the reconvening of the public meeting;  
or

B) at a subsequent public meeting of the School Board upon notice thereof; as the School Board shall determine.

- A) Personnel
- B) Consultation with Attorney
- C) Real Property
- 5) Reestablish the open meeting of the Galveston ISD Board of Trustees.
- 6) District Reports
  - A) Superintendent's Report
  - B) Board Committee Reports
    - 1) Policy Committee Chair- Mr. David O'Neal
    - 2) Facilities/Finance Committee Chair- Mr. Johnny Smecca
- 7) Financial Reports and Budget Update 5
- 8) CONSENT AGENDA - Action Items 34
  - A) Consider approval of the minutes from the Regular School Board Meeting on June 22, 2022 and the Special meeting on July 20, 2022.

B) Discuss and consider approval of personnel resignations and recommendations with contracts.	39
C) Discuss and consider approval of payment of attorney fees.	40
D) Discuss and consider approval of the monthly Budget Amendment (under separate cover)	41
E) Discuss and consider an Order Calling Regular Single Member School Board Trustee Election for Districts 2B and 7G on November 8, 2022.	43
F) Discuss and consider the funding parameters, Interlocal Agreement and Memorandum of Understanding for the Coastal Alternative Program (CAP) for the 2022-2023 school year.	53
G) Discuss and consider approval of the 2022-2023 Juvenile Justice Alternative Educational Program (JJAEP), Funding Parameters and Interlocal Cooperation Agreement and Memorandum of Understanding (MOU).	64
H) Discuss and consider approval of the Interagency Agreement between Upward Hope Academy and GISD to provide educational services to students in a Drop-Out Prevention/Recovery Program.	86
I) Discuss and consider approval of the 2022-2023 Resolution sanctioning the Galveston County 4-H Organization as an extracurricular program and approval of adjunct faculty agreement to recognize Galveston County Cooperative Extension Agents as adjunct faculty members for the 2022-2023 school year.	93
J) Discuss and consider purchasing a 3-year license of Learning A-Z for all Elementary ELAR classrooms, for \$153,900, from ESSER III and IMA funds.	97
K) Discuss and consider approval for professional services from Kickstart Kids during the 2022-2023 school year in an amount not to exceed \$70,000 to be funded using Title 1 Funds.	101
L) Discuss and consider a contract with The Teen Health Center, INC. for an amount not to exceed \$362,122.20 to provide mental health counseling funded by the Moody Foundation Causeway Galveston Grant for the period September 1, 2022 through August 31, 2023.	102
M) Discuss and consider a contract with Family Service Center for an amount not to exceed \$387,925.80 to provide mental health counseling funded by the Moody Foundation Causeway Galveston Grant for the period September 1, 2022 through August 31, 2023.	103
N) Discuss and consider a contract with UTMB - BHAR for an amount not to exceed \$239,085.84 to provide mental health counseling funded by the Moody Foundation Causeway Galveston Grant for the period September 1, 2022 through August 31, 2023.	104
O) Discuss and approve the Student Code of Conduct for 2022-2023.	105
P) Discuss and consider awarding RFP# 2021-22-018, Grant Evaluation Services, to Gibson Consulting Group, Inc., Third Coast R&D, Inc. and Wexford, Inc. for twelve months with options to renew for two additional one year options, upon mutual agreement between parties and approve	153

expenditures for said services not to exceed 10% of each grant award with services to be funded solely through grant funds.	
Q) Discuss and consider approval for the purchase of NWEA testing software and professional development for the 2022-2023 school year using ESSER III funds for a total of \$65,006.07.	154
R) Discuss and consider approval of ESC Region 11 Master Interlocal Agreement to add as an approved purchasing cooperative with GISD.	160
S) Discuss and Consider Approval of Warehouse Lease Agreement with ANICO	162
T) Discuss And Consider Approval Of Agreement For The Purchase Of Attendance Credit, Delegating Contractual Authority To The Superintendent For The Purpose Of Obligating The School District Under Tec, 11.1511(C)(4), Soley For The Purpose Of Obligating The District Under Chapter 49, Subchapters A And D And The Rules Adopted By The Commissioner Of Education As Authorized Under Tec, 49.006 Related To Excess Local Revenue	214
U) Discuss and consider the adoption of Local District Update 119 affecting the policies listed below.	216
V) Discuss and rescind policy EF (LOCAL) - A	217
W) Discuss and add policy EFA (LOCAL)	222
X) Discuss and add policy EFB (LOCAL)	223
Y) Discuss and approve District Professional Development Plan for 2022-2023.	224
Z) Discuss and consider approving Galveston Independent School District interlocal cooperative purchasing agreement with New Caney Independent School District for the 2022- 2023 school year.	227
AA) Discuss and consider the purchase of Studies Weekly’s Social Studies English and Spanish Software and Consumable 3-year subscription package for kindergarten through 5th grade, for \$55,582 using ESSER III and IMA funds.	230
BB) Consider approval of CSRFP #2021-22-0019, Professional Development specific to the condition of Dyslexia, naming Neuhaus Education Center as the provider of services and materials as outlined in the Request for Proposal.	237
CC) Update GKD-R – Use of School Facilities	238
DD) Discuss and consider approval of the renewal of the Workers’ Compensation coverage with TASB	245
EE) Discuss and consider approval of contract with VLK Architects, Inc. for architectural services related to Bond 2022 construction projects (under separate cover)	252
FF) Discuss and consider adoption of Reimbursement Resolution #6 Expressing Intent To Reimburse Certain Expenditures Related To Bond Program Management for Bond 2022 Construction Projects	253

GG) Discuss and Consider Approval and Adoption of Post-Issuance Compliance Procedures for Tax-Exempt Debt	257
HH) Public Funds Investment Act Annual Compliance	265
II) Discuss and consider approval to purchase additional professional development services along with online math, science, and coding instructional resources from Accelerate Learning INC for an amount not to exceed \$250,000 during the 2022-2023 fiscal year.	291
9) REGULAR AGENDA- Action Items	
A) Consider Approval of 2022 Proposed Tax Rate to be Published in Notice of Public Hearing	295
B) Schedule Public Meeting to Discuss the 2022 Proposed Tax Rate and the 2022-2023 Proposed Budget	311
C) Discuss and consider for action options to include a track in the new stadium.	312
D) Discuss and consider approval of the Superintendent’s evaluation, compensation and amendment of contract.	313
10) Suggested Future Agenda Items	
11) Board Comments	
12) Adjournment	

*If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.*

The notice for this meeting was posted in compliance with the Texas Open Meeting Act on \_\_\_\_\_, at \_\_\_\_\_

\_\_\_\_\_

For the Board of Trustees

Financial Reports – Executive Summary, Board Meeting 08/03/2022

The following reports representing period ending 06/30/2022, are attached for your review:

Report No. 1 – General Fund revenue collected through the period totals \$91,443,904 or 92.2% of projected collections. For the same period in FY 2020-2021, revenue totaled \$83,768,597 or 93.2% of budgeted collections. See attachment B.

Report No. 2 – General Fund expenditures through the period totals \$58,530,628 or 54.6% of total projected expenditures. For the same period in FY 2020-2021, expenditures totaled \$58,474,503 or 60.3% of budgeted expenditures. See attachment C.

Report No. 3 – Cash and investment report. See attachment D.

Funds held by each financial institution at 06/30/2022 are as follows:

Moody Bank	\$12,655,757	Pledged securities \$17,900,000
Texas Class Investment Pool	\$47,537,621	N/A (Investment Pool)
Texas Range	\$14,344,953	N/A (Investment Pool)
Total	\$74,538,331	

Report No. 4 – Current ad valorem taxes, delinquent taxes, and penalties & interest collections through the period are as follows (See attachment E).

Fund	Budget	Amount Collected	% Collected
Maintenance & Operations	\$90,367,054	\$84,156,757	93.1%
Interest & Sinking (Debt Payment)	\$8,315,840	\$7,752,180	93.2%

For the same period in FY 2020-2021, collections were \$76,450,755 (96.5%) for M&O and \$7,781,175 (95.8%) for I&S.

Report No. 5 – Bond Summary Cover Sheet. See attachment F.

Report No. 6 - Bond Project Report, showing original bond project cost estimates (PBK) compared to actual bids/expenses. See Attachment G.

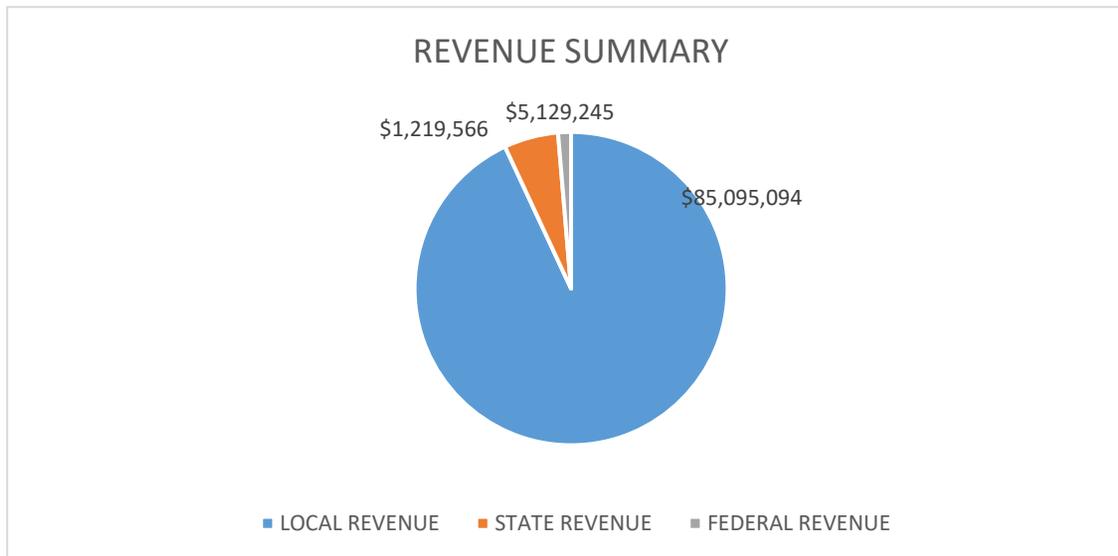
Report No. 7 – Vendors with aggregate purchases for FY 2021-2022 that exceed \$50,000. See attachment H.

Report No. 8 – Local vendor activity for FY 2021-2022 (zip codes 77550-77559). See attachment I.

Report No. 9 - Monthly Check Register. See attachment J.

GALVESTON ISD  
GENERAL FUND REVENUES BY MAJOR OBJECT  
AS OF 06-30-2022

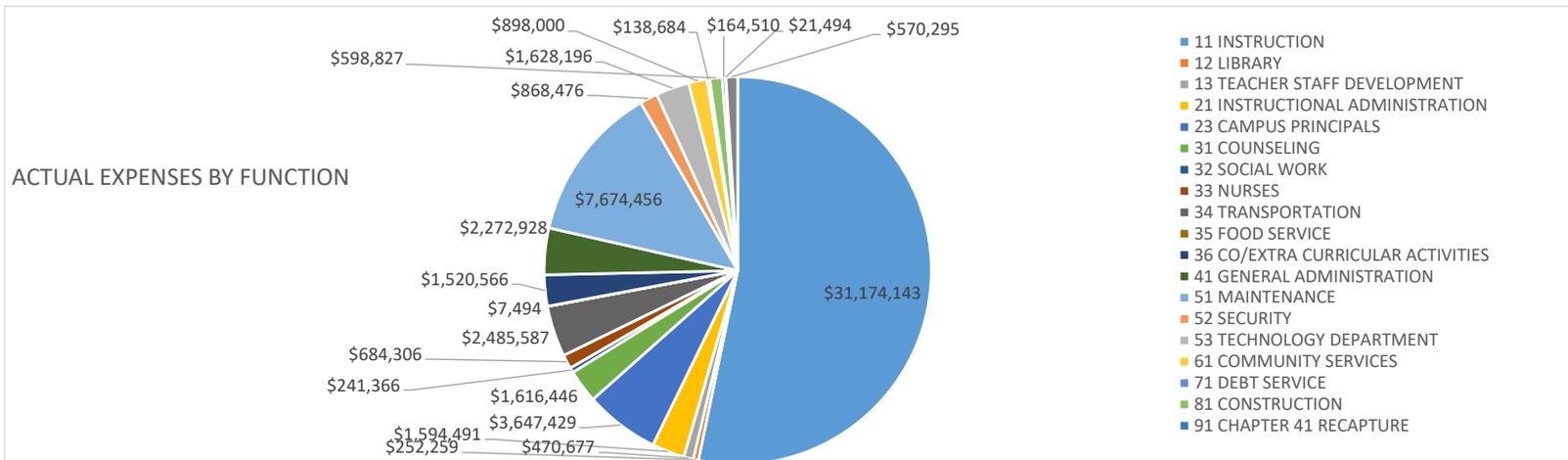
		2021-2022 Revised Budget	Monthly Receipts 06/30/2022	FYTD Activity 06/30/2022	2021-2022 FYTD (Under)/Over Budget
57--	LOCAL REVENUE	\$ 91,344,073	\$ 1,420,710	\$ 85,095,094	\$ (6,248,979)
58--	STATE REVENUE	\$ 4,821,350	\$ 1,361,581	\$ 5,129,245	\$ 307,895
59--	FEDERAL REVENUE	\$ 2,974,968	\$ 35,479	\$ 1,219,566	\$ (1,755,402)
79--	TRANSFERS IN	\$ 3,841,653	\$ -	\$ -	\$ (3,841,653)
---		\$ 102,982,044	\$ 2,817,771	\$ 91,443,904	\$ (11,538,140)
	% COLLECTED	89.3%			



ATTACHMENT B

GALVESTON ISD  
GENERAL FUND EXPENDITURES BY FUNCTION  
AS OF 06/30/2022

FC	Function	Rev Bud June 2021-2022	FYTD Activity June 2021-2022	Encumbered June 2021-2022	Expenses + Encumbered	Unencumbered Balance June 2021-2022
11	INSTRUCTION	\$ 39,844,990	\$ 31,174,143	\$ 163,825	\$ 31,337,969	\$ (8,507,021)
12	LIBRARY	\$ 348,032	\$ 252,259	\$ 5,267	\$ 257,526	\$ (90,506)
13	TEACHER STAFF DEVELOPMENT	\$ 837,391	\$ 470,677	\$ 33,919	\$ 504,595	\$ (332,796)
21	INSTRUCTIONAL ADMINISTRATION	\$ 2,082,613	\$ 1,594,491	\$ 6,240	\$ 1,600,732	\$ (481,881)
23	CAMPUS PRINCIPALS	\$ 4,530,409	\$ 3,647,429	\$ 139,984	\$ 3,787,413	\$ (742,996)
31	COUNSELING	\$ 2,165,126	\$ 1,616,446	\$ 8,136	\$ 1,624,583	\$ (540,543)
32	SOCIAL WORK	\$ 289,679	\$ 241,366	\$ -	\$ 241,366	\$ (48,313)
33	NURSES	\$ 867,543	\$ 684,306	\$ 15,045	\$ 699,351	\$ (168,192)
34	TRANSPORTATION	\$ 3,342,438	\$ 2,485,587	\$ 52,283	\$ 2,537,870	\$ (804,569)
35	FOOD SERVICE	\$ 7,492	\$ 7,494	\$ -	\$ 7,494	\$ 2
36	CO/EXTRA CURRICULAR ACTIVITIES	\$ 1,924,253	\$ 1,520,566	\$ 187,460	\$ 1,708,025	\$ (216,228)
41	GENERAL ADMINISTRATION	\$ 2,940,658	\$ 2,272,928	\$ 61,151	\$ 2,334,078	\$ (606,580)
51	MAINTENANCE	\$ 9,644,028	\$ 7,674,456	\$ 375,601	\$ 8,050,057	\$ (1,593,971)
52	SECURITY	\$ 1,247,119	\$ 868,476	\$ 46,445	\$ 914,922	\$ (332,197)
53	TECHNOLOGY DEPARTMENT	\$ 2,195,704	\$ 1,628,196	\$ 31,539	\$ 1,659,736	\$ (535,968)
61	COMMUNITY SERVICES	\$ 1,077,634	\$ 898,000	\$ 152,983	\$ 1,050,982	\$ (26,652)
71	DEBT SERVICE	\$ 200,000	\$ 138,684	\$ 55,393	\$ 194,077	\$ (5,923)
81	CONSTRUCTION	\$ 2,780,174	\$ 598,827	\$ 1,976,498	\$ 2,575,325	\$ (204,849)
91	CHAPTER 41 RECAPTURE	\$ 30,047,660	\$ 164,510	\$ -	\$ 164,510	\$ (29,883,150)
93	PMTS TO FISCAL AGENT/SSA	\$ 27,500	\$ 21,494	\$ -	\$ 21,494	\$ (6,006)
99	APPRAISAL DISTRICT FEES	\$ 756,900	\$ 570,295	\$ 139,821	\$ 710,116	\$ (46,784)
--	COLUMN TOTALS	\$ 107,157,343	\$ 58,530,628	\$ 3,451,591	\$ 61,982,219	\$ (45,175,124)
	EXPENDITURES AS A % OF BUDGET		54.6%		57.8%	



GALVESTON INDEPENDENT SCHOOL DISTRICT  
Cash and Investment Report for the Month Ending 6/30/22  
For Board Meeting 8/3/22

Depository or Investment Pool	Account Name	Account Number	Type of Account	% Earned	5/31/22 Market Value	Changes to Market Value			6/30/22 Market Value
						Deposits	Withdrawals	ROI (net)	
Moody Bank	General Disbursement	xxxxxx601	Now Account	0.050%	\$ 4,172,302.89	\$ 13,659,057.00	\$ 9,156,753.71	\$ 212.66	\$ 8,674,818.84
Moody Bank	Activity Fund	xxxxxx627	Now Account	0.050%	\$ 249,643.62	\$ 26,571.22	\$ 42,158.92	\$ 16.56	\$ 234,072.48
Moody Bank	Child Nutrition	xxxxxx619	Now Account	0.050%	\$ 258,906.24	\$ 454,613.28	\$ 119,844.53	\$ 24.89	\$ 593,699.88
Moody Bank	Bond	xxxxxx056	Now Account	0.050%	\$ 97,444.71		\$ 36,312.37	\$ 3.56	\$ 61,135.90
Moody Bank	Debt Service Money Market	xxxxxx635	Money Market	0.300%	\$ 1,038,480.11			\$ 256.07	\$ 1,038,736.18
Moody Bank	Debt Service	xxxxxx049	Now Account	0.050%	\$ 2,053,209.22	\$ -		\$ 84.38	\$ 2,053,293.60
<b>Total Moody Bank:</b>					<b>\$ 7,869,986.79</b>	<b>\$ 14,140,241.50</b>	<b>\$ 9,355,069.53</b>	<b>\$ 598.12</b>	<b>\$ 12,655,756.88</b>
<b>SECURITIES PLEDGED 11,000,000</b>									
Texas Class	General Operating	xxxxxxxx01	Investment Pool	1.1577%	\$ 49,933,871.35	\$ 3,364,938.60	\$ 12,069,858.45	\$ 44,789.41	\$ 41,273,740.91
Texas Class	Debt Service	xxxxxxxx02	Investment Pool	1.1577%	\$ 2,858,039.06	\$ 113,629.21		\$ 2,807.35	\$ 2,974,475.62
Texas Class	Construction	xxxxxxxx03	Investment Pool	1.1577%	\$ 312.72			\$ 0.30	\$ 313.02
Texas Class	Activity	xxxxxxxx04	Investment Pool	1.1577%	\$ 410,035.53			\$ 390.31	\$ 410,425.84
Texas Class	Child Nutrition	xxxxxxxx05	Investment Pool	1.1577%	\$ 2,880,668.34	\$ 569,858.45	\$ 574,524.97	\$ 2,663.90	\$ 2,878,665.72
<b>Total Texas Class:</b>					<b>\$ 56,082,927.00</b>	<b>\$ 4,048,426.26</b>	<b>\$ 12,644,383.42</b>	<b>\$ 50,651.27</b>	<b>\$ 47,537,621.11</b>
Texas Range	General Operating	XXXX-02	Investment Pool	1.00%	\$ 13,307,309.27			\$ 10,985.62	\$ 13,318,294.89
Texas Range	Debt Service	XXXX-04	Investment Pool	1.00%	\$ 208,795.90			\$ 172.37	\$ 208,968.27
Texas Range	Bond Construction	XXXX-05	Investment Pool	1.00%	\$ 108,702.19			\$ 89.74	\$ 108,791.93
Texas Range	Child Nutrition	XXXX-08	Investment Pool	1.00%	\$ 708,312.74			\$ 584.74	\$ 708,897.48
<b>Total Texas Range:</b>					<b>\$ 14,333,120.10</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ 14,344,952.57</b>
<b>Total Cash &amp; Investments</b>					<b>\$ 78,286,033.89</b>	<b>\$ 18,188,667.76</b>	<b>\$ 21,999,452.95</b>	<b>\$ 57,165.63</b>	<b>\$ 74,538,330.56</b>

Long-term investments include unrealized gains/losses; therefore, "book value" is estimated value at maturity, as of this report date.  
All cash, cash equivalents and other investments are in compliance with the GISD investment policy and also Texas Government Code, Chapter 2256.

Note: Texas Range formerly Texas Term

Connie Morgenroth, Assistant Superintendent for Business and Operations

GALVESTON ISD  
TAX COLLECTIONS BY FUND  
AS OF 06/30/2022

FUND	FUND	OBJ	OBJ	Revised Budget 2021-2022	FYTD Activity 2021-2022	May 2021-2022 Monthly Activity	2020-21 FYTD (UNDER)/Over Budget
199	GENERAL FUND	5711	TAXES-CURRENT YEAR	\$ 87,694,702	\$ 82,765,486	\$ 1,145,756	\$ (4,929,216)
199	GENERAL FUND	5712	TAXES-DELINQUENT	\$ 1,622,352	\$ 681,788	\$ 28,659	\$ (940,564)
199	GENERAL FUND	5719	PENALTY/INT/OTHER TAX REVENUE	\$ 1,050,000	\$ 709,483	\$ 56,661	\$ (340,517)
FUND TOTAL				\$ 90,367,054	\$ 84,156,757	\$ 1,231,076	\$ (6,210,297)
YTD AS A % OF BUDGET				93.1%			

FUND	FUND	OBJ	OBJ	Revised Budget 2021-2022	FYTD Activity 2021-2022	May 2021-2022 Monthly Activity	2020-21 FYTD (UNDER)/Over Budget
599	DEBT SERVICE FUND	5711	TAXES-CURRENT YEAR	\$ 8,073,481	\$ 7,616,762	\$ 105,482	\$ (456,719)
599	DEBT SERVICE FUND	5712	TAXES-DELINQUENT	\$ 149,359	\$ 67,473	\$ 2,847	\$ (81,886)
599	DEBT SERVICE FUND	5719	PENALTY/INT/OTHER TAX REVENUE	\$ 93,000	\$ 67,945	\$ 5,300	\$ (25,055)
FUND TOTAL				\$ 8,315,840	\$ 7,752,180	\$ 113,629	\$ (563,660)
YTD AS A % OF BUDGET				93.2%			

**GALVESTON ISD**  
**BOND FUND EXPENDITURE SUMMARY BY PROJECT & CENTER**  
**FY 2021-2022 AS OF 06/30/2022**

Bond authorization (including premium on bonds sold) ->	\$31,275,439.32
Rebates	\$232,153.53
Return on Investments	886,775.75
<b>Total Available</b>	<b>\$32,394,368.60</b>
Expended 2017-18	\$1,222,084.02
Expended 2018-19	\$15,037,128.42
Expended 2019-20	\$12,874,404.54
Expended 2020-21	\$2,996,982.54
Expended + Encumbered 2021-2022	\$248,757.47
<b>Expended + Encumbered All Years</b>	<b>\$32,379,356.99</b>
Balance	\$15,011.61
Expended + Encumbered % (of Total Available) ->	99.95%

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\*Reflects actual expenses and encumbrances in District software system.

\*Lovenberg Trust - \$581,029.62 of middle school project expenditures were transferred from Bond 2018 fund to Lovenberg Trust fund.

Galveston ISD											
2018 Bond Construction Status by Project											
Row	A	B	C	D	E	F	G	H	I	J	K
	Desc	LOC	Bid Amount Approved	PBK 6%	Contingency	P&P Bond	Reimbursable (estimate)	GISD Budget	PBK ( Budget Bond Amount)	Difference	Project Status
1	SPOOR FIELD/TRACK	B01	\$1,377,659.00	\$82,659.54			\$19,716.65	\$1,480,035.19	\$1,765,125.00	\$285,089.81	Warranty
2	SECURITY VESTIBULES	B02	\$532,400.00	\$31,944.00			\$4,319.24	\$568,663.24	\$234,225.00	(\$334,438.24)	Warranty
3	BUS PURCHASES	B03	\$2,487,757.36	\$0.00			\$0.00	\$2,487,757.36	\$2,000,000.00	(\$487,757.36)	Closed
4	WHITE FLEET REPLACE VEHICLES	B04	\$606,143.23	\$0.00			\$0.00	\$606,143.23	\$500,000.00	(\$106,143.23)	Closed
5	TECHNOLOGY REPLACEMENT/UPGRADE	B05	\$2,020,674.92	\$0.00			\$0.00	\$2,020,674.92	\$2,000,000.00	(\$20,674.92)	Closed
6	SECURITY CAMERAS	B06	\$509,999.25	\$0.00				\$509,999.25	\$500,000.00	(\$9,999.25)	Warranty
7	Spoor field wireless for streaming	B06	\$2,250.00					\$2,250.00	\$0.00	(\$2,250.00)	closed
8	FLOORING	B07	\$253,389.50	\$0.00			\$0.00	\$253,389.50	\$358,425.00	\$105,035.50	Warranty
9	Flooring Abatement	B07	\$11,634.25					\$11,634.25	\$0.00	(\$11,634.25)	Closed
10	MEP Package 1 (Oppe, la Morgan, Oppe, parker)	B08	\$1,392,714.00	\$82,607.95		\$23,000.00	\$8,074.74	\$1,506,396.69	\$1,501,065.00	(\$5,331.69)	Warranty
11	MEP Package 2 (Oppe, parker)	B08	\$62,625.00	\$3,757.50				\$66,382.50	\$550,125.00	\$483,742.50	Warranty
12	MEP Package 3 (Central, San Jac, Alamo, Crenshaw)	B08	\$806,482.00	\$47,118.60				\$853,600.60	\$1,294,110.00	\$440,509.40	Warranty
13	MEP Package 4 (Crenshaw office unit, Admin, Austin, central)	B08	\$1,038,759.00	\$62,325.54				\$1,101,084.54	\$922,235.00	(\$178,849.54)	Punch
14	MEP Package 5 (ball fire pump, Weis insulation, Rosenberg water heater and water heater)	B08	\$122,060.00	\$7,081.80				\$129,141.80	\$162,797.00	\$33,655.20	Warranty
15	MEP Package 6 (Ball Cooling Tower and check valves, Rosenberg CHWP)	B08	\$499,684.00	\$29,415.00				\$529,099.00	\$842,535.00	\$313,436.00	Punch
16	MEP Transportation Package	B08	\$59,485.00	\$3,569.10				\$63,054.10		(\$63,054.10)	Warranty
17	MEP Water Treatment	B08	\$10,275.00	\$0.00				\$10,275.00		(\$10,275.00)	Closed
18	Ball - LED Theatrical Lighting Dimmer System	B08	\$188,622.00					\$188,622.00	\$162,000.00	(\$26,622.00)	Warranty
19	Ball Chiller Insulation Direct Work	B08	\$10,000.00					\$10,000.00	\$0.00	(\$10,000.00)	Closed
20	Parker - fire duct detectors	B08	\$5,414.05					\$5,414.05	\$0.00	(\$5,414.05)	Closed
21	REROOFING PHASE 1 (Scott, Central, Ball, Austin)	B09	\$2,060,700.89	\$123,821.70			\$2,992.46	\$2,187,515.05	\$2,190,275.00	\$2,759.95	Warranty
22	MARQUEES	B10	\$50,636.82					\$50,636.82	\$105,000.00	\$54,363.18	Closed
23	FUEL CANOPY - BUS BARN	B11	\$10,365.00					\$10,365.00	\$67,500.00	\$57,135.00	Closed
24	PARKER-REBUILD GYM	B15	\$3,438,845.68	\$206,737.41			\$67,745.27	\$3,713,328.36	\$3,723,975.00	\$10,646.64	Warranty
25	Parker Gym - FFE	B15	\$8,740.00					\$8,740.00	\$0.00	(\$8,740.00)	WIP
26	Parker Gym - Purchase Projector with Contractor Retainage Funds	B15	\$6,778.00					\$6,778.00	\$0.00	(\$6,778.00)	Warranty
27	LED Lighting Retrofit	B16	\$1,746,025.00					\$1,746,025.00	\$1,700,000.00	(\$46,025.00)	Warranty
28	LED Lighting Fixtures Transportation Storage	B16	\$9,666.00					\$9,666.00	\$0.00	(\$9,666.00)	Closed
29	Baseball and Softball Infield Turf	B17	\$634,520.00	\$38,071.20			\$10,968.78	\$683,559.98	\$685,707.73	\$2,147.75	Warranty
30	Baseball and Softball sprinkler work	B17	\$4,958.00					\$4,958.00	\$0.00	(\$4,958.00)	Closed
31	Baseball backstop padding	B17	\$4,750.00					\$4,750.00	\$0.00	(\$4,750.00)	Closed
32	Baseball concrete visitors dugout	B17	\$5,125.00					\$5,125.00	\$4,050.00	(\$1,075.00)	Closed
33	Softball backstop padding	B17	\$21,632.50					\$21,632.50	\$8,100.00	(\$13,532.50)	Closed

Row	Desc	LOC	Bid Amount Approved	PBK 6%	Contingency	P&P Bond	Reimbursable (estimate)	GISD Budget	PBK ( Budget Bond Amount)	Difference	Project Status
34	Baseball roof replacement dugout, ticket	B17	\$7,697.23					\$7,697.23	\$0.00	(\$7,697.23)	Closed
35	NEW BUS WASH	B18	\$180,849.36	\$10,945.92				\$191,795.28	\$135,000.00	(\$56,795.28)	Closed
36	TEST DRINKING WATER	B19	\$40,460.00					\$40,460.00	\$40,500.00	\$40.00	Closed
37	Plumbing Repair	B19	\$10,620.00					\$10,620.00	\$0.00	(\$10,620.00)	Closed
38	BHS LECTURE HALL REPLCE SEATNG	B20	\$18,638.00					\$18,638.00	\$6,480.00	(\$12,158.00)	Closed
39	CRENSHAW IMPROVEMENTS (insulation, ramp, painting, wet glazing, soft sealants)	B21	\$676,595.00	\$40,105.86			\$770.37	\$717,471.23	\$678,575.00	(\$38,896.23)	punch
40	PBK Invoices Not Distributed to Projects	B22									
41	REFURBISH TENNIS COURTS	B24	\$247,240.00	\$14,834.40			\$3,640.59	\$265,714.99	\$263,250.00	(\$2,464.99)	Closed
42	Tennis Court Restroom Repair	B24	\$10,654.00					\$10,654.00	\$0.00	(\$10,654.00)	Closed
43	REPLACE DOOR HARDWARE	B25	\$64,820.05					\$64,820.05	\$68,850.00	\$4,029.95	Closed
44	Crenshaw Vestibule Door Hardware	B25	\$5,713.47					\$5,713.47	\$0.00	(\$5,713.47)	Closed
45	REROOFING PHASE 2 (Oppe, Alamo, Austin, Courville, Central, San Jac)	B27	\$2,196,163.14	\$134,358.43			\$793.02	\$2,331,314.59	\$2,669,895.00	\$338,580.41	Closed
46	Approved Direct Work from Retainage (CS Advantage) Central Gym Floor	b27	\$43,144.00					\$43,144.00	\$0.00	(\$43,144.00)	Closed
47	Roofing Repair Direct Contract Work	B27	\$58,526.12					\$58,526.12	\$0.00	(\$58,526.12)	Closed
48	Asbestos Abatement	B28	\$74,746.25					\$74,746.25		(\$74,746.25)	Closed
49	Baseball Backstop Netting (change order to DW Site Improvements)	B29 B32 B17	\$196,088.85					\$196,088.85	\$0.00	(\$196,088.85)	Closed
50	COURVILLE/DW SITE IMPROVEMENTS (baseball covered batting, baseball fence and soft sealants, softball backstop netting and soft sealants,oppe fence, la Morgan canopy, stadium press box windows, spalling repairs, la Morgan roof repair, la Morgan spalling repair, Central fence replacement)	B29 B32 B17	\$1,268,800.00	\$76,128.00			\$28,527.17	\$1,373,455.17	\$1,819,717.27	\$446,262.10	Closed
51	REROOFING PHASE 3 (Priority Repairs)Alamo, ball, Scott	B30	\$142,185.00	\$6,813.06				\$148,998.06	\$0.00	(\$148,998.06)	Closed
52	Tennis Court LED Lights (Electrical install)	B31	\$54,015.67					\$54,015.67	\$0.00	(\$54,015.67)	Warranty
53	Tennis Court LED Lights (Light Poles)	B31	\$284,400.00	\$17,064.00				\$301,464.00	\$0.00	(\$301,464.00)	Warranty
54	MEP Package 7 (Central MS)	B33	\$2,013,841.95	\$119,131.14				\$2,132,973.09	\$486,000.00	(\$1,646,973.09)	Warranty
55	REROOFING Project 3 (Rosenberg)	B34	\$1,395,809.70	\$83,748.60			\$5,909.88	\$1,485,468.18	\$1,406,700.00	(\$78,768.18)	WIP
56	MEP Package 9 (Rosenberg - change out a/c controls)	B35	\$100,340.00					\$100,340.00	\$434,565.00	\$334,225.00	Closed
57	MEP Package 8 (Annex change out D/X units)	B36	\$272,128.00	\$16,157.40				\$288,285.40	\$202,365.00	(\$85,920.40)	punch
58	Ball - Tie in 2 chill and 2 hot water loops	B37	\$352,023.00	\$22,374.96				\$374,397.96	\$433,350.00	\$58,952.04	Warranty
59	Ball - replace domestic water heater	B37	\$25,893.00					\$25,893.00	\$34,830.00	\$8,937.00	Warranty
60	District Wide Change out Exhaust Fans	B38	\$372,915.00	\$22,674.96				\$395,589.96	\$274,725.00	(\$120,864.96)	WIP
61	PBK Invoices Not Distributed to Projects 2	B39									
62	Crenshaw retrofit sprinkler heads	B40	\$19,630.73					\$19,630.73	\$10,000.00	(\$9,630.73)	Closed

Row	Desc	LOC	Bid Amount Approved	PBK 6%	Contingency	P&P Bond	Reimbursable (estimate)	GISD Budget	PBK ( Budget Bond Amount)	Difference	Project Status
63	White boards and bulletin Boards (Elementary)	B41	\$139,932.80					\$139,932.80	\$200,000.00	\$60,067.20	Closed
64	REROOF PHASE 4 (Admin, Annex, Parker, Weis)	B46	\$292,411.03	\$17,544.66			\$728.35	\$310,684.04	\$242,000.00	(\$68,684.04)	Punch
65	Elementary School Furniture	M28	\$113,266.80					\$113,266.80		(\$113,266.80)	Closed
66	Box Truck Warehouse/Band	M29	\$78,959.00					\$78,959.00	\$0.00	(\$78,959.00)	Closed
67	Softball and Baseball LED lighting Retrofit	B44	\$315,000.00					\$315,000.00	\$0.00	(\$315,000.00)	Warranty
68	Central / Weis Door Hardware Retrofit	B45	\$103,115.36					\$103,115.36	\$0.00	(\$103,115.36)	Closed
69	BOND-COST OF ISSUANCE/UW DISC	B97	\$275,439.32					\$275,439.32	\$0.00	(\$275,439.32)	Closed
70	Bank Fee's	L1R						\$90.00		(\$90.00)	
71	Unassigned	B99		\$0.00				\$0.00	\$286,788.00	\$286,788.00	
72	Parker Replace gym doors paint								\$29,160.00	\$29,160.00	Deleted
73											
74	Column Totals		\$31,452,832.28	\$1,300,990.73	\$0.00	\$23,000.00	\$154,186.52	\$32,931,099.53	\$31,000,000.00	(\$1,931,099.53)	
75	Bond Premium on Bonds Sold								\$275,439.32	\$275,439.32	
76	Rebates and investment revenues								\$1,127,194.42	\$1,127,194.42	
77	Lovenberg Fund 836 Funded Project B09									\$581,029.62	
78	Cumulative variance								\$32,402,633.74	\$52,563.83	

VENDORS THAT EXCEED \$50,000

VENDOR	AMOUNT
GALVESTON INSURANCE ASSOCIATES	1,911,415.97
GLAZIER FOODS COMPANY	1,400,131.46
MOODY EARLY CHILDHOOD CENTER	983,740.69
CAVALLO ENERGY TEXAS LLC	824,816.81
GALVESTON CENTRAL APPRAISAL DISTRICT	560,179.03
GALVESTON COLLEGE	509,590.79
TEEN HEALTH CENTER, INC	505,081.84
CFI MECHANICAL, INC.	482,688.26
FAMILY SERVICE CENTER OF GALVESTON COUNTY	398,165.77
CAREHERE LLC	318,632.93
BORDEN DAIRY	317,765.17
PETROLEUM TRADERS CORPORATION	314,165.05
CHALLENGE OFFICE PROD INC	296,193.11
DELL MARKETING LP	257,813.07
UTMB AT GALVESTON OSP DEPT. 750	250,180.44
T-MOBILE USA, INC	239,395.98
AMAZON CAPITAL SERVICES	230,719.29
VLK ARCHITECTS, INC	227,793.62
CITY OF GALVESTON	220,203.54
HARDIES	203,757.13
WEXFORD INC	197,500.00
TEAL CONSTRUCTION COMPANY	190,306.58
COBURN SUPPLY CO	189,039.61
SKYWARD, INC	158,041.75
MATERA PAPER COMPANY	128,794.07
RAE SECURITY, INC.	122,124.80
STRATEGIC EQUIPMENT LLC	122,118.37
COMMUNITIES IN SCHOOLS GALVESTON COUNTY, INC	120,000.00
VERNIER SOFTWARE & TECHNOLOGY, LLC	118,338.47
EDGENUITY INC	117,000.00
ACCELERATE LEARNING INC	112,305.54
AT&T	111,193.46
HEINEMANN PUBLISHING	107,206.21
WELLS FARGO FINANCIAL SERVICES, LLC	105,827.20
REGION 4 ESC BUSINESS OFFICE	100,686.38
BE A CHANGE, LLC	98,000.00
KLEEN SUPPLY CO	92,541.45
GBCDHH	91,756.50
APPLE COMPUTER, INC	89,326.99
ENTERGY	85,692.34
HOME DEPOT	85,560.69
RICOH USA INC	75,276.33
TEXAS GAS SERVICE	73,893.86
NWEA	72,701.75
REPUBLIC SERVICES #853	69,876.74
FRONTLINE TECHNOLOGIES GROUP LLC	69,477.81

VENDORS THAT EXCEED \$50,000

IN CLASS TODAY, INC	67,280.00
VEX ROBOTICS INC	67,141.85
KICKSTART KIDS	65,000.00
DICKINSON ISD	64,895.45
HOUGHTON MIFFLIN HARCOURT PUBLISHING CO	64,356.80
MICRO INTEGRATION	63,647.50
THE ARTIST BOAT, INC.	63,483.52
THINKAUM	62,126.00
CONNECTION PUBLIC SECTOR SOLUTIONS	59,584.56
IMAGINE LEARNING INC	59,011.20
CENERGISTIC, LLC	58,975.00
SCHMID, JULIE	58,149.00
PROJECT LEAD THE WAY	57,425.25
CRESCENT ELECTRIC	56,266.58
WOODWIND & BRASSWIND	51,558.99
JR JONES ROOFING	50,949.83

LOCAL VENDOR ACTIVITY FOR FY 2021-2022

A B SIGN SHOP	6,047.05	77551
A. SMECCA INC	17,271.68	77550
ADRIANA RENDON	158.29	77550
ALERT ALARMS	12,950.00	77550
ALEXANDRA VASUT	500.00	77551
ALEXANDRIA KNIGHT	1,000.00	77554
AMBITIOUS DESIGNS AND MORE	4,605.00	77550
AMERICAN NATIONAL INSURANCE COMPANY	5.50	77550
AMY NEBLETT	43.25	77554
ANASTASIA KUZMINA	1,000.00	77550
ANGELICA URBINA	112.00	77551
ARIEL MUNGUIA	500.00	77551
ASHLEIGH RENE REAGOR	1,000.00	77550
ASIA SUAYAN	500.00	77551
AUSTEN ANDERSON	35.72	77551
AYIANNA DESEANA ABNEY	1,000.00	77551
BASEL CHREIDI	1,000.00	77551
BEACHTOWN LAWN SERVICE, LLC	37,950.00	77554
BENNETT FLORAL	290.15	77550
BETTER PARKS FOR GALVESTON	300.00	77550
BLANCA RODRIGUEZ	112.00	77551
BOY SCOUTS OF AMERICA BAY AREA COUN	1,000.00	77551
BREEZEWAY CUSTOM SCREENPRINTIN	10,638.50	77551
BRIAN PATRICK KOVICH	500.00	77554
BROOK MILLER	461.11	77550
BROOME WELDING & MACHINE CO INC	108.00	77554
CALLIE WALKER CREATIVE	3,535.00	77554
CARAVAGELI VENTURES INCORPORATED	504.00	77550
CARLOS VELAZQUEZ	500.00	77550
CARRISA RODRIGUEZ	500.00	77551
CATHERINE SHELTON PICKAVANCE	878.75	77550
CATHY LEDOUX	151.20	77550
CAYLA CLAPP	112.00	77551
CERSON ALFARO MENDOZA	500.00	77550
CHALMERS HARDWARE & EMBROIDERY	11,605.75	77550
CHRISTIAN HARMAN	500.00	77550
CITY OF GALVESTON	229,916.34	77553
CLAIRA GARCIA	1,000.00	77551
CLASSIC AUTO GROUP	239.84	77554
CLASSIC FORD GALVESTON	2,132.40	77553
CLAY CUP STUDIOS	8,410.00	77550
COMMUNITIES IN SCHOOLS GALVESTON CO	120,000.00	77550
CONNIE MORGENROTH	64.00	77550
CORBIN SALAZAR	500.00	77550
CORINA MILLER	136.26	77550
COUNTY OF GALVESTON	23,111.81	77553
COURTNEY DOHRING	500.00	77551
DANIEL CISNEROS JR.	500.00	77551

LOCAL VENDOR ACTIVITY FOR FY 2021-2022

DANIEL GONZALEZ	500.00	77551
DAVID H JR O'NEAL	743.24	77550
DEBBIE PRAKER	49.26	77550
DIEGO AGUILAR	500.00	77551
DILL, LISA	233.89	77550
DONNA L WESTERN	60.93	77550
EDUARDO RAMOS	500.00	77550
EL NOPALITO RESTAURANT	850.00	77550
ELIZABETH BENNETT	139.10	77550
EMILY SHOTWELL	69.66	77550
ERIC MUELLER	125.93	77550
ESCAMILLA	3,500.00	77550
ETHAN CAESAR	500.00	77554
EVA BUI	500.00	77550
EYLEEN KARYME FUENTES	1,000.00	77550
FAMILY SERVICE CENTER OF GALVESTON	398,165.77	77550
FAS TRAC JOB TRAINING CENTER	8,781.00	77551
FASTSIGNS OF GALVESTON	7,798.65	77551
FELICIA MARIE BECHEL	120.00	77550
FLAMINGO GARDENS INC	13,000.00	77551
FULLEN CRANE SERVICE	320.00	77551
GALVESTON CHAMBER OF COMMERCE	4,850.00	77550-1501
GALVESTON COLLEGE	509,590.79	77550
GALVESTON COUNTRY CLUB	3,402.19	77554
GALVESTON COUNTY AUDITOR'S OFFICE (	15,525.28	77553
GALVESTON COUNTY TAX-ASSESSOR	10,770.38	77550
GALVESTON ECONOMIC DEVELOPMENT PART	2,500.00	77553
GALVESTON FISHING PIER	1,000.00	77550
GALVESTON HISTORICAL FOUNDATIO	1,700.00	77550
GALVESTON INSURANCE ASSOCIATES	1,911,415.97	77552-6767
GALVESTON ISD ADMIN PRINT SHOP	3,712.72	77550
GALVESTON KIWANIS CLUB	115.00	77552
GALVESTON LIMOUSINE SERVICE	20,201.20	77552
GALVESTON PRINTING, LLC	945.00	77550
GALVESTON RENTALS, INC	654.50	77554
GALVESTON SYMPHONY ORCHESTRA	700.00	77552
GALVESTON VETERINARY CLINIC	895.02	77551
GALVESTONS OWN FARMERS MARKET	40,049.38	77553
GAPSMACK87, LLC	900.00	77551
GARVIN NOAH RABELAS POWELL	150.00	77550
GEORGIA SHERROD	89.35	77550
GISD CHILD NUTRITION	32,464.33	77550
GISD EDUCATIONAL FOUNDATION	24,125.50	77550
GREATER DREAMS	5,000.00	77551
GRG CATERING INC	400.00	77550
GRIVA PATEL	500.00	77550
GULFSIDE O/H DOOR	585.00	77551
GYPSY JOYNT INC.	1,620.00	77551

LOCAL VENDOR ACTIVITY FOR FY 2021-2022

HEAVEN BARRIENTOS	1,000.00	77551
HICKS CO, W U-HAUL	2,969.00	77554
HIDEAKI YAMAMOTO	500.00	77550
HOUSTON PIZZA VENTURES	175.80	77551
IDEAL LUMBER CO	13,254.93	77552-0187
INDUSTRIAL MATERIAL CORP	3,411.57	77554
ISAAC ALEGRIA	1,000.00	77551
JACOB DAEHNKE	393.20	77550
JACOB GAMACHE GONZALELS	500.00	77554
JAKIRRAH JENKINS	500.00	77550
JAMARI CROOKS	5,000.00	77550
JANICE F LEWIS	78.18	77551
JANICE SHEAFFER	500.00	77550
JAYLINN CHAVEZ	1,000.00	77551
JEAN LANGEVINE	345.82	77550
JEFFREY J PUCCIARELLO	507.49	77551
JEFFREY POST	275.32	77550
JESSE GARZA	116.00	77550
JILLIAN NICOLE HESTER	1,000.00	77554
JOE TRAMONE REALTY INC.	300.00	77550
JOELLE R DONDONAY	1,000.00	77550
JORDYN PENDERGRASS	5,000.00	77551
JOSEPH ALEXANDER	6,000.00	77550
JOSHUA PLATT	339.03	77550
JOSHUA RAYSHON JONES	1,000.00	77551
JOSSIE QUINTANA	348.83	77550
JUANA RAMIREZ	83.68	77550
JUDITH MCWILLIAMS	408.61	77550
JULIE SCHMID	58,149.00	77554
JULIE TOVAR	500.00	77551
KALEB A MILLER	1,000.00	77550
KARI MAHEALANI NANCE	1,000.00	77551
KATHLEEN DISPENSA	830.67	77550
KATHRYN JOBE	150.00	77551
KELLEY HULL	260.90	77550
KELLY CONTELLA	500.00	77551
KLEEN SUPPLY CO	94,442.92	77553
LAURA VAIL	136.00	77550
LEE ROY AMADOR	391.19	77550
LEON'S WORLD'S FINEST IN AND OUT B-	2,000.00	77551
LEONARDO CLARK	300.00	77550
LESTER FAIRCHAILD JR.	112.00	77551
LIBERTY L COX	1,100.00	77554
LILIAN STARR DUPONT	1,000.00	77551
LINDA HERNANDEZ	35.00	77551
LISA LELAND	366.49	77550
LISTER PLUMBING CO	16,860.95	77553
LONE STAR PIANOS	355.50	77550

LOCAL VENDOR ACTIVITY FOR FY 2021-2022

LORI LEE WILLIAMSON	234.66	77550
MAGGIE ELIZABETH QUEEN	785.57	77550
MAINLAND FLORAL CO J MAISEL'S	1,048.40	77550
MALLORY HARPER	147.42	77551
MARCELINA PEARSON	369.72	77554
MARGERITA ASOCAR	150.00	77550
MARIA FUENTES	500.00	77551
MARIA'S ALTERATIONS	379.00	77551
MARIAH RAE ROBLES	1,000.00	77550
MARILU DIAZ-GARCIA	500.00	77550
MARMO LLC	200.00	77550
MARTY'S CITY AUTO INC	7,736.91	77550
MARTY'S TOWING LLC	415.00	77550
MARY CATHERINE MUNSON	60.61	77551
MARY JEAN SARGENT	325.00	77551
MARY JO NASCHKE	6,000.00	77550
MAYA AVILA-ROBBINS	500.00	77551
MELINDA QUIROGA KERSHAW	136.00	77551
MELISSA RUTH DESKINS	16,060.00	77551
MELVIN BOULDIN	194.00	77550
MI ABUELITA'S RESTAURANT	950.00	77551
MIA CARDENAS	1,000.00	77551
MIA DANIELLE ZAMARRON	500.00	77551
MICHAEL WHITMAN	1,628.00	77554
MICHELLE PROFITT	116.00	77551
MICHELLE STEPHENSON	1,365.00	77554
MIGUEL ANGEL ANDRADE III	500.00	77551
MOODY EARLY CHILDHOOD CENTER	983,740.69	77550
MOODY GARDEN CONVENTION CENTER AND	12,875.20	77554
MOODY GARDENS GOLF COURSE	6,693.75	77554
MOODY GARDENS INC	21,286.88	77554
NOA SEIGAL	1,300.00	77554
PARIS A TURNER	1,000.00	77550
PLEASURE PIER	2,513.10	77550
PRIME NINE WELLNESS, LLC	2,863.00	77553
RAGE CAGE, LLC	120.00	77550
RAMON CARRILLO	500.00	77550
RAQUEL HERRERA	1,000.00	77551
REBECCA SILVA	125.44	77551
RENAE NICOLE HORTON	1,000.00	77550
RENARD SIMMONS, JR	5,000.00	77550
REPUBLIC PARTS CO	26,758.17	77550
ROBIN JOUGLARD	311.94	77550
RONALDO DE LA GARZA	1,000.00	77550
ROSALIE DALY	112.00	77551
ROTARY CLUB OF GALVESTON ISLAND	855.00	77552
ROUX HOUSE PRODUCTIONS	1,617.50	77550
SAMANTHA MALCHAR	1,220.00	77554

LOCAL VENDOR ACTIVITY FOR FY 2021-2022

SAMANTHA SANDERS	261.34	77550
SARA BORCHGARDT	772.15	77550
SARA GABRIEL	1,300.00	77551
SCHLITTERBAHN GALVESTON ISLAND GALV	8,100.00	77554
SCOTTY'S OVERHEAD DOOR	11,360.00	77554
SEBASTIAN HERNANDEZ	1,000.00	77551
SELENA RAE CRUZ	500.00	77551
SHARA ARCHER	112.00	77551
SHARON PRAKER	49.26	77550
SHELLEY G KESSLER	70.00	77550
SHERWIN-WILLIAMS CO, THE	8,022.20	77551
SICILIAN BROTHERS INC, DBA GINOS IT	68.17	77551
SKYLER SALOIS	500.00	77554
SMART FAMILY LITERACY INC	5,500.00	77551
SMART FAMILY LITERACY INC	9,595.00	77551
SOFIA GRASSO	500.00	77551
SOFIA IXCOTOYAC	1,000.00	77550
SOPHIA GARCIA	500.00	77551
STEFANY MARTINEZ	1,000.00	77550
STEPHANIE GARCIA	1,000.00	77551
STEVES WAREHOUSE TIRES	1,939.90	77551
STEWART'S PACKAGING INC	3,194.15	77550
SUNFLOWER BAKERY	315.95	77550
TEEN HEALTH CENTER, INC	505,081.84	77553
TER'NIQUE WELLS-WEBB	1,000.00	77551
THE ARTIST BOAT, INC.	63,483.52	77554
THE BRYAN MUSEUM	4,500.00	77550
THE CARTOON BOY	250.00	77550
THE SAN LUIS	1,460.34	77551
THE SPOT	1,568.47	77553
THIRD COAST R & D, INC.	27,000.00	77550
THOMAS THAT HO TON	1,000.00	77551
TIMIYA HILTON	5,000.00	77551
TOMYRA JACOBS	1,000.00	77550
TONY & BROS TOWING & REPAIR	300.00	77551
TOP GEAR	34,097.33	77551
TREASURE ISLAND TROPHIES	16,371.87	77551
TYLER POTHOS	5,000.00	77551
TYRUM CURRY	75.00	77550
UPWARD HOPE ACADEMY	49,999.92	77550
US POSTAL SERVICE	1,624.00	77550-9998
UTMB REHABILITATION SERVICES	24,000.00	77555-0596
VANESSA MUNOZ	1,000.00	77551
VIKKI CURRY	267.15	77550
VILLAGE HARDWARE	12,699.34	77551
WESLEY HOLLAND	101.09	77551
WEST ISLE URGENT CARE	14,122.00	77551
WILLIAM LIVANEC	1,000.00	77550

LOCAL VENDOR ACTIVITY FOR FY 2021-2022

WILLIAM WATTS	500.00	77554
YAGA TROPICAL CAFE, INC	5,344.80	77550
YARITSA CASTANEDA	500.00	77550
ZACKRY MAYEUX	320.00	77550
ZAHRAH EKTEFAEI	555.42	77550
ZULMA ORTIZ	500.00	77551
TOTAL	5,713,278.89	

Galveston Independent School District  
**Original Budget**  
 For the Fiscal Year Ending August 31, 2022

Budget Worksheets  
 August 3, 2022

	Surplus (Deficit)	Total
Fund Balance - 2016	\$ 1,445,491	\$ 30,725,089
Fund Balance - 2017	\$ 2,182,253	\$ 32,907,342
Fund Balance - 2018	\$ (8,937,688)	\$ 23,969,654
Fund Balance - 2019	\$ 6,167,345	\$ 30,136,999
Fund Balance - 2020	\$ 3,584,251	\$ 33,721,250
Fund Balance - 2021 (net of Prior Period Adj. \$3.7M)	\$ (3,413,011)	\$ 30,308,239

**Based on ADA of 6065**

Total Fund Balance as of 8/31/2021		\$ 30,308,239
Adopted Revenue Budget *	\$ 102,711,653	
Adopted Expenditure Budget *	\$ 102,820,000	
<b>Projected Budget Surplus (Deficit)</b>		<b>\$ (108,347)</b>
<b>Projected Fund Balance as of 8/31/2022</b>		<b><u>\$ 30,199,892</u></b>

<b>Adopted Tax Rate</b>	
M&O	<b>\$ 0.8820</b>
I&S	<b>\$ 0.0812</b>
<b>Total</b>	<b><u>\$ 0.9632</u></b>

\* Revenues and expenditures include \$3,841,653 of ESSER II and III funds that will be moved to Funds 281 and 282 during FY 2022.

Fund Balance Recap

Nonspendable - Inventories and Prepaid Items	\$ 1,143,266
Committed - Disaster Recovery and Reduction in Funding	\$ 11,000,000
Unassigned	\$ 18,164,973
Total General Fund Balance	<b><u>\$ 30,308,239</u></b>

Note: Receivable from Hurricane Ike was \$3,701,317; this was reduced via a Prior Period Adjustment and recorded as Unavailable Revenue in FY 2021.

Estimates based on General Fund numbers only.

Galveston Independent School District  
**Projected Budget**  
 For the Fiscal Year Ending August 31, 2022

Budget Worksheets  
 August 3, 2022

**Based on ADA of 5889 (See Note 1)**

Total Fund Balance as of 8/31/2021 (See Note 2)	\$	30,308,239
Revenues - <i>Projected</i>	\$	99,788,897
Expenditures - <i>Projected</i>	\$	<u>99,018,605</u>
Projected Budget Surplus (Deficit)	\$	770,292
<b>Projected Fund Balance as of 8/31/2022</b>	<b>\$</b>	<b><u><u>31,078,531</u></u></b>

*Note 1: This is based on TEA's Hold Harmless for the first four six weeks of FY 2022.*

*Note 2: Currently there are 115 days in reserve based on projected expenditures.*

Galveston Independent School District  
Budgeted, Actual, and Projected Revenues  
For the Fiscal Year Ending August 31, 2022

Budget Worksheets  
August 3, 2022

Based on ADA of 5889

Revenues	2021-2022 Original Budget	2021-2022 Revised Budget	2021-2022 YTD Revenues	2021-2022 Projected Revenues	Balance (Projected minus YTD)	Projected Revenues are Greater (Less) than Original Budget
Current Taxes	87,694,702	87,694,702	84,860,869	85,777,545	(916,676)	(1,917,157)
Delinquent Taxes	1,622,352	1,622,352	560,429	1,586,885	(1,026,456)	(35,467)
Penalties and Interest	1,050,000	1,050,000	843,428	1,050,000	(206,572)	-
Pre-K Tuition and Fees	20,000	20,000	56,330	56,330	-	36,330
Interest	95,000	95,000	172,940	172,940	-	77,940
Rent	90,000	90,000	80,786	80,786	-	(9,214)
Gifts and Bequests	-	-	-	-	-	-
Insurance Recovery	-	13,423	214,739	214,739	-	214,739
Proceeds from Sale of Property	-	-	-	-	-	-
Miscellaneous Revenue from Local Sources	674,680	675,596	328,598	675,596	(346,998)	916
Revenue from Athletics	45,000	45,000	88,628	88,628	-	43,628
Fees for Services Provided	38,000	38,000	-	38,000	(38,000)	-
Per Capita Apportionment	1,196,200	1,196,200	2,595,040	3,249,471	(654,431)	2,053,271
Foundation School Program	-	256,052	135,244	-	135,244	-
Other FSP Revenue	-	-	-	-	-	-
Miscellaneous Revenue from State	-	-	-	-	-	-
TRS On-Behalf	3,369,098	3,369,098	2,689,759	3,085,763	(396,004)	(283,335)
Federal Revenue / Non-State	-	-	45,593	45,593	-	45,593
Federal Revenue / TEA	218,959	218,959	331,732	331,732	-	112,773
SHARS	750,000	750,000	780,905	780,905	-	30,905
Medicaid Administrative Claiming	60,000	60,000	18,622	60,000	(41,378)	-
Revenue - Other State Payments (TDEM - H. Laura)	-	-	80,648	80,648	-	80,648
Federal Revenue - Indirect Costs (includes ESSER)	1,946,009	1,946,009	69,337	1,922,486	(1,853,149)	(23,523)
Sale of Real and Personal Property	-	-	-	-	-	-
Operating Transfers In	3,841,653	-	490,851	490,851	-	(3,350,802)
Extraordinary Items - Income	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 102,711,653</b>	<b>\$ 99,140,391</b>	<b>\$ 94,444,477</b>	<b>\$ 99,788,897</b>	<b>\$ (5,344,420)</b>	<b>\$ (2,922,756)</b>

**Recap by Major Source of Funds**

Tax Revenue	\$ 89,317,054	\$ 89,317,054	\$ 85,421,298	\$ 87,364,429	\$ (1,943,131)	\$ (1,952,625)
Other Local Revenue	\$ 2,012,680	\$ 2,027,019	\$ 1,785,449	\$ 2,377,019	\$ (591,570)	\$ 364,339
State Funding & TRS On-Behalf	\$ 1,196,200	\$ 1,452,252	\$ 2,730,284	\$ 3,249,471	\$ (519,187)	\$ 2,053,271
Federal Revenues	\$ 4,398,057	\$ 4,398,057	\$ 3,947,259	\$ 4,384,641	\$ (437,382)	\$ (36,939)
Other Revenues	\$ 5,787,662	\$ 1,946,009	\$ 560,188	\$ 2,413,337	\$ (1,853,149)	\$ (3,350,802)
<b>Total</b>	<b>\$ 102,711,653</b>	<b>\$ 99,140,391</b>	<b>\$ 94,444,477</b>	<b>\$ 99,788,897</b>	<b>\$ (5,344,420)</b>	<b>\$ (2,922,756)</b>
Total Tax Revenue & State Funds (w/o TRS On-Behalf)	\$ 87,144,156	\$ 87,400,208	\$ 85,461,823	\$ 87,528,138	\$ (2,066,315)	\$ 383,982

Galveston Independent School District  
 Detail of Expenditure Budget  
 For the Fiscal Year Ending August 31, 2022

Budget Worksheets  
 August 3, 2022

Detail of Expenditures	2021-2022 Original	2021-2022 Projected	Change from PY Original Budget
Salaries	\$ 47,381,117	\$ 43,931,065	\$ (3,450,052)
Stipends, OT, Extra Duty, & Employee Allowances	3,187,105	3,715,590	528,485
Substitutes	870,000	953,937	83,937
TRS On Behalf	3,546,367	3,085,763	(460,604)
Benefits (see details below)	5,730,476	5,296,161	(434,315)
Salaries - Subtotal	\$ 60,715,065	\$ 56,982,516	\$ (3,732,550)
Salaries re-coded to ESSER 2	-	(3,859,266)	(3,859,266)
Campus and department budgets	12,057,275	15,728,005	3,670,730
Recapture	30,047,660	30,167,350	119,690
<b>Total Expenditure Budget</b>	<b>\$ 102,820,000</b>	<b>\$ 99,018,605</b>	<b>\$ (3,801,395)</b>

Detail of Benefits			
6141 - FICA Medicare	\$ 688,167	\$ 679,951	(8,217)
6142 - Group Health Insurance	2,798,060	\$ 2,120,457	(677,603)
6143 - Workers' Compensation	330,091	\$ 331,052	961
6145 - Unemployment	100,000	\$ 79,894	(20,106)
6146 - TRS Surcharges and TRS Care for Retirees	1,809,572	\$ 2,084,808	275,236
6149 - TRS District Contribution	4,587	\$ -	(4,587)
Total	\$ 5,730,476	\$ 5,296,161	\$ (434,315)

Galveston Independent School District  
 Estimate of Tax Collections  
 For the Fiscal Year Ending August 31, 2022  
 Tax Year: 2021

Budget Worksheets  
 August 3, 2022

Certified Property Values from GCAD as of Supplement 6 (7-8-22)	\$ 10,230,724,494
Amount under ARB Review at Certification	-
Less: Estimated loss of 10% from ARB review/protests	-
Net Taxable Before Freeze	<u>\$ 10,230,724,494</u>
(minus) Over 65 & Disabled Persons Taxable	\$ (946,063,344)
Estimated Net Taxable Minus Over-65 & Disabled Persons (DP) Values	<u>\$ 9,284,661,150</u>
<b>Proposed Tax Rate</b>	<b>\$ 0.9632</b>
2021 Total Levy Estimate MINUS Over 65 and Disabled Levy	<u><u>\$ 89,429,856</u></u>

**Levy Calculations By Fund**

Estimated Levy minus Over 65 & DP for Maintenance and Operations Fund	\$ 9,284,661,150
<b>91.57% % M&amp;O</b>	<b>\$ 0.8820</b>
	<u>\$ 81,890,711</u>

Estimated Levy minus Over 65 & DP for Debt Service (I&S) Fund	\$ 9,284,661,150
<b>8.43% % I&amp;S</b>	<b>\$ 0.0812</b>
	<u>\$ 7,539,145</u>

	<u>M &amp; O</u>	<u>I&amp;S</u>	
Over 65 & DP Ceilings	\$ 6,190,741	\$ 6,190,741	
	91.57%	8.43%	
Levy for Over 65 & DP	<u>\$ 5,668,847</u>	<u>\$ 521,894</u>	
General	\$ 81,890,711	\$ 7,539,145	
Over 65 & DP	\$ 5,668,847	\$ 521,894	
<b><u>Estimated Levy</u></b>	<b><u>\$ 87,559,558</u></b>	<b><u>\$ 8,061,039</u></b>	<b><u>Total Estimated Levy</u></b>
Collection Percentages	97.96%	97.96%	<b><u>\$ 95,620,597</u></b>
	<u>\$ 85,777,545</u>	<u>\$ 7,896,980</u>	
Add Delinquent:	\$ 1,586,885	\$ 146,094	
<b>Anticipated Collections*</b>	<b>\$ 87,364,429</b>	<b>\$ 8,043,074</b>	Template~ Line 26 and 28
<b>(Budgeted as Revenues)</b>		\$ (7,683,059)	Less: 2022 Bond Payments
		<u>\$ 44,402</u>	Plus: HH - Homestead Exemption
		<u>\$ 404,418</u>	Projected Surplus @ 8/31/22

<b>Ratio of Current Collected to Adjusted Levy</b>	
<b>Tax Year</b>	<b>Collection %</b>
2015	98.18%
2016	97.95%
2017	98.01%
2018	97.76%
2019	97.72%
2020	98.17%
Average	97.96%

**Debt Service Fund Balance Recap**

<b>Fund Balance at 8/31/21</b>	<b>\$ 5,065,866</b>
Projected Surplus in FY 2022	\$ 404,418
<b>Projected Fund Balance at 8/31/22</b>	<b><u>\$ 5,470,284</u></b>

**Change in Net Taxable Values from PY**

CY Net Taxable Values	\$ 10,230,724,494
PY Net Taxable Values	\$ 8,634,537,726
Increase	18.49% <u>\$ 1,596,186,768</u>

**Comparison of Prior Year Tax Levy**

Current Year Tax Levy	\$ 95,620,597
Prior Year Tax Levy	\$ 85,903,381
Increase	11.31% <u>\$ 9,717,216</u>

Galveston Independent School District  
**Budget Projections**  
 Estimated Tax Rate 2022: \$1.0316 (\$.8646 + \$.1670)

Budget Worksheets  
 August 3, 2022

Budget Assumptions	Adopted 2021-2022	Projected 2021-22	Projected 2022-23	Projected 2023-24	Projected 2024-25
Enrollment	6720	6378	6442	6506	6571
ADA	6065	5889	5825	5986	6046
Property Value Growth	18.5%	18.5%	18.9%	4.0%	4.0%
Projected M&O Tax Rate	\$0.8820	\$0.8820	\$0.8646	\$0.8525	\$0.8406
Projected I&S Tax Rate	\$0.0812	\$0.0812	\$0.1670	\$0.1672	\$0.1672
Projected Total Tax Rate	\$0.9632	<b>\$0.9632</b>	\$1.0316	\$1.0197	\$1.0078
Increase (Decrease) in Total Tax Rate			\$0.0684	-\$0.0119	-\$0.0119
Tax Revenue	\$ 89,317,054	\$ 87,364,429	\$ 102,329,198	\$ 105,346,113	\$ 108,174,560
Other Local Revenue	\$ 2,012,680	\$ 2,377,019	\$ 2,377,019	\$ 2,377,019	\$ 2,377,019
State Funding	\$ 1,196,200	\$ 3,249,471	\$ 2,749,978	\$ 2,430,124	\$ 2,793,539
TRS On-Behalf	\$ 3,369,098	\$ 3,085,763	\$ 3,091,594	\$ 3,091,594	\$ 3,091,594
Federal Revenue (SHARS)	\$ 1,028,959	\$ 1,298,878	\$ 1,028,959	\$ 1,028,959	\$ 1,028,959
ESSER Indirect Costs	\$ 1,946,009	\$ 1,922,486	\$ 757,360	\$ 707,648	\$ -
Operating Transfers In	\$ 3,841,653	\$ 490,851	\$ 2,873,819	\$ -	\$ -
<b>Total Revenues</b>	<b>\$ 102,711,653</b>	<b>\$ 99,788,897</b>	<b>\$ 115,207,928</b>	<b>\$ 114,981,457</b>	<b>\$ 117,465,672</b>
Salaries (2% tchr; 1% others; \$.50 aux)	\$ 60,715,066	\$ 56,982,516	\$ 59,317,298	\$ 59,317,298	\$ 59,497,298
Salaries Coded to ESSER II (Supplant)	\$ -	\$ (3,859,266)	\$ -	\$ (500,000)	\$ -
Operating Budgets	\$ 12,057,275	\$ 15,728,005	\$ 12,216,215	\$ 12,216,215	\$ 12,216,215
Recapture	\$ 30,047,660	\$ 30,167,350	\$ 44,064,942	\$ 45,449,553	\$ 47,948,318
<b>Total Expenditures</b>	<b>\$ 102,820,001 ***</b>	<b>\$ 99,018,605</b>	<b>\$ 115,598,455</b>	<b>\$ 116,483,066</b>	<b>\$ 119,661,830</b>
<b>Surplus (Deficit)</b>	<b>\$ (108,348)</b>	<b>\$ 770,292</b>	<b>\$ (390,527)</b>	<b>\$ (1,501,608)</b>	<b>\$ (2,196,159)</b>
<b>Projected Fund Balance</b>	<b>\$ 30,199,892</b>	<b>\$ 31,078,531</b>	<b>\$ 30,688,004</b>	<b>\$ 29,186,395</b>	<b>\$ 26,990,236</b>

Cumulative fund balance surplus (deficit)	\$ 770,292	\$ 379,765	\$ (1,121,844)	\$ (3,318,003)
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**Note: There is \$1.5M per year in ESSER funds reserved in FY 22-23 and 23-24 for one-time pay supplements for staff.**

Net Total State/Local Revenue	\$ 60,465,594	\$ 60,446,550	\$ 61,014,234	\$ 62,326,685	\$ 63,019,782
Change in Formula Funding	\$ 701,468	\$ (19,044)	\$ 567,685	\$ 1,312,450	\$ 693,098
Number of Days in Reserve	107	115	97	91	<b>82</b>
<i>Property Values (#'s in red=estimates)</i>	\$ 10,454,483,923	21.1% \$ 10,230,724,494	18.5% \$ 12,160,988,294	18.9% \$ 12,647,427,826	4.0% \$ 13,153,324,939
<i>CPTD Values</i>	10,526,699,354	19.7% 10,582,684,127	20.4% 12,275,558,882	16.0% 12,773,050,690	4.1% 13,290,442,169
<i>Difference</i>	<u>\$ (72,215,431)</u>	<u>\$ (351,959,633)</u>	<u>\$ (114,570,588)</u>	<u>\$ (125,622,863)</u>	<u>\$ (137,117,230)</u>
Average Funding per ADA	\$ 9,970	\$ 10,264	\$ 10,475	\$ 10,413	\$ 10,424

Galveston Independent School District  
**Proposed Budget**  
 For the Fiscal Year Ending August 31, 2023

Budget Worksheets  
 August 3, 2022

**Based on ADA of 5825**

Projected Fund Balance as of 8/31/2022		\$	31,078,531
<i>Proposed Revenue Budget</i>	\$		115,207,928
<i>Proposed Expenditure Budget</i>		\$	<u>115,598,455</u>
<b>Projected Budget Surplus (Deficit)</b>		\$	(390,527)
<b>Projected Fund Balance as of 8/31/2022</b>		<b>\$</b>	<b><u>30,688,004</u></b>

Proposed Tax Rate	
M&O	\$ 0.8646
I&S (See Note)	\$ 0.1670
Total	<u>\$ 1.0316</u>

Note: The I&S tax rate is an estimate; the final rate will be calculated after the \$250M bond sale on August 2, 2022.

Galveston Independent School District  
2 Year Comparison of Expenditure Budgets  
For the Fiscal Years Ending 2022 and 2023

Budget Worksheets  
August 3, 2022

Detail of Expenditures	2022-2023 Proposed	2021-2022 Original	Change from PY Original Budget
Salaries	\$ 46,581,569	\$ 47,381,117	\$ (799,548)
Stipends, OT, Extra Duty, & Employee Allowances	3,528,425	3,187,105	341,320
Substitutes	870,000	870,000	-
TRS On Behalf	3,091,594	3,546,367	(454,773)
Benefits <i>(see details below)</i>	5,245,710	5,730,477	(484,767)
Salaries - Subtotal	\$ 59,317,298	\$ 60,715,066	\$ (1,397,768)
Campus and department budgets	12,216,215	12,057,275	158,940
Recapture	44,064,942	30,047,660	14,017,282
<b>Total Expenditure Budget</b>	<b>\$ 115,598,455</b>	<b>\$ 102,820,000</b>	<b>\$ 12,778,455</b>

Detail of Benefits			
6141 - FICA Medicare	\$ 623,647	\$ 688,167	(64,520)
6142 - Group Health Insurance	2,444,742	2,798,060	(353,318)
6143 - Workers' Compensation	312,419	330,091	(17,672)
6145 - Unemployment	50,000	100,000	(50,000)
6146 - TRS Surcharges and TRS Care for Retirees	1,810,315	1,809,572	743
6149 - TRS District Contribution	4,587	4,587	-
Total	\$ 5,245,710	\$ 5,730,476	\$ (484,766)

Recap of Increase to Operating Budgets	
Cenergistic Contract	\$ 136,800
Fuel	100,000
GCAD	105,000
Miscellaneous Campus & Department Allotments	29,544
Telephone (decrease in active lines)	(96,000)
Property Insurance	(116,404)
Net increases in department / campus budgets	<u>\$ 158,940</u>

**Galveston Independent School District  
2 Year Detail Comparison of Salary Budgets - By Fund  
For the Fiscal Years Ending 2022 and 2023**

Budget Worksheets  
August 3, 2022

GENERAL FUND (excludes benefits)	2022-2023			2021-2022			Change from Prior Year
	Professionals	Support Personnel	Total	Professionals	Support Personnel	Total	
Salaries	37,164,419	9,417,150	46,581,569	38,026,388	9,354,729	47,381,117	(799,548)
Stipends, Extra Duty & OT	2,562,811	933,632	3,496,443	2,225,390	924,350	3,149,740	346,703
Employee Allowance	31,982	-	31,982	37,365	-	37,365	(5,383)
Substitutes	850,000	20,000	870,000	850,000	20,000	870,000	-
<b>Total - General Fund</b>	<b>40,609,212</b>	<b>10,370,782</b>	<b>50,979,994</b>	<b>41,139,143</b>	<b>10,299,079</b>	<b>51,438,222</b>	<b>(458,228)</b>

ALL OTHER FUNDS	2022-2023			2021-2022			Change from PY
	Salaries/Stipends	Benefits	Total	Salaries	Benefits	Total	
Title X - Part C - TEXSHEP	127,314	27,419	154,733	65,476	15,882	81,358	73,375
Title 1 - Part A	805,854	134,569	940,423	872,445	136,663	1,009,107	(68,684)
Idea B Formula	1,403,359	239,045	1,642,404	1,181,538	264,148	1,445,686	196,718
Idea B Preschool	21,495	6,448	27,943	40,576	12,576	53,152	(25,209)
Child Nutrition	1,949,737	468,910	2,418,647	1,803,162	555,103	2,358,265	60,382
Carl Perkins	-	-	-	49,500	6,803	56,303	(56,303)
Title 2 - Training	118,225	19,230	137,455	118,056	18,299	136,355	1,100
Title 3 - Part A - ESL	65,369	11,930	77,299	65,587	12,626	78,213	(914)
Title 4 - Part B 21st Century	466,930	84,724	551,654	480,633	87,962	568,594	(16,940)
Homeless Grant	40,057	8,787	48,844	-	-	-	48,844
ESSER 2	1,603,166	254,128	1,857,294	-	-	-	1,857,294
ESSER 3	1,847,830	261,100	2,108,930	-	-	-	2,108,930
Magnet/APEX G5	530,643	84,693	615,336	566,861	96,908	663,768	(48,432)
TITLE IV - TIV	70,130	-	70,130	817,116	126,391	943,507	(873,377)
O&M SSA	122,148	13,930	136,078	119,792	13,628	133,420	2,658
VI SSA	-	-	-	58,668	6,739	65,407	(65,407)
Moody Grants	1,188,222	121,720	1,309,942	992,604	84,885	1,077,490	232,452
Education Foundation	92,529	3,914	96,443	91,578	3,874	95,452	991
<b>Total - All Other Funds</b>	<b>10,453,008</b>	<b>1,740,547</b>	<b>12,193,555</b>	<b>7,323,592</b>	<b>1,442,486</b>	<b>8,766,077</b>	<b>3,427,478</b>
<b>Grand Total</b>	<b>51,062,220</b>	<b>12,111,329</b>	<b>63,173,548</b>	<b>48,462,735</b>	<b>11,741,565</b>	<b>60,204,299</b>	<b>2,969,249</b>

Galveston Independent School District  
 Estimate of Tax Collections  
 For the Fiscal Year Ending August 31, 2023  
 Tax Year: 2022

Budget Worksheets  
 August 3, 2022

Certified Property Values from GCAD (Prelim PV's were \$12,712,060,859 before increase to HE)	\$	11,786,569,464
Amount under ARB Review at Certification	\$	624,031,384
Less: Estimated loss of 40% from amounts under ARB review/protests	\$	(249,612,554)
Net Taxable Before Freeze	\$	12,160,988,294
(minus) Over 65 & Disabled Persons Taxable	\$	(986,423,300)
Freeze Adjusted Taxable	\$	11,174,564,994
<b>Proposed Tax Rate</b>	<b>\$</b>	<b>1.0316</b>
2020 Total Levy Estimate MINUS Over 65 and Disabled Levy	\$	115,276,812

**Levy Calculations By Fund**

Estimated Levy minus Over 65 & DP for Maintenance and Operations Fund	\$	11,174,564,994
<b>83.81% % M&amp;O</b>	<b>\$</b>	<b>0.8646</b>
	\$	96,615,289
Estimated Levy minus Over 65 & DP for Debt Service (I&S) Fund	\$	11,174,564,994
<b>16.19% % I&amp;S</b>	<b>\$</b>	<b>0.1670</b>
<i>Estimate - tax rate calculations to be performed after 8/2 bond sale</i>	\$	18,661,524

	<u>M &amp; O</u>	<u>I&amp;S</u>	
Over 65 & DP Ceilings	\$ 6,587,728	\$ 6,587,728	
	83.81%	16.19%	
Levy for Over 65 & DP	\$ 5,521,277	\$ 1,066,451	
General	\$ 96,615,289	\$ 18,661,524	
Over 65 & DP	\$ 5,521,277	\$ 1,066,451	
<b><u>Estimated Levy</u></b>	<b>\$ 102,136,566</b>	<b>\$ 19,727,974</b>	<b><u>Total Estimated Levy</u></b>
Collection Percentages	98.37%	98.37%	<b>\$ 121,864,541</b>
	\$ 100,470,494	\$ 19,406,168	
Add Delinquent:	\$ 1,858,704	\$ 359,014	
<b>Anticipated Collections*</b>	<b>\$ 102,329,198</b>	<b>\$ 19,765,182</b>	Template~ Line 26 and 28
<b>(Budgeted as Revenues)</b>		44,877	TEA I&S Hold Harmless for ASAHE
		<b>\$ (19,563,228)</b>	Less: EST. 2023 Bond Payments*
		<b>\$ 246,831</b>	Projected Surplus @ 8/31/23

\*Bond 2023 payments will include levy from PY's additional tax rate component.

<b>Ratio of Current Collected to Adjusted Levy</b>	
<b>Tax Year</b>	<b>Collection %</b>
2016	97.95%
2017	98.01%
2018	97.76%
2019	97.65%
2020	100.67%
2021	98.17%
Average	98.37%

**Debt Service Fund Balance Recap**

<b>Fund Balance at 8/31/21</b>	<b>\$ 5,065,866</b>
Projected Surplus in FY 2022	\$ 404,418
<b>Fund Balance at 8/31/22</b>	<b>\$ 5,470,284</b>
Projected Surplus in FY 2023	\$ 246,831
<b>Projected Fund Balance at 8/31/23</b>	<b>\$ 5,717,115</b>

**Change in Net Taxable Values from PY**

CY Net Taxable Values	\$ 12,160,988,294
PY Net Taxable Values	\$ 9,284,661,150
Increase	30.98% <b>\$ 2,876,327,144</b>

**Comparison of Prior Year Tax Levy**

Current Year Tax Levy	\$ 121,864,541
Prior Year Tax Levy	\$ 95,620,597
Increase	27.45% <b>\$ 26,243,943</b>

**GALVESTON INDEPENDENT SCHOOL DISTRICT  
2022-2023  
PROPOSED BUDGET FOR ADOPTION**

**DEBT SERVICE FUND**

**REVENUES**

LOCAL & INTERMEDIATE SOURCES	\$ 19,765,182
STATE PROGRAM REVENUES	<u>\$ 44,877</u>
TOTAL REVENUES	<u>\$ 19,810,059</u>

**EXPENDITURES**

FUNCTION: 71 DEBT SERVICES	<u>\$ 19,563,228</u>
TOTAL EXPENDITURES	<u>\$ 19,563,228</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 246,831</u>

**GALVESTON INDEPENDENT SCHOOL DISTRICT  
2022-2023  
PROPOSED BUDGET FOR ADOPTION**

**FOOD SERVICE FUND**

**REVENUES**

<b>LOCAL &amp; INTERMEDIATE SOURCES</b>	\$ 504,000
<b>STATE PROGRAM REVENUES</b>	\$ 5,000
<b>OTHER RESOURCES</b>	<u>\$ 4,750,000</u>
<b>TOTAL REVENUES</b>	<u>\$ 5,259,000</u>

**EXPENDITURES**

<b>FUNCTION: 35 FOOD SERVICES</b>	\$ 5,524,100
<b>FUNCTION: 51 MAINTENANCE</b>	\$ 916,000
<b>TOTAL EXPENDITURES</b>	<u>\$ 6,440,100</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (1,181,100)</u>

Note: Texas Department of Agriculture allows no more than three months operating expenditures in fund balance. Due to an excessive fund balance at FYE 21-22, the District plans to purchase capital equipment in FY 22-23 to bring the fund balance into compliance.

# Action Sheet

**MEETING DATE:**

**August 2, 2022**

**AGENDA ITEM:**

Consider approval of the minutes from the Regular School Board Meeting on June 22, 2022 and the Special meeting on July 20, 2022.

**RECOMMENDATION:**

**I move that the Board of Trustees approve the minutes from the Regular School Board Meeting on June 22, 2022 and the Special meeting on July 20, 2022.**

  
\_\_\_\_\_  
Jerry Gibson  
Superintendent

# Minutes of Regular Meeting

## The Board of Trustees Galveston Independent School District

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A Regular Meeting of the Board of Trustees of Galveston Independent School District was held June 22, 2022, beginning at 6:00 PM in the Lovenberg Administration Building, 3904 Avenue T, Galveston, TX 77550.

The subjects discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown.

*Board Members in attendance: Beeton, O'Neal, Jobe, Brown, Smecca and Lakin*  
*Board Member absent: Masel*

*Staff in attendance: Curry, Neighbors, Morgenroth, Scott, Patrick, Polzin, Fontenot, Post, Kreiter, Martello, Pruitt, Le, Rogers and Bly*

- 1) Call to order Open Session in the Board Room of the Lovenberg Administration Building, 3904 Avenue T, Galveston, Texas. – 6:00
- 2) Pledge of Allegiance to the United States flag and the Texas flag. – 6:00
- 3) Citizen's Request to Address the Board on Agenda and Non-Agenda Items. Please complete sign-up sheets available in the lobby prior to the start of the meeting. – 6:02  
*Melissa Morton – Spoke about teacher pay.*  
*6:05 Mr. Smecca replied that there would be discussions during the meeting tonight about teacher salaries.*
- 4) The Board may recess into Closed Executive Session in the Library as permitted by the Texas Open Meeting Act Government Code Sections 551.071- 551.090 Subchapter D and E.

Should any final action, final decision, or final vote be required in the opinion of the School Board with regard to any matter considered in such closed meeting then the final action, final decision, or final vote shall be either:

- A) in the open meeting covered by the Notice upon the reconvening of the public meeting;  
or
- B) at a subsequent public meeting of the School Board upon notice thereof; as the School Board shall determine.
  - A) Personnel
  - B) Consultation with Attorney
  - C) Real Property – 6:06
- 5) Reestablish the open meeting of the Galveston ISD Board of Trustees. – 8:45
- 6) District Reports – 8:46
  - A) Board Committee Reports
    - 1) Facilities/Finance Committee Chair- Mr. Johnny Smecca – 8:46 *Mr. Smecca gave the report from the last meeting.*

7) Financial Reports and Budget Update – 8:45 Report given by Mrs. Morgenroth. 8:53 Mrs. Beeton requested an email with new changes about salary increases so that she can respond to teachers who had emailed with questions.

8) CONSENT AGENDA - Action Items – 8:54 Motion by Beeton. Second by Jobe.

*Questions/comments from the board. 6-0 in favor. Masel absent.*

A) Consider approval of the minutes from the Special Board Meeting on May 17, 2022 and the Regular Board Meeting on May 18, 2022.

B) Consider approval of personnel resignations and recommendations with contracts.

C) Discuss and consider approval of payment of attorney fees.

D) Consider approval of Budget Amendments

E) Discuss and consider accepting donations in accordance with Board Policy CDC Local.

F) Consider approval of RFQ 2021-22-016, Surveying Services

G) Consider approval of RFQ 2021-22-017 Geotechnical Engineering, Environmental Assessment, & Construction Materials Testing

H) Consider approval of CSRFP# 2021-22-014, Disaster Restoration & Recovery Services, naming Mooring Recovery Services, Inc. as the Contractor of Record in the event of an emergency or natural disaster.

I) Discuss and consider year 3 of 3 renewal agreement of Instructure the Districts Learning Management System

J) Discuss and Consider Approval of an Interlocal Agreement between Santa Fe ISD and Galveston ISD to park GISD buses and other vehicles at their site during weather emergencies

K) Discuss and consider approval to give the superintendent hiring authority for the months of July and August 2022.

L) Discuss and consider the funding parameters, Interlocal Agreement and Memorandum of Understanding for the Coastal Alternative Program (CAP) for the 2022-2023 school year.

M) Discuss and consider approval of purchases exceeding \$50,000 for technology devices to support the implementation of the Moody Foundation Community Dyslexia Grant.

N) Discuss and Consider Approval of hiring Lockwood, Andrews, and Newnam, Inc. (LAN) as Bond Program Managers for Bond 2022 construction projects, delegating authority to the Superintendent to negotiate and execute the contract for an amount not to exceed \$7.4 million

9) REGULAR AGENDA- Action Items – 8:55

A) Discuss and consider approval of the 2022-2023 Salary Plan – 8:55 *Explanation followed by a motion by Smecca to adopt 22-23 salary plan as presented except that teachers, librarians, nurses, RNs and all other employees paid on the teacher's salary schedule shall receive a two percent pay increase based off of their actual 21-22 annual salary. Second by O'Neal. Point of clarification by Jobe. Further explanation by Smecca. Comments by O'Neal. Brown wanted to clarify that this was not a bonus, that this was being approved in order mitigate the disruptions and vacancies in staff positions throughout the District that were caused by the COVID-19 pandemic. 5-0-1 in favor. Masel absent. Jobe abstained.*

B) AN ORDER AUTHORIZING THE ISSUANCE OF GALVESTON INDEPENDENT SCHOOL DISTRICT UNLIMITED TAX SCHOOL BUILDING BONDS, SERIES 2022; PROVIDING FOR THE AWARD OF THE SALE THEREOF

IN ACCORDANCE WITH SPECIFIED PARAMETERS; LEVYING A TAX AND PROVIDING FOR THE SECURITY AND PAYMENT THEREOF; AND ENACTING OTHER PROVISIONS RELATING THERETO – 9:11 Jobe motioned to accept as written with clarification of maximum principle amount \$250 million and second by Smecca. Lewis Wilkes and Barron Wallace gave further explanation/information. Comments and questions by the board. 6-0 in favor.

C) Consider approval of Procurement Methods for Bond 2022 Construction Projects including Ball High School, the Natatorium, Courville Stadium and Renovations to Weis Middle School – 9:19 Discussion informal discussion and presentation by Beeton. 9:36 discussion continued by Jobe. 9:43 Project Manager, JP Grom from LAN added to the discussion. 9:51 Motion by Brown to approve competitive sealed proposals for Ball high School, the natatorium and the renovations to Weis Middle School and the design build methods for Courville Stadium. Second by Beeton. Further discussion by O’Neal, Smecca and Beeton. 6-0 in favor.

10) Suggested Future Agenda Items -9:56

11) Board Comments -9:56

--Smecca spoke about salaries.

--Beeton thanked everyone for staying late and thanked JP Grom from LAN.

--Lakin also thanked everyone for staying and thanked Smecca Beeton and Connie Morgenroth and her crew for all they do to keep the district afloat. Happy July 4<sup>th</sup>.

--Jobe spoke about the great team and hard work that has been done. Salaries feel strongly about teachers being taken care of.

--O’Neal spoke of supporting educators and challenge of keeping up with salaries.

--Brown – Thanked everyone at Lit Camp for a great job!

12) Adjournment -10:15

*Minutes taken by: Amedia Bly*

Approved on August 3, 2022

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Mr. Tony Brown, President

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Shae Jobe, Secretary

# Minutes of Special Meeting

## The Board of Trustees Galveston Independent School District

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A Special Meeting of the Board of Trustees of Galveston Independent School District was held July 20, 2022, beginning at 6:00 PM in the Lovenberg Administration Building, 3904 Avenue T, Galveston, TX 77550.

*Board Members in attendance: Beeton, O'Neal, Jobe, Brown, Smecca, Masel and Lakin*  
*Staff in attendance: Curry, Rogers and Bly*

- 1) Call to order Open Session in the Board Room of the Lovenberg Administration Building, 3904 Avenue T, Galveston, Texas. -6:00pm
- 2) Pledge of Allegiance to the United States flag and the Texas flag. -6:00pm
- 3) Citizen's Request to Address the Board on Agenda and Non-Agenda Items. Please complete sign-up sheets available in the lobby prior to the start of the meeting. -6:01pm  
*Elona Stinson Herron, Elliston Stinson, Alfred Stinson, Leonard Lewis, Mary Castillo and Carlis Lewis spoke about Courville Stadium and the importance of keeping a track there.*
- 4) The Board may recess into Closed Executive Session in the Library as permitted by the Texas Open Meeting Act Government Code Sections 551.071- 551.090 Subchapter D and E. -6:25pm
  - A) Personnel – Evaluation of Superintendent

Should any final action, final decision, or final vote be required in the opinion of the School Board with regard to any matter considered in such closed meeting then the final action, final decision, or final vote shall be either:

- A) in the open meeting covered by the Notice upon the reconvening of the public meeting;
- or
- B) at a subsequent public meeting of the School Board upon notice thereof; as the School Board shall determine.

5) Reestablish the open meeting of the Galveston ISD Board of Trustees. -8:27pm

6) Adjournment-8:27pm

Minutes taken by: Amedia Bly

Approved on August 03, 2022

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Mr. Tony Brown, President

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Shae Jobe, Secretary

# Action Sheet

**MEETING DATE:**

**August 3, 2022**

**AGENDA ITEM:**

Discuss and consider approval of personnel resignations and recommendations with contracts.

Under Separate Cover

**RECOMMENDATION:**

**I move that the Board of Trustees approve personnel resignations and recommendations with contracts.**

  
\_\_\_\_\_  
Jerry Gibson  
Superintendent

# Action Sheet

**MEETING DATE:**

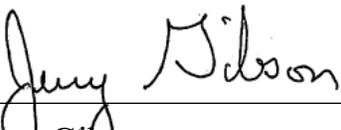
**August 3, 2022**

**AGENDA ITEM:**

Discuss and consider approval of payment of attorney fees.

The Board has directed that attorney fees incurred by the district be brought for approval before payments are made. The district is in receipt of invoices from:

Thompson and Horton:	\$6,971.98	Invoice #51093 July 20, 2022 for June
Thompson and Horton:	\$1,750.00	Invoice #51569 July 20, 2022 for training

  
\_\_\_\_\_  
Jerry Gibson  
Superintendent

# Action Sheet

**MEETING DATE:**

**August 3, 2022**

**AGENDA ITEM:**

Discuss and consider approval of monthly Budget Amendment.

**RECOMMENDATION:**

I move that the Board of Trustees approve the budget amendment, as presented.



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Dr. Jerry Gibson  
Superintendent



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Connie Morgenroth  
Asst. Superintendent of Business and Operations

**GALVESTON INDEPENDENT SCHOOL DISTRICT  
2021-2022 Proposed Budget Amendment  
August 2022**

	General Fund			Food Service Fund			Debt Service Fund		
	Beginning Budget	Amendments	Ending Budget	Beginning Budget	Amendments	Ending Budget	Beginning Budget	Amendments	Ending Budget
<b>Revenues</b>									
Local & Intermediate Sources	\$ 91,344,073	\$ -	\$ 91,344,073	\$ 390,000	\$ -	\$ 390,000	\$ 8,336,022	\$ -	\$ 8,336,022
State Program Revenues	\$ 4,821,350	\$ -	\$ 4,821,350	\$ 18,000	\$ -	\$ 18,000	\$ 59,978	\$ -	\$ 59,978
Federal Program Revenues	\$ 2,974,968	\$ -	\$ 2,974,968	\$ 5,050,000	\$ -	\$ 5,050,000	\$ -	\$ -	\$ -
Other Resources/ Operating Transfer In (ESSER II Grant)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 99,140,391</b>	<b>\$ -</b>	<b>\$ 99,140,391</b>	<b>\$ 5,458,000</b>	<b>\$ -</b>	<b>\$ 5,458,000</b>	<b>\$ 8,396,000</b>	<b>\$ -</b>	<b>\$ 8,396,000</b>

<b>Function</b>									
11	Instruction	\$ 39,844,990	\$ 6,173	\$ 39,851,163					
12	Instructional Resources	\$ 348,032	\$ -	\$ 348,032					
13	Curriculum & Inst Staff Dev	\$ 837,391	\$ 1,266	\$ 838,657					
21	Instructional Leadership	\$ 2,082,613	\$ -	\$ 2,082,613					
23	School Leadership	\$ 4,530,409	\$ 825	\$ 4,531,234					
31	Guidance/Counseling	\$ 2,165,126	\$ -	\$ 2,165,126					
32	Social Work Services	\$ 289,679	\$ -	\$ 289,679					
33	Health Services	\$ 867,543	\$ -	\$ 867,543					
34	Student Transportation	\$ 3,342,438	\$ -	\$ 3,342,438					
35	Food Services	\$ 7,492	\$ 1	\$ 7,493	\$ 5,555,240	\$ -	\$ 5,555,240		
36	Extracurricular Activities	\$ 1,924,253	\$ -	\$ 1,924,253					
41	General Administration	\$ 2,940,658	\$ -	\$ 2,940,658					
51	Maintenance and Operations	\$ 9,644,028	\$ -	\$ 9,644,028	\$ 558,985	\$ -	\$ 558,985		
52	Security and Monitoring	\$ 1,247,119	\$ -	\$ 1,247,119					
53	Data Processing Services	\$ 2,195,704	\$ (8,264)	\$ 2,187,440					
61	Community Services	\$ 1,077,634	\$ -	\$ 1,077,634					
71	Debt Service	\$ 200,000	\$ -	\$ 200,000			\$ 7,690,000	\$ -	\$ 7,690,000
81	Construction	\$ 2,780,174	\$ -	\$ 2,780,174					
91	Recapture Payment	\$ 30,047,660	\$ -	\$ 30,047,660					
93	Shared Services	\$ 27,500	\$ -	\$ 27,500					
99	Intergovernmental Charges	\$ 756,900	\$ -	\$ 756,900					
<b>TOTAL</b>		<b>\$ 107,157,343</b>	<b>\$ 1</b>	<b>\$ 107,157,344</b>	<b>\$ 6,114,225</b>	<b>\$ -</b>	<b>\$ 6,114,225</b>	<b>\$ 7,690,000</b>	<b>\$ -</b>

<b>Function</b>			
11	\$ 8,264	Transfer funds to cover negative account balance	
	\$ (1,500)	Transfer funds for travel TASSP Summer Conference	
	\$ (591)	Transfer to cover employee travel - ED311 Conference	
	\$ -		
	\$ -		
<b>TOTAL</b>	<b>\$ 6,173</b>		

12	\$ -		
<b>TOTAL</b>	<b>\$ -</b>		
13	\$ 1,266	Transfer to cover employee travel - ED311 Conference	
<b>TOTAL</b>	<b>\$ 1,266</b>		

21	\$ -		
<b>TOTAL</b>	<b>\$ -</b>		

23	\$ (675)	Transfer to cover employee travel - ED311 Conference	
	\$ 1,500	Transfer funds for travel TASSP Summer Conference	
<b>TOTAL</b>	<b>\$ 825</b>		

<b>Function</b>			
34	\$ -		
<b>TOTAL</b>	<b>\$ -</b>		
35	\$ 1	Transfer to clear negative balance	
<b>TOTAL</b>	<b>\$ 1</b>		
52	\$ -		
<b>TOTAL</b>	<b>\$ -</b>		
53	\$ (8,264)	Transfer funds to cover negative account balance	
<b>TOTAL</b>	<b>\$ (8,264)</b>		

Signed: \_\_\_\_\_  
Board President

# Action Sheet

**MEETING DATE:**

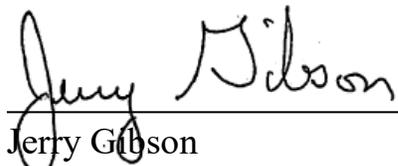
**August 3, 2022**

**AGENDA ITEM:**

Discuss and consider an Order Calling Regular Single Member School Board Trustee Election for Districts 2B and 7G on November 8, 2022.

**RECOMMENDATION:**

**I move that the Board of Trustees approve an Order Calling Regular Single Member School Board Trustee Election for Districts 2B and 7G on November 8, 2022.**

  
\_\_\_\_\_  
Jerry Gibson  
Superintendent

**ORDER CALLING REGULAR ELECTION  
(2022)**

WHEREAS by virtue of the order of the Court in Theasel Henderson, et al v. Galveston Independent School District, et al, being CA No. G-94-144 on the docket of the United States District Court for the Southern District of Texas (Galveston Division), Galveston Independent School District (hereinafter “District”) is required to hold General Elections from time to time to elect trustees from the Single-Member Trustee Districts as the terms of Trustees expire; and

WHEREAS a General Election (hereinafter “Election”) will be held within the District to elect school trustees from Single-Member Trustee Districts **2B** and **7G**; and

WHEREAS the territory comprising Single-Member Trustee Districts **2B** and **7G** is set forth on the maps attached as **Exhibits A and B** to this Order Calling Regular Election (the “Order”); and

WHEREAS the District Board of Trustees is authorized to call the Election and establish procedures for its conduct.

IT IS, THEREFORE, ORDERED BY THE BOARD OF TRUSTEES OF GALVESTON INDEPENDENT SCHOOL DISTRICT AS FOLLOWS:

1. **Date of Election in Single-Member Trustee Districts 2B and 7G.** An election shall be held in the District on **November 8, 2022**, for the purpose of electing persons to serve on the Board from Single-Member Trustee Districts **2B** and **7G**, and trustees to serve until the first Tuesday in November **2025**, or until their successors are elected and qualify for office.

Said Election date is seventy-one (71) or more days from the date of the adoption of this Order. The Election shall be solely in the territory of Single-Member Trustee Districts **2B** and **7G** of the District at which all resident, qualified electors of Single-Member Trustee Districts **2B** and **7G** shall be entitled to vote for candidates for the position of school board trustee to serve on the Board of the District. The hours during which the polling places are to be open on Election Day at the Election shall be 7 o’clock a.m. to 7 o’clock p.m.

2. **Election by Single-Member Trustee District.** The candidates for election shall be voted upon and elected separately from the respective territories of Single-Member Trustee Districts **2B** and **7G**. The names of such qualified and eligible candidates shall be placed on the official ballot as a candidate for the respective Single-Member Trustee District in which applications are received.

3. **Conduct of Election and Appointment of Officials.** The Election shall be conducted in accordance with the contract for election services between the District and Galveston County for the **November 8, 2022** election and shall comply with the Texas Education Code, the Texas Election Code, and the Constitution and laws of the State of Texas and the United States of America.

4. **Voting Precincts.** Except as otherwise provided herein, the presently existing boundaries and territory of the respective and currently effective Galveston County Election Precincts that are wholly or partially within the territorial boundaries of Single-Member Trustee Districts **2B** and **7G** are hereby designated as the voting precincts of the District for the Election. The precinct numbers for the District’s election precincts shall be the corresponding Galveston County Election number for each precinct.

5. **Election Day Polling Places.** The Election Day polling places for each respective voting precinct or combined precinct that is wholly or partially within the territory of Single-Member Trustee Districts **2B** and **7G** will be determined by the County.

6. **Election Information in Spanish.** The Superintendent and other election officers appointed by the Board are responsible for the preparation, publication, and posting of all required notices, instructions, and orders pertaining to the Election and shall cause each such document to be translated into and furnished to voters in both the English language and the Spanish language in order to aid and assist voters speaking Spanish as a primary or an alternative language to properly participate in the election process. All requirements for providing voter assistance to Spanish speaking voters shall be the responsibility of the election officials of Galveston County pursuant to the election services contract between the District and Galveston County.

7. **Approval of Appointment Agent.** The Secretary to the Board has appointed Amedia Bly, an employee of the District, as the Secretary’s Agent (“Agent”) to perform the duties of secretary related to the conduct and maintenance of records of the Election as required under the Texas Election Code as specified in the letter of appointment. In particular, the Agent shall provide applications for candidates, accept applications from candidates for a place on the ballot, and determine the order in which names will appear on the ballot for the trustee positions, and accept and maintain records regarding campaign expenditures that may be filed with the District. The Agent is authorized to designate staff in the District to perform any or all of the various responsibilities of the Board’s Agent. The Agent shall maintain an office for election duties for at least three (3) hours each day, during regular business hours, on regular business days during the candidate filing period.

8. **Maintain Documents and Post Notices.** To the extent set out in the contract for services between the District and Galveston County for the **November 8, 2022** election,<sup>1</sup> the Agent shall maintain the documents, records and other items relating to the Election and shall be the Agent designated to receive documents on behalf of the District relating to the Election that are required by the Texas Education Code. The Agent shall post notice of the location and hours of her office as required by the Texas Election Code.

9. **Application to be Placed on Ballot.** Applications for a place on the ballot shall be filed with the Agent no earlier than **July 23, 2022**, the thirtieth (30th) day prior to the deadline for filing, and no later than 5:00 p.m. on the seventy-first (71st) day before the election, to-wit: **August 22, 2022**. No candidate shall be eligible to have his or her name placed on the official ballot for election from more than one Single-Member Trustee District.

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<sup>1</sup> GISD approved a Joint Election Services Agreement with Galveston County at an earlier date.

10. **Candidates.** Each applicant for a place on the Ballot shall specify the Single-Member Trustee District for which said applicant is a candidate. Candidates must be a resident of the Single-Member Trustee District in order to become a candidate for election from such district.

11. **Early Voting By Mail.** Ballot applications and ballots by mail shall be addressed to the District's Early Voting Clerk at the address indicated immediately below.

Dwight D. Sullivan, Galveston County Clerk  
P.O. Box 17253  
Galveston, Texas 77552-7253

if mailing by common contract carrier:

Dwight D. Sullivan, Galveston County Clerk  
600 59th Street, Suite 2001  
Galveston, Texas 77551-4180

Tuesday, **November 9, 2021**, is the last day to receive ballots from voters casting ballots from outside of the United States.

12. **Early Voting Clerk.** The Early Voting Clerk for all purposes shall be Dwight D. Sullivan, Galveston County Clerk. As the District is holding a joint election with Galveston County, the County Commissioners Court shall appoint such deputy early voting clerks as may be necessary to staff the Main Early Voting Polling Places and each Temporary Branch Polling Place established under this Order.

13. **Early Voting Places.** Early Voting will be conducted during the following dates and times:

**Monday, October 24, 2022 through Friday, October 28, 2022 from 8 a.m. – 5 p.m.**

**Saturday, October 29, 2022 from 7 a.m. – 7 p.m.**

**Sunday, October 30, 2022 from 1 p.m. – 7 p.m.**

**Monday, October 31, 2022 through Friday, November 4, 2022 from 7 a.m. – 7 p.m.**

The main early voting polling place will be the Galveston County Justice Center located at 600 59<sup>th</sup> Street, Galveston, Texas. Additional Early Voting will be conducted at locations determined by the County.

14. **Requesting Early Voting Ballots.** The first day for accepting regular applications for early voting ballots to be voted by mail was **January 1, 2022**, and the last day for receiving applications for early ballots to be voted by mail shall be **October 11, 2022**, at the close of the regular business day.

15. **Notice of Election.** Notice of Election shall be published one time in the English and Spanish languages, in a newspaper published within the District's territory at least 10 days and

no more than 30 days before the Election and as otherwise may be required by the Texas Election Code. Notice of Election shall also be posted on the bulletin board used by the Board to post notices of the Board's meetings no later than the twenty-first (21st) day before the Election.

16. **Canvassing of Returns: Declaring Results.** The duly appointed election officials shall make a written return of the Election results to the District in accordance with the provisions of the contract for election services between the District and Galveston County for the **November 8, 2022** election. The Board shall canvass the returns and declare the results of the Election not earlier than the eighth (8th) day or later than the fourteenth (14th) day after the Election Day.

17. **Authorization to Execute.** The President of the Board is authorized to execute and the Secretary of the Board is authorized to attest this Order on behalf of the Board; and the President of the Board is authorized to do all other things legal and necessary in connection with the holding and consummation of the Election.

18. **Effective Date.** This Order is effective immediately upon its passage and approval.

PASSED AND APPROVED the 3rd day of August, 2022.

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Mr. Anthony Brown, President  
Galveston ISD Board of Trustees

ATTEST:

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Shae Jobe, Secretary  
Galveston ISD Board of Trustees

## ORDEN LLAMAR ELECCIÓN REGULAR (2022)

“MIENTRAS QUE en virtud de la orden del Corte en Theasel Henderson, et al. El Distrito Escolar de Galveston, et al, siendo CA el No G-94-144 en la etiqueta del Distrito Corte de los Estados Unidos para el Distrito del Sur de Texas (División de Galveston), se requiere que el Distrito Escolar de Galveston (en adelante "Distrito") sostenga Elecciones Generales de vez en cuando para elegir síndicos escolares de los Distritos de Miembro-solo como los términos de los Síndicos terminan; y

MIENTRAS QUE una Elección General (más adelante "Elección") serán sostenidas dentro del Distrito para elegir a síndicos escolares de Distritos de Miembro-Solo **2B** y **7G**; y

MIENTRAS QUE el territorio compromiso con Distritos de Síndicos de Miembro-solo **2B** y **7G** es puesto adelante en los mapas atados como **Objetos expuestos A y B** a este Orden Llamando la Elección Regular ("la Orden"); y

MIENTRAS QUE se autoriza que la Mesa Directiva llame la Elección y establezca procedimientos para su conducta.

ES, POR LO TANTO, PEDIDO POR LA MESA DIRECTIVA DEL DISTRITO ESCOLAR DE GALVESTON COMO SIGUE:

1. **Fecha de Elección en Distritos de Síndico Miembro-solo 2B y 7G.** Una elección será sostenida en el Distrito el **8 de noviembre de 2022**, para el propósito de elegir personas para servir en la Mesa Directiva de Distritos Miembro-solo **2B** y **7G**, y síndicos servir hasta el primer martes en noviembre de **2025**, o hasta que sus sucesores sean elegidos y califican para la oficina.

La fecha de Elección Dicha es setenta y uno (71) o más días de la fecha de la adopción de esta Orden. La Elección estará únicamente en el territorio de Distritos de Miembro-**2B** y **7G** del Distrito en cual todo residente, los electores calificados de Distritos de Miembro-solo **2B** y **7G** tendrán derecho a votar a favor de candidatos por la posición del síndico escolar de la mesa para servir en la Mesa Directiva del Distrito. Las horas durante cuales sitios para votar estarán abiertos para la Elección será de 7 a.m. de la mañana hasta las 7 p.m. de la tarde.

2. **Elección por Distrito de Síndico de Miembro-solo.** Los candidatos para la elección serán votados sobre y decididos por separado de los territorios respectivos de Distritos de Síndico de Miembro-solo **2B** y **7G**. El nombre de tales candidatos calificados y elegibles será colocado en la votación oficial como un candidato por el Distrito de Síndico de Miembro-solo respectivo en el cual las aplicaciones son recibidas.

3. **Conducta de Elección y Puesto de Oficiales.** La Elección será conducida de acuerdo con el contrato para servicios de elección entre el Distrito y Condado de Galveston para la elección del **8 de noviembre de 2022** y cumplirá con el Código de Educación de Texas, el Código de Elección de Texas, y la Constitución y leyes del Estado de Texas y los Estados Unidos de América.
4. **Votación de Alrededores.** Excepto como por otra parte proporcionado aquí, los límites actualmente existentes y el territorio de los Alrededores de Elección de Condado de Galveston respectivos y actualmente eficaces que son totalmente o parcialmente dentro de los límites territoriales de Distritos de Síndico de Miembro-solo **2B** y **7G** son por este medio designados como los alrededores votadores del Distrito para la Elección. Los números de recinto para los alrededores de elección del Distrito serán la correspondencia número de Elección de Condado de Galveston para cada recinto.
5. **Sitios de Votar en el Día de las Elecciones.** Los sitios de votar en el Día de las Elecciones para cada recinto de votación respectivo o recinto combinado que es totalmente o parcialmente dentro del territorio de Distritos de Síndicos de Miembro-solo **2B** y **7G** será determinado por el Condado.
6. **Información de Elección en Español.** El Superintendente y otros oficiales de elección designados por la Mesa Directiva son responsables de la preparación, publicación y fijación de todos los avisos requeridos, instrucciones, y ordenes que pertenecen a la Elección y hará que cada tal documento sea traducido en y dispuesto a votantes tanto en Inglés como en Español a fin de ayudar y asistir a votantes que el español como un primaria o una lengua alternativa a participar correctamente en el proceso de elección. Todos los requisitos para proporcionar ayuda al votante que habla español serán la responsabilidad de los oficiales de elección del Condado de Galveston conforme al contrato de servicios de la elección entre el Distrito y el Condado de Galveston.
7. **Aprobación de Agente de Cita.** El Secretario al Mesa Directiva ha designado a Amedia Bly, un empleado del Distrito, como el Agente del Secretario ("Agente") para hacer los deberes de secretario relacionado con la conducta y el mantenimiento de archivos de la Elección tal requerida bajo el Código de Elección de Texas como especificado en la carta de cita. En particular, el Agente proporcionará aplicaciones para candidatos, aceptará aplicaciones de candidatos por un lugar en la votación, determinará la orden en la cual los nombres de aparecerán en la votación para las posiciones de síndicos, y aceptara y mantendrá archivos en cuanto a gastos de campaña que pueden ser archivados con el Distrito. El Agente está autorizado a designar el personal en el Distrito para realizar algunas o todas de varias responsabilidades del Agente del Bordo. El Agente mantendrá una oficina para deberes de elección durante al menos tres (3) horas cada día, durante horas de oficina regulares, en días regulares durante el candidato que archiva el período.

8. **Mantener Documentos y poner Avisos.** Al grado dispuesto en el contrato para servicios entre el Distrito y el Condado de Galveston para la elección del **8 de noviembre de 2022**, <sup>1</sup> el Agente mantendrá los documentos, archivos y otros artículos acerca de la Elección y será el Agente designado para recibir documentos de parte del Distrito acerca de la Elección que son requeridos por el Código de Educación de Texas. El Agente pondrá el aviso del lugar y las horas de su oficina como requerido por el Código de Elección de Texas.

9. **Aplicación para ser Colocada en Votación.** Las aplicaciones para un lugar en la votación serán archivadas con el Agente no antes que el **23 de julio de 2022**, treinta (30) días antes de la fecha límite para archivar o no más tarde que a las 5:00 p.m. en el día setenta y uno (el 71) de la elección a ingenio: el **22 de agosto de 2022**. Ningún candidato será elegible para que su nombre aparezca en la boleta oficial para la elección de más de un Distrito Síndico de un solo miembro.

10. **Candidatos.** Cada candidato para un lugar en la Votación especificará el Distrito de Síndico de Miembro-solo para el cual dicho candidato es un candidato. Los candidatos deben ser un residente del Distrito de Síndico de Miembro-solo a fin de ser un candidato por la elección de tal distrito.

11. **Temprano Votación Por Correo.** Las aplicaciones de votación y las votaciones por el correo serán dirigidas al Oficinista de Votación Temprano del Distrito en la dirección indicada inmediatamente abajo.

Dwight D. Sullivan, Galveston County Clerk  
P.O. Box 17253  
Galveston, Texas 77552-7253

si enviando por portador de contrato común, por favor envíe a:

Dwight D. Sullivan, Galveston County Clerk  
600 59th Street, Suite 2001  
Galveston, Texas 77551-4180

El martes, **15 de noviembre de 2021**, es el último día de recibir anterior votaciones desde fuera de los Estados Unidos.

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<sup>1</sup> GISD aprobará un Acuerdo de Servicios de Elección Conjunto con el Condado Galveston una fecha más tarde.

12. **Oficinista de Votación Temprano.** El Oficinista de Votación Temprano para todos los objetivos será Dwight D. Sullivan, el Oficinista de Condado de Galveston (Galveston County Clerk). Cuando el Distrito sostiene una elección conjunta con el Condado de Galveston, los Comisarios de Condado el Tribunal designará que tal diputado de oficinistas de votación tempranos como puede ser necesario para proveer de personal la Votación Temprana Principal que Vota Sitios y cada Rama Temporal que Vota el Lugar establecido conforme a esta Orden.

13. **Sitios de Votación Temprano.** La Votación Temprana será conducida durante las fechas y horarios en los lugares:

**Lunes 24 de octubre del 2022 hasta viernes, 28 de octubre del 2022, de 8 a.m. – 5 p.m.**

**Sábado 29 de octubre de 2022 de 7 a.m. – 7 p. m.**

**Domingo 30 de octubre de 2022 de 1 p.m. – 7 p.m.**

**Lunes 31 de octubre del 2022 hasta viernes, 4 de noviembre del 2022 de 7 a.m. – 7 p.m.**

El mayor lugar de votación temprana será el Galveston County Justice Center localizado en 600 59th Street, Galveston, Texas. La Votación Temprana Adicional será determinado por el Condado.

14. **Solicitud de Votaciones de Votación Tempranas.** El primer día para aceptar temprano votaciones para ser votadas por el correo fue el **1 de enero de 2022**, y el día último día para recibir temprano votaciones para ser votadas por el correo será el **11 de octubre de 2022**, en el fin de día regular de negocio.

15. **Aviso de Elección.** El aviso de la Elección será publicado un vez en Ingles y en Español, en un periódico publicado dentro del territorio del Distrito al menos 10 días y no más que 30 días antes la Elección y como por otra parte puede ser requerida por el Código de Elección de Texas. El aviso de la Elección también será puesto en el tablón de anuncios usado por la Mesa Directiva para avisos de las juntas de la Mesa Directiva no más tarde que día veintiuno (el 21) antes de la Elección.

16. **Sondeo de Vueltas: Declaración de Resultados.** Los funcionarios de elección debidamente designados harán una vuelta escrita de los resultados de Elección al Distrito de acuerdo con las provisiones del contrato para servicios de elección entre el Distrito y el Condado de Galveston para la elección del **2 de noviembre de 2021**. La Mesa Directiva sondeará las vueltas y declarará los resultados de la Elección no antes que el octavo día (8) o mas tarde que el catorce (14<sup>o</sup>) después del día después del Día de las Elecciones.

17. **Autorización de Ejecutar.** El presidente de la Mesa Directiva está autorizado a ejecutar y el Secretario de la Mesa Directiva está autorizado a certificar esta Orden de parte de la Mesa Directiva; y el presidente de la Mesa Directiva está autorizado a hacer todas otras cosas legales y necesarias en relación a la posesión y la consumación de la Elección.

18. **Fecha Efectiva.** Esta Orden es efectiva inmediatamente después de su paso y aprobación.

PASADO Y APROBADO el día 3 de agosto 2022.

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Mr. Anthony Brown, Presidente  
Galveston ISD Mesa Directiva

DÉ TESTIMONIO:

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Shae Jobe, Secretario  
Galveston ISD Mesa Directiva

# Action Sheet

**MEETING DATE:**

**August 3, 2022**

**AGENDA ITEM:**

Discuss and consider the funding parameters, Interlocal Agreement and Memorandum of Understanding for the Coastal Alternative Program (CAP) for the 2022-2023 school year.

The Coastal Alternative Program (CAP) serves discretionary expelled students in grades 6 through 12 from the participating districts. Each district pays a portion of the fixed cost in addition to a prorated share for the district's enrollment percentage in CAP.

**RECOMMENDATION:**

**I move that the Board of Trustees approve the funding parameters, Interlocal Agreement and Memorandum of Understanding for the Coastal Alternative Program (CAP) for the 2022-2023 school year.**

  
\_\_\_\_\_  
Jerry Gibson  
Superintendent

**Interlocal Cooperation Agreement and  
Memorandum of Understanding for  
the Provision of Educational Services for  
The Transforming Lives Cooperative Day Program  
(2022-2023)**

This Agreement for Educational Services (Agreement) is made and entered into effective August 1, 2022, by, between and among the GALVESTON COUNTY JUVENILE PROBATION BOARD (Board) and each of the independent school districts participating in the Transforming Lives Cooperative Day Program (Districts).

**1. RECITALS**

1.01. The Board and the Districts are “local governments” and public education in the context contemplated herein is a “governmental function and service” as those terms are defined in the Interlocal Cooperation Act (the Act), codified as Chapter 791 of the Texas Government Code.

1.02. The Act authorizes any local government to contract or agree with another local government in accordance with the Act to perform governmental functions and services that each party to the contract is authorized to perform individually.

1.03. Pursuant to 152.0902, Human Resources Code, the Board controls and supervises each Galveston County facility (Facility) used for the detention facility located at 6101 Attwater Avenue, Texas City, Texas and is within the jurisdiction of DISD.

1.04. The Board has established a therapeutic day treatment program at the facility. The Districts, through their ADA reimbursement, and the Board, through its state grant, together will receive reimbursements from the state for 100% of the cost of the salaries paid to the instructional personnel assigned to the education program for youths in the Transforming Lives Cooperative Day Program (Program).

1.05. The Districts and the Board desire to provide an opportunity for youths under the jurisdiction of the juvenile courts to obtain teacher-directed instruction and assistance in course work including, but not limited to, reading, language arts, and mathematics (Educational Services).

1.06. The Districts and the Board concur that the educational component of the Transforming Lives Cooperative Day Program can be administered most efficiently at a centralized location within the geographic boundaries and education jurisdiction of the Dickinson Independent School District (DISD). The Parties desire to engage DISD to serve as Fiscal Agent for the Board and each of the Districts for the education of the students assigned to the Program.

1.07. As Fiscal Agent for education purposes, DISD shall function as agent for and on behalf of the Board and all the Districts. DISD shall administer the education program on a day-to-day basis in accordance with policies and procedures of the Transforming Lives Cooperative Day Program. Where such policies are silent, the Program shall be administered according to policies and procedures otherwise in effect within the DISD.

1.08. In addition to the educational services provided through the Program, the Parties are involved in providing educational services at the Jerry J. Esmond Juvenile Justice Center for youths in the Residential Detention Program, the Transforming Lives Cooperative Residential Program, and the Juvenile Justice Alternative Education Program (JJAEP). This Agreement does not address the operation of the Residential Detention Program, the Transforming Lives Cooperative Residential Program, or the JJAEP, which are governed by separate agreements.

## **2. TERM; TERMINATION**

2.01. The term of this Agreement shall begin on the effective date of this Agreement, and end on July 31, 2023, unless sooner terminated as provided in this Agreement.

2.02. A Party may cancel this Agreement:

- (1) for any reason or for no reason, by giving sixty (60) days notice in writing to the other Parties; or
- (2) immediately upon delivery of written notification of termination, if the other Party (Parties) commits a material breach of this Agreement.

## **3. EDUCATIONAL SERVICES**

3.01. Educational Services will be provided by DISD for youths in the Program, including special education students. Identified special education students shall be provided required services (as in their IEP) with any additional cost over and above average cost (of program services for all other participants) borne by the sending District. The sending District working in conjunction with the administrator of the Fiscal Agent shall mutually determine the method of service delivery. Programming of Educational Services shall comply with the requirements of the Texas Juvenile Justice Department and the rules and regulations pertaining to or regulating the provision of the Educational Services, including those now in effect or subsequently adopted.

3.02. Classes for the Program shall be conducted at the Jerry Esmond Juvenile Justice Center.

3.03. DISD shall provide for review of all available student education records and assessment records so that the appropriate educational services may be provided to youths in the Program. The Board shall assist DISD in obtaining the records in a timely manner. DISD shall communicate with the school District where a youth would ordinarily attend school if the youth was not under the jurisdiction of the juvenile courts (the "home school district") to:

- (1) clarify any questions that arise with regard to the provision of the Educational Services; and
- (2) facilitate re-entry to the home school district.

3.04. Prior to providing Educational Services to a special education or limited English proficient (LEP) student, DISD must receive proof of compliance with any requirements under state or federal laws or regulations concerning notice, due process, or parental consent. The Board shall obtain the necessary proofs of compliance.

3.05. Textbooks are to be provided at state expense through coordination with the state by DISD and the Board.

3.06. Galveston County, by and through its Commissioners Court, has budgeted from its general budget fund certain amounts for paper and copies, arts and crafts, and materials and supplies for the Program. Instructional personnel shall comply with Board procedures for the expenditures of these funds. DISD may supplement these funds for materials and supplies in its discretion but will not be reimbursed by Galveston County for supplemental expenses, if any, without prior express Galveston County approval.

3.07. The Board shall provide and maintain appropriate space for classroom instruction and office space for instructional personnel, including desks and other furniture. The Board is responsible for all utility expenses for the space.

3.08. The Board shall maintain a safe and secure environment for instructional personnel on duty at a facility and during student movement to and from classes. At least one Supervision Officer shall be assigned to be present in each classroom at all times that a student is attending the class. The Board shall designate additional Board personnel to provide support to instructional personnel should crisis intervention be required at the facility.

3.09. Instructional personnel shall cooperate with Board personnel in dealing with youth behavior and discipline matters. A teacher may request that a Supervision Officer remove a youth from a classroom if the youth is ill or the youth's behavior seriously disrupts the learning of others. Disciplinary measures for a youth removed in this manner from a classroom shall be handled in accordance with Board policy and procedures.

#### **4. INSTRUCTIONAL PERSONNEL**

4.01. DISD shall hire and assign instructional personnel to the Program as follows:

- 2 teachers (one half of salaries will be reimbursed by the Transforming Lives Cooperative Program)
- 1 Records Clerk Paraprofessional
- 1 Educational Records Secretary (one third of salary will be reimbursed by the Transforming Lives Cooperative Program)
- 1 assistant principal (one third of salary will be reimbursed by the Transforming Lives Cooperative Program)

Instructional personnel must meet DISD hiring requirements. At least one teacher assigned to the Program must be a certified teacher in accordance with certification requirements set forth by the Texas Education Agency (TEA). It is the intent of DISD and the Board that all teachers assigned to the program are certified teachers in accordance with certification requirements set forth by the TEA. The special education teacher will be

assigned to the Program as well as the Residential Detention Program, the Transforming Lives Cooperative Residential Program, and the JJAEP. Instructional personnel are the same as, and not in addition to nor cumulative of, the instructional personnel in the Residential Detention Program, the Transforming Lives Cooperative Residential Program, and the JJAEP. Likewise, salary reimbursement is not in addition to nor cumulative of any reimbursement provided for in the Residential Detention Program, the Transforming Lives Cooperative Residential Program, and the JJAEP. Copies of the teaching certificates and qualifications of the personnel shall be made available to the Board upon request.

4.02. Instructional personnel shall be the employees of DISD, subject to the supervision and personnel policies of DISD. DISD shall determine the salary and benefits for the instructional personnel. The salaries and benefits shall be at a rate comparable to other teachers and teachers' aides employed by DISD.

4.03. Instructional personnel are also subject to all policies and rules of the Board pertaining to the operation of a Facility. If the performance of a teacher or teacher's aide disrupts the efficient operation of a program at a Facility, the Board may request the transfer of that teacher or teacher's aide, and DISD shall comply with the request and assign a different DISD employee to the facility, so long as such reassignment or termination is consistent with DISD Board Policy DK(Legal) and DK(Local) and the DF series of policies.

4.04. Instructional personnel shall be provided for each regularly scheduled school day. In the event an assigned teacher is absent, DISD shall provide for a substitute teacher who meets the minimum requirements for substitutes in the district.

4.05. Instructional personnel shall comply with the continuing education requirements of DISD and shall attend inservice education and other selected activities that upgrade instructional competency and provide training on special needs of students under the jurisdiction of the juvenile courts. DISD, not Galveston County or the Board, shall bear the cost of teacher training and inservice education.

## **5. ON-SITE ADMINISTRATOR**

5.01. The Board's Deputy Director – Special Programs, who is a County employee, and an assistant principal shall serve as the on-site administrators for the instructional personnel. The on-site administrators are designated by the Board to act as its contact person with DISD for the administration of the Program. DISD's Alternative Education Coordinator is designated by DISD as its contact person for the Board in connection with the performance of this Agreement.

5.02. The on-site administrator shall:

- (1) monitor the instructional personnel's performance of its duties, including attendance and punctuality;
- (2) enforce facility rules applicable to instructional personnel; and

(3) confer with a member of the instructional staff or with the DISD Alternative Education Coordinator, as appropriate, if a member of the instructional personnel violates a rule or fails to meet expectations in an area.

## **6. RECORD KEEPING; DATA CONFIDENTIALITY**

6.01. DISD, with the cooperation of the Board, shall maintain all enrollment, attendance, and other reports, records, and accounting required by TEA, the Texas Juvenile Justice Department, and other applicable state and federal agencies. DISD will make available to the Board records required to complete reports required by the Texas Juvenile Justice Department and other applicable state and federal agencies.

6.02. The Districts and the Board agree to abide by all applicable federal or state data privacy laws, rules, and regulations. The use or disclosure by any Party of confidential information concerning a youth eligible for or enrolled in a program for any purpose not directly connected with the administration of the programs is prohibited, except with the written consent of the youth, the youth's parent(s) or guardian, or the youth's attorney.

6.03. For purposes of accountability under Chapter 39 of the Texas Education Code and the Foundation School Program, a student enrolled in the Program shall be reported as if the student was enrolled at the student's home campus in the student's regularly assigned education program, including a special education program where applicable. The participating home District of each student shall cooperate fully in making such reports and accepting such accountability. All PEIMS reporting requirements for the students placed in the program shall remain the responsibility of the home District.

## **7. FUNDING AND REIMBURSEMENT PROCEDURES**

7.01. The Districts shall apply for all available funding reimbursements for the expenses of the program, including, but not limited to, funds based on ADA and, if appropriate, special education funds. The Districts application for funding shall be made to TEA and to any other agency with funding available for either or both of the programs.

7.02. All funds received, from whatever source, for the benefit of students in the Program shall be applied directly to the cost of operation of the Program. Expenditures of allocated funds must be in compliance with TEA policy, DISD business office guidelines, and County budgetary policy.

7.03. Nothing herein shall burden the Fiscal Agent, Galveston County, the Board, or any other participating school District with the added expense necessary to address or accommodate any particular needs of special education, education of the handicapped, accommodation of disability, or other special requirements unique to a particular student. Such services, cost(s) and expense shall remain the responsibility of the home school District or the responsible home District in which the student is or was last regularly enrolled prior to court order.

7.04. As Fiscal Agent, DISD shall prepare the Program budget; shall disburse Program funds applicable to Education Services; shall be responsible for educational personnel serving the campus and Program; shall maintain all educational records applicable to the

Program; shall correspond with assigned students' home districts with regard to status and ultimate disposition of each assigned student; and shall provide necessary curriculum and other such responsibilities normally associated with the administration and provision of Education Services.

7.05. Upon completion of the school year, DISD shall submit to each participating school District the name of the student, PIEMS number, and the total number of attendance days at the Program. All ADA funding entitlements generated by the student's placement in the Program shall be forwarded to DISD.

7.06. At the end of the school year the Board shall pay DISD for DISD's cost for the instructional personnel's salaries, health insurance, and Medicare benefits that is not reimbursed through ADA or other funding attributable to students in the program.

7.07. DISD shall submit an invoice for the Program to the Board at the end of the school year, detailing the amount owing by the Board under this Agreement. Each invoice must include:

- (1) the amount paid by DISD for each teacher and teacher's aide in salary, health insurance, and Medicare benefits;
- (2) the number of student days, number of students, and other information used by DISD in determining its ADA;
- (3) the amount of ADA reimbursement and other reimbursements, if any, received by DISD for that program; and
- (4) the total amount due from the Board.

7.08. On receipt of the invoice, the Board shall attempt to promptly verify the amount due and process the necessary paperwork for payment. Payment will be sent to:

DISD  
PO Box Z  
Dickinson, TX 77539  
Attn: Assistant Superintendent for Business Services

## **8. NOTICE**

8.01. Any notice required or permitted between the Parties under this Agreement must be in writing and shall be delivered in person or mailed, certified mail, return receipt requested, or may be transmitted by facsimile as follows:

to the Board at:

Glen R. Watson, Director – Juvenile Justice Department  
Jerry Esmond Juvenile Justice Center  
6101 Attwater Avenue  
Dickinson, TX 77539  
Fax: (409) 770-5978

to DISD at:

Karla Voelkel, Superintendent  
Dickinson Independent School District  
P. O. Drawer Z  
Dickinson, TX 77539  
Fax: (281-229-6023

with a copy to:

Galveston County Judge  
733 Moody, 2<sup>nd</sup> Floor  
Galveston, TX 77550  
Fax: (409) 770-5560

## **9. INDEPENDENT RELATIONSHIP**

9.01. None of the provisions of the Agreement are intended to create, nor may be deemed to create, any relationship between the Board, the Districts, or Galveston County other than that of independent entities contracting with each other, or ratifying the agreement, solely for the purpose of effecting the provisions of this Agreement. In the performance of work, duties, and obligations under this Agreement, DISD is at all times acting and performing as an independent contractor with complete control over the means, manner, and method by which services are rendered.

9.02. Nothing in this Agreement shall create any employer/employee or agency relationship among the Board, the Districts, or Galveston County. DISD instructional personnel are not entitled to any of the rights, privileges, or benefits of a County or Board employee, except as otherwise may be stated herein. County or Board employees are not entitled to any of the rights, privileges, or benefits of a DISD employee, except as otherwise may be stated herein.

## **10. ENTIRETY OF AGREEMENT AND MODIFICATION**

10.01. This Agreement contains the entire agreement between the Parties relating to their rights and obligations under this Agreement. A prior agreement, promise, negotiation, or representation not expressly set forth in this Agreement has no force or effect. A subsequent modification to this Agreement must be in writing, signed by the Party to be charged and expressly authorized by the governing body of the Party. An official representative, employee, or agent of Galveston County or the Board does not have authority to modify or amend this Agreement except pursuant to specific authority to do so granted by the Board.

## **11. SEVERABILITY; CONFORMITY WITH LEGAL LIMITATIONS**

11.01. If a provision contained in this Agreement is held invalid for any reason, the invalidity does not affect other provisions of this Agreement that can be given effect without the invalid provision, and to this end the provisions of this Agreement are severable.

11.02. If any current or future legal limitations affect the validity or enforceability of a provision of this Agreement, then the legal limitations are made a part of this Agreement and shall operate to amend this Agreement to the minimum extent necessary to bring this Agreement into conformity with the requirements of the limitations, and as so modified, this Agreement shall continue in full force and effect.

## **12. MISCELLANEOUS**

12.01. This Agreement is subject to the appropriation of funds by Galveston County, acting by and through its Commissioners Court and the approval of the budget for the Juvenile Justice Department by the Board for the current or any upcoming fiscal year. Nothing in this Agreement may be deemed to be binding on a future juvenile board. The failure of the County to appropriate monies for the Board's obligations under this Agreement will automatically result in the termination of this Agreement.

12.02. This Agreement is not assignable by either Party without the prior written consent of the other Party.

12.03. This Agreement is subject to all legal requirements provided by county, state, or federal statutes, rules, and regulations.

12.04. This Agreement shall be governed by the laws of the State of Texas. Venue for an action arising under this Agreement shall be exclusively in Galveston County.

12.05. Unless the context requires otherwise, words shall be given their ordinary meaning. If a word is connected with and used with reference to a particular trade or subject matter or is used as a word of art, the word shall have the meaning given by experts in the particular trade, subject matter, or art.

12.06. Words in the present or past tense include the future tense. The singular includes the plural and the plural includes the singular unless expressly provided otherwise. Words of one gender include both genders.

12.07. The headings at the beginning of the various provisions of this Agreement have been included only in order to make it easier to locate the subject covered by each provision and are not to be used in construing this Agreement.

**\*\*The Rest of this Page is Intentionally Left Blank\*\***

EXECUTED IN MULTIPLE ORIGINALS, as authorized by action of the Galveston County Juvenile Probation Board on the \_\_\_\_\_ day of \_\_\_\_\_, 2022, by action of the Dickinson Independent School District Board of Trustees on the \_\_\_\_\_ day of \_\_\_\_\_, 2022, and by each of the other participating school districts by action on the dates indicated below, to be effective the first day of August, 2022.

GALVESTON COUNTY JUVENILE BOARD

By: \_\_\_\_\_

DICKINSON INDEPENDENT SCHOOL DISTRICT

(as Fiscal Agent and as a Participating District)

By: \_\_\_\_\_

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

Date of School Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

FRIENDSWOOD INDEPENDENT SCHOOL DISTRICT

Date of School Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

GALVESTON INDEPENDENT SCHOOL DISTRICT

Date of School Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

HIGH ISLAND INDEPENDENT SCHOOL DISTRICT

Date of School Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

HITCHCOCK INDEPENDENT SCHOOL DISTRICT

Date of School Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

SANTA FE INDEPENDENT SCHOOL DISTRICT

Date of School Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

TEXAS CITY INDEPENDENT SCHOOL DISTRICT

Date of School Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

# Action Sheet

**MEETING DATE:**

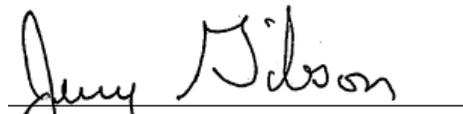
**August 3, 2022**

**AGENDA ITEM:**

Discuss and consider approval of the 2022-2023 Juvenile Justice Alternative Educational Program (JJAEP), Funding Parameters and Interlocal Cooperation Agreement and Memorandum of Understanding (MOU).

**RECOMMENDATION:**

**I move the GISD Board approve the 2022-2023 Juvenile Justice Alternative Educational Program (JJAEP), Funding Parameters and Interlocal Cooperation Agreement and Memorandum of Understanding (MOU).**

  
\_\_\_\_\_  
Jerry Gibson  
Superintendent

**COUNTY OF GALVESTON      §**

**STATE OF TEXAS                §**

**INTERLOCAL COOPERATION AGREEMENT  
AND MEMORANDUM OF UNDERSTANDING FOR  
JUVENILE JUSTICE ALTERNATIVE EDUCATION PROGRAM**

This Interlocal Cooperation Agreement and Memorandum of Understanding (MOU) is entered into by, between and among the COUNTY OF GALVESTON (County), the Galveston County Juvenile Board ( "Board"), the Dickinson Independent School District, hereafter referred to as "DISD", Clear Creek Independent School District, Friendswood Independent School District, Galveston Independent School District, High Island Independent School District, Hitchcock Independent School District, Santa Fe Independent School District and Texas City Independent School District hereinafter collectively referred to as "Districts" and individually as "Participating District" are joined for purposes of establishing the respective responsibilities of the Board and the Districts to the other. Nothing herein shall create a direct contractual relationship between the Districts and DISD in its capacity as fiscal agent or provider of Juvenile Justice Alternative Education Program (JJAEP) services.

WHEREAS Texas Government Code, Chapter 791, authorizes local governments of the state to enter into contracts to increase their efficiency and effectiveness by the consolidation of administrative functions of government;

WHEREAS, Texas Education Code, Chapter 37, requires the Board to establish a Juvenile Justice Alternative Education Program ("JJAEP") for Galveston County, based on its population;

WHEREAS, such a consolidated effort in the establishment and operation of a JJAEP, is beneficial to both the Board, DISD, and the Districts, as well as the general public; and

WHEREAS, the Board, DISD, and the Districts are local governments as defined in Texas Government Code, Section 791.003(4), have the authority to enter into this Agreement, and have each entered into this Agreement by the action of its governing body in the appropriate manner prescribed by law; and

WHEREAS, the Board, DISD, and the Districts agree that the educational services of the JJAEP can be administered most efficiently at a centralized location within the geographic boundaries of Galveston County, and the Board desires to engage the DISD to serve as the provider of the educational component of the JJAEP, as permitted by Texas Education Code, Section 37.011(e); and

WHEREAS, the Board, DISD, and the Districts specify that each party paying for the performance of said administrative functions of government shall make those payments from revenues available;

NOW, THEREFORE, it is mutually agreed as follows:

#### I. OPERATING POLICY

- 1.01 The Galveston County Juvenile Justice Alternative Education Program (GCJJAEP) shall be subject to a memorandum of understanding developed by the Board in cooperation with the Participating Districts and submitted to the Texas Juvenile Justice Department (TJJD) for review and comment. The terms and conditions of this Interlocal Cooperation Agreement shall become a part of such operating policy as if fully set forth in writing therein. No additions, deletions, changes or variations to this Agreement as to fiscal matters or educational responsibilities shall be effective unless such amendment be in writing and formally agreed to by the appropriate officers of the Parties.

#### II. PURPOSE OF THE AGREEMENT

- 2.01 The purpose of this Agreement is for the establishment by the Board of a JJAEP approved by the Texas Juvenile Justice Department ("TJJD") and operated by DISD, for the Participating Districts' students as permitted by §37.011(e) of the Texas Education Code. This Agreement will serve to combine into one system the operational, programmatic and educational standards for the JJAEP required by Education Code, Section 37.011 and Title 37 of the Texas Administrative Code, Chapter 348. (37 TAC § 348). The JJAEP shall serve, and Galveston County shall be responsible for funding, only those placements of students expelled from Participating Districts on the basis of conduct for which expulsion is mandatory under Texas Education Code §§37.007(a), (d) and (e).

#### III. GOVERNANCE

- 3.01 The Governing Board of the GCJJAEP shall include:

Chairperson: The County Judge of Galveston County shall serve as Chairperson for the GCJJAEP Governing Board. The Chairperson shall be entitled to vote on any tie vote.

Members: (each with one vote)

1. Director of Juvenile Services for Galveston County (or designee);
2. Two (2) Juvenile Judges as named by the Juvenile Board;
3. One (1) designee of Dickinson ISD, the school district serving as Fiscal Agent;
4. One (1) designee of Galveston County Commissioners Court; and
5. Three (3) school district representatives of school districts in Galveston County (Superintendent or designee) as named by Galveston County Superintendent group.

- 3.02 Meetings. The Governing Board of the GCJJAEP shall meet on the basis of called meetings as deemed appropriate by the Galveston County Judge in order to monitor and adjust the program. Such meetings shall be held at least annually. A minimum of four (4) members shall be required to establish a quorum for such meetings.
- 3.03 Notice of Meetings. Written notice of the regular meetings of the Governing Board shall be mailed, emailed or delivered to each member not less than five (5) days prior to the date thereof. Written notice of any special meeting of the members shall be given to each member not less than 24 hours and as soon as reasonably possible prior to the date thereof. The notice shall state the place, date, and time of the meeting, who called the meeting, and the general purpose or purposes for which the meeting is called.
- 3.04 Duties. The activities of the Governing Board shall include, but not be limited to the following:
- a. To develop and recommend proposed written operating policies to the Galveston County Juvenile Board ( "Board") for approval by the Texas Juvenile Justice Department (TJJD) pursuant to the Texas Education Code §37.011(g), to review the operations, policies, and procedures of the GCJJAEP and to make advisory recommendations to the "Board" regarding such operations, policies, and procedures including suggested changes or amendments thereto;
  - b. To assist in an advisory capacity in the development of the annual operating budget for the administrative expenses incurred by GCJJAEP;
  - c. To participate in an advisory capacity in the development of the annual operating budget for the GCJJAEP; to recommend the initial criteria for, and thereafter monitor the Participating Districts' billing and payment schedule for the GCJJAEP; and
  - d. To facilitate coordination with the Participating Districts to this Agreement on matters relating to the supervision, educational and rehabilitative services available for expelled students and students assigned to the GCJJAEP and the subsequent transition back into the school setting.

#### IV. DUTIES OF DISD

- 4.01 The Dickinson Independent School District ("DISD") is designated as the situs of the campus of the GCJJAEP and shall provide personnel and services necessary to operate, on the Board's behalf, a JJAEP approved by the Texas Juvenile Justice Department ("TJJD"), for the Districts' students as permitted by §37.011(e). GCJJAEP instructional staff members shall be employees of DISD and shall be subject to the personnel policies of the DISD ("JJAEP Services"). DISD shall also serve as the Fiscal Agent for the JJAEP upon receipt of funds for program operation.

- 4.02 As Fiscal Agent for educational purposes, Dickinson ISD shall administer the education program on a day-to-day basis in accordance with Dickinson ISD Board Policies, in consultation with policies promulgated and/or adopted by the governing board of the GCJJAEP. Where GCJJAEP Policies are silent, the educational program shall be administered according to policies and procedures otherwise in effect within Dickinson ISD.
- 4.03 As Fiscal Agent, Dickinson ISD shall prepare the program application and budget; shall disburse program funds applicable to instructional personnel; shall be responsible for educational personnel serving the campus and program; shall maintain all educational records applicable to the program; shall correspond with assigned students' home districts with regard to status and ultimate disposition of each assigned student; and shall provide necessary curriculum and other such responsibilities normally associated with administration and provision of education services.
- 4.04 DISD shall ensure that all DISD staff assigned to the GCJJAEP, including temporary, seasonal or substitute employees shall have orientation training prior to having contact with students. At a minimum this training, to be provided by the Galveston County Juvenile Justice Department ("GCJJD") without undue delay, shall include:
- A. safety and security procedures including, but not limited to, fire drills and the JJAEP's safety disaster plan;
  - B. child abuse reporting;
  - C. incident reports;
  - D. student code of conduct;
  - E. behavior management program;
  - F. transporting students, if applicable;
  - G. crisis intervention;
  - H. distribution of medication, if applicable;
  - I. sexual harassment;
  - J. physical restraint training, if applicable; and
  - K. requirements for providing services to students with disabilities.

- 4.05 To the extent that DISD schools are closed due to disaster, flood, extreme weather condition, public health emergency, or other calamity, DISD shall notify the Board, through the person(s) designated below, of emergency closures, and of any waiver(s) relating thereto filed by it on behalf of the GCJJAEP, and provide updates to Participant Districts on the status of any such waivers.

## V. FINANCIAL OBLIGATIONS

- 5.01 The expenses of this program shall be covered pursuant to the Funding Parameters attached hereto as Exhibit "A" to this Agreement.
- 5.02 Nothing herein shall burden the Fiscal Agent, Galveston County, or any Participating District with the added expense necessary to address or accommodate any particular needs of special education students. The Fiscal Agent and the Participating District from which the student has been expelled will work together to provide necessary and appropriate special education services on a case-by-case basis as the need arises, but all additional expense and liability shall be borne and/or reimbursed by the sending Participating District, which shall remain responsible for providing its students with a Free and Appropriate Public Education (FAPE) and which shall hold the Fiscal Agent harmless for the provision of such services. If additional special education services are needed to serve students from more than one participating school district, the cost of the service will be shared by the applicable Participating Districts. All Parties shall endeavor to comply with each special education student's current Individual Education Plan (IEP) and to facilitate convening IEP meetings.
- 5.03 Each Participating District shall assume and incur any and all fees and costs, to include attorney's fees in the defense of a special education due process hearing or response to a complaint filed with the State or U.S. Department of Education, or any other litigation filed on behalf of a student with a disability expelled to the GCJJAEP by that Participating District. It is agreed and understood that the Participating District from which a student has been expelled remains at all times responsible for the provision of FAPE to students suspected of or having been identified as students with disabilities for purposes of the IDEA and Section 504 of the Rehabilitation Act.
- 5.04 Nothing herein shall burden the Fiscal Agent or any Participating District with responsibility for underwriting or providing services or accommodating student placements beyond the scope of the program described in this Agreement. This program must be submitted to the TJJJD for approval pursuant to Section 37.011 of the TEC, but should additional obligations be deemed required of the County and/or the Board for this program to fully qualify under the statute, the Parties to this cooperative program are under no contractual duty to share such additional obligations or to expand the program during the school year without mutual consent.

## VI. BUDGETING

- 6.01 As Fiscal Agent, Dickinson ISD shall prepare a budget of operational costs for instructional personnel anticipated for full usage of the GCJJAEP during the coming year. Such budget shall include, without limitation, fringe benefits for its professional employees assigned in whole or in part to the program, commensurate with the fringe benefits enjoyed by comparable professional employees of Dickinson ISD.
- 6.02 The Parties concur that regular education services will be delivered by five teachers employed by Dickinson ISD under agreements entitled: Agreement for Educational Services - Transforming Lives Cooperative Day Program 2022-2023; Agreement for Educational Services between Juvenile Board and DISD 2022-2023 School Year; JJAEP Interlocal Agreement and MOU 2022-2023 and, one assistant principal for the coordination of all education services. Total program instructional personnel costs consisting of salary and benefits for 1/2 of two Regular Education teachers, 1/3 of a Assistant Principal, 1/3 of a clerical aid, and 1/5 of a district program administrator shall be included in the educational services budget for the GCJJAEP. Student/teacher ratios are to be maintained between 8 to 1 and 15 to 1. The Parties agree that one or more regular education teacher(s) may be employed by Dickinson ISD at the request of the GCJJAEP and the Galveston County Commissioners Court in the event that GCJJAEP enrollment necessitates the addition of one or more certified full time teacher(s) with all associated cost borne by the County of Galveston. The financial responsibility of each Participating District with regard to funding personnel and related costs is set forth in Exhibit "A" to this Agreement.
- 6.03 The budget may be amended with concurrence of the Districts and the Galveston County Juvenile Board if program needs change during the year. Nothing herein nor in any juvenile court order shall require the Fiscal Agent or the Galveston County Juvenile Board to amend its budget involuntarily, nor to incur added expense without means of reimbursement.

## VII. ACCOUNTABILITY/ATTENDANCE

- 7.01 For purposes of accountability under Chapter 39 of the TEC and the Foundation School Program, a student enrolled in the GCJJAEP shall be reported as if the student were enrolled at the student's campus of residence, in the student's regularly assigned education program, including a special education program, where applicable, in the Participating District of the student's residence. The Participating District of residence for each such student shall cooperate fully in making such reports and accepting such accountability. All PEIMS reporting requirements for the students placed in the GCJJAEP shall remain the responsibility of the Participating District in which the student resides. Students expelled for conduct resulting in a "mandatory" placement in the GCJJAEP shall be counted as "ineligible" for attendance counting purposes in the Participating District of residence.

- 7.02 Expelled students placed in the program are expected to attend as required by compulsory attendance law, pursuant to section 25.085 of the TEC. Pursuant to TEC Section 25.093, the attendance officer of the sending Participating District of residence shall file a complaint against the parent(s) in the justice of the peace court or municipal court of the political subdivision in which the parent resides or in which the school is located if the parent fails to require the child to attend school as required by law. In accordance with section 37.011(h) of the TEC, the students assigned to the GCJJAEP resulting from expulsion under Section 37.007(a), (d), or (e) of the TEC are funded through Galveston County TJJD and are ineligible for ADA accounting in the Participating District of residence.
- 7.03 Unexcused absences of GCJJAEP students subject to an Order of Juvenile Probation, who have been expelled by a Participating District on the basis of a mandatory offense as set forth in Chapter 37 of the Texas Education Code, will be handled through the Galveston County Juvenile Justice Department (Juvenile Justice Department). On the third consecutive day of unexcused absence from the GCJJAEP, the Juvenile Justice Department's Director of Juvenile Services (Director) or the Director's designee shall notify in writing the Participating District of student residence's Superintendent or designee of the student's absence from the program. In accordance with 37 Tex. Admin. Code Section 348.210(d)(3), a student on inactive status for 30 consecutive school days shall be withdrawn from the GCJJAEP immediately following expiration of the 30<sup>th</sup> consecutive school day, subject to any decision or action by the ARD committee should the student be identified as eligible for special education.
- 7.04 A student who has been erroneously assigned to the GCJJAEP because their expulsion meets "discretionary" expulsion qualifications, not "mandatory", as identified and set forth in Chapter 37 of the TEC, shall be reassigned to the sending district's alternative education program.
- 7.05 In the event a student assigned to the GCJJAEP is declared homeless (or in the process of being declared homeless) or is in the process of transferring to another school district, the student will remain the responsibility of the original Participating District until the registration/enrollment of the student in another district is completed.
- 7.06 A mandatory expulsion is one listed in TEC 37.007(a), (d), or (e), as amended.

#### VIII. COUNTY'S FINANCIAL OBLIGATIONS

- 8.01 The Galveston County Juvenile Board ("Board") and the County of Galveston shall provide:
- A. funding for the education component of all placements as detailed in this Agreement;
  - B. staffing of juvenile probation officers;
  - C. supervision officers and other staff, and training thereof;

- D. the physical plant necessary for the personal safety and security of all participants and providers of services; and
- E. for Galveston County resident students, any and all aspects of any residential component of the GCJJAEP.

#### IX. ADMINISTRATIVE RESPONSIBILITIES

- 9.01 Physical plant maintenance, utility expenses and facility standards to comply with the Americans with Disabilities Act relating to the Galveston County Juvenile Justice Center and associated facilities, shall be the responsibility of the County, not Dickinson ISD as the Fiscal Agent nor any other Participating District.
- 9.02 The County may request the removal of any instructional personnel staff member assigned to the GCJJAEP if the assigned staff member is no longer agreeable to the County because of performance, misconduct or other employment related concerns on the part of County Officials. The Director of Juvenile Services shall so notify the Superintendent of DISD and give the Superintendent in writing the specific reason(s) for the concerns. If upon review of the Director's expressed concerns the Superintendent agrees there are performance or other employment related issues, the Superintendent will timely counsel with the staff member and attempt to have those issues properly addressed within seven school days. If the staff member's performance or other employment related concerns are not corrected to the satisfaction of the County, the Director will again express the reasons for his/ her concern. The Director and the Superintendent will meet and discuss and attempt to reach a consensus on the matter. Instructional personnel shall remain at all times DISD employees and are subject to all DISD Board Policies, procedures and Operating Guidelines, including those governing the employment of said personnel.

#### X. LIABILITY/TERM

- 10.01 Only to the extent permitted by applicable law, but without waiver or expansion of any limits established by the Texas Tort Claims Act, each Party to this Agreement shall indemnify and hold harmless the other Parties and their officers, employees and agents, from and against any and all claims proximately caused by negligence, breach, or other act or omission by the indemnifying Party or its officers, employee, or agents.
- 10.02 The term of this Agreement shall be for the 2022-2023 school year according to the school calendar of Dickinson ISD.

## XI. MEMORANDUM OF UNDERSTANDING

The GCJJAEP Governing Board and the Districts adopt this memorandum of understanding in compliance with the Texas Education Code (“TEC”), Section 37.010 (c) and (d), whereby it is agreed and understood that no court may order an expelled student to attend school as a condition of probation except by and through assignment to the Juvenile Justice Alternative Education Program; and the Parties hereby initiate the following operating policy guidelines:

The daily administration of all aspects of the GCJJAEP other than educational services including the GCJJAEP Code of Conduct, will be conducted by the Juvenile Justice Department under the direction of its Director or the Director's designee. The program will serve all eligible students from eligible Districts.

11.01 **ELIGIBLE STUDENT.** An eligible student is a student who is or was last enrolled in a Participating District located within Galveston County and who currently resides in a Galveston County school district. An exception for placement may be made pursuant to 37.010 (g) when the student’s parents have made a residence change into the district/county and court jurisdictional issues have been properly accommodated. The following students shall be eligible to attend the GCJJAEP:

1. Mandatory expelled students under TEC section 37.007 (a), (d), or (e).
2. Students who are under the jurisdiction of the Juvenile Court and are not expelled may be court ordered to receive educational services in the GCJJAEP. A copy of the Court Order shall be provided to the student's home district in order to satisfy Texas Education Agency requirements.
3. Students expelled under TEC section 37.007 (a), (d) or (e) who are eligible for attendance in any school within Clear Creek ISD but who are not residing in Galveston County, providing that Galveston County Juvenile authorities have agreed to serve the student who resides in Harris County.
4. Students expelled under TEC section 37.0081 (felony offense in Title 5, Penal Code; or the felony offense of aggravated robbery under Section 29.03 of the Texas Penal Code).
5. Students expelled under TEC section 37.309 (removal of registered sex offenders) provided space is available.

11.02 **ADMISSION PROCEDURES**. The Parties agree to comply with the following admission procedures:

- A. If placement is initiated by a Participating District's expulsion of a student, the Participating District shall notify the GCJJAEP Program Director or the Director's designee in advance of an expulsion hearing to allow the GCJJAEP and the Participating District to facilitate the student's transition into the GCJJAEP in the event the student is expelled.
- B. The Participating District in which the student is or was last enrolled shall provide to the Juvenile Justice Department and the Fiscal Agent, Dickinson ISD, a copy of the order of expulsion. Expulsion conducted pursuant to TEC section 37.0081 shall include a statement regarding the specific determinations required under Section 37.0081 (a) (1) and (2).
- C. Additionally, the Participating District in which the student is or was last enrolled shall provide to Dickinson ISD a copy the following:
  - expulsion letter signed by a Participating District official authorized to expel students, confirming that an expulsion hearing meeting the requirements of Chapter 37 of TEC has been afforded; and/or
  - a written waiver by the parent of the expulsion hearing (if used);
  - "Notification to Galveston County Juvenile Court" form;
  - copy of birth certificate or another document suitable as proof of the child's identity and date of birth;
  - documentation confirming social security number or state-issued PEIMS number, as applicable;
  - divorce decree or court orders showing custody;
  - restraining orders, other legal matters pertinent to school;
  - immunization and health records;
  - application for Free and Reduced Lunch Program or information on student's status;
  - attendance record;
  - disciplinary reports;
  - withdrawal/transfer grades in each subject;
  - current year's grade reports (progress reports, report cards);
  - Confidential Student Report for most recent state assessment scores (STAAR, EOC, TELPAS);
  - 504 paperwork and accommodation plan, if applicable;
  - Special Services paperwork, if applicable;
  - LPAC and other ESL/bilingual paperwork, if applicable; and
  - Transcript, and for high school students only – personal graduation plan.

- D. A student who is required to register as a sex offender will only be served pursuant to the same provisions applicable to students expelled under TEC section 37.0081 or applicable court order. The Participating District shall provide required notice not later than the second business day after the date an expulsion hearing is held pursuant to TEC Section 37.009, together with any other notice and information required under TEC Section 37.010 and Family Code Section 52.04. The Juvenile Courts of Galveston County shall consider appropriate proceedings under Title 3 of the Texas Family Code. As required by TEC Section 37.010 (a), an expelled student shall immediately attend the GCJJAEP from the date of expulsion.
- E. If the student is already under court supervision, the caseworker will recommend whether to amend the conditions of probation and it will be the Court's decision whether to implement any subsequent conditions of probation.
  - a. If conditions of probation are to be amended, the Assistant District Attorney shall prepare a Modification Order requiring the juvenile to participate in the GCJJAEP and the Student Code of Conduct. The Assistant District Attorney will request a court date as soon as practicable and the Court will be requested to consider the amendment of the Order.
  - b. If the juvenile was placed in detention due to the violation that resulted in expulsion, the caseworker may prepare conditions of release that would include an order requiring the juvenile to participate in the GCJJAEP and the Code of Conduct, subject to approval by the Juvenile Judge.
- F. If the student is not under prior court supervision, the Juvenile Justice Department, as designated by the Juvenile Court, shall determine if there is probable cause to believe the person engaged in delinquent conduct or conduct indicating a need for supervision. If a petition is filed, the Assistant District Attorney may include with the disposition order an order requiring the juvenile to participate in the GCJJAEP and the Code of Conduct for the Court's approval.
- G. Each Participating District will determine the length of time that each student will be enrolled at the JJAEP. Each Student will be assigned a program based on performance and behavior that includes earning points for expected behavior. Points will be earned on a daily basis and goals will be met prior to returning to the home campus, or until the length of expulsion has expired. A discharge report will be sent to the Participating District prior to a student being returned to that campus. Whenever possible, GCJJAEP will release the student at the end of the sending District's grading period. If the student's release date occurs during a week of state-mandated testing, the student must remain at GCJJAEP to complete the tests. No student shall be released during the last week of the Participating District's semester.

- H. Prior to the completion of the student's placement in the GCJJAEP, the program's probation officer will coordinate with the program administrator to contact the campus of record to initiate the student's transfer back to the student's home campus. The probation officer will assist in obtaining any information for the home campus and briefly monitor the student's progress upon the student's return.
- I. The probation officer will conduct an admission conference with the student and a parent or guardian to review all the GCJJAEP requirements and answer any questions on the first day of attendance.
- J. Juvenile Justice Department personnel will advise parent(s) or guardian(s) to schedule a physical examination for the student through the Juvenile Justice Department. The student may be admitted to the program prior to completion of the physical exam but will not participate in the physical training aspect of the program until exam results are received. Students with reduced activity ability will be placed on a modified physical training regimen. The form for the physical shall be as in Addendum 3 to this Agreement.
- K. Transportation of students attending the JJAEP will be the responsibility of the home school district or the student's parents at the sole discretion of the home school district. Neither the JJAEP, nor the Educational Fiscal Agent are responsible for transportation of students attending the JJAEP Program.
- L. As required under TEC 37.011(b)(4), GCJJAEP shall provide timely educational services in the GCJJAEP to all expelled students (including adult students 18 years of age or older) for which expulsion is required under Section 37.007(a), (d) or (e), regardless of the student's age or whether the juvenile court has jurisdiction over the student.

11.03 The GCJJAEP shall have its own Student Code of Conduct (Code of Conduct). The Texas Association of School Boards (TASB) model code of conduct shall be the basis for the Code of Conduct, with such modifications/additions, as the Governing Board deems appropriate. All modifications/additions shall be approved by the Governing Board.

Each District shall provide the Juvenile Justice Department with current copies of their respective Student Codes of Conduct. In the event a District amends its existing Student Code of Conduct, the District shall, within three days following action taken by the Board of Trustees of the District to approve the amendment, provide a copy of the Student Code of Conduct as amended to the Juvenile Justice Department. Each District's Student Code of Conduct shall be available for public inspection at the referring school at all times that the school is open. Additionally, each District's Student Code of Conduct shall be available for public inspection at the Juvenile Justice Department at all times that the Jerry J. Esmond Juvenile Justice Center is open.

11.04 Each student shall be provided an educational progress/ facilitation plan. GCJJAEP educational staff and administration shall review the student’s academic progress at regular intervals through the issuance of progress reports and report cards. In the case of a high school student, the GCJJAEP administrator of the education component, with the students parent or guardian, shall review the student’s progress towards meeting high school graduation requirements and shall establish a specific graduation plan for the student. FAPE remains the responsibility of the sending school district. DISD will confer with the sending school district, as necessary, to share data and consult with the LEA to enable sending districts to meet federal requirements.

Responsibility for the administration of all educational testing rests with the educational component administrator and the student’s home campus as outlined by the TEA Division of Testing and Accountability and Texas Administrative Code section 348.208(d)(4). Responsibility for any other type of assessment and identification of educational status and need rest with the sending District. Responsibility for the timely submission of pre and post-testing as required by TJJD rest with Galveston County.

Identified special education students shall be provided required services (as set forth in their IEP) with the sending District bearing any additional cost that is over and above the regular cost of program services for all participants. Administration of any and all related services and speech therapy is the responsibility of the sending Participating District, which also assumes responsibility for the provision of FAPE. Administration of the services for Limited English Proficiency (LEP) students is the responsibility of the sending Participating District.

11.05 The Parties agree that the (1) Order requiring student participation in the JJAEP program, and (2) the Student Code of Conduct of the sending District shall be incorporated into each student’s case file prior to admission. The Parties further agree that no student shall be exempted from any requirement set forth in those documents unless specifically modified by a special education IEP committee document or section 504 Accommodation Plan. The Student Code of Conduct sets forth staff expectations of students and proper disciplinary actions for violations of that Code.

11.06 **PLACEMENT OF STUDENTS WITH DISABILITIES.**

- A. The placement into the JJAEP of a student with a disability who receives special education services must be made in compliance with the Individuals with Disabilities Education Act (IDEA)(20 U.S.C. Section 1400 et seq.), the IDEA’s implementing federal regulations, and state law and regulations regarding the discipline of students with disabilities.
- B. A Participating District may expel a student who has been identified as an eligible student with a disability under the Individuals with Disabilities Education Act (IDEA) or a qualified student under Section 504 of the Rehabilitation Act of 1973 (504) only after (1) a duly constituted Admission Review and Dismissal (ARD) or 504 committee

determines that the alleged misconduct is not a manifestation of the student's disability/ies, and (2) the Participating District has complied with all other requirements as set forth in state and federal law regarding the discipline of students generally and the discipline of students with disabilities, specifically, including but not limited to the ARD or 504 committee determining what services, if any, are required to provide the student with a free, appropriate public education in the GCJJAEP as defined by law.

- C. The Participating District from which the special education student was expelled, whether for mandatory or permissive expulsion under Chapter 37 of the Texas Education Code, shall provide the administrator of the GCJJAEP or the administrator's designee with advance written notice a reasonable time prior to the meeting of a student's ARD or Section 504 committee to discuss the student's expulsion. A representative of the GCJJAEP may, at the election of the GCJJAEP and/or its Fiscal Agent if different from the GCJJAEP, participate in the meeting as a non-consensus member to the extent that the meeting relates to the student's placement in the GCJJAEP.
- D. The referring Participating District in which a student resides shall maintain the full responsibility to provide special education services, including related services, to eligible students under the Individuals with Disabilities Education Act. The GCJJAEP shall be responsible for any services required to comply with the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990. The cost of any special education services provided to students by GCJJAEP shall be borne by the referring Participating District with the responsibility to provide the services. The Participating District may make such services available in conjunction with the GCJJAEP or at a separate time and location, at the discretion of the referring, Participating District. If the referring Participating District elects to make special education services available to the student in conjunction with the time the Student is at the GCJJAEP, the referring Participating District shall cooperate with the GCJJAEP to minimize disruption of the JJAEP.
- E. GCJJAEP teachers employed by the Fiscal Agent will issue progress reports for all students at the mid-point of each grading period. Required progress monitoring and reporting on any IDEA eligible student's IEP shall be the responsibility of the referring Participating District for that student, in consultation with the GCJJAEP teacher.

11.07 **SUSPECTED DISABILITY.** If a student assigned to the GCJJAEP is suspected of having a disability for which the student would be eligible for services under the IDEA, the GCJJAEP Administrator or Administrator's designee, will inform the sending Participating District of such suspicion immediately, and the Participating District's Child Find procedure will be initiated to resolve whether a special education referral and evaluation is warranted. Similarly, if a student assigned to the GCJJAEP is suspected of having a physical or mental impairment that substantially limits a major life activity, the GCJJAEP Administrator or

Administrator's designee will inform the sending Participating District of such suspicion immediately for decision on any further required evaluation or action. The sending Participating District remains solely responsible for all required Notices, Assurances, and any other Procedural Safeguards to which the student and his/her parents are entitled. However, GCJJAEP staff will assist with contributing to the necessary referral documents if requested.

- 11.08 **BACKGROUND CHECKS.** Any staff member assigned to or providing services on site at the GCJJAEP who will or may have direct contact with students shall submit to a criminal history record check and fingerprinting in accordance with 37 Tex. Admin. Code Section 348.106(d). Employment by the GCJJAEP or the right to provide direct services on the campus of the GCJJAEP is expressly contingent upon the completion and return of acceptable results of criminal history checks.
- 11.09 **IMMUNITY.** Nothing herein shall waive or reduce the sovereign immunity of the parties hereto, or broaden the limited waiver of immunity provided by the Texas Tort Claims Act and the Texas Education Code, § 37.011(o).
- 11.10 **SUPPLEMENTARY PROGRAM FUNDING.** Each Participating District hereby agrees to allow the Fiscal Agent to submit a grant application for eligible JJAEP funds from the State and to reasonably cooperate in submission of such application. Any such funds received from the State shall be utilized to off-set educational expenses of County and Participating Districts, including the Fiscal Agent, and any remaining funds may be used for expansion and improvement of the GCJJAEP.
- 11.11 **INSPECTION OF RECORDS.** Upon request, all public records of DISD as the Fiscal Agent that are created and maintained pursuant to the Fiscal Agent's satisfaction of its obligations under this Agreement shall be made available for inspection at any time mutually convenient to the Fiscal Agent and the requesting party, subject to the requirements of the Family Educational and Privacy Rights Act, 20 U.S.C.A. § 1232g and V.T.C.A., Government Code Chapter 552, Public Information Act. Any cost of such inspection or copying shall be borne by the party requesting said records.
- 11.12 **EQUAL EMPLOYMENT POLICIES.** DISD as the Fiscal Agent affirms that it is an equal opportunity employer and does not discriminate on basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services, programs or activities.
- 11.13 **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the Parties and shall take the place of any prior understandings, written or oral agreements. This Agreement consists of both an Interlocal Cooperation Agreement and Memorandum of Understanding for Juvenile Justice Alternative Education Program, along with a statement of Funding Parameters attached hereto as Exhibit "A".

- 11.14 **SEVERABILITY**. If any part of this Agreement is held to be illegal, such part shall be deemed severable and the remaining parts shall nevertheless be binding.
- 11.15 **TERM and EFFECTIVE DATE**. This Agreement is effective August 1, 2022 and shall remain in effect through July 31, 2023. The Parties shall use their best efforts to execute a renewal of the memorandum prior to August 1, 2023. In the absence of a revision, this Agreement shall remain in effect until such time as the Parties, through votes of their governing bodies, determine to void, modify or repeal the entire document or any portion thereof.

[Remainder of page intentionally left blank]

This Agreement is hereby **EXECUTED IN MULTIPLE ORIGINALS (10)**, as authorized by the County of Galveston by action of the Commissioners Court on the \_\_\_\_\_ day of \_\_\_\_\_, 2022, by action of the Dickinson Independent School District Board of Trustees on the \_\_\_\_\_ day of \_\_\_\_\_, 2022, and by each of the other Participating Member Districts by action on dates as indicated below, to be effective the 1<sup>st</sup> day of August, 2022.

GALVESTON COUNTY COMMISSIONERS COURT

By: \_\_\_\_\_

DICKINSON INDEPENDENT SCHOOL DISTRICT  
(as Fiscal Agent and as a Participating District)

By: \_\_\_\_\_

GALVESTON COUNTY JUVENILE BOARD

Date of Juvenile Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

CLEAR CREEK INDEPENDENT SCHOOL DISTRICT

Date of School Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

FRIENDSWOOD INDEPENDENT SCHOOL DISTRICT

Date of School Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

GALVESTON INDEPENDENT SCHOOL DISTRICT

Date of School Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

HIGH ISLAND INDEPENDENT SCHOOL DISTRICT

Date of School Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

HITCHCOCK INDEPENDENT SCHOOL DISTRICT

Date of School Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

SANTA FE INDEPENDENT SCHOOL DISTRICT

Date of School Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

TEXAS CITY INDEPENDENT SCHOOL DISTRICT

Date of School Board Authorization:

\_\_\_\_\_

By: \_\_\_\_\_

## EXHIBIT "A"

### GALVESTON COUNTY JUVENILE JUSTICE ALTERNATIVE EDUCATION PROGRAM (GCJJAEP)

\*\*\*

#### FUNDING PARAMETERS

#### FUNDING:

1. For the 2022-2023 school year, the Galveston County Juvenile Justice Center will educate students residing in Participating Districts located within Galveston County who are expelled due to a mandatory expulsion or student placement pursuant to Texas Education Code (TEC) 37.0081(g) and TEC 37.309(b). Mandatory expulsions are defined as those expulsions for offenses described in Section 37.007 (a), (d), or (e) of the TEC, funded by the allocation to Galveston County from the State through the Texas Juvenile Justice Department (TJJD) for that purpose. The entire cost of educating students identified as having committed an offense specifically set forth in Section 37.007 (a), (d), or (e) of the TEC shall be solely borne by Galveston County. It is further agreed and understood that expelled students covered by this paragraph are ineligible to be counted, for purposes of student attendance accounting and corresponding funding, by their Participating District of residence.
2. The entire cost of educating students identified as having committed an offense specifically set forth in Sections 37.0081(g) and TEC 37.309(b)(1) of the TEC, or other discretionary placements, shall be solely borne by the Participating District of residence for such students.

#### Additional Considerations

1. Average Daily Attendance (ADA) or other funding allotment, if any, that the Fiscal Agent District receives for a student placed at the GCJJAEP by any Participating District may be deducted, at the sole discretion of the Fiscal Agent, from the overall cost in determining net cost to the County.
2. Grant funds awarded to any Participating District, which in the determination of the Participating District to which the grant is awarded can be applied to lower costs for services provided to a student placed at the GCJJAEP, shall be applied to reduce net cost to the County for that student's placement in the GCJJAEP.
3. Galveston County shall be solely responsible for payment of all wages and any other costs related to the employment of Galveston County Juvenile Justice Department personnel. Galveston County further shall provide the physical plant, breakfast and lunch for all students,

and for costs incurred by the GCJJAEP for any non-educational matter not otherwise specified in this Agreement.

4. Galveston County shall pay Fiscal Agent District, identified herein as Dickinson ISD, fifty percent (50%) of all annual projected operating costs as a fixed-rate cost based on the proposed number of personnel identified by the Fiscal Agent for implementation of the GCJJAEP program for the Fiscal Year. All personnel are and shall be employees of the Fiscal Agent, currently Dickinson Independent School District (DISD), and are subject to the Board Policies and employment expectations of the Fiscal Agent District. Annual operating costs are defined as those costs associated with the hiring, retention, maintenance, salary and provision of benefits to employees identified in this paragraph and shall be paid by the County on the following schedule:

On or after September 1, but not later than October 1 of each year for which this Agreement remains in force:

- 1/2 of annual operating costs for two teachers appropriately certified to provide instruction in the State of Texas for the area and grade levels assigned;
- 1/3 of annual operating costs for one assistant principal;
- 1/3 of annual operating costs for one clerical aid, 1/5 of annual operating costs for one program administrator appropriately certified in the State of Texas to oversee and manage the GCJJAEP program; and
- Any other annual operating costs incurred by Dickinson ISD as Fiscal Agent for one or more additional teacher(s) certified to provide instruction in the State of Texas for the area and grade levels assigned upon the request of the GCJJAEP and Galveston County Commissioners Court pursuant to paragraph 6.02 of this Agreement.

Thereafter, the balance of all annual operating costs up to the 50% cap owed shall be paid by Galveston County to Fiscal Agent District. The balance shall be determined on the basis of actual operating costs for the Fiscal Year, less any reimbursement grants, ADA or other proceeds received for the operation of the GCJJAEP to reimburse for such costs, as determined by the Fiscal Agent and invoiced in June of the same Fiscal Year to the County by the Fiscal Agent District.

5. Galveston County (County) has budgeted from its general budget fund certain amounts for paper and copies, arts and crafts, and materials and supplies for each program. Instructional personnel shall comply with County's procurement procedures for the acquisition of instructional materials using the fund budgeted by the County. Fiscal Agent Dickinson ISD may supplement those funds for materials and supplies, at its discretion, but will not be reimbursed by the County for supplemental expenses, if any, without express approval by the County.

6. The T1 data circuit as provided by the County through Southwestern Bell or other service provider at the juvenile facility will be billed to and paid by the County.

7. If a student has been court-ordered to attend the GCJJAEP, the County shall be responsible for funding such placements contingent upon (1) confirmation that the placement is pursuant to the mandatory expulsion provisions under Chapter 37 of the Texas Education Code, and (2) the student has in fact been expelled by the Participating District.

8. Galveston County shall be responsible for (1) compensation and other costs associated with the employment of Galveston County Juvenile Justice personnel assigned to work or to provide services on site at the GCJJAEP, (2) provision and maintenance of the physical plant in which the GCJJAEP is located, (3) provision of breakfast and lunch meeting all USDA Nutritional Requirements applicable to public school districts to all students assigned to GCJJAEP by a Participating District, and (4) ancillary matters in support of the operation of the GCJJAEP program for assigned students assumed as reasonable costs.

9. The GCJJAEP will provide services to students expelled to the GCJJAEP pursuant to (1) TEC section 37.0081 (Students found by the Participating District referring the student to have committed a felony offense identified under Title 5 of the Texas Penal Code), and (2) students expelled to the GCJJAEP pursuant to TEC section 37.309 (placement of registered sex offenders), provided space is available as determined by the GCJJAEP. Participating Districts shall reimburse Galveston County for the provision of services provided under this Agreement, and pursuant to 37.0081(g), the total reimbursement to the County by all Participating Districts shall not exceed actual costs incurred each instructional day per student during that period that the student is assigned to the GCJJAEP. It is agreed and understood that each Participating District shall be obligated to reimburse Galveston County in an amount proportionate to the number of students expelled from that Participating District pursuant to TEC 37.007(a), (d), (e), TEC 37.0081 and TEC 37.309(b). Each Participating District will be invoiced their respective cost amount in October of each year, which shall be reimbursed back to the County not later than August 19, 2022.

# Action Sheet

**MEETING DATE:** August 3, 2022

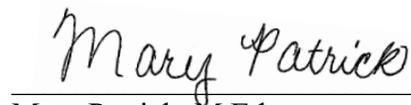
**AGENDA ITEM:** **Discuss and consider approval of the Interagency Agreement between Upward Hope Academy and GISD to provide educational services to students in a Drop-Out Prevention/Recovery Program.**

As per Board Policy CH (Local) any single, budgeted purchase of goods or services that costs \$50,000 or more, regardless of whether the goods or services are competitively purchased, shall require Board approval before a transaction may take place.

The Interagency Agreement between Upward Hope Academy and GISD will allow Upward Hope Academy to provide educational services (Drop-Out Prevention/Recovery) to students who are a potential drop-out. Upward Hope Academy is an accredited private school program for 9<sup>th</sup> – 12<sup>th</sup> grade students. Upward Hope Academy is an accredited high school. Students are provided face to face services as well as individual tutorial services to meet their needs. Students are carefully selected from GISD to attend this program to ensure that it will meet the individual needs of the student.

**RECOMMENDATION:** **I move that the Board approve the Interagency Agreement between Upward Hope Academy and GISD to provide educational services to students in a Drop-Out Prevention/Recovery Program as presented.**

  
\_\_\_\_\_  
Dr. Jerry Gibson, Superintendent

  
\_\_\_\_\_  
Mary Patrick, M.Ed.  
Executive Director of Special  
Programs/Homeless and Foster Care  
Liaison

**INTERAGENCY AGREEMENT  
BETWEEN  
GAVESTON ISD  
AND UPWARD HOPE ACADEMY**

This Interagency Agreement (“Agreement”) is entered into on the Effective Date as set forth below by and between Galveston Independent School District (“the District”) and Upward Hope Academy to provide educational services pursuant to the terms and conditions detailed herein. The District and Upward Hope Academy are herein collectively referred to as the “Parties” and individually as a party.

WHEREAS, Upward Hope Academy has established student drop-out recovery and prevention services and General Educational Development exam (“GED”) instruction aimed in part to support the efforts of the District;

WHEREAS, the District desires to utilize these intervention services for purpose of reducing its student drop-out rate and assisting students in passing the GED exam; and

WHEREAS, Upward Hope Academy desires to provide to the District the right to access and utilize these services in accordance with the terms and conditions set forth in this Agreement.

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged by the Parties, the Parties hereby agree as follows:

• **TERM**

Subject to earlier termination as hereinafter provided, the term of this Agreement shall be for the period of August 1, 2022 (the “Effective Date”), through July 31, 2023 (the “End Date”), and shall thereafter automatically renew for twelve (12) month periods on each anniversary of the End Date, unless either Party provides written notice to the other Party on or prior to the expiration of the then-existing term written notice to the other of its intent to terminate this Agreement in accordance with Section VI. For purposes of this Agreement, the word “Term” shall mean the then-current term of the Agreement, whether the initial term or any renewal term.

• **OBLIGATIONS AND REQUIREMENTS**

• **Obligations and Requirements of the District.** The District hereby agrees to be solely responsible for the following items:

• Academic Advisor. The District shall assign an academic advisor at the sole discretion of the District to serve as a contact between the District and Upward Hope Academy.

• Student Information. The District shall provide, to a reasonable degree, through the academic advisor, all relevant information pertaining to the District’s students within the boundaries of the District who have dropped out of school and are less than 23 years of age or who are at risk of dropping out of school.

• Textbooks. The District shall provide textbooks as needed from the TEA approved list in core academic areas assessed on the GED exam for use by students at Upward Hope Academy.

• **Obligations and Requirements of Upward Hope Academy.** Upward Hope Academy hereby agrees to provide the District with the following items:

• Drop-out Recovery. Upward Hope Academy shall provide the District with services for the purpose of recovering students within the boundaries of the District less than 23 years of age, who have previously

dropped out of school in the District. These services include, but are not limited to locating drop-outs, encouraging them to enroll in a GED preparation program, and providing direct instruction in needed academic areas.

- **Drop-out Prevention.** Upward Hope Academy shall provide the District with services for the purpose of assisting students enrolled in the District who are at-risk of dropping out of school. These services include, but are not limited to providing academic tutorials and assistance in involving students in extra-curricular activities.

- **GED Preparation.** Upward Hope Academy shall provide the District's students who have previously dropped out of school with instruction in preparation for the GED exam.

- **GED Administration.** Upward Hope Academy shall coordinate and refer the District's students who have completed a GED preparation course to an approved GED site, such as Galveston College or College of the Mainland.

- **Facility.** Upward Hope Academy shall provide all services under the Agreement in its facility.

- **Student Records.** Upward Hope Academy shall record and maintain all relevant information regarding the District's students who receive any of these services provided under the Agreement. Relevant Information, includes, but is not limited to student names, dates, and times of attendance, and types of services received. Upward Hope Academy will provide this information to the District's academic advisor. Upward Hope Academy will secure such records, and such records will only be available upon appropriated request to authorized persons.

- **COMPENSATION**

For and in consideration of the services to be provided by Upward Hope Academy under this the Agreement, the District shall pay to Upward Hope Academy the sum of up to \$4,166/monthly throughout Term. The District shall make each payment the last day of each month during the Term of this Agreement, and any additional cost incurred by the District within the scope of this agreement will be netted out of that monthly payment.

- **RELATIONSHIP**

Nothing in this agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee bet the District and any employee or agent of Upward Hope Academy. This agreement does not create a joint venture or business partnership under Texas law. Upward Hope Academy hereby agrees that the District has no responsibility for any conduct of any of Upward Hope Academy employees, agents, or representatives.

- **STUDENT RECORDS**

To the extent that Upward Hope Academy may come into possession of the District's student records and/or information, and to the extent that Upward Hope Academy may be involved in the survey, analysis, or evaluation of students, incidental to this Agreement, the Parties agree to comply with all applicable requirements of the Family Educational Rights and Privacy Act, 20 U.S.C. §1232g ("FERPA"). In the event that the District or Upward Hope Academy is in possession or custody of recorded information of the other Party that is subject of a request pursuant to the Texas Public Information Act, the Party holding such recorded information shall promptly provide to the other Party such recorded information upon written request of such other Party. Upward Hope Academy acknowledges that the District is subject to the Texas Public Information Act, and Upward Hope Academy waives any claim against and releases from liability the District, its officers, employees, agents, and attorneys with respect to disclosure of information provided under or in the Agreement or otherwise created, assembled, maintained, or held by Upward Hope Academy and determined by the District, the Attorney General of Texas, or a court of law to be subject to disclosure under the Texas Public Information Act.

- **TERMINATION**

**Right to Terminate.** This Agreement may be terminated by either Party with or without cause by providing the other Party thirty (30) calendar days' written notice of intent to terminate. Any termination of this Agreement as permitted by this paragraph shall not relieve any Party from payment of any fees accruing prior to the effective date of termination or from completing obligations in progress prior to the effective date of such termination.

- **INDEMNIFICATION AND LIMITATION OF DAMAGES**

TO THE EXTENT ALLOWABLE BY LAW, UPWARD HOPE ACADEMY HEREBY AGREES TO INDEMNIFY, DEFEND, AND HOLD THE DISTRICT, ITS EMPLOYEES, AGENTS, OFFICERS, ATTORNEYS, TRUSTEES, (PRESENT AND FUTURE), SUCCESSORS, AND ASSIGNS, HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LIABILITES, COST PENALTIES, AND EXPENSES (INCLUDING BUT NOT LIMITED TO, ATTORNEY'S FEE AND EXPERT'S FEES) ARISING OUT OF OR RELATING TO ANY SUIT, ACTION, PROCEEDING, CLAIM, OR DEMAND BROUGHT OR DEMANDED; OR ANY COSTS OR DAMAGES INCURRED BY THE DISTRICT OF ANY TYPE WHATSOEVER, ARISING OUT OF OR RELATED TO UPWARD HOPE ACADEMY OR THE DISTRICT'S ACTS OR OMISSIONS IN CONNECTION WITH OR ATTENDANT TO IN ANYWAY THIS AGREEMENT.

NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED TO CREATE A CLAIM OR CAUSE OF ACTION AGAINST THE DISTRICT FOR WHICH IT IS NOT OTHERWISE LIABLE, NOR TO WAIVE ANY IMMUNITY OR DEFENSE TO WHICH THE DISTRICT MAY BE INTITLED, NOR TO CREATE AN IMPERMISSABLE DEFICIENCY DEBT OF THE DISTRICT.

- **FORCE MAJEURE**

The district shall not be liable to Upward Hope Academy for delays and/or failures in performance resulting from causes beyond the reasonable control of the District, including, but not limited to, acts of nature, labor dispute, or disturbances, riots, acts of war, governmental regulations, communication or utility failures, or casualties.

- **LEGAL AUTHORITY**

The person(s) signing on behalf of the District represents, warrants, and certifies, the District's Board of Trustees has authorized this Agreement, that such person has full legal authority to execute this Agreement on behalf of the District, and that such person has the authority to bind the District to all the terms, conditions, provisions, and obligations, contained herein.

- **NOTICE**

Any notice provided under the terms of this Agreement by either Party to the other shall be in writing, and shall be delivered either personally, with receipt acknowledged, or via certified mail, return receipt requested to the District or Upward Hope Academy at the respective address set forth below:

**Galveston ISD**  
**Attention: Dr. Jerry Gibson**  
**Superintendent**  
**P.O. Box 660**  
**Galveston, Texas 77553**

**Upward Hope Academy**  
**Attention Dr. Chris Frederickson**  
**Head Master-Upward Hope Academy**  
**101 14<sup>th</sup> Street**  
**Galveston, Texas 77550**

Each Party may change the address at which notice may be sent to that Party by giving notice of such change to the other Party in accordance with the provisions of this section.

- **MISCELLANEOUS**

- **Governing Law and Venue.** All obligation of the Parties created hereunder are performable in the Galveston County, Texas. This Agreement shall be construed under and in accordance with the laws of the state of Texas, without regard to it conflicts of law provisions. Venue for any legal action, claim, or dispute arising directly or indirectly as a result of this Agreement shall be in Galveston County, Texas, and the Parties hereby submit to the exclusive jurisdiction of the state courts located in Galveston, Galveston County, Texas and the federal courts located in Houston, Harris County, Texas.

- **Entire Agreement.** This Agreement, and its exhibits, attachments and amendments hereto embody the entire Agreement among the Parties hereto and supersede all prior proposals, negotiations, agreements and understandings, relating to the subject matter and may not be contradicted by evidence of prior contemporaneous or subsequent oral agreements of the Parties hereto. The Parties agree that should a court be called upon to interpret any provision of this Agreement, previous drafts shall not be used by any Party in any manner to support its interpretation of the meaning of this Agreement. Each Party to this Agreement has reviewed this Agreement and

had participated in its drafting and, accordingly, no Party shall attempt to invoke the normal rule of construction to the effect that ambiguities are to be resolved against the drafting Party in any interpretation of this Agreement.

- **Amendment.** This Agreement may be amended only by the mutual written Agreement of both Parties, to be attached to and incorporated into this Agreement.

- **Assignment.** Neither this Agreement nor any duties or obligations under it shall be assigned by Upward Hope Academy without the prior written acknowledgement and authorization of the District.

- **Severability.** Unless the basis of the bargain among the Parties hereto is destroyed or rendered ineffective by invalidity or unenforceable of any provision hereof if any provision of this agreement should be held to void, voidable or unenforceable in any respect, then the remaining portions of this Agreement shall remain in full force and effect.

- **Benefit for Signatory Parties Only.** Subject to the limitations on assignment set forth above, this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, heirs and assigns. Neither this Agreement, nor any term or provision hereof, nor any inclusion by reference shall be construed as being for the benefit of any Party not in signatory

- **Captions.** The captions and sections headings used herein are for convenience and identification purposes only, and are not integral part hereof, and are not to be considered in the interpretation of any part hereof.

- **Waiver.** No failure on the part of either Party at any time to require the performance by the other Party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such a Party's right to enforce such term, and no waiver on the part of either Party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach hereof. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the Parties hereto.

Executed this thirtieth day of June of the year 2022

(the "Effective Date").

**Galveston ISD**

**Upward Hope Academy**

 6/30/22

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**Dr. Jerry Gibson**      **DATE**  
**Superintendent**

---

**Chris Frederickson**      **Date**  
**Head Master- Upward Hope Academy**

# Action Sheet

**MEETING DATE:**

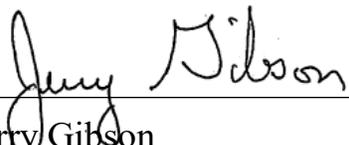
**August 3, 2022**

**AGENDA ITEM:**

Discuss and consider approval of the 2022-2023 Resolution sanctioning the Galveston County 4-H Organization as an extracurricular program and approval of adjunct faculty agreement to recognize Galveston County Cooperative Extension Agents as adjunct faculty members for the 2022-2023 school year.

**RECOMMENDATION:**

**I move that the Board of Trustees approve the 2022-2023 resolution sanctioning the Galveston County 4-H Organization as an extracurricular program and approval of adjunct faculty agreement as presented.**

  
\_\_\_\_\_  
Jerry Gibson  
Superintendent

# ADJUNCT FACULTY AGREEMENT

THE STATE OF TEXAS  
COUNTY OF GALVESTON

On this date, at regularly scheduled and posted meeting, came the Board of Trustees of the Galveston Independent School District, hereinafter referred to as "District." A quorum having been established, the Board proceeded to consider the appointment of the herein named individual as an adjunct faculty member of the Galveston Independent School District.

Upon consideration and vote of the Galveston Independent School District Board of Trustees in favor of the Galveston County Extension Agents are hereby named as adjunct faculty member of the Galveston Independent School District subject to the following conditions and provisions of such appointment, to wit:

1. This appointment shall commence on the 22<sup>nd</sup> day of August, 2022 and end on the 25<sup>th</sup> day of May, 2023, being the end of the 2022-2023 academic year.
2. Adjunct faculty member will receive no compensation, salary, or remuneration from Galveston Independent School District.
3. Adjunct faculty member is and shall remain an employee, in good standing, of the Texas A&M AgriLife Extension Service.
4. Adjunct faculty member shall be under the direct supervision of either the District Extension Director of District 9, Texas A&M AgriLife Extension Service District, or Galveston County Extension Director.
5. Adjunct faculty member shall receive all group insurance benefits, workman's compensation insurance benefits, unemployment insurance, and any and all other plans for the benefit of Texas A&M AgriLife Extension Service employees. District shall have no responsibility for any of such benefits or plans.
6. Adjunct Faculty member shall be subject to a criminal background check by the Galveston Independent School District.

Adjunct faculty member shall direct the activities and participation of students of the school district in sponsored and approved activities as designated from time to time by adjunct faculty member for which notice shall be given to School District administrative personnel. Adjunct faculty members' activities and participation with students of the School District are directed, supervised, and controlled by and through supervisory personnel of the Texas A&M AgriLife Extension Service pursuant to the supervisory authority of the District Extension Director or County Extension Director. Adjunct faculty member is not the employee of School District, and School District does not nor shall not supervise, direct or control the activities, and/or participation of such Galveston County Extension Agents who has been herein designated as an adjunct faculty member.

This appointment is made by Galveston Independent School District by and through the Board of Trustees of said district for the benefit of allowing voluntary student participation in programs conducted by the Texas A&M AgriLife Extension Service in recognition of the educational benefits arising from such participation and activities and/or directed by the Texas A&M AgriLife Extension Service. This appointment is made in accordance with the provisions of Section 129.21 (k) (1) of the Texas Administrative Code authorizing the school to deem such participating students in attendance for foundation school program purposes.

This appointment of the herein named Galveston County Extension Agents (Texas A&M AgriLife Extension Service employees) are not intended nor shall be construed as a waiver of any claim or defense of sovereign or governmental immunity from liability now possessed by Galveston Independent School District or any of its employees, agents, officers, and/or board members in the performance of governmental functions.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

Galveston Independent School District

\_\_\_\_\_  
(Signature)

By: \_\_\_\_\_  
(Printed)

Its: \_\_\_\_\_

Adjunct Faculty Appointment Accepted By:

\_\_\_\_\_  
Galveston County Extension Agent

Approved:

\_\_\_\_\_  
Texas A&M AgriLife Extension Service

**RESOLUTION**  
**Regarding**  
**EXTRACURRICULAR STATUS OF 4-H ORGANIZATION**

Be it hereby resolved that upon this date the duly elected Board of Trustees of the

**Galveston Independent School District**

meeting in public with a quorum present and certified did adopt this resolution that recognizes the Galveston County Texas 4-H Organization as approved for recognition and eligible for extracurricular status consideration under 19 Texas Administrative Code, Chapter 76.1, pertaining to extracurricular activities. Participation by 4-H members under provisions of this resolution is subject to all rules and regulations set forth under the 19 Texas Administrative Codes as interpreted by this Board and designated officials of his school district whose rulings shall be final.

Approved this \_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
(For Board of Trustees)

\_\_\_\_\_  
(Superintendent)

# Action Sheet

**MEETING DATE:**

**August 3<sup>rd</sup>, 2022**

**AGENDA ITEM:**

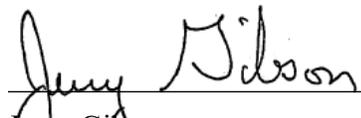
Discuss and consider purchasing a 3-year license of Learning A-Z for all Elementary ELAR classrooms, for \$153,900, from ESSER III and IMA funds.

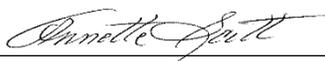
Learning A-Z is a comprehensive software designed to engage and expand literacy learning for our kindergarten through 4<sup>th</sup> grade elementary students. The software houses 2 separate programs and resources for classroom and student use. Raz-Plus which is a Writing and Reading program designed to allow the teacher to assign content and differentiate student reading and writing based on their levels in the classroom. Vocabulary A-Z helps our students build vocabulary, spelling, and phonics skills while also focusing on reading comprehension. Learning A-Z provides Galveston ISD Kindergarten through 4<sup>th</sup> grade teachers and students with tested and proven beneficial content for their classrooms.

The district is looking to continue with the current number of licenses to support all elementary school teachers and students. GISD be purchasing the software from ESC 19 Co-op #(22-7436)

**RECOMMENDATION:**

**I move that the Board of Trustees approve the purchase of a 3-year subscription for Learning A-Z from ESSER and IMA funds for \$153,900.**

  
\_\_\_\_\_  
Jerry Gibson  
Superintendent

  
\_\_\_\_\_  
Annette Scott  
Assistant Superintendent for Student Support



# Department of Grant Compliance and Administration Justification/Documentation of Allowable Use of ESSER Funds

Complete this form to document the expenditure of ESSER funds on an allowable activity that meets the intent and purpose of the ESSER grants. As defined by the US Department of Education, the intent and purpose of the ESSER grants is to prevent, prepare for, or respond to the COVID-19 pandemic, including its impact on the social, emotional, mental health, and academic needs of students.

The activity documented with this form may be funded with any ESSER grant funds (ESSER I, II, III, or a combination of those). One activity may be documented per form.

**Maintain this document at the local level for audit and monitoring purposes. Do not submit this form to TEA unless the agency specifically requests it as part of the compliance review process.**

Name of Grantee

CDN

## Activity

Describe the activity to be paid with ESSER funds.

Check the appropriate box(es) to indicate the fund(s) that will be used to pay for the activity:

- ESSER I funds will be used.  ESSER II funds will be used.  ESSER III funds will be used.

## Statutory Intent

Describe how the activity meets the grant program's intent (listed above).

## Reasonable and Necessary

For each box checked above (ESSER I, II, or III), describe how the activity is reasonable and necessary.

## Statutorily Allowable Use

Per USDE, ESSER funds may be expended for any statutorily allowable activity under any of the three statutes. For each box checked above (ESSER I, II, or III), list the statutorily allowable activity that your expenditure aligns with.

## Certification

Name and Title of Authorized Official

Signature of Authorized Official and Date



# Learning A-Z Quote

**Date:** 7/25/2022  
**Valid Until:** 9/29/2022  
**Bill Id #:** 9866849  
**Username:** emueller20

## Ship To:

Eric Mueller  
 Galveston Independent School District  
 3404 Avenue T  
 Galveston, Texas 77550  
 409-761-3947  
 ericmueller@gisd.org

## Bill To:

Eric Mueller  
 Galveston Independent School District  
 3404 Avenue T  
 Galveston, Texas 77550  
 409-761-3947  
 ericmueller@gisd.org

Products	Type	License Terms	List Price	Final Cost
Vocabulary A-Z	Renewal	150 classrooms, 36 Months	\$51,300.00	\$51,300.00
RAZ Plus	Renewal	150 classrooms, 36 Months	\$102,600.00	\$102,600.00

## Final Cost

**Sales Tax:** \$0.00

**YOUR TOTAL COST: \$153,900.00**

(\*) Taxes (if applicable) to be calculated at time of purchase. All prices are in U.S. dollars.

Thank you for your continued partnership. This quote is for 3-years.  
ESC 19 Bid #18-7283

### Sales Executive

English Jackson  
english.jackson@mail.learninga-z.com  
(520) 232-5037

If paying by purchase order please send a Learning A-Z quote matching your Purchase Order (P.O.)

**Email the P.O. and along with the Learning A-Z quote to [orders@learninga-z.com](mailto:orders@learninga-z.com).**

### Learning A-Z License Agreement

Licenses grant registered classrooms only permission to use materials on the designated website(s) during the terms of the license. Sharing user information or materials with non-registered classrooms is not authorized.

Please review our terms and conditions carefully before activating your account.

<https://help.learninga-z.com/article/Terms-of-Service>

### P.O. must include:

1. PO number
2. Learning A-Z as the vendor
3. Bill To information
4. The product(s) being purchased
5. Total dollar amount
6. If your PO has a signature line, it must be signed

**Thank you for your business!**

# Action Sheet

**MEETING DATE:**

**August 3, 2022**

**AGENDA ITEM:**

Discuss and consider approval for professional services from Kickstart Kids during the 2022-2023 school year in an amount not to exceed \$70,000 to be funded using Title 1 Funds.

Kickstart Kids is a non-profit organization with a mission to build strong moral character in youth through martial arts. The program provides students the opportunity to develop discipline through physical and mental conditioning. Kickstart Kids will serve 130-150 students daily at Central Middle School. The Kickstart Program has been at Central for over twenty years. Title I funding will be used to pay the contract.

**RECOMMENDATION:**

**I move that the Board of Trustees approve the contract with Kickstart Kids during the 2022-2023 school year for an amount not to exceed \$70,000 to be funded using Title I funds.**

  
\_\_\_\_\_  
Dr. Jerry Gibson  
Superintendent

  
\_\_\_\_\_  
Dr. Annette Scott  
Assistant Superintendent for  
Student Support

# Action Sheet

**MEETING DATE:** August 3, 2022

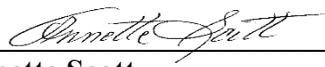
**AGENDA ITEM:** Discuss and consider a contract with The Teen Health Center, INC. for an amount not to exceed \$362,122.20 to provide mental health counseling funded by the Moody Foundation Causeway Galveston Grant for the period September 1, 2022 through August 31, 2023.

GISD was awarded the Moody Foundation Causeway Galveston Grant in the amount of \$7,557,956 million. This application was approved by the board in March of 2018. GISD will contract with Family Service Center to fund personnel, mental health services, and training. These service will be provided to students at attend Causeway Galveston GISD campuses.

Funding Source: Moody Foundation Causeway Galveston Grant

**RECOMMENDATION:** I move that the Board approve the contract with The Teen Health Center, INC. for an amount not to exceed \$362,122.20 to provide mental health counseling funded by the Moody Foundation Causeway Galveston Grant for the period of September 1, 2022 through August 31, 2023.

  
\_\_\_\_\_  
Jerry Gibson  
Superintendent

  
\_\_\_\_\_  
Annette Scott  
Assistant Superintendent

# Action Sheet

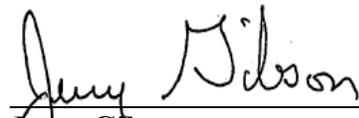
**MEETING DATE:** August 3, 2022

**AGENDA ITEM:** **Discuss and consider a contract with Family Service Center for an amount not to exceed \$387,925.80 to provide mental health counseling funded by the Moody Foundation Causeway Galveston Grant for the period September 1, 2022 through August 31, 2023.**

GISD was awarded the Moody Foundation Causeway Galveston Grant in the amount of \$7,557,956 million. This application was approved by the board in March of 2018. GISD will contract with Family Service Center to fund personnel, mental health services, and training. These service will be provided to students at attend Causeway Galveston GISD campuses.

Funding Source: Moody Foundation Causeway Galveston Grant

**RECOMMENDATION:** **I move that the Board approve the contract with Family Service Center for an amount not to exceed \$387,925.80 to provide mental health counseling funded by the Moody Foundation Causeway Galveston Grant for the period of September 1, 2022 through August 31, 2023.**

  
\_\_\_\_\_  
**Jerry Gibson**  
Superintendent

  
\_\_\_\_\_  
**Annette Scott**  
Assistant Superintendent

# Action Sheet

**MEETING DATE:** August 3, 2022

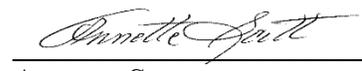
**AGENDA ITEM:** **Discuss and consider a contract with UTMB - BHAR for an amount not to exceed \$239,085.84 to provide mental health counseling funded by the Moody Foundation Causeway Galveston Grant for the period September 1, 2022 through August 31, 2023.**

GISD was awarded the Moody Foundation Causeway Galveston Grant in the amount of \$7,557,956 million. This application was approved by the board in March of 2018. GISD will contract with Family Service Center to fund personnel, mental health services, and training. These service will be provided to students at attend Causeway Galveston GISD campuses.

Funding Source: Moody Foundation Causeway Galveston Grant

**RECOMMENDATION:** **I move that the Board approve the contract with UTMB BHAR for an amount not to exceed \$239,085.84 to provide mental health counseling funded by the Moody Foundation Causeway Galveston Grant for the period of September 1, 2022 through August 31, 2023.**

  
\_\_\_\_\_  
**Jerry Gibson**  
Superintendent

  
\_\_\_\_\_  
**Annette Scott**  
Assistant Superintendent

# Action Sheet

**MEETING DATE:** August 3, 2022

**AGENDA ITEM:** Discuss and approve the Student Code of Conduct for 2022-2023.

State law requires the Board to approve the Student Code of Conduct. The District's Code stands as an authoritative document and once adopted has the force of policy. TASB provides a model for district to use which addresses the changes that occurred as a result of the 87<sup>th</sup> Legislative Session. Although 2022 is a non-legislative year; districts are still required to approve the Student Code of Conduct annually.

**RECOMMENDATION:** I move that the Board of Trustees approve the Student Code of Conduct for 2022-2023.

  
\_\_\_\_\_  
**Dr. Jerry Gibson**  
Superintendent



**Galveston Independent  
School District**

**Student Code of Conduct  
2022-2023**

## **Galveston Independent School District**

3904 Avenue T  
Galveston, Texas 77550

### **Mission Statement**

Educate, Engage, and Empower EACH student for a life of Excellence

### **Vision Statement**

Island of Excellence – World of Opportunity

### **Board of Trustees**

Anthony Brown, President  
Johnny Smecca, Vice President  
Shae Jobe, Secretary

Elizabeth Beeton  
Mindy Lakin  
Ann Masel  
David O'Neal

### **Superintendent**

Dr. Jerry Gibson

### **Board Meetings**

The Board of Trustees meets on the third Wednesday of each month in the Board Room of the Lovenberg Support Center, 3904 Avenue T. Notices of meetings are distributed to the news media 72 hours in advance of the meetings and are posted in the GISD Lovenberg Administration Building.

## ACKNOWLEDGMENT

### *Student Code of Conduct and Student Handbook Electronic Distribution*

Dear Student and Parent:

As required by state law, the board of trustees has officially adopted the Student Code of Conduct in order to promote a safe and orderly learning environment for every student.

We urge you to read this publication thoroughly and to discuss it with your family. If you have any questions about the required conduct and consequences for misconduct, we encourage you to ask for an explanation from the student's teacher or appropriate campus administrator.

The student and parent should each sign this page in the space provided below, and then return the page to the student's school.

Thank you,

**Dr. Jerry Gibson**  
**Superintendent of Schools**

We acknowledge that we have been offered the option to receive a paper copy of **the Galveston Independent School District Student Code of Conduct and Student Handbook for the 2022-2023** school year or to electronically access them on the district's website at [www.gisd.org](http://www.gisd.org). We understand that students will be held accountable for their behavior and will be subject to the disciplinary consequences outlined in the Code.

We have chosen to:

- Receive a paper copy of the Student Code of Conduct and the Student Handbook.
- Accept responsibility for accessing the Student Code of Conduct and the Student Handbook on the district's website.

Print name of student: \_\_\_\_\_

Signature of student: \_\_\_\_\_

Print name of parent: \_\_\_\_\_

Signature of parent: \_\_\_\_\_

Date: \_\_\_\_\_

School: \_\_\_\_\_ Grade level: \_\_\_\_\_

Please sign this page, remove it, and return it to the student's school. Thank you.

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# **Galveston ISD Student Code of Conduct**

2022–23 School Year

If you have difficulty accessing the information in this document because of disability, please contact [communications@gisd.org](mailto:communications@gisd.org) and 409-766-5146.

# Galveston ISD Student Code of Conduct

## Student Code of Conduct

### Accessibility

If you have difficulty accessing the information in this document because of disability, please contact Stephanie Fontenot, Communications Director, and [stephaniefontenot@gisd.org](mailto:stephaniefontenot@gisd.org) or 409-766-5146.

### Purpose

The Student Code of Conduct (“Code”), as required by Chapter 37 of the Texas Education Code, provides methods and options for managing student behavior, preventing and intervening in student discipline problems, and imposing discipline.

The law requires the district to define misconduct that may—or must—result in a range of specific disciplinary consequences, including removal from a regular classroom or campus, out-of-school suspension, placement in a disciplinary alternative education program (DAEP), placement in a juvenile justice alternative education program (JJAEP), or expulsion from school.

This Student Code of Conduct has been adopted by the *Galveston ISD* board of trustees and developed with the advice of the district-level planning and decision-making committee. It provides information to parents and students regarding standards of conduct, consequences of misconduct, and procedures for administering discipline. This Code remains in effect during summer school and at all school-related events and activities outside the school year until the board adopts an updated version for the next school year.

In accordance with state law, the Code shall be posted at each school campus or shall be available for review at the campus principal’s office. Additionally, the Code shall be available at the campus behavior coordinator’s office and posted on the district’s website [www.gisd.org](http://www.gisd.org). Parents shall be notified of any conduct violation that may result in a student being suspended, placed in a DAEP or JJAEP, expelled, or taken into custody by a law enforcement officer under Chapter 37 of the Education Code.

Because the Student Code of Conduct is adopted by the district’s board of trustees, it has the force of policy. In the event of a conflict between the Code and the Student Handbook, the Code shall prevail.

**Please note:** The discipline of students with disabilities who are eligible for services under federal law (Individuals with Disabilities Education Act and Section 504 of the Rehabilitation Act of 1973) is subject to the provisions of those laws.

## **School District Authority and Jurisdiction**

School rules and the district's authority to administer discipline apply whenever the interest of the district is involved, on or off school grounds, in conjunction with or independent of classes and school-sponsored activities.

The district has disciplinary authority over a student:

1. During the regular school day;
2. While the student is traveling on district transportation;
3. During lunch periods in which a student is allowed to leave campus;
4. At any school-related activity, regardless of time or location;
5. For any school-related misconduct, regardless of time or location;
6. When retaliation against a school employee, board member, or volunteer occurs or is threatened, regardless of time or location;
7. When a student engages in cyberbullying, as defined by Education Code 37.0832;
8. When criminal mischief is committed on or off school property or at a school-related event;
9. For certain offenses committed within 300 feet of school property as measured from any point on the school's real property boundary line;
10. For certain offenses committed while on school property or while attending a school-sponsored or school-related activity of another district in Texas;
11. When the student commits a felony, as provided by Education Code 37.006 or 37.0081; and
12. When the student is required to register as a sex offender.

### **Campus Behavior Coordinator**

As required by law, a person at each campus must be designated to serve as the campus behavior coordinator. The designated person may be the principal or any other campus administrator selected by the principal. The campus behavior coordinator is primarily responsible for maintaining student discipline. The district shall post on its website and in the Student Handbook, for each campus, the email address and telephone number of the person serving as campus behavior coordinator. Contact information may be found at [www.gisd.org](http://www.gisd.org).

### **Threat Assessment and Safe and Supportive School Team**

The campus behavior coordinator or other appropriate administrator will work closely with the campus threat assessment safe and supportive school team to implement the district's threat assessment policy and procedures, as required by law, and shall take appropriate disciplinary action in accordance with the Code.

### **Searches**

District officials may conduct searches of students, their belongings, and their vehicles in accordance with state and federal law and district policy. Searches of students shall be conducted in a reasonable and nondiscriminatory manner. Refer to the district's policies at FNF(LEGAL) and FNF(LOCAL) for more information regarding investigations and searches.

The district has the right to search a vehicle driven to school by a student and parked on school property whenever there is reasonable suspicion to believe it contains articles or materials prohibited by the district.

Desks, lockers, district-provided technology, and similar items are the property of the district and are provided for student use as a matter of convenience. District property is subject to search or inspection at any time without notice.

### **Reporting Crimes**

The principal *or* campus behavior coordinator and other school administrators as appropriate shall report crimes as required by law and shall call local law enforcement when an administrator suspects that a crime has been committed on campus.

### **Security Personnel**

To ensure the security and protection of students, staff, and property, the board employs police officers and security personnel. In accordance with law, the board has coordinated with the campus behavior coordinator and other district employees to ensure appropriate law enforcement duties are assigned to security staff. The law enforcement duties of district peace officers are listed in policy CKE(LOCAL).

Police officers employed by the District shall have all the powers, privileges, and immunities of police officers on or off duty within the jurisdiction of the District. Subject to limitations in law, District police officers shall have the authority to:

1. Protect the safety and welfare of any person in the jurisdiction of the District and protect the property of the District.
2. Enforce all laws, including municipal ordinances, county ordinances, and state laws, and investigate violations of law as needed. In doing so, District police officers may serve search warrants in connection with District-related investigations in compliance with the Texas Code of Criminal Procedure.
3. Arrest suspects consistent with state and federal statutory and constitutional standards governing arrests, including arrests without warrant, for offenses that occur in the officer's presence or under the other rules set out in the Texas Code of Criminal Procedure.
4. Coordinate and cooperate with commissioned officers of all other law enforcement agencies in the enforcement of this policy as necessary.
5. Enforce District policies, rules, and regulations on District property, in school zones, at bus stops, or at District functions.
6. Investigate violations of District policy, rules, and regulations as requested by the Superintendent and participate in hearings concerning alleged violations.
7. Carry weapons as directed by the chief of police and approved by the Superintendent.
8. Carry out all other duties as directed by the chief of police or Superintendent.

### **“Parent” Defined**

Throughout the Code of Conduct and related discipline policies, the term “parent” includes a parent, legal guardian, or other person having lawful control of the child.

### **Participating in Graduation Activities**

The district has the right to limit a student’s participation in graduation activities for violating the district’s Code.

Participation might include a speaking role, as established by district policy and procedures.

Students eligible to give the opening and closing remarks at graduation shall be notified by the campus principal. Notwithstanding any other eligibility requirements, in order to be considered eligible, a student shall not have engaged in any misconduct that resulted in an out-of-school suspension, removal to a DAEP, or expulsion during the semester immediately preceding graduation.

The valedictorian and salutatorian may also have speaking roles at graduation. No student shall be eligible to have such a speaking role if he or she engaged in any misconduct that resulted in an out-of-school suspension, removal to a DAEP, or expulsion during the semester immediately preceding graduation.

### **Unauthorized Persons**

In accordance with Education Code 37.105, a school administrator, school resource officer (SRO), or district police officer shall have the authority to refuse entry to or eject a person from district property if the person refuses to leave peaceably on request and:

1. The person poses a substantial risk of harm to any person; or
2. The person behaves in a manner that is inappropriate for a school setting and persists in the behavior after being given a verbal warning that the behavior is inappropriate and may result in refusal of entry or ejection.

Appeals regarding refusal of entry or ejection from district property may be filed in accordance with policies FNG(LOCAL) or GF(LOCAL), as appropriate. However, the timelines for the district’s grievance procedures shall be adjusted as necessary to permit the person to address the board in person within 90 calendar days, unless the complaint is resolved before a board hearing.

See **DAEP—Restrictions During Placement** on page 21 for information regarding a student assigned to DAEP at the time of graduation.

## **Standards for Student Conduct**

Each student is expected to:

- Demonstrate courtesy, even when others do not.
- Behave in a responsible manner.
- Exercise self-discipline.
- Attend all classes regularly and on time.
- Bring appropriate materials and assignments to class.
- Meet district and campus standards of grooming and dress.
- Obey all campus and classroom rules.
- Respect the rights and privileges of students, teachers, and other district staff and volunteers.
- Respect the property of others, including district property and facilities.
- Cooperate with and assist the school staff in maintaining safety, order, and discipline.
- Adhere to the requirements of the Student Code of Conduct.

## **General Conduct Violations**

The categories of conduct below are prohibited at school, in vehicles owned or operated by the district, and at all school-related activities, but the list does not include the most severe offenses. In the subsequent sections on **Out-of-School Suspension** on page 15, **DAEP Placement** on page 16, **Placement and/or Expulsion for Certain Offenses** on page 24, and **Expulsion** on page 27, those offenses that require or permit specific consequences are listed. Any offense, however, may be severe enough to result in **Removal from the Regular Educational Setting** as detailed on page 14.

### **Disregard for Authority**

Students shall not:

- Fail to comply with directives given by school personnel.
- Leave school grounds or school-sponsored events without permission.
- Disobey rules for conduct in district vehicles.
- Refuse to accept discipline or consequence assigned by a teacher or principal.

### **Mistreatment of Others**

Students shall not:

- Use profanity or vulgar language or make obscene gestures.
- Fight or scuffle. (For assault, see **DAEP—Placement and/or Expulsion for Certain Offenses** on page 24.)
- Threaten a district student, employee, or volunteer, including off school property if the conduct causes a substantial disruption to the educational environment.
- Engage in bullying, cyberbullying, harassment, or making hit lists. (See **glossary** for all four terms.)
- Release or threaten to release intimate visual material of a minor or a student who is 18 years of age or older without the student's consent.
- Engage in sexual or gender-based harassment or sexual abuse, whether by word, gesture, or any other conduct directed toward another person, including a district student, employee, board member, or volunteer.
- Engage in conduct that constitutes dating violence. (See **glossary**.)
- Engage in inappropriate or indecent exposure of private body parts.
- Participate in hazing. (See **glossary**.)
- Coerce an individual to act through the use or threat of force.
- Commit extortion or blackmail.
- Engage in inappropriate verbal, physical, or sexual conduct directed toward another person, including a district student, employee, or volunteer.
- Record the voice or image of another without the prior consent of the individual being recorded or in any way that disrupts the educational environment or invades the privacy of others.

## **Property Offenses**

Students shall not:

- Damage or vandalize property owned by others. (For felony criminal mischief, see **DAEP— Placement and/or Expulsion for Certain Offenses** on page 24.)
- Deface or damage school property, including textbooks, technology and electronic resources, lockers, furniture, and other equipment, with graffiti or by other means.
- Steal from students, staff, or the school.
- Commit or assist in a robbery or theft, even if it does not constitute a felony according to the Penal Code. (For felony robbery, aggravated robbery, and theft, see **DAEP— Placement and/or Expulsion for Certain Offenses** on page 24.)
- Enter, without authorization, district facilities that are not open for operations.

## **Possession of Prohibited Items**

Students shall not possess or use:

- Fireworks of any kind, smoke or stink bombs, or any other pyrotechnic device;
- A razor, box cutter, chain, or any other object used in a way that threatens or inflicts bodily injury to another person;
- A “look-alike” weapon that is intended to be used as a weapon or could reasonably be perceived as a weapon;
- An air gun or BB gun;
- Ammunition;
- A hand instrument designed to cut or stab another by being thrown;
- A firearm silencer or suppressor;
- \*A location-restricted knife;
- \*A club;
- \*A firearm;
- A stun gun;
- Knuckles;
- A pocketknife or any other small knife;
- Mace or pepper spray;
- Pornographic material;
- Tobacco products, cigarettes, e-cigarettes, and any component, part, or accessory for an e-cigarette device;
- Matches or a lighter;
- A laser pointer, unless it is for an approved use; or
- Any articles not generally considered to be weapons, including school supplies, when the principal or designee determines that a danger exists.

\*For weapons and firearms, see **DAEP—Placement and/or Expulsion for Certain Offenses** on page 24. In many circumstances, possession of these items is punishable by mandatory expulsion under federal or state law.

### **Possession of Telecommunications or Other Electronic Devices**

Students shall not:

- Use a telecommunications device, including a cell phone, or other electronic device in violation of district and campus rules.

### **Illegal, Prescription, and Over-the-Counter Drugs**

Students shall not:

- Possess, use, give, or sell alcohol or an illegal drug. (Also see **DAEP Placement** on page 16 and **Expulsion** on page 27 for mandatory and permissive consequences under state law.)
- Possess or sell seeds or pieces of marijuana in less than a usable amount.
- Possess, use, give, or sell paraphernalia related to any prohibited substance. (See **glossary** for “paraphernalia.”)
- Possess, use, abuse, or sell look-alike drugs or attempt to pass items off as drugs or contraband.
- Abuse the student’s own prescription drug, give a prescription drug to another student, or possess or be under the influence of another person’s prescription drug on school property or at a school-related event. (See **glossary** for “abuse.”)
- Abuse over-the-counter drugs. (See **glossary** for “abuse.”)
- Be under the influence of prescription or over-the-counter drugs that cause impairment to body or mind. (See **glossary** for “under the influence.”)
- Have or take prescription drugs or over-the-counter drugs at school other than as provided by district policy.

### **Misuse of Technology Resources and the Internet**

Students shall not:

- Violate policies, rules, or agreements signed by the student or the student’s parent regarding the use of technology resources.
- Attempt to access or circumvent passwords or other security-related information of the district, students, or employees or upload or create computer viruses, including off school property if the conduct causes a substantial disruption to the educational environment.
- Attempt to alter, destroy, or disable district technology resources including, but not limited to, computers and related equipment, district data, the data of others, or other networks connected to the district’s system, including off school property if the conduct causes a substantial disruption to the educational environment.
- Use the internet or other electronic communications to threaten or harass district students, employees, board members, or volunteers, including off school property if the conduct causes a substantial disruption to the educational environment or infringes on the rights of another student at school.

## *General Conduct Violations*

- Send, post, deliver, or possess electronic messages that are abusive, obscene, sexually oriented, threatening, harassing, damaging to another's reputation, or illegal, including cyberbullying and "sexting," either on or off school property, if the conduct causes a substantial disruption to the educational environment or infringes on the rights of another student at school.
- Use the internet or other electronic communication to engage in or encourage illegal behavior or threaten school safety, including off school property if the conduct causes a substantial disruption to the educational environment or infringes on the rights of another student at school.

### **Safety Transgressions**

Students shall not:

- Possess published or electronic material that is designed to promote or encourage illegal behavior or that could threaten school safety.
- Engage in verbal (oral or written) exchanges that threaten the safety of another student, a school employee, or school property.
- Make false accusations or perpetrate hoaxes regarding school safety.
- Engage in any conduct that school officials might reasonably believe will substantially disrupt the school program or incite violence.
- Throw objects that can cause bodily injury or property damage.
- Discharge a fire extinguisher without valid cause.

### **Miscellaneous Offenses**

Students shall not:

- Violate dress and grooming standards as communicated in the Student Handbook.
- Engage in academic dishonesty, which includes cheating or copying the work of another student, plagiarism, and unauthorized communication between students during an examination.
- Gamble.
- Falsify records, passes, or other school-related documents.
- Engage in actions or demonstrations that substantially disrupt or materially interfere with school activities.
- Repeatedly violate other communicated campus or classroom standards of conduct.

The district may impose campus or classroom rules in addition to those found in the Code. These rules may be posted in classrooms or given to the student and may or may not constitute violations of the Code.

## **Discipline Management Techniques**

Discipline shall be designed to improve conduct and encourage students to be responsible members of the school community. Disciplinary action shall draw on the professional judgment of teachers and administrators and on a range of discipline management techniques, including restorative practices. Discipline shall be based on the seriousness of the offense, the student's age and grade level, the frequency of misbehavior, the student's attitude, the effect of the misconduct on the school environment, and statutory requirements.

### **Students with Disabilities**

The discipline of students with disabilities is subject to applicable state and federal law in addition to the Student Code of Conduct. In the event of any conflict, the district shall comply with federal law. For more information regarding discipline of students with disabilities, see policy FOF(LEGAL).

In accordance with the Education Code, a student who receives special education services may not be disciplined for conduct meeting the definition of bullying, cyberbullying, harassment, or making hit lists (see **glossary**) until an ARD committee meeting has been held to review the conduct.

In deciding whether to order suspension, DAEP placement, or expulsion, regardless of whether the action is mandatory or discretionary, the district shall take into consideration a disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct.

### **Techniques**

The following discipline management techniques may be used alone, in combination, or as part of progressive interventions for behavior prohibited by the Student Code of Conduct or by campus or classroom rules:

- Verbal correction, oral or written.
- Cooling-off time or a brief "time-out" period, in accordance with law.
- Seating changes within the classroom or vehicles owned or operated by the district.
- Temporary confiscation of items that disrupt the educational process.
- Rewards or demerits.
- Behavioral contracts.
- Counseling by teachers, school counselors, or administrative personnel.
- Parent-teacher conferences.
- Behavior coaching.
- Anger management classes.
- Mediation (victim-offender).
- Classroom circles.
- Family group conferencing.
- Grade reductions for cheating, plagiarism, and as otherwise permitted by policy.

- Detention, including outside regular school hours.
- Sending the student to the office, another assigned area, or to in-school suspension.
- Assignment of school duties, such as cleaning or picking up litter.
- Withdrawal of privileges, such as participation in extracurricular activities, eligibility for seeking and holding honorary offices, or membership in school-sponsored clubs and organizations.
- Penalties identified in student organizations' extracurricular standards of behavior.
- Restriction or revocation of district transportation privileges.
- School-assessed and school-administered probation.
- Corporal punishment, unless the student's parent or guardian has provided a signed statement prohibiting its use.
- Out-of-school suspension, as specified in **Out-of-School Suspension** on page 15.
- Placement in a DAEP, as specified in **DAEP** on page 16.
- Expulsion and/or placement in an alternative educational setting, as specified in **Placement and/or Expulsion for Certain Offenses** on page 24.
- Expulsion, as specified in **Expulsion** on page 27.
- Referral to an outside agency or legal authority for criminal prosecution in addition to disciplinary measures imposed by the district.
- Other strategies and consequences as determined by school officials.

### **Prohibited Aversive Techniques**

Aversive techniques are prohibited for use with students and are defined as techniques or interventions intended to reduce the reoccurrence of a behavior by intentionally inflicting significant physical or emotional discomfort or pain. Aversive techniques include:

- Using techniques designed or likely to cause physical pain, other than corporal punishment as permitted by district policy. [See policy FO(LOCAL).]
- Using techniques designed or likely to cause physical pain by electric shock or any procedure involving pressure points or joint locks.
- Directed release of noxious, toxic, or unpleasant spray, mist, or substance near a student's face.
- Denying adequate sleep, air, food, water, shelter, bedding, physical comfort, supervision, or access to a restroom facility.
- Ridiculing or demeaning a student in a manner that adversely affects or endangers the learning or mental health of the student or constitutes verbal abuse.
- Employing a device, material, or object that immobilizes all four of a student's extremities, including prone or supine floor restraint.
- Impairing the student's breathing, including applying pressure to the student's torso or neck or placing something in, on, or over the student's mouth or nose or covering the student's face.

- Restricting the student's circulation.
- Securing the student to a stationary object while the student is standing or sitting.
- Inhibiting, reducing, or hindering the student's ability to communicate.
- Using chemical restraints.
- Using time-out in a manner that prevents the student from being able to be involved in and progress appropriately in the required curriculum or any applicable individualized education program (IEP) goals, including isolating the student using physical barriers.
- Depriving the student of one or more of the student's senses, unless the technique does not cause the student discomfort or complies with the student's IEP or behavior intervention plan (BIP).

### **Notification**

The campus behavior coordinator shall promptly notify a student's parent by phone or in person of any violation that may result in in-school or out-of-school suspension, placement in a DAEP, placement in a JJAEP, or expulsion. The campus behavior coordinator shall also notify a student's parent if the student is taken into custody by a law enforcement officer under the disciplinary provisions of the Education Code.

A good-faith effort shall be made to provide written notice of the disciplinary action to the student, on the day the action was taken, for delivery to the student's parent. If the parent has not been reached by telephone or in person by 5:00 p.m. of the first business day after the day the disciplinary action was taken, the campus behavior coordinator shall send written notification by U.S. Mail. If the campus behavior coordinator is not able to provide notice to the parent, the principal or designee shall provide the notice.

Before the principal or appropriate administrator assigns a student under age 18 to detention outside regular school hours, notice shall be given to the student's parent to inform him or her of the reason for the detention and permit arrangements for necessary transportation.

### **Appeals**

Questions from parents regarding disciplinary measures should be addressed to the teacher, campus administration, or campus behavior coordinator, as appropriate. Appeals or complaints regarding the use of specific discipline management techniques should be addressed in accordance with policy FNG(LOCAL). A copy of the policy may be obtained from the principal's office, the campus behavior coordinator's office, or the central administration office or through Policy On Line at the following address: [www.gisd.org](http://www.gisd.org).

The district shall not delay a disciplinary consequence while a student or parent pursues a grievance. In the instance of a student who is accused of conduct that meets the definition of sexual harassment as defined by Title IX, the district will comply with applicable federal law, including the Title IX formal complaint process. See policies FFH(LEGAL) and (LOCAL).

## **Removal from the School Bus**

A bus driver may refer a student to the principal's office or the campus behavior coordinator's office to maintain effective discipline on the bus. The principal or campus behavior coordinator must employ additional discipline management techniques, as appropriate, which can include restricting or revoking a student's bus riding privileges.

To transport students safely, the vehicle operator must focus on driving and not be distracted by student misbehavior. Therefore, when appropriate disciplinary management techniques fail to improve student behavior or when specific misconduct warrants immediate removal, the principal or the campus behavior coordinator may restrict or revoke a student's transportation privileges, in accordance with law.

## **Removal from the Regular Educational Setting**

In addition to other discipline management techniques, misconduct may result in removal from the regular educational setting in the form of a routine referral or a formal removal.

### **Routine Referral**

A routine referral occurs when a teacher sends a student to the campus behavior coordinator's office as a discipline management technique. The campus behavior coordinator shall employ alternative discipline management techniques, including progressive interventions. A teacher or administrator may remove a student from class for behavior that violates this Code to maintain effective discipline in the classroom.

### **Formal Removal**

A teacher may initiate a formal removal from class if:

1. A student's behavior has been documented by the teacher as repeatedly interfering with the teacher's ability to teach the class or with other students' ability to learn; or
2. The behavior is so unruly, disruptive, or abusive that the teacher cannot teach, and the students in the classroom cannot learn.

Within three school days of the formal removal, the campus behavior coordinator or appropriate administrator shall schedule a conference with the student's parent, the student, the teacher who removed the student from class, and any other appropriate administrator.

At the conference, the campus behavior coordinator or appropriate administrator shall inform the student of the alleged misconduct and the proposed consequences. The student shall have an opportunity to respond to the allegations.

When a student is removed from the regular classroom by a teacher and a conference is pending, the campus behavior coordinator or other administrator may place the student in:

- Another appropriate classroom.
- In-school suspension.
- Out-of-school suspension.
- DAEP.

A teacher or administrator must remove a student from class if the student engages in behavior that under the Education Code requires or permits the student to be placed in a DAEP or expelled. When removing for those reasons, the procedures in the subsequent sections on DAEP or expulsion shall be followed.

### **Returning a Student to the Classroom**

A student who has been formally removed from class by a teacher for conduct against the teacher containing the elements of assault, aggravated assault, sexual assault, or aggravated sexual assault may not be returned to the teacher's class without the teacher's consent.

A student who has been formally removed by a teacher for any other conduct may be returned to the teacher's class without the teacher's consent if the placement review committee determines that the teacher's class is the best or only alternative available.

## **Out-of-School Suspension**

### **Misconduct**

Students may be suspended for behavior listed in the Code as a general conduct violation, DAEP offense, or expellable offense.

The district shall not use out-of-school suspension for students in grade 2 or below unless the conduct meets the requirements established in law.

A student below grade 3 or a student who is homeless shall not be placed in out-of-school suspension unless, while on school property or while attending a school-sponsored or school-related activity on or off school property, the student engages in:

- Conduct that contains the elements of a weapons offense, as provided in Penal Code sections 46.02 or 46.05;
- Conduct that contains the elements of assault, sexual assault, aggravated assault, or aggravated sexual assault, as provided by the Penal Code; or
- Selling, giving, or delivering to another person or possessing, using, or being under the influence of any amount of marijuana, an alcoholic beverage, or a controlled substance or dangerous drug as defined by federal or state law.

The district shall use a positive behavior program as a disciplinary alternative for students below grade 3 who commit general conduct violations instead of suspension or placement in a DAEP. The program shall meet the requirements of law.

### **Process**

State law allows a student to be suspended for no more than three school days per behavior violation, with no limit on the number of times a student may be suspended in a semester or school year.

Before being suspended a student shall have an informal conference with the campus behavior coordinator or appropriate administrator, who shall inform the student of the alleged misconduct and give the student an opportunity to respond to the allegation before the administrator makes a decision.

The campus behavior coordinator shall determine the number of days of a student's suspension, not to exceed three school days.

In deciding whether to order out-of-school suspension, the campus behavior coordinator shall take into consideration:

1. Self-defense (see **glossary**),
2. Intent or lack of intent at the time the student engaged in the conduct,
3. The student's disciplinary history,
4. A disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct,
5. A student's status in the conservatorship of the Department of Family and Protective Services (foster care), or
6. A student's status as homeless.

The appropriate administrator shall determine any restrictions on participation in school-sponsored or school-related extracurricular and cocurricular activities.

### **Coursework During Suspension**

The district shall ensure a student receives access to coursework for foundation curriculum courses while the student is placed in in-school or out-of-school suspension, including at least one method of receiving this coursework that doesn't require the use of the internet.

A student removed from the regular classroom to in-school suspension or another setting, other than a DAEP, will have an opportunity before the beginning of the next school year to complete each course the student was enrolled in at the time of removal. The district may provide the opportunity by any method available, including a correspondence course, another distance learning option, or summer school. The district will not charge the student for any method of completion provided by the district.

## **Disciplinary Alternative Education Program (DAEP) Placement**

The DAEP shall be provided in a setting other than the student's regular classroom. An elementary school student may not be placed in a DAEP with a student who is not an elementary school student.

For purposes of DAEP, elementary classification shall be kindergarten–grade 4 and secondary classification shall be grades 5–12.

A student who is expelled for an offense that otherwise would have resulted in a DAEP placement does not have to be placed in a DAEP in addition to the expulsion.

In deciding whether to place a student in a DAEP, regardless of whether the action is mandatory or discretionary, the campus behavior coordinator shall take into consideration:

1. Self-defense (see **glossary**),
2. Intent or lack of intent at the time the student engaged in the conduct,
3. The student's disciplinary history,
4. A disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct,
5. A student's status in the conservatorship of the Department of Family and Protective Services (foster care), or
6. A student's status as homeless.

### **Discretionary Placement: Misconduct That May Result in DAEP Placement**

A student may be placed in a DAEP for behaviors prohibited in the General Conduct Violations section of this Code.

#### **Misconduct Identified in State Law**

In accordance with state law, a student **may** be placed in a DAEP for any of the following offenses:

- Engaging in bullying that encourages a student to commit or attempt to commit suicide.
- Inciting violence against a student through group bullying.
- Releasing or threatening to release intimate visual material of a minor or of a student who is 18 years of age or older without the student's consent.
- Involvement in a public school fraternity, sorority, or secret society, or gang including participating as a member or pledge, or soliciting another person to become a pledge or member of a public school fraternity, sorority, secret society, or gang. (See **glossary**.)
- Involvement in criminal street gang activity. (See **glossary**.)
- Any criminal mischief, including a felony.
- Assault (no bodily injury) with threat of imminent bodily injury.
- Assault by offensive or provocative physical contact.

In accordance with state law, a student **may** be placed in a DAEP if the superintendent or the superintendent's designee has reasonable belief (see **glossary**) that the student engaged in conduct punishable as a felony, other than aggravated robbery or those listed as offenses in

## *Disciplinary Alternative Education Program (DAEP) Placement*

Title 5 (see **glossary**) of the Penal Code, that occurs off school property and not at a school-sponsored or school-related event, if the student's presence in the regular classroom threatens the safety of other students or teachers or will be detrimental to the educational process.

The campus behavior coordinator **may** place a student in a DAEP for off-campus conduct for which DAEP placement is required by state law if the administrator does not have knowledge of the conduct before the first anniversary of the date the conduct occurred.

### **Mandatory Placement: Misconduct That Requires DAEP Placement**

A student **must** be placed in a DAEP if the student:

- Engages in conduct relating to a false alarm or report (including a bomb threat) or a terroristic threat involving a public school. (See **glossary**.)
- Commits the following offenses on school property, within 300 feet of school property as measured from any point on the school's real property boundary line, or while attending a school-sponsored or school-related activity on or off school property:
  - Engages in conduct punishable as a felony.
  - Commits an assault (see **glossary**) under Penal Code 22.01(a)(1).
  - Sells, gives, or delivers to another person or possesses, uses, or is under the influence of marijuana, a controlled substance, or a dangerous drug in an amount not constituting a felony offense. A student with a valid prescription for low-THC cannabis as authorized by Chapter 487 of the Health and Safety Code does not violate this provision. (School-related felony drug offenses are addressed in **Expulsion** on page 27.) (See **glossary** for "under the influence" "controlled substance," and "dangerous drug.")
  - Sells, gives, or delivers to another person an alcoholic beverage; commits a serious act or offense while under the influence of alcohol; or possesses, uses, or is under the influence of alcohol, if the conduct is not punishable as a felony offense. (School-related felony alcohol offenses are addressed in **Expulsion** on page 27.)
  - Behaves in a manner that contains the elements of an offense relating to abusable volatile chemicals.
  - Behaves in a manner that contains the elements of the offense of public lewdness or indecent exposure. (See **glossary**.)
  - Engages in conduct that contains the elements of an offense of harassment against an employee under Penal Code 42.07(a)(1), (2), (3), or (7).
- Engages in expellable conduct and is between six and nine years of age.
- Commits a federal firearms violation and is younger than six years of age.
- Engages in conduct that contains the elements of the offense of retaliation against any school employee or volunteer on or off school property. (Committing retaliation in combination with another expellable offense is addressed in **Expulsion** on page 27.)
- Engages in conduct punishable as aggravated robbery or a felony listed under Title 5 (see **glossary**) of the Penal Code when the conduct occurs off school property and not at a school-sponsored or school-related event and:
  1. The student receives deferred prosecution (see **glossary**),
  2. A court or jury finds that the student has engaged in delinquent conduct (see **glossary**), or

## *Disciplinary Alternative Education Program (DAEP) Placement*

3. The superintendent or designee has a reasonable belief (see **glossary**) that the student engaged in the conduct.

### **Sexual Assault and Campus Assignments**

A student shall be transferred to another campus if:

- The student has been convicted of continuous sexual abuse of a young child or disabled individual or convicted of or placed on deferred adjudication for sexual assault or aggravated sexual assault against another student on the same campus; and
- The victim's parent or another person with the authority to act on behalf of the victim requests that the board transfer the offending student to another campus.

If there is no other campus in the district serving the grade level of the offending student, the offending student shall be transferred to a DAEP.

### **Process**

Removals to a DAEP shall be made by the campus behavior coordinator.

### **Conference**

When a student is removed from class for a DAEP offense, the campus behavior coordinator or appropriate administrator shall schedule a conference within three school days with the student's parent, the student, and, in the case of a teacher removal, the teacher.

At the conference, the campus behavior coordinator or appropriate administrator shall provide the student:

- Information, orally or in writing, of the reasons for the removal;
- An explanation of the basis for the removal; and
- An opportunity to respond to the reasons for the removal.

Following valid attempts to require attendance, the district may hold the conference and make a placement decision regardless of whether the student or the student's parents attend the conference.

### **Consideration of Mitigating Factors**

In deciding whether to place a student in a DAEP, regardless of whether the action is mandatory or discretionary, the campus behavior coordinator shall take into consideration:

1. Self-defense (see **glossary**),
2. Intent or lack of intent at the time the student engaged in the conduct,
3. The student's disciplinary history,
4. A disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct,
5. A student's status in the conservatorship of the Department of Family and Protective Services (foster care), or
6. A student's status as homeless.

## *Disciplinary Alternative Education Program (DAEP) Placement*

### **Placement Order**

After the conference, if the student is placed in a DAEP, the campus behavior coordinator shall write a placement order. A copy of the DAEP placement order shall be sent to the student and the student's parent.

Not later than the second business day after the conference, the board's designee shall deliver to the juvenile court a copy of the placement order and all information required by Section 52.04 of the Family Code.

If the student is placed in a DAEP and the length of placement is inconsistent with the guidelines included in this Code, the placement order shall give notice of the inconsistency.

### **Coursework Notice**

The parent or guardian of a student placed in DAEP shall be given written notice of the student's opportunity to complete, at no cost to the student, a foundation curriculum course in which the student was enrolled at the time of removal and which is required for graduation. The notice shall include information regarding all methods available for completing the coursework.

### **Length of Placement**

The campus behavior coordinator shall determine the duration of a student's placement in a DAEP.

The duration of a student's placement shall be determined case by case based on the seriousness of the offense, the student's age and grade level, the frequency of misconduct, the student's attitude, and statutory requirements.

The maximum period of DAEP placement shall be one calendar year, except as provided below.

Unless otherwise specified in the placement order, days absent from a DAEP shall not count toward fulfilling the total number of days required in a student's DAEP placement order.

The district shall administer the required pre- and post-assessments for students assigned to DAEP for a period of 90 days or longer in accordance with established district administrative procedures for administering other diagnostic or benchmark assessments.

### **Exceeds One Year**

Placement in a DAEP may exceed one year when a review by the district determines that the student is a threat to the safety of other students or to district employees.

The statutory limitations on the length of a DAEP placement do not apply to a placement resulting from the board's decision to place a student who engaged in the sexual assault of another student so that the students are not assigned to the same campus.

### **Exceeds School Year**

Students who are in a DAEP placement at the end of one school year may be required to continue that placement at the start of the next school year to complete the assigned term of placement.

For placement in a DAEP to extend beyond the end of the school year, the campus behavior coordinator or the board's designee must determine that:

1. The student's presence in the regular classroom or campus presents a danger of physical harm to the student or others, or

## *Disciplinary Alternative Education Program (DAEP) Placement*

2. The student has engaged in serious or persistent misbehavior (see **glossary**) that violates the district's Code.

### **Exceeds 60 Days**

For placement in a DAEP to extend beyond 60 days or the end of the next grading period, whichever is sooner, a student's parent shall be given notice and the opportunity to participate in a proceeding before the board or the board's designee.

### **Appeals**

Questions from parents regarding disciplinary measures should be addressed to the campus administration.

Student or parent appeals regarding a student's placement in a DAEP should be addressed in accordance with policy FNG(LOCAL). A copy of this policy may be obtained from the principal's office, the campus behavior coordinator's office, the central administration office, or through Policy On Line at the following address: <https://www.tasb.org/home.aspx>

Appeals shall begin at the lowest level administrator who has the authority to remedy the alleged problem. In most circumstances student and/or parent shall file a Level One Complaint with the campus principal. If the only administrator who has the authority to remedy the alleged problem is the Superintendent or designee, the complaint may begin at Level Two following the procedure including deadlines.

The district shall not delay disciplinary consequences pending the outcome of an appeal. The decision to place a student in a DAEP cannot be appealed beyond the board.

### **Restrictions During Placement**

State law prohibits a student placed in a DAEP for reasons specified in state law from attending or participating in school-sponsored or school-related extracurricular activities.

A student placed in a DAEP shall not be provided transportation unless he or she is a student with a disability who is entitled to transportation in accordance with the student's individualized education program (IEP) or Section 504 plan.

For seniors who are eligible to graduate and are assigned to a DAEP at the time of graduation, the last day of placement in the program shall be the last instructional day, and the student shall be allowed to participate in the graduation ceremony and related graduation activities unless otherwise specified in the DAEP placement order.

### **Placement Review**

A student placed in a DAEP shall be provided a review of his or her status, including academic status, by the campus behavior coordinator or the board's designee at intervals not to exceed 120 days. In the case of a high school student, the student's progress toward graduation and the student's graduation plan shall also be reviewed. At the review, the student or the student's parent shall be given the opportunity to present arguments for the student's return to the regular classroom or campus. The student may not be returned to the classroom of a teacher who removed the student without that teacher's consent.

### **Additional Misconduct**

If during the term of placement in a DAEP the student engages in additional misconduct for which placement in a DAEP or expulsion is required or permitted, additional proceedings may

## *Disciplinary Alternative Education Program (DAEP) Placement*

be conducted, and the campus behavior coordinator may enter an additional disciplinary order as a result of those proceedings.

### **Notice of Criminal Proceedings**

When a student is placed in a DAEP for certain offenses, the office of the prosecuting attorney shall notify the district if:

1. Prosecution of a student's case was refused for lack of prosecutorial merit or insufficient evidence, and no formal proceedings, deferred adjudication (see **glossary**), or deferred prosecution will be initiated; or
2. The court or jury found a student not guilty or made a finding that the student did not engage in delinquent conduct or conduct indicating a need for supervision, and the case was dismissed with prejudice.

If a student was placed in a DAEP for such conduct, on receiving the notice from the prosecutor, the superintendent or designee shall review the student's placement and schedule a review with the student's parent not later than the third day after the superintendent or designee receives notice from the prosecutor. The student may not be returned to the regular classroom pending the review.

After reviewing the notice and receiving information from the student's parent, the superintendent or designee may continue the student's placement if there is reason to believe that the presence of the student in the regular classroom threatens the safety of other students or teachers.

The student or the student's parent may appeal the superintendent's decision to the board. The student may not be returned to the regular classroom pending the appeal. In the case of an appeal, the board shall, at the next scheduled meeting, review the notice from the prosecutor and receive information from the student, the student's parent, and the superintendent or designee, and confirm or reverse the decision of the superintendent or designee. The board shall make a record of the proceedings.

If the board confirms the decision of the superintendent or designee, the student and the student's parent may appeal to the Commissioner of Education. The student may not be returned to the regular classroom pending the appeal.

### **Withdrawal During Process**

When a student violates the district's Code in a way that requires or permits the student to be placed in a DAEP and the student withdraws from the district before a placement order is completed, the campus behavior coordinator may complete the proceedings and issue a placement order. If the student then re-enrolls in the district during the same or a subsequent school year, the district may enforce the order at that time, less any period of the placement that has been served by the student during enrollment in another district. If the campus behavior coordinator or the board fails to issue a placement order after the student withdraws, the next district in which the student enrolls may complete the proceedings and issue a placement order.

### **Newly Enrolled Students**

The district shall decide on a case-by-case basis whether to continue the placement of a student who enrolls in the district and was assigned to a DAEP in an open-enrollment charter school or another district including a district in another state. The district may place the student in the district's DAEP or a regular classroom setting.

## *Disciplinary Alternative Education Program (DAEP) Placement*

When a student enrolls in the district with a DAEP placement from a district in another state, the district has the right to place the student in DAEP to the same extent as any other newly enrolled student if the behavior committed is a reason for DAEP placement in the receiving district.

State law requires the district to reduce a placement imposed by a district in another state that exceeds one year so that the total placement does not exceed one year. After a review, however, the placement may be extended beyond a year if the district determines that the student is a threat to the safety of other students or employees or the extended placement is in the best interest of the student.

### **Emergency Placement Procedure**

When an emergency placement is necessary because the student's behavior is so unruly, disruptive, or abusive that it seriously interferes with classroom or school operations, the student shall be given oral notice of the reason for the action. Not later than the tenth day after the date of the placement, the student shall be given the appropriate conference required for assignment to a DAEP.

### **Transition Services**

In accordance with law and district procedures, campus staff shall provide transition services to a student returning to the regular classroom from an alternative education program, including a DAEP. See policy FOCA(LEGAL) for more information.

## **Placement and/or Expulsion for Certain Offenses**

This section includes two categories of offenses for which the Education Code provides unique procedures and specific consequences.

### **Registered Sex Offenders**

Upon receiving notification in accordance with state law that a student is currently required to register as a sex offender, the district must remove the student from the regular classroom and determine appropriate placement unless the court orders JJAEP placement.

If the student is under any form of court supervision, including probation, community supervision, or parole, the student shall be placed in either DAEP or JJAEP for at least one semester.

If the student is not under any form of court supervision, the student may be placed in DAEP or JJAEP for one semester or placed in a regular classroom. The student may not be placed in the regular classroom if the board or its designee determines that the student's presence:

1. Threatens the safety of other students or teachers,
2. Will be detrimental to the educational process, or
3. Is not in the best interests of the district's students.

### **Review Committee**

At the end of the first semester of a student's placement in an alternative educational setting and before the beginning of each school year for which the student remains in an alternative placement, the district shall convene a committee, in accordance with state law, to review the student's placement. The committee shall recommend whether the student should return to the regular classroom or remain in the placement. Absent a special finding, the board or its designee must follow the committee's recommendation.

The placement review of a student with a disability who receives special education services must be made by the ARD committee.

### **Newly Enrolled Students**

If a student enrolls in the district during a mandatory placement as a registered sex offender, the district may count any time already spent by the student in a placement or may require an additional semester in an alternative placement without conducting a review of the placement.

### **Appeal**

A student or the student's parent may appeal the placement by requesting a conference between the board or its designee, the student, and the student's parent. The conference is limited to the factual question of whether the student is required to register as a sex offender. Any decision of the board or its designee under this section is final and may not be appealed.

### **Certain Felonies**

Regardless of whether placement or expulsion is required or permitted by one of the reasons in the DAEP Placement or Expulsion sections, in accordance with Education Code 37.0081, a student may be expelled and placed in either DAEP or JJAEP if the board or campus behavior coordinator makes certain findings and the following circumstances exist in relation to aggravated robbery or a felony offense under Title 5 (see **glossary**) of the Penal Code. The student must:

## *Placement and/or Expulsion for Certain Offenses*

- Have received deferred prosecution for conduct defined as aggravated robbery or a Title 5 felony offense;
- Have been found by a court or jury to have engaged in delinquent conduct for conduct defined as aggravated robbery or a Title 5 felony offense;
- Have been charged with engaging in conduct defined as aggravated robbery or a Title 5 felony offense;
- Have been referred to a juvenile court for allegedly engaging in delinquent conduct for conduct defined as aggravated robbery or a Title 5 felony offense; or
- Have received probation or deferred adjudication or have been arrested for, charged with, or convicted of aggravated robbery or a Title 5 felony offense.

The district may expel the student and order placement under these circumstances regardless of:

1. The date on which the student's conduct occurred,
2. The location at which the conduct occurred,
3. Whether the conduct occurred while the student was enrolled in the district, or
4. Whether the student has successfully completed any court disposition requirements imposed in connection with the conduct.

### **Hearing and Required Findings**

The student must first have a hearing before the board or its designee, who must determine that in addition to the circumstances above that allow for the expulsion, the student's presence in the regular classroom:

1. Threatens the safety of other students or teachers,
2. Will be detrimental to the educational process, or
3. Is not in the best interest of the district's students.

Any decision of the board or the board's designee under this section is final and may not be appealed.

### **Length of Placement**

The student is subject to the placement until:

1. The student graduates from high school,
2. The charges are dismissed or reduced to a misdemeanor offense, or
3. The student completes the term of the placement or is assigned to another program.

### **Placement Review**

A student placed in a DAEP or JJAEP under this section is entitled to a review of his or her status, including academic status, by the campus behavior coordinator or board's designee at intervals not to exceed 120 days. In the case of a high school student, the student's progress toward graduation and the student's graduation plan shall also be reviewed. At the review, the student or the student's parent shall have the opportunity to present arguments for the student's return to the regular classroom or campus.

## *Placement and/or Expulsion for Certain Offenses*

### **Newly Enrolled Students**

A student who enrolls in the district before completing a placement under this section from another school district must complete the term of the placement.

## **Expulsion**

In deciding whether to order expulsion, regardless of whether the action is mandatory or discretionary, the campus behavior coordinator shall take into consideration:

1. Self-defense (see **glossary**),
2. Intent or lack of intent at the time the student engaged in the conduct,
3. The student's disciplinary history,
4. A disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct,
5. A student's status in the conservatorship of the Department of Family and Protective Services (foster care), or
6. A student's status as homeless.

### **Discretionary Expulsion: Misconduct That May Result in Expulsion**

Some of the following types of misconduct may result in mandatory placement in a DAEP, whether or not a student is expelled. (See **DAEP Placement** on page 16.)

#### **Any Location**

A student **may** be expelled for:

- Engaging in bullying that encourages a student to commit or attempt to commit suicide.
- Inciting violence against a student through group bullying.
- Releasing or threatening to release intimate visual material of a minor or of a student who is 18 years of age or older without the student's consent.
- Conduct that contains the elements of assault under Penal Code 22.01(a)(1) in retaliation against a school employee or volunteer.
- Criminal mischief, if punishable as a felony.
- Engaging in conduct that contains the elements of one of the following offenses against another student:
  - Aggravated assault.
  - Sexual assault.
  - Aggravated sexual assault.
  - Murder.
  - Capital murder.
  - Criminal attempt to commit murder or capital murder.
  - Aggravated robbery.
- Breach of computer security. (See **glossary**.)
- Engaging in conduct relating to a false alarm or report (including a bomb threat) or a terroristic threat involving a public school.

### **At School, Within 300 Feet, or at a School Event**

A student **may** be expelled for committing any of the following offenses on or within 300 feet of school property, as measured from any point on the school's real property boundary line, or while attending a school-sponsored or school-related activity on or off school property:

- Selling, giving, or delivering to another person, or possessing, using, or being under the influence of marijuana, a controlled substance, or a dangerous drug, if the conduct is not punishable as a felony. A student with a valid prescription for low-THC cannabis as authorized by Chapter 487 of the Health and Safety Code does not violate this provision. (See **glossary** for "under the influence.")
- Selling, giving, or delivering another person, or possessing, using, or being under the influence of alcohol; or committing a serious act or offense while under the influence of alcohol, if the conduct is not punishable as a felony.
- Engaging in conduct that contains the elements of an offense relating to abusable volatile chemicals.
- Engaging in conduct that contains the elements of assault under Penal Code 22.01(a)(1) against an employee or a volunteer.
- Engaging in deadly conduct. (See **glossary**.)

### **Within 300 Feet of School**

A student **may** be expelled for engaging in the following conduct while within 300 feet of school property, as measured from any point on the school's real property boundary line:

- Aggravated assault, sexual assault, or aggravated sexual assault.
- Arson. (See **glossary**.)
- Murder, capital murder, or criminal attempt to commit murder or capital murder.
- Indecency with a child.
- Aggravated kidnapping.
- Manslaughter.
- Criminally negligent homicide.
- Aggravated robbery.
- Continuous sexual abuse of a young child or disabled individual.
- Felony drug- or alcohol-related offense.
- Unlawfully carrying on or about the student's person a handgun or a location-restricted knife, as these terms are defined by state law. (See **glossary**.)
- Possessing, manufacturing, transporting, repairing, or selling a prohibited weapon, as defined by state law. (See **glossary**.)
- Possession of a firearm, as defined by federal law. (See **glossary**.)

### **Property of Another District**

A student **may** be expelled for committing any offense that is a state-mandated expellable offense if the offense is committed on the property of another district in Texas or while the

student is attending a school-sponsored or school-related activity of a school in another district in Texas.

### **While in a DAEP**

A student may be expelled for engaging in documented serious misbehavior that violates the district's Code, despite documented behavioral interventions while placed in a DAEP. For purposes of discretionary expulsion from a DAEP, serious misbehavior means:

1. Deliberate violent behavior that poses a direct threat to the health or safety of others;
2. Extortion, meaning the gaining of money or other property by force or threat;
3. Conduct that constitutes coercion, as defined by Penal Code 1.07; or
4. Conduct that constitutes the offense of:
  - a. Public lewdness under Penal Code 21.07;
  - b. Indecent exposure under Penal Code 21.08;
  - c. Criminal mischief under Penal Code 28.03;
  - d. Hazing under Education Code 37.152; or
  - e. Harassment under Penal Code 42.07(a)(1) of a student or district employee.

### **Mandatory Expulsion: Misconduct That Requires Expulsion**

A student **must** be expelled under federal or state law for any of the following offenses that occur on school property or while attending a school-sponsored or school-related activity on or off school property:

#### **Under Federal Law**

- Bringing to school or possessing at school, including any setting that is under the district's control or supervision for the purpose of a school activity, a firearm, as defined by federal law. (See **glossary**.)

**Note:** Mandatory expulsion under the federal Gun Free Schools Act does not apply to a firearm that is lawfully stored inside a locked vehicle or to firearms used in activities approved and authorized by the district when the district has adopted appropriate safeguards to ensure student safety.

#### **Under the Penal Code**

- Unlawfully carrying on or about the student's person the following, in the manner prohibited by Penal Code 46.02:
  - A handgun, defined by state law as any firearm designed, made, or adapted to be used with one hand. (See **glossary**.) *Note:* A student may not be expelled solely on the basis of the student's use, exhibition, or possession of a firearm that occurs at an approved target range facility that is not located on a school campus; while participating in or preparing for a school-sponsored, shooting sports competition or a shooting sports educational activity that is sponsored or supported by the Parks and Wildlife Department; or a shooting sports sanctioning organization working with the department. [See policy FNCG(LEGAL).]
  - A location-restricted knife, as defined by state law. (See **glossary**.)

- Possessing, manufacturing, transporting, repairing, or selling a prohibited weapon, as defined in state law. (See **glossary**.)
- Behaving in a manner that contains elements of the following offenses under the Penal Code:
  - Aggravated assault, sexual assault, or aggravated sexual assault.
  - Arson. (See **glossary**.)
  - Murder, capital murder, or criminal attempt to commit murder or capital murder.
  - Indecency with a child.
  - Aggravated kidnapping.
  - Aggravated robbery.
  - Manslaughter.
  - Criminally negligent homicide.
  - Continuous sexual abuse of a young child or disabled individual.
  - Behavior punishable as a felony that involves selling, giving, or delivering to another person or possessing, using, or being under the influence of marijuana, a controlled substance, a dangerous drug, or alcohol, or committing a serious act or offense while under the influence of alcohol.
- Engaging in retaliation against a school employee or volunteer combined with one of the above-listed mandatory expulsion offenses

### **Under Age Ten**

When a student under the age of ten engages in behavior that is expellable behavior, the student shall not be expelled, but shall be placed in a DAEP. A student under age six shall not be placed in a DAEP unless the student commits a federal firearm offense.

### **Process**

If a student is believed to have committed an expellable offense, the campus behavior coordinator or other appropriate administrator shall schedule a hearing within a reasonable time. The student's parent shall be invited in writing to attend the hearing.

Until a hearing can be held, the campus behavior coordinator or other administrator may place the student in:

- Another appropriate classroom.
- In-school suspension.
- Out-of-school suspension.
- DAEP.

### **Hearing**

A student facing expulsion shall be given a hearing with appropriate due process. The student is entitled to:

1. Representation by the student's parent or another adult who can provide guidance to the student and who is not an employee of the district,

2. An opportunity to testify and to present evidence and witnesses in the student's defense, and
3. An opportunity to question the witnesses called by the district at the hearing.

After providing notice to the student and parent of the hearing, the district may hold the hearing regardless of whether the student or the student's parent attends.

The board of trustees delegates to the Superintendent or Designee authority to conduct hearings and expel students.

### **Board Review of Expulsion**

After the due process hearing, the expelled student may request that the board review the expulsion decisions. The student or parent must submit a written request to the superintendent within seven days after receipt of the written decision. The superintendent must provide the student or parent written notice of the date, time, and place of the meeting at which the board will review the decision.

The board shall review the record of the expulsion hearing in a closed meeting unless the parent requests in writing that the matter be held in an open meeting. The board may also hear a statement from the student or parent and from the board's designee.

The board shall consider and base its decision on evidence reflected in the record and any statements made by the parties at the review. The board shall make and communicate its decision orally at the conclusion of the presentation. Consequences shall not be deferred pending the outcome of the hearing.

### **Expulsion Order**

Before ordering the expulsion, the board or campus behavior coordinator shall take into consideration:

1. Self-defense (see **glossary**),
2. Intent or lack of intent at the time the student engaged in the conduct,
3. The student's disciplinary history,
4. A disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct,
5. A student's status in the conservatorship of the Department of Family and Protective Services (foster care), or
6. A student's status as homeless.

If the student is expelled, the board or its designee shall deliver to the student and the student's parent a copy of the order expelling the student.

Not later than the second business day after the hearing, the Superintendent or designee shall deliver to the juvenile court a copy of the expulsion order and the information required by Section 52.04 of the Family Code.

If the length of the expulsion is inconsistent with the guidelines included in the Student Code of Conduct, the expulsion order shall give notice of the inconsistency.

## **Length of Expulsion**

The length of an expulsion shall be based on the seriousness of the offense, the student's age and grade level, the frequency of misbehavior, the student's attitude, and statutory requirements.

The duration of a student's expulsion shall be determined on a case-by-case basis. The maximum period of expulsion is one calendar year, except as provided below.

An expulsion may not exceed one year unless, after review, the district determines that:

1. The student is a threat to the safety of other students or to district employees, or
2. Extended expulsion is in the best interest of the student.

State and federal law require a student to be expelled from the regular classroom for a period of at least one calendar year for bringing a firearm, as defined by federal law, to school. However, the superintendent may modify the length of the expulsion on a case-by-case basis.

Students who commit offenses that require expulsion at the end of one school year may be expelled into the next school year to complete the term of expulsion.

## **Withdrawal During Process**

When a student's conduct requires or permits expulsion from the district and the student withdraws from the district before the expulsion hearing takes place, the district may conduct the hearing after sending written notice to the parent and student.

If the student then re-enrolls in the district during the same or subsequent school year, the district may enforce the expulsion order at that time, less any expulsion period that has been served by the student during enrollment in another district.

If the campus behavior coordinator or the board fails to issue an expulsion order after the student withdraws, the next district in which the student enrolls may complete the proceedings.

## **Additional Misconduct**

If during the expulsion, the student engages in additional conduct for which placement in a DAEP or expulsion is required or permitted, additional proceedings may be conducted, and the campus behavior coordinator or the board may issue an additional disciplinary order as a result of those proceedings.

## **Restrictions During Expulsion**

Expelled students are prohibited from being on school grounds or attending school-sponsored or school-related activities during the period of expulsion.

No district academic credit shall be earned for work missed during the period of expulsion unless the student is enrolled in a JJAEP or another district-approved program.

## **Newly Enrolled Students**

The district shall decide on a case-by-case basis the placement of a student who is subject to an expulsion order from another district or an open-enrollment charter school upon enrollment in the district.

If a student expelled in another state enrolls in the district, the district may continue the expulsion under the terms of the expulsion order, may place the student in a DAEP for the period specified in the order, or may allow the student to attend regular classes if:

1. The out-of-state district provides the district with a copy of the expulsion order, and
2. The offense resulting in the expulsion is also an expellable offense in the district in which the student is enrolling.

If a student is expelled by a district in another state for a period that exceeds one year and the district continues the expulsion or places the student in a DAEP, the district shall reduce the period of the expulsion or DAEP placement so that the entire period does not exceed one year, unless after a review it is determined that:

1. The student is a threat to the safety of other students or district employees, or
2. Extended placement is in the best interest of the student.

### **Emergency Expulsion Procedures**

When an emergency expulsion is necessary to protect persons or property from imminent harm, the student shall be given verbal notice of the reason for the action. Within ten days after the date of the emergency expulsion, the student shall be given appropriate due process required for a student facing expulsion.

### **DAEP Placement of Expelled Students**

The district may provide educational services to any expelled student in a DAEP; however, educational services in the DAEP must be provided if the student is less than ten years of age.

### **Transition Services**

In accordance with law and district procedures, campus staff shall provide transition services for a student returning to the regular classroom from placement in an alternative education program, including a DAEP or JJAEP. See policies FOCA(LEGAL) and FODA(LEGAL) for more information.

## Glossary

**Abuse** is improper or excessive use.

**Aggravated robbery** is defined in part by Penal Code 29.03(a) as when a person commits robbery and:

1. Causes serious bodily injury to another;
2. Uses or exhibits a deadly weapon; or
3. Causes bodily injury to another person or threatens or places another person in fear of imminent bodily injury or death, if the other person is:
  - a. 65 years of age or older, or
  - b. A disabled person.

**Armor-piercing ammunition** is defined by Penal Code 46.01 as handgun ammunition used in pistols and revolvers and designed primarily for the purpose of penetrating metal or body armor.

**Arson** is defined in part by Penal Code 28.02 as a crime that involves:

1. Starting a fire or causing an explosion with intent to destroy or damage:
  - a. Any vegetation, fence, or structure on open-space land; or
  - b. Any building, habitation, or vehicle:
    - (1) Knowing that it is within the limits of an incorporated city or town,
    - (2) Knowing that it is insured against damage or destruction,
    - (3) Knowing that it is subject to a mortgage or other security interest,
    - (4) Knowing that it is located on property belonging to another,
    - (5) Knowing that it has located within it property belonging to another, or
    - (6) When the person starting the fire is reckless about whether the burning or explosion will endanger the life of some individual or the safety of the property of another.
2. Recklessly starting a fire or causing an explosion while manufacturing or attempting to manufacture a controlled substance if the fire or explosion damages any building, habitation, or vehicle; or
3. Intentionally starting a fire or causing an explosion and in so doing:
  - a. Recklessly damaging or destroying a building belonging to another, or
  - b. Recklessly causing another person to suffer bodily injury or death.

**Assault** is defined in part by Penal Code 22.01 as intentionally, knowingly, or recklessly causing bodily injury to another; intentionally or knowingly threatening another with imminent bodily injury; or intentionally or knowingly causing physical contact with another that can reasonably be regarded as offensive or provocative.

**Breach of computer security** includes knowingly accessing a computer, computer network, or computer system without the effective consent of the owner as defined in Penal Code 33.02, if the conduct involves accessing a computer, computer network, or computer system owned by or operated on behalf of a school district and the student knowingly alters, damages, or deletes

school district property or information or commits a breach of any other computer, computer network, or computer system.

**Bullying** is defined as a single significant act or a pattern of acts by one or more students directed at another student that exploits an imbalance of power and involves engaging in written or verbal expression, expression through electronic means, or physical conduct that:

1. Has the effect or will have the effect of physically harming a student, damaging a student's property, or placing a student in reasonable fear of harm to the student's person or damage to the student's property;
2. Is sufficiently severe, persistent, or pervasive enough that the action or threat creates an intimidating, threatening, or abusive educational environment for a student;
3. Materially and substantially disrupts the educational process or the orderly operation of a classroom or school; or
4. Infringes on the rights of the victim at school.

Bullying includes cyberbullying. (See below.) This state law on bullying prevention applies to:

1. Bullying that occurs on or is delivered to school property or to the site of a school-sponsored or school-related activity on or off school property;
2. Bullying that occurs on a publicly or privately owned school bus or vehicle being used for transportation of students to or from school or a school-sponsored or school-related activity; and
3. Cyberbullying that occurs off school property or outside of a school-sponsored or school-related activity if the cyberbullying interferes with a student's educational opportunities or substantially disrupts the orderly operation of a classroom, school, or school-sponsored or school-related activity.

**Chemical dispensing device** is defined by Penal Code 46.01 as a device designed, made, or adapted for the purpose of dispensing a substance capable of causing an adverse psychological or physiological effect on a human being. A small chemical dispenser sold commercially for personal protection is not in this category.

**Club** is defined by Penal Code 46.01 as an instrument, specially designed, made, or adapted for the purpose of inflicting serious bodily injury or death by striking a person with the instrument, and includes but is not limited to a blackjack, nightstick, mace, and tomahawk

**Controlled substance** means a substance, including a drug, an adulterant, and a dilutant, listed in Schedules I through V or Penalty Group 1, 1-A, 1-B, 2, 2-A, 3, or 4 of the Texas Controlled Substances Act. The term includes the aggregate weight of any mixture, solution, or other substance containing a controlled substance. The term does not include hemp, as defined by Agriculture Code 121.001, or the tetrahydrocannabinols (THC) in hemp.

**Criminal street gang** is defined by Penal Code 71.01 as three or more persons having a common identifying sign or symbol or an identifiable leadership who continuously or regularly associate in the commission of criminal activities.

**Cyberbullying** is defined by Education Code 37.0832 as bullying that is done through the use of any electronic communication device, including through the use of a cellular or other type of telephone, a computer, a camera, electronic mail, instant messaging, text messaging, a social media application, an internet website, or any other internet-based communication tool.

**Dangerous drug** is defined by Health and Safety Code 483.001 as a device or a drug that is unsafe for self-medication and that is not included in Schedules I through V or Penalty Groups 1 through 4 of the Texas Controlled Substances Act. The term includes a device or drug that federal law prohibits dispensing without prescription or restricts to use by or on the order of a licensed veterinarian.

**Dating violence** occurs when a person in a current or past dating relationship uses physical, sexual, verbal, or emotional abuse to harm, threaten, intimidate, or control another person in the relationship. Dating violence also occurs when a person commits these acts against a person in a marriage or dating relationship with the individual who is or was once in a marriage or dating relationship with the person committing the offense, as defined by Section 71.0021 of the Family Code.

**Deadly conduct** under Penal Code 22.05 occurs when a person recklessly engages in conduct that places another in imminent danger of serious bodily injury, such as knowingly discharging a firearm in the direction of an individual, habitation, building, or vehicle.

**Deferred adjudication** is an alternative to seeking a conviction in court that may be offered to a juvenile for delinquent conduct or conduct indicating a need for supervision.

**Deferred prosecution** may be offered to a juvenile as an alternative to seeking a conviction in court for delinquent conduct or conduct indicating a need for supervision.

**Delinquent conduct** is conduct that violates either state or federal law and is punishable by imprisonment or confinement in jail. It includes conduct that violates certain juvenile court orders, including probation orders, but does not include violations of traffic laws.

**Discretionary** means that something is left to or regulated by a local decision maker.

**E-cigarette** means an electronic cigarette or any other device that simulates smoking by using a mechanical heating element, battery, or electronic circuit to deliver nicotine or other substances to the individual inhaling from the device or a consumable liquid solution or other material aerosolized or vaporized during the use of an electronic cigarette or other device described by this provision. The term includes any device that is manufactured, distributed, or sold as an e-cigarette, e-cigar, or e-pipe or under another product name or description and a component, part, or accessory for the device, regardless of whether the component, part, or accessory is sold separately from the device.

**Explosive weapon** is defined by Penal Code 46.01 as any explosive or incendiary bomb, grenade, rocket, or mine and its delivery mechanism that is designed, made, or adapted for the purpose of inflicting serious bodily injury, death, or substantial property damage, or for the principal purpose of causing such a loud report as to cause undue public alarm or terror.

**False alarm or report** under Penal Code 42.06 occurs when a person knowingly initiates, communicates, or circulates a report of a present, past, or future bombing, fire, offense, or other emergency that he or she knows is false or baseless and that would ordinarily:

1. Cause action by an official or volunteer agency organized to deal with emergencies;
2. Place a person in fear of imminent serious bodily injury; or
3. Prevent or interrupt the occupation of a building, room, or place of assembly.

**Firearm** is defined by federal law (18 U.S.C. 921(a)) as:

1. Any weapon (including a starter gun) that will, is designed to, or may readily be converted to expel a projectile by the action of an explosive;
2. The frame or receiver of any such weapon;
3. Any firearm muffler or firearm silencer, defined as any device for silencing, muffling, or diminishing the report of a portable firearm; or
4. Any destructive device, such as any explosive, incendiary or poison gas bomb, or grenade.

Such term does not include an antique firearm.

**Graffiti** includes markings with paint, an indelible pen or marker, or an etching or engraving device on tangible property without the effective consent of the owner. The markings may include inscriptions, slogans, drawings, or paintings.

**Handgun** is defined by Penal Code 46.01 as any firearm that is designed, made, or adapted to be fired with one hand.

**Harassment** includes:

1. Conduct that meets the definition established in district policies DIA(LOCAL) and FFH(LOCAL);
2. Conduct that threatens to cause harm or bodily injury to another person, including a district student, employee, board member, or volunteer; is sexually intimidating; causes physical damage to the property of another student; subjects another student to physical confinement or restraint; or maliciously and substantially harms another student's physical or emotional health or safety, as defined in Education Code 37.001(b)(2); or
3. Conduct that is punishable as a crime under Penal Code 42.07, including the following types of conduct if carried out with the intent to harass, annoy, alarm, abuse, torment, or embarrass another:
  - a. Initiating communication and, in the course of the communication, making a comment, request, suggestion, or proposal that is obscene, as defined by law;
  - b. Threatening, in a manner reasonably likely to alarm the person receiving the threat, to inflict bodily injury on the person or to commit a felony against the person, a member of the person's family or household, or the person's property;
  - c. Conveying, in a manner reasonably likely to alarm the person receiving the report, a false report, which is known by the conveyor to be false, that another person has suffered death or serious bodily injury;
  - d. Sending repeated electronic communications in a manner reasonably likely to harass, annoy, alarm, abuse, torment, embarrass, or offend another; and
  - e. Publishing on an internet website, including a social media platform, repeated electronic communications in a manner reasonably likely to cause emotional distress, abuse, or torment to another person, unless the communications are made in connection with a matter of public concern, as defined by law.

**Hazing** is defined by Education Code 37.151 as an intentional, knowing, or reckless act, on or off campus, by one person alone or acting with others, directed against a student for the purpose of pledging, initiation into, affiliation with, holding office in, or maintaining membership in a student organization if the act meets the elements in Education Code 37.151, including:

1. Any type of physical brutality;
2. An activity that subjects the student to an unreasonable risk of harm or that adversely affects the student's mental or physical health, such as sleep deprivation, exposure to the elements, confinement to small spaces, calisthenics, or consumption of food, liquids, drugs, or other substances;
3. An activity that induces, causes, or requires the student to perform a duty or task that violates the Penal Code; or
4. Coercing a student to consume a drug or alcoholic beverage in an amount that would lead a reasonable person to believe the student is intoxicated. **Hit list** is defined in Education Code 37.001(b)(3) as a list of people targeted to be harmed, using a firearm, a knife, or any other object to be used with intent to cause bodily harm.

**Improvised explosive device** is defined by Penal Code 46.01 as a completed and operational bomb designed to cause serious bodily injury, death, or substantial property damage that is fabricated in an improvised manner using nonmilitary components.

**Indecent exposure** is defined by Penal Code 21.08 as an offense that occurs when a person exposes the person's anus or any part of the person's genitals with intent to arouse or gratify the sexual desire of any person, and is reckless about whether another is present who will be offended or alarmed by the act.

**Intimate visual material** is defined by Civil Practices and Remedies Code 98B.001 and Penal Code 21.16 as visual material that depicts a person with the person's intimate parts exposed or engaged in sexual conduct. "Visual material" means any film, photograph, video tape, negative, or slide of any photographic reproduction or any other physical medium that allows an image to be displayed on a computer or other video screen and any image transmitted to a computer or other video screen.

**Location-restricted knife** is defined by Penal Code 46.01 as a knife with a blade over five and one-half inches.

**Knuckles** means any instrument consisting of finger rings or guards made of a hard substance and designed or adapted for inflicting serious bodily injury or death by striking a person with a fist enclosed in the knuckles.

**Look-alike weapon** means an item that resembles a weapon but is not intended to be used to cause serious bodily injury.

**Machine gun** as defined by Penal Code 46.01 is any firearm that is capable of shooting more than two shots automatically, without manual reloading, by a single function of the trigger.

**Mandatory** means that something is obligatory or required because of an authority.

**Paraphernalia** are devices that can be used for inhaling, ingesting, injecting, or otherwise introducing a controlled substance into a human body.

**Possession** means to have an item on one's person or in one's personal property, including, but not limited to:

1. Clothing, purse, or backpack;
2. A private vehicle used for transportation to or from school or school-related activities, including, but not limited to, an automobile, truck, motorcycle, or bicycle;

3. Telecommunications or electronic devices; or
4. Any school property used by the student, including, but not limited to, a locker or desk.

**Prohibited weapon** under Penal Code 46.05(a) means:

1. The following items, unless registered with the U.S. Bureau of Alcohol, Tobacco, Firearms, and Explosives or otherwise not subject to that registration requirement or unless the item is classified as a curio or relic by the U.S. Department of Justice: An explosive weapon;
  - a. A machine gun;
  - b. A short-barrel firearm;
2. Armor-piercing ammunition;
3. A chemical dispensing device;
4. A zip gun;
5. A tire deflation device; or
6. An improvised explosive device.

**Public Lewdness** is defined by Penal Code 21.07 as an offense that occurs when a person knowingly engages in an act of sexual intercourse, deviate sexual intercourse, or sexual contact in a public place or, if not in a public place, when the person is reckless about whether another is present who will be offended or alarmed by the act.

**Public school fraternity, sorority, secret society, or gang** means an organization composed wholly or in part of students that seeks to perpetuate itself by taking additional members from the students enrolled in school based on a decision of its membership rather than on the free choice of a qualified student. Educational organizations listed in Education Code 37.121(d) are excepted from this definition.

**Reasonable belief** is that which an ordinary person of average intelligence and sound mind would believe. Chapter 37 requires certain disciplinary decisions when the superintendent or designee has a reasonable belief that a student engaged in conduct punishable as a felony offense. In forming such a reasonable belief, the superintendent or designee may use all available information, including the notice of a student's arrest under Code of Criminal Procedure Article 15.27.

**Self-defense** is the use of force against another to the degree a person reasonably believes is immediately necessary to protect himself or herself.

**Serious misbehavior** means:

1. Deliberate violent behavior that poses a direct threat to the health or safety of others;
2. Extortion, meaning the gaining of money or other property by force or threat;
3. Conduct that constitutes coercion, as defined by Section 1.07, Penal Code; or
4. Conduct that constitutes the offense of:
  - a. Public lewdness under Penal Code 21.07;
  - b. Indecent exposure under Penal Code 21.08;
  - c. Criminal mischief under Penal Code 28.03;
  - d. Hazing under Education Code 37.152; or

- e. Harassment under Penal Code 42.07(a)(1) of a student or district employee.

**Serious or persistent misbehavior** includes, but is not limited to:

- Behavior that is grounds for permissible expulsion or mandatory DAEP placement.
- Behavior identified by the district as grounds for discretionary DAEP placement.
- Actions or demonstrations that substantially disrupt or materially interfere with school activities.
- Refusal to attempt or complete schoolwork as assigned.
- Insubordination.
- Profanity, vulgar language, or obscene gestures.
- Leaving school grounds without permission.
- Falsification of records, passes, or other school-related documents.
- Refusal to accept discipline assigned by the teacher or principal.

**Short-barrel firearm** is defined by Penal Code 46.01 as a rifle with a barrel length of less than 16 inches or a shotgun with a barrel length of less than 18 inches, or any weapon made from a rifle or shotgun that, as altered, has an overall length of less than 26 inches.

**Terroristic threat** is defined by Penal Code 22.07 as a threat of violence to any person or property with intent to:

1. Cause a reaction of any type by an official or volunteer agency organized to deal with emergencies;
2. Place any person in fear of imminent serious bodily injury;
3. Prevent or interrupt the occupation or use of a building; room, place of assembly, or place to which the public has access; place of employment or occupation; aircraft, automobile, or other form of conveyance; or other public place;
4. Cause impairment or interruption of public communications; public transportation; public water, gas, or power supply; or other public service;
5. Place the public or a substantial group of the public in fear of serious bodily injury; or
6. Influence the conduct or activities of a branch or agency of the federal government, the state, or a political subdivision of the state (including the district).

**Tire deflation device** is defined in part by Penal Code 46.01 as a device, including a caltrop or spike strip, that, when driven over, impedes or stops the movement of a wheeled vehicle by puncturing one or more of the vehicle's tires.

**Title 5 felonies** are those crimes listed in Title 5 of the Penal Code that typically involve injury to a person and may include:

- Murder, manslaughter, or homicide under Sections 19.02–.05;
- Kidnapping under Section 20.03;
- Trafficking of persons under Section 20A.02;
- Smuggling or continuous smuggling of persons under Sections 20.05–.06;

- Assault under Section 22.01;
- Aggravated assault under Section 22.02;
- Sexual assault under Section 22.011;
- Aggravated sexual assault under Section 22.021;
- Unlawful restraint under Section 20.02;
- Continuous sexual abuse of a young child or disabled individual under Section 21.02;
- Bestiality under Section 21.09;
- Improper relationship between educator and student under Section 21.12;
- Voyeurism under Section 21.17;
- Indecency with a child under Section 21.11;
- Invasive visual recording under Section 21.15;
- Disclosure or promotion of intimate visual material under Section 21.16;
- Sexual coercion under Section 21.18;
- Injury to a child, an elderly person, or a disabled person of any age under Section 22.04;
- Abandoning or endangering a child under Section 22.041;
- Deadly conduct under Section 22.05;
- Terroristic threat under Section 22.07;
- Aiding a person to commit suicide under Section 22.08; and
- Tampering with a consumer product under Section 22.09.

**Under the influence** means lacking the normal use of mental or physical faculties. Impairment of a person's physical or mental faculties may be evidenced by a pattern of abnormal or erratic behavior, the presence of physical symptoms of drug or alcohol use, or by admission. A student "under the in-fluence" need not be legally intoxicated to trigger disciplinary action.

**Use** means voluntarily introducing into one's body, by any means, a prohibited substance.

**Zip gun** is defined by Penal Code 46.01 as a device or combination of devices that was not originally a firearm and is adapted to expel a projectile through a smooth-bore or rifled-bore barrel by using the energy generated by an explosion or burning substance.

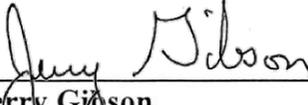
# Action Sheet

**MEETING DATE:** August 3, 2022

**AGENDA ITEM:** Discuss and consider awarding RFP# 2021-22-018, Grant Evaluation Services, to Gibson Consulting Group, Inc., Third Coast R&D, Inc. and Wexford, Inc. for twelve months with options to renew for two additional one year options, upon mutual agreement between parties and approve expenditures for said services not to exceed 10% of each grant award with services to be funded solely through grant funds.

Proposals for Grant Evaluation Services were received on July 12, 2022. These services are to provide external grant evaluations for GISD, pursuant to the requirements set forth by the grant funding agencies. Because the grant opportunities cover a myriad of disciplines and subjects, the Administration proposes to utilize two firms. The Administration then will award an individual contract for each grant based upon the focus of each specific grant to one of these two firms. The Administration will make the decision as to which firm by aligning the grant requirements that most closely match the firm's expertise and availability. All firms have exemplary qualifications and have worked in various capacities in the past with GISD. The fees for any individual grant will not exceed 10% of the grant award.

**RECOMMENDATION:** I move that the Board of Trustees approve RFP# 2021-22-018, Grant Evaluation Services to Gibson Consulting Group, INC., Third Coast R&D, Inc. and Wexford, Inc. for twelve months with options to renew for two additional one year options, upon mutual agreement between parties and approve expenditures for said services not to exceed 10% of each grant award

  
\_\_\_\_\_  
Jerry Gibson  
Superintendent

  
\_\_\_\_\_  
Annette Scott  
Assistant Superintendent for Student Support

# Action Sheet

**MEETING DATE:**

**August 3<sup>rd</sup>, 2022**

**AGENDA ITEM:**

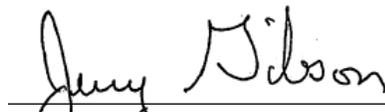
Discuss and consider approval for the purchase of NWEA testing software and professional development for the 2022-2023 school year using ESSER III funds for a total of \$61,901.75.

Galveston ISD has requested the purchase of NWEA licenses. NWEA is a research-based, not for profit organization that supports students and educators worldwide by creating assessment solutions that precisely measure growth and proficiency and provide insights to tailor instruction. This would provide an assessment program monitoring STAAR projections and reading fluency. NWEA – MAP allows Galveston ISD to have one program that services the district needs. Since its implementation we have no longer needed Renaissance, TPRI, TEJAS LEE, or IOWA. This would also provide the 7th grade Reading instrument required by TEA. The funding for NWEA Map this year would be provided by ESSER III.

NWEA is a part of the HCDE Choice Partners Co-Op Proposal #18/058KC-23

**RECOMMENDATION:**

**I move that the Board of Trustees approve the purchase of NWEA testing software and professional development using ESSER III funding for \$61,901.75.**

  
\_\_\_\_\_  
Jerry Gibson  
Superintendent

  
\_\_\_\_\_  
Annette Scott  
Assistant Superintendent



# Department of Grant Compliance and Administration Justification/Documentation of Allowable Use of ESSER Funds

Complete this form to document the expenditure of ESSER funds on an allowable activity that meets the intent and purpose of the ESSER grants. As defined by the US Department of Education, the intent and purpose of the ESSER grants is to prevent, prepare for, or respond to the COVID-19 pandemic, including its impact on the social, emotional, mental health, and academic needs of students.

The activity documented with this form may be funded with any ESSER grant funds (ESSER I, II, III, or a combination of those). One activity may be documented per form.

**Maintain this document at the local level for audit and monitoring purposes. Do not submit this form to TEA unless the agency specifically requests it as part of the compliance review process.**

Name of Grantee  CDN

## Activity

Describe the activity to be paid with ESSER funds.

Check the appropriate box(es) to indicate the fund(s) that will be used to pay for the activity:

- ESSER I funds will be used.  ESSER II funds will be used.  ESSER III funds will be used.

## Statutory Intent

Describe how the activity meets the grant program's intent (listed above).

## Reasonable and Necessary

For each box checked above (ESSER I, II, or III), describe how the activity is reasonable and necessary.

## Statutorily Allowable Use

Per USDE, ESSER funds may be expended for any statutorily allowable activity under any of the three statutes. For each box checked above (ESSER I, II, or III), list the statutorily allowable activity that your expenditure aligns with.

## Certification

Name and Title of Authorized Official

Signature of Authorized Official and Date \_\_\_\_\_



Schedule A

SALES ORDER

Company Address: 121 NW Everett Street
Portland, OR 97209
License Start Date: 08/01/2022
License End Date: 07/31/2023

Created Date: 07/28/2022
Quote Number: 00065777
Partner ID: 20399

Prepared By: Jennifer Little
Phone:
Email: jennifer.little@nwea.org

Contact Name: Eric Mueller
Phone: (409) 761-3947
Email: ericmueller@gisd.org

Bill To Name: Galveston ISD
Bill To Address: 721 10Th St
Galveston, TX 77550-5115

Ship To Name: Galveston ISD
Ship To Address: 3904 Avenue T
Galveston, TX 77550

Table with 6 columns: Product, List Price, Sales Price, Quantity, Total Price, Item Discount. Rows include Onsite Half-Day Workshop Surcharge, MAP Reading Fluency Add-on, MAP Growth K-12, Professional Learning Workshop, Growth Report +1hr Virtual Consulting.

Quote Discount -\$11,445.43
Quote Subtotal \$63,731.07
Estimated Tax \$0.00
Grand Total \$63,731.07

Notes

Allied States pricing

Terms and Conditions

This Schedule A is subject to NWEA's terms and conditions located at: https://legal.nwea.org/. By signing this Schedule A you agree you have read and understood the terms and agree to them.

General. If this schedule includes virtually delivered professional learning or workshops, then cancellation is subject to the Virtual Workshop Cancellation Policy: at http://legal.nwea.org/supplementalterms.html.

Information about NWEA's collection, use, and disclosure of Student Information can be found here: https://legal.nwea.org/nwea-privacy-and-security-for-pii.html

NWEA's W9 can be found at: https://legal.nwea.org/nwea-w-9.html

Until this Schedule A is signed, the terms identified here are valid for 30 days from the date above. Please confirm the billing address, or specify changes to your account manager.



**Signature**

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Title \_\_\_\_\_



Schedule A

SALES ORDER

Company Address: 121 NW Everett Street
Portland, OR 97209
License Start Date: 08/01/2022
License End Date: 07/31/2023

Created Date: 07/28/2022
Quote Number: 00065789
Partner ID: 20399

Prepared By: Jennifer Little
Phone:
Email: jennifer.little@nwea.org

Contact Name: Eric Mueller
Phone: (409) 761-3947
Email: ericmueller@gisd.org

Bill To Name: Galveston ISD
Bill To Address: 721 10Th St
Galveston, TX 77550-5115

Ship To Name: Galveston ISD
Ship To Address: 3904 Avenue T
Galveston, TX 77550

Table with 6 columns: Product, List Price, Sales Price, Quantity, Total Price, Item Discount. Row 1: MAP Growth K-12, \$14.50, \$12.75, 100, \$1,275.00, -\$175.00

Quote Discount -\$175.00
Quote Subtotal \$1,275.00
Estimated Tax \$0.00
Grand Total \$1,275.00

Notes

Allied States pricing

Terms and Conditions

This Schedule A is subject to NWEA's terms and conditions located at: https://legal.nwea.org/. By signing this Schedule A you agree you have read and understood the terms and agree to them.

General. If this schedule includes virtually delivered professional learning or workshops, then cancellation is subject to the Virtual Workshop Cancellation Policy: at http://legal.nwea.org/supplementalterms.html.

Information about NWEA's collection, use, and disclosure of Student Information can be found here: https://legal.nwea.org/nwea-privacy-and-security-for-pii.html

NWEA's W9 can be found at: https://legal.nwea.org/nwea-w-9.html

Until this Schedule A is signed, the terms identified here are valid for 30 days from the date above. Please confirm the billing address, or specify changes to your account manager.

Signature

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_



# Action Sheet

**MEETING DATE:**

**August 3<sup>rd</sup>, 2022**

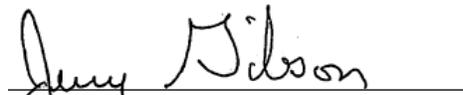
**AGENDA ITEM:**

Discuss and consider approval of ESC Region 11 Master Interlocal Agreement to add as an approved purchasing cooperative with GISD.

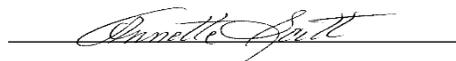
GISD seeks to enter into an Interlocal Agreement with ESC Region 11, a purchasing cooperative, in order to procure cooperative purchasing services from contracted vendors. Their Master Interlocal Cooperative Purchasing Agreement is attached for your review.

**RECOMMENDATION:**

**I move that the board approve the ESC Region 11 Master Interlocal Agreement, as presented.**



Jerry Gibson  
Superintendent



Annette Scott  
Assistant Superintendent



## Master Interlocal Agreement (MIA)

This Master Interlocal Agreement (“Agreement”) is made by and between Education Service Center Region 11 (“ESC Region 11”) and \_\_\_\_\_ (“Local Government”), (collectively referred to as the “Parties” or individually as the “Party”) acting herein by and through their respectively authorized officers or employees.

### PREMISES

**WHEREAS**, Chapter 791 of the Texas Government Code authorizes local governments to contract with each other to provide governmental functions and services; and

**WHEREAS**, The Parties wish to enter into this Agreement to provide local governments with greater efficiency and economy in purchasing products and services; and

**WHEREAS**, the governing bodies of the Parties, individually and together , do hereby adopt and find the foregoing promises as findings of said governing bodies; and

**NOW THEREFORE**, premises considered, and in consideration of and conditioned upon the mutual covenants and agreements, herein, the Parties hereto mutually agree as follows:

### AGREEMENT

1. **Term:** This Agreement is effective from the date of the last signature and shall automatically renew annually unless either party gives sixty (60) days prior written notice of non-renewal.
2. **Purpose:** This Agreement shall: (1) Allow the Local Government to purchase products or services by purchase order contract, agreement, or other appropriate legal method from ESC Region 11; and (2) Allow the Local Government to join ESC Region 11-sponsored purchasing cooperatives in order to purchase products or services from vendors which have been properly awarded contracts through statutorily authorized methods.
3. **Relationship:** The relationship between the Parties is that of Independent Contractor. Neither Party has the authority to bind the other in any manner The Local Government may be required to enter into subsequent contractual arrangements with ESC Region 11 for specific products or services.
4. **Agreement and Interpretation:** The Parties covenant and agree that any litigation relating to this agreement, the terms, and conditions of the agreement will be interpreted according to the laws of the State of Texas and venue shall be exclusively in Tarrant County, Texas.
5. Each party paying for the performance of governmental functions or services must make those payments from current revenues available to the paying party.

**Local Government**

\_\_\_\_\_  
Name of Local Government

\_\_\_\_\_  
Address of Local Government

\_\_\_\_\_  
Contact Name and Telephone Number

\_\_\_\_\_  
Board President or Authorized Rep Signature /Date

\_\_\_\_\_  
Board Approval Date (if applicable)

**ESC Region 11**

1451 S. Cherry Lane  
White Settlement, Texas 76108  
Attn: Purchasing

\_\_\_\_\_  
Authorized ESC Representative Signature                      Date

\_\_\_\_\_  
Authorized ESC Representative Title

# Action Sheet

**MEETING DATE:** August 3, 2022

**AGENDA ITEM:** Discuss and Consider Approval of Warehouse Lease Agreement with ANICO

GISD has been leasing warehouse space from American National Insurance Company (ANICO) for the past 10 years for \$1.00 per year; the original lease agreement was dated March 31, 2012. Currently, according to the terms of the lease, Section 2.03 – Holding Over, GISD is in occupancy on a month-to-month basis. With the purchase of ANICO by Brookfield Asset Management Reinsurance Partners Ltd. in May 2022, ANICO has proposed a new lease with ANICO as Landlord, and Galveston Independent School District, as Tenant, for that certain warehouse space consisting of approximately 24,400 SF and other improvements located at 4302 Avenue Q, Galveston, TX, upon the same terms and conditions, save and except:

**Lease Term:** 10 years, commencing on the first day of the month immediately following the mutual execution of said renewal and ending July 31, 2032.

**Termination Right:** Both Landlord and Tenant shall have the right to terminate during the term of the lease for any reason upon 120 days written notice to the other party.

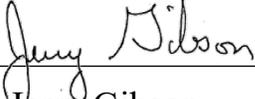
**Property Taxes:** Tenant shall pay annual property taxes assessed on the leased premises.

**Roof Maintenance:** Tenant shall maintain roof at its sole cost and expense. If Tenant replaces roof and thereafter Landlord exercises its right to terminate, Landlord shall reimburse Tenant for the unamortized cost of the roof based on the average life/warranty of said roof as indicated by the manufacturer.

**First Right of Refusal:** If Landlord elects to sell the subject property along with any portion of the adjoining property owned by Landlord, Tenant shall have the first right of refusal to purchase the property at the asking price.

All other terms and conditions of the Lease dated March 31, 2012 remain the same. The above terms and conditions are subject to final approval of and execution of a formal document by both American National Insurance Company and Galveston Independent School District. The District requests the board authorize Dr. Gibson to sign the final contract based on terms noted herein.

**RECOMMENDATION:** I move that the Board of Trustees approve the renewal of the warehouse lease with ANICO, with terms as presented, giving the superintendent the authority to sign and execute the final lease agreement.

  
\_\_\_\_\_  
Dr. Jerry Gibson  
Superintendent

  
\_\_\_\_\_  
Connie Morgenroth  
Assistant Superintendent of Business & Operations

## LEASE AGREEMENT

### ARTICLE ONE BASIC TERMS

This Article One contains the Basic Terms of this Lease Agreement (this "Lease") between the Landlord and Tenant named below. Other Articles, Sections and Paragraphs of the Lease referred to in this Article I explain and define the Basic Terms and are to be read in conjunction with the Basic Terms.

- Section 1.01 Date of Lease: August 1, 2022.
- Section 1.02 Landlord: American National Insurance Company,  
a Texas insurance company
- Section 1.03 Address of Landlord: One Moody Plaza  
Galveston, Texas 77550  
Attn: Rachel Ferem  
Email: Rachel.ferem@americannational.com
- 2525 South Shore Blvd., Suite 200  
League City, Texas 77573  
Attn: Kam DeBondy  
Email: Kam.DeBondt@ANICO.com
- 2525 South Shore Blvd., Suite 207  
League City, Texas 77573  
Attn: Scott Webb  
Email: Scott.Webb@ANICO.com
- Section 1.04 Tenant: Galveston Independent School District
- Section 1.05 Address of Tenant: P.O. Box 660  
Galveston, TX 77553  
Attn: Dr. Jerry Gibson  
Email: jerrygibson@gisd.org
- Section 1.06 Property: The real property shown as the cross-hatched area on Exhibit A attached to this Lease and incorporated in this Lease for all purposes by this reference, together with the warehouse, containing approximately 24,400 SF, and other improvements located thereon, having a street address of 4302 Avenue Q, Galveston, Texas 77550. Notwithstanding the foregoing, Tenant's rights shall be nonexclusive with respect to the common

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driveway (the "Common Drive") and the electronic access gate (the "Access Gate") located on the Property that also serves the Adjacent Property (as defined in Section 5.07), subject to the further provisions of this Lease, including, without limitation Section 5.07 of this Lease.

Section 1.07 Lease Term: Ten (10) years, beginning on the Date of Lease and ending on July 31, 2032.

Section 1.08 Base Rent: \$1.00 per year in the Lease Term.

## ARTICLE TWO LEASE TERM

Section 2.01 Lease of Property For Lease Term. Landlord leases the Property to Tenant and Tenant leases the Property from Landlord for the Lease Term, subject to early termination or extension in accordance with the provisions of this Lease.

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Section 2.02 Delay in Commencement. Landlord shall deliver possession of the Property to Tenant on the Date of Lease, and Tenant shall accept same, in its current "**AS IS, WHERE IS**" and "**WITH ALL FAULTS**" condition. Tenant acknowledges that no representations as to the repair of the Property, nor promises to alter, remodel or improve the Property, have been made by Landlord, except as are expressly set forth in this Lease.

Section 2.03 Holding Over. Tenant shall vacate the Property upon the expiration or earlier termination of this Lease. Tenant shall reimburse Landlord for and indemnify Landlord against all damages which Landlord incurs from Tenant's delay in vacating the Property. If Tenant does not vacate the Property upon the expiration or earlier termination of the Lease and Landlord thereafter accepts rent from Tenant, Tenant's occupancy of the Property shall be a "month-to-month" tenancy, subject to all of the terms of this Lease applicable to a month-to-month tenancy.

## ARTICLE THREE PAYMENT OF BASE RENT

Upon execution of this Lease, Tenant shall pay Landlord the Base Rent for the entire Lease Term, in advance, without offset, deduction or prior demand. The Base Rent shall be payable at the Address of Landlord or at such other place as Landlord may designate in writing.

## ARTICLE FOUR OTHER CHARGES PAYABLE BY TENANT

Section 4.01 Additional Rent. All charges payable by Tenant other than Base Rent are called "Additional Rent." Unless this Lease provides otherwise, Tenant shall pay all Additional Rent then due, if any with the next monthly installment of Base Rent. The term "rent" shall mean Base Rent and Additional Rent.

Section 4.02 Property Taxes.

- (a) Real Property Taxes. Tenant shall pay, during the Lease Term, the annual Real Property Taxes assessed on the Property. "Real Property Taxes" are real property taxes applicable to the Property as shown on the tax bill for the most recent tax fiscal year.
- (b) Personal Property Taxes. Tenant shall pay all taxes charged against trade fixture, furnishings, equipment or any other personal property belonging to Tenant. Tenant shall have personal property taxed separately from the Property. If any of Tenant's personal property is taxed with the Property, Tenant shall pay Landlord the taxes for the personal property within 15 days after Tenant receives a written statement from Landlord for such personal property taxes.

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Section 4.03 Utilities. Tenant shall pay, directly to the appropriate supplier, the cost of all natural gas, heat, light, power, sewer service, telephone, water, refuse disposal and other utilities and services supplied to the Property. However, if any services or utilities are jointly metered with other property, Landlord shall make a reasonable determination of Tenant's proportionate share of the cost of such utilities and services and Tenant shall pay such share to Landlord within 15 days after receipt of Landlord's written statement. Notwithstanding the foregoing to the contrary, unless otherwise required by Landlord, electricity for the Property shall continue to be metered in the name of, and the electricity service provider selected by, Landlord, but electricity service shall be billed directly to and paid by Tenant. Tenant shall not be permitted to change electric providers for the property without Landlord's prior written consent, such consent to be at Landlord's sole and absolute discretion.

Section 4.04 Insurance Policies.

- (a) Liability Insurance. During the Lease Term, Tenant shall, at its sole cost and expense, maintain the following insurance policies:
  - (i) Commercial general liability insurance (sometimes known as broad form comprehensive general liability insurance) without any pollution exclusions whatsoever, insuring Tenant against liability for bodily injury, property damage (including loss of use of property) and personal injury arising out of the operation, use or occupancy of the Property. Tenant shall name Landlord as an additional insured under such policy. The initial amount of such

insurance shall be \$1,000,000 per occurrence and shall be subject to periodic increase based upon inflation, increased liability awards, recommendation of Landlord's professional insurance advisers and other relevant factors. The liability insurance obtained by Tenant under this Section 4.04(a) shall (i) be primary and non-contributing; (ii) contain cross-liability endorsements; and (iii) insure Landlord against Tenant's performance under Section 5.05, if the matters giving rise to the indemnity under Section 5.05 result from the negligence of Tenant. The amount and coverage of such insurance shall not limit Tenant's liability nor relieve Tenant of any other obligation under this Lease. Landlord may also obtain comprehensive public liability insurance in an amount and with coverage determined by Landlord insuring Landlord against liability arising out of ownership, operation, use or occupancy of the Property. The policy obtained by Landlord shall not be contributory and shall not provide primary insurance.

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- (ii) Worker's compensation insurance for all employees of Tenant or others engaged on or with respect to the Property.
  - (iii) Comprehensive automobile liability insurance to cover owned, long-term leased, hired and non-owned automobiles (including medical payments and uninsured motorist coverages) in the minimum amount of \$1,000,000 per occurrence for bodily injury and \$500,000 per occurrence for property damage.
  - (iv) Additional insurance or increased coverage as required by Landlord in its reasonable discretion.
- (b) Property. During the Lease Term, Landlord shall maintain policies of insurance covering loss of or damage to the Property in the full amount of its replacement value. Such policy shall be an "all risk" policy. Tenant shall not do or permit anything to be done which invalidates any such insurance policies.
- (c) Payment of Premiums.
- Landlord shall pay the Base Premiums for the insurance policies maintained by Landlord under Section 4.04(b). The "Base Premiums" are the insurance premiums paid by Landlord during the 12-month period immediately preceding the Date of Lease.
- (d) General Insurance Provisions.

- (i) Any insurance which Tenant is required to maintain under this Lease shall include a provision which requires the insurance carrier to give Landlord not less than 30 days' written notice prior to any cancellation or modification of such coverage.
- (ii) If Tenant fails to deliver any policy, certificate or renewal to Landlord required under this Lease within the prescribed time period or if any such policy is cancelled or modified during the Lease Term without Landlord's consent, Landlord may obtain such insurance, in which case Tenant shall reimburse Landlord for the cost of such insurance within 15 days after receipt of a statement that indicates the cost of such insurance.
- (iii) Tenant shall maintain all insurance required under this Lease with companies holding a "General Policy Rating" of A-12 or better, as set forth in the most current issue of "Best Key Rating Guide". Landlord and Tenant acknowledge the insurance markets are rapidly changing and that insurance in the form and amounts described in this Section 4.04 may not be available in the future. Tenant acknowledges that the insurance described in this Section 4.04 is for the primary benefit of Landlord. If at any time during the Lease Term, Tenant is unable to maintain the insurance required under the Lease, Tenant shall nevertheless maintain insurance coverage which is customary and commercially reasonable in the insurance industry for Tenant's type of business, as that coverage may change from time to time. Landlord makes no representation as to the adequacy of such insurance to protect Landlord's or Tenant's interests. Therefore, Tenant shall obtain any such additional property or liability insurance which Tenant deems necessary to protect Landlord and Tenant.
- (iv) Unless prohibited under any applicable insurance policies maintained, Landlord and Tenant each hereby waive any and all rights of recovery against the other, or against the officers, employees, agents or representatives of the other, for loss of or damage to its property or the property of others under its control, if such loss or damage is covered by any insurance policy in force (whether or not described in this Lease) at the time of such loss or damage. Upon obtaining the required policies of insurance, Landlord and Tenant shall give notice to the insurance carriers of this mutual waiver of subrogation.

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Section 4.05 Late Charges. Tenant's failure to pay rent promptly may cause Landlord to incur unanticipated costs. The exact amount of such costs are impractical or extremely difficult to ascertain. Such costs may include, but are not limited to, processing and

accounting charges and late charges which may be imposed on Landlord by any ground lease, mortgage or trust deed encumbering the Property. Therefore, if Landlord does not receive any rent payment within 10 days after it becomes due, Tenant shall pay Landlord a late charge equal to 10% of the overdue amount. The parties agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of such late payment.

Section 4.06 Interest on Past Due Obligations. Any amount owed by Tenant to Landlord which is not paid when due shall bear interest at the rate of 15% per annum from the due date of such amount. However, interest shall not be payable on late charges to be paid by Tenant under this Lease. The payment of interest on such amounts shall not excuse or cure any default by Tenant under this Lease. If the interest rate specified in this Lease is higher than the rate permitted by law, the interest rate is hereby decreased to the maximum legal interest rate permitted by law.

ARTICLE FIVE  
USE OF PROPERTY

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Section 5.01 Permitted Uses. Tenant may use the Property for any lawful purpose.

Section 5.02 Manner of Use. Tenant shall not cause or permit the Property to be used in any way which constitutes a violation of any Governmental Requirements, defined below, or which constitutes a nuisance or waste. Tenant shall obtain and pay for all permits, including a Certificate of Occupancy, required for Tenant's occupancy of the Property and shall promptly take all actions necessary to comply with all applicable Laws regulating the use by Tenant of the Property, including the Occupational Safety and Health Act. "Governmental Requirements" includes all current and future federal, state and local laws, rules, orders, ordinances, regulations, requirements and directives including those of any governmental or quasi-governmental agencies and commissions having jurisdiction.

Section 5.03 Hazardous Substances and Indemnity.

- (a) Tenant shall not cause or permit any Hazardous Substance (as hereinafter defined) to be used, stored, deposited, generated or disposed of on or in the Property by Tenant, its agents, contractors, (including, without limitation, tenant's depositors), invitees (collectively the "Tenant Parties" and individually a "Tenant Party") except as is consistent with the operation, cleaning and maintenance of other Tenant owned or leased facilities and is not in violation of any Governmental Requirement regulating Hazardous Substances. **ONLY TO THE EXTENT PERMITTED BY LAW, TENANT SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS LANDLORD, ITS AGENTS, CONTRACTORS AND INVITEES (COLLECTIVELY THE "LANDLORD PARTIES" AND INDIVIDUALLY A "LANDLORD PARTY") FROM AND AGAINST**

ANY AND ALL SUITS, ACTIONS, CLAIMS, DEMANDS, DAMAGES, FINES, JUDGMENTS, SETTLEMENTS, PENALTIES, LIABILITIES, LOSSES, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, A DECREASE IN VALUE OF THE PROPERTY, DAMAGES CAUSED BY LOSS OR RESTRICTION OF RENTABLE OR USABLE SPACE OR ANY DAMAGES CAUSED BY ADVERSE IMPACT ON MARKETING OF THE SPACE, AND ANY AND ALL SUMS PAID FOR SETTLEMENT OF CLAIMS AND REASONABLE ATTORNEYS' AND CONSULTANTS FEES ARISING DURING OR AFTER THE LEASE TERM) ARISING OUT OF, AS A RESULT OF OR CAUSED BY THE USE, GENERATION, STORAGE, DEPOSIT OR DISPOSAL OF ANY HAZARDOUS SUBSTANCE ON OR IN THE PROPERTY BY ANY TENANT PARTY OR OTHER CONTAMINATION OF THE PROPERTY FOR WHICH ANY TENANT PARTY IS LEGALLY LIABLE (COLLECTIVELY, "ENVIRONMENTAL CLAIMS"), EVEN IF SUCH ENVIRONMENTAL CLAIMS ARE ATTRIBUTABLE IN PART TO THE NEGLIGENCE OR STRICT LIABILITY OF ANY LANDLORD PARTIES, BUT NOT THE LANDLORD PARTIES' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. THIS INDEMNIFICATION INCLUDES, WITHOUT LIMITATION, ANY AND ALL COST INCURRED BECAUSE OF ANY INVESTIGATION, CLEANUP, REMOVAL, MONITORING, REMEDIATION AND RESTORATION, WHETHER VOLUNTARY OR REQUIRED BY ANY APPLICABLE LAWS. WITHOUT LIMITING THE FOREGOING, IF THE TENANT CAUSES OR PERMITS THE PRESENCE OF ANY HAZARDOUS SUBSTANCE ON THE PROPERTY WHICH RESULTS IN CONTAMINATION, TENANT SHALL PROMPTLY, AT ITS SOLE EXPENSE, TAKE ANY AND ALL NECESSARY ACTIONS TO RETURN THE PROPERTY TO THE CONDITION EXISTING PRIOR TO THE PRESENCE OF ANY SUCH HAZARDOUS SUBSTANCE ON THE PROPERTY. TENANT SHALL IMMEDIATELY NOTIFY LANDLORD OF ANY SUCH REMEDIAL ACTION. THE PROVISIONS OF THIS SECTION 5.03(a) SHALL BE IN ADDITION TO ANY OTHER OBLIGATIONS AND LIABILITIES TENANT MAY HAVE TO LANDLORD AT LAW OR IN EQUITY AND SHALL SURVIVE THE TRANSACTIONS CONTEMPLATED HEREIN AND SHALL SURVIVE THE TERMINATION OF THIS LEASE. NOTHING HEREIN SHALL CONSTITUTE A WAIVER OF GOVERNMENTAL IMMUNITY. Tenant shall undertake all tests, inspections, surveillance, and observations as reasonably necessary to confirm that no items being stored in or at the Property are or contain Hazardous Substances.

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(b) Definition. As used herein, "Hazardous Substance" means any substance that is regulated or hereafter is regulated by the State of Texas or the United States government, including, without limitation, (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976, as amended from time to time, and regulations promulgated thereunder, and (b) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, and regulations promulgated thereunder. The term "Hazardous Substance" includes any and all material or substances that are defined as "hazardous waste," "extremely hazardous waste" or a "hazardous substance" pursuant to Governmental Requirements. The term "Hazardous Substance" includes but is not restricted to, asbestos, polychlorobiphenyls ("PCBs") and petroleum products (to the extent such petroleum products are in amounts exceeding what is reasonably necessary to fuel, lubricate or otherwise run and maintain reasonable equipment and machinery at the Property in a warehouse capacity), lead, cyanide, or DDT.

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(c) Tenant's Liability. **WITHOUT IN ANY WAY NEGATING THE ABSOLUTE PROHIBITION AGAINST THE USE, STORAGE, GENERATION, DEPOSIT OR DISPOSAL OF ANY HAZARDOUS SUBSTANCE ON THE PROPERTY OR WITHOUT LIMITING THE GENERALITY OF THE INDEMNITY AND DEFINITION OF ENVIRONMENTAL CLAIMS IN SECTION 5.03(a), TENANT HEREBY AGREES THAT IT SHALL BE FULLY LIABLE FOR ALL SUITS, ACTIONS, CLAIMS, DEMANDS, DAMAGES, FINES, JUDGMENTS, SETTLEMENTS, PENALTIES, LIABILITIES, LOSS, COSTS AND EXPENSES (INCLUDING COURT COSTS AND REASONABLE ATTORNEYS AND CONSULTANT'S FEES AND REASONABLE LITIGATION EXPENSE) (INDIVIDUALLY A "CLAIM" AND COLLECTIVELY THE "CLAIMS") ARISING OUT OF, AS A RESULT OF OR CAUSED BY THE USE, STORAGE, GENERATION, DEPOSIT OR DISPOSAL OF ANY HAZARDOUS SUBSTANCE KEPT ON THE PROPERTY, AND TENANT SHALL GIVE IMMEDIATE NOTICE TO LANDLORD OF ANY VIOLATION OR POTENTIAL VIOLATION OF THE PROVISIONS OF SECTION 5.03. ONLY TO THE EXTENT PERMITTED BY LAW, TENANT SHALL INDEMNIFY, AND HOLD HARMLESS THE LANDLORD PARTIES FROM AND AGAINST ANY AND ALL CLAIMS OF WHATEVER KIND OR NATURE, KNOWN OR UNKNOWN, CONTINGENT OR OTHERWISE, ARISING OUT OF, AS A RESULT OF OR CAUSED BY: (A) THE PRESENCE, DISPOSAL, RELEASE OR THREATENED RELEASE OF ANY SUCH HAZARDOUS SUBSTANCE THAT IS ON, FROM OR AFFECTING THE SOIL, WATER, VEGETATION, BUILDINGS, PERSONAL PROPERTY,**

PERSONS, ANIMALS OR OTHERWISE LOCATED ON OR AROUND THE PROPERTY; (B) ANY PERSONAL INJURY (INCLUDING DEATH) OR PROPERTY DAMAGE (REAL OR PERSONAL) ARISING OUT, AS A RESULT OF OR CAUSED BY SUCH HAZARDOUS SUBSTANCE; (C) ANY LAWSUIT BROUGHT OR THREATENED, SETTLEMENT REACHED OR GOVERNMENT ORDER RELATING TO SUCH HAZARDOUS SUBSTANCE; OR (D) ANY VIOLATION OF ANY GOVERNMENTAL REQUIREMENTS EVEN IF ANY OF THE CLAIMS REFERRED TO IN THIS SECTION 5.03(c) ARE ATTRIBUTABLE IN PART TO THE NEGLIGENCE OR STRICT LIABILITY OF ANY LANDLORD PARTIES, BUT NOT THE LANDLORD PARTIES' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. THE PROVISIONS OF THIS SECTIONS 5.03(c) SHALL BE IN ADDITION TO ANY OTHER OBLIGATIONS AND LIABILITIES TENANT MAY HAVE TO LANDLORD AT LAW OR IN EQUITY AND SHALL SURVIVE THE TRANSACTIONS CONTEMPLATED HEREIN AND SHALL SURVIVE THE TERMINATION OF THIS LEASE. NOTHING HEREIN SHALL CONSTITUTE A WAIVER OF GOVERNMENTAL IMMUNITY.

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Section 5.04 Signs and Auctions. Tenant shall not place any signs on the Property without Landlord's prior written consent. Tenant shall not conduct or permit any auctions or sheriff's sales at the Property.

Section 5.05 General Indemnity and Waiver. A. Only to the extent permitted by law, Tenant shall **INDEMNIFY, DEFEND** and **HOLD HARMLESS** Landlord Parties from and against any and all Claims arising out of, as a result of or caused by any of the following (collectively, "Tenant Liabilities" and individually a "Tenant Liability"): (a) Tenant's use or occupancy of the Property; (b) the conduct of Tenant's business or anything else done or permitted by any Tenant Party to be done in or about the Property, or its use of the Property (including, without limitation, use by any depositor or other Tenant Party); (c) any breach or default in the performance of Tenant's obligations under this lease; (d) any misrepresentation or breach of warranty by Tenant under this Lease; or (e) other acts, omissions or strict liability of any Tenant Party including, without limitation, any depositor. Tenant shall **DEFEND** Landlord Parties against any such Tenant Liabilities at Tenant's expense with counsel reasonably acceptable to Landlord Parties, or, at Landlord's election, Tenant shall reimburse Landlord for any reasonable attorneys fees or costs incurred by Landlord in connection with any such Claim. As a material part of the consideration to Landlord, Tenant assumes all risk of damage to property or injury to persons (including death) in or about the Property at the instance of or request of or attendant to the business or pleasure of Tenant to the extent arising out of as a result of or caused by any cause, and Tenant hereby WAIVES all such Claims in respect thereof against the Landlord Parties, **EVEN IF ANY SUCH CLAIMS ARE**

**ATTRIBUTABLE IN PART TO THE NEGLIGENCE OR STRICT LIABILITY OF ANY LANDLORD PARTIES, BUT NOT THE LANDLORD PARTIES' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OR BREACH OF THIS LEASE. THE PROVISIONS OF THIS SECTION 5.05 SHALL BE IN ADDITION TO ANY OTHER OBLIGATIONS AND LIABILITIES TENANT MAY HAVE TO LANDLORD AT LAW OR IN EQUITY AND SHALL SURVIVE THE TRANSACTIONS CONTEMPLATED HEREIN AND SHALL SURVIVE THE TERMINATION OF THIS LEASE.**

Section 5.06 Quiet Possession. If Tenant pays the rent and complies with all other terms of this Lease, Tenant may occupy and enjoy the Property for the full Lease Term, subject to the provisions of this Lease.

Section 5.07 Common Drive and Access Gate. Notwithstanding any other provision of this Lease, Tenant acknowledges and agrees that Landlord will continue to use the Common Drive and Access Gate in connection with Landlord's operations in the building located at 4401 Ave P ½, Galveston, Texas (the "Adjacent Property"). As such, both Landlord and Tenant shall have the non-exclusive right to use the Common Drive and Access Gate for all lawful purposes to extent any such use does not prohibit the other party from enjoying its right to use the Common Drive and the Access Gate. No parking, curbs, barriers or other obstructions, other than the Access Gate, shall be allowed on the Common Drive that would prohibit either Landlord or Tenant from the use and enjoyment of the Common Drive. Upon execution of this Lease, Landlord shall, at its sole cost and expense, install such equipment on the Adjacent Property is necessary, in Landlord's discretion, for the operation of the Access Gate so that, upon completion of such installation, the Access Gate shall be, and throughout the Lease Term shall remain, fully operational from both the Property and the Adjacent Property.

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## ARTICLE SIX CONDITION OF PROPERTY; MAINTENANCE, REPAIRS AND ALTERATIONS

Section 6.01 Existing Conditions. Tenant accepts the Property in its "**AS IS, WHERE IS**" and "**WITH ALL FAULTS**" condition as of the execution of the Lease, subject to all recorded matters, laws, ordinances, and governmental regulations and orders. Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation as to the condition of the Property or the suitability of the Property for Tenant's intended use. Tenant represents and warrants that Tenant has made its own inspection of and inquiry regarding the condition of the Property and is not relying on any representations of Landlord or any Broker with respect thereto.

Section 6.02 Landlord Repair or Security Obligations.

- (a) Other than repair and maintenance necessary due to Tenant's acts or omissions, Landlord shall keep all the structural portions of the Property in

good order, condition and repair at its sole cost and expense, excepting maintenance and repair of the roof, which shall be the responsibility of the Tenant at Tenant's sole cost and expense.

- (b) If Landlord fails to maintain, repair or replace the Property as required by this Section 6.02(a), Tenant may, upon 10 days' prior notice to Landlord (except that no notice shall be required in the case of an emergency), perform such maintenance or repair (including replacement, as needed) on behalf of Landlord. In such case, Landlord shall reimburse Tenant for all reasonable costs incurred in performing such maintenance or repair immediately upon demand.
- (c) Subject to the provisions of Section 6.02(a), Article Seven and Article Eight, Landlord shall have no duty of upkeep, repair, maintenance or security whatsoever with respect to the Property. Tenant waives the benefit of any present or future law which might give Tenant the right to repair the Property at Landlord's expense or to terminate the Lease because of the condition of the Property. In no event shall Landlord have any obligation or responsibility for providing any police or security service for the Property. Tenant shall be solely responsible for, and shall assume all risk to, persons and property while in, on or about the Property.

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Section 6.03 Exemption of Landlord from Liability. **LANDLORD SHALL NOT BE LIABLE FOR ANY DAMAGE OR INJURY TO THE PERSON, BUSINESS (OR ANY LOSS OF INCOME THEREFROM), GOODS, WARES, MERCHANDISE OR OTHER PROPERTY OF TENANT, TENANT'S EMPLOYEES, INVITEES, CUSTOMERS OR ANY OTHER PERSON IN OR ABOUT THE PROPERTY, INCLUDING, WITHOUT LIMITATION, SUCH DAMAGE OR INJURY CAUSED BY OR RESULTING FROM: (A) FIRE, STEAM, ELECTRICITY, WATER, GAS OR RAIN; (B) THE BREAKAGE, LEAKAGE, OBSTRUCTION OR OTHER DEFECTS OF PIPES, SPRINKLERS, WIRES, APPLIANCES, PLUMBING, AIR CONDITIONING OR LIGHTING FIXTURES OR ANY OTHER CAUSE; (C) CONDITIONS ARISING IN OR ABOUT THE PROPERTY OR FROM OTHER SOURCES OR PLACES; OR (D) ANY ACT OR OMISSION OF ANY OTHER TENANT OF LANDLORD OR THIRD PARTY, INCLUDING, WITHOUT LIMITATION, CRIMINAL ACTS. LANDLORD SHALL NOT BE LIABLE FOR ANY SUCH DAMAGE OR INJURY EVEN THOUGH THE CAUSE OF OR THE MEANS OF REPAIRING SUCH DAMAGE OR INJURY ARE NOT ACCESSIBLE TO TENANT; AND EVEN IF SUCH DAMAGE OR INJURY IS ATTRIBUTABLE IN PART TO THE NEGLIGENCE, GROSS NEGLIGENCE OR STRICT LIABILITY OF LANDLORD, ANREM CORPORATION, OR ANY OTHER PROPERTY MANAGER, EXCEPT FOR ANY SUCH DAMAGE OR INJURY TO THE EXTENT ARISING OUT OF, AS A RESULT OF OR CAUSED BY**

**LANDLORD'S GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR BREACH OF THIS LEASE.**

Section 6.04 Tenant's Obligations.

- (a) Except as otherwise expressly provided in this Lease, Tenant shall keep all portions of the Property (including, without limitation, nonstructural, foundations, sprinkler systems, plumbing, electric systems, interior, exterior, landscaped areas, portions, systems and equipment and the Common Drive, Access Gate and Access Gate equipment located on the Property) in good order, condition and repair (including interior repainting and refinishing, as needed). If any portion of the Property or any system or equipment in the Property which Tenant is obligated to repair cannot be fully repaired or restored, Tenant shall promptly replace such portion of the Property or system or equipment in the Property, regardless of whether the benefit of such replacement extends beyond the Lease Term. It is the intention of Landlord and Tenant that, at all times during the Lease Term, Tenant shall maintain the Property in an attractive, clean, aesthetically pleasing and fully operative condition.
- (b) Tenant shall fulfill all of Tenant's obligations under this Section 6.04 at Tenant's sole expense. If Tenant fails to maintain, repair or replace the Property as required by this Section 6.04, Landlord may, upon 10 days' prior notice to Tenant (except that no notice shall be required in the case of an emergency), enter the Property and perform such maintenance or repair (including replacement, as needed) on behalf of Tenant. In such case, Tenant shall reimburse Landlord for all costs incurred in performing such maintenance or repair immediately upon demand. Landlord's reservation of rights under this Lease, such as the right to enter upon or maintain the improvements, shall not be deemed to create any duty on the part of Landlord to exercise any such right, and Landlord expressly advises Tenant that Landlord's intention is that Tenant shall have full responsibility for all such matters.

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Section 6.05 Alterations, Additions, and Improvements.

- (a) Tenant shall not make any alterations, additions or improvements to the Property without Landlord's prior written consent, except for non-structural alterations which do not exceed \$25,000. Landlord may require Tenant to provide demolition and/or lien and completion bonds in form and amount satisfactory to Landlord. Tenant shall promptly remove any alterations, additions or improvements constructed in violation of this Section 6.05(a) upon Landlord's written request. All alterations, additions and improvements shall be done in a good and workmanlike manner, in conformity with all applicable laws and regulations, and by a contractor approved by Landlord.

Upon completion of any such work, Tenant shall provide Landlord with "as built" plans, copies of all construction contracts, and proof of payment for all labor and materials.

- (b) Tenant shall pay when due all claims for labor and material furnished to the Property. Tenant shall give Landlord at least 20 days' prior written notice of the commencement of any work on the Property, regardless of whether Landlord's consent to such work is required. Landlord may elect to record and post notices of non-responsibility on the Property.

Section 6.06 Condition upon Termination. Upon the termination of the Lease, Tenant shall surrender the Property to Landlord, broom clean and in the same condition as received except for ordinary wear and tear which Tenant was not otherwise obligated to remedy under any provision of this Lease. In addition, Landlord may require Tenant to remove any alterations, additions or improvements (whether or not made with Landlord's consent) prior to the expiration of the Lease and to restore the Property to its prior condition, all at Tenant's expense. All alterations, additions and improvements become Landlord's property and shall be surrendered to Landlord upon the expiration or earlier termination of the Lease, unless Landlord requires Tenant, in writing to remove any such alterations, additions or improvements and except that Tenant may remove any of Tenant's machinery or equipment which can be removed without material damage to the Property. Tenant shall repair, at Tenant's expense, any damage to the Property caused by the removal of any such machinery or equipment. In no event, however, shall Tenant remove any of the following materials or equipment (which shall be deemed Landlord's property) without Landlord's prior written consent: any power wiring or power panels; lighting or lighting fixtures; wall coverings; drapes, blinds or other window coverings; carpets or other floor coverings; heaters, air conditioners or any other heating or air conditioning equipment; fencing or security gates; or other similar building operating equipment and decorations.

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## ARTICLE SEVEN DAMAGE OR DESTRUCTION

Section 7.01 Partial Damage to Property.

- (a) Tenant shall notify Landlord in writing immediately upon the occurrence of any damage to the Property. If the Property is only partially damaged (i.e., less than 50% of the Property is untenable as a result of such damage or less than 50% of Tenant's operations are materially impaired) and if the proceeds received by Landlord from the insurance policies described in Section 4.04(b) are sufficient to pay for the necessary repairs, this Lease shall remain in effect and Landlord shall repair the damage as soon as reasonably possible. Landlord may elect (but is not required) to repair any damage to Tenant's fixtures, equipment, or improvements.

- (b) If the insurance proceeds received by Landlord are not sufficient to pay the entire cost of repair, or if the cause of the damage is not covered by the insurance policies which Landlord maintains under Section 4.04(b), Landlord may elect either to (i) repair the damage as soon as reasonably possible, in which case this Lease shall remain in full force and effect, or (ii) terminate this Lease as of the date the damage occurred. Landlord shall notify Tenant within 30 days after receipt of notice of the occurrence of the damage whether Landlord elects to repair the damage or terminate the Lease. If Landlord elects to repair the damage, Tenant shall pay Landlord the "deductible amount" (if any) under Landlord's insurance policies and if the damage was due to an act or omission of Tenant, or Tenant's employees, agents, contractors or invitees, the difference between the actual cost of repair and any insurance proceeds received by Landlord. If Landlord elects to terminate the Lease, Tenant may elect to continue this Lease in full force and effect, in which case Tenant shall repair any damage to the Property and any building in which the Property is located. Tenant shall pay the cost of such repairs, except that upon satisfactory completion of such repairs, Landlord shall deliver to Tenant any insurance proceeds received by Landlord for the damage repaired by Tenant. Tenant shall give Landlord written notice of such election within 10 days after receiving Landlord's termination notice.
- (c) If the damage to the Property occurs during the last 3 months of the Lease Term and such damage will require more than 30 days to repair, either Landlord or Tenant may elect to terminate this Lease as of the date the damage occurred, regardless of the sufficiency of any insurance proceeds. The party electing to terminate this Lease shall give written notification to the other party of such election within 30 days after Tenant's notice to Landlord of the occurrence of the damage.

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Section 7.02 Substantial or Total Destruction. If the Property is substantially or totally destroyed by any cause whatsoever (i.e., the damage to the Property is greater than partial damage as described in Section 7.01), and regardless of whether Landlord receives any insurance proceeds, this Lease shall terminate as of the date the destruction occurred. Notwithstanding the preceding sentence, if the Property can be rebuilt within six months after the date of destruction, Landlord may elect to rebuild the Property at Landlord's own expense, in which case this Lease shall remain in full force and effect. Landlord shall notify Tenant of such election within 30 days after Tenant's notice of the occurrence of total or substantial destruction. If Landlord so elects, Landlord shall rebuild the Property at Landlord's sole expense, except that if the destruction was caused by an act or omission of Tenant, Tenant shall pay Landlord the difference between the actual cost of rebuilding and any insurance proceeds received by Landlord.

Section 7.03 Temporary Reduction of Rent. Tenant shall not be entitled to any compensation, reduction or reimbursement from Landlord as a result of any damage, destruction, repair, or restoration of or to the Property.

Section 7.04 Waiver. Tenant waives the protection of any statute, code or judicial decision which grants a tenant the right to terminate a lease in the event of the substantial or total destruction of the leased property. Tenant agrees that the provisions of Section 7.02 above shall govern the rights and obligations of Landlord and Tenant in the event of any substantial or total destruction to the Property.

#### ARTICLE EIGHT CONDEMNATION

If all or any portion of the Property is taken under the power of eminent domain or sold under the threat of that power (all of which are called "Condemnation"), this Lease shall terminate as to the part taken or sold on the date the condemning authority takes title or possession, whichever occurs first. If more than 20% of the floor area of the building in which the Property is located, or which is located on the Property, is taken, either Landlord or Tenant may terminate this Lease as of the date the condemning authority takes title or possession, by delivering written notice to the other within 10 days after receipt of written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority takes title or possession). If neither Landlord nor Tenant terminates this Lease, this Lease shall remain in effect as to the portion of the Property not taken, except that the Base Rent and Additional Rent shall be reduced in proportion to the reduction in the floor area of the Property. Any Condemnation award or payment shall be distributed in the following order: (a) first, to any ground lessor, mortgagee or beneficiary under a deed of trust encumbering the Property, the amount of its interest in the Property; (b) second, to Tenant, only the amount of any award specifically designated for loss of or damage to Tenant's trade fixtures or removable personal property; and (c) third, to Landlord, the remainder of such award, whether as compensation for reduction in the value of the leasehold, the taking of the fee, or otherwise. If this Lease is not terminated, Landlord shall repair any damage to the Property caused by the Condemnation, except that Landlord shall not be obligated to repair any damage for which Tenant has been reimbursed by the condemning authority. If the severance damages received by Landlord are not sufficient to pay for such repair, Landlord shall have the right to either terminate this Lease or make such repair at Landlord's expense.

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#### ARTICLE NINE ASSIGNMENT AND SUBLETTING

Section 9.01 Landlord's Consent Required. No portion of the Property or of Tenant's interest in this Lease may be acquired by any other person or entity, whether by sale, assignment, mortgage, sublease, transfer, operation of law, or act of Tenant, without Landlord's prior written consent. Landlord has the right to grant or withhold its consent in its sole discretion. Any attempted transfer without consent shall be void and shall constitute a non-curable breach of this Lease.

Section 9.02 No Release of Tenant. No transfer permitted by this Article Nine, whether with or without Landlord's consent, shall release Tenant or change Tenant's primary liability to pay the rent and to perform all other obligations of Tenant under this Lease. Landlord's acceptance of rent from any other person is not a waiver of any provision of this Article Nine. Consent to one transfer is not a consent to any subsequent transfer. If Tenant's transferee defaults under this Lease, Landlord may proceed directly against Tenant without pursuing remedies against the transferee. Landlord may consent to subsequent assignments or modifications of this Lease by Tenant's transferee, without notifying Tenant or obtaining its consent. Such action shall not relieve Tenant's liability under this Lease.

Section 9.03 No Merger. No merger shall result from Tenant's sublease of the Property under this Article Nine, Tenant's surrender of this Lease or the termination of this Lease in any other manner. In any such event, Landlord may terminate any or all subtenancies or succeed to the interest of Tenant as sublandlord under any or all subtenancies.

## ARTICLE TEN DEFAULTS; REMEDIES

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Section 10.01 Covenants and Conditions. Tenant's performance of each of Tenant's obligations under this Lease is a condition as well as a covenant. Tenant's right to continue in possession of the Property is conditioned upon such performance. Time is of the essence in the performance of all covenants and conditions.

Section 10.02 Defaults. Tenant shall be in material default under this Lease:

- (a) If Tenant abandons the Property or if Tenant's vacation of the Property results in the cancellation of any insurance described in Section 4.04;
- (b) If Tenant fails to pay rent or any other charge when due;
- (c) If Tenant fails to perform any of Tenant's non-monetary obligations under this Lease for a period of 30 days after written notice from Landlord; provided that if more than 30 days are required to complete such performance, Tenant shall not be in default if Tenant commences such performance within the 30-day period and thereafter diligently pursues its completion. However, Landlord shall not be required to give such notice if Tenant's failure to perform constitutes a non-curable breach of this Lease. The Notice required by this Paragraph is intended to satisfy any and all notice requirements imposed by law on Landlord and is not in addition to any such requirement.
- (d) (i) If Tenant makes a general assignment or general arrangement for the benefit of creditors; (ii) if a petition for adjudication of bankruptcy or for reorganization or rearrangement is filed by or against Tenant and is not

dismissed within 30 days; (iii) if a trustee or receiver is appointed to take possession of substantially all of Tenant's assets located at the Property or of Tenant's interest in this Lease and possession is not restored to Tenant within 30 days; or (iv) if substantially all of Tenant's assets located at the Property or of Tenant's interest in this Lease is subjected to attachment, execution or other judicial seizure which is not discharged within 30 days. If a court of competent jurisdiction determines that any of the acts described in this subparagraph (d) is not a default under this Lease, and a trustee is appointed to take possession (or if Tenant remains a debtor in possession) and such trustee or Tenant transfers Tenant's interest hereunder, then Landlord shall receive, as Additional Rent, the excess, if any, of the rent (or any other consideration) paid in connection with such assignment or sublease over the rent payable by Tenant under this Lease.

Section 10.03 Remedies. On the occurrence of any material default by Tenant, Landlord may, at any time thereafter with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have:

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- (a) Terminate Tenant's right to possession of the Property by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Property to Landlord and, if Tenant fails to do so, Landlord may, without prejudice to any other remedy which Landlord may have for possession or arrearages in rental, enter upon and take possession of the Property and expel or remove Tenant and any other person who may be occupying said Property or any part thereof, without being liable for prosecution or any claim of damages therefor. In either event, Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default;
- (b) Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant has abandoned the Property, in which event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent as it becomes due; or
- (c) Pursue any other remedy now or hereafter available to landlord under the laws or judicial decisions of the state in which the Property is located.

Section 10.04 Cumulative Remedies. Landlord's exercise of any right or remedy shall not prevent it from exercising any other right or remedy.

## ARTICLE ELEVEN PROTECTION OF LENDERS

Section 11.01 Subordination. Landlord shall have the right to subordinate this Lease to any ground lease, deed of trust or mortgage encumbering the Property, any advances made on the

security thereof and any renewals, modifications, consolidations, replacements or extensions thereof, whenever made or recorded. Tenant shall cooperate with Landlord and any lender which is acquiring a security interest in the Property or the Lease. Tenant shall execute such further documents and assurances as such lender may require, provided that Tenant's obligations under this Lease shall not be increased in any material way (the performance of ministerial acts shall not be deemed material), and Tenant shall not be deprived of its rights under this Lease. Tenant's right to quiet possession of the Property during the Lease Term shall not be disturbed if Tenant pays the rent and performs all of Tenant's obligations under this Lease and is not otherwise in default. If any ground lessor, beneficiary or mortgagee elects to have this Lease prior to the lien of its ground lease, deed of trust or mortgage and gives written notice thereof to Tenant, this Lease shall be deemed prior to such ground lease, deed of trust or mortgage whether this Lease is dated prior or subsequent to the date of said ground lease, deed of trust or mortgage or the date of recording thereof.

Section 11.02 Attornment. If Landlord's interest in the Property is acquired by any ground lessor, beneficiary under a deed of trust, mortgagee, or purchaser at a foreclosure sale, Tenant shall attorn to the transferee of or successor to Landlord's interest in the Property and recognize such transferee or successor as Landlord under this Lease. Tenant waives the protection of any statute or rule of law which gives or purports to give Tenant any right to terminate this Lease or surrender possession of the Property upon the transfer of Landlord's interest.

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Section 11.03 Signing of Documents. Tenant shall sign and deliver any instrument or documents necessary or appropriate to evidence any such attornment or subordination or agreement to do so. If Tenant fails to do so within 10 days after written request, Tenant hereby makes, constitutes and irrevocably appoints Landlord, or any transferee or successor of Landlord, the attorney-in-fact of Tenant to execute and deliver any such instrument or document.

Section 11.04 Estoppel Certificates. Upon Landlord's written request, Tenant shall execute, acknowledge and deliver to Landlord a written statement certifying representations or information with respect to Tenant or the Lease as Landlord may reasonably request or which any prospective purchaser or encumbrancer of the Property may require. Tenant shall deliver such statement to Landlord within 10 days after Landlord's request. Landlord may give any such statement by Tenant to any prospective purchaser or encumbrancer of the Property. Such purchaser or encumbrancer may rely conclusively upon such statement as true and correct. If Tenant does not deliver such statement to Landlord within such 10-day period, Landlord, and any prospective purchaser or encumbrancer, may conclusively presume and rely upon the following facts: (i) that the terms and provisions of this Lease have not been changed except as otherwise represented by Landlord; (ii) that this Lease has not been cancelled or terminated except as otherwise represented by Landlord; (iii) that not more than one month's Base Rent or other charges have been

paid in advance; and (iv) that Landlord is not in default under the Lease. In such event, Tenant shall be estopped from denying the truth of such facts.

ARTICLE TWELVE  
LEGAL COSTS

Section 12.01 Legal Proceedings. If Tenant or Landlord shall be in breach or default under this Lease, such party (the "Defaulting Party") shall reimburse the other party (the "Nondefaulting Party") upon demand for any costs or expenses that the Nondefaulting Party incurs in connection with any breach or default of the Defaulting Party under this Lease, whether or not suit is commenced or judgment entered. Such costs shall include legal fees and costs incurred for the negotiation of a settlement, enforcement of rights or otherwise. Furthermore, if any action for breach of or to enforce the provisions of this Lease is commenced, the court in such action shall award to the party in whose favor a judgment is entered, a reasonable sum as attorneys' fees and costs. The losing party in such action shall pay such attorneys' fees and costs. Only to the extent permitted by law, Tenant shall also INDEMNIFY Landlord against and HOLD Landlord HARMLESS from all costs, expenses, demands and liability Landlord may incur if Landlord becomes or is made a party to any claim or action (a) instituted by Tenant against any third party, or by any third party against Tenant, or by or against any person holding any interest under or using the Property by license of or agreement with Tenant; (b) for foreclosure of any lien for labor or material furnished to or for Tenant or such other person; (c) otherwise arising out of or resulting from any act or transaction of Tenant or such other person; or (d) necessary to protect Landlord's interest under this Lease in a bankruptcy proceeding, or other proceeding under Title 11 of the United States Code, as amended. Tenant shall defend Landlord against any such claim or action at Tenant's expense with counsel reasonably acceptable to Landlord, or, at Landlord's election, Tenant shall reimburse Landlord for any legal fees or costs Landlord incurs in any such claim or action. Nothing herein shall constitute a waiver of Tenant's governmental immunity. The provisions of this Section 12.01 shall be in addition to any other obligations and liabilities Tenant may have to Landlord at law or in equity and shall survive the transactions contemplated herein and shall survive the termination of this Lease.

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Section 12.02 Landlord's Consent. Tenant shall pay Landlord's reasonable attorneys' fees incurred in connection with any act which Tenant proposes to do and which requires Landlord's consent.

ARTICLE THIRTEEN  
MUTUAL TERMINATION OPTION

Either Landlord or Tenant shall have the right to terminate this Lease upon not less than 120 days' prior written notice (a "Termination Notice") to the other. If Landlord is the party providing a Termination Notice, con or before the date of termination (the "Termination Date") specified in the

Termination Notice, Landlord shall pay to Tenant the Cost Reimbursement. If either Landlord or Tenant properly elects to terminate this Lease, the Lease Term shall terminate as of the Termination Date, and Base Rent and other charges shall be apportioned as of the Termination Date and thereafter Landlord and Tenant shall have no further rights or obligations hereunder except those that expressly survive termination of this Lease. For the purposes of this Article Thirteen, “Cost Reimbursement” means the unamortized portion of Tenant’s cost to replace the roof of the building located on the Property, based on the average life/warranty of said roof as indicated by its manufacturer. If Tenant has not replace the roof, the Cost Reimbursement shall be \$0.

ARTICLE FOURTEEN  
RIGHT OF FIRST REFUSAL

Section 14.01 Grant of Right of First Refusal. During the Lease Term, Tenant shall have the continuing right of first opportunity (the “ROFO”) to purchase the Property in the event Landlord desires to sell the Property. If Landlord shall, during the Lease Term (including any Renewal Term), desire to offer the Property to sell to any third party, Landlord shall provide to Tenant notice of such desire (the “Offer Notice”), together with the terms on which Landlord desires to sell the Property, including purchase price, anticipated closing date, seller financing or other incentives offered, and any other material terms.

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Section 14.02 Exercise of Right. Tenant shall have twenty (20) days from receipt of the Offer Notice to notify Landlord whether or not Tenant is interested in purchasing the Property under the terms contained in the Offer Notice. If Tenant fails to reply to the Offer Notice by written notice to Landlord within the 20 day period, or if Tenant waives its right in writing, Landlord may thereafter sell the Property to any third party in accordance with the terms set out in the Offer Notice.

Section 14.03 Excluded Transfers. Tenant’s ROFO shall not apply to any transfer of the Property (i) pursuant to any foreclosure of any mortgage against Landlord’s interest in the Property or any deed given in lieu thereof, or (ii) to any party which controls, is controlled by, or is under common control with Landlord, or (iii) pursuant to condemnation proceedings or under threat thereof.

Section 14.04 Conditions of Exercise. Tenant may only exercise its rights under this Article, and the exercise thereof shall only be effective if at the time of Tenant’s exercise of its rights this Lease is in full force and effect and Tenant is not in default under this Lease beyond any applicable notice, grace or cure periods.

Section 14.05 Closing Date. Closing shall occur on or before the sixtieth (60th) day following Tenant’s exercise of its right pursuant to Section 14.05.

Section 14.06 Title. Landlord shall at closing convey title of the Property to Tenant (or its nominee) by Special Warranty Deed, subject to all matters of record against the

Property except any monetary lien or encumbrance. All matters constituting a monetary lien or encumbrance shall be discharged by Landlord at or before closing.

Section 14.07 Costs. Tenant shall pay the cost of any documentary stamp tax or other taxes and recording fees in connection with the deed or transfer, the cost of obtaining and recording any instruments correcting title defects, any title insurance premiums in connection with the transaction, and the fees of Landlord's attorneys, and Tenant shall pay the surveyor's fees in connection with any survey, and the fees of Tenant's attorneys.

#### ARTICLE FIFTEEN MISCELLANEOUS PROVISIONS

Section 15.01 Non-Discrimination. Tenant promises, and it is a condition to the continuance of this Lease, that there will be no discrimination against, or segregation of, any person or group of persons on the basis of race, color, sex, creed, national origin or ancestry in the leasing, subleasing, transferring, occupancy, tenure or use of the Property or any portion thereof.

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Section 15.02 Landlord's Liability; Certain Duties.

- (a) As used in this Lease, the term "Landlord" means only the current owner or owners of the fee title to the Property or the leasehold estate under a ground lease of the Property at the time in question. Each Landlord is obligated to perform the obligations of Landlord under this Lease only during the time such Landlord owns such interest or title. Any Landlord who transfers its title or interest is relieved of all liability with respect to the obligations of Landlord under this Lease to be performed on or after the date of transfer. However, each Landlord shall deliver to its transferee all funds that Tenant previously paid if such funds have not yet been applied under the terms of this Lease.
- (b) Notwithstanding any term or provision herein to the contrary, the liability of Landlord for the performance of its duties and obligations under this Lease is limited to Landlord's interest in the Property; and further provided, none of Landlord's partners, shareholders, officers or other principals shall have any personal liability under this Lease.

Section 15.03 Severability. A determination by a court of competent jurisdiction that any provision of this Lease or any part thereof is illegal or unenforceable shall not cancel or invalidate the remainder of such provision or this Lease, which shall remain in full force and effect.

Section 15.04 Interpretation. The captions of the Articles or Sections of this Lease are to assist the parties in reading this Lease and are not a part of the terms or provisions of this Lease. Whenever required by the context of this Lease, the singular shall include the plural and the plural shall include the singular. The masculine, feminine and neuter genders shall each include the other. In any provision relating to the conduct, acts or omissions of Tenant, the term "Tenant" shall include Tenant's agents, employees, contractors, invitees, successors or others using the Property with Tenant's expressed or implied permission.

Section 15.05 Incorporation of Prior Agreements; Modifications. This Lease is the only agreement between the parties pertaining to the lease of the Property and no other agreements are effective. All amendments to this Lease shall be in writing and signed by all parties. Any other attempted amendment shall be void.

Section 15.06 Notices. All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid. Notices to Tenant shall be delivered to the address specified in Article One above, except that upon Tenant's taking possession of the Property, the Property shall be Tenant's address for notice purposes. Notices to Landlord shall be delivered to the address specified in Article One above. All notices shall be effective upon delivery. Either party may change its notice address upon written notice to the other party.

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Section 15.07 Waivers. All waivers must be in writing and signed by the waiving party. Landlord's failure to enforce any provision of this Lease or its acceptance of rent shall not be a waiver and shall not prevent Landlord from enforcing that provision or any other provision of this Lease in the future. No statement on a payment check from Tenant or in a letter accompanying a payment check shall be binding on Landlord. Landlord may, with or without notice to Tenant, negotiate such check without being bound to the conditions of such statement.

Section 15.08 No Recordation. Tenant shall not record this Lease without prior written consent from Landlord. However, either Landlord or Tenant may require that a "Short Form" memorandum of this Lease executed by both parties be recorded. The party requiring such recording shall pay all transfer taxes and recording fees.

Section 15.09 Binding Effect; Choice of Law. This Lease binds any party who legally acquires any rights or interest in this Lease from Landlord or Tenant. However, Landlord shall have no obligation to Tenant's successor unless the rights or interests of Tenant's successor are acquired in accordance with the terms of this Lease. The laws of the state in which the Property is located shall govern this Lease.

Section 15.10 Corporate Authority; Partnership Authority. Each person signing this Lease on behalf of Tenant represents and warrants that he has full authority to do so and that this Lease binds the corporation. Within 30 days after this Lease is signed, Tenant shall

deliver to Landlord a certified copy of a resolution of Tenant's governing board authorizing the execution of this Lease or other evidence of such authority reasonably acceptable to landlord.

Section 15.11 Force Majeure. If Landlord cannot perform any of its obligations due to events beyond Landlord's control, the time provided for performing such obligations shall be extended by a period of time equal to the duration of such events. Events beyond Landlord's control include, but are not limited to, acts of God, war, civil commotion, labor disputes, strikes, fire, flood or other casualty, shortages of labor or material, government regulation or restriction and weather conditions.

Section 15.12 Execution of Lease. This Lease may be executed in counterparts and, when all counterpart documents are executed, the counterparts shall constitute a single binding instrument. Landlord's delivery of this Lease to Tenant shall not be deemed to be an offer to lease and shall not be binding upon either party until executed and delivered by both parties.

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Section 15.13 Survival. All representations and warranties of Landlord and Tenant shall survive the termination of this Lease.

Section 15.14 No Brokers. Tenant and Landlord represent and warrant to each other that no brokers, finders or other parties are or may be entitled to any commission or fee with respect to this Lease or the Property.

Section 15.15 Time is of the Essence. It is expressly agreed by the parties hereto that time is of the essence with respect to this Lease.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

Landlord and Tenant have signed this Lease at the place and on the dates specified adjacent to their signatures below.

LANDLORD:

AMERICAN NATIONAL INSURANCE COMPANY,  
a Texas insurance company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date of Signature: July \_\_\_\_, 2022

TENANT:

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GALVESTON INDEPENDENT SCHOOL DISTRICT

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date of Signature: July \_\_\_\_, 2022

**LEASE AGREEMENT**

ARTICLE ONE  
BASIC TERMS

This Article One contains the Basic Terms of this Lease Agreement (this “Lease”) between the Landlord and Tenant named below. Other Articles, Sections and Paragraphs of the Lease referred to in this Article I explain and define the Basic Terms and are to be read in conjunction with the Basic Terms.

- Section 1.01 Date of Lease: August 1, 2022.
- Section 1.02 Landlord: American National Insurance Company,  
a Texas insurance company
- Section 1.03 Address of Landlord: One Moody Plaza  
Galveston, Texas 77550  
Attn: ~~David Cripps~~  
~~Email: David.Cripps~~ Rachel Ferem  
Email: Rachel.ferem@americannational.com  
  
2525 South Shore Blvd., Suite 200  
League City, Texas 77573  
Attn: Kam DeBondy  
Email: Kam.DeBondt@ANICO.com  
  
2525 South Shore Blvd., Suite 207  
League City, Texas 77573  
Attn: Scott Webb  
Email: Scott.Webb@ANICO.com
- Section 1.04 Tenant: Galveston Independent School District
- Section 1.05 Address of Tenant: P.O. Box 660  
Galveston, TX 77553  
Attn: ~~David Dworsky~~  
~~Fax: Dr. Jerry Gibson~~  
Email: ~~David\_dworsky~~ jerrygibson@gisd.org
- Section 1.06 Property: The real property shown as the cross-hatched area on Exhibit A attached to this Lease and incorporated in this Lease for all purposes by this reference, together with the warehouse, containing approximately 24,400 SF, and other improvements located thereon, having a street address of 4302

Avenue Q, Galveston, Texas 77550. Notwithstanding the foregoing, Tenant's rights shall be nonexclusive with respect to the common driveway (the "Common Drive") and the electronic access gate (the "Access Gate") located on the Property that also serves the Adjacent Property (as defined in Section 5.07), subject to the further provisions of this Lease, including, without limitation Section 5.07 of this Lease.

- Section 1.07 Lease Term: Ten (10) years, beginning on the Date of Lease and ending on July 31, 2032.
- Section 1.08 Base Rent: \$1.00 per year in the Lease Term.

ARTICLE TWO  
LEASE TERM

- Section 2.01 Lease of Property For Lease Term. Landlord leases the Property to Tenant and Tenant leases the Property from Landlord for the Lease Term, subject to early termination or extension in accordance with the provisions of this Lease.
- Section 2.02 Delay in Commencement. Landlord shall deliver possession of the Property to Tenant on the Date of Lease, and Tenant shall accept same, in its current "**AS IS, WHERE IS**" and "**WITH ALL FAULTS**" condition. Tenant acknowledges that no representations as to the repair of the Property, nor promises to alter, remodel or improve the Property, have been made by Landlord, except as are expressly set forth in this Lease.
- Section 2.03 Holding Over. Tenant shall vacate the Property upon the expiration or earlier termination of this Lease. Tenant shall reimburse Landlord for and indemnify Landlord against all damages which Landlord incurs from Tenant's delay in vacating the Property. If Tenant does not vacate the Property upon the expiration or earlier termination of the Lease and Landlord thereafter accepts rent from Tenant, Tenant's occupancy of the Property shall be a "month-to-month" tenancy, subject to all of the terms of this Lease applicable to a month-to-month tenancy.

ARTICLE THREE  
PAYMENT OF BASE RENT

Upon execution of this Lease, Tenant shall pay Landlord the Base Rent for the entire Lease Term, in advance, without offset, deduction or prior demand. The Base Rent shall be payable at the Address of Landlord or at such other place as Landlord may designate in writing.

ARTICLE FOUR  
OTHER CHARGES PAYABLE BY TENANT

Section 4.01 Additional Rent. All charges payable by Tenant other than Base Rent are called "Additional Rent." Unless this Lease provides otherwise, Tenant shall pay all Additional Rent then due, if any with the next monthly installment of Base Rent. The term "rent" shall mean Base Rent and Additional Rent.

Section 4.02 Property Taxes.

- (a) Real Property Taxes. Tenant shall pay, during the Lease Term, the annual Real Property Taxes assessed on the Property. "Real Property Taxes" are real property taxes applicable to the Property as shown on the tax bill for the most recent tax fiscal year.
- (b) Personal Property Taxes. Tenant shall pay all taxes charged against trade fixture, furnishings, equipment or any other personal property belonging to Tenant. Tenant shall have personal property taxed separately from the Property. If any of Tenant's personal property is taxed with the Property, Tenant shall pay Landlord the taxes for the personal property within 15 days after Tenant receives a written statement from Landlord for such personal property taxes.

Section 4.03 Utilities. Tenant shall pay, directly to the appropriate supplier, the cost of all natural gas, heat, light, power, sewer service, telephone, water, refuse disposal and other utilities and services supplied to the Property. However, if any services or utilities are jointly metered with other property, Landlord shall make a reasonable determination of Tenant's proportionate share of the cost of such utilities and services and Tenant shall pay such share to Landlord within 15 days after receipt of Landlord's written statement. Notwithstanding the foregoing to the contrary, unless otherwise required by Landlord, electricity for the Property shall continue to be metered in the name of, and the electricity service provider selected by, Landlord, but electricity service shall be billed directly to and paid by Tenant. Tenant shall not be permitted to change electric providers for the property without Landlords prior written consent, such consent to be at Landlords sole and absolute discretion.

Section 4.04 Insurance Policies.

- (a) Liability Insurance. During the Lease Term, Tenant shall, at its sole cost and expense, maintain the following insurance policies:
  - (i) Commercial general liability insurance (sometimes known as broad form comprehensive general liability insurance) without

any pollution exclusions whatsoever, insuring Tenant against liability for bodily injury, property damage (including loss of use of property) and personal injury arising out of the operation, use or occupancy of the Property. Tenant shall name Landlord as an additional insured under such policy. The initial amount of such insurance shall be \$1,000,000 per occurrence and shall be subject to periodic increase based upon inflation, increased liability awards, recommendation of Landlord's professional insurance advisers and other relevant factors. The liability insurance obtained by Tenant under this Section 4.04(a) shall (i) be primary and non-contributing; (ii) contain cross-liability endorsements; and (iii) insure Landlord against Tenant's performance under Section 5.05, if the matters giving rise to the indemnity under Section 5.05 result from the negligence of Tenant. The amount and coverage of such insurance shall not limit Tenant's liability nor relieve Tenant of any other obligation under this Lease. Landlord may also obtain comprehensive public liability insurance in an amount and with coverage determined by Landlord insuring Landlord against liability arising out of ownership, operation, use or occupancy of the Property. The policy obtained by Landlord shall not be contributory and shall not provide primary insurance.

- (ii) Worker's compensation insurance for all employees of Tenant or others engaged on or with respect to the Property.
  - (iii) Comprehensive automobile liability insurance to cover owned, long-term leased, hired and non-owned automobiles (including medical payments and uninsured motorist coverages) in the minimum amount of \$1,000,000 per occurrence for bodily injury and \$500,000 per occurrence for property damage.
  - (iv) Additional insurance or increased coverage as required by Landlord in its reasonable discretion.
- (b) Property. During the Lease Term, Landlord shall maintain policies of insurance covering loss of or damage to the Property in the full amount of its replacement value. Such policy shall be an "all risk" policy. Tenant shall not do or permit anything to be done which invalidates any such insurance policies.
- (c) Payment of Premiums.

Landlord shall pay the Base Premiums for the insurance policies maintained by Landlord under Section 4.04(b). The "Base Premiums" are the insurance premiums paid by Landlord during the 12-month period immediately preceding the Date of Lease.

(d) General Insurance Provisions.

- (i) Any insurance which Tenant is required to maintain under this Lease shall include a provision which requires the insurance carrier to give Landlord not less than 30 days' written notice prior to any cancellation or modification of such coverage.
- (ii) If Tenant fails to deliver any policy, certificate or renewal to Landlord required under this Lease within the prescribed time period or if any such policy is cancelled or modified during the Lease Term without Landlord's consent, Landlord may obtain such insurance, in which case Tenant shall reimburse Landlord for the cost of such insurance within 15 days after receipt of a statement that indicates the cost of such insurance.
- (iii) Tenant shall maintain all insurance required under this Lease with companies holding a "General Policy Rating" of A-12 or better, as set forth in the most current issue of "Best Key Rating Guide". Landlord and Tenant acknowledge the insurance markets are rapidly changing and that insurance in the form and amounts described in this Section 4.04 may not be available in the future. Tenant acknowledges that the insurance described in this Section 4.04 is for the primary benefit of Landlord. If at any time during the Lease Term, Tenant is unable to maintain the insurance required under the Lease, Tenant shall nevertheless maintain insurance coverage which is customary and commercially reasonable in the insurance industry for Tenant's type of business, as that coverage may change from time to time. Landlord makes no representation as to the adequacy of such insurance to protect Landlord's or Tenant's interests. Therefore, Tenant shall obtain any such additional property or liability insurance which Tenant deems necessary to protect Landlord and Tenant.
- (iv) Unless prohibited under any applicable insurance policies maintained, Landlord and Tenant each hereby waive any and all rights of recovery against the other, or against the officers, employees, agents or representatives of the other, for loss of or damage to its property or the property of others under its control, if such loss or damage is covered by any insurance policy in force

(whether or not described in this Lease) at the time of such loss or damage. Upon obtaining the required policies of insurance, Landlord and Tenant shall give notice to the insurance carriers of this mutual waiver of subrogation.

Section 4.05 Late Charges. Tenant's failure to pay rent promptly may cause Landlord to incur unanticipated costs. The exact amount of such costs are impractical or extremely difficult to ascertain. Such costs may include, but are not limited to, processing and accounting charges and late charges which may be imposed on Landlord by any ground lease, mortgage or trust deed encumbering the Property. Therefore, if Landlord does not receive any rent payment within 10 days after it becomes due, Tenant shall pay Landlord a late charge equal to 10% of the overdue amount. The parties agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of such late payment.

Section 4.06 Interest on Past Due Obligations. Any amount owed by Tenant to Landlord which is not paid when due shall bear interest at the rate of 15% per annum from the due date of such amount. However, interest shall not be payable on late charges to be paid by Tenant under this Lease. The payment of interest on such amounts shall not excuse or cure any default by Tenant under this Lease. If the interest rate specified in this Lease is higher than the rate permitted by law, the interest rate is hereby decreased to the maximum legal interest rate permitted by law.

## ARTICLE FIVE USE OF PROPERTY

Section 5.01 Permitted Uses. Tenant may use the Property for any lawful purpose.

Section 5.02 Manner of Use. Tenant shall not cause or permit the Property to be used in any way which constitutes a violation of any Governmental Requirements, defined below, or which constitutes a nuisance or waste. Tenant shall obtain and pay for all permits, including a Certificate of Occupancy, required for Tenant's occupancy of the Property and shall promptly take all actions necessary to comply with all applicable Laws regulating the use by Tenant of the Property, including the Occupational Safety and Health Act. "Governmental Requirements" includes all current and future federal, state and local laws, rules, orders, ordinances, regulations, requirements and directives including those of any governmental or quasi-governmental agencies and commissions having jurisdiction.

Section 5.03 Hazardous Substances and Indemnity.

- (a) Tenant shall not cause or permit any Hazardous Substance (as hereinafter defined) to be used, stored, deposited, generated or disposed of on or in the Property by Tenant, its agents, contractors, (including, without limitation,

tenant's depositors), invitees (collectively the "Tenant Parties" and individually a "Tenant Party") except as is consistent with the operation, cleaning and maintenance of other Tenant owned or leased facilities and is not in violation of any Governmental Requirement regulating Hazardous Substances. **ONLY TO THE EXTENT PERMITTED BY LAW, TENANT SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS LANDLORD, ITS AGENTS, CONTRACTORS AND INVITEES (COLLECTIVELY THE "LANDLORD PARTIES" AND INDIVIDUALLY A "LANDLORD PARTY") FROM AND AGAINST ANY AND ALL SUITS, ACTIONS, CLAIMS, DEMANDS, DAMAGES, FINES, JUDGMENTS, SETTLEMENTS, PENALTIES, LIABILITIES, LOSSES, COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, A DECREASE IN VALUE OF THE PROPERTY, DAMAGES CAUSED BY LOSS OR RESTRICTION OF RENTABLE OR USABLE SPACE OR ANY DAMAGES CAUSED BY ADVERSE IMPACT ON MARKETING OF THE SPACE, AND ANY AND ALL SUMS PAID FOR SETTLEMENT OF CLAIMS AND REASONABLE ATTORNEYS' AND CONSULTANTS FEES ARISING DURING OR AFTER THE LEASE TERM) ARISING OUT OF, AS A RESULT OF OR CAUSED BY THE USE, GENERATION, STORAGE, DEPOSIT OR DISPOSAL OF ANY HAZARDOUS SUBSTANCE ON OR IN THE PROPERTY BY ANY TENANT PARTY OR OTHER CONTAMINATION OF THE PROPERTY FOR WHICH ANY TENANT PARTY IS LEGALLY LIABLE (COLLECTIVELY, "ENVIRONMENTAL CLAIMS"), EVEN IF SUCH ENVIRONMENTAL CLAIMS ARE ATTRIBUTABLE IN PART TO THE NEGLIGENCE OR STRICT LIABILITY OF ANY LANDLORD PARTIES, BUT NOT THE LANDLORD PARTIES' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. THIS INDEMNIFICATION INCLUDES, WITHOUT LIMITATION, ANY AND ALL COST INCURRED BECAUSE OF ANY INVESTIGATION, CLEANUP, REMOVAL, MONITORING, REMEDIATION AND RESTORATION, WHETHER VOLUNTARY OR REQUIRED BY ANY APPLICABLE LAWS. WITHOUT LIMITING THE FOREGOING, IF THE TENANT CAUSES OR PERMITS THE PRESENCE OF ANY HAZARDOUS SUBSTANCE ON THE PROPERTY WHICH RESULTS IN CONTAMINATION, TENANT SHALL PROMPTLY, AT ITS SOLE EXPENSE, TAKE ANY AND ALL NECESSARY ACTIONS TO RETURN THE PROPERTY TO THE CONDITION EXISTING PRIOR TO THE PRESENCE OF ANY SUCH HAZARDOUS SUBSTANCE ON THE PROPERTY. TENANT SHALL IMMEDIATELY NOTIFY**

**LANDLORD OF ANY SUCH REMEDIAL ACTION. THE PROVISIONS OF THIS SECTION 5.03(a) SHALL BE IN ADDITION TO ANY OTHER OBLIGATIONS AND LIABILITIES TENANT MAY HAVE TO LANDLORD AT LAW OR IN EQUITY AND SHALL SURVIVE THE TRANSACTIONS CONTEMPLATED HEREIN AND SHALL SURVIVE THE TERMINATION OF THIS LEASE. NOTHING HEREIN SHALL CONSTITUTE A WAIVER OF GOVERNMENTAL IMMUNITY.** Tenant shall undertake all tests, inspections, surveillance, and observations as reasonably necessary to confirm that no items being stored in or at the Property are or contain Hazardous Substances.

- (b) Definition. As used herein, "Hazardous Substance" means any substance that is regulated or hereafter is regulated by the State of Texas or the United States government, including, without limitation, (a) any "hazardous waste" as defined by the Resource Conservation and Recovery Act of 1976, as amended from time to time, and regulations promulgated thereunder, and (b) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended from time to time, and regulations promulgated thereunder. The term "Hazardous Substance" includes any and all material or substances that are defined as "hazardous waste," "extremely hazardous waste" or a "hazardous substance" pursuant to Governmental Requirements. The term "Hazardous Substance" includes but is not restricted to, asbestos, polychlorobiphenyls ("PCBs") and petroleum products (to the extent such petroleum products are in amounts exceeding what is reasonably necessary to fuel, lubricate or otherwise run and maintain reasonable equipment and machinery at the Property in a warehouse capacity), lead, cyanide, or DDT.
- (c) Tenant's Liability. **WITHOUT IN ANY WAY NEGATING THE ABSOLUTE PROHIBITION AGAINST THE USE, STORAGE, GENERATION, DEPOSIT OR DISPOSAL OF ANY HAZARDOUS SUBSTANCE ON THE PROPERTY OR WITHOUT LIMITING THE GENERALITY OF THE INDEMNITY AND DEFINITION OF ENVIRONMENTAL CLAIMS IN SECTION 5.03(a), TENANT HEREBY AGREES THAT IT SHALL BE FULLY LIABLE FOR ALL SUITS, ACTIONS, CLAIMS, DEMANDS, DAMAGES, FINES, JUDGMENTS, SETTLEMENTS, PENALTIES, LIABILITIES, LOSS, COSTS AND EXPENSES (INCLUDING COURT COSTS AND REASONABLE ATTORNEYS AND CONSULTANT'S FEES AND REASONABLE LITIGATION EXPENSE) (INDIVIDUALLY A "CLAIM" AND COLLECTIVELY THE "CLAIMS") ARISING OUT OF, AS A RESULT OF OR CAUSED BY THE USE,**

**STORAGE, GENERATION, DEPOSIT OR DISPOSAL OF ANY HAZARDOUS SUBSTANCE KEPT ON THE PROPERTY, AND TENANT SHALL GIVE IMMEDIATE NOTICE TO LANDLORD OF ANY VIOLATION OR POTENTIAL VIOLATION OF THE PROVISIONS OF SECTION 5.03. ONLY TO THE EXTENT PERMITTED BY LAW, TENANT SHALL INDEMNIFY, AND HOLD HARMLESS THE LANDLORD PARTIES FROM AND AGAINST ANY AND ALL CLAIMS OF WHATEVER KIND OR NATURE, KNOWN OR UNKNOWN, CONTINGENT OR OTHERWISE, ARISING OUT OF, AS A RESULT OF OR CAUSED BY: (A) THE PRESENCE, DISPOSAL, RELEASE OR THREATENED RELEASE OF ANY SUCH HAZARDOUS SUBSTANCE THAT IS ON, FROM OR AFFECTING THE SOIL, WATER, VEGETATION, BUILDINGS, PERSONAL PROPERTY, PERSONS, ANIMALS OR OTHERWISE LOCATED ON OR AROUND THE PROPERTY; (B) ANY PERSONAL INJURY (INCLUDING DEATH) OR PROPERTY DAMAGE (REAL OR PERSONAL) ARISING OUT, AS A RESULT OF OR CAUSED BY SUCH HAZARDOUS SUBSTANCE; (C) ANY LAWSUIT BROUGHT OR THREATENED, SETTLEMENT REACHED OR GOVERNMENT ORDER RELATING TO SUCH HAZARDOUS SUBSTANCE; OR (D) ANY VIOLATION OF ANY GOVERNMENTAL REQUIREMENTS EVEN IF ANY OF THE CLAIMS REFERRED TO IN THIS SECTION 5.03(c) ARE ATTRIBUTABLE IN PART TO THE NEGLIGENCE OR STRICT LIABILITY OF ANY LANDLORD PARTIES, BUT NOT THE LANDLORD PARTIES' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. THE PROVISIONS OF THIS SECTIONS 5.03(c) SHALL BE IN ADDITION TO ANY OTHER OBLIGATIONS AND LIABILITIES TENANT MAY HAVE TO LANDLORD AT LAW OR IN EQUITY AND SHALL SURVIVE THE TRANSACTIONS CONTEMPLATED HEREIN AND SHALL SURVIVE THE TERMINATION OF THIS LEASE. NOTHING HEREIN SHALL CONSTITUTE A WAIVER OF GOVERNMENTAL IMMUNITY.**

Section 5.04 Signs and Auctions. Tenant shall not place any signs on the Property without Landlord's prior written consent. Tenant shall not conduct or permit any auctions or sheriff's sales at the Property.

Section 5.05 General Indemnity and Waiver. A. Only to the extent permitted by law, Tenant shall **INDEMNIFY, DEFEND** and **HOLD HARMLESS** Landlord Parties from and against any and all Claims arising out of, as a result of or caused by any of the following (collectively, "Tenant Liabilities" and individually a "Tenant Liability"): (a) Tenant's use or occupancy of the Property; (b) the conduct of Tenant's business

or anything else done or permitted by any Tenant Party to be done in or about the Property, or its use of the Property (including, without limitation, use by any depositor or other Tenant Party); (c) any breach or default in the performance of Tenant's obligations under this lease; (d) any misrepresentation or breach of warranty by Tenant under this Lease; or (e) other acts, omissions or strict liability of any Tenant Party including, without limitation, any depositor. Tenant shall **DEFEND** Landlord Parties against any such Tenant Liabilities at Tenant's expense with counsel reasonably acceptable to Landlord Parties, or, at Landlord's election, Tenant shall reimburse Landlord for any reasonable attorneys fees or costs incurred by Landlord in connection with any such Claim. As a material part of the consideration to Landlord, Tenant assumes all risk of damage to property or injury to persons (including death) in or about the Property at the instance of or request of or attendant to the business or pleasure of Tenant to the extent arising out of as a result of or caused by any cause, and Tenant hereby WAIVES all such Claims in respect thereof against the Landlord Parties, **EVEN IF ANY SUCH CLAIMS ARE ATTRIBUTABLE IN PART TO THE NEGLIGENCE OR STRICT LIABILITY OF ANY LANDLORD PARTIES, BUT NOT THE LANDLORD PARTIES' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OR BREACH OF THIS LEASE. THE PROVISIONS OF THIS SECTION 5.05 SHALL BE IN ADDITION TO ANY OTHER OBLIGATIONS AND LIABILITIES TENANT MAY HAVE TO LANDLORD AT LAW OR IN EQUITY AND SHALL SURVIVE THE TRANSACTIONS CONTEMPLATED HEREIN AND SHALL SURVIVE THE TERMINATION OF THIS LEASE.**

Section 5.06 Quiet Possession. If Tenant pays the rent and complies with all other terms of this Lease, Tenant may occupy and enjoy the Property for the full Lease Term, subject to the provisions of this Lease.

Section 5.07 Common Drive and Access Gate. Notwithstanding any other provision of this Lease, Tenant acknowledges and agrees that Landlord will continue to use the Common Drive and Access Gate in connection with Landlord's operations in the building located at 4401 Ave P ½, Galveston, Texas (the "Adjacent Property"). As such, both Landlord and Tenant shall have the non-exclusive right to use the Common Drive and Access Gate for all lawful purposes to extent any such use does not prohibit the other party from enjoying its right to use the Common Drive and the Access Gate. No parking, curbs, barriers or other obstructions, other than the Access Gate, shall be allowed on the Common Drive that would prohibit either Landlord or Tenant from the use and enjoyment of the Common Drive. Upon execution of this Lease, Landlord shall, at its sole cost and expense, install such equipment on the Adjacent Property is necessary, in Landlord's discretion, for the operation of the Access Gate so that, upon completion of such installation, the Access Gate shall be, and throughout the Lease Term shall remain, fully operational from both the Property and the Adjacent Property.

ARTICLE SIX  
CONDITION OF PROPERTY; MAINTENANCE, REPAIRS AND ALTERATIONS

Section 6.01 Existing Conditions. Tenant accepts the Property in its “**AS IS, WHERE IS**” and “**WITH ALL FAULTS**” condition as of the execution of the Lease, subject to all recorded matters, laws, ordinances, and governmental regulations and orders. Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation as to the condition of the Property or the suitability of the Property for Tenant's intended use. Tenant represents and warrants that Tenant has made its own inspection of and inquiry regarding the condition of the Property and is not relying on any representations of Landlord or any Broker with respect thereto.

Section 6.02 Landlord Repair or Security Obligations.

- (a) Other than repair and maintenance necessary due to Tenant's acts or omissions, Landlord shall keep all the structural portions of the Property in good order, condition and repair at its sole cost and expense, excepting maintenance and repair of the roof, which shall be the responsibility of the Tenant at Tenant's sole cost and expense.
- (b) If Landlord fails to maintain, repair or replace the Property as required by this Section 6.02(a), Tenant may, upon 10 days' prior notice to Landlord (except that no notice shall be required in the case of an emergency), perform such maintenance or repair (including replacement, as needed) on behalf of Landlord. In such case, Landlord shall reimburse Tenant for all reasonable costs incurred in performing such maintenance or repair immediately upon demand.
- (c) Subject to the provisions of Section 6.02(a), Article Seven and Article Eight, Landlord shall have no duty of upkeep, repair, maintenance or security whatsoever with respect to the Property. Tenant waives the benefit of any present or future law which might give Tenant the right to repair the Property at Landlord's expense or to terminate the Lease because of the condition of the Property. In no event shall Landlord have any obligation or responsibility for providing any police or security service for the Property. Tenant shall be solely responsible for, and shall assume all risk to, persons and property while in, on or about the Property.

Section 6.03 Exemption of Landlord from Liability. **LANDLORD SHALL NOT BE LIABLE FOR ANY DAMAGE OR INJURY TO THE PERSON, BUSINESS (OR ANY LOSS OF INCOME THEREFROM), GOODS, WARES, MERCHANDISE OR OTHER PROPERTY OF TENANT, TENANT'S EMPLOYEES, INVITEES, CUSTOMERS OR ANY OTHER PERSON IN**

**OR ABOUT THE PROPERTY, INCLUDING, WITHOUT LIMITATION, SUCH DAMAGE OR INJURY CAUSED BY OR RESULTING FROM: (A) FIRE, STEAM, ELECTRICITY, WATER, GAS OR RAIN; (B) THE BREAKAGE, LEAKAGE, OBSTRUCTION OR OTHER DEFECTS OF PIPES, SPRINKLERS, WIRES, APPLIANCES, PLUMBING, AIR CONDITIONING OR LIGHTING FIXTURES OR ANY OTHER CAUSE; (C) CONDITIONS ARISING IN OR ABOUT THE PROPERTY OR FROM OTHER SOURCES OR PLACES; OR (D) ANY ACT OR OMISSION OF ANY OTHER TENANT OF LANDLORD OR THIRD PARTY, INCLUDING, WITHOUT LIMITATION, CRIMINAL ACTS. LANDLORD SHALL NOT BE LIABLE FOR ANY SUCH DAMAGE OR INJURY EVEN THOUGH THE CAUSE OF OR THE MEANS OF REPAIRING SUCH DAMAGE OR INJURY ARE NOT ACCESSIBLE TO TENANT; AND EVEN IF SUCH DAMAGE OR INJURY IS ATTRIBUTABLE IN PART TO THE NEGLIGENCE, GROSS NEGLIGENCE OR STRICT LIABILITY OF LANDLORD, ANREM CORPORATION, OR ANY OTHER PROPERTY MANAGER, EXCEPT FOR ANY SUCH DAMAGE OR INJURY TO THE EXTENT ARISING OUT OF, AS A RESULT OF OR CAUSED BY LANDLORD'S GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR BREACH OF THIS LEASE.**

Section 6.04 Tenant's Obligations.

- (a) Except as otherwise expressly provided in this Lease, Tenant shall keep all portions of the Property (including, without limitation, nonstructural, foundations, sprinkler systems, plumbing, electric systems, interior, exterior, landscaped areas, portions, systems and equipment and the Common Drive, Access Gate and Access Gate equipment located on the Property) in good order, condition and repair (including interior repainting and refinishing, as needed). If any portion of the Property or any system or equipment in the Property which Tenant is obligated to repair cannot be fully repaired or restored, Tenant shall promptly replace such portion of the Property or system or equipment in the Property, regardless of whether the benefit of such replacement extends beyond the Lease Term. It is the intention of Landlord and Tenant that, at all times during the Lease Term, Tenant shall maintain the Property in an attractive, clean, aesthetically pleasing and fully operative condition.
- (b) Tenant shall fulfill all of Tenant's obligations under this Section 6.04 at Tenant's sole expense. If Tenant fails to maintain, repair or replace the Property as required by this Section 6.04, Landlord may, upon 10 days' prior notice to Tenant (except that no notice shall be required in the case of an emergency), enter the Property and perform such maintenance or repair (including replacement, as needed) on behalf of Tenant. In such case,

Tenant shall reimburse Landlord for all costs incurred in performing such maintenance or repair immediately upon demand. Landlord's reservation of rights under this Lease, such as the right to enter upon or maintain the improvements, shall not be deemed to create any duty on the part of Landlord to exercise any such right, and Landlord expressly advises Tenant that Landlord's intention is that Tenant shall have full responsibility for all such matters.

Section 6.05 Alterations, Additions, and Improvements.

- (a) Tenant shall not make any alterations, additions or improvements to the Property without Landlord's prior written consent, except for non-structural alterations which do not exceed \$25,000. Landlord may require Tenant to provide demolition and/or lien and completion bonds in form and amount satisfactory to Landlord. Tenant shall promptly remove any alterations, additions or improvements constructed in violation of this Section 6.05(a) upon Landlord's written request. All alterations, additions and improvements shall be done in a good and workmanlike manner, in conformity with all applicable laws and regulations, and by a contractor approved by Landlord. Upon completion of any such work, Tenant shall provide Landlord with "as built" plans, copies of all construction contracts, and proof of payment for all labor and materials.
- (b) Tenant shall pay when due all claims for labor and material furnished to the Property. Tenant shall give Landlord at least 20 days' prior written notice of the commencement of any work on the Property, regardless of whether Landlord's consent to such work is required. Landlord may elect to record and post notices of non-responsibility on the Property.

Section 6.06 Condition upon Termination. Upon the termination of the Lease, Tenant shall surrender the Property to Landlord, broom clean and in the same condition as received except for ordinary wear and tear which Tenant was not otherwise obligated to remedy under any provision of this Lease. In addition, Landlord may require Tenant to remove any alterations, additions or improvements (whether or not made with Landlord's consent) prior to the expiration of the Lease and to restore the Property to its prior condition, all at Tenant's expense. All alterations, additions and improvements become Landlord's property and shall be surrendered to Landlord upon the expiration or earlier termination of the Lease, unless Landlord requires Tenant, in writing to remove any such alterations, additions or improvements and except that Tenant may remove any of Tenant's machinery or equipment which can be removed without material damage to the Property. Tenant shall repair, at Tenant's expense, any damage to the Property caused by the removal of any such machinery or equipment. In no event, however, shall Tenant remove any of the following materials or equipment (which shall be deemed

Landlord's property) without Landlord's prior written consent: any power wiring or power panels; lighting or lighting fixtures; wall coverings; drapes, blinds or other window coverings; carpets or other floor coverings; heaters, air conditioners or any other heating or air conditioning equipment; fencing or security gates; or other similar building operating equipment and decorations.

ARTICLE SEVEN  
DAMAGE OR DESTRUCTION

Section 7.01 Partial Damage to Property.

- (a) Tenant shall notify Landlord in writing immediately upon the occurrence of any damage to the Property. If the Property is only partially damaged (i.e., less than 50% of the Property is untenable as a result of such damage or less than 50% of Tenant's operations are materially impaired) and if the proceeds received by Landlord from the insurance policies described in Section 4.04(b) are sufficient to pay for the necessary repairs, this Lease shall remain in effect and Landlord shall repair the damage as soon as reasonably possible. Landlord may elect (but is not required) to repair any damage to Tenant's fixtures, equipment, or improvements.
  
- (b) If the insurance proceeds received by Landlord are not sufficient to pay the entire cost of repair, or if the cause of the damage is not covered by the insurance policies which Landlord maintains under Section 4.04(b), Landlord may elect either to (i) repair the damage as soon as reasonably possible, in which case this Lease shall remain in full force and effect, or (ii) terminate this Lease as of the date the damage occurred. Landlord shall notify Tenant within 30 days after receipt of notice of the occurrence of the damage whether Landlord elects to repair the damage or terminate the Lease. If Landlord elects to repair the damage, Tenant shall pay Landlord the "deductible amount" (if any) under Landlord's insurance policies and if the damage was due to an act or omission of Tenant, or Tenant's employees, agents, contractors or invitees, the difference between the actual cost of repair and any insurance proceeds received by Landlord. If Landlord elects to terminate the Lease, Tenant may elect to continue this Lease in full force and effect, in which case Tenant shall repair any damage to the Property and any building in which the Property is located. Tenant shall pay the cost of such repairs, except that upon satisfactory completion of such repairs, Landlord shall deliver to Tenant any insurance proceeds received by Landlord for the damage repaired by Tenant. Tenant shall give Landlord written notice of such election within 10 days after receiving Landlord's termination notice.

- (c) If the damage to the Property occurs during the last 3 months of the Lease Term and such damage will require more than 30 days to repair, either Landlord or Tenant may elect to terminate this Lease as of the date the damage occurred, regardless of the sufficiency of any insurance proceeds. The party electing to terminate this Lease shall give written notification to the other party of such election within 30 days after Tenant's notice to Landlord of the occurrence of the damage.

Section 7.02 Substantial or Total Destruction. If the Property is substantially or totally destroyed by any cause whatsoever (i.e., the damage to the Property is greater than partial damage as described in Section 7.01), and regardless of whether Landlord receives any insurance proceeds, this Lease shall terminate as of the date the destruction occurred. Notwithstanding the preceding sentence, if the Property can be rebuilt within six months after the date of destruction, Landlord may elect to rebuild the Property at Landlord's own expense, in which case this Lease shall remain in full force and effect. Landlord shall notify Tenant of such election within 30 days after Tenant's notice of the occurrence of total or substantial destruction. If Landlord so elects, Landlord shall rebuild the Property at Landlord's sole expense, except that if the destruction was caused by an act or omission of Tenant, Tenant shall pay Landlord the difference between the actual cost of rebuilding and any insurance proceeds received by Landlord.

Section 7.03 Temporary Reduction of Rent. Tenant shall not be entitled to any compensation, reduction or reimbursement from Landlord as a result of any damage, destruction, repair, or restoration of or to the Property.

Section 7.04 Waiver. Tenant waives the protection of any statute, code or judicial decision which grants a tenant the right to terminate a lease in the event of the substantial or total destruction of the leased property. Tenant agrees that the provisions of Section 7.02 above shall govern the rights and obligations of Landlord and Tenant in the event of any substantial or total destruction to the Property.

## ARTICLE EIGHT CONDEMNATION

If all or any portion of the Property is taken under the power of eminent domain or sold under the threat of that power (all of which are called "Condemnation"), this Lease shall terminate as to the part taken or sold on the date the condemning authority takes title or possession, whichever occurs first. If more than 20% of the floor area of the building in which the Property is located, or which is located on the Property, is taken, either Landlord or Tenant may terminate this Lease as of the date the condemning authority takes title or possession, by delivering written notice to the other within 10 days after receipt of written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority takes title or possession). If neither Landlord nor Tenant terminates this Lease, this Lease shall remain in

effect as to the portion of the Property not taken, except that the Base Rent and Additional Rent shall be reduced in proportion to the reduction in the floor area of the Property. Any Condemnation award or payment shall be distributed in the following order: (a) first, to any ground lessor, mortgagee or beneficiary under a deed of trust encumbering the Property, the amount of its interest in the Property; (b) second, to Tenant, only the amount of any award specifically designated for loss of or damage to Tenant's trade fixtures or removable personal property; and (c) third, to Landlord, the remainder of such award, whether as compensation for reduction in the value of the leasehold, the taking of the fee, or otherwise. If this Lease is not terminated, Landlord shall repair any damage to the Property caused by the Condemnation, except that Landlord shall not be obligated to repair any damage for which Tenant has been reimbursed by the condemning authority. If the severance damages received by Landlord are not sufficient to pay for such repair, Landlord shall have the right to either terminate this Lease or make such repair at Landlord's expense.

ARTICLE NINE  
ASSIGNMENT AND SUBLETTING

Section 9.01 Landlord's Consent Required. No portion of the Property or of Tenant's interest in this Lease may be acquired by any other person or entity, whether by sale, assignment, mortgage, sublease, transfer, operation of law, or act of Tenant, without Landlord's prior written consent. Landlord has the right to grant or withhold its consent in its sole discretion. Any attempted transfer without consent shall be void and shall constitute a non-curable breach of this Lease.

Section 9.02 No Release of Tenant. No transfer permitted by this Article Nine, whether with or without Landlord's consent, shall release Tenant or change Tenant's primary liability to pay the rent and to perform all other obligations of Tenant under this Lease. Landlord's acceptance of rent from any other person is not a waiver of any provision of this Article Nine. Consent to one transfer is not a consent to any subsequent transfer. If Tenant's transferee defaults under this Lease, Landlord may proceed directly against Tenant without pursuing remedies against the transferee. Landlord may consent to subsequent assignments or modifications of this Lease by Tenant's transferee, without notifying Tenant or obtaining its consent. Such action shall not relieve Tenant's liability under this Lease.

Section 9.03 No Merger. No merger shall result from Tenant's sublease of the Property under this Article Nine, Tenant's surrender of this Lease or the termination of this Lease in any other manner. In any such event, Landlord may terminate any or all subtenancies or succeed to the interest of Tenant as sublandlord under any or all subtenancies.

ARTICLE TEN  
DEFAULTS; REMEDIES

Section 10.01 Covenants and Conditions. Tenant's performance of each of Tenant's obligations under this Lease is a condition as well as a covenant. Tenant's right to continue in possession of the Property is conditioned upon such performance. Time is of the essence in the performance of all covenants and conditions.

Section 10.02 Defaults. Tenant shall be in material default under this Lease:

- (a) If Tenant abandons the Property or if Tenant's vacation of the Property results in the cancellation of any insurance described in Section 4.04;
- (b) If Tenant fails to pay rent or any other charge when due;
- (c) If Tenant fails to perform any of Tenant's non-monetary obligations under this Lease for a period of 30 days after written notice from Landlord; provided that if more than 30 days are required to complete such performance, Tenant shall not be in default if Tenant commences such performance within the 30-day period and thereafter diligently pursues its completion. However, Landlord shall not be required to give such notice if Tenant's failure to perform constitutes a non-curable breach of this Lease. The Notice required by this Paragraph is intended to satisfy any and all notice requirements imposed by law on Landlord and is not in addition to any such requirement.
- (d) (i) If Tenant makes a general assignment or general arrangement for the benefit of creditors; (ii) if a petition for adjudication of bankruptcy or for reorganization or rearrangement is filed by or against Tenant and is not dismissed within 30 days; (iii) if a trustee or receiver is appointed to take possession of substantially all of Tenant's assets located at the Property or of Tenant's interest in this Lease and possession is not restored to Tenant within 30 days; or (iv) if substantially all of Tenant's assets located at the Property or of Tenant's interest in this Lease is subjected to attachment, execution or other judicial seizure which is not discharged within 30 days. If a court of competent jurisdiction determines that any of the acts described in this subparagraph (d) is not a default under this Lease, and a trustee is appointed to take possession (or if Tenant remains a debtor in possession) and such trustee or Tenant transfers Tenant's interest hereunder, then Landlord shall receive, as Additional Rent, the excess, if any, of the rent (or any other consideration) paid in connection with such assignment or sublease over the rent payable by Tenant under this Lease.

Section 10.03 Remedies. On the occurrence of any material default by Tenant, Landlord may, at any time thereafter with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have:

- (a) Terminate Tenant's right to possession of the Property by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Property to Landlord and, if Tenant fails to do so, Landlord may, without prejudice to any other remedy which Landlord may have for possession or arrearages in rental, enter upon and take possession of the Property and expel or remove Tenant and any other person who may be occupying said Property or any part thereof, without being liable for prosecution or any claim of damages therefor. In either event, Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default;
- (b) Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant has abandoned the Property, in which event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent as it becomes due; or
- (c) Pursue any other remedy now or hereafter available to landlord under the laws or judicial decisions of the state in which the Property is located.

Section 10.04 Cumulative Remedies. Landlord's exercise of any right or remedy shall not prevent it from exercising any other right or remedy.

ARTICLE ELEVEN  
PROTECTION OF LENDERS

Section 11.01 Subordination. Landlord shall have the right to subordinate this Lease to any ground lease, deed of trust or mortgage encumbering the Property, any advances made on the security thereof and any renewals, modifications, consolidations, replacements or extensions thereof, whenever made or recorded. Tenant shall cooperate with Landlord and any lender which is acquiring a security interest in the Property or the Lease. Tenant shall execute such further documents and assurances as such lender may require, provided that Tenant's obligations under this Lease shall not be increased in any material way (the performance of ministerial acts shall not be deemed material), and Tenant shall not be deprived of its rights under this Lease. Tenant's right to quiet possession of the Property during the Lease Term shall not be disturbed if Tenant pays the rent and performs all of Tenant's obligations under this Lease and is not otherwise in default. If any ground lessor, beneficiary or mortgagee elects to have this Lease prior to the lien of its ground lease, deed of trust or mortgage and gives written notice thereof to Tenant, this Lease shall be deemed prior to such ground lease, deed of trust or mortgage whether this Lease is dated prior or subsequent to the date of said ground lease, deed of trust or mortgage or the date of recording thereof.

Section 11.02 Attornment. If Landlord's interest in the Property is acquired by any ground lessor, beneficiary under a deed of trust, mortgagee, or purchaser at a foreclosure sale, Tenant shall attorn to the transferee of or successor to Landlord's interest in the Property and recognize such transferee or successor as Landlord under this Lease. Tenant waives the protection of any statute or rule of law which gives or purports to give Tenant any right to terminate this Lease or surrender possession of the Property upon the transfer of Landlord's interest.

Section 11.03 Signing of Documents. Tenant shall sign and deliver any instrument or documents necessary or appropriate to evidence any such attornment or subordination or agreement to do so. If Tenant fails to do so within 10 days after written request, Tenant hereby makes, constitutes and irrevocably appoints Landlord, or any transferee or successor of Landlord, the attorney-in-fact of Tenant to execute and deliver any such instrument or document.

Section 11.04 Estoppel Certificates. Upon Landlord's written request, Tenant shall execute, acknowledge and deliver to Landlord a written statement certifying representations or information with respect to Tenant or the Lease as Landlord may reasonably request or which any prospective purchaser or encumbrancer of the Property may require. Tenant shall deliver such statement to Landlord within 10 days after Landlord's request. Landlord may give any such statement by Tenant to any prospective purchaser or encumbrancer of the Property. Such purchaser or encumbrancer may rely conclusively upon such statement as true and correct. If Tenant does not deliver such statement to Landlord within such 10-day period, Landlord, and any prospective purchaser or encumbrancer, may conclusively presume and rely upon the following facts: (i) that the terms and provisions of this Lease have not been changed except as otherwise represented by Landlord; (ii) that this Lease has not been cancelled or terminated except as otherwise represented by Landlord; (iii) that not more than one month's Base Rent or other charges have been paid in advance; and (iv) that Landlord is not in default under the Lease. In such event, Tenant shall be estopped from denying the truth of such facts.

## ARTICLE TWELVE LEGAL COSTS

Section 12.01 Legal Proceedings. If Tenant or Landlord shall be in breach or default under this Lease, such party (the "Defaulting Party") shall reimburse the other party (the "Nondefaulting Party") upon demand for any costs or expenses that the Nondefaulting Party incurs in connection with any breach or default of the Defaulting Party under this Lease, whether or not suit is commenced or judgment entered. Such costs shall include legal fees and costs incurred for the negotiation of a settlement, enforcement of rights or otherwise. Furthermore, if any action for breach of or to enforce the provisions of this Lease is commenced, the court in

such action shall award to the party in whose favor a judgment is entered, a reasonable sum as attorneys' fees and costs. The losing party in such action shall pay such attorneys' fees and costs. Only to the extent permitted by law, Tenant shall also INDEMNIFY Landlord against and HOLD Landlord HARMLESS from all costs, expenses, demands and liability Landlord may incur if Landlord becomes or is made a party to any claim or action (a) instituted by Tenant against any third party, or by any third party against Tenant, or by or against any person holding any interest under or using the Property by license of or agreement with Tenant; (b) for foreclosure of any lien for labor or material furnished to or for Tenant or such other person; (c) otherwise arising out of or resulting from any act or transaction of Tenant or such other person; or (d) necessary to protect Landlord's interest under this Lease in a bankruptcy proceeding, or other proceeding under Title 11 of the United States Code, as amended. Tenant shall defend Landlord against any such claim or action at Tenant's expense with counsel reasonably acceptable to Landlord, or, at Landlord's election, Tenant shall reimburse Landlord for any legal fees or costs Landlord incurs in any such claim or action. Nothing herein shall constitute a waiver of Tenant's governmental immunity. The provisions of this Section 12.01 shall be in addition to any other obligations and liabilities Tenant may have to Landlord at law or in equity and shall survive the transactions contemplated herein and shall survive the termination of this Lease.

Section 12.02 Landlord's Consent. Tenant shall pay Landlord's reasonable attorneys' fees incurred in connection with any act which Tenant proposes to do and which requires Landlord's consent.

#### ARTICLE THIRTEEN MUTUAL TERMINATION OPTION

Either Landlord or Tenant shall have the right to terminate this Lease upon not less than 120 days' prior written notice (a "Termination Notice") to the other. If Landlord is the party providing a Termination Notice, on or before the date of termination (the "Termination Date") specified in the Termination Notice, Landlord shall pay to Tenant the Cost Reimbursement. If either Landlord or Tenant properly elects to terminate this Lease, the Lease Term shall terminate as of the Termination Date, and Base Rent and other charges shall be apportioned as of the Termination Date and thereafter Landlord and Tenant shall have no further rights or obligations hereunder except those that expressly survive termination of this Lease. For the purposes of this Article Thirteen, "Cost Reimbursement" means the unamortized portion of Tenant's cost to replace the roof of the building located on the Property, based on the average life/warranty of said roof as indicated by its manufacturer. If Tenant has not replace the roof, the Cost Reimbursement shall be \$0.

#### ARTICLE FOURTEEN RIGHT OF FIRST REFUSAL

- Section 14.01 Grant of Right of First Refusal. During the Lease Term, Tenant shall have the continuing right of first opportunity (the “ROFO”) to purchase the Property in the event Landlord desires to sell the Property. If Landlord shall, during the Lease Term (including any Renewal Term), desire to offer the Property to sell to any third party, Landlord shall provide to Tenant notice of such desire (the “Offer Notice”), together with the terms on which Landlord desires to sell the Property, including purchase price, anticipated closing date, seller financing or other incentives offered, and any other material terms.
- Section 14.02 Exercise of Right. Tenant shall have twenty (20) days from receipt of the Offer Notice to notify Landlord whether or not Tenant is interested in purchasing the Property under the terms contained in the Offer Notice. If Tenant fails to reply to the Offer Notice by written notice to Landlord within the 20 day period, or if Tenant waives its right in writing, Landlord may thereafter sell the Property to any third party in accordance with the terms set out in the Offer Notice.
- Section 14.03 Excluded Transfers. Tenant’s ROFO shall not apply to any transfer of the Property (i) pursuant to any foreclosure of any mortgage against Landlord’s interest in the Property or any deed given in lieu thereof, or (ii) to any party which controls, is controlled by, or is under common control with Landlord, or (iii) pursuant to condemnation proceedings or under threat thereof.
- Section 14.04 Conditions of Exercise. Tenant may only exercise its rights under this Article, and the exercise thereof shall only be effective if at the time of Tenant’s exercise of its rights this Lease is in full force and effect and Tenant is not in default under this Lease beyond any applicable notice, grace or cure periods.
- Section 14.05 Closing Date. Closing shall occur on or before the sixtieth (60th) day following Tenant’s exercise of its right pursuant to Section 14.05.
- Section 14.06 Title. Landlord shall at closing convey title of the Property to Tenant (or its nominee) by Special Warranty Deed, subject to all matters of record against the Property except any monetary lien or encumbrance. All matters constituting a monetary lien or encumbrance shall be discharged by Landlord at or before closing.
- Section 14.07 Costs. Tenant shall pay the cost of any documentary stamp tax or other taxes and recording fees in connection with the deed or transfer, the cost of obtaining and recording any instruments correcting title defects, any title insurance premiums in connection with the transaction, and the fees of Landlord’s attorneys, and Tenant shall pay the surveyor’s fees in connection with any survey, and the fees of Tenant’s attorneys.

ARTICLE FIFTEEN  
MISCELLANEOUS PROVISIONS

Section 15.01 Non-Discrimination. Tenant promises, and it is a condition to the continuance of this Lease, that there will be no discrimination against, or segregation of, any person or group of persons on the basis of race, color, sex, creed, national origin or ancestry in the leasing, subleasing, transferring, occupancy, tenure or use of the Property or any portion thereof.

Section 15.02 Landlord's Liability; Certain Duties.

- (a) As used in this Lease, the term "Landlord" means only the current owner or owners of the fee title to the Property or the leasehold estate under a ground lease of the Property at the time in question. Each Landlord is obligated to perform the obligations of Landlord under this Lease only during the time such Landlord owns such interest or title. Any Landlord who transfers its title or interest is relieved of all liability with respect to the obligations of Landlord under this Lease to be performed on or after the date of transfer. However, each Landlord shall deliver to its transferee all funds that Tenant previously paid if such funds have not yet been applied under the terms of this Lease.
- (b) Notwithstanding any term or provision herein to the contrary, the liability of Landlord for the performance of its duties and obligations under this Lease is limited to Landlord's interest in the Property; and further provided, none of Landlord's partners, shareholders, officers or other principals shall have any personal liability under this Lease.

Section 15.03 Severability. A determination by a court of competent jurisdiction that any provision of this Lease or any part thereof is illegal or unenforceable shall not cancel or invalidate the remainder of such provision or this Lease, which shall remain in full force and effect.

Section 15.04 Interpretation. The captions of the Articles or Sections of this Lease are to assist the parties in reading this Lease and are not a part of the terms or provisions of this Lease. Whenever required by the context of this Lease, the singular shall include the plural and the plural shall include the singular. The masculine, feminine and neuter genders shall each include the other. In any provision relating to the conduct, acts or omissions of Tenant, the term "Tenant" shall include Tenant's agents, employees, contractors, invitees, successors or others using the Property with Tenant's expressed or implied permission.

Section 15.05 Incorporation of Prior Agreements; Modifications. This Lease is the only agreement between the parties pertaining to the lease of the Property and no other

agreements are effective. All amendments to this Lease shall be in writing and signed by all parties. Any other attempted amendment shall be void.

Section 15.06 Notices. All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid. Notices to Tenant shall be delivered to the address specified in Article One above, except that upon Tenant's taking possession of the Property, the Property shall be Tenant's address for notice purposes. Notices to Landlord shall be delivered to the address specified in Article One above. All notices shall be effective upon delivery. Either party may change its notice address upon written notice to the other party.

Section 15.07 Waivers. All waivers must be in writing and signed by the waiving party. Landlord's failure to enforce any provision of this Lease or its acceptance of rent shall not be a waiver and shall not prevent Landlord from enforcing that provision or any other provision of this Lease in the future. No statement on a payment check from Tenant or in a letter accompanying a payment check shall be binding on Landlord. Landlord may, with or without notice to Tenant, negotiate such check without being bound to the conditions of such statement.

Section 15.08 No Recordation. Tenant shall not record this Lease without prior written consent from Landlord. However, either Landlord or Tenant may require that a "Short Form" memorandum of this Lease executed by both parties be recorded. The party requiring such recording shall pay all transfer taxes and recording fees.

Section 15.09 Binding Effect; Choice of Law. This Lease binds any party who legally acquires any rights or interest in this Lease from Landlord or Tenant. However, Landlord shall have no obligation to Tenant's successor unless the rights or interests of Tenant's successor are acquired in accordance with the terms of this Lease. The laws of the state in which the Property is located shall govern this Lease.

Section 15.10 Corporate Authority; Partnership Authority. Each person signing this Lease on behalf of Tenant represents and warrants that he has full authority to do so and that this Lease binds the corporation. Within 30 days after this Lease is signed, Tenant shall deliver to Landlord a certified copy of a resolution of Tenant's governing board authorizing the execution of this Lease or other evidence of such authority reasonably acceptable to landlord.

Section 15.11 Force Majeure. If Landlord cannot perform any of its obligations due to events beyond Landlord's control, the time provided for performing such obligations shall be extended by a period of time equal to the duration of such events. Events beyond Landlord's control include, but are not limited to, acts of God, war, civil commotion, labor disputes, strikes, fire, flood or other casualty, shortages of labor or material, government regulation or restriction and weather conditions.

Section 15.12 Execution of Lease. This Lease may be executed in counterparts and, when all counterpart documents are executed, the counterparts shall constitute a single binding instrument. Landlord's delivery of this Lease to Tenant shall not be deemed to be an offer to lease and shall not be binding upon either party until executed and delivered by both parties.

Section 15.13 Survival. All representations and warranties of Landlord and Tenant shall survive the termination of this Lease.

Section 15.14 No Brokers. Tenant and Landlord represent and warrant to each other that no brokers, finders or other parties are or may be entitled to any commission or fee with respect to this Lease or the Property.

Section 15.15 Time is of the Essence. It is expressly agreed by the parties hereto that time is of the essence with respect to this Lease.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

Landlord and Tenant have signed this Lease at the place and on the dates specified adjacent to their signatures below.

LANDLORD:

AMERICAN NATIONAL INSURANCE COMPANY,  
a Texas insurance company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date of Signature: July \_\_\_\_, 2022

TENANT:

GALVESTON INDEPENDENT SCHOOL DISTRICT

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date of Signature: July \_\_\_\_, 2022

**EXHIBIT A**

The Property

[See attachment]

Document comparison by Workshare 9.5 on Thursday, July 28, 2022 9:36:37 AM

Input:	
Document 1 ID	PowerDocs://GALVESTON/461767/3
Description	GALVESTON-#461767-v3-New_Warehouse_Lease_(ANI CO_GISD)
Document 2 ID	PowerDocs://GALVESTON/461767/4
Description	GALVESTON-#461767-v4-New_Warehouse_Lease_(ANI CO_GISD)
Rendering set	Standard

Legend:	
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Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

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Deletions	4
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	9

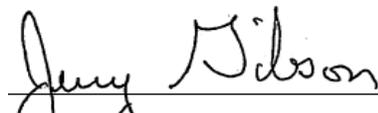
# Action Sheet

**MEETING DATE:** August 3, 2022

**AGENDA ITEM:** Discuss And Consider Approval Of Agreement For The Purchase Of Attendance Credit, Delegating Contractual Authority To The Superintendent For The Purpose Of Obligating The School District Under Tec, 11.1511(C)(4), Soley For The Purpose Of Obligating The District Under Chapter 49, Subchapters A And D And The Rules Adopted By The Commissioner Of Education As Authorized Untedr Tec, 49.006 Related To Excess Local Revenue

The purpose of this agreement is to enable the district to reduce its local revenue level to a level not to exceed the level established under TEC, §48.257 for the school year. The local revenue level in excess of entitlement will be based on the commissioner's estimate of the cost of credit as determined under TEC, §49.153, using the district's projected maintenance and operations tax revenue that exceeds the level established under TEC, §48.257. A district that is subject to the reduction in excess local revenue agrees to offset its obligations against state aid in accordance with the provisions specified in the TEC, §48.257(c). Delegating contractual authority to the superintendent is a first step in this process that has a deadline of January 13, 2023.

**RECOMMENDATION:** I move that the GISD Board of Trustees, approve the Agreement for the Purchase of Attendance Credit delegating contractual authority to obligate the school district under Texas Education Code (TEC) §11.1511(c)(4) to the superintendent, solely for the purpose of obligating the district under TEC, §48.257 and TEC, Chapter 49, Subchapters A and D, and the rules adopted by the commissioner of education as authorized under TEC, 49.006 for the 2022-2023 school year.

  
\_\_\_\_\_  
Dr. Jerry Gibson  
Superintendent

*Connie Morgenroth*  
\_\_\_\_\_  
Connie Morgenroth  
Assistant Superintendent of Business & Operations

# Agreement for the Purchase of Attendance Credit

This agreement is entered into pursuant to the Texas Education Code (TEC), Chapter 49, Subchapters A and D, and rules adopted by the commissioner of education as authorized by the TEC, §49.006. The purpose of this agreement is to enable the district to reduce its local revenue level to a level not to exceed the level established under TEC, §48.257 for the school year.

The school year to which this agreement applies is 2022-2023 (the "school year").

The agreement is for Galveston Independent School District School District ("the district"), with a county-district number of 084902, to purchase attendance credit from the state for the school year.

This agreement is subject to the approval of the voters of the district as provided by the TEC, §49.156. The board of trustees of the district agrees to submit to the commissioner of education, on request, a certified copy of the board minutes showing the canvass of the election.

Initial payments will be based on the commissioner's estimate of the total cost of credit as determined under TEC, §49.153, using the district's projected maintenance and operations tax revenue that exceeds the level established under TEC, §48.257 for the school year. The district agrees to make the payments in accordance with the schedule specified in the TEC, §49.154.

The total cost of credit will be determined by the commissioner in accordance with the TEC, §49.153, when final data on the district's maintenance and operations tax revenue that exceeds the level established under TEC, §48.257 for the school year is available. If that amount is less than the amount paid by the district through August 15 of the school year, the difference will be refunded. If that amount is greater than the amount paid, the district shall remit an amount equal to the difference for deposit in the state treasury to be used for the Foundation School Program.

The cost of purchased attendance credit will be reduced for county appraisal district costs. The reduction will be computed in accordance with the TEC, §49.157. If the reduction exceeds the cost for the school year, the difference will be carried forward and applied to each subsequent year's cost until the total amount of the reduction has been exhausted.

Date: August 3, 2022

\_\_\_\_\_  
Anthony Brown,  
Signature of President, Board of Trustees

Date: August 3, 2022

\_\_\_\_\_  
Shae Jobe,  
Signature of Secretary, Board of Trustees

Date: August 3, 2022

\_\_\_\_\_  
Signature of Superintendent  
Dr. Jerry Gibson – Typed Name of Superintendent

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Commissioner of Education or Designee

# Action Sheet

**MEETING DATE:**

**August 3, 2022**

**AGENDA ITEM:**

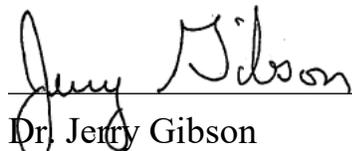
**Discuss and consider the adoption of Local District Update 119 affecting the policies listed below.**

**The Policy Committee met on July 27, 2022 to review the Local Policies for Update 119.**

- CPC(LOCAL): OFFICE MANAGEMENT - RECORDS MANAGEMENT
- DMA(LOCAL): PROFESSIONAL DEVELOPMENT - REQUIRED STAFF DEVELOPMENT
- EHAA(LOCAL): BASIC INSTRUCTIONAL PROGRAM - REQUIRED INSTRUCTION (ALL LEVELS)
- EHB(LOCAL): CURRICULUM DESIGN - SPECIAL PROGRAMS
- EHBAA(LOCAL): SPECIAL EDUCATION - IDENTIFICATION, EVALUATION, AND ELIGIBILITY
- EHBB(LOCAL): SPECIAL PROGRAMS - GIFTED AND TALENTED STUDENTS
- EIF(LOCAL): ACADEMIC ACHIEVEMENT - GRADUATION
- FFBA(LOCAL): CRISIS INTERVENTION - TRAUMA-INFORMED CARE
- FFH(LOCAL): STUDENT WELFARE - FREEDOM FROM DISCRIMINATION, HARASSMENT, AND RETALIATION

**RECOMMENDATION:**

**I move that the Board add/revise local policies from Policy Update 119 as recommended by the Board Policy Sub-committee.**

  
\_\_\_\_\_  
Dr. Jerry Gibson  
Superintendent

# Action Sheet

**MEETING DATE:**

**August 3, 2022**

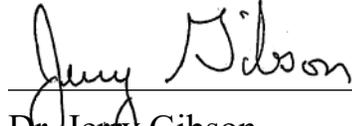
**AGENDA ITEM:**

**Discuss and rescind policy EF (LOCAL) - A**

The Board Policy Committee met on July 27 and discussed rescinding the current policy in order to implement two new additional policies. One new policy will address the selection and review of instructional materials. The second new policy will address the selection and review addressing library materials. We are asking to rescind policy EF (LOCAL) to avoid duplication and inconsistencies.

**RECOMMENDATION:**

**I move that the Board rescind policy EF (LOCAL) - A.**

  
\_\_\_\_\_  
Dr. Jerry Gibson  
Superintendent

## RESCIND POLICY

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**Note:** For information related to the selection process and accounting of instructional materials, as this term is defined by state law and rule, see CMD and EFA.

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### Objectives

The District shall provide a wide range of instructional resources for students and faculty that present varying levels of difficulty, diversity of appeal, and a variety of points of view. Although professional staff members may select instructional resources for their use in accordance with District policy and administrative regulations, the ultimate authority for determining and approving the curriculum and instructional program of the District lies with the Board.

In this policy, “instructional resources” may include textbooks, library acquisitions, supplementary resources for classroom use, and any other instructional resources, including electronic resources, used for formal or informal teaching and learning purposes. The primary objectives of instructional resources are to implement, enrich, and support the District’s educational program.

The Board shall rely on District professional staff to select and acquire instructional resources that:

1. Enrich and support the curriculum, taking into consideration students’ varied interests, abilities, learning styles, and maturity levels.
2. Stimulate growth in factual knowledge, enjoyment of reading, literary appreciation, aesthetic values, and societal standards.
3. Present various sides of controversial issues so that students have an opportunity to develop, under guidance, skills in critical analysis and in making informed judgments in their daily lives.
4. Represent many ethnic, religious, and cultural groups and their contributions to the national heritage and world community.
5. Provide a wide range of background information that will enable students to make intelligent judgments in their daily lives.

### Selection Criteria

In the selection of instructional resources, professional staff shall ensure that the resources:

## INSTRUCTIONAL RESOURCES

EF  
(LOCAL)

1. Support and are consistent with the general educational goals of the state and District and the aims and objectives of individual schools and specific courses consistent with the District and campus improvement plans.
2. Meet high standards for artistic quality and/or literary style, authenticity, educational significance, factual content, physical format, presentation, readability, and technical quality.
3. Are appropriate for the subject area and for the age, ability level, learning styles, and social and emotional development of the students for whom they are selected.
4. Are designed to help students gain an awareness of our pluralistic society.
5. Are designed to provide information that will motivate students and staff to examine their own attitudes and behavior; to understand their duties, responsibilities, rights, and privileges as citizens participating in our society; and to make informed choices in their daily lives.
6. For library selections, are integral to the instructional program, are appropriate for the reading levels and understanding of students, reflect the interests and needs of the students and faculty, are included because of their literary or artistic value and merit, and present information with the greatest degree of accuracy and clarity.

Administrators, teachers, library media specialists, other District personnel, parents, and community members, as appropriate, may recommend instructional resources for selection. Gifts of instructional resources shall be evaluated according to these criteria and accepted or rejected in accordance with CDC(LOCAL).

Selection of resources is an ongoing process that includes the removal of resources no longer appropriate and the periodic replacement or repair of resources that still have educational value.

### **Controversial Issues**

District professional staff shall endeavor to maintain a balanced collection representing various views when selecting instructional resources on controversial issues. Resources shall be chosen to clarify historical and contemporary forces by presenting and analyzing intergroup tension and conflict objectively, placing emphasis on recognizing and understanding social and economic problems. [See also EMB regarding instruction about controversial issues and EHAA regarding human sexuality instruction.]

### **Challenged Resources**

INSTRUCTIONAL RESOURCES

EF  
(LOCAL)

	<p>A parent of a District student, any employee, or any District resident may formally challenge an instructional resource used in the District's educational program on the basis of appropriateness.</p>
<p>Informal Reconsideration</p>	<p>The school receiving a complaint about the appropriateness of an instructional resource shall try to resolve the matter informally using the following procedure:</p> <ol style="list-style-type: none"><li>1. The principal or designee shall explain the school's selection process, the criteria for selection, and the qualifications of the professional staff who selected the questioned resource.</li><li>2. The principal or designee shall explain the intended educational purpose of the resource and any additional information regarding its use.</li><li>3. If appropriate, the principal or designee may offer a concerned parent an alternative instructional resource to be used by that parent's child in place of the challenged resource.</li><li>4. If the complainant wishes to make a formal challenge, the principal or designee shall provide the complainant a copy of this policy and a form to request a formal reconsideration of the resource.</li></ol>
<p>Formal Reconsideration</p>	<p>A complainant shall make any formal objection to an instructional resource on the form provided by the District and shall submit the completed and signed form to the principal. Upon receipt of the form, the principal shall appoint a reconsideration committee.</p> <p>The reconsideration committee shall include at least one member of the instructional staff who has experience using the challenged resource with students or is familiar with the challenged resource's content. Other members of the committee may include District-level staff, library staff, secondary-level students, parents, and any other appropriate individuals.</p> <p>All members of the committee shall review the challenged resource in its entirety. As soon as reasonably possible, the committee shall meet and determine whether the challenged resource conforms to the principles of selection set out in this policy. The committee shall prepare a written report of its findings and provide copies to the principal, the Superintendent or designee, and the complainant.</p>
<p>Appeal</p>	<p>The complainant may appeal the decision of the reconsideration committee in accordance with appropriate complaint policies, starting with the appropriate administrator. [See DGBA, FNG, and GF]</p>
<p><b>Guiding Principles</b></p>	<p>The following principles shall guide the Board and staff in responding to challenges of instructional resources:</p>

INSTRUCTIONAL RESOURCES

EF  
(LOCAL)

1. A complainant may raise an objection to an instructional resource used in a school's educational program, despite the fact that the professional staff selecting the resources were qualified to make the selection, followed the proper procedure, and adhered to the objectives and criteria for instructional resources set out in this policy.
2. A parent's ability to exercise control over reading, listening, or viewing matter extends only to his or her own child.
3. Access to a challenged resource shall not be restricted during the reconsideration process, except the District may deny access to a child if requested by the child's parent.

The major criterion for the final decision on challenged resources is the appropriateness of the resource for its intended educational use. No challenged instructional resource shall be removed solely because of the ideas expressed therein.

# Action Sheet

**MEETING DATE:**

**August 3, 2022**

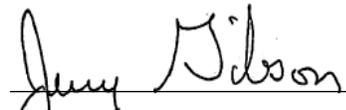
**AGENDA ITEM:**

**Discuss and add policy EFA (LOCAL)**

The Board Policy Committee met on July 27 and discussed adding EFA (LOCAL). This policy outlines the protocols for selecting instructional materials.

**RECOMMENDATION:**

**I move that the Board add policy EFA (LOCAL).**

  
\_\_\_\_\_  
Dr. Jerry Gibson  
Superintendent

# Action Sheet

**MEETING DATE:** August 3, 2022

**AGENDA ITEM:** Discuss and add policy EFB (LOCAL)

The Board Policy Committee met on July 27 and discussed adding EFB (LOCAL). This policy outlines the protocols for selecting instructional resources for libraries.

**RECOMMENDATION:** I move that the Board add policy EFB (LOCAL).

  
\_\_\_\_\_  
Dr. Jerry Gibson  
Superintendent

# Action Sheet

**MEETING DATE:** August 3, 2022

**AGENDA ITEM:** Discuss and approve District Professional Development Plan for 2022-2023.

Policy DMA (LOCAL) requires the Superintendent to recommend the District's professional development plan for all District employees. The District's professional development plan must be guided by the State Board for Education Certification (SBEC) clearinghouse recommendations. Attached is the District's Professional Development Plan for 2022-2023. The trainings from the clearinghouse are noted on the GISD plan as SB 1267 Required trainings.

**RECOMMENDATION:** I move that the Board of Trustees approve the District Professional Development Plan for 2022-2023.

  
\_\_\_\_\_  
Dr. Jerry Gibson  
Superintendent

# District Professional Development Plan

## 2022-2023



Domains	Professional Learning Topics	Required Personnel
<b>Domain I: Planning</b>	<ul style="list-style-type: none"> <li>•Texas Lesson Study with PLC meetings - Research</li> <li>•Content Curriculum</li> <li>•Year at a Glance</li> <li>•Lesson Plan template</li> <li>•District Assessment Plan</li> <li>•Campus Data Protocol</li> <li>•Utilizing approved district curriculum resources</li> </ul>	Teachers, administrators, and other staff who frequently provide or support instruction.
<b>Domain II: Instruction</b>	<ul style="list-style-type: none"> <li>•Texas Lesson Study - Teach &amp; Observe</li> <li>•Writing across the content areas- Journals or Interactive Notebook</li> <li>•Evidence Based Learning</li> <li>•T-TESS Calibration</li> <li>•Problem Solving Models</li> <li>•District Software - (examples...Math STEMscopes, STMath, Maneuvering in the Middle)</li> <li>•Lead4ward</li> </ul>	Teachers, administrators, and other staff who frequently provide or support instruction.

	<ul style="list-style-type: none"> <li>•Project Lead the Way</li> </ul>	
<b>Domain III: Learning Environment</b>	<ul style="list-style-type: none"> <li>•<b>PBIS/CHAMPS/CKH*</b></li> <li>•<b>SEL - Panorama Survey*</b></li> <li>•CPI</li> <li>•<b>Safety &amp; Security*</b></li> </ul>	School counselors, teachers, nurses, administrators, and other staff as well as law enforcement officers and social workers who regularly interact with students.
<b>Domain IV: Professional Practices</b>	<ul style="list-style-type: none"> <li>•District Professional Development Plan*</li> <li>•Documentation Training</li> <li>•Positive School Community Relationship</li> <li>•Goal -Setting</li> <li>•Book Study</li> <li>•Walk-throughs/Power Walks</li> </ul> <p><b>SB 1267 Required trainings:</b></p> <ul style="list-style-type: none"> <li>•<i>Increasing awareness of issues regarding sexual abuse, sex trafficking, and other maltreatment of children training</i></li> <li>•<i>Suicide Prevention Training</i></li> <li>•<i>Preventing, identifying, responding to, and reporting incidents of bullying training</i></li> <li>•<i>Trauma -informed care training</i></li> <li>•<i>Administration of an epinephrine auto injector training</i></li> </ul>	School counselors, teachers, nurses, administrators, and other staff as well as law enforcement officers and social workers who regularly interact with students.

**\*SB 1267 Required trainings**

# Action Sheet

**MEETING DATE:**

**August 3, 2022**

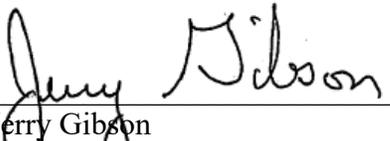
**AGENDA ITEM:**

Discuss and consider approving Galveston Independent School District interlocal cooperative purchasing agreement with New Caney Independent School District for the 2022- 2023 school year.

Galveston Independent School District Child Nutrition Department has been a member of the Santa Fe ISD interlocal cooperative purchasing (SPA- School Purchase Alliance) as a founding member since November 2012. In 2019, New Caney ISD took over as the fiduciary district. Child Nutrition purchases milk, bread, ice cream, produce and groceries through the SPA Cooperative.

**RECOMMENDATION:**

**I move that the Board approve the resolution authorizing and approving Galveston Independent School District interlocal cooperative purchasing agreement with New Caney Independent School District.**

  
Jerry Gibson  
Superintendent

  
Connie Morgenroth,  
Assistant Superintendent of Business  
and Operations

SPA Cooperative  
Fiduciary District: New Caney ISD  
Letter of Commitment

The Galveston ISD Child Nutrition

*School District Name (Do not abbreviate)*

Request to participate in the School Purchasing Alliance (SPA) Cooperative for the period:

**July 1, 2022 through June 30, 2023**

*Operating and approved under New Caney ISD as the Fiduciary District*

*School Purchasing Alliance (SPA) formally procures these RFP's on behalf of all participants.*

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*SPA Contracts may only be used by SPA members.*

*SPA Contracts are awarded by the Board of Trustees, New Caney ISD.*

*SPA may allow for the addition of new members upon approval by the Steering Committee. A new member that would result in a material change to any RFP would result in a re-offering of that RFP.*

*All procurement will be according to EDGAR/2 CFR 200/Uniform Guidance, TDA and USDA regulations.*

*All members have access to the website which includes documents for audits, Order Guide items, and updated nutritional information.*

*There is no cost to join SPA. All costs are covered through an administrative fee paid to New Caney ISD by the vendors. All funds not used to administer SPA are returned to the members in proportion to what is collected on their purchases. A minimum fund balance is maintained to cover one year's expenses. SPA members may review all fees collected and disbursed on the SPA Website.*

Please mark the option(s) the district will participate in:

Grocery Bid

Commodities

*Participation in commodities requires participation in the grocery bid*

Milk Bid

Produce

Bread Bid

Ice Cream

*By checking one or all the options it is understood that the district will not solicit their own bid for the selected categories.*

SPA Cooperative  
Fiduciary District: New Caney ISD  
Letter of Commitment

The GALVESTON ISD

School District Name (Do not abbreviate)

Wishes to participate in the New Caney Purchasing Cooperative (dba SPA) for the period of  
July 1, 2021 through June 30, 2022

Please mark the option(s) the district will participate in:

Grocery Bid

Commodities

229

Participation in commodities requires participation in the grocery bid

Milk Bid

Produce

Bread Bid

Ice Cream

By checking one or all the options it is understood that the district will not solicit their own bid for the selected categories. Procurement Law requires quantities in each solicitation and this document certifies my quantities are in the selected SPA RFP's.

Signature of Authorized Representative

Jennifer Douglas

Date 10/30/20

Director's Name (print) Jennifer Douglas

District GALVESTON ISD County GALVESTON

Mailing address: 2606 40th Street City Galveston Zip Code 77510

Phone: 409-766-5162 Email jennifer.douglas@gisd.org

Additional Contact: Ofelia Alvarado Phone 409-766-5162

Email: Ofelia Alvarado @ gisd.org

Average number of reimbursable lunches served ~~5800~~ ADA 9400

# of High Schools 2 # of Middle Schools 3 # of Elementary Schools 7

Please return this signed agreement to the New Caney ISD Business Office:

Email: [tbullock@newcanevisd.org](mailto:tbullock@newcanevisd.org) and [marketplacealliance@reagan.com](mailto:marketplacealliance@reagan.com)

# Action Sheet

**MEETING DATE:**

**August 3<sup>rd</sup>, 2022**

**AGENDA ITEM:**

Discuss and consider the purchase of Studies Weekly's Social Studies English and Spanish Software and Consumable 3-year subscription package for kindergarten through 5<sup>th</sup> grade, for \$55,582 using ESSER III and IMA funds.

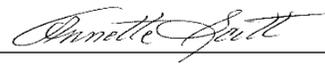
Studies Weekly is currently being used at all the elementary school campuses as their source of social studies curriculum. The package includes software for all students, including additional software for Spanish speaking students, as well as consumables (sent every year) in both English and Spanish. This software has been used for multiple years at the campuses and has been integrated into the lesson plans of our teachers. The purchase of a 3-year license will extend the service until the next state adoption for all K-5 Social Studies classes.

Studies Weekly is a part of the HCDE Choice Partners Co-Op Proposal # 18/058KC-34.

**RECOMMENDATION:**

**I move that we purchase Studies Weekly Social Studies English and Spanish Software and Consumable 3-year subscription package for kindergarten through 5<sup>th</sup> grade, for \$55,582 using ESSER III and IMA funds.**

  
\_\_\_\_\_  
Jerry Gibson  
Superintendent

  
\_\_\_\_\_  
Annette Scott  
Assistant Superintendent for Student Support



**REQUIRED FOR SHIPPING**

All fields required. Orders cannot be shipped until purchase order is received. Studies Weekly begins shipping materials in May for the applicable school year. Someone must be present to sign for the delivery.  
Disclaimer: If you did not designate your preference for partial or full shipped orders, all orders will default to partial shipping in mid-August.

**QUOTE #56279**

Quote Issued: 02/18/2022  
Expiration: 08/12/2022  
Quote Term: 3 yr subscription  
School Year: 2022-2023  
Referral: Co-Op - Region 20 ESC 2013 Co-Op Instructional Supplies Proposal #18030

**REQUESTER**

KAREN HILL  
GALVESTON CENTRAL RECEIVING 041  
4302 AVE Q  
GALVESTON, TX 77550  
KarenHill@gisd.org  
409-761-3500

\_\_\_\_\_  
Billing Name, Phone, Email (Billing contact if different than listed)

\_\_\_\_\_  
Billing PO #

\_\_\_\_\_  
Shipping Name, Phone, Email

\_\_\_\_\_  
Shipping Address (if different from listed)

**REQUIRED:** When are you NOT available to receive the materials?

No shipping restrictions  \_\_\_\_\_  
Exclusion Dates for receiving

**REQUIRED:** Would you like to receive your materials as they become available or would you like us to hold your order until all can be shipped together?

Partial Ship  Whole Ship

\_\_\_\_\_  
Authorized Signature Date

By signing this quote you are agreeing to submit it as an order. All orders are subject to our terms and conditions found on <http://studiesweekly.com/legal>  
Due to paper shortages and other ongoing supply chain issues, delivery may take longer than usual. However, you will have online access to your curriculum as soon as your order is processed. You can roster students through Studies Weekly's Secure File Transfer Protocol (SFTP). To qualify for third-party integration, your order must average \$2,000 per school, each year.

**CONTACT US**

1140 N 1430 W Orem, UT 84057  
Phone: 866-311-8734 | Fax: 866-531-5589  
Email: [orders@studiesweekly.com](mailto:orders@studiesweekly.com)

**REGIONAL MANAGER**

Joy Schaerrer  
[joy.schaerrer@studiesweekly.com](mailto:joy.schaerrer@studiesweekly.com)

**ACCOUNT MANAGER**

Dennise Thompson  
[dennise.thompson@studiesweekly.com](mailto:dennise.thompson@studiesweekly.com)  
801-347-0412

**TERMS AND CONDITIONS**

Please visit <http://www.studiesweekly.com/legal/> to learn more about our legal terms.

Grade	SKU	Title	Class	Unit Price	Qty	Cost
<b>Social Studies</b>						
0	TXSW0	Texas Studies Weekly - My Home and School Commu	18	\$17.79	450	\$8,005.50
0	TXSWES0	Texas Studies Weekly - Mi hogar y comunidad escola	1	\$20.28	15	\$304.20
1	TXSW1	Texas Studies Weekly - My School and Local Commur	18	\$17.79	450	\$8,005.50
1	TXSWES1	Texas Studies Weekly - Mi escuela y comunidad local	1	\$20.28	15	\$304.20
2	TXSW2	Texas Studies Weekly - Connecting My Communities	18	\$17.79	450	\$8,005.50
2	TXSWES2	Texas Studies Weekly - Conectando mis comunidade	1	\$20.28	15	\$304.20
3	TXSW3	Texas Studies Weekly - Our Expanding Community	18	\$17.79	450	\$8,005.50
3	TXSWES3	Texas Studies Weekly - Nuestra comunidad en expan	1	\$20.28	15	\$304.20
4	TXSW4	Texas Studies Weekly - Our State	18	\$17.79	450	\$8,005.50
4	TXSWES4	Texas Studies Weekly - Nuestro estado	1	\$20.28	15	\$304.20
5	TXSWES5	Texas Studies Weekly - Nuestra nación	4	\$20.28	100	\$2,028.00
<b>Total</b>						<b>\$43,576.5</b>

<b>Services</b>						
F	PDF2F	Face-to-Face Training Session (up to 6 hrs)	1	\$2,000.00	2	\$4,000.00
F	PDQF2F	Qualified Face-to-Face Training Session (up to 6 hrs)	1	\$0.00	1	\$0.00
<b>Total</b>						<b>\$4000</b>

Sub Total: \$47,576.50  
Tax: \$0.00  
Shipping: \$0.00  


---

**Total: \$47,576.50**

**Customer Note:**

This quote expires August 12, 2022.



*Thank you,*

for your interest in Studies Weekly. If you are ready to purchase, please provide the information above and submit your order.

**QUOTE #56279**

Quote Issued: 02/18/2022  
Expiration: 08/12/2022  
Quote Term: 3 yr subscription  
School Year: 2022-2023  
Referral: Co-Op - Region 20 ESC 2013 Co-Op Instructional  
Supplies Proposal #18030

**REQUESTER**

KAREN HILL  
GALVESTON CENTRAL RECEIVING 041  
4302 AVE Q  
GALVESTON, TX 77550  
KarenHill@gisd.org  
409-761-3500

**CONTACT US**

1140 N 1430 W Orem, UT 84057  
Phone: 866-311-8734 | Fax: 866-531-5589  
Email: [orders@studiesweekly.com](mailto:orders@studiesweekly.com)

**REGIONAL MANAGER**

Joy Schaerrer  
[joy.schaerrer@studiesweekly.com](mailto:joy.schaerrer@studiesweekly.com)

**ACCOUNT MANAGER**

Dennise Thompson  
[dennise.thompson@studiesweekly.com](mailto:dennise.thompson@studiesweekly.com)  
801-347-0412

**TERMS AND CONDITIONS**

Please visit  
<http://www.studiesweekly.com/legal/>  
to learn more about our legal terms.



**REQUIRED FOR SHIPPING**

All fields required. Orders cannot be shipped until purchase order is received. Studies Weekly begins shipping materials in May for the applicable school year. Someone must be present to sign for the delivery.  
Disclaimer: If you did not designate your preference for partial or full shipped orders, all orders will default to partial shipping in mid-August.

\_\_\_\_\_  
Billing Name, Phone, Email (Billing contact if different than listed)

\_\_\_\_\_  
Billing PO #

\_\_\_\_\_  
Shipping Name, Phone, Email

\_\_\_\_\_  
Shipping Address (if different from listed)

**REQUIRED:** When are you NOT available to receive the materials?

No shipping restrictions       \_\_\_\_\_  
Exclusion Dates for receiving

**REQUIRED:** Would you like to receive your materials as they become available or would you like us to hold your order until all can be shipped together?

Partial Ship       Whole Ship

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

By signing this quote you are agreeing to submit it as an order. All orders are subject to our terms and conditions found on <http://studiesweekly.com/legal>

Due to paper shortages and other ongoing supply chain issues, delivery may take longer than usual. However, you will have online access to your curriculum as soon as your order is processed. You can roster students through Studies Weekly's Secure File Transfer Protocol (SFTP). To qualify for third-party integration, your order must average \$2,000 per school, each year.

**QUOTE #64827**

Quote Issued: 07/19/2022  
Expiration: 10/17/2022  
Quote Term: 3 yr subscription  
School Year: 2022-2023  
Referral: Co-Op - Region 20 ESC 2013 Co-Op Instructional Supplies Proposal #18030  
School Start Date: 08/01

**REQUESTER**

KAREN HILL  
GALVESTON IND SCHOOL DISTRICT  
3904 AVE T  
GALVESTON, TX 77550  
KarenHill@gisd.org  
(409)766-5100

**CONTACT US**

1140 N I430 W Orem, UT 84057  
Phone: 866-311-8734 | Fax: 866-531-5589  
Email: [orders@studiesweekly.com](mailto:orders@studiesweekly.com)

**REGIONAL MANAGER**

Joy Schaerrer  
[joy.schaerrer@studiesweekly.com](mailto:joy.schaerrer@studiesweekly.com)

**ACCOUNT MANAGER**

Dennise Thompson  
[dennise.thompson@studiesweekly.com](mailto:dennise.thompson@studiesweekly.com)  
801-347-0412

**TERMS AND CONDITIONS**

Please visit <http://www.studiesweekly.com/legal/> to learn more about our legal terms.

Grade	SKU	Title	Class	Unit Price	Qty	Cost
<b>Social Studies</b>						
5	TXSW5	Texas Studies Weekly - Our Nation (Online Only)	1	\$18.45	450	\$8,302.50
<b>Total</b>						<b>\$8302.5</b>

Sub Total: \$8,302.50  
Tax: \$0.00  
Shipping: \$0.00  
**Total: \$8,302.50**

**Customer Note:**

This quote expires October 17, 2022.

*Thank you,*

for your interest in Studies Weekly. If you are ready to purchase, please provide the information above and submit your order.



# Department of Grant Compliance and Administration Justification/Documentation of Allowable Use of ESSER Funds

Complete this form to document the expenditure of ESSER funds on an allowable activity that meets the intent and purpose of the ESSER grants. As defined by the US Department of Education, the intent and purpose of the ESSER grants is to prevent, prepare for, or respond to the COVID-19 pandemic, including its impact on the social, emotional, mental health, and academic needs of students.

The activity documented with this form may be funded with any ESSER grant funds (ESSER I, II, III, or a combination of those). One activity may be documented per form.

**Maintain this document at the local level for audit and monitoring purposes. Do not submit this form to TEA unless the agency specifically requests it as part of the compliance review process.**

Name of Grantee

CDN

## Activity

Describe the activity to be paid with ESSER funds.

Check the appropriate box(es) to indicate the fund(s) that will be used to pay for the activity:

- ESSER I funds will be used.  ESSER II funds will be used.  ESSER III funds will be used.

## Statutory Intent

Describe how the activity meets the grant program's intent (listed above).

## Reasonable and Necessary

For each box checked above (ESSER I, II, or III), describe how the activity is reasonable and necessary.

## Statutorily Allowable Use

Per USDE, ESSER funds may be expended for any statutorily allowable activity under any of the three statutes. For each box checked above (ESSER I, II, or III), list the statutorily allowable activity that your expenditure aligns with.

## Certification

Name and Title of Authorized Official

Signature of Authorized Official and Date



**REQUIRED FOR SHIPPING**

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 Disclaimer: If you did not designate your preference for partial or full shipped orders, all orders will default to partial shipping in mid-August.

**QUOTE #56279**

Quote Issued: 02/18/2022  
 Expiration: 08/31/2022  
 Quote Term: 3 yr subscription  
 School Year: 2022-2023  
 Referral: Co-Op - Region 20 ESC 2013 Co-Op Instructional Supplies Proposal #18030

**REQUESTER**

KAREN HILL  
 GALVESTON CENTRAL RECEIVING 041  
 4302 AVE Q  
 GALVESTON, TX 77550  
 KarenHill@gisd.org  
 409-761-3500

\_\_\_\_\_  
 Billing Name, Phone, Email (Billing contact if different than listed)

\_\_\_\_\_  
 Billing PO #

\_\_\_\_\_  
 Shipping Name, Phone, Email

\_\_\_\_\_  
 Shipping Address (if different from listed)

**REQUIRED:** When are you NOT available to receive the materials?

No shipping restrictions  \_\_\_\_\_  
 Exclusion Dates for receiving

**REQUIRED:** Would you like to receive your materials as they become available or would you like us to hold your order until all can be shipped together?

Partial Ship  Whole Ship

\_\_\_\_\_  
 Authorized Signature Date

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**CONTACT US**

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 Phone: 866-311-8734 | Fax: 866-531-5589  
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**REGIONAL MANAGER**

Joy Schaerrer  
[joy.schaerrer@studiesweekly.com](mailto:joy.schaerrer@studiesweekly.com)

**ACCOUNT MANAGER**

Dennise Thompson  
[dennise.thompson@studiesweekly.com](mailto:dennise.thompson@studiesweekly.com)  
 801-347-0412

**TERMS AND CONDITIONS**

Please visit <http://www.studiesweekly.com/legal/> to learn more about our legal terms.

Grade	SKU	Title	Class	Unit Price	Qty	Cost
<b>Social Studies</b>						
0	TXSW0	Texas Studies Weekly - My Home and School Commu	18	\$17.79	450	\$8,005.50
0	TXSWES0	Texas Studies Weekly - Mi hogar y comunidad escola	1	\$20.28	15	\$304.20
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4	TXSWES4	Texas Studies Weekly - Nuestro estado	1	\$20.28	15	\$304.20
5	TXSW5	Texas Studies Weekly - Our Nation	18	\$17.79	450	\$8,005.50
5	TXSWES5	Texas Studies Weekly - Nuestra nación	4	\$20.28	100	\$2,028.00
<b>Total</b>						<b>\$51582</b>

<b>Services</b>						
B	PDQWEB	Qualified Webinar Session (up to 2 hrs)	1	\$0.00	1	\$0.00
F	PDF2F	Face-to-Face Training Session (up to 6 hrs)	1	\$2,000.00	2	\$4,000.00
F	PDQF2F	Qualified Face-to-Face Training Session (up to 6 hrs)	1	\$0.00	1	\$0.00
<b>Total</b>						<b>\$4000</b>

Sub Total: \$55,582.00  
 Tax: \$0.00  
 Shipping: \$0.00

**Total: \$55,582.00**



**Customer Note:**

This quote expires August 31, 2022.

*Thank you,*

for your interest in Studies Weekly. If you are ready to purchase, please provide the information above and submit your order.

**QUOTE #56279**

Quote Issued: 02/18/2022  
Expiration: 08/31/2022  
Quote Term: 3 yr subscription  
School Year: 2022-2023  
Referral: Co-Op - Region 20 ESC 2013 Co-Op Instructional  
Supplies Proposal #18030

**REQUESTER**

KAREN HILL  
GALVESTON CENTRAL RECEIVING 041  
4302 AVE Q  
GALVESTON, TX 77550  
KarenHill@gisd.org  
409-761-3500

**CONTACT US**

1140 N 1430 W Orem, UT 84057  
Phone: 866-311-8734 | Fax: 866-531-5589  
Email: [orders@studiesweekly.com](mailto:orders@studiesweekly.com)

**REGIONAL MANAGER**

Joy Schaerrer  
[joy.schaerrer@studiesweekly.com](mailto:joy.schaerrer@studiesweekly.com)

**ACCOUNT MANAGER**

Dennise Thompson  
[dennise.thompson@studiesweekly.com](mailto:dennise.thompson@studiesweekly.com)  
801-347-0412

**TERMS AND CONDITIONS**

Please visit  
<http://www.studiesweekly.com/legal/>  
to learn more about our legal terms.

# Action Sheet

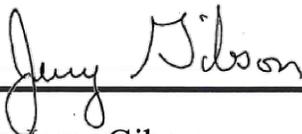
**MEETING DATE:** August 3, 2022

**AGENDA ITEM:** Consider approval of CSRFP #2021-22-0019, Professional Development specific to the condition of Dyslexia, naming Neuhaus Education Center as the provider of services and materials as outlined in the Request for Proposal.

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In June 2022, proposals were requested under CSRFP #2021-22-019 for a professional development series specific to understanding characteristics of, and basic interventions for, the condition of Dyslexia for 75 participants to be funded by grant monies received from the Moody Foundation. Galveston ISD solicited proposals from its current vendor list and advertised appropriately in the Galveston Daily News on two separate listings. Proposals, which were due by July 12, 2022, were submitted by three vendors: Carnegie Learning, Neuhaus Education Center, and Brainspring Education Academy. Proposals were evaluated in accordance with local procedure with the proposal from Neuhaus Education Center receiving the most favorable rating.

**RECOMMENDATION:** I move the Board of Trustees approve CSRFP #2021-22-0019, Professional Development specific to the condition of Dyslexia, naming Neuhaus Education Center as the provider of services and materials as outlined in the Request for Proposal.



Dr. Jerry Gibson  
Superintendent



Jessica Edwards  
Director of Special Education/Section 504

# Action Sheet

**MEETING DATE:** August 3, 2022

**AGENDA ITEM:** Update GKD-R – Use of School Facilities

Regulation GKD-R governs the use and rental of school facilities. The rates were reviewed, but no changes were recommended for the 2022-2023 fiscal year. The suggested changes to the guidelines are highlighted in yellow for your review.

**RECOMMENDATION:** I move that the board approve Regulation GKD-R – Use of School Facilities, as presented.

---

Dr. Jerry Gibson  
Superintendent

*Connie Morgenroth*  
\_\_\_\_\_  
Connie Morgenroth  
Assistant Superintendent of Business & Operations

Galveston Independent School District (GISD or the District) shall permit use of designated District facilities when these activities do not conflict with school use or with GISD policy.

Requests for non-school use of District facilities shall be considered on a first come, first-served basis.

### **Facility Usage Guidelines**

#### **General Requirements**

The following general conditions apply to use:

1. No general administrative costs shall be incurred by the District for the program.
2. The on-site administrator shall resolve schedule conflicts.
3. Users shall pay for any identifiable incremental costs borne by the District on behalf of users including, but not limited to, security, facility supervisor, and janitorial costs.
4. The rental charge of a school facility requiring the presence of one or more support personnel shall be for a period of time not less than four hours.
5. Persons and/or organizations using school facilities shall be responsible to the District for any and all damages to school facilities and/or equipment.
6. The persons and/or organizations using school facilities shall comply with all national, state, and local laws and all District policies.
7. Depending on the nature of the intended use, the District reserves the right to require any additional personnel that may be deemed necessary for the safe and proper use of school facilities. An individual's or organization's refusal to furnish the additional personnel may result in the denial of the requested use and the denial of any future use.
8. Minor children shall not be permitted to assume responsibility for the use of school facilities.
9. School equipment (excluding chairs) is not a part of facilities use.

#### **Approval of Use**

The following procedure shall be used in making application for use of any District facility:

1. Applications for use shall be obtained from the GISD Finance Department or online at [www.gisd.org](http://www.gisd.org).
2. The completed facility request form, any required payments, certificate of

## USE OF SCHOOL FACILITIES

GKD-R

insurance, and IRS nonprofit status certification shall be submitted to the appropriate approval authority at least 10 District business days prior to the date of use.

3. All applications for the use of school facilities shall be made and signed by an officer and/or other responsible representative of a group or organization, or by the individual making the request.

### Fees for Use

Individuals and organizations shall be charged for use of District facilities according to the following guidelines:

1. Use of facilities shall be charged according to a Board-adopted Facility Rental Fee Schedule for the District's school facilities. The Superintendent shall have the authority to adjust and/or waive fees or minimum hour requirements when in the best interest of the District.
2. Parent/teacher/employee organizations and other adult groups organized for the express purpose of supporting District activities and/or programs (e.g., PTA, booster clubs) shall be permitted to use District facilities without charge, provided such use does not require the District to incur any additional costs or expenses.
3. Nonprofit groups, organizations, or clubs that are headquartered in the District (e.g., Churches, 4-H Club, YMCA, YWCA, homeowner's associations, or youth sports organizations) shall be permitted to use school facilities according to the published schedule. "Fee Rate A" shall apply to those rental times prior to 6 p.m. on a day school is in session. "Fee Rate B" shall apply to the rental time after 6 p.m. on a day school is in session, any weekend day, and any weekday that school is not in session.
4. Other organizations, groups, or clubs of a commercial nature that are headquartered in the District or where a majority of the members reside in the District (e.g., commercial sports camps, adult sports organizations) shall be permitted to use District facilities using "Fee Rate C."
5. The need for custodial services for outdoor facilities shall be determined by the appropriate approval authority.
6. Payment for use of a facility shall be as follows:
  - If the rental of the facility is for a one-time use, payment shall be made at the time of the application or no less than 5 business days in advance of the requested usage.

## USE OF SCHOOL FACILITIES

GKD-R

- If the rental of the facility is for repeated use, payment shall be due on the first business day of the month. Payments received after the 15<sup>th</sup> day of the month may be charged a late fee of \$25.00.
- Simultaneous use by multiple organizations may result in the sharing of custodial fees.

### **Rental of Kitchen Facilities**

The following guidelines shall apply to rental of kitchen facilities:

1. A certified food manager must be present any time that unauthorized persons are in the kitchen. Unauthorized persons are those who are not food manager certified and are not designated by food service as official representatives.
2. A certified food manager may supervise up to six persons in the kitchen. If the group renting the serving line or kitchen area will have more than six persons working in a food service capacity in the area at one time, another certified food manager must be added.
3. The District reserves the right to enforce health department requirements. This includes destroying food that is stored at inappropriate temperatures or deemed to be inedible. The District reserves the right to require compliance with the instructions of a certified food manager. Persons who refuse to comply or who otherwise present a safety issue (such as failing to wash hands, wear gloves, or wear a hat or hair net) may be required to leave the premises.
4. The kitchen area is defined as any area beyond the confines of the cafeteria that envelops the kitchen. If a group wants to use only a warmer or a steam table, this requires a certified food manager.
5. Outside vendors who bring ready-to-eat-food to the site to serve must follow the instructions of the certified food manager. They may not use the kitchen for any purpose unless that area has been rented.
6. Unauthorized persons may not access the ice machine. Authorized personnel include campus administrators and campus kitchen staff.
7. Consumable supplies are not included in the basic rental of the kitchen. Examples: serving gloves, foil wrappers, napkins, paper towels, hairnets, etc. A charge will be assessed for items used or you can bring your own supplies.
8. No one under 18 years of age is allowed to work in the kitchen.

**Liability Insurance**

Individuals and/or organizations using school facilities shall demonstrate to the satisfaction of the Superintendent or designee that the individuals and/or organizations possess adequate liability insurance. The user shall furnish evidence of liability insurance coverage in the amount of \$100,000 each person, \$300,000 each accident, and property damage in the amount of \$50,000 each incident for the event and shall name the District as an additional insured on the policy as specified by the District.

**Use of Indoor Facilities**

The following shall apply:

1. An hourly rate based on cost experience shall be charged as a base fee.
2. The requirement for a facility supervisor and/or security personnel shall be at the discretion of the appropriate approval authority. The determination of the need for a facility supervisor shall depend on the type and/or size of activity that is planned. If local campus personnel volunteer to serve as the responsible party, supervisory costs shall not be charged; otherwise, the campus shall provide personnel to function as the facilities supervisor at a rate detailed in Facility Rental Fee Schedule.
3. The rental of the kitchen shall require the use of a certified kitchen manager at a rate detailed in Facility Rental Fee Schedule. For every six people working in the kitchen, a certified kitchen manager shall be required.
4. The rental of the performance auditorium shall require the use of a certified lighting/sound technician to oversee operations at a rate detailed in Facility Rental Fee Schedule.
5. Custodial services shall be charged at a rate detailed in Facility Rental Fee Schedule.
6. The rental of the pool facilities shall require the organization renting the facility to provide a certified lifeguard onsite for the total rental period. Proof of lifeguard name/certification is required with the completed facility request form.

**Emergency Use**

In case of emergency, the Superintendent or designee may authorize the use of school facilities by civil defense, health, or emergency service authorities.

USE OF SCHOOL FACILITIES

GKD-R

For more information on the rental process, please contact the Finance Department via email at [notifyfinance@gisd.org](mailto:notifyfinance@gisd.org) or contact the Facilities Department via email at [notifyfacilities@gisd.org](mailto:notifyfacilities@gisd.org).

Rate Descriptions:

**Rate A: Non-Profit** are defined as non-profit groups, organizations, or clubs that are headquartered in the District that use the facility **prior to 6:00 pm on a day school is in session**. (Examples: Churches, YMCA, youth sports, etc.)

**Rate B: Non-Profit** are defined as non-profit groups, organizations, or clubs that are headquartered in the District that use the facility **after 6:00 pm on a day school is in session and any day school is not in session**. (Examples: Churches, YMCA, youth sports, etc.)

**Rate C: For Profit** Any commercial organization, group, or club. (Example: commercial sports camps, national clubs, etc.)

RATES SHOWN ARE PER HOUR, PER FACILITY			
NAME OF FACILITY	RATE A	RATE B	RATE C
<b><u>ELEMENTARY SCHOOLS:</u></b>			
Cafeteria without kitchen	5.00	15.00	30.00
Cafeteria with kitchen	15.00	30.00	45.00
Gymnasium	5.00	15.00	30.00
Multipurpose room/Classroom (minimum 4 rooms)**	5.00	12.50	15.00
<b><u>MIDDLE SCHOOLS:</u></b>			
Cafeteria without kitchen	10.00	17.00	45.00
Cafeteria with kitchen	15.00	17.00	60.00
Auditorium with house lights/standard microphone	10.00	16.00	45.00
Gymnasium	10.00	19.00	55.00
Multipurpose room/Classroom (minimum 4 rooms)**	10.00	15.00	20.00
Swimming pool	10.00	15.00	30.00
<b><u>HIGH SCHOOL:</u></b>			
Cafeteria/commons without kitchen	15.00	30.00	45.00
Cafeteria/commons with kitchen	20.00	32.00	60.00
Auditorium with house lights/standard microphone	18.00	26.00	60.00

Certified lighting/sound technician – required	Paid Directly to Technician		
	Gymnasium	Swimming pool	Multipurpose room/Classroom (minimum 4 rooms)**
	10.00	29.00	55.00
	10.00	15.00	30.00
	10.00	15.00	20.00

**OTHER FACILITIES:**

NAME OF FACILITY	RATE A	RATE B	RATE C
GISD stadium (no lights) *	12.50	50.00	75.00
GISD stadium (with lights) *	27.50	75.00	125.00
Weis Field (no lights)*	6.00	10.00	25.00
Weis Field (with lights)*	12.00	30.00	45.00
Spoor Field (no lights)*	10.00	20.00	50.00
Spoor Field (with lights)*	20.00	40.00	100.00
Unlocked, outdoor recreational facilities*	N/C*	N/C*	40.00
Tennis Courts (no lights)*	10.00	10.00	25.00
Tennis Courts (lights)*	20.00	30.00	45.00
Baseball Field (no lights)*	30.00	30.00	50.00
Baseball Field (with lights) *	45.00	45.00	75.00
Boardroom or Library @ Administration Building	15.00	15.00	40.00
Annex Room A	15.00	15.00	40.00

\*\*A/C minimal usage

<b>ADDITIONAL FEES, AS NEEDED OR REQUESTED:</b>	
Custodian (4 hour minimum)	\$30 per hour
Maintenance (4 hour minimum)	\$35 per hour
Facilities supervisor	\$40 per hour
Certified kitchen manager	\$30 per hour
Lighting/sound technician for Auditorium and Stadium	\$30 per hour
Security (4 hour minimum)	\$40 per hour
Supplies, Paint, Field Preparation, Other Agreed-Upon Fees	Actual Costs

- \* # of Police Officers and # of Custodians needed for rental are set by Department Leadership.
- \* District property not requiring a rental fee must be left in good condition; renter will be required to cover any cost associated with cleanup and/or damage.
- \* Athletic Varsity Fields and Facilities shall not be available during that sport specific season to non-GISD events. Academic and extracurricular activities sponsored by the District shall always have priority when any use is scheduled.

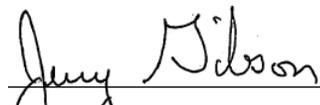
# Action Sheet

**MEETING DATE:** August 3, 2022

**AGENDA ITEM:** Discuss and consider approval of the renewal of the Workers' Compensation coverage with TASB

TASB's proposal for Workers' Compensation coverage for the 2022-23 fiscal year is \$314,788; however, the final amount will be based on the total payroll for the applicable year. This amount represents an increase of \$15,504 from the prior year. Because the District has an Interlocal Agreement with TASB, these services do not require a formal bid process.

**RECOMMENDATION:** I move that the Board approve the renewal of the Workers' Compensation coverage with TASB for \$314,788.00 from September 1, 2022 through August 31, 2023.

  
\_\_\_\_\_  
Dr. Jerry Gibson  
Superintendent

*Connie Morgenroth*  
\_\_\_\_\_  
Connie Morgenroth  
Asst. Superintendent of Business and Operations



June 22, 2022

Connie Morgenroth

Galveston ISD

Dear Connie Morgenroth,

You count on a strong risk management and coverage provider to support managing operations and risk at your organization. Thank you for trusting the TASB Risk Management Fund to be that partner. The Fund's partnership with its more than 1,000 members has provided stability and financial strength for nearly five decades.

- **Strength in Sharing:** The Fund is the largest school risk-sharing pool in Texas and is led by Fund member school board trustees and administrators. The Board ensures the Fund remains financially strong and provides stability and responsiveness for all Fund members.
- **Financial Security:** With more than \$200 million in Members' Equity, the Fund has the financial strength to manage claims and respond to the impact of changing environments for members.
- **Responsive Service:** The Fund offers specialized coverage and services to meet Texas public schools' unique needs and exposures.

**We are pleased to provide you with a renewal proposal for the 2022–23 coverage term.** This year's renewal proposals reflect the Fund's efforts to respond to the evolving exposures and risks faced by its members. Your proposal reflects the Fund programs in which your organization participates. The following are highlights of key program changes for 2022-23:

- **Property** coverage costs continue to be driven by severe weather and increased building values. The Fund's Board of Trustees authorized use of Members' Equity to help limit the impact of cost increases for Fund members this year. Members will receive renewal options with higher weather deductibles to further reduce costs. Small and mid-size members will also have options to lower weather deductibles.
- **Auto and School Liability** rates will remain level for most members with contribution changes based on loss history and exposures. **Auto Physical Damage** claims costs continue to increase as vehicles are more costly and complex to repair. These rates will increase moderately for most members.
- **Workers' Compensation** rates will remain stable with little to no increase. Contribution changes reflect normal payroll changes and loss history. Costs remain steady even though claims have returned to pre-pandemic levels.
- Improved cyber risk management practices are paramount for all organizations as ransomware attacks and other risks increase. The Fund continues to offer affordable **Privacy & Information Security** coverage to members and will continue to provide resources to help members improve cyber security controls.

- **Unemployment Compensation** coverage is effective October 1, 2022, for all members of that program. Renewals will be issued in August with member contributions decreasing by 5%, on average.

A summary of updates and clarifications to the Fund's Property and Liability coverage terms and agreements is included in this renewal proposal. Coverage agreements can also be accessed on the Fund's website. Workers' Compensation and Unemployment Compensation coverage is statutory.

Please carefully review all terms and features of this renewal proposal. When ready, you may accept your renewal proposal by signing the Contribution & Coverage Summary and returning it by email to me or to [TASBRMF@tasbrmf.org](mailto:TASBRMF@tasbrmf.org). You may also complete the electronic acceptance using the link in the renewal email sent to the designated Program Contact.

**Please note, if you take no action, coverage will automatically renew under the terms of this renewal proposal. If Property coverage is included and you take no action, coverage will automatically renew at the lower weather deductible offered. If you want to terminate coverage, the Fund must receive written notice of termination at least 30 days prior to your renewal date.** If you are unsure of your plans to renew or have questions about the renewal proposal or any aspect of your Fund membership, please contact Rosa Brown or any member of TASB's Underwriting and Marketing Division at 800.482.7276.

Thank you for your membership in the Fund. We look forward to our continued partnership in the coming year.

Sincerely,  
Rosa Brown  
Senior Risk Management Consultant  
Division of Underwriting & Marketing  
Texas Association of Schools Boards, Inc.

TASB Risk Management Fund  
12007 Research Blvd., Austin, Texas 78759-2439  
P.O. Box 301, Austin, Texas 78767-0301  
Toll-Free: 800.482.7276 | Austin area: 512.467.3699

CC:

## Galveston ISD

### Contribution & Coverage Summary (CCS) Participation Period: 9/1/2022 through 8/31/2023

The following is a summary of coverages, limits, deductibles, and contribution amounts. More information about coverage, limits, deductibles, terms, and conditions are found on following pages and are part of this CCS. Please review all pages of this CCS document.

Coverage	Limit	Deductible	Contribution
<b>Violent Acts</b>	\$250,000	\$0	<b>No Cost</b>
<b>Workers' Comp Fully Funded</b>	Statutory	Statutory	<b>\$314,788</b>
<b>Total Contribution</b>			<b>\$314,788</b>

**THIS IS NOT AN INVOICE.** The TASB Risk Management Fund will issue an invoice when coverage is accepted by the Member. Total Contribution is an estimate and is subject to exposure audit.



**Galveston ISD**

**Workers' Compensation – Fully Funded**

**Participation Period: 9/1/2022 through 8/31/2023**

**Total Workers' Compensation – Fully Funded Contribution: \$314,788**

The following is a summary of estimated payrolls and contribution for Workers' Compensation coverage. The amounts shown are subject to audit at the end of the Participation Period.

Classification	Estimated Payroll	Net Annual Rate	Estimated Contribution
7380 - BUS DRIVERS	\$1,827,734	0.01814816	\$33,170
7720 - POLICE OFFICER	\$718,382	0.02261053	\$16,243
8810 - CLERICAL OFFICE EMPLOYEES	\$2,880,363	0.00118978	\$3,427
8868 - PROFESSIONAL/ADMINISTRATON	\$48,737,615	0.00321308	\$156,598
9101 - ALL OTHERS	\$4,426,376	0.02380051	\$105,350
<b>Total</b>	<b>\$58,590,470</b>		<b>\$314,788</b>

<b>Estimated Contribution</b>	<b>\$314,788</b>
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**Workers' Compensation – Fully Funded Conditions**

**Benefit Limits:** Workers' Compensation benefits paid to Fund Member's employees under this Agreement will be as defined in the Texas Workers' Compensation Act (the Act). The Fund is responsible for claims payments as reflected in this CCS. This Agreement does not cover the defense of any suit or claim against a Fund Member except a workers' compensation claim by an eligible employee or former employee of Fund Member for the payment of statutory workers' compensation benefits.

**Cooperation:** The Fund Member designates the TASB Risk Management Fund as the Workers' Compensation claim administrator of record for all purposes. Fund Member agrees to use the Fund's contractors for services related to the administration of claims and to follow the Fund's election under Section 504.053 of the Labor Code to direct care through the Political Subdivision Workers' Compensation Alliance.

**Claims Reporting:** For Workers' Compensation claims arising during the CCS Participation Period, the Fund Member agrees that it will timely report those claims solely to the Fund. The report of Workers' Compensation claims to any other entity, regardless of reporting sequence, will waive all Fund liability under this agreement for those claims. Any fines levied against the Fund for Fund Member's failure to comply with the rules and regulations of the Act will be the sole responsibility of the Fund Member.



## Program Coordinators

The Fund Member is required to designate a Program Coordinator (Coordinator) with express authority to represent and bind the Fund Member in all program matters. Below are the current Coordinators associated with the Fund Member. If a Coordinator's name and e-mail address are not listed or the Coordinator identified needs to be updated, please provide updated information to the Fund as soon as possible or include updates on this document.

### Current Program Coordinators

Program	Name	Title	E-mail
<b>TASB Risk Management Fund-Workers' Compensation</b>	Connie Morgenroth	Assistant Superintendent of Business and Operation	<a href="mailto:conniemorgenroth@gisd.org">conniemorgenroth@gisd.org</a>
<b>TASB RMF-Auto</b>	Connie Morgenroth	Assistant Superintendent of Business and Operation	<a href="mailto:conniemorgenroth@gisd.org">conniemorgenroth@gisd.org</a>
<b>TASB RMF-Liability</b>	Connie Morgenroth	Assistant Superintendent of Business and Operation	<a href="mailto:conniemorgenroth@gisd.org">conniemorgenroth@gisd.org</a>
<b>TASB RMF-Unemployment Compensation</b>	Connie Morgenroth	Assistant Superintendent of Business and Operation	<a href="mailto:conniemorgenroth@gisd.org">conniemorgenroth@gisd.org</a>

### Program Coordinator Updates

Program	Name	Title	E-mail

If accepting this proposal electronically, you may scan and email this page to [tasbrmf@tasbrmf.org](mailto:tasbrmf@tasbrmf.org) to provide Program Coordinator updates.



## Contribution & Coverage Summary General Conditions

**Coverage:** Coverage terms and limits provided are as set out in this CCS and the Fund’s corresponding Coverage Agreements for this Participation Period.

**Claims Reporting:** Fund Member will provide to the Fund timely notice of all claims as required in the Interlocal Participation Agreement, the applicable Fund Coverage Agreement, or this CCS.

**Definitions:** Any terms not defined in this CCS will use the definition for that term from the corresponding Fund Coverage Agreement.

**Payment:** The Fund Member agrees to pay contributions based on a plan developed by the Fund. All contributions are payable upon receipt of an invoice from the Fund. The Fund shall determine the contribution for each program and how each contribution is applied. Termination under this Agreement of any program shall not affect the remaining programs.

**Termination:** This CCS may be terminated by either party with termination to be effective on any successive renewal date by giving written notice to the other party no later than 30 days prior to automatic renewal in accordance with Termination provisions in the Interlocal Participation Agreement. If this CCS is not terminated, the renewal of the CCS becomes effective on the automatic renewal date and the member shall be bound by the terms of the renewal CCS.

### Fund Member Authorization:

I approve this Contribution and Coverage Summary (CCS) and certify that this information is correct. I affirm that I am duly authorized to approve this CCS and that I have read and agree to this CCS and the Interlocal Participation Agreement.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

# Action Sheet

**MEETING DATE:**

**August 3, 2022**

**AGENDA ITEM:**

**Discuss and consider approval of contract with VLK Architects, Inc. for architectural services related to Bond 2022 construction projects (Under Separate Cover)**

The District contracted with VLK Architects for pre-bond planning services and for architectural services related to Bond 2022 construction projects. The District has renegotiated the terms and fees for the bond 2022 projects and wishes to enter into a new contract. The new contract has been reviewed by the District's legal counsel and will be provided at the meeting, under separate cover.

**RECOMMENDATION:**

I move that the board approve the contract with VLK Architects, Inc. for architectural services related to Bond 2022 construction projects, as presented.

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Dr. Jerry Gibson  
Superintendent

*Connie Morgenroth*  
\_\_\_\_\_  
Connie Morgenroth  
Assistant Superintendent of Business & Operations

# Action Sheet

**MEETING DATE:**

**August 3, 2022**

**AGENDA ITEM:**

**Discuss and consider adoption of Reimbursement Resolution #6 Expressing Intent To Reimburse Certain Expenditures Related To Bond Program Management for Bond 2022 Construction Projects**

The District would like to reimburse the general fund from bond 2022 proceeds for costs incurred from June 2022 – August 2022, or until bond proceeds are received from the first bond sale, for Bond Program Management performed by Lockwood, Andrews, and Newnam, Inc. (LAN), in an amount not to exceed \$100,000.

**RECOMMENDATION:**

**I move that the board adopt Reimbursement Resolution #6 Expressing Intent To Reimburse Certain Expenditures Related To Bond 2022 Program Management Costs in an amount not to exceed \$100,000, as presented.**

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Dr. Jerry Gibson  
Superintendent

*Connie Morgenroth*  
\_\_\_\_\_  
Connie Morgenroth  
Assistant Superintendent of Business & Operations

REIMBURSEMENT RESOLUTION #6 EXPRESSING INTENT TO  
REIMBURSE CERTAIN EXPENDITURES RELATED TO BOND 2022 PROGRAM  
MANAGEMENT FEES

WHEREAS, Galveston Independent School District (the “District”) is a political subdivision of the State of Texas authorized to finance its activities by issuing obligations; and

WHEREAS, the District will make, or has made not more than 60 days prior to the date hereof, payments with respect to the projects listed on Exhibit A attached hereto (collectively, the “Financed Projects”); and

WHEREAS, in certain circumstances, federal and/or state law requires that the District express its official intent to issue obligations to reimburse itself for expenditures paid prior to the issuance of such obligations in order for such expenditures to be eligible for reimbursement from proceeds of such obligations; and

WHEREAS, the District desires to reimburse itself for the costs associated with the Financed Projects from the proceeds of obligations to be issued subsequent to the date hereof; and

WHEREAS, the District reasonably expects to issue obligations to reimburse itself for the costs associated with the Financed Projects; and

WHEREAS, Section 1.150-2(d)(2) of the Treasury Regulations sets forth limitations regarding the timing of reimbursements made from the proceeds of certain tax-exempt obligations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF GALVESTON INDEPENDENT SCHOOL DISTRICT THAT:

Section 1. The District reasonably expects to reimburse itself for costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof and that are to be paid in connection with the Financed Projects from the proceeds of the obligations to be issued subsequent to the date hereof.

Section 2. The District reasonably expects that the maximum principal amount of obligations issued to reimburse the District for the costs associated with the Financed Projects will not exceed the amounts identified in Exhibit A. Such obligations may be issued in one or more series.

Section 3. Unless otherwise advised by bond counsel, any reimbursement allocation will be made not later than 18 months after the later of (1) the date the original expenditure is paid or (2) the date on which the Financed Project to which the expenditure relates is placed in service or abandoned, but in no event more than three years after the original expenditure is paid.

*[Execution Page Follows]*

PASSED AND APPROVED on this the 3<sup>rd</sup> day of August, 2022.

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Secretary, Board of Trustees  
Galveston Independent School District

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President, Board of Trustees  
Galveston Independent School District

[SEAL]

**EXHIBIT A**

**DESCRIPTION OF PROJECTS**

<u>Purpose/Projects</u>	<u>Amount</u>
LAN Bond 2022 Program Management Fees – not to exceed	\$100,000.00
<b>Total</b>	<hr/> <b>\$100,000.00</b>

# Action Sheet

**MEETING DATE:** August 3, 2022

**AGENDA ITEM:** Discuss and Consider Approval and Adoption of Post-Issuance Compliance Procedures for Tax-Exempt Debt

The IRS encourages issuers to adopt post-issuance compliance procedures to monitor continuing compliance with the tax requirements imposed on tax-exempt debt. The District worked with its bond counsel, Bracewell LLP, to draft post-issuance compliance procedures that contain the core elements of a successful post-issuance compliance program: record retention, arbitrage, use of bond proceeds (including private business use), reissuance and corrective action. Documentation regarding compliance responsibilities facilitates staff changes and can also improve access to information for routine monitoring related to private business use and rebate calculations. Further, the records that an issuer maintains with respect to its bonds can make due diligence for refundings and responses to IRS reviews more efficient and less burdensome for all parties. These procedures are attached for your review.

**RECOMMENDATION:** I move that the Board of Trustees approve and adopt the Post-Issuance Compliance Procedures for Tax-Exempt Debt, as presented.

  
\_\_\_\_\_  
Dr. Jerry Gibson  
Superintendent

*Connie Morgenroth*  
\_\_\_\_\_  
Connie Morgenroth  
Assistant Superintendent of Business & Operations

# PROCEDURES FOR POST-ISSUANCE FEDERAL TAX COMPLIANCE

Implemented as of this 3<sup>rd</sup> day of August 2022.

## I. GENERAL

These Procedures for Post-Issuance Compliance (the “Procedures”) are for the purpose of maintaining and evidencing compliance with the federal tax requirements that apply to the bond financings of the Galveston Independent School District (the “District”). In furtherance of such purposes the District has adopted these Procedures with respect to the following:

- General Recordkeeping & Record Retention
- Timely return filings
- Proper and timely use of bond proceeds and proper use of bond-financed property
- Arbitrage - yield restriction and rebate
- Reissuance requirements
- Corrective Action

These Procedures apply to any obligations to which Sections 103 and 141 through 150 of the Internal Revenue Code of 1986 (the “Code”) are applicable, whether or not such obligations are in fact tax-exempt. For example, these Procedures will be followed with respect to any issue of tax credit bonds to which such sections of the Code apply. It is the intention of the District to modify or amend these Procedures in the future in order to comply with any requirements set forth in subsequent rulings and other advice published by the Internal Revenue Service (the “Service” or the “IRS”), as such authorities may apply to the District and its obligations.

## II. RESPONSIBLE PARTIES

The District acknowledges that as the issuer of debt obligations subject to the Code, it is responsible for post-issuance compliance with respect to such debt obligations. The Assistant Superintendent of Business and Operations<sup>1</sup> of the District has general oversight of the post-issuance compliance of bond financings. In addition, the following parties are responsible for the duties listed next to their title:

Assistant Superintendent of Business and Operations – Oversees of all financial functions of the District

Director of Finance– responsible for banking, cash management, investment, and certain debt administration activities of the District

Accountant– responsible for all accounting functions of the District

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<sup>1</sup> The “Assistant Superintendent of Business and Operations” refers to the chief financial officer of the District regardless of the title (i.e., Chief Financial Officer, etc.).

Records Manager – responsible for the cataloguing and storage of various financial records of the District

Parties responsible for the financing aspects and the operations aspects of bond-financed facilities will coordinate efforts to ensure that any actions taken with respect to a bond-financed facility will be in compliance with the requirements of the Code. The District will provide training and/or make available educational materials regarding compliance requirements (e.g., private use requirements) to the parties responsible for the oversight of bond-financed facilities.

### **III. GENERAL RECORDKEEPING & RECORD RETENTION**

General record retention duties are the responsibility of the Records Manager.

The Director of Finance will maintain a copy of the following documents on file at all times:

- Audited Financial Statements
- Reports of any examinations by the Internal Revenue Service of the District's financings

With respect to each issue of obligations, the Assistant Superintendent of Business and Operations will retain the following for the life of the obligations (including the life of any obligations issued to refund the original debt) plus three years:

- Bond transcript, including authorizing documents, offering document, the federal tax certificate, and certificates regarding issue price
- Minutes and resolution(s) authorizing the issue
- Any formal elections (e.g., election to employ an accounting methodology other than specific tracing)
- Records relating to the payment of debt service (including credit enhancement)
- Documentation relating to investments and arbitrage compliance, as described in "Arbitrage – Yield Restriction and Rebate - Recordkeeping" below
- Documentary evidence of when and for what purpose the bond proceeds were expended, as described in "Expenditures of Bond Proceeds - Recordkeeping" below
- Any grant requests or fundraising materials and documentation of grants or fundraising receipts relating to projects that also may be financed, in whole or in part, with bond proceeds
- Any agreement of a type described in "Private Business Use – Special Legal Entitlements" that relates to a bond-financed facility
- Bond paying agent/trustee statements
- Rebate compliance reports

- Related IRS filings (e.g., Form 8038-T Rebate)
- IRS correspondence regarding such issue
- Other documentation (including written advice of Bond Counsel) material to the particular requirements that are applicable to the tax status of the financing

Documents may be retained as hard copies or in an electronic format (in accordance with Revenue Procedure Revenue Procedure 97-22, 1997-1 C.B. 652), so long as such documents are retained in organized, accessible format that preserves the accuracy of such documents.

#### **IV. RETURN FILINGS**

The Assistant Superintendent of Business and Operations will be responsible for the timely filing of the Form 8038-G information report (or such other series 8038 form as may be applicable to a specific issue of bonds) with the Service, which filing may be completed by bond counsel after the issuance of the obligations. The District must file a separate Form 8038-G for each issue of bonds not later than the 15<sup>th</sup> day of the second calendar month after the close of the calendar quarter in which the bonds are issued.

#### **V. EXPENDITURE OF BOND PROCEEDS**

##### General

The Assistant Superintendent of Business and Operations is responsible for oversight of the expenditure of bond proceeds, including monitoring whether such expenditures are made in a timely manner for the purposes for which the bonds were authorized in order to meet qualify for rebate exceptions set forth in the Code and Regulations and whether investments of unexpended Bond proceeds continue to qualify for temporary period exceptions to yield-restriction requirements. Bond Counsel may be consulted regarding allocation of expenditures between each Bond issue to ensure timely expenditure of Bond proceeds.

Additionally, the Assistant Superintendent of Business and Operations will monitor compliance with the requirement of the Regulations that proceeds of a bond issue are to be allocated to expenditures by the later of 18 months after the expenditure was made or the date the project is placed in service (and in no event, later than 60 days after (i) the fifth anniversary of the issue date or (ii) retirement of the issue).

With respect to the reimbursement of any expenditure paid prior to the date of issue of the bonds, the Assistant Superintendent of Business and Operations will monitor compliance with the requirement of the Regulations that such reimbursement allocation to bond proceeds is made not later than 18 months after the later of (i) the date the original expenditure is made or (ii) the date the project is placed in service, but in no event more than three years after the original expenditure is paid. Furthermore, the Assistant Superintendent of Business and Operations will monitor compliance with the requirement of the Regulations that such reimbursement allocation is for the reimbursement of expenditures paid on or after 60 days prior to the date of a reimbursement resolution (including for this purpose a bond order).

## Recordkeeping

With respect to each issue of obligations, the District will retain the following for the life of the obligations plus three years:

- Documentation of allocation of bond proceeds to expenditures (e.g., allocation of bond proceeds for expenditures for the construction, renovation, or purchase of facilities)
- Documentation of allocations of bond proceeds to bond issuance costs
- Copies of all requisitions, draw schedules, draw requests, invoices, bills, and cancelled checks related to bond proceeds spent during the construction period
- Copies of all contracts entered into for the construction, renovation or purchase of bond-financed facilities
- Records of expenditure reimbursements incurred prior to issuing bonds for bond-financed facilities
- List or schedule of all bond-financed facilities or equipment
- Depreciation schedules, if any, for bond-financed depreciable property
- Documentation of any purchase or sale of bond-financed assets

Documents may be retained as hard copies or in an electronic format (in accordance with Revenue Procedure Revenue Procedure 97-22, 1997-1 C.B. 652), so long as such documents are retained in organized, accessible format that preserves the accuracy of such documents.

## **VI. PRIVATE BUSINESS USE**

### General

To confirm that the Bonds serve governmental purposes rather than providing proscribed benefits to nongovernmental persons engaged in “private business” activity, it must be determined whether the District expects that there will be any private business use of the proceeds of the bonds. Private business use exists if proceeds of the issue or the property to be financed by the bond proceeds are used directly or indirectly by any nongovernmental person in that person’s trade or business. Private business use may occur due to arrangements (typically contractual) that give nongovernmental persons special legal entitlements with respect to the use of bond-financed property (including a sale or other transfer of bond-financed property to a nongovernmental person). Further, a bond issue is considered to have private security or payments if the payment of the debt service of an issue is either (a) secured directly or indirectly by property or payments derived from private business use or (b) to be derived from payments for a private business use. The tax-exempt status of governmental bonds may be jeopardized if both (a) the private business use associated with an issue of bonds exceeds five percent (and, in certain circumstances, ten percent) of the proceeds of an issue and (b) the private security or payments associated with an issue exceeds five percent (and, in certain circumstances, ten percent) of the proceeds of such issue. Finally, no more than five percent of the proceeds of an issue of bonds may be used to make loans or arrangement that allow a nongovernmental person to defer payments that it is obligated to make with respect to the financed property or the bonds.

The District's finance team will coordinate with the parties responsible for the use and operation of a bond-financed facility by communicating the private business use restrictions to such parties and requiring that all activity that may give rise to such use be communicated to the Executive Director of Facilities in advance of such use. The Assistant Superintendent of Business and Operations is responsible for tracking trade or business activity by third parties as it relates to each issue of obligations and will monitor such activity no less frequently than yearly and, in any event, upon being notified of any new activity that will give rise to a significant amount of trade or business activity by a third party.

#### Special Legal Entitlements that Can Create Private Business Use

A special legal entitlement that can create private business use can arise from arrangements that convey ownership rights, leasehold rights or management rights (e.g., priority rights to use the facility) or other similar rights. Recognizing that a special legal entitlement may give rise to private business use, each time the District intends to enter into one of the following, the District will determine if such agreement relates to any bond -financed facility:

- Management and other service contracts
- Research agreements
- Naming rights contracts
- Ownership
- Leases
- Subleases
- Leasehold improvement contracts
- Joint venture arrangements
- Limited liability corporation arrangements
- Partnership agreements
- Non-contractual use of bond-financed office space and/or parking facilities by any nongovernmental person
- Any other contract conferring a special legal entitlement or special economic benefit that are comparable to ownership

If such an agreement will be with respect to a bond-financed facility, the District will take measures designed to preserve the intended federal income tax status of that issue of Bonds. Such measures may include ensuring that such agreement falls into an applicable exception under the private business use rules, making a determination that private use will not exceed the applicable limit or such other action as may be recommended by bond counsel, including taking remedial actions with respect to the issue of Bonds whose federal tax status is implicated.

### **VII. PAYMENTS ON THE BONDS**

The trustee/paying agent for the bonds shall determine the amount of principal and interest payable on each payment date for the bonds. Periodically, and no less frequently than annually, the Assistant Superintendent of Business and Operations will review the amount of the interest payments to verify that proper payments of interest have been made.

## VIII. ARBITRAGE – YIELD RESTRICTION & REBATE

### General

The Assistant Superintendent of Business and Operations is responsible for monitoring the District's compliance with the yield restriction requirements of section 148(a) of the Code and the rebate requirements of section 148(f) of the Code. Such monitoring includes, but is not limited to:

- Tracking the allocation of bond proceeds to expenditures for compliance with any temporary period and spending exceptions, no less frequently than yearly
- Ensuring that any forms required to be filed with the IRS relating to arbitrage and any payments required pursuant thereto are filed in a timely manner
- Ensuring that "fair market value" is used with respect to the purchase and sale of investments

Additionally, the District hired Arbitrage Compliance Specialists, Inc., a rebate analyst firm, to monitor compliance with rebate and yield restriction rules on a yearly basis.

Compliance with the investment rules will require that the District be able to account for, in terms of dates and amounts, all uses (including disbursements and investment activity) of particular categories of bond-related money. The Director of Finance will account for all of the following disbursements: monies in the project fund, debt service fund and any other fund into which proceed of the obligations have been deposited, including any reserve fund. In doing so, the Director of Finance will use any reasonable consistently applied accounting method to account for gross proceeds, investments, and expenditures of an issue.

### Recordkeeping

With respect to each issue of obligations, the District will retain the following for the life of the obligations plus three years:

- Documentation of allocations of investments and calculations of investment earnings
- Documentation for investments of the bond proceeds related to:
  - a) Investment contracts (*e.g.*, guaranteed investment contracts)
  - b) Credit enhancement transactions (*e.g.*, bond insurance contracts)
  - c) Financial derivatives (*e.g.*, swaps, caps, etc.)
  - d) Bidding of financial products
- Documentation regarding arbitrage compliance, including:
  - a) Computation of bond yield
  - b) Computation of rebate and yield reduction payments
  - c) Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate
  - d) Form 8038-R, *Request for Recovery of Overpayments Under Arbitrage Rebate Provisions*

Documents may be retained as hard copies or in an electronic format (in accordance with Revenue Procedure Revenue Procedure 97-22, 1997-1 C.B. 652), so long as such documents are retained in organized, accessible format that preserves the accuracy of such documents.

## **IX. REISSUANCE**

Prior to making any changes to the terms of an obligation, including its underlying security, the District will consult with bond counsel to determine whether such change will result in the reissuance of such obligation for federal tax law purposes. If it is determined that a change will result in a reissuance, the District will take such action, including the recalculation of yield, the filing of a new form 8038-G and the payment of rebate obligations, as is necessary to maintain the tax status of the bonds.

## **X. CORRECTIVE ACTION**

Reports regarding the aforementioned compliance policies with respect to any issue of bonds will be made by the party given responsibility for such area to the Assistant Superintendent of Business and Operations no less frequently than annually. At such time, the Assistant Superintendent of Business and Operations will determine whether any corrective action is required with respect to the applicable issue.

A corrective action may be required if, for example, it is determined that bond proceeds were not properly expended, the District is not in compliance with the arbitrage requirements imposed by the Code or the District has taken a deliberation action that results in impermissible private business use (e.g., sale of bond-financed property). If the District determines or is advised that corrective action is necessary with respect to any issue of its obligations, the District will, as may be applicable, in a timely manner:

- seek to enter into a closing agreement under the Tax-Exempt Bonds Voluntary Closing Agreement Program described in Notice 2008-31 (or any successor notice thereto)
- take remedial action described under Section 1.141-12 of the Regulations
- take such other action as recommended by bond counsel

# Action Sheet

**MEETING DATE:**

**August 3, 2022**

**AGENDA ITEM:**

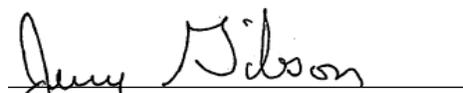
**Public Funds Investment Act Annual Compliance**

The Public Funds Investment Act (PFIA), Chapter 2256 of the Texas Government Code, requires the District to do the following things annually:

1. Review its investment policy and strategies and adopt a written instrument stating this was done and describing any changes that have been made. Therefore, CDA Legal and Local are attached for your review. There have been no changes to these policies since last year, nor have there been any changes to the District's investment strategies.
2. Approve independent sources of training on the PFIA for the investment officers.
3. Adopt a list of qualified brokers that are authorized to engage in investment transactions with the District. Investment pools are not required to be approved; however, they have been included for your information.
4. Designate investment officers. Authority granted to a person to invest the District's funds is effective until rescinded by the District or until termination of the person's employment by the District, or until the expiration of the contract with the District. Connie Morgenroth is currently designated as the District Investment Officer and continues to hold a current PFIA certificate. We recommend the board designate Jeff Martello, Director of Finance, as an additional District Investment Officer.

**RECOMMENDATION:**

I recommend that the Board adopt the attached Resolution stating the investment policy and strategies have been reviewed with no changes, approving the list of independent training providers and the qualified broker list, and designating Connie Morgenroth, Assistant Superintendent of Business and Operations, and Jeff Martello, Director of Finance, as the District investment officers, to be in compliance with the Public Funds Investment Act.



Dr. Jerry Gibson  
Superintendent



Connie Morgenroth  
Asst. Superintendent of Business and Operations

**RESOLUTION**  
OF THE BOARD OF TRUSTEES  
GALVESTON INDEPENDENT SCHOOL DISTRICT

**WHEREAS**, the governing body of Galveston Independent School District is required annually to review its investment policy and strategies, approve independent sources of training, adopt a list of qualified brokers that are authorized to engage in investment transactions with the District, and designate investment officers,

**WHEREAS**, said review was conducted at a Regular Meeting held on August 3, 2022.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Trustees of the Galveston Independent School District hereby re-adopts its investment policy and strategies as outlined in CDA (LEGAL) and CDA (LOCAL), without change.

**BE IT FURTHER RESOLVED** that the following organizations are approved as independent sources of training on the PFIA:

- Texas Association of Schools Boards (TASB)
- Texas Association of School Administrators (TASA)
- Texas Association of School Business Officials (TASBO)
- PFM Asset Management, LLC
- TexPool
- Texas Society of CPA's
- Texas State Board of Public Accountancy
- All Texas Public Universities
- Government Treasurer's Organization of Texas
- All Texas Regional Service Centers
- Various other TASBO affiliates (such as HCDE)

**BE IT FURTHER RESOLVED** that until further amended, modified, or changed, the following entities are authorized to engage in investment transactions with the District:

- Moody National Bank
- Texas CLASS Investment Pool
- TexasTERM Investment Pool
- TexPool Investment Pool
- Texas Fit Income Trust Pool
- And all those listed below:
- TCG Advisors
- Hilltop Securities Asset Management
- Truist Securities
- PNC Capital Markets

<b>Dealer</b>	<b>Contact</b>	<b>Phone</b>	<b>Email</b>
Bank of America	John Vanderwilt	415-953-2621	john.a.vanderwilt@baml.com
Cabrera Capital*	Mario Carrasco	210-857-8517	mcarrasco@cabreracapital.com
Cantor Fitzgerald	James Shamoun Jr	901-347-1724	jshamoun@cantor.com
Fidelity	Michael O'Donnell	817-474-0100	michael.odonnell@fmr.com
First Horizon Financial	Buddy Saragusa	713-435-4475	bsaragusa@bloomberg.net
Goldman Sachs	Daniel Hopton	212-357-9892	daniel.hopton@gs.com
Hilltop Securities	Gil Ramon	713-654-8606	gilbert.ramon@hilltopsecurities.com
JP Morgan	Brittany Guinee	212-834-5718	brittany.guinee@jpmorgan.com
Morgan Stanley	Peter Lambert	214-468-7232	peter.lambert@ms.com
Multi-Bank Securities*	Luigi Mancini	800-967-9049	lmancini@mbssecurities.com
Oppenheimer	Javier Altimari	713-650-2025	javier.altimari@opco.com
Piper Sandler	Matt McGrory	312-267-5168	matt.mcgrory@psc.com
RBC	Thomas Kelly	212-847-8748	thomas.kelly@rbc.com
Stifel Nicolaus	Brian Conlon	617-753-6303	conlonb@stifel.com
TD Ameritrade	Jason Gregg	800-355-2297	jason.gregg@tdameritrade.com
UBS Bank	Phil Hartigan	214-382-2210	philip.hartigan@ubs.com
UMB Bank	Jeffrey Duchin	214-389-5927	Jeffrey.Duchin@umb.com
Wells Fargo	Susan Ward	214-740-1586	wardst@wellsfargo.com

*\*Historically underutilized business and/or minority/women owned business.*

**IN WITNESS WHEREOF**, the undersigned have executed this Resolution at a meeting held on the 3<sup>rd</sup> day of August, 2022.

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Anthony Brown, President  
Galveston ISD Board of Trustees

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Shae Jobe, Secretary  
Galveston ISD Board of Trustees

**Investment Authority**

The Superintendent or other person designated by Board resolution shall serve as the investment officer of the District and shall invest District funds as directed by the Board and in accordance with the District's written investment policy and generally accepted accounting procedures. All investment transactions except investment pool funds and mutual funds shall be settled on a delivery versus payment basis.

**Approved  
Investment  
Instruments**

From those investments authorized by law and described further in CDA(LEGAL) under Authorized Investments, the Board shall permit investment of District funds, including bond proceeds and pledged revenue to the extent allowed by law, in only the following investment types, consistent with the strategies and maturities defined in this policy:

1. Obligations of, or guaranteed by, governmental entities as permitted by Government Code 2256.009.
2. Certificates of deposit and share certificates as permitted by Government Code 2256.010.
3. Fully collateralized repurchase agreements permitted by Government Code 2256.011.
4. A securities lending program as permitted by Government Code 2256.0115.
5. Banker's acceptances as permitted by Government Code 2256.012.
6. Commercial paper as permitted by Government Code 2256.013.
7. No-load mutual funds, except for bond proceeds, and no-load money market mutual funds, as permitted by Government Code 2256.014.
8. A guaranteed investment contract as an investment vehicle for bond proceeds, provided it meets the criteria and eligibility requirements established by Government Code 2256.015.
9. Public funds investment pools as permitted by Government Code 2256.016.

**Safety**

The primary goal of the investment program is to ensure safety of principal, to maintain liquidity, and to maximize financial returns within current market conditions in accordance with this policy. Investments shall be made in a manner that ensures the preservation of capital in the overall portfolio, and offsets during a 12-month period any market price losses resulting from interest-rate fluctua-

tions by income received from the balance of the portfolio. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio.

**Investment  
Management**

In accordance with Government Code 2256.005(b)(3), the quality and capability of investment management for District funds shall be in accordance with the standard of care, investment training, and other requirements set forth in Government Code Chapter 2256.

**Liquidity and  
Maturity**

Any internally created pool fund group of the District shall have a maximum dollar weighted maturity of 180 days. The maximum allowable stated maturity of any other individual investment owned by the District shall not exceed one year from the time of purchase. The Board may specifically authorize a longer maturity for a given investment, within legal limits.

The District's investment portfolio shall have sufficient liquidity to meet anticipated cash flow requirements.

**Diversity**

The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from overconcentration of assets in a specific class of investments, specific maturity, or specific issuer.

**Monitoring Market  
Prices**

The investment officer shall monitor the investment portfolio and shall keep the Board informed of significant changes in the market value of the District's investment portfolio. Information sources may include financial/investment publications and electronic media, available software for tracking investments, depository banks, commercial or investment banks, financial advisers, and representatives/advisers of investment pools or money market funds. Monitoring shall be done at least quarterly, as required by law, and more often as economic conditions warrant by using appropriate reports, indices, or benchmarks for the type of investment.

**Monitoring Rating  
Changes**

In accordance with Government Code 2256.005(b), the investment officer shall develop a procedure to monitor changes in investment ratings and to liquidate investments that do not maintain satisfactory ratings.

**Funds/Strategies**

Investments of the following fund categories shall be consistent with this policy and in accordance with the applicable strategy defined below. All strategies described below for the investment of a particular fund should be based on an understanding of the suitability of an investment to the financial requirements of the District and consider preservation and safety of principal, liquidity, marketability of an investment if the need arises to liquidate before maturity, diversification of the investment portfolio, and yield.

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Operating Funds	Investment strategies for operating funds (including any commingled pools containing operating funds) shall have as their primary objectives preservation and safety of principal, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements.
Custodial Funds	Investment strategies for custodial funds shall have as their primary objectives preservation and safety of principal, investment liquidity, and maturity sufficient to meet anticipated cash flow requirements.
Debt Service Funds	Investment strategies for debt service funds shall have as their primary objective sufficient investment liquidity to timely meet debt service payment obligations in accordance with provisions in the bond documents. Maturities longer than one year are authorized provided legal limits are not exceeded.
Capital Project Funds	Investment strategies for capital project funds shall have as their primary objective sufficient investment liquidity to timely meet capital project obligations. Maturities longer than one year are authorized provided legal limits are not exceeded.
<b>Safekeeping and Custody</b>	The District shall retain clearly marked receipts providing proof of the District's ownership. The District may delegate, however, to an investment pool the authority to hold legal title as custodian of investments purchased with District funds by the investment pool.
<b>Sellers of Investments</b>	<p>Prior to handling investments on behalf of the District, a broker/dealer or a qualified representative of a business organization must submit required written documents in accordance with law. [See Sellers of Investments, CDA(LEGAL)]</p> <p>Representatives of brokers/dealers shall be registered with the Texas State Securities Board and must have membership in the Securities Investor Protection Corporation (SIPC) and be in good standing with the Financial Industry Regulatory Authority (FINRA).</p>
<b>Soliciting Bids for CDs</b>	In order to get the best return on its investments, the District may solicit bids for certificates of deposit in writing, by telephone, or electronically, or by a combination of these methods.
<b>Interest Rate Risk</b>	<p>To reduce exposure to changes in interest rates that could adversely affect the value of investments, the District shall use final and weighted-average-maturity limits and diversification.</p> <p>The District shall monitor interest rate risk using weighted average maturity and specific identification.</p>
<b>Internal Controls</b>	A system of internal controls shall be established and documented in writing and must include specific procedures designating who has authority to withdraw funds. Also, they shall be designed to

protect against losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the District. Controls deemed most important shall include:

1. Separation of transaction authority from accounting and recordkeeping and electronic transfer of funds.
2. Avoidance of collusion.
3. Custodial safekeeping.
4. Clear delegation of authority.
5. Written confirmation of telephone transactions.
6. Documentation of dealer questionnaires, quotations and bids, evaluations, transactions, and rationale.
7. Avoidance of bearer-form securities.

These controls shall be reviewed by the District's independent auditing firm.

**Annual Review**

The Board shall review this investment policy and investment strategies not less than annually and shall document its review in writing, which shall include whether any changes were made to either the investment policy or investment strategies.

**Annual Audit**

In conjunction with the annual financial audit, the District shall perform a compliance audit of management controls on investments and adherence to the District's established investment policies.

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All investments made by a district shall comply with the Public Funds Investment Act (Texas Government Code Chapter 2256, Subchapter A) and all federal, state, and local statutes, rules, or regulations. *Gov't Code 2256.026*

**Definitions**

Bond Proceeds	“Bond proceeds” means the proceeds from the sale of bonds, notes, and other obligations issued by a district, and reserves and funds maintained by a district for debt service purposes.
Investment Pool	“Investment pool” means an entity created under the Texas Government Code to invest public funds jointly on behalf of the entities that participate in the pool and whose investment objectives in order of priority are preservation and safety of principal, liquidity, and yield.
Pooled Fund Group	“Pooled fund group” means an internally created fund of a district in which one or more institutional accounts of a district are invested.
Separately Invested Asset	“Separately invested asset” means an account or fund of a district that is not invested in a pooled fund group.  <i>Gov't Code 2256.002(1), (6), (9), (12)</i>
Pledged Revenue	“Pledged revenue” means money pledged to the payment of or as security for:  <ol style="list-style-type: none"><li>1. Bonds or other indebtedness issued by a district;</li><li>2. Obligations under a lease, installment sale, or other agreement of a district; or</li><li>3. Certificates of participation in a debt or obligation described by item 1 or 2.</li></ol> <i>Gov't Code 2256.0208(a)</i>
Repurchase Agreement	“Repurchase agreement” means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligations, described by Government Code 2256.009(a)(1) (obligations of governmental entities) or 2256.013 (commercial paper) or if applicable, 2256.0204 (corporate bonds), at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and a reverse security repurchase agreement. <i>Gov't Code 2256.011(b)</i>
Hedging	“Hedging” means acting to protect against economic loss due to price fluctuation of a commodity or related investment by entering

into an offsetting position or using a financial agreement or producer price agreement in a correlated security, index, or other commodity.

*Eligible Entity*

“Eligible entity” means a political subdivision that has:

1. A principal amount of at least \$250 million in outstanding long-term indebtedness, long-term indebtedness proposed to be issued, or a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued; and
2. Outstanding long-term indebtedness that is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities, without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation.

*Eligible Project*

“Eligible project” has the meaning assigned by Government Code 1371.001 (issuance of obligations for certain public improvements).

*Gov’t Code 2256.0207(a)*

Corporate Bond

“Corporate bond” means a senior secured debt obligation issued by a domestic business entity and rated not lower than “AA-” or the equivalent by a nationally recognized investment rating firm. The term does not include a debt obligation that, on conversion, would result in the holder becoming a stockholder or shareholder in the entity, or any affiliate or subsidiary of the entity, that issued the debt obligation, or is an unsecured debt obligation. *Gov’t Code 2256.0204(a)*

**Written Policies**

The board shall adopt by rule, order, ordinance, or resolution, as appropriate, a written investment policy regarding the investment of its funds and funds under its control. The investment policies must primarily emphasize safety of principal and liquidity and must address investment diversification, yield, and maturity and the quality and capability of investment management. The policies must include:

1. A list of the types of authorized investments in which the district’s funds may be invested;
2. The maximum allowable stated maturity of any individual investment owned by the district;
3. For pooled fund groups, the maximum dollar-weighted average maturity allowed based on the stated maturity date of the portfolio;

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4. Methods to monitor the market price of investments acquired with public funds;
5. A requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis; and
6. Procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the provisions of Government Code 2256.021 [see Loss of Required Rating, below].

*Gov't Code 2256.005(a), (b)*

Annual Review

The board shall review its investment policy and investment strategies not less than annually. The board shall adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies. *Gov't Code 2256.005(e)*

Annual Audit

A district shall perform a compliance audit of management controls on investments and adherence to the district's established investment policies. The compliance audit shall be performed in conjunction with the annual financial audit. *Gov't Code 2256.005(m)*

Investment  
Strategies

As an integral part of the investment policy, the board shall adopt a separate written investment strategy for each of the funds or group of funds under the board's control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities in order of importance:

1. Understanding of the suitability of the investment to the financial requirements of the district;
2. Preservation and safety of principal;
3. Liquidity;
4. Marketability of the investment if the need arises to liquidate the investment before maturity;
5. Diversification of the investment portfolio; and
6. Yield.

*Gov't Code 2256.005(d)*

Investment Officer

A district shall designate by rule, order, ordinance, or resolution, as appropriate, one or more officers or employees as investment officer(s) to be responsible for the investment of its funds consistent

with the investment policy adopted by the board. If the board has contracted with another investing entity to invest its funds, the investment officer of the other investing entity is considered to be the investment officer of the contracting board's district. In the administration of the duties of an investment officer, the person designated as investment officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs, but the board retains the ultimate responsibility as fiduciaries of the assets of the district. Unless authorized by law, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the district. Authority granted to a person to invest the district's funds is effective until rescinded by the district or until termination of the person's employment by a district, or for an investment management firm, until the expiration of the contract with the district. *Gov't Code 2256.005(f)*

A district or investment officer may use the district's employees or the services of a contractor of the district to aid the investment officer in the execution of the officer's duties under Government Code, Chapter 2256. *Gov't Code 2256.003(c)*

Investment Training Investment training must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Public Funds Investment Act. *Gov't Code 2256.008(c)*

*Initial* Within 12 months after taking office or assuming duties, the treasurer, the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a district shall attend at least one training session from an independent source approved by the board or a designated investment committee advising the investment officer. This initial training must contain at least ten hours of instruction relating to their respective responsibilities under the Public Funds Investment Act. *Gov't Code 2256.008(a)*

*Ongoing* The treasurer, or the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a district shall attend an investment training session not less than once in a two-year period that begins on the first day of the district's fiscal year and consists of the two consecutive fiscal years after that date, and receive not less than eight hours of instruction relating to investment responsibilities under the Public Funds Investment Act from an independent source approved by the board or by a designated investment committee advising the investment officer. *Gov't Code 2256.008(a-1)*

Exception The ongoing training requirement does not apply to the treasurer, chief financial officer, or investment officer of a district if:

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1. The district does not invest district funds or only deposits those funds in interest-bearing deposit accounts or certificates of deposit as authorized by Government Code 2256.010; and
2. The treasurer, chief financial officer, or investment officer annually submits to the agency a sworn affidavit identifying the applicable criteria under item 1 that apply to the district.

*Gov't Code 2256.008(g)*

Standard of Care

Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the following objectives, in order of priority:

1. Preservation and safety of principal;
2. Liquidity; and
3. Yield.

In determining whether an investment officer has exercised prudence with respect to an investment decision, the following shall be taken into consideration:

1. The investment of all funds, or funds under the district's control, over which the officer had responsibility rather than the prudence of a single investment; and
2. Whether the investment decision was consistent with the district's written investment policy.

*Gov't Code 2256.006*

*Personal Interest*

A district investment officer who has a personal business relationship with a business organization offering to engage in an investment transaction with the district shall file a statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity, as determined by Government Code Chapter 573 (nepotism prohibition), to an individual seeking to sell an investment to the investment officer's district shall file a statement disclosing that relationship. A required statement must be filed with the board and with the Texas Ethics Commission. For purposes of this policy, an investment officer has a personal business relationship with a business organization if:

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1. The investment officer owns ten percent or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;
2. Funds received by the investment officer from the business organization exceed ten percent of the investment officer's gross income for the previous year; or
3. The investment officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the investment officer.

*Gov't Code 2256.005(i)*

*Quarterly Reports*

Not less than quarterly, the investment officer shall prepare and submit to the board a written report of investment transactions for all funds covered by the Public Funds Investment Act for the preceding reporting period. This report shall be presented not less than quarterly to the board and the superintendent within a reasonable time after the end of the period. The report must:

1. Describe in detail the investment position of the district on the date of the report;
2. Be prepared jointly and signed by all district investment officers;
3. Contain a summary statement of each pooled fund group that states the:
  - a. Beginning market value for the reporting period;
  - b. Ending market value for the period; and
  - c. Fully accrued interest for the reporting period;
4. State the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;
5. State the maturity date of each separately invested asset that has a maturity date;
6. State the account or fund or pooled group fund in the district for which each individual investment was acquired; and
7. State the compliance of the investment portfolio of the district as it relates to the investment strategy expressed in the district's investment policy and relevant provisions of the Public Funds Investment Act.

If a district invests in other than money market mutual funds, investment pools or accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officers shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the board by that auditor.

*Gov't Code 2256.023*

**Selection of Broker**

The board or the designated investment committee shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with a district.

*Gov't Code 2256.025*

**Bond Proceeds**

The investment officer of a district may invest bond proceeds or pledged revenue only to the extent permitted by the Public Funds Investment Act, in accordance with:

1. Statutory provisions governing the debt issuance or the agreement, as applicable; and
2. The district's investment policy regarding the debt issuance or the agreement, as applicable.

*Gov't Code 2256.0208(b)*

**Authorized Investments**

A board may purchase, sell, and invest its funds and funds under its control in investments described below, in compliance with its adopted investment policies and according to the standard of care set out in this policy. *Gov't Code 2256.003(a)*

In the exercise of these powers, the board may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control. A contract made under this authority may not be for a term longer than two years. A renewal or extension of the contract must be made by the board by order, ordinance, or resolution. *Gov't Code 2256.003(b)*

The board may specify in its investment policy that any authorized investment is not suitable. *Gov't Code 2256.005(j)*

Obligations of  
Governmental  
Entities

The following are authorized investments:

1. Obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks;

2. Direct obligations of this state or its agencies and instrumentalities;
3. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;
4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state, the United States, or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC) or by the explicit full faith and credit of the United States;
5. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;
6. Bonds issued, assumed, or guaranteed by the state of Israel;
7. Interest-bearing banking deposits that are guaranteed or insured by the FDIC or its successor, or the National Credit Union Share Insurance Fund or its successor; and
8. Interest-bearing banking deposits other than those described at item 7 above if:
  - a. The funds are invested through a broker with a main office or a branch office in this state that the district selects from a list the board or designated investment committee of the district adopts as required at Selection of Broker above or a depository institution with a main office or a branch office in this state and that the district selects;
  - b. The broker or depository institution selected as described above arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the district's account;
  - c. The full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and
  - d. The district appoints as the district's custodian of the banking deposits issued for the district's account the de-

pository institution selected as described above, an entity described by Government Code 2257.041(d) (custodian with which to deposit securities), or a clearing broker-dealer registered with the Securities and Exchange Commission and operating under Rule 15c3-3 (17 C.F.R. Section 240.15c3-3).

*Gov't Code 2256.009(a)*

*Unauthorized  
Obligations*

The following investments are not authorized:

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
3. Collateralized mortgage obligations that have a stated final maturity date of greater than ten years; and
4. Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

*Gov't Code 2256.009(b)*

Certificates of  
Deposit and Share  
Certificates

A certificate of deposit or share certificate is an authorized investment if the certificate is issued by a depository institution that has its main office or a branch office in Texas and is:

1. Guaranteed or insured by the FDIC or its successor or the National Credit Union Share Insurance Fund or its successor;
2. Secured by obligations described at Obligations of Governmental Entities, above, including mortgage backed securities directly issued by a federal agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities described at Unauthorized Obligations, above; or
3. Secured in accordance with Government Code Chapter 2257 (Public Funds Collateral Act) or in any other manner and amount provided by law for the deposits of the district.

*Gov't Code 2256.010(a)*

In addition to the authority to invest funds in certificates of deposit under the previous section, an investment in certificates of deposit made in accordance with the following conditions is an authorized investment:

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1. The funds are invested by the district through a broker that has its main office or a branch office in this state and is selected from a list adopted by the district as required at Selection of Broker, above or a depository institution that has its main office or a branch office in this state and that is selected by the district;
2. The broker or depository institution selected by the district arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the district;
3. The full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and
4. The district appoints the depository institution selected by the district, an entity described by Government Code 2257.041(d) (custodian with which to deposit securities), or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the district with respect to the certificates of deposit issued for the account of the district.

*Gov't Code 2256.010(b)*

The district's investment policies may provide that bids for certificates of deposit be solicited orally, in writing, electronically, or in any combination of those methods. *Gov't Code 2256.005(c)*

Repurchase  
Agreements

A fully collateralized repurchase agreement is an authorized investment if it:

1. Has a defined termination date;
2. Is secured by a combination of cash and obligations described by Government Code 2256.009(a)(1) (obligations of governmental entities) or 2256.013 (commercial paper) or if applicable, 2256.0204 (corporate bonds);
3. Requires the securities being purchased by the district or cash held by the district to be pledged to the district, held in the district's name, and deposited at the time the investment is made with the district or a third party selected and approved by the district; and
4. Is placed through a primary government securities dealer, as defined by the Federal Reserve or a financial institution doing business in Texas.

The term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered. Money received by a district under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement.

Government Code 1371.059(c) (validity and incontestability of obligations for certain public improvements) applies to the execution of a repurchase agreement by a district.

*Gov't Code 2256.011*

Securities Lending  
Program

A securities lending program is an authorized investment if:

1. The value of securities loaned is not less than 100 percent collateralized, including accrued income;
2. A loan allows for termination at any time;
3. A loan is secured by:
  - a. Pledged securities described at Obligations of Governmental Entities, above;
  - b. Pledged irrevocable letters of credit issued by a bank that is organized and existing under the laws of the United States or any other state, and continuously rated by at least one nationally recognized investment rating firm at not less than A or its equivalent; or
  - c. Cash invested in accordance with Government Code 2256.009 (obligations of governmental entities), 2256.013 (commercial paper), 2256.014 (mutual funds), or 2256.016 (investment pools);
4. The terms of a loan require that the securities being held as collateral be pledged to the district, held in the district's name, and deposited at the time the investment is made with the district or with a third party selected by or approved by the district; and
5. A loan is placed through a primary government securities dealer, as defined by 5 C.F.R. Section 6801.102(f), as that regulation existed on September 1, 2003, or a financial institution doing business in this state.

An agreement to lend securities under a securities lending program must have a term of one year or less.

*Gov't Code 2256.0115*

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Banker's  
Acceptances

A banker's acceptance is an authorized investment if it:

1. Has a stated maturity of 270 days or fewer from the date of issuance;
2. Will be, in accordance with its terms, liquidated in full at maturity;
3. Is eligible for collateral for borrowing from a Federal Reserve Bank; and
4. Is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least on nationally recognized credit rating agency.

*Gov't Code 2256.012*

Commercial Paper

Commercial paper is an authorized investment if it has a stated maturity of 365 days or fewer from the date of issuance; and is rated not less than A-1 or P-1 or an equivalent rating by at least:

1. Two nationally recognized credit rating agencies; or
2. One nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States law or any state.

*Gov't Code 2256.013*

Mutual Funds

A no-load money market mutual fund is an authorized investment if the mutual fund:

1. Is registered with and regulated by the Securities and Exchange Commission;
2. Provides the district with a prospectus and other information required by the Securities and Exchange Act of 1934 (15 U.S.C. 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.); and
3. Complies with federal Securities and Exchange Commission Rule 2a-7 (17 C.F.R. Section 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.).

*Gov't Code 2256.014(a)*

In addition to the no-load money market mutual fund authorized above, a no-load mutual fund is an authorized investment if it:

1. Is registered with the Securities and Exchange Commission;
2. Has an average weighted maturity of less than two years; and
3. Either has a duration of:
  - a. One year or more and is invested exclusively in obligations approved by the Public Funds Investment Act, or
  - b. Less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities.

*Gov't Code 2256.014(b)*

*Limitations*

A district is not authorized to:

1. Invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in mutual funds described in Government Code 2256.014(b);
2. Invest any portion of bond proceeds, reserves and funds held for debt service, in mutual funds described in Government Code 2256.014(b); or
3. Invest its funds or funds under its control, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund described in Government Code 2256.014(a) or (b) in an amount that exceeds ten percent of the total assets of the mutual fund.

*Gov't Code 2256.014(c)*

Guaranteed  
Investment  
Contracts

A guaranteed investment contract is an authorized investment for bond proceeds if the guaranteed investment contract:

1. Has a defined termination date;
2. Is secured by obligations described at Obligations of Governmental Entities, above, excluding those obligations described at Unauthorized Obligations, in an amount at least equal to the amount of bond proceeds invested under the contract; and
3. Is pledged to the district and deposited with the district or with a third party selected and approved by the district.

Bond proceeds, other than bond proceeds representing reserves and funds maintained for debt service purposes, may not be invested in a guaranteed investment contract with a term longer than five years from the date of issuance of the bonds.

To be eligible as an authorized investment:

1. The board must specifically authorize guaranteed investment contracts as eligible investments in the order, ordinance, or resolution authorizing the issuance of bonds;
2. The district must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received;
3. The district must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received;
4. The price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested; and
5. The provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

Government Code 1371.059(c) (validity and incontestability of obligations for certain public improvements) applies to the execution of a guaranteed investment contract by a district.

*Gov't Code 2256.015*

Investment Pools

A district may invest its funds or funds under its control through an eligible investment pool if the board by rule, order, ordinance, or resolution, as appropriate, authorizes the investment in the particular pool. *Gov't Code 2256.016, .019*

To be eligible to receive funds from and invest funds on behalf of a district, an investment pool must furnish to the investment officer or other authorized representative of the district an offering circular or other similar disclosure instrument that contains the information specified in Government Code 2256.016(b). To maintain eligibility, an investment pool must furnish to the investment officer or other authorized representative investment transaction confirmations and a monthly report that contains the information specified in Government Code 2256.016(c). A district by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds. *Gov't Code 2256.016(b)-(d)*

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Corporate Bonds

A district that qualifies as an issuer as defined by Government Code 1371.001 [see CCF], may purchase, sell, and invest its funds and funds under its control in corporate bonds (as defined above) that, at the time of purchase, are rated by a nationally recognized investment rating firm "AA-" or the equivalent and have a stated final maturity that is not later than the third anniversary of the date the corporate bonds were purchased.

A district is not authorized to:

1. Invest in the aggregate more than 15 percent of its monthly average fund balance, excluding bond proceeds, reserves, and other funds held for the payment of debt service, in corporate bonds; or
2. Invest more than 25 percent of the funds invested in corporate bonds in any one domestic business entity, including subsidiaries and affiliates of the entity.

A district subject to these provisions may purchase, sell, and invest its funds and funds under its control in corporate bonds if the board:

1. Amends its investment policy to authorize corporate bonds as an eligible investment;
2. Adopts procedures to provide for monitoring rating changes in corporate bonds acquired with public funds and liquidating the investment in corporate bonds; and
3. Identifies the funds eligible to be invested in corporate bonds.

The district investment officer, acting on behalf of the district, shall sell corporate bonds in which the district has invested its funds not later than the seventh day after the date a nationally recognized investment rating firm:

1. Issues a release that places the corporate bonds or the domestic business entity that issued the corporate bonds on negative credit watch or the equivalent, if the corporate bonds are rated "AA-" or the equivalent at the time the release is issued; or
2. Changes the rating on the corporate bonds to a rating lower than "AA-" or the equivalent.

*Gov't Code 2256.0204*

Hedging  
Transactions

The board of an eligible entity (as defined above) shall establish the entity's policy regarding hedging transactions. An eligible entity may enter into hedging transactions, including hedging contracts,

and related security, credit, and insurance agreements in connection with commodities used by an eligible entity in the entity's general operations, with the acquisition or construction of a capital project, or with an eligible project. A hedging transaction must comply with the regulations of the federal Commodity Futures Trading Commission and the federal Securities and Exchange Commission.

Government Code 1371.059(c) (validity and incontestability of obligations for certain public improvements) applies to the execution by an eligible entity of a hedging contract and any related security, credit, or insurance agreement.

An eligible entity may:

1. Pledge as security for and to the payment of a hedging contract or a security, credit, or insurance agreement any general or special revenues or funds the entity is authorized by law to pledge to the payment of any other obligation.
2. Credit any amount the entity receives under a hedging contract against expenses associated with a commodity purchase.

An eligible entity's cost of or payment under a hedging contract or agreement may be considered an operation and maintenance expense, an acquisition expense, or construction expense of the eligible entity; or a project cost of an eligible project.

*Gov't Code 2256.0206*

Prohibited  
Investments

Except as provided by Government Code 2270 (prohibited investments), a district is not required to liquidate investments that were authorized investments at the time of purchase. *Gov't Code 2256.017*

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**Note:** As an "investing entity" under Government Code 2270.0001(7)(A), a district must comply with Chapter 2270, including reporting requirements, regarding prohibited investments in scrutinized companies listed by the comptroller in accordance with Government Code 2270.0201.

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Loss of Required  
Rating

An investment that requires a minimum rating does not qualify as an authorized investment during the period the investment does not have the minimum rating. A district shall take all prudent measures that are consistent with its investment policy to liquidate an investment that does not have the minimum rating. *Gov't Code 2256.021*

**Sellers of  
Investments**

A written copy of the investment policy shall be presented to any business organization (as defined below) offering to engage in an investment transaction with a district. The qualified representative of the business organization offering to engage in an investment transaction with a district shall execute a written instrument in a form acceptable to the district and the business organization substantially to the effect that the business organization has:

1. Received and reviewed the district investment policy; and
2. Acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the district and the organization that are not authorized by the district's investment policy, except to the extent that this authorization:
  - a. Is dependent on an analysis of the makeup of the district's entire portfolio;
  - b. Requires an interpretation of subjective investment standards; or
  - c. Relates to investment transactions of the entity that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority.

The investment officer of a district may not acquire or otherwise obtain any authorized investment described in the district's investment policy from a business organization that has not delivered to the district the instrument required above.

*Gov't Code 2256.005(k)-(l)*

Nothing in this section relieves the district of the responsibility for monitoring investments made by the district to determine that they are in compliance with the investment policy.

Business  
Organization

For purposes of the provisions at Sellers of Investments above, "business organization" means an investment pool or investment management firm under contract with a district to invest or manage the district's investment portfolio that has accepted authority granted by the district under the contract to exercise investment discretion in regard to the district's funds.

*Gov't Code 2256.005(k)*

**Donations**

A gift, devise, or bequest made to a district to provide college scholarships for district graduates may be invested by the board as provided in Property Code 117.004 (Uniform Prudent Investor Act),

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unless otherwise specifically provided by the terms of the gift, devise, or bequest. *Education Code 45.107*

Investments donated to a district for a particular purpose or under terms of use specified by the donor are not subject to the requirements of the Public Funds Investment Act. *Gov't Code 2256.004(b)*

**Electronic Funds  
Transfer**

A district may use electronic means to transfer or invest all funds collected or controlled by the district. *Gov't Code 2256.051*

# Action Sheet

**MEETING DATE:**

**August 3<sup>rd</sup>, 2022**

**AGENDA ITEM:**

Discuss and consider approval to purchase additional professional development services along with online math, science, and coding instructional resources from Accelerate Learning INC for an amount not to exceed \$250,000 during the 2022-2023 fiscal year.

GISD currently purchases Accelerate Learning Inc. services from local, grant, IMA, and ESSER funds. The district uses this vendor for STEMSCOPES online math, science, and coding instructional resource along with professional development services and math, science, & coding materials. Request to purchase additional consulting services, learning kits, and software licenses for an amount not to exceed \$250,000 using local, grant, and ESSER III funds. This year we have modified the license purchase to a 2-year agreement and removed other portions that will save the district approximately \$30,000.

Accelerate Learning Inc. is a part of the Choice Partners national purchasing cooperative and meets all of EDGAR, Uniform Guidance, and 2 CFR 200 requirements.

**RECOMMENDATION:**

**I move that the Board approve the purchase of additional professional development services along with online math, science, and coding instructional resources from Accelerate Learning INC for an amount not to exceed \$250,000.**



Jerry Gibson  
Superintendent



Annette Scott  
Assistant Superintendent



# Department of Grant Compliance and Administration Justification/Documentation of Allowable Use of ESSER Funds

Complete this form to document the expenditure of ESSER funds on an allowable activity that meets the intent and purpose of the ESSER grants. As defined by the US Department of Education, the intent and purpose of the ESSER grants is to prevent, prepare for, or respond to the COVID-19 pandemic, including its impact on the social, emotional, mental health, and academic needs of students.

The activity documented with this form may be funded with any ESSER grant funds (ESSER I, II, III, or a combination of those). One activity may be documented per form.

**Maintain this document at the local level for audit and monitoring purposes. Do not submit this form to TEA unless the agency specifically requests it as part of the compliance review process.**

Name of Grantee  CDN

## Activity

Describe the activity to be paid with ESSER funds.

Check the appropriate box(es) to indicate the fund(s) that will be used to pay for the activity:

- ESSER I funds will be used.  ESSER II funds will be used.  ESSER III funds will be used.

## Statutory Intent

Describe how the activity meets the grant program's intent (listed above).

## Reasonable and Necessary

For each box checked above (ESSER I, II, or III), describe how the activity is reasonable and necessary.

## Statutorily Allowable Use

Per USDE, ESSER funds may be expended for any statutorily allowable activity under any of the three statutes. For each box checked above (ESSER I, II, or III), list the statutorily allowable activity that your expenditure aligns with.

## Certification

Name and Title of Authorized Official

Signature of Authorized Official and Date \_\_\_\_\_



## STEMscopes Quote

Quote/Invoice Number: 00078439  
 Account Name: Galveston Independent School District  
 Shipping Address: GISD Central Receiving  
 4302 Ave Q  
 Galveston, Texas 77550  
 United States

**MAIL PAYMENTS TO:**  
 Division: Accelerate Learning Inc.  
 Company Address: PO BOX 732464  
 Dallas, 75373-2464

Created Date: 5/31/2022      Start Date: 8/2/2022  
 Prepared By: Madeline LaRue

The quantity below represents the total number of students for each grade level.

Product Name	ISBN	Grade	Quantity	Years	List Price	Sales Price	Total Price
TX Grade K Online	978-1-93662-099-9	K-5	431.00	2 Years	\$5.25	\$9.50	\$4,094.50
TX Grade 1 Online	978-1-93662-096-2	K-5	462.00	2 Years	\$5.25	\$9.50	\$4,389.00
TX Grade 2 Online	978-1-93662-097-5	K-5	458.00	2 Years	\$5.25	\$9.50	\$4,351.00
TX Grade 3 Online	978-1-93662-096-8	K-5	492.00	2 Years	\$5.25	\$9.50	\$4,674.00
TX Grade 4 Online	978-1-93662-095-1	K-5	470.00	2 Years	\$5.25	\$9.50	\$4,465.00
TX Grade 5 Online	978-1-93662-094-4	K-5	421.00	2 Years	\$5.25	\$9.50	\$3,999.50
TX Grade 6 Online	978-1-93662-093-7	MS	430.00	2 Years	\$5.95	\$10.90	\$4,687.00
TX Grade 7 Online	978-1-93662-092-0	MS	443.00	2 Years	\$5.95	\$10.90	\$4,828.70
TX Grade 8 Online	978-1-93662-091-3	MS	493.00	2 Years	\$5.95	\$10.90	\$5,373.70
TX HS Biology Online	978-1-93662-090-6	HS	476.00	2 Years	\$5.95	\$10.90	\$5,188.40
TX ReTEKS HS Biology (465-1059 Enrollment) Online	978-1-63037-313-9C	HS	1.00	2 Years	\$595.00	\$1,190.00	\$1,190.00
TX Math Grade K Online	978-1-64306-440-6	K-5	431.00	2 Years	\$8.95	\$15.90	\$6,852.90
TX Math Grade 1 Online	978-1-64306-441-3	K-5	462.00	2 Years	\$8.95	\$15.90	\$7,345.80
TX Math Grade 2 Online	978-1-64306-442-0	K-5	458.00	2 Years	\$8.95	\$15.90	\$7,282.20
TX Math Grade 3 Online	978-1-64306-056-9	K-5	492.00	2 Years	\$8.95	\$15.90	\$7,822.80
TX Math Grade 4 Online	978-1-64306-057-6	K-5	470.00	2 Years	\$8.95	\$15.90	\$7,473.00
TX Math Grade 5 Online	978-1-64306-058-3	K-5	421.00	2 Years	\$8.95	\$15.90	\$6,693.90

Subtotal: \$90,711.40  
 Shipping: \$0.00  
 Order Total: \$90,711.40

## STEMscopes Quote

**CUSTOMER LICENSE TERMS AND CONDITIONS**

These Customer License Terms and Conditions (these “**Terms**”) are a legally binding agreement between Accelerate Learning, Inc. d/b/a STEMscopes and/or Study Edge, Inc. /Math Nation (separately and collectively, “**ALI**”) and the customer (“**Customer**”) entering into an order (the “**Order**”) that references these Terms. For the purposes of these Terms, ALI, STEMscopes, Study Edge, Inc. and Math Nation may be used interchangeably and refer to Accelerate Learning, Inc. d/b/a STEMscopes. In the event of any conflict between these Terms and the terms and conditions elsewhere in the Order, these Terms will supersede and govern as between ALI and Customer.

License and Permitted Use: Subject to Customer’s continued compliance with these Terms and the Order, ALI grants Customer a nonexclusive, nontransferable, and nonassignable license during the term of the relevant order to use (and grants Customer’s authorized students access to use) the digital, print, and hands-on platforms and materials provided by ALI or its designated distributor (collectively, the “**STEMscopes Content**”) solely for its internal educational purposes. Customer is responsible for its and its employees’, contractors’, and users’ compliance with these Terms. Customer may not directly or indirectly (a) sell, resell, sublicense, disclose, assign, transfer, or otherwise make the STEMscopes Content available to any third party other than its authorized users; (b) access or use the STEMscopes Content for any purpose other than its internal educational purposes; (c) decompile, reverse engineer, reverse assemble, or otherwise attempt to discover any source code of the STEMscopes Content; (d) copy, mirror, frame, modify, or create derivative works based on the STEMscopes Content; or (e) transmit any viruses, malware, or other malicious code using the STEMscopes Content or otherwise interfere with, disrupt the integrity or performance of, or attempt to gain unauthorized access to the STEMscopes Content or any related systems or networks.

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**2022 CERTIFIED TOTALS**

Property Count: 45,810

S10 - GALVESTON ISD  
ARB Approved Totals

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Land		Value				
Homesite:		653,243,721				
Non Homesite:		2,478,705,773				
Ag Market:		48,259,000				
Timber Market:		0		<b>Total Land</b>	(+)	3,180,208,494
Improvement		Value				
Homesite:		3,265,912,856				
Non Homesite:		10,079,902,971		<b>Total Improvements</b>	(+)	13,345,815,827
Non Real		Count	Value			
Personal Property:		2,877	610,906,460			
Mineral Property:		19	5,622,162			
Autos:		0	0	<b>Total Non Real</b>	(+)	616,528,622
				<b>Market Value</b>	=	17,142,552,943
Ag	Non Exempt	Exempt				
Total Productivity Market:	48,259,000	0				
Ag Use:	345,350	0		<b>Productivity Loss</b>	(-)	47,913,650
Timber Use:	0	0		<b>Appraised Value</b>	=	17,094,639,293
Productivity Loss:	47,913,650	0		<b>Homestead Cap</b>	(-)	806,073,926
				<b>Assessed Value</b>	=	16,288,565,367
				<b>Total Exemptions Amount</b>	(-)	4,501,995,903
				<b>(Breakdown on Next Page)</b>		
				<b>Net Taxable</b>	=	11,786,569,464

Freeze	Assessed	Taxable	Actual Tax	Ceiling	Count		
DP	94,743,613	50,917,661	289,494.54	298,040.08	472		
DPS	4,074,220	2,536,550	18,692.39	18,797.79	18		
OV65	1,439,839,740	899,559,232	6,094,874.46	6,222,394.33	4,798		
<b>Total</b>	<b>1,538,657,573</b>	<b>953,013,443</b>	<b>6,403,061.39</b>	<b>6,539,232.20</b>	<b>5,288</b>	<b>Freeze Taxable</b>	(-) 953,013,443
<b>Tax Rate</b>	0.9632000						
Transfer	Assessed	Taxable	Post % Taxable	Adjustment	Count		
OV65	42,799,992	29,472,622	23,887,685	5,584,937	96		
<b>Total</b>	<b>42,799,992</b>	<b>29,472,622</b>	<b>23,887,685</b>	<b>5,584,937</b>	<b>96</b>	<b>Transfer Adjustment</b>	(-) 5,584,937
						<b>Freeze Adjusted Taxable</b>	= 10,827,971,084

APPROXIMATE LEVY = (FREEZE ADJUSTED TAXABLE \* (TAX RATE / 100)) + ACTUAL TAX  
 110,698,078.87 = 10,827,971,084 \* (0.9632000 / 100) + 6,403,061.39

Certified Estimate of Market Value: 17,142,552,943  
 Certified Estimate of Taxable Value: 11,786,569,464

Tax Increment Finance Value: 0  
 Tax Increment Finance Levy: 0.00

**2022 CERTIFIED TOTALS**

Property Count: 45,810

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ARB Approved Totals

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**Exemption Breakdown**

<b>Exemption</b>	<b>Count</b>	<b>Local</b>	<b>State</b>	<b>Total</b>
DP	492	0	4,778,400	4,778,400
DPS	18	0	0	0
DSTR	1	98,118	0	98,118
DV1	58	0	521,000	521,000
DV1S	2	0	10,000	10,000
DV2	44	0	451,500	451,500
DV3	46	0	512,000	512,000
DV4	95	0	1,128,230	1,128,230
DV4S	9	0	102,000	102,000
DVHS	142	0	35,105,478	35,105,478
DVHSS	11	0	1,993,464	1,993,464
EX-XD	2	0	398,800	398,800
EX-XG	10	0	4,198,620	4,198,620
EX-XJ	1	0	1,004,240	1,004,240
EX-XV	1,901	0	3,373,317,791	3,373,317,791
EX-XV (Prorated)	7	0	618,015	618,015
EX366	328	0	363,230	363,230
HS	10,574	603,673,083	419,557,746	1,023,230,829
OV65	5,394	0	53,351,542	53,351,542
OV65S	35	0	350,000	350,000
PC	7	462,646	0	462,646
<b>Totals</b>		<b>604,233,847</b>	<b>3,897,762,056</b>	<b>4,501,995,903</b>

# 2022 CERTIFIED TOTALS

Property Count: 1,951

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Land		Value		
Homesite:		25,028,320		
Non Homesite:		112,403,840		
Ag Market:		0		
Timber Market:		0	<b>Total Land</b>	(+) 137,432,160
Improvement		Value		
Homesite:		129,678,657		
Non Homesite:		433,932,293	<b>Total Improvements</b>	(+) 563,610,950
Non Real		Count	Value	
Personal Property:	22		6,020,090	
Mineral Property:	0		0	
Autos:	0		0	
			<b>Total Non Real</b>	(+) 6,020,090
			<b>Market Value</b>	= 707,063,200
Ag		Non Exempt	Exempt	
Total Productivity Market:	0		0	
Ag Use:	0		0	<b>Productivity Loss</b> (-) 0
Timber Use:	0		0	<b>Appraised Value</b> = 707,063,200
Productivity Loss:	0		0	<b>Homestead Cap</b> (-) 38,091,235
				<b>Assessed Value</b> = 668,971,965
				<b>Total Exemptions Amount</b> (-) 44,940,581 (Breakdown on Next Page)
			<b>Net Taxable</b>	= 624,031,384

Freeze	Assessed	Taxable	Actual Tax	Ceiling	Count		
DP	4,974,358	2,729,487	18,863.06	20,389.34	25		
DPS	182,985	106,388	866.08	866.08	1		
OV65	41,915,831	24,860,030	164,937.61	167,557.80	169		
<b>Total</b>	<b>47,073,174</b>	<b>27,695,905</b>	<b>184,666.75</b>	<b>188,813.22</b>	<b>195</b>	<b>Freeze Taxable</b>	(-) 27,695,905
<b>Tax Rate</b>	0.9632000						
Transfer	Assessed	Taxable	Post % Taxable	Adjustment	Count		
OV65	2,059,774	1,347,819	1,218,804	129,015	6		
<b>Total</b>	<b>2,059,774</b>	<b>1,347,819</b>	<b>1,218,804</b>	<b>129,015</b>	<b>6</b>	<b>Transfer Adjustment</b>	(-) 129,015
						<b>Freeze Adjusted Taxable</b>	= 596,206,464

APPROXIMATE LEVY = (FREEZE ADJUSTED TAXABLE \* (TAX RATE / 100)) + ACTUAL TAX  
 5,927,327.41 = 596,206,464 \* (0.9632000 / 100) + 184,666.75

Certified Estimate of Market Value: 498,103,551  
 Certified Estimate of Taxable Value: 443,201,754  
 Tax Increment Finance Value: 0  
 Tax Increment Finance Levy: 0.00

**2022 CERTIFIED TOTALS**

Property Count: 1,951

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Under ARB Review Totals

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**Exemption Breakdown**

<b>Exemption</b>	<b>Count</b>	<b>Local</b>	<b>State</b>	<b>Total</b>
DP	25	0	250,000	250,000
DPS	1	0	0	0
DV1	2	0	17,000	17,000
DV2	1	0	7,500	7,500
DV3	3	0	34,000	34,000
DV4	11	0	132,000	132,000
DVHS	1	0	220,859	220,859
EX-XV	2	0	292,860	292,860
EX366	2	0	3,270	3,270
HS	479	22,898,109	19,044,983	41,943,092
OV65	204	0	2,040,000	2,040,000
<b>Totals</b>		<b>22,898,109</b>	<b>22,042,472</b>	<b>44,940,581</b>

# 2022 CERTIFIED TOTALS

Property Count: 47,761

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Grand Totals

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Land		Value			
Homesite:		678,272,041			
Non Homesite:		2,591,109,613			
Ag Market:		48,259,000			
Timber Market:		0		<b>Total Land</b>	(+) 3,317,640,654
Improvement		Value			
Homesite:		3,395,591,513			
Non Homesite:		10,513,835,264		<b>Total Improvements</b>	(+) 13,909,426,777
Non Real		Count	Value		
Personal Property:		2,899	616,926,550		
Mineral Property:		19	5,622,162		
Autos:		0	0	<b>Total Non Real</b>	(+) 622,548,712
				<b>Market Value</b>	= 17,849,616,143
Ag	Non Exempt	Exempt			
Total Productivity Market:	48,259,000	0			
Ag Use:	345,350	0		<b>Productivity Loss</b>	(-) 47,913,650
Timber Use:	0	0		<b>Appraised Value</b>	= 17,801,702,493
Productivity Loss:	47,913,650	0		<b>Homestead Cap</b>	(-) 844,165,161
				<b>Assessed Value</b>	= 16,957,537,332
				<b>Total Exemptions Amount</b>	(-) 4,546,936,484
				<b>(Breakdown on Next Page)</b>	
				<b>Net Taxable</b>	= 12,410,600,848

Freeze	Assessed	Taxable	Actual Tax	Ceiling	Count		
DP	99,717,971	53,647,148	308,357.60	318,429.42	497		
DPS	4,257,205	2,642,938	19,558.47	19,663.87	19		
OV65	1,481,755,571	924,419,262	6,259,812.07	6,389,952.13	4,967		
<b>Total</b>	<b>1,585,730,747</b>	<b>980,709,348</b>	<b>6,587,728.14</b>	<b>6,728,045.42</b>	<b>5,483</b>	<b>Freeze Taxable</b>	(-) 980,709,348
<b>Tax Rate</b>	0.9632000						
Transfer	Assessed	Taxable	Post % Taxable	Adjustment	Count		
OV65	44,859,766	30,820,441	25,106,489	5,713,952	102		
<b>Total</b>	<b>44,859,766</b>	<b>30,820,441</b>	<b>25,106,489</b>	<b>5,713,952</b>	<b>102</b>	<b>Transfer Adjustment</b>	(-) 5,713,952
						<b>Freeze Adjusted Taxable</b>	= 11,424,177,548

APPROXIMATE LEVY = (FREEZE ADJUSTED TAXABLE \* (TAX RATE / 100)) + ACTUAL TAX  
 116,625,406.28 = 11,424,177,548 \* (0.9632000 / 100) + 6,587,728.14

Certified Estimate of Market Value:	17,640,656,494
Certified Estimate of Taxable Value:	12,229,771,218
Tax Increment Finance Value:	0
Tax Increment Finance Levy:	0.00

**2022 CERTIFIED TOTALS**

Property Count: 47,761

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Grand Totals

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**Exemption Breakdown**

Exemption	Count	Local	State	Total
DP	517	0	5,028,400	5,028,400
DPS	19	0	0	0
DSTR	1	98,118	0	98,118
DV1	60	0	538,000	538,000
DV1S	2	0	10,000	10,000
DV2	45	0	459,000	459,000
DV3	49	0	546,000	546,000
DV4	106	0	1,260,230	1,260,230
DV4S	9	0	102,000	102,000
DVHS	143	0	35,326,337	35,326,337
DVHSS	11	0	1,993,464	1,993,464
EX-XD	2	0	398,800	398,800
EX-XG	10	0	4,198,620	4,198,620
EX-XJ	1	0	1,004,240	1,004,240
EX-XV	1,903	0	3,373,610,651	3,373,610,651
EX-XV (Prorated)	7	0	618,015	618,015
EX366	330	0	366,500	366,500
HS	11,053	626,571,192	438,602,729	1,065,173,921
OV65	5,598	0	55,391,542	55,391,542
OV65S	35	0	350,000	350,000
PC	7	462,646	0	462,646
<b>Totals</b>		<b>627,131,956</b>	<b>3,919,804,528</b>	<b>4,546,936,484</b>

Property Count: 45,810

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ARB Approved Totals

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**State Category Breakdown**

State Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A	SINGLE FAMILY RESIDENCE	27,231	4,302.2531	\$195,489,360	\$10,360,431,504	\$8,472,272,268
B	MULTIFAMILY RESIDENCE	1,040	242.1924	\$30,503,120	\$701,391,347	\$668,425,203
C1	VACANT LOTS AND LAND TRACTS	10,433	4,981.9725	\$0	\$552,417,634	\$552,336,404
D1	QUALIFIED OPEN-SPACE LAND	338	8,281.4638	\$0	\$48,259,000	\$345,350
D2	IMPROVEMENTS ON QUALIFIED OP	1		\$0	\$2,390	\$2,390
E	RURAL LAND, NON QUALIFIED OPE	500	9,666.1374	\$0	\$34,574,456	\$32,401,396
F1	COMMERCIAL REAL PROPERTY	1,617	1,647.7642	\$14,190,820	\$1,409,218,797	\$1,404,918,060
F2	INDUSTRIAL AND MANUFACTURIN	65	362.8006	\$0	\$100,663,457	\$100,259,011
G1	OIL AND GAS	16		\$0	\$3,873,322	\$3,873,322
J2	GAS DISTRIBUTION SYSTEM	8	0.0028	\$0	\$11,611,790	\$11,611,790
J3	ELECTRIC COMPANY (INCLUDING C	26	13.0550	\$0	\$74,045,190	\$74,045,190
J4	TELEPHONE COMPANY (INCLUDI	27	7.4604	\$0	\$8,819,354	\$8,819,354
J5	RAILROAD	23	117.2531	\$0	\$35,300,153	\$35,300,153
J6	PIPELAND COMPANY	43		\$0	\$13,016,310	\$13,016,310
J7	CABLE TELEVISION COMPANY	20		\$0	\$11,013,750	\$11,013,750
L1	COMMERCIAL PERSONAL PROPE	2,088		\$0	\$251,496,051	\$251,496,051
L2	INDUSTRIAL AND MANUFACTURIN	279		\$0	\$119,361,112	\$119,302,912
M1	TANGIBLE OTHER PERSONAL, MOB	15		\$0	\$62,970	\$36,890
O	RESIDENTIAL INVENTORY	350	70.5233	\$0	\$14,855,770	\$14,855,770
S	SPECIAL INVENTORY TAX	23		\$0	\$12,237,890	\$12,237,890
X	TOTALLY EXEMPT PROPERTY	2,249	13,699.4490	\$488,910	\$3,379,900,696	\$0
	<b>Totals</b>		<b>43,392.3276</b>	<b>\$240,672,210</b>	<b>\$17,142,552,943</b>	<b>\$11,786,569,464</b>

**2022 CERTIFIED TOTALS**

Property Count: 1,951

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**State Category Breakdown**

State Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A	SINGLE FAMILY RESIDENCE	1,635	225.6303	\$9,826,760	\$508,349,413	\$427,160,812
B	MULTIFAMILY RESIDENCE	81	7.5293	\$0	\$70,083,450	\$68,771,192
C1	VACANT LOTS AND LAND TRACTS	171	165.9463	\$0	\$28,224,495	\$28,224,495
E	RURAL LAND, NON QUALIFIED OPE	5	161.1510	\$0	\$1,395,950	\$1,395,950
F1	COMMERCIAL REAL PROPERTY	59	92.3598	\$35,000	\$92,501,532	\$92,266,705
F2	INDUSTRIAL AND MANUFACTURIN	1	0.7064	\$0	\$195,410	\$195,410
L1	COMMERCIAL PERSONAL PROPE	20		\$0	\$6,016,820	\$6,016,820
X	TOTALLY EXEMPT PROPERTY	4	0.3779	\$0	\$296,130	\$0
	<b>Totals</b>		653.7010	\$9,861,760	\$707,063,200	\$624,031,384

Property Count: 47,761

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Grand Totals

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**State Category Breakdown**

State Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A	SINGLE FAMILY RESIDENCE	28,866	4,527.8834	\$205,316,120	\$10,868,780,917	\$8,899,433,080
B	MULTIFAMILY RESIDENCE	1,121	249.7217	\$30,503,120	\$771,474,797	\$737,196,395
C1	VACANT LOTS AND LAND TRACTS	10,604	5,147.9188	\$0	\$580,642,129	\$580,560,899
D1	QUALIFIED OPEN-SPACE LAND	338	8,281.4638	\$0	\$48,259,000	\$345,350
D2	IMPROVEMENTS ON QUALIFIED OP	1		\$0	\$2,390	\$2,390
E	RURAL LAND, NON QUALIFIED OPE	505	9,827.2884	\$0	\$35,970,406	\$33,797,346
F1	COMMERCIAL REAL PROPERTY	1,676	1,740.1240	\$14,225,820	\$1,501,720,329	\$1,497,184,765
F2	INDUSTRIAL AND MANUFACTURIN	66	363.5070	\$0	\$100,858,867	\$100,454,421
G1	OIL AND GAS	16		\$0	\$3,873,322	\$3,873,322
J2	GAS DISTRIBUTION SYSTEM	8	0.0028	\$0	\$11,611,790	\$11,611,790
J3	ELECTRIC COMPANY (INCLUDING C	26	13.0550	\$0	\$74,045,190	\$74,045,190
J4	TELEPHONE COMPANY (INCLUDI	27	7.4604	\$0	\$8,819,354	\$8,819,354
J5	RAILROAD	23	117.2531	\$0	\$35,300,153	\$35,300,153
J6	PIPELAND COMPANY	43		\$0	\$13,016,310	\$13,016,310
J7	CABLE TELEVISION COMPANY	20		\$0	\$11,013,750	\$11,013,750
L1	COMMERCIAL PERSONAL PROPE	2,108		\$0	\$257,512,871	\$257,512,871
L2	INDUSTRIAL AND MANUFACTURIN	279		\$0	\$119,361,112	\$119,302,912
M1	TANGIBLE OTHER PERSONAL, MOB	15		\$0	\$62,970	\$36,890
O	RESIDENTIAL INVENTORY	350	70.5233	\$0	\$14,855,770	\$14,855,770
S	SPECIAL INVENTORY TAX	23		\$0	\$12,237,890	\$12,237,890
X	TOTALLY EXEMPT PROPERTY	2,253	13,699.8269	\$488,910	\$3,380,196,826	\$0
	<b>Totals</b>		<b>44,046.0286</b>	<b>\$250,533,970</b>	<b>\$17,849,616,143</b>	<b>\$12,410,600,848</b>

**2022 CERTIFIED TOTALS**

Property Count: 45,810

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**CAD State Category Breakdown**

State Code Description	Count	Acres	New Value	Market Value	Taxable Value
A	2	0.0812	\$0	\$129,198	\$129,198
A1 REAL, RESIDENTIAL, SINGLE-FAMIL	23,354	4,202.1628	\$194,757,630	\$9,182,885,660	\$7,392,245,382
A2 REAL, RESIDENTIAL, MOBILE HOME	76	11.3706	\$445,320	\$3,883,345	\$3,163,102
A3 REAL, RESIDENTIAL, CONDOMINIUM	3,844	88.3385	\$286,410	\$1,173,323,301	\$1,076,524,586
A9 PARSONAGES	1	0.3000	\$0	\$210,000	\$210,000
B1 APARTMENTS	166	136.9179	\$30,030,030	\$464,624,877	\$463,777,087
B2 DUPLEXES	882	105.2745	\$473,090	\$236,766,470	\$204,648,116
C1 VACANT LOT	10,433	4,981.4388	\$0	\$552,413,634	\$552,332,404
C9 VACANT LOT EXEMPT	1	0.5337	\$0	\$4,000	\$4,000
D1 QUALIFIED AG LAND	337	8,270.7967	\$0	\$48,215,346	\$360,526
D2 IMPROVEMENTS ON QUALIFIED AG L	1		\$0	\$2,390	\$2,390
D3 D3	3	14.8180	\$0	\$63,280	\$4,450
D6 D6	1	0.3395	\$0	\$9,900	\$9,900
E1 FARM OR RANCH IMPROVEMENT	498	9,661.6470	\$0	\$34,544,930	\$32,371,870
F1 COMMERCIAL REAL PROPERTY	1,593	1,631.5541	\$14,190,820	\$1,406,994,168	\$1,403,149,025
F2 INDUSTRIAL REAL PROPERTY	65	362.8006	\$0	\$100,663,457	\$100,259,011
F9 COMMERCIAL REAL PROPERTY EX	1	0.0592	\$0	\$31,610	\$31,610
G1 OIL AND GAS	16		\$0	\$3,873,322	\$3,873,322
J2 GAS DISTRIBUTION SYSTEM	8	0.0028	\$0	\$11,611,790	\$11,611,790
J3 ELECTRIC COMPANY	26	13.0550	\$0	\$74,045,190	\$74,045,190
J4 TELEPHONE COMPANY	27	7.4604	\$0	\$8,819,354	\$8,819,354
J5 RAILROAD	23	117.2531	\$0	\$35,300,153	\$35,300,153
J6 PIPELINE COMPANY	43		\$0	\$13,016,310	\$13,016,310
J7 CABLE TELEVISION COMPANY	20		\$0	\$11,013,750	\$11,013,750
L1 COMMERCIAL PERSONAL PROPER	2,087		\$0	\$251,487,651	\$251,487,651
L2 INDUSTRIAL PERSONAL PROPERTY	279		\$0	\$119,361,112	\$119,302,912
L9 L9	1		\$0	\$8,400	\$8,400
M1 MOBILE HOMES	14		\$0	\$57,810	\$31,730
M4 M4	1		\$0	\$5,160	\$5,160
O1 RESIDENTIAL INVENTORY VACANT L	350	70.5233	\$0	\$14,855,770	\$14,855,770
S SPECIAL INVENTORY	23		\$0	\$12,237,890	\$12,237,890
X	2,249	13,699.4490	\$488,910	\$3,379,900,696	\$0
XV COMMERCIAL REAL EXEMPT	23	16.1509	\$0	\$2,193,019	\$1,737,425
<b>Totals</b>	<b>43,392.3276</b>	<b>43,392.3276</b>	<b>\$240,672,210</b>	<b>\$17,142,552,943</b>	<b>\$11,786,569,464</b>

**2022 CERTIFIED TOTALS**

Property Count: 1,951

S10 - GALVESTON ISD  
Under ARB Review Totals

7/23/2022 11:08:48AM

**CAD State Category Breakdown**

State Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A1	REAL, RESIDENTIAL, SINGLE-FAMIL	1,423	220.7752	\$9,655,750	\$452,865,868	\$375,325,008
A2	REAL, RESIDENTIAL, MOBILE HOME	1	0.3240	\$0	\$132,100	\$132,100
A3	REAL, RESIDENTIAL, CONDOMINIUM	214	4.5311	\$171,010	\$55,351,445	\$51,703,704
B1	APARTMENTS	12	0.2640	\$0	\$50,147,770	\$50,003,493
B2	DUPLEXES	69	7.2653	\$0	\$19,935,680	\$18,767,699
C1	VACANT LOT	171	165.9463	\$0	\$28,224,495	\$28,224,495
E1	FARM OR RANCH IMPROVEMENT	5	161.1510	\$0	\$1,395,950	\$1,395,950
F1	COMMERCIAL REAL PROPERTY	59	92.3598	\$35,000	\$92,501,532	\$92,266,705
F2	INDUSTRIAL REAL PROPERTY	1	0.7064	\$0	\$195,410	\$195,410
L1	COMMERCIAL PERSONAL PROPER	20		\$0	\$6,016,820	\$6,016,820
X		4	0.3779	\$0	\$296,130	\$0
	<b>Totals</b>		653.7010	\$9,861,760	\$707,063,200	\$624,031,384

Property Count: 47,761

S10 - GALVESTON ISD  
Grand Totals

7/23/2022 11:08:48AM

## CAD State Category Breakdown

State Code	Description	Count	Acres	New Value	Market Value	Taxable Value
A		2	0.0812	\$0	\$129,198	\$129,198
A1	REAL, RESIDENTIAL, SINGLE-FAMIL	24,777	4,422.9380	\$204,413,380	\$9,635,751,528	\$7,767,570,390
A2	REAL, RESIDENTIAL, MOBILE HOME	77	11.6946	\$445,320	\$4,015,445	\$3,295,202
A3	REAL, RESIDENTIAL, CONDOMINIUM	4,058	92.8696	\$457,420	\$1,228,674,746	\$1,128,228,290
A9	PARSONAGES	1	0.3000	\$0	\$210,000	\$210,000
B1	APARTMENTS	178	137.1819	\$30,030,030	\$514,772,647	\$513,780,580
B2	DUPLEXES	951	112.5398	\$473,090	\$256,702,150	\$223,415,815
C1	VACANT LOT	10,604	5,147.3851	\$0	\$580,638,129	\$580,556,899
C9	VACANT LOT EXEMPT	1	0.5337	\$0	\$4,000	\$4,000
D1	QUALIFIED AG LAND	337	8,270.7967	\$0	\$48,215,346	\$360,526
D2	IMPROVEMENTS ON QUALIFIED AG L	1		\$0	\$2,390	\$2,390
D3	D3	3	14.8180	\$0	\$63,280	\$4,450
D6	D6	1	0.3395	\$0	\$9,900	\$9,900
E1	FARM OR RANCH IMPROVEMENT	503	9,822.7980	\$0	\$35,940,880	\$33,767,820
F1	COMMERCIAL REAL PROPERTY	1,652	1,723.9139	\$14,225,820	\$1,499,495,700	\$1,495,415,730
F2	INDUSTRIAL REAL PROPERTY	66	363.5070	\$0	\$100,858,867	\$100,454,421
F9	COMMERCIAL REAL PROPERTY EX	1	0.0592	\$0	\$31,610	\$31,610
G1	OIL AND GAS	16		\$0	\$3,873,322	\$3,873,322
J2	GAS DISTRIBUTION SYSTEM	8	0.0028	\$0	\$11,611,790	\$11,611,790
J3	ELECTRIC COMPANY	26	13.0550	\$0	\$74,045,190	\$74,045,190
J4	TELEPHONE COMPANY	27	7.4604	\$0	\$8,819,354	\$8,819,354
J5	RAILROAD	23	117.2531	\$0	\$35,300,153	\$35,300,153
J6	PIPELINE COMPANY	43		\$0	\$13,016,310	\$13,016,310
J7	CABLE TELEVISION COMPANY	20		\$0	\$11,013,750	\$11,013,750
L1	COMMERCIAL PERSONAL PROPER	2,107		\$0	\$257,504,471	\$257,504,471
L2	INDUSTRIAL PERSONAL PROPERTY	279		\$0	\$119,361,112	\$119,302,912
L9	L9	1		\$0	\$8,400	\$8,400
M1	MOBILE HOMES	14		\$0	\$57,810	\$31,730
M4	M4	1		\$0	\$5,160	\$5,160
O1	RESIDENTIAL INVENTORY VACANT L	350	70.5233	\$0	\$14,855,770	\$14,855,770
S	SPECIAL INVENTORY	23		\$0	\$12,237,890	\$12,237,890
X		2,253	13,699.8269	\$488,910	\$3,380,196,826	\$0
XV	COMMERCIAL REAL EXEMPT	23	16.1509	\$0	\$2,193,019	\$1,737,425
	<b>Totals</b>		44,046.0286	\$250,533,970	\$17,849,616,143	\$12,410,600,848

**2022 CERTIFIED TOTALS**

Property Count: 47,761

S10 - GALVESTON ISD  
Effective Rate Assumption

7/23/2022 11:08:48AM

**New Value**

<b>TOTAL NEW VALUE MARKET:</b>	<b>\$250,533,970</b>
<b>TOTAL NEW VALUE TAXABLE:</b>	<b>\$230,509,106</b>

**New Exemptions**

Exemption	Description	Count		
EX-XV	Other Exemptions (including public property, r	23	2021 Market Value	\$11,864,020
EX366	HB366 Exempt	271	2021 Market Value	\$386,981
<b>ABSOLUTE EXEMPTIONS VALUE LOSS</b>				<b>\$12,251,001</b>

Exemption	Description	Count	Exemption Amount
DP	Disability	7	\$70,000
DPS	DISABLED Surviving Spouse	4	\$0
DV1	Disabled Veterans 10% - 29%	6	\$44,000
DV2	Disabled Veterans 30% - 49%	4	\$39,000
DV3	Disabled Veterans 50% - 69%	5	\$56,000
DV4	Disabled Veterans 70% - 100%	22	\$261,230
DV4S	Disabled Veterans Surviving Spouse 70% - 100	1	\$6,000
DVHS	Disabled Veteran Homestead	7	\$1,179,646
HS	Homestead	687	\$79,006,077
OV65	Over 65	465	\$4,618,938
OV65S	OV65 Surviving Spouse	4	\$40,000
<b>PARTIAL EXEMPTIONS VALUE LOSS</b>		<b>1,212</b>	<b>\$85,320,891</b>
<b>NEW EXEMPTIONS VALUE LOSS</b>			<b>\$97,571,892</b>

**Increased Exemptions**

Exemption	Description	Count	Increased Exemption Amount
HS	Homestead	9,744	\$145,096,286
<b>INCREASED EXEMPTIONS VALUE LOSS</b>		<b>9,744</b>	<b>\$145,096,286</b>

**TOTAL EXEMPTIONS VALUE LOSS \$242,668,178**

**New Ag / Timber Exemptions**

**New Annexations**

**New Deannexations**

**Average Homestead Value**

Category A and E

Count of HS Residences	Average Market	Average HS Exemption	Average Taxable
10,834	\$367,616	\$173,230	\$194,386
Category A Only			

Count of HS Residences	Average Market	Average HS Exemption	Average Taxable
10,826	\$367,658	\$173,252	\$194,406

**2022 CERTIFIED TOTALS**

S10 - GALVESTON ISD  
**Lower Value Used**

Count of Protested Properties	Total Market Value	Total Value Used
1,951	\$707,063,200.00	\$443,201,754

# Action Sheet

**MEETING DATE:**

**August 3, 2022**

**AGENDA ITEM:**

**Consider Approval of 2022 Proposed Tax Rate to be Published in Notice of Public Hearing**

According to the Texas Comptroller of Public Accounts, a proposed tax rate must be adopted by the Board of Trustees prior to publishing the Notice of Public Meeting to Discuss Budget and Proposed Tax Rate. As part of HB 3, the 86th Legislature compressed maintenance and operations (M&O) tax rates for school districts. TEA calculates a Maximum Compressed Rate for M&O after Certified Property Values are received from local appraisal districts, and districts must wait for TEA's approval before adopting M&O rates. If values grow by >2.5%, the formula will restrict the Tier 1 tax levy to no more than 2.5% more than the prior year. GISD's 2022 M&O tax rate is summarized as follows:

- Maximum Compressed Rate \$0.8046 (Approved by TEA 7-26-2022)
- Golden Pennies \$0.0600
- Copper Pennies \$0.0000
- 2022 Proposed M&O Rate \$0.8646

By law, districts are allowed to levy an Interest and Sinking (I&S) tax rate that will cover the annual debt service on their bonds. On August 2, 2022, GISD sold \$235,840,000 in bonds related to Bond 2022 construction projects. GISD's proposed tax rate for 2022 is below:

Maintenance and Operations:	\$0.8646 (a decrease of \$0.0174 from the prior year)
Interest and Sinking Fund:	<u>\$0.1704 (an increase of \$0.0892 from the prior year)</u>
<b>Total Proposed Rate</b>	<b>\$1.0350 (an increase of \$.0718 from the prior year)</b>

The 2022 Certified Property Values are attached for your review. The Galveston County Tax Office is responsible for GISD's Truth in Taxation calculations after obtaining certain information from the Assistant Superintendent of Business and Operations, who reviews the final worksheets.

**RECOMMENDATION:**

**I move that the board approve \$0.8646 for maintenance and operations and \$.1704 for interest and sinking for a total 2022 proposed tax rate of \$1.035 to be published in the Notice of Public Meeting to discuss budget and tax rate.**

*Connie Morgenroth*

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Dr. Jerry Gibson  
Superintendent

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Connie Morgenroth  
Asst. Superintendent of Business and Operations

# NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

The Galveston Independent School District will hold a public meeting at 6:00 pm, August 24, 2022 in Galveston Independent School District Board Room, 3904 Avenue T, Galveston, Texas 77550. **The purpose of this meeting is to discuss the school district's budget that will determine the tax rate that will be adopted. Public participation in the discussion is invited.**

The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice.

Maintenance Tax	\$0.864600/\$100 (proposed rate for maintenance and operations)
School Debt Service Tax Approved by Local Voters	\$0.170400/\$100 (proposed rate to pay bonded indebtedness)

### Comparison of Proposed Budget with Last Year's Budget

The applicable percentage increase or decrease (or difference) in the amount budgeted in the preceding fiscal year and the amount budgeted for the fiscal year that begins during the current tax year is indicated for each of the following expenditure categories.

Maintenance and operations	11.45 % increase
Debt Service	156.36 % increase
Total Expenditures	21.53 % increase

### Total Appraised Value and Total Taxable Value (as calculated under Section 26.04, Tax Code)

	<u>Preceding Tax Year</u>	<u>Current Tax Year</u>
Total appraised value* of all property	\$15,147,493,125	\$17,708,203,503
Total appraised value* of new property**	\$190,349,784	\$250,533,970
Total taxable value*** of all property	\$10,230,724,494	\$12,285,794,571
Total taxable value*** of new property**	\$172,943,710	\$230,509,106

\*Appraised value is the amount shown on the appraisal roll and defined by Section 1.04(8), Tax Code.

\*\* "New property" is defined by Section 26.012(17), Tax Code.

\*\*\* "Taxable value" is defined by Section 1.04(10), Tax Code.

### Bonded Indebtedness

Total amount of outstanding and unpaid bonded indebtedness\* \$285,500,000

\*Outstanding principal.

### Comparison of Proposed Rates with Last Year's Rates

	<u>Maintenance &amp; Operations</u>	<u>Interest &amp; Sinking Fund*</u>	<u>Total</u>	<u>Local Revenue Per Student</u>	<u>State Revenue Per Student</u>
<b>Last Year's Rate</b>	\$0.882000	\$0.081200	\$0.963200	\$11,078	\$552
<b>Rate to Maintain Same Level of Maintenance &amp; Operations Revenue &amp; Pay Debt Service</b>	\$0.88998	\$0.17762	\$1.06760	\$12,705	\$576
<b>Proposed Rate</b>	\$0.864600	\$0.170400	\$1.035000	\$13,102	\$443

\*The Interest & Sinking Fund tax revenue is used to pay for bonded indebtedness on construction, equipment, or both.

The bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.

### Comparison of Proposed Levy with Last Year's Levy on Average Residence

	<u>Last Year</u>	<u>This Year</u>
Average Market Value of Residences	\$257,353	\$291,185
Average Taxable Value of Residences	\$126,737	\$120,168
Last Year's Rate Versus Proposed Rate per \$100 Value	\$0.963200	\$1.035000
Taxes Due on Average Residence	\$1,220.73	\$1,243.74
Increase (Decrease) in Taxes		\$23.01

**Under state law, the dollar amount of school taxes imposed on the residence homestead of a person 65 years of age or older or of the surviving spouse of such a person, if the surviving spouse was 55 years of age or older when the person died, may not be increased above the amount paid in the first year after the person turned 65, regardless of changes in tax rate or property value.**

**Notice of Voter-Approval Rate: The highest tax rate the district can adopt before requiring voter approval at an election is \$1.035081. This election will be automatically held if the district adopts a rate in excess of the voter-approval rate of \$1.035081.**

### Fund Balances

The following estimated balances will remain at the end of the current fiscal year and are not encumbered with or by a corresponding debt obligation, less estimated funds necessary for operating the district before receipt of the first state aid payment.

Maintenance and Operations Fund Balance(s)	\$31,078,531
Interest & Sinking Fund Balance(s)	\$5,470,284

A school district may not increase the district's maintenance and operations tax rate to create a surplus in maintenance and operations tax revenue for the purpose of paying the district's debt service.

Visit [Texas.gov/PropertyTaxes](http://Texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

# Action Sheet

**MEETING DATE:**

**August 3, 2022**

**AGENDA ITEM:**

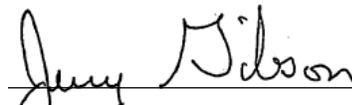
Schedule Public Meeting to Discuss the 2022 Proposed Tax Rate and the 2022-2023 Proposed Budget

The budget process for the 2022-2023 fiscal year began in January and will conclude in August with the adoption of the budget. As required by the Texas Education Code, and Truth in Taxation laws, a public meeting must be scheduled to discuss the proposed budget and tax rate each fiscal year.

The proposed meeting is August 24, 2022 at 6:00 p.m. during the regular meeting of the Board of Trustees held in the board room at 3904 Ave. T, Galveston, Texas.

**RECOMMENDATION:**

I move to approve August 24, 2022 as the date of the public meeting to discuss the 2022 Proposed Tax Rate and the 2022-2023 Proposed Budget.

  
\_\_\_\_\_  
Dr. Jerry Gibson  
Superintendent

*Connie Morgenroth*  
\_\_\_\_\_  
Connie Morgenroth  
Asst. Superintendent of Business and Operations

# Action Sheet

**MEETING DATE:** August 22, 2022

**AGENDA ITEM:** Discuss and consider for action options to include a track in the new stadium.

**RECOMMENDATION:** None

Requested by Trustee Beeton

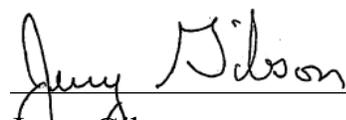
# Action Sheet

**MEETING DATE:** August 3, 2022

**AGENDA ITEM:** Discuss and consider approval of the Superintendent's evaluation, compensation and amendment of contract.

Documentation will be provided under separate cover.

**RECOMMENDATION:** None

  
\_\_\_\_\_  
Jerry Gibson  
Superintendent

**FIRST AMENDMENT TO**  
**SUPERINTENDENT'S EMPLOYMENT CONTRACT**

THE STATE OF TEXAS       §  
  §       KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF GALVESTON §

WHEREAS, the Board of Trustees ("Board") of the Galveston Independent School District, met on August 3, 2022;

WHEREAS, at the meeting on August 3, 2022, the District, pursuant to Dr. Gibson's Superintendent's Employment Contract ("Contract"), offered an amendment to his Contract;

WHEREAS, Dr. Gibson accepted the amendment to the Contract;

NOW, THEREFORE, pursuant to the authority of § 11.201 of the Texas Education Code, the general laws of the state of Texas and Section 8.2 of the Contract, the Board and Dr. Gibson agree as follows:

I.

Subsection 1.1 of the Superintendent's Contract of Employment executed on January 6, 2021, is amended and revised as follows:

1.1     **Term.** The Board does hereby employ the Superintendent, and the Superintendent does hereby accept employment as Superintendent of Schools for the District for at term commencing on February 1, 2021 and ending on July 31, 2025. The Board may, with the consent and approval of the Superintendent, extend the term of this Contract at any time during its term and as permitted by state law.

Subsection 3.1 of the Superintendent's Contract of Employment executed on January 6, 2021, is amended as follows:

3.1     **Salary.** Effective August 3, 2022, the District shall provide the Superintendent with an annual salary in the sum of Two Hundred and Forty-Seven Thousand four hundred fifty and No/100 Dollars (\$247,450). This annual salary rate shall be paid to the Superintendent in equal installments consistent with the Board's policies.

Subsection 3.7 of the Superintendent's Contract of Employment executed on January 6, 2021, is amended as follows:

**3.7 Expenses.** The Superintendent shall receive an automobile and cellular telephone allowance of three-hundred and No/Dollars (\$300.00) under this Contract. The Superintendent shall purchase and maintain in force appropriate liability insurance for his vehicle at all times during the term of this Contract or any extension thereof. The Superintendent shall be reimbursed for reasonable and necessary business travel in his vehicle outside of the District at the District's established mileage reimbursement rate. The District shall pay or reimburse the Superintendent for reasonable expenses incurred by the Superintendent in the continuing performance of the Superintendent's duties under this Contract. Such actual or incidental costs may include, but are not limited to, gasoline, hotels and accommodations, meals, rental car, and other expenses incurred in the performance of the business of the District. The Superintendent shall comply with all procedures and documentation requirements in accordance with Board policies and shall provide the Board with a monthly report of all such costs and expenses incurred during the preceding month.

Subsection 3.11 will be added to the Superintendent's Contract of Employment executed on January 6, 2021, as follows:

**3.11 Supplemental Payment.** For the 2022-2023 school year, the District shall provide the Superintendent with a one-time supplemental payment in an amount equal to 2.5% of his annual salary (\$6,186.25 total) made in two equal installments. The first installment will be paid in the first pay period of December 2022 and the second installment will be paid in the first pay period of June 2023. This additional salary supplement shall be reported as "creditable compensation" by the District for purposes of TRS, to the extent permitted by TRS.

EXECUTED by signatures below, and effective August 3, 2022.

BOARD OF TRUSTEES  
GALVESTON INDEPENDENT SCHOOL  
DISTRICT

By: \_\_\_\_\_  
Mr. Anthony Brown  
President, Board of Trustees

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Dr. Jerry Gibson  
Superintendent of Schools

Date: \_\_\_\_\_