



Little Elm ISD

Regular Meeting

Monday, February 27, 2017 6:30 PM

Agenda of Regular Meeting

The Board of Trustees Little Elm ISD

A Regular Meeting of the Board of Trustees of Little Elm ISD will be held February 27, 2017, beginning at 6:30 PM in the Zellars Center for Learning and Leadership.

The subjects to be 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 on this meeting notice.

Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

1. Call to Order Open Session in the Board Room at Zellars Center for Learning and Leadership on 300 Lobo Lane, Little Elm, Texas 75068.
2. Pledge of Allegiance
3. Invocation
4. Introduction and Roll Call
5. Citizen Input
6. Approval of Minutes
 - A. Discuss and approve Regular Meeting Minutes - 1-23-2017 6
Presenter: Sonia F. Badillo
7. Superintendent Spotlight
 - A. Frisco Lakes Veterans Group
Presenter: Dr. Lowell H. Strike
 - B. Recognition of Shonti Jackson, Bus Driver
Presenter: Dr. Lowell H. Strike
 - C. Recognition of Joe Florentino
Presenter: Dr. Lowell H. Strike
 - D. Lakeside Middle School
Presenter: Clint Miller
 - E. Little Elm High School Student of the Month
Presenter: Renee Pentecost
 - F. LEHS Football Academic All-State Awardees
Presenter: Dr. Lowell H. Strike
8. Reports of the Superintendent
 - A. Update on Transportation Facility 13
Presenter: Rod Reeves
9. The Board will recess into Closed Meeting in PL1 as permitted by the Texas Open Meetings Act Code Subchapter 551.074 and 551.072. The Board and

Superintendent will discuss:

A. Personnel

B. Land

10. Action Items

- | | |
|---|----|
| A. Discuss and approve District of Innovation Plan
Presenter: Daniel Gallagher | 14 |
| B. Discuss and approve The LiiNK Project
Presenter: Daniel Gallagher | 32 |
| C. Discuss and approve TASB's Legal Update 106
Presenter: Ross Roberts | 42 |
| D. Discuss and approve TASB's Legal Update 107
Presenter: Ross Roberts | 47 |
| E. Discuss and approve Board Policy EHBAF (LOCAL) - Adoption
Presenter: Ross Roberts | 52 |
| F. Discuss and approve Board Policy EB (LOCAL) - Update
Presenter: Ross Roberts | 56 |
| G. Discuss and approve the 2017-2018 School Calendar
Presenter: Dr. Cyndy Mika | 58 |
| H. Discuss and approve the Financial Reports
Presenter: Grant Anderson | 61 |

11. Consent Agenda

- | | |
|---|-----|
| A. Discuss and approve Personnel Stipends
Presenter: Cleota Epps | 82 |
| B. Discuss and approve the Personnel Memo
Presenter: Cleota Epps | 83 |
| C. Discuss and approve the addition of Leasor Crass, P.C. to the list of approved
legal counsel for Little Elm ISD
Presenter: Cleota Epps | 88 |
| D. Discuss and approve the Proclamation 2017 Instructional Materials Adoption
Presenter: Dr. Tony Tipton | 89 |
| E. Discuss and approve the Resolution to adopt a Long-Range Facilities Planning
Committee
Presenter: Grant Anderson | 92 |
| F. Discuss and approve Gifts and Donations
Presenter: Grant Anderson | 93 |
| G. Discuss and approve the Annual Investment Report
Presenter: Grant Anderson | 96 |
| H. Discuss and approve the Denton County Election Contract
Presenter: Sonia F. Badillo | 175 |

12. Board President Comments

Presenter: Melissa Myers

A. Board Operating Procedures

13. Board Comments

14. Superintendent Comments

15. Adjournment

If, during the course of the meeting, the Board of Trustees should determine that a closed meeting should be conducted, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Texas Government Code Section 551.001 et seq. The meeting will be held by the School Board at the date, hour, and place given in this Notice or as soon after the commencement of the meeting covered by this Notice as the School Board may conveniently meet in such closed or executive meeting or session concerning any and all purposes permitted by the Act, including, but not limited to the following sections and purposes:

Texas Government Code Section:

551.071	Private consultation with the Board's attorney.
551.072	Discussing purchase, exchange, lease, or value of real property.
551.073	Discussing negotiated contracts for prospective gifts or donations.
551.074	Discussing personnel or to hear complaints against personnel.
551.075	To confer with employees of the school district to receive information or to ask questions.
551.076	Considering the deployment, specific occasions, for or implementation of security personnel or devices.
551.082	Considering discipline of a public school child, or complaint or charge against personnel.
551.0821	Considering personally identifiable information about public school student.
551.083	Considering the standards, guidelines, terms, or conditions the board will follow, or will instruct its representatives to follow, in consultation with representatives of employees groups,
551.084	Excluding witnesses from a hearing.

Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting.

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 or executive session, 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.

Superintendent

Original copy of this agenda was posted on the bulletin board at the Little Elm ISD Administration Building 72 hours prior to the scheduled meeting.

Sonia Badillo

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date 2-27-2017	Reports of the Superintendent ☐	Action Item ☒	Consent Agenda ☐	Reports, Routine Monthly ☐	Other ☐
Subject:	REGULAR BOARD MEETING MINUTES - 1-23-2017				
Presenter or Contact Person:	Sonia F. Badillo, Superintendent Secretary.				
Policy/Code:	N/A				
Summary:	Board Meeting Minutes for January 23, 2017.				
Financial Implications:	There is no financial impact to the budget.				
Attachments:	Meeting Minutes				
Recommendation:	The Administration recommends the approval of the Regular Board Meeting Minutes for January 23, 2017.				
Motion:	I move that the Board approve the attached Regular Board Meeting Minutes for January 23, 2017.				

Minutes of Regular Meeting

The Board of Trustees Little Elm ISD

A Regular Meeting of the Board of Trustees of Little Elm ISD was held Monday, January 23, 2017, beginning at 6:30 PM in the Zellars Center for Learning and Leadership.

1. Call to Order Open Session in the Board Room at Zellars Center for Learning and Leadership on 300 Lobo Lane, Little Elm, Texas 75068. Board President Melissa Myers called the meeting to order at 6:30 pm.
2. Pledge of Allegiance
The Board led those present to the Pledge of the United States Flag and the Texas Flag.
Board President Melissa Myers asked the audience for a moment of silence to honor Detective Jerry Walker.
3. Invocation
Pastor Zach Miller offered the invocation.
4. Introduction and Roll Call
Ms. Sonia F. Badillo took roll call.
5. Citizen Input
There was no citizen input.
6. Approval of Minutes
 - A. Discuss and approve Regular Meeting Minutes - 12-12-2016
Trustee LeAnna Harding made the first motion to approve the regular meeting minutes as submitted. Trustee Jason Olson seconded the motion. The motion passed (7-0).
7. Superintendent Spotlight
 - A. Board Appreciation
Dr. Lowell H. Strike offered his thanks and appreciation to Board Members.
 - B. Year in Review
Ms. Cecelia Jones shared with the Board a video which showed what LEISD has accomplished this past year.
 - C. Hackberry Elementary
Mr. Tom Swartz presented to the Board Mr. Manuel Castillo. Mr. Castillo introduced to the Board students Chloe Carpenter, Mariam Jalloh, and Alexabia Paz. Mr. Castillo along with these students shared a presentation about coding. The presentation included the following:
 - Why do we code?
 - Coding: Hobby or Career?

- It all started when.....
- The students demonstrated to the Board how to code.
- D. Little Elm High School Student of the Month
This agenda item was tabled for next month.
- E. Little Elm High School HOSA Presentation
This item was cancelled.
- F. Introduction of the Little Elm ISD Foundation Board Members
Ms. Pat Robinson presented to the Board the Little Elm ISD Foundation Board Members and spoke about the importance of this foundation and their goal.
- 8. Reports of the Superintendent
 - A. Family Support Services
Ms. Yamile Quintero shared with the Board a few of the things she does to help our students and community. Some of those things are:
Supporting Our Families
 - Parent Education Program
 - 2014-2015 Parent Ed. Evaluation
 - 2015-2016 Parent Ed. Evaluation
 - Parenting Sessions / Fall 2016
 - Parenting Sessions / Winter-Spring 2017
 - Homeless Liaison
 - Supporting Roles
 - Angel Tree
 - B. Community Recognitions
Ms. Yamile Quintero and Ms. Pat Robins gave recognition to three entities for their contribution to Angel Tree. These entities were Crossway United Methodist Church, Crossing Church, and Balfour Beatty Construction.
 - C. myON Winter reading Challenge
Dr. Cyndy A. Mika presented to the Board the winners of the winter challenge. Over the winter break our Lobos read 1921.52 hours. The students who won the challenge are:
Grades 3-5
1st place: Osahon Adonri, Hackberry, 5th grade - 161.92 Hours
2nd Place: Iyonawan Adonri, Hackberry, 3rd grade - 94.57 Hours
3rd Place: Gabriela Wiley, Oak Point, 3rd grade - 67.81 Hours
Grades 6-8
1st place: Anisten Clack, LMS, 8th grade - 39.68 hours
2nd place: Heavin Holguin, LMS, 8th grade - 37.27 hours
3rd Place: Rashad Harris, LMS, 7th grade - 18.22 hours
 - D. 3rd Quarter 2016 Growth Report
Mr. Rod Reeves shared with the Board the 3rd Quarter 2016 Growth Report. The report included the following:
Little Elm ISD
 - Economic Conditions – DFW MSA
 - LEISD Home Sales

- Little Elm Home Sales
- DFW New Home Ranking Report
- New Housing Activity Annual Closing Distribution 3Q16
- Vacant Developed Lots 3Q16
- Future Lots 3Q16
- Active Subdivisions
- Multi Family Activity
- Ten Year Forecast
- Summary

E. Legislative Preview by Representative Pat Fallon

Representative Pat Fallon approached the Board and shared some information on the following:

- Detective Jerry Walker
- Budget
- Bills
- Pediatric Cancer Research Fundraiser
- Presented a Resolution to LEISD Board of Trustees

9. The Board recessed into Closed Meeting in PL1 as permitted by the Texas Open Meetings Act Code Subchapter 551.074 and 551.072 at 7:56 pm. The Board and Superintendent discussed:

A. Personnel

B. Land

The Board reconvened at 8:39 pm.

10. Action Items

A. Discuss and approve the Adjustment to 2016-17 School Calendar

Dr. Cyndy A. Mika shared with the Board the 2016-17 School Calendar. The Administration requested a change in the 2016-17 school calendar which will allow for a professional learning day for teachers.

Trustee Jason Olson made the first option to approve the adjustment to 2016-17 school calendar as submitted. Trustee Dan Blackwood seconded the motion. The motion passed (7-0).

B. Discuss and approve HB 2804 Update

Dr. Cyndy A. Mika briefed the Board in regards to HB 2804 Update. This information included the following:

HB 2804 Update

- A-F Ratings
- Domain I: Student Performance
- Domain I: Student Achievement
- Illustrating Domain I
- Domain II – Student Progress
- Domain III - Closing Performance Gaps
- Domain III Equation
- Domain IV Postsecondary Readiness
- 2015-2016 A-F Ratings

- What do we do?

This item was for discussion only.

C. Discuss and approve the Financial Reports

Mr. Grant Anderson shared with the Board the Financial Reports. The report included the following:

January 23, 2017 Financial Report

- Notes to financials and currently activity
- Fund Balance Analysis
- 2016-17 General Fund Budget Recap
- General Fund
- Summer/Fall 2016 Projects
- Financials in board packet

Trustee Jason Olson made the first motion to approve the Financial Reports as submitted. Board Vice President David Montemayor seconded the motion. The motion passed (7-0).

D. Discuss and approve the Resolution to form a Long-Range Facilities Planning Committee

Mr. Grant Anderson shared with the Board the Resolution to form a Long-Range Facilities Planning Committee. This committee authorizes the District to create a Long-Range Facilities Planning Committee to make future facilities recommendations to the Board of Trustees.

Board Vice President David Montemayor made the first motion to approve the Resolution to form a Long-Range Facilities Planning Committee as submitted. Trustee Dan Blackwood seconded the motion. The motion passed (7-0).

11. Consent Agenda

A. Discuss and approve the Resolution Ordering Trustee Election

B. Discuss and approve the Annual Report 15-16

C. Discuss and approve Extension of Deadline to Complete Extra Duty Supplemental Assignments

D. Discuss and approve Maximum Class Size Exemption - Class Size Waivers

E. Discuss and approve the Personnel Memo

F. Discuss and approve Waiver for HB 2610

G. Discuss and approve Gifts and Donations

H. Discuss and approve the Tax Property Resale

I. Discuss and approve the Emergency Siren Easement at Little Elm Athletic Complex

This item was pulled from Consent Agenda

Mr. Rod Reeves briefed the Board in regards to the Emergency Siren Easement at Little Elm Athletic Complex. The Town of Little Elm is requesting a 25'x25' – 0.014 Acre (625 S.F.) Warning Siren Easement located at the Little Elm Athletic Complex. This siren will provide warning for hazardous weather conditions, fires, floods, chemical spills and other types of emergencies.

Trustee Jason Olson made the first motion to approve the Emergency Siren Easement at Little Elm Athletic Complex as submitted. Trustee LeAnna Harding seconded the motion. The motion passed (6-0-1). Trustee DeLeon English was not present for this motion.

Board Secretary Alejandro Flores made the first motion to approve the consent agenda as submitted. Trustee LeAnna Harding seconded the motion. The motion passed (7-0).

12. Board President Comments

Board President Melissa Myers commented on the following:

- Commended Mr. and Mrs. Miller on how well they handled the tragic event on 1/17/2017 along with LEPD
- Has received nothing but positive emails and calls following this event
- Excellent job getting communication out
- Board Operating Procedures
- Board Retreat (March or April)

13. Board Comments

- Trustee DeLeon English mentioned how pleased with the District's operating procedures and communications
- Trustee Dan Blackwood congratulated the basketball teams
- Trustee Dan Blackwood congratulate the academic decathlon for placing third over all
- Trustee Dan Blackwood thanked the Education Foundation for their hard work
- Trustee Dan Blackwood thanked those present for the gifts
- Board Secretary Alex Flores gave thanks for the wonderful baskets
- Trustee David Montemayor gave thanks for all the gifts
- Trustee David Montemayor admires how the community gets together on tragic events. It is very touching
- Trustee David Montemayor gave thanks for the support of his father passing
- Trustee LeAnna Harding gave thanks for the gifts
- Trustee LeAnna Harding congratulated DECA
- Trustee LeAnna Harding commented on the great job teachers did last week during the tragic event
- Trustee Jason Olson gave thanks for the gifts
- Trustee Jason Olson commented about the gifted and talented showcases
- Trustee Jason Olson commented about LMS basketball
- Trustee Jason Olson gave thanks to staff for everything they do
- Trustee Jason Olson commented about Chart your Course

14. Superintendent Comments

- Thank you to the Board for all you do
- Last week's tragic event
- Students were fantastic during the situation
- Bus driver #22 who was trapped and couldn't get out
- Communications piece
- Positive emails

- Debriefed
- Coach Rusty Segler 600th victory
- TASA Midwinter Conference
- HR Department received a new designation
- Chavez Elementary breakfast appreciation

15. Adjournment

Trustee LeAnna Harding made the first motion to approve the adjournment of the meeting. Trustee DeLeon English seconded the motion. The motion passed (7-0). The meeting adjourned at 9:53 pm.

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date 02-27-2017	Reports of the Superintendent ☒	Action Item ☐	Consent Agenda ☐	Reports, Routine Monthly ☐	Other ☐
Subject:	UPDATE ON TRANSPORTATION FACILITY				
Presenter or Contact Person:	Rod Reeves, Executive Director for Operational Services				
Policy/Code:	N/A				
Summary:	Staff will provide an update to the Board of Trustees on the status of Little Elm ISD Transportation Facility.				
Financial Implications:	The total project cost for the Transportation Facility is four (6) million dollars.				
Attachments:	Under Separate Cover				
Recommendation:	Item is for informational purposes only. No recommendation is necessary.				
Motion:	Item is for informational purposes only. No motion is necessary.				

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date 02-27-2017	Reports of the Superintendent ☐	Action Item ☒	Consent Agenda ☐	Reports, Routine Monthly ☐	Other ☐
Subject:	DISTRICT OF INNOVATION PLAN				
Presenter or Contact Person:	Daniel Gallagher, Assistant Superintendent for Educational Services				
Policy/Code:	EB (LOCAL); DBA (LOCAL); DCB (LOCAL)				
Summary:	Little Elm Independent School District has followed the process required by House Bill 1842 (HB 1842), enacted by the 84th Texas Legislature and codified in the Texas Education Code Chapter (TEC) 12A, for the Board of Trustees to consider designating the District as a District of Innovation. On December 12, 2016, the Board unanimously adopted a resolution for the District to initiate the process of designation as a District of Innovation as required by TEC 12A.001. On December 12, 2016, the Board held a public hearing to consider whether the District should develop a Local Innovation Plan and also approved creation of a District Advisory Committee to develop a Local Innovation Plan as required by TEC 12A.002. The membership of the District Advisory Committee was approved by the Board on December 12, 2016, as required by TEC 12A.002. The District Advisory Committee developed the Local Innovation Plan which was posted for a 30-day comment period on January 19, 2017 as required by TEC 12A.002 and TEC 12A.005. On January 19, 2016, the District Advisory Committee held a public meeting to consider and vote on the Local Innovation Plan as required by TEC 12A.005; the voting members of the District Advisory Committee approved the plan. To be implemented, the Board of Trustees must approve the Local Innovation Plan by an affirmative vote of two-thirds of the membership of the Board as required by TEC 12A.005 at a public meeting conducted in compliance with the Texas Open Meetings Act. The Board may not amend the Local Innovation Plan. They must vote on the plan as submitted by the District				

	Advisory Committee. The District’s proposed Local Innovation Plan, attached, opts out of the following sections for the Texas Education Code: §21.003 Certification Required §25.0811 First Day of Instruction §25.0812 Last Day of School §21.002 Teacher Contracts
Financial Implications:	There is no financial impact to the budget.
Attachments:	District of Innovation Plan
Recommendation:	The Administration recommends approval of the proposed Local Innovation Plan as submitted by the District Advisory Committee.
Motion:	“I move that the Little Elm Independent School District adopt the Local Innovation Plan as submitted by the District Advisory Committee.”

Little Elm ISD

District of Innovation



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Definition

A District of Innovation is a concept passed by the 84th Legislative Session in House Bill 1842, effective immediately, that **gives traditional independent school districts most of the flexibilities available to Texas' open enrollment charter schools.** To access these flexibilities, a school district must adopt an innovation plan, as set forth in the Texas Education Code chapter 12A.

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Process

- Board resolution (December 12, 2016)
- Public hearing (December 12, 2016)
- Board appointed committee (December 12, 2016)
- District Advisory Committee initial planning meeting to examine potential exemptions (January 11, 2017)
- District Advisory Committee public meeting (January 19, 2017)
- Plan was posted for 30 days (January 20th, 2017)
- School Board may approve plan (February 27, 2017)
- Upon Board approval, a letter will be sent to TEA Commissioner designating Little Elm ISD as a District of Innovation
- Plan in effect for 5 years

Proposed Exemptions for LEISD

- Teacher Certification (CTE Only)
- Uniform Start Date (Calendar Flexibility)
- Teacher Contracts (Flexibility from Required 187 Days w/o impacting pay)

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Benefits to Eliminating Certification for Career Tech course

- Easier transition from industry to teaching.
- Could hire a certified industry professional to teach a specialized certification course without hiring them full time.
- Wider selection of candidates to pick from.

Other Considerations for Certification Exemption

- Eliminating certification requirement will only apply to CTE courses.
- Background checks and fingerprinting is done for all LEISD employees.
- Teachers who do not get certified still have to take district required professional learning.

Uniform Start Date

(Calendar Flexibility)

- Current law prohibits school districts from starting school before the fourth Monday in August.
- Texas Education Code no longer defines 180 days of instruction as an acceptable school year. Instead, the requirement has been changed to at least 75,600 minutes of instruction, with one day defined as 420 minutes.

Uniform Start Date

(Calendar Flexibility)

- Ensure balanced semesters – end prior to holiday break
- Balance of the TEKS/Scope and Sequence for first semester
- Align calendar with colleges, AP and STAAR/EOC timelines
- Start before the 4th Monday of August and finish the school year earlier.

Teacher Contracts

(Flexibility from Required 187 Days)

- Opportunity to reduce required contract days without reducing pay
- Bring number of teacher days closer to number of student minutes (no more student days – yearly instructional minutes)

Possible Exemptions for LEISD

- Teacher Certification (CTE Only)
- Uniform Start Date (Calendar Flexibility)
- Teacher Contracts (Flexibility from Required 187 Days w/o impacting pay)

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Little Elm ISD

District of Innovation Site



- ~~48~~ 91 districts are listed as DOIs on TEA's site with many more beginning the process.



February 28, 2017

Commissioner Mike Morath
Texas Education Agency
1701 N. Congress Avenue
Austin, TX 78701

Dear Commissioner Morath,

The Little Elm Independent School District has followed the process as required by House Bill 1842 (HB 1842), enacted by the 84th Texas Legislature and codified on the Texas Education Code (TEC) Chapter 12A, for the Board of Trustees to consider designating the Little Elm Independent School District as a District of Innovation. On December 12, 2016, the Board unanimously adopted a resolution for the District to initiate the process of designation as a District of Innovation as required by TEC 12A.001. On December 12, 2016, the Board held a public hearing to consider whether the District should develop a Local Innovation Plan as required by TEC 12A.002. The membership of the District Advisory Committee was approved by the Board on December 12, 2016, as required by TEC 12A.002. The District Advisory Committee developed the Local Innovation Plan which was posted for a 30 period on January 20, 2017.

On January 19, 2017, the District Advisory Committee held a public meeting to consider and vote on the Local Innovation Plan as required by TEC 12A.005. A majority of the voting members of the District Advisory Committee approved the plan and the Board voted on the Local Plan on February 27, 2017 at a public meeting conducted in compliance with the Texas Open Meetings Act. The plan was adopted by an affirmative vote of two-thirds of the membership of the Board as required by TEC 12A.005.

The District's Local Innovation Plan opts out of the following sections of the Texas Education Code:

- Certification Requirements - TEC Section 21.003
- First and Last day of Instruction - TEC Section(s) 25.0811 & 25.0812
- Teacher Contracts - TEC Section 21.002

Sincerely,

Melissa Myers
Board President

Little Elm ISD
300 Lobo Lane
Little Elm, TX 75068



District of Innovation Plan

January 2017

District of Innovation/District Education Improvement Council Members:

Name	Role
Susan Cashman	Teacher
Sara Moore	Teacher
Vern Schutter	Paraprofessional
Jennifer Reynolds	Parent
Crystal Dooling	Parent
Rebecca Lewis	Teacher
Katie Weir	Teacher
Amy Bee	Paraprofessional
Jim Whipple	Teacher
Stoney Myers	Teacher
Laura Colon	Teacher
Karla Figueroa	Paraprofessional
Kimberley Miller	Parent
Irene Bagby	Parent
Kim Crawford	Teacher
Brook Barrett	Teacher
Mindy Hernandez	Paraprofessional
Wendy Argentine	Parent
Stacy Perry	Parent
Luis Mosso	Teacher
Paisley Conrad	Teacher
Christy Vanderhoff	Paraprofessional
Janet Worley	Parent
Lynnzi Crow	Parent
Jackson Hulett	Teacher
Stephen Boie	Teacher
Tiffany Duckworth	Paraprofessional
Alicia Matthews	Parent
Staci Horvath	Parent
Marnie Richardson	Teacher
Jamie Keegan	Paraprofessional
Paula Schneyer	Parent



Trista Perot	parent
Leigh Dailey	Teacher
Lacoya Bagley	Teacher
Micah Anderson	Paraprofessional
Jennifer Montgomery	parent
Stacy Brooks	parent
Mary Philip	teacher
Nigel Smith	teacher
Cathleen Philpott	Paraprofessional
Sarona Winfrey	Parent
Vince Kleszcz	Community Member
Jason Laumer	Community Member
Lori Krouskos	Community Member
Georgette Hay	Community Member
Pia Foster	Community Member
Daniel Gallagher	Assistant Superintendent (Non-Voting)
Dr. Ashley Glover	Director for C&L Services (Non-Voting)



I. INTRODUCTION

House Bill (HB) 1842, passed during the 84th Legislative Session, permits Texas public school districts to become Districts of Innovation and to obtain exemption from certain provisions of the Texas Education Code. On December 12, 2016, the Little Elm Independent School District's Board of Trustees passed a Resolution to adopt a District of Innovation Plan to increase local control over District operations and to support innovation and local initiatives. The adoption of this plan seeks to increase the District's flexibility in order to improve educational outcomes for the benefit of students and our community.

On December 12, 2016, the Board appointed a District of Innovation District Advisory Committee comprised of a diverse group of stakeholders representing LEISD. The Committee met on January 11, 2017, and on January 19, 2017 to discuss and vote on the Local Innovation Plan.

II. TERM

The term of the Plan is for five years, beginning July 1, 2017 and ending June 30, 2022, unless terminated or amended earlier by the Board of Trustees in accordance with the law. If, within the term of this Plan, other areas of operations are to be considered for flexibility as part of HB 1842, the Board will nominate a committee to consider and propose additional exemptions in the form of an amendment. Any amendment adopted by the Board will adhere to the same term as the original plan. The District may not implement two separate plans at any one time.

III. INNOVATIONS

The District proposes flexibility in the following areas:

A. Certification Required (TEC 21.003) (DBA LEGAL) (DBA LOCAL)

TEC 21.003 states that "a person may not be employed as a teacher, teacher intern or teacher trainee, librarian, educational aide, administrator, educational diagnostician, or school counselor by a school district unless the person holds an appropriate certificate or permit issued as provided by Subchapter B." The current certification requirements impede the District's ability to hire professionals with industry experience to teach Career and Technical Education (CTE Courses). In order to provide more students the opportunity to take such courses and obtain professional certifications, the District seeks to establish its own local qualification requirements for such courses in lieu of the requirements set forth in law.



Flexibility to establish its own teacher certification requirements affords the District the following advantages:

- Industry certified and/or trade professionals to teach specialized certification courses.
- Greater number of CATE course offerings resulting in more opportunities for students.
- Realistic requirements for professionals transitioning from industry to teaching.
- Ability to employ part-time professionals to teach specialty courses.

B. Uniform School Calendar (TEC 25.0811) (TEC 25.0812) (EB LEGAL) (EB LOCAL)

Texas Education Code Section 25.0811 states that a school district may not begin instruction before the fourth Monday in August. Texas Education Code Section 25.0812 states that a school district may not schedule the last day of school before May 15. Local control of the instructional calendar affords the District the following advantages:

- Ability to ensure balanced semesters for instructional purposes while ending the first semester prior to the holiday break.
- Alignment of calendar with local colleges and universities, Advanced Placement Exams, and STAAR/EOC timelines.
- Ensure hour/seat time requirements are met for Certification courses.

C. Teacher Contracts (TEC 21.002) (DCB LOCAL) (DCB LEGAL) Texas Education Code Section 21.002 states that an educator employed under a 10-month contract must provide a minimum of 187 days of service.

- This proposal will provide flexibility in aligning teacher contract days with the required 75,600 minutes of instruction for students without reducing pay.

IV. IMPLEMENTATION

This Innovation Plan is designed to create parameters within which the District will operate, in order to provide additional student opportunities. Specific implementation plans will be developed by the appropriate campuses and departments. Adjustments to Board Policy will be researched and adopted where appropriate.

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
02-27-2017	☐	☒	☐	☐	☐
Subject:	The LiiNK Project				
Presenter or Contact Person:	Daniel Gallagher, Assistant Superintendent for Educational Services				
Policy/Code:	N/A				
Summary:	Students in the United States have achieved progressively lower scores in reading, math, and science for the past 20 years, and the country presently muddles along in the middle of the pack on global assessments. There is strong research showing children who engage in more physical activity and play and in less academic content daily will do better academically than children who are sedentary, less creative and active, and pressured with more academic content daily. We believe through our participation in this program our children will experience better health in terms of less obesity, type II diabetes, increased energy, and overall higher expectations of social responsibility with an emphasis on ethical behavior. This additional time to be playful and creative will allow our students to learn more effectively when in the classroom (although they will be challenged in Little Elm ISD with ever-increasing levels of rigorous content). This will create more passion in students to learn and less burnout as a result of too much time sitting in class without free play. The project's protocol also includes a character education component. The LiiNK Project is currently being implemented at Oak Point, Hackberry, and Chavez in grades K-1. We are adding grade 2 during the 2017-2018 school year and will be adding a grade level each subsequent year. Our goal is to expand LiiNK to Brent, Lakeview, and Prestwick in grades K-1 for the 2017-2018 school year and add a grade level each subsequent year. All participating teachers will continue to receive training from Dr. Debbie Rhea, TCU Professor and Associate Dean of Research in Harris College of Nursing and Health Sciences and the Founder and Director of the LiiNK Project.				

Financial Implications:	Year 1: \$34,614 each new LiiNK campus (\$103,842) Year 2: \$30,712 each new LiiNK campus (\$92,138) Year 3: \$30,712 each new LiiNK campus (\$92,138)
Attachments:	LiiNK MOU 3 Year Agreement
Recommendation:	The Administration recommends approval of the agreement between Little Elm ISD and TCU's LiiNK Project.
Motion:	"I move that the Board approve the agreement between Little Elm Independent School District and TCU's LiiNK Project."

**Memorandum of Understanding Between
Texas Christian University – LiiNK Project and Little Elm Independent School District**

Recitals

WHEREAS, Texas Christian University—Let’s Inspire Innovation ‘N Kids (“TCU-LiiNK”) and Little Elm Independent School District (“the ISD”) wish to formalize an educational cooperative relationship highlighted by history, proximity, and a shared vision of “learning to change the world;” and

WHEREAS, this cooperative relationship could prove to be a national model of academic collaboration and provide a powerful means for enhancing student achievement and cultivating a college attendance mindset; and

WHEREAS, the long, robust heritage established by these two institutions reflects the commitment of dedicated educators to preparing the whole student for life as a successful global citizen; and

WHEREAS, for decades, TCU-LiiNK and the ISD have been about “Connecting Neighbors” and fostering a supportive learning community; and

WHEREAS, in more recent times this alliance has strengthened and it aspires to help eliminate the achievement gap, enhance creativity and problem solving skills and improve school connectedness; and

WHEREAS, the potential results are many, among them curriculum enrichment, joint cultural projects, shared research and applied learning.

NOW THEREFORE, TCU-LiiNK and the ISD enter into and agree to the following terms and conditions.

I. Responsibilities of the ISD:

- 1.1 The ISD has six elementary schools of which three are already involved in the LiiNK Project. The ISD will select the last three (3) elementary schools to participate in the intervention. The specific schools are identified in “Appendix A” of this document and will be considered LiiNK program schools.
- 1.2 The ISD will not have any matching control schools for the three schools picked in 1.1 section.
- 1.3 The ISD will provide TCU-LiiNK with aggregate data for the intervention such as attendance, discipline, disabilities, height, weight, medications.
- 1.4 The ISD current Superintendent and current Assistant Superintendent For Educational Services are committed to the full scope of the research project proposed by TCU-LiiNK. Changes in specific personnel will not alter participation of the three (3) schools that are part of this agreement. If either individual leaves the district during the TCU-LiiNK Project time period, such personnel changes shall not cancel the binding agreement between TCU-LiiNK and the ISD, and the successor appointees will assume the role and duties outlined in this agreement.
- 1.5 The ISD principals of each intervention elementary school are committed for a three-year period of the TCU-LiiNK Project (see the K-1 group through to the end of the third grade with the results of the first STARR assessment). If any of these individuals leaves the district during the TCU-LiiNK Project time period, such personnel changes shall not cancel the binding agreement between TCU-LiiNK and the ISD, and the successor appointees or other appropriate administrative staff will assume the role and duties outlined in this agreement. .
- 1.6 The ISD will appoint a committee of representatives to work collaboratively with TCU-LiiNK

Project Team during the agreement period. The chair of the ISD committee will be the Superintendent at the time period. In addition, the ISD will appoint up to five other personnel of the ISD to the committee.

- 1.7 The ISD will pay a \$25,000.00 LiiNK fee per year for each intervention school listed in Appendix A to train ISD intervention personnel and maintain the fidelity of the LiiNK program. (see Appendix C for LiiNK fee and other funding requirements). Year 1 ISD will pay \$37,500 due May 1, 2017 and the remaining \$37,500 due no later than October 1, 2017 which encompasses the grand total for all three schools. Years 2 and 3 LiiNK fee full payment will be due by May 1 for each of the remaining two years.
- 1.8 The ISD will additionally purchase, no later than March 1 of each of the effective years, the Positive Action curriculum for each classroom teacher per grade level engaged in the intervention (K & 1 2017; grade 2 2018; grade 3 2019). The ISD will also pay for all substitute teachers required for three full day trainings each spring 2017-2020, pay for any ancillary materials needed for each classroom teacher such as prop boxes and moveable playground pieces (see Appendix C for breakdown of funds) and supply the facilities for the different intervention school trainings. The ISD will also schedule any necessary meetings or trainings to facilitate the completion of this agreement at no cost to TCU-LiiNK.

II. Responsibilities of the TCU-LiiNK Project:

- 2.1 TCU LiiNK, contingent on continued funding, will implement its TCU-LiiNK Project at the schools identified in “Appendix A” of this MOU beginning February 2017 and continuing through July 31, 2020, unless terminated earlier by means and methods set forth in this document. Implementation will include: training teachers, administrators, and staff on how to implement increased recess and Positive Action curriculum; establishing four 15 minute recesses daily and the Positive Action curriculum (15 minutes four times per week); and training someone to observe and record outcomes associated with the project. “Appendix B,” which may be amended, provides an anticipated timeline for the project.
- 2.2 TCU-LiiNK will provide trainers, and other support staff as necessary to analyze and assess data from the three schools identified in Appendix A. TCU-LiiNK will also provide other incidentals as necessary for the success of the project.
- 2.3 TCU-LiiNK will develop and make available support materials and the Positive Action curriculum package for the observation/assessment team to collect data.
- 2.4 TCU-LiiNK will appoint a committee to serve as its Management Team. Dr. Debbie Rhea, Professor, Kinesiology Department in Harris College of Nursing & Health Sciences and Director of the TCU-LiiNK Project will serve as the management team chair. In addition, the TCU-LiiNK Project Coordinator, the TCU-LiiNK Project Manager, and two faculty members, one from the College of Education and one from the Harris College of Nursing and Health Sciences will be appointed.
- 2.5 TCU-LiiNK will develop, maintain and manage a TCU-LiiNK Website that will promote the agreements and programs associated with this project. There will be no cost to any participating ISD related to the website.
- 2.6 TCU-LiiNK will provide periodic reports to the ISD, community interest groups and TCU-LiiNK key constituents, at no cost to any group except the TCU-LiiNK Project. Such reports will include assessments and benchmarks related to the outcomes of the programs implemented at the Intervention Schools.
- 2.7 TCU-LiiNK will continue to apply to external funding agencies, both private and governmental, for long-term funding to support the project.

III. Faculty, Staff and Student Involvement in TCU-LiiNK

- 3.1 Research opportunities for TCU-LiiNK undergraduate and graduate students interested in this project may be explored and established between the parties with the approval of both team committees.
- 3.2 Faculty, staff or students from either institution may participate in the partnership by contacting the committee chair at that person's respective site (TCU-LiiNK or the ISD) and being approved. Participation may include contributing to an existing initiative or proposing a new, clearly related initiative.
- 3.3 The institution approving additional personnel will attest to the credentials of the individual and that the individual has passed a criminal background check. Furthermore, if the individuals are to be directly interacting with children, said individuals shall be properly trained in accordance with the rules and regulations, in effect at that time, of the school district.

IV. Term and Termination.

- 4.1 This MOU shall be for an initial term, beginning February, 2017 and ending July 31, 2020. The term may be extended for additional one-year up to three year periods by written agreement between the parties sixty days (60) prior to expiration, provided funding continues to be sufficient.
- 4.2 Either party may notify the other party by (60) days prior notice of intent to terminate this agreement at the conclusion of any given year if in that party's assessment, the program is not achieving its goals as outlined in this agreement. Prior to actual termination, both parties will work to see if modifications to the structure of the personnel will resolve the issues and result in the renewal of the agreement. If satisfactory adjustments do not resolve the issues, this agreement will terminate as so stipulated.
- 4.3 Notwithstanding anything to the contrary, either party may terminate this agreement for breach of responsibilities if such breach is not cured within ten (10) days' notice to the breaching party.
- 4.4 This MOU may be terminated immediately with written notice for financial difficulty resulting from lack of funding or for termination of the TCU-LiiNK project.

V. Trade/Service Marks, Use of Name and other Promotional Arrangements.

- 5.1 Neither party shall use the other's name or any corporate or business name which is reasonably likely to suggest that the two parties are related, without first obtaining the prior written consent of the other party. For purposes of TCU-LiiNK's written consent, TCU's Vice Chancellor for Marketing and Communications, or her designee, is the only individual authorized to provide this consent, written or otherwise.
- 5.2 The ISD shall have no right to publish, re-publish, adapt, exploit, exhibit, perform, reproduce, edit, modify, make derivative works, distribute, display or otherwise use or re-use the name, image, voice and/or likeness of any TCU student-athlete, student, employee, officer, director, trustee or agent, in connection with any product or service provided or developed under this MOU in all markets, media or technology now known or hereafter developed in perpetuity throughout the universe including advertising, promoting and merchandising a product or service without the prior written consent of TCU's Vice Chancellor for Marketing and Communications, which may be withheld in TCU's sole

discretion.

- 5.3 Specifically, any promotional brochures or printed materials which the ISD proposes to distribute as descriptive leave-behind pieces must be vetted and approved in writing by TCU's Vice Chancellor for Marketing and Communications prior to printing and/or distribution.
- 5.4 Further, a wordmark or service mark may be created to signify the collaborative arrangement between the ISD and TCU-LiiNK, but the final mark must be vetted and approved in writing by TCU's Vice Chancellor for Marketing and Communications prior to use.

VI. Intellectual Property Rights

The ISD will have no rights by reason of this MOU in any intellectual property whatsoever, whether or not patentable or copyrightable, generated wholly or in part as a result of TCU-LiiNK's services under this MOU. The ISD agrees to release all rights to design to TCU-LiiNK and grants and assigns all rights in any work product developed under this MOU to TCU-LiiNK in all forms and media in all languages throughout the world, including but without limitation all statutory and common-law copyrights therein and the exclusive right to print, publish, sell and otherwise exploit the work and to authorize others to do so.

VII. Laws, Rules and Regulations; Non-Discrimination

7.1 TCU and the ISD respectively agree to comply with all Applicable Laws and rules and regulations which are now or may become applicable. As used herein "Applicable Laws" means all laws, statutes, ordinances, regulations, guidelines or requirements now in force or hereafter enacted by any applicable Governmental Authority including, if and as applicable (1) the United States Occupational Safety and Health Administration requirements and similar Texas requirements, (2) the Americans with Disabilities Act requirements and "ADA" requirements applicable in Texas, (3) requirements of the Fair Labor Standards Act and applicable Texas wage and hour laws, (4) requirements under Title VII of the Civil Rights Act of 1964, as amended, (5) the Age Discrimination in Employment Act requirements, and (6) applicable building codes and zoning requirements of the City of Fort Worth. As an AA/EEO employer, TCU recruits, hires, and promotes qualified persons in all job classifications without regard to age, race, color, religion, sex, sexual orientation, gender, gender identity, gender expression, national origin, ethnic origin, disability, genetic information, protected veteran status, or any other basis protected by law. Further, TCU requires its contractors and its subcontractors to abide by, and the ISD certifies that it will comply with any local, state or federal laws prohibiting discrimination on the basis of age, race, color, religion, sex, sexual orientation, gender, gender identity, gender expression, national origin, ethnic origin, disability, genetic information, protected veteran status, or any other basis protected by law. If either party is required to pay any fine or penalty resulting from the other party's failure to comply with such laws, rules or regulations, the party failing to comply shall immediately reimburse the other for any such payment.

7.2 TCU-LiiNK and the ISD agree that all records governed by the Family Educational Rights and Privacy Act (FERPA) regulations shall be treated as confidential and secured in a locked receptacle.

VIII. Independent Contractor.

TCU-LiiNK agrees to perform and discharge all obligations hereunder as an independent TCU-LiiNK and not as an employee or partner of the ISD. Accordingly, TCU-LiiNK is solely responsible for payment of all federal and state income compensation insurance, state employment insurance, taxes or contributions, liability insurance, and any union claims for welfare payments.

IX. Miscellaneous.

- 9.1 **Entire MOU.** This MOU constitutes the sole understanding of the Parties with respect to its subject matter. It supersedes any prior oral or written contracts, understandings or communications between the Parties. It may not be modified except in writing signed by the Parties.
- 9.2 **No Assignment.** Neither Party may assign this MOU without the other Party's prior written consent, which may be withheld for any reason.
- 9.3 **Notices.** All notices and other communications required or permitted under this MOU must be in writing and must be sent to the Party's representative's electronic mail address and the Party's mailing address set forth below.
- | | |
|--------------------------------|--|
| Texas Christian University | Little Elm Independent School District |
| Megan Soyer, Assistant Provost | Lowell H. Strike, PhD., Superintendent |
| TCU Box 297040 | 300 Lobo Lane |
| Fort Worth, TX 76129 | Little Elm, TX 75068 |
| Phone (817)257-7101 | Phone (972)947-3535 |
| FAX (817) 257-7503 | FAX (972)947-3967 |
- 9.4 **Severability.** If any part of this MOU is for any reason held to be unenforceable, the rest of it remains fully enforceable.
- 9.5 **Counterparts.** This MOU may be signed in counterparts, each of which is considered an original, but all of which constitute one and the same instrument.
- 9.6 **Applicable Law.** Any dispute between the parties that results from this MOU shall be governed by the laws of the State of Texas. Any action brought to enforce any provision of this MOU or arising out of this MOU and/or its performance or nonperformance shall be brought only in the Federal and State courts located in Tarrant County, Texas. By entering into this MOU, the ISD agrees not to challenge the jurisdiction or venue of the Texas Courts at any time or in any proceeding arising out of or related to this MOU or its enforcement.

Signature Page to Follow

IN WITNESS WHEREOF, the Parties have duly executed this MOU as of the ____ day of _____, 2017, the Effective Date.

Texas Christian University

By: _____
Megan Soyer
Assistant Provost

Date

By: _____
Susan Weeks, Dean
Harris College of Nursing & Health Sciences

Date

By: _____
Deborah Rhea, EdD
Professor and Director TCU-LiiNK Project/Center

Date

Little Elm Independent School District

By: _____
Lowell H. Strike, PhD
Superintendent

Date

APPENDIX A

Program Intervention Schools:

1. *Brent Elementary
2. *Lakeview Elementary
3. Prestwick K-8

The two asterick schools will continue to be control schools for the first set of intervention schools (Chavez, Hackberry, & Oak Point) through 2019 for Grades 2 & 3).

Appendix B

Timeline

February, 2017 through July 31, 2020 Training of teachers, administrators, & staff on assessments to be used, scheduling of recesses each year, and training in how to teach the Positive Action Curriculum as each year is added (i.e., first year is K & 1 grades, 2ND year adds grade 2 and so forth).

February, 2017 through July 31, 2020 Implementation of the TCU-LiiNK Project:

- Introducing a Positive Action curriculum (www.positiveaction.net) as part of the overall classroom content, including units on healthy minds and bodies (four, 15-minute lessons each week). Each teacher will be asked to complete weekly reports on the amount of time spent implementing character development lessons per week.
- Increasing the amount of time allotted during the school day for unstructured, outdoor play (four, 15-minute recesses throughout the day, totaling 60 minutes daily. Each teacher will be asked to submit weekly reports on the number of times per day per week that recess is completed.

Appendix C
LiiNK Program Training & Fidelity Evaluation Cost

LiiNK Program Training & Fidelity Evaluation Cost:

\$25,000 per school involved per year x 3 years (MOU is for three years at a time)

***We will train someone from your school district to do observations (school district assigned)

The extra responsibilities in the budget for the project are as follows:

Positive Action Curriculum

Grade K \$400 per kit – one per grade level teacher

Grade 1 \$380 per kit – one per grade level teacher

Grade 2 \$380 per kit - one per grade level teacher

Grade 3 \$380 per kit - one per grade level teacher

Example for 1st year – 5 grade K teachers x \$400 = \$2,000 + \$200 (shipping & handling @ 10%)=\$2,200

5 grade 1 teachers x \$380 = \$1,900 + \$190 (shipping & handling)=\$2,090

Future years – one grade level @ \$380 per teacher for that grade level x 10% shipping & handling (5 teachers = \$2,090)

Subs for teacher training x 3 days (plug in district sub rate per day)

Example for 1st year – 10 teachers x \$100 each = \$1,000 for one training = \$3,000 for the three days

Following years – one grade level for training instead of two (1/2 the cost of the first year each next year)

Total = PA (\$4,290) + subs (\$3,000) = \$7,290.00 year 1; years 2 – 5 = \$3,590 each year

Indoor prop boxes: Indoor unstructured recesses

\$60-75 per box x 10 1st year = \$600-\$750; \$300-\$450 2nd year on

Per school 1st year – (only if needed) – extra play equipment (moveable parts) – approx. \$250

Total Cost per school 1st year with grades K & 1 (approximately):

\$25,000 + \$7,290 + \$750 + \$250 = **\$33,290 (this price depends on the # of teachers per grade level per school)**

Total Cost per school 2nd year on: \$25,000 + \$3,590 + \$450 = **\$29,040**

3 Yr Proposal: 3 new schools in Little Elm ISD

This is approximate because I don't know the number of teachers per grade level per school. I'm using 5 teachers as the calculation for each grade level per new school.

Year 1: 3 new schools

\$33,290 x 3 = \$99,870.00

Year 2: same three schools

\$29,040 x 3 = \$87,120.00

Year 3: same three schools

\$29,040 x 3 = \$87,120.00

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 2-27-2017	☐	☒	☐	☐	☐
Subject:	TASB'S LEGAL UPDATE 106				
Presenter or Contact Person:	Ross Roberts, Assistant Superintendent for Student and Administrative Services				
Policy/Code:	BF (LOCAL)				
Summary:	TASB's Update 106 encompasses changes within local policies. Local policies included in Update 106 addresses topics including the requirements to install and operate video and audio equipment in certain special education classrooms, contains revisions to EHBAF (Legal), and clarification of definitions such as "parent", "staff member", and "trustee".				
Financial Implications:	There is no financial impact to the budget.				
Attachments:	Vantage Points-A Board Member's Guide to Update 106				
Recommendation:	The Administration recommends approval of Update 106 and all localized policies associated with this legal update.				
Motion:	I move the Board approve Update 106 and all localized policies associated with this legal update.				

Vantage Points

A Board Member's Guide to Update 106

Please note: *Vantage Points* is an executive summary, prepared specifically for board members, of the TASB Localized Update. The topic-by-topic outline and the thumbnail descriptions focus attention on key issues to assist local officials in understanding changes found in the policies. **The description of policy changes in *Vantage Points* is highly summarized and should not substitute for careful attention to the more detailed, district-specific Explanatory Notes and the policies within the localized update packet.**



This information is provided for educational purposes only to facilitate a general understanding of the law or other regulatory matter. This information is neither an exhaustive treatment on the subject nor is this intended to substitute for the advice of an attorney or other professional adviser. Consult with your attorney or professional adviser to apply these principles to specific fact situations.

We welcome your comments or suggestions for improving *Vantage Points*. Please write to us at TASB Policy Service, P.O. Box 400, Austin, TX 78767-0400, e-mail us at policy.service@tasb.org, or call us at 800-580-7529 or 512-467-0222.

For more information about Policy Service, visit our website at <http://policy.tasb.org>.

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Education Code 29.022 contains a requirement to install and operate video and audio equipment in certain special education classrooms or other special education settings on request of a parent, staff member, or trustee. As authorized in Section 29.022, the commissioner of education has recently adopted rules to assist in the implementation of this requirement. The rules, effective August 15, 2016, require a board to adopt written policy addressing certain items.

Update 106 contains revisions to EHBAF(LEGAL) to incorporate the recently adopted rules and a new recommended local policy at this code to comply with the local policy requirement.

Relevant definitions are included in the commissioner rules, including definitions of "parent," "staff member," and "trustee," as well as the classrooms and other settings subject to a request.

Because these recordings are solely for the promotion of student safety and regular or continual monitoring is prohibited, the rules highlight the limited circumstances by which a recording can be viewed or released for viewing. Among these limited circumstances is when an "incident" is alleged to have occurred, defined in the rule as an event or circumstance occurring in the classroom or setting that involves abuse or neglect as defined by the Texas Family Code.

EHBAF(LOCAL) POLICY RECOMMENDATION

This policy is recommended for inclusion in the district's policy manual to address the local policy elements required by the commissioner rules.

The rules require that local policy repeat several provisions of the law, such as statements that video surveillance is for the purpose of promoting student safety, that video recordings must be retained for at least six months, and that regular or continual monitoring of the video is prohibited. Procedures for requesting video surveillance, for responding to a request, for providing advance written notice to staff and the affected parents, and for reporting a complaint of an alleged incident must also be addressed in the local policy.

The recommended local policy clarifies the term "instructional day" as referenced in the commissioner rules, describes individuals who may have access to the equipment or recordings for operation and maintenance purposes, and requires that campuses post notice at the entrance of each self-contained classroom or setting in which video cameras are placed stating that such surveillance is conducted.

Details are also included on the importance of timely reports of alleged incidents and the principal's obligations once an incident report is filed.

In late August, Policy Service will publish additional sample forms in Update 52 to the *Regulations Resource Manual*, available to superintendents and policy contacts in the myTASB Policy Service Resource Library, to help district administrators implement this law. Until then, superintendents and policy contacts can also access the forms through the Video Cameras in Special Education Classrooms *Policy Alert*, also on myTASB.

Please note: Because the commissioner rules were effective August 15, 2016, districts in which the local policy adoption process calls for two readings of a proposed policy may wish to implement the process for emergency adoption with one reading. [See BF(LOCAL).]

More Information

For more information on these policy changes, refer to the policy-by-policy Explanatory Notes—customized for each district's policies—and the policies themselves, found in your district's localized update packet.

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 2-27-2017	☐	☒	☐	☐	☐

Subject: TASB'S LEGAL UPDATE 107

**Presenter or
Contact Person:** Ross Roberts, Assistant Superintendent for Student and
Administrative Services

Policy/Code: BF (LOCAL)

Summary: TASB's Update 107 encompasses changes within local policies.
Local policies included in Update 107 addresses topics including
Gifts, Fundraising, Solicitations, Paraprofessional Qualifications,
Homeschool and Compulsory Attendance, and Student
Wellness.

**Financial
Implications:** There is no financial impact to the budget.

Attachments: Vantage Points-A Board Member's Guide to Update 107

Recommendation: The Administration recommends approval of Update 107 and
all localized policies associated with this legal update.

Motion: I move the Board approve Update 107 and all localized
policies associated with this legal update.

Vantage Points

A Board Member's Guide to Update 107

Please note: *Vantage Points* is an executive summary, prepared specifically for board members, of the TASB Localized Update. The topic-by-topic outline and the brief descriptions focus attention on key issues to assist local officials in understanding changes found in the policies. The description of policy changes in *Vantage Points* is highly summarized and should not substitute for careful attention to the more detailed, district-specific Explanatory Notes and the policies within the localized update packet.

We welcome your comments or suggestions for improving *Vantage Points*. Please write to us at TASB Policy Service, P.O. Box 400, Austin, TX 78767-0400, e-mail us at policy.service@tasb.org, or call us at 800-580-7529 or 512-467-0222.

For more information about Policy Service, visit our website at <http://policy.tasb.org>.

This information is provided for educational purposes only to facilitate a general understanding of the law or other regulatory matter. This information is neither an exhaustive treatment on the subject nor is this intended to substitute for the advice of an attorney or other professional adviser. Consult with your attorney or professional adviser to apply these principles to specific fact situations.

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**Gifts,
Fundraising, and
Solicitations**

Update 107 contains recommended changes to local policies on topics including gifts and fundraising, employee and contractor misconduct, employee suspension and expense reimbursement, and student compulsory attendance and wellness policies. Revisions to legal policies incorporate various administrative rules and additional provisions from the Every Student Succeeds Act (ESSA).

Policies CDC (Gifts and Solicitations) and FJ (Student Fundraising) have been renamed to better reflect the topics addressed in those codes.

CDC(LOCAL) AND FJ(LOCAL) POLICY CONSIDERATIONS

CDC(LOCAL) addresses unsolicited gifts and donations as well as gifts and donations solicited by the district or its employees. For most districts, the policy indicates that authority is delegated to the superintendent to accept gifts and donations, except when the potential gift is real property or when the donor has made a gift conditional on a specific use by the district.

For solicited gifts, such as online fundraising campaigns or platforms, an employee must receive approval before using the name or image of the district, a campus, or any student, and must comply with any district administrative regulations.

FJ(LOCAL) addresses student fundraising, and significant revisions are recommended to simplify the policy. It is recommended that details of fundraising plans, approval of activities, and any required reports be addressed in administrative regulations.

GE(LOCAL) POLICY CONSIDERATIONS

Revisions are also recommended at GE(LOCAL) to clarify when and under what conditions district-affiliated school support or booster organizations, and other parent groups, can solicit donations or fundraise on behalf of the district.

Personnel Issues

**Paraprofessional
Qualifications**

ESSA requires a state's standards for paraprofessionals working in programs supported with Title I funds to include the qualifications that were in place on the day before ESSA was enacted (December 10, 2015). For reference purposes, DBA(LEGAL) has been updated to include those standards that were effective before December 10, 2015.

**Employee and
Contractor
Misconduct**

ESSA requires districts that receive Title I funds to have regulations or policies that prohibit assisting a school employee, contractor, or agent in obtaining a new job if there is knowledge or probable cause to believe that the individual engaged in sexual misconduct with a minor or student. CJ(LEGAL) and DC(LEGAL) have been updated with these statutory requirements.

CJ(LOCAL) AND DC(LOCAL) POLICY CONSIDERATIONS

To satisfy the policy requirement of this ESSA provision, local policy language is recommended for inclusion in your manual at CJ(LOCAL), regarding contractors and agents, and at DC(LOCAL), regarding employees.

The State Board for Educator Certification also addressed this ESSA requirement in recent amendments to the Educators' Code of Ethics. See DH(EXHIBIT).

**Suspension/
Termination**

DFAA, DFBA, AND DFCA(LOCAL) POLICY CONSIDERATIONS

Revisions for clarity are recommended to the local policies addressing the authority to place a probationary or term contract employee on administrative leave, sometimes referred to as suspension with pay. A new local policy addressing the authority to place continuing contract employees on administrative leave is recommended for those districts that still have employees on continuing contracts.

**Expense
Reimbursement**

DEE(LOCAL) POLICY CONSIDERATIONS

Several changes are recommended at policy DEE(LOCAL) on employee expense reimbursement. In addition to recommended changes for clarity and policy style, two provisions are also recommended for deletion, as these are either already covered by law or are not required for all types of reimbursements.

Instruction

Legally referenced policies have been updated to reflect:

- Current State Board of Education rules on instructional materials [see EFAA(LEGAL) and CMD(LEGAL)],
- Administrative Code rules regarding how state funding is generated for off-campus programs [see EHDD(LEGAL) and FEB(LEGAL)], and

- Recent Administrative Code amendments related to endorsements under the foundation program [see EIF(LEGAL)].

Student Issues

Homeschool and Compulsory Attendance

FEA(LOCAL) POLICY CONSIDERATIONS

Recent guidance from TEA prompted recommended revisions at FEA(LOCAL) to align with the documentation requirements for a student who is homeschooled or is thought to be homeschooled.

Student Wellness

Current Administrative Code rules prompted changes to both FFAA(LEGAL), on physical examinations, and FFAB(LEGAL), on required immunizations. Final federal rules on district wellness policies under the Healthy, Hunger-Free Kids Act have been added at FFA(LEGAL).

FFA(LOCAL) POLICY CONSIDERATIONS

Note that some districts' Update materials will contain recommended revisions for FFA(LOCAL) to accommodate recently adopted federal regulations related to the required student wellness policies. If this policy is not included in a district's Update materials, we encourage you to contact your policy consultant to determine whether revisions are necessary to your local student wellness policy.

Exhibits

Please note: In this update, most districts will see recommendations to delete several exhibits from the policy manual. In our ongoing effort to provide districts more flexibility for customizing and formatting forms, we are recommending that many current exhibits containing forms be deleted from the local policy manual in favor of the district modifying them and housing them with the district's other administrative materials. The forms recommended for deletion in Update 107 will be available in the *TASB Regulations Resource Manual* when Update 53 to that publication is released in March.

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date 2-27-17	Reports of the Superintendent ☐	Action Item ☒	Consent Agenda ☐	Reports, Routine Monthly ☐	Other ☐
Subject:	Board Policy EHBAF (Local) – Adoption				
Presenter or Contact Person:	Ross Roberts, Assistant Superintendent for Student and Administrative Services				
Policy/Code:	EHBAF (Local)				
Summary:	Special Education Video/ Audio Monitoring - TASB recommends this local policy to be included in the district's policy manual. EHBAF (Local) states video surveillance in special education classrooms are for the purpose of promoting student safety and procedures for requesting video surveillance, for responding to a request, for providing advance written notice to staff and the affected parents, and for reporting a complaint of an alleged incident.				
Financial Implications:	Per individual request – Camera and Camera installation - \$6,000.00 Total Scope of Installation - per the Attorney General's decision - \$72,000.00				
Attachments:	EHBAF (Local) Policy – Draft				
Recommendation:	The Administration recommends the Board approve EHBAF (Local) as submitted.				
Motion:	I move the Board approve EHBAF (Local) as submitted.				

Note: Unless otherwise noted, the terms “video recording,” “video surveillance,” and “video monitoring” shall also include any associated audio recordings.

REQUESTS AND
NOTICE

The District shall comply with requests for video and audio monitoring of certain self-contained special education classrooms and settings as required by law to promote student safety in those settings. Regular or continual monitoring of video recordings shall be prohibited. Video recordings shall not be used for teacher evaluation or monitoring or for any purpose other than the promotion of student safety.

A parent, Trustee, or staff member making a request for video surveillance under this policy shall submit the request to the campus principal on a form provided by the District, and the principal shall provide a response to the requestor within ten District business days. The principal shall provide advance written notice to staff on the campus and to parents of the students assigned to the classroom or setting that video and audio surveillance will be conducted in the classroom or setting. The Superintendent shall develop administrative regulations as necessary to implement these request, response, and notice provisions.

INSTALLATION AND
OPERATION

When the District has installed video cameras in a classroom or other setting as required by law, the District shall operate the cameras during the instructional day at all times when students are in the classroom or other setting. For purposes of this policy, the instructional day shall be defined as the portion of a school day during which instruction is taking place in the classroom or other setting.

A campus shall continue to operate and maintain any video cameras placed in the classroom or other setting for as long as the classroom or other setting continues to satisfy the requirements in Education Code 29.022(a).

Video cameras must be capable of recording video and audio of all areas of the classroom or setting, except that no video surveillance shall be conducted of the inside of a bathroom or other area used for toileting or diapering a student or removing or changing a student's clothes.

The District shall post notice at the entrance to a classroom or other setting in which video cameras are placed stating that video and audio surveillance is conducted in that classroom or setting.

SPECIAL EDUCATION
VIDEO/AUDIO MONITORING

EHBAF
(LOCAL)

RETENTION OF
RECORDINGS

Video recordings shall be retained for at least six months after the date of the recording but may be retained for a longer period in accordance with the District's records management program or as required by law. [See CPC]

CONFIDENTIALITY OF
RECORDINGS

Video recordings made in accordance with this policy shall be confidential and shall only be accessed or viewed by the individuals and in the limited circumstances permitted by law. Contractors and District personnel with job duties related to the installation, operation, or maintenance of video equipment, or the retention of video recordings, who incidentally view recordings when performing regular job duties such as ensuring the proper functioning of the equipment or pulling specific footage shall not be considered in violation of the confidentiality provisions.

The following individuals shall have authority to view video recordings to the extent permitted by the Family Educational Rights and Privacy Act (FERPA):

1. A District employee or a parent of a student who is involved in an incident documented by a recording for which a complaint has been reported to the District;
2. Appropriate Department of Family and Protective Services (DFPS) personnel as part of an investigation of alleged abuse or neglect of a child;
3. A peace officer, school nurse, District administrator trained in de-escalation and restraint techniques, or human resource staff member in response to a complaint or an investigation of an incident; and
4. Appropriate TEA or State Board for Educator Certification personnel or their agents as part of an investigation.

For purposes of this policy, the term "human resource staff member" shall include the Superintendent, a principal, an assistant principal or other campus administrator, and any supervisory position within the District's human resources office. If an individual listed in items 2 through 4 above believes that a recording shows a violation of District policy or campus procedures, the individual may allow access to the recording by appropriate legal and human resources personnel designated by the District for the purpose of determining whether a policy or procedure has been violated.

Any person who suspects that child abuse or neglect has occurred shall report this suspicion as required by law and District policy. [See FFG]

SPECIAL EDUCATION
VIDEO/AUDIO MONITORING

EHBAF
(LOCAL)

REPORTING AN
INCIDENT

A person alleging that an incident, as defined by law, has occurred in a classroom or other setting in which video surveillance is conducted shall file a report on the form provided by the District with the principal as soon as possible after the person suspects the alleged incident. If possible, an incident report form shall be filed within 48 hours of the facts giving rise to the allegation. The principal shall promptly view, or direct an authorized individual to view, the video surveillance footage to identify the relevant portion of the recording. No later than ten District business days after the report is filed, the principal or designee shall respond by notifying the person whether the alleged incident was recorded in the District's video surveillance footage and shall initiate other steps as required by law, District policy, or local procedures.

COMPLAINTS

Complaints related to video and audio recordings under this policy shall be filed in accordance with DGBA, FNG, or GF, as applicable.

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date 2-27-17	Reports of the Superintendent ☐	Action Item ☒	Consent Agenda ☐	Reports, Routine Monthly ☐	Other ☐
Subject:	Board Policy EB (Local) - Update				
Presenter or Contact Person:	Ross Roberts, Assistant Superintendent for Student and Administrative Services				
Policy/Code:	EB (Local)				
Summary:	School Year - EB (Local) has been revised to replace state law waived by the District's Innovation Plan.				
Financial Implications:	There is no financial impact to the budget.				
Attachments:	EB(Local) Policy - Draft				
Recommendation:	The Administration recommends the Board approve EB (Local) as submitted.				
Motion:	I move the Board approve EB (Local) as submitted.				

Note: The Board has adopted an innovation plan waiving all or a portion of state law. The District's innovation plan can be found on the Little Elm Independent School District's web-page. This local policy has been revised to replace state law waived by the District's Innovation Plan.

SCHOOL CALENDAR	The Superintendent shall be authorized to approve variations from the Board-adopted school calendar, as necessary.
SCHOOL START DATE	The District has waived provisions in state law prohibiting students from beginning school before the fourth Monday of August.
LAST DAY OF SCHOOL	The District has waived provisions in state law prohibiting the District from scheduled the last day of school for students for a school year before May 15.
SCHOOL CLOSURE	The Board delegates to the Superintendent the authority to close schools for reasons of public health and safety.

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
02-27-2017	☐	☒	☐	☐	☐
Subject:	2017-2018 SCHOOL CALENDAR				
Presenter or Contact Person:	Dr. Cyndy Mika, Assistant Superintendent for School Improvement and Accountability				
Policy/Code:	TEC 25.081				
Summary:	The District has prepared the 2017-2018 School Calendar reflective of the District becoming a District of Innovation. The DEIC committee reviewed three calendars and voted unanimously for the calendar we are presenting. Highlights of the submitted calendar include: • New Teacher Orientation July 31-August 4 • First Day for Staff – August 7 • First Day for Students – August 16 • Five built in PLC days for teachers (9/5, either 10/2 or 10/3, 1/5, and 3/19) • E³ Conference 10/2 and 10/3 • Thanksgiving Break – 11/20-11/24 • Winter Break for teachers – 12/21- 1/3 • Winter Break for students – 12/21 – 1/5 • Spring Break for teachers – 3/12-3/16 • Spring Break for students – 3/12-3/19 • Bad Weather Days 4/13 and/or 5/14 • Last day of school for students – 5/24 • Last day of school for teachers – 5/25				
Financial Implications:	N/A				
Attachments:	2017-2018 LEISD School Calendar				

Recommendation: | The Administration recommend approval of the 2017-2018 LEISD School Calendar as submitted.

Motion: | I move the Board approve the 2017-2018 LEISD School Calendar as submitted.

2017 - 2018 LEISD Calendar

July						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

JANUARY						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

AUGUST						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

FEBRUARY						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

SEPTEMBER						
S	M	T	W	T	F	S
						2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

MARCH						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

OCTOBER						
S	M	T	W	T	F	S
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8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

APRIL						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

NOVEMBER						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

MAY						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

DECEMBER						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

	Professional Learning/Work Day - Student Holiday
	Comp Day - Student Holiday
	Early Release K-5
	Early Release PK-12
	Early Release 6-12
	Bad Weather Day
	Holiday
	New Teacher Orientation
	State Assessment
	First day of Semester for students

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Discussion Item
02-27-2017	☐	☒	☐	☐	☐
Subject:	FINANCIAL REPORTS - DECEMBER 2016				
Presenter or Contact Person:	Grant Anderson, Assistant Superintendent for Finance and Operations				
Policy/Code:	Board Legal Status Powers and Duties - BAA (LOCAL) Annual Operating Budget - CE (LOCAL)				
Summary:	Monthly financial reports prepared by Business Services Department				
Financial Implications:	Increase in General Fund revenues and increase in appropriate expenditure budgets				
Attachments:	1) Budget Amendments 2) Information - Miscellaneous Business Office Reports Monthly Fund Balance Comparison Statement of Unaudited Revenue and Expenditures Cash Flow Statements Bank Reconciliations Investment Report Fund Summary of Revenue and Expenditures Tax Collection Report Construction Report				
Recommendation:	The Administration recommends approval of the December 2016 Financial Reports as presented.				
Motion:	I move that the Board approve the December 2016 Financial Reports as presented.				

Little Elm Independent School District
General Fund
Budget Amendments
February 2017

	Fund	FX	Decrease	FX	Increase	Org	Incr / (Decr) Fund Bal	Reason
1	199	11	25,000	13	25,000	001		Reallocate funds to cover Mental Management Training for high school teachers
2	199	36	150	13	150	001		Reallocate funds to cover travel to convention for drill team coach
3	199	00	270	11	270	041		Budget for middle school classroom art fees
4	199	00	300	11	300	042		Budget for STEM Gateway to Technology classroom fees
5	199	11	1,000	23	1,000	103		Reallocate funds to cover campus admin supplies and postage costs
6	199	11	100	51	100	103		Reallocate funds to purchase blinds
7	199	11	1,820	23	1,820	001		Reallocate funds to cover cost of substitute assistant principal at Lakeview campus
8	199	11	1,000	13	1,000	107		Reallocate funds to cover teacher travel to art conference
9	199	11	278	31	278	821		Reallocate funds to cover cost of GT testing materials
10	199	11	5,000	13	5,000	821		Reallocate funds to cover dual language training costs
11	199	11	13,000	13	18,000	823		Reallocate funds to purchase Special Education Service Package through Region 10
		21	5,000					
12	199	00	3,500	31	3,500	823		Budget receipt for registration fees and associated expenditures for Play Based Assessment Training
13	199	11	450	13	3,875	823		Reallocate funds for TEACCH professional development
		21	3,425					
14	199	21	5,250	13	6,950	824		Reallocate funds to cover summer professional development for teachers
		31	1,700					
	Total		67,243		67,243		0	

Little Elm Independent School District
2015-2016 Fund Balance Comparison
as of December 31, 2016

Page 1 of 2

GENERAL FUND

1XX

CONTROL	
CODES	REVENUES
5700	LOCAL
5800	STATE
5900	FEDERAL

ORIGINAL BUDGET	PROPOSED AMENDMENTS	AMENDED BUDGET
36,274,384	3,621	36,278,005
24,159,105	7,565	24,166,670
1,250,000		1,250,000
61,683,489	11,186	61,694,675

DEBT SERVICE FUND

511

ORIGINAL BUDGET	PROPOSED AMENDMENTS	AMENDED BUDGET
11,495,272		11,495,272
-		-
-		-
11,495,272	-	11,495,272

Expenditures

63

11 Instruction	36,734,973	41,665	36,776,638
12 Library Services	670,734		670,734
13 Staff Development	1,168,497	5,572	1,174,069
21 Instructional Admin	1,201,673	(5,100)	1,196,573
23 Campus Administration	4,287,785	26,051	4,313,836
31 Guidance & Counseling	1,787,305	(2,000)	1,785,305
32 Attendance & Social Services	31,000		31,000
33 Health Services	549,143		549,143
34 Student Transportation	1,759,449		1,759,449
35 Food Services	124,235	498	124,733
36 Co-curricular Activities	1,697,145	108,774	1,805,919
41 General Administration	2,931,964	12,991	2,944,955
51 Plant Maintenance	6,364,407	8,678	6,373,085
52 Security	691,431		691,431
53 Data Processing	1,251,212	10,744	1,261,956
61 Community Services	53,948		53,948
71 Debt Services	1,204,886		1,204,886
81 Facilities	-	986,590	986,590
95 Payments to JUV Justice Alt	36,000		36,000
99 Intergovernmental Charges	286,500		286,500
TOTAL EXPENDITURES	62,832,287	1,194,463	64,026,750

-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
12,089,693		12,089,693
-		-
-		-
-		-
12,089,693	-	12,089,693

00 Other Resources

00 Other Uses

(1,500,000)

(1,500,000)

FUND BALANCE 08/31/16

27,043,674

-

27,043,674

4,330,384

4,330,384

EST FUND BALANCE

24,394,876

(1,183,277)

23,211,599

3,735,963

-

3,735,963

Little Elm Independent School District
2015-2016 Fund Balance Comparison
as of December 31, 2016

Page 2 of 2

FOOD SERVICE FUND

CHILD CARE

240

720

CONTROL CODES	REVENUES
5700	LOCAL
5800	STATE
5900	FEDERAL

ORIGINAL BUDGET	PROPOSED AMENDMENTS	AMENDED BUDGET
1,448,800		1,448,800
19,000		19,000
2,120,677		2,120,677
3,588,477	-	3,588,477

ORIGINAL BUDGET	PROPOSED AMENDMENTS	AMENDED BUDGET
607,378		607,378
-		-
-		-
607,378	-	607,378

Expenditures

64

11 Instruction	-
12 Library Services	-
13 Staff Development	-
21 Instructional Admin	-
23 Campus Administration	-
31 Guidance & Counseling	-
32 Attendance & Social Services	-
33 Health Services	-
34 Student Transportation	-
35 Food Services	3,588,477
36 Co-curricular Activities	-
41 General Administration	-
51 Plant Maintenance	-
52 Security	-
53 Data Processing	-
61 Community Services	-
71 Debt Services	-
81 Facilities	-
95 Payments to JUV Justice Alt	-
99 Intergovernmental Charges	-
TOTAL EXPENDITURES	

-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
3,588,477	17,786	3,606,263
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
3,588,477	17,786	3,606,263

-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
618,713		618,713
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
-		-
618,713	-	618,713

FUND BALANCE 08/31/16

1,229,332		1,229,332
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75,796		75,796
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EST FUND BALANCE

1,229,332	(17,786)	1,211,546
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64,461	-	64,461
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Little Elm Independent School District
Statement of Unaudited Revenues and Expenditures - Budget vs. Actual
As of December 31, 2016

GENERAL FUND
Fund 1XX

CONTROL CODES	REVENUES	2016-2017 Approved Budget	PERIOD RECEIPTS/ EXPENDITURES	Y-T-D RECEIVED/ ENC + EXP	VARIANCE FAVORABLE (UNFAVORABLE)	PERCENT TO TOTAL	PERCENT OF YEAR ELAPSED
5700	LOCAL	36,278,005.00	17,859,950.08	20,731,171.71	(15,546,833.29)	57.15%	33%
5800	STATE	24,166,670.00	424,619.85	9,813,482.75	(14,353,187.25)	40.61%	33%
5900	FEDERAL	1,250,000.00	131,701.85	1,000,695.25	(249,304.75)	80.06%	33%
TOTAL REVENUES		61,694,675.00	18,416,271.78	31,545,349.71	(30,149,325.29)	51.13%	33%
EXPENDITURES							
0011	Instruction	36,776,638.00	3,090,890.06	14,238,032.66	22,538,605.34	38.71%	33%
0012	Library Services	670,734.00	52,914.32	261,849.29	408,884.71	39.04%	33%
0013	Curriculum & Staff Development	1,174,069.00	76,425.25	462,773.66	711,295.34	39.42%	33%
0021	Instructional Leadership	1,196,573.00	99,231.48	373,601.44	822,971.56	31.22%	33%
0023	School Leadership	4,313,836.00	442,976.93	1,474,486.77	2,839,349.23	34.18%	33%
0031	Guidance & Counseling	1,785,305.00	166,141.02	610,490.69	1,174,814.31	34.20%	33%
0032	Social Work Services	31,000.00	-	200.00	30,800.00	0.65%	33%
0033	Health Services	549,143.00	48,344.23	211,585.16	337,557.84	38.53%	33%
0034	Student Transportation	1,759,449.00	145,792.29	337,901.74	1,421,547.26	19.20%	33%
0035	Food Services	124,733.00	39,121.54	60,391.22	64,341.78	48.42%	33%
0036	Co-curricular Activities	1,805,919.00	127,282.30	739,703.82	1,066,215.18	40.96%	33%
0041	General Administration	2,944,955.00	359,132.22	1,094,297.47	1,850,657.53	37.16%	33%
0051	Plant Maintenance	6,373,085.00	418,292.93	2,376,505.27	3,996,579.73	37.29%	33%
0052	Security & Monitoring	691,431.00	33,944.15	371,126.14	320,304.86	53.68%	33%
0053	Data Processing	1,261,956.00	132,952.35	497,389.60	764,566.40	39.41%	33%
0061	Community Service	53,948.00	16,359.97	24,743.36	29,204.64	45.87%	33%
0071	Debt Services	1,204,886.00	102,117.90	690,291.70	514,594.30	57.29%	33%
0081	Facility Acquisition	986,590.00	49,420.00	270,331.57	716,258.43	27.40%	33%
0095	Pmt to Juvenile Justice	36,000.00	-	3,471.00	32,529.00	9.64%	33%
0099	Intergovernmental Charges	286,500.00	76,132.35	143,134.48	143,365.52	49.96%	33%
TOTAL EXPENDITURES		64,026,750.00	5,477,471.29	24,242,307.04	39,784,442.96	37.86%	33%
OPERATING TRANSFERS							
7910	Other Resources	-	-	-	-		
8910	Other Uses	(1,500,000.00)	-	(1,500,000.00)			
TOTAL OPERATING TRANSFERS		(1,500,000.00)	-	(1,500,000.00)			
0100	Estimated Fund Balance 08/31/16	27,043,674.00	-	27,043,674.00			
3000	Year to Date Fund Bal. (unaudited)	23,211,599.00		32,846,716.67			

9.2

	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	TOTAL
Beginning Cash Balance in Bank	19,496,395.11	18,409,665.78	16,952,300.76	15,606,101.25	-	-	-	-	-	-	-	-	19,496,395.11
RECEIPTS													
Tax Collections	52,404.10	320,001.05	1,561,242.24	15,704,913.19	-	-	-	-	-	-	-	-	17,638,560.58
Interest	4,693.68	4,524.99	3,796.71	4,881.07	-	-	-	-	-	-	-	-	17,896.45
Other Local Revenue	432,287.14	245,195.64	168,860.85	100,504.78	-	-	-	-	-	-	-	-	946,848.41
State Revenue - Available School	106,592.00	339,425.00	218,163.00	220,047.00	-	-	-	-	-	-	-	-	884,227.00
State Revenue - Foundation	4,798,731.00	3,171,461.00	1,668,134.00	-	-	-	-	-	-	-	-	-	9,638,326.00
State Revenue - Debt Service	-	-	229,627.00	-	-	-	-	-	-	-	-	-	229,627.00
State Revenue - Misc	3,996.55	34,533.66	90,235.51	-	-	-	-	-	-	-	-	-	128,765.72
MAC Receipts/SHARES	2,886.13	15,659.93	850,447.34	40,013.19	-	-	-	-	-	-	-	-	909,006.59
Federal Program Revenue	19,314.71	166,934.72	15,144.00	365,606.25	-	-	-	-	-	-	-	-	566,999.68
Federal Program Revenue 240	80,020.92	240,823.91	205,201.12	193,544.15	-	-	-	-	-	-	-	-	719,590.10
Lunch Revenue - local 240	162,904.43	171,118.11	153,304.25	104,054.44	-	-	-	-	-	-	-	-	591,381.23
Payroll Deposits	1,910.91	1,161.54	839.16	839.16	-	-	-	-	-	-	-	-	4,750.77
Proceeds Land Sale	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from Investment Acct	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	5,665,741.57	4,710,839.55	5,164,995.18	16,734,403.23	-	-	-	-	-	-	-	-	32,275,979.53
DISBURSEMENTS													
Payroll Checks	2,661,415.19	2,718,852.32	2,717,378.67	3,855,044.79	-	-	-	-	-	-	-	-	11,952,690.97
Accounts Payable Checks	2,952,873.25	2,293,277.14	2,415,042.36	1,381,230.29	-	-	-	-	-	-	-	-	9,042,423.04
TRS Deposit	749,722.80	757,156.36	755,675.34	330,084.98	-	-	-	-	-	-	-	-	2,592,639.48
IRS Deposit	387,399.66	398,013.80	392,818.32	393,079.15	-	-	-	-	-	-	-	-	1,571,310.93
Bank Charges/ NSF's/Bk Trans	1,060.00	904.95	653.00	190.00	-	-	-	-	-	-	-	-	2,807.95
Total Expenditures	6,752,470.90	6,168,204.57	6,281,567.69	5,959,629.21	-	-	-	-	-	-	-	-	25,161,872.37
Cash to TEA	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Transferred to Debt Service	-	-	229,627.00	-	-	-	-	-	-	-	-	-	229,627.00
Transfers to Investment Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures & Transfers	6,752,470.90	6,168,204.57	6,511,194.69	5,959,629.21	-	-	-	-	-	-	-	-	25,391,499.37
Net Change in Cash	(1,086,729.33)	(1,457,365.02)	(1,346,199.51)	10,774,774.02	-	-	-	-	-	-	-	-	6,884,480.16
Ending Cash Balance in bank	18,409,665.78	16,952,300.76	15,606,101.25	26,380,875.27	-	-	-	-	-	-	-	-	26,380,875.27
Beginning Cash Balance Lone Star	12,226,257.60	12,232,753.04	12,239,989.64	12,247,107.26	-	-	-	-	-	-	-	-	12,226,257.60
Beginning Cash Balance TexStar	1,383,431.55	1,383,900.34	1,384,394.21	1,384,865.80	-	-	-	-	-	-	-	-	1,383,431.55
Beginning Cash Balance Texas Class	21,819,203.02	21,688,213.95	21,477,082.00	20,956,966.88	-	-	-	-	-	-	-	-	21,819,203.02
Interest Earned Lone Star	6,495.44	7,236.60	7,117.62	7,941.21	-	-	-	-	-	-	-	-	28,790.87
Interest Earned TexStar	468.79	493.87	471.59	566.39	-	-	-	-	-	-	-	-	2,000.64
Interest Earned TexasClass	13,693.08	15,126.70	14,559.13	15,168.80	-	-	-	-	-	-	-	-	58,547.71
Transfers out	(144,682.15)	(226,258.65)	(534,674.25)	(871,556.79)	-	-	-	-	-	-	-	-	(1,777,171.84)
Transfers in	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Cash Balance Invested	35,304,867.33	35,101,465.85	34,588,939.94	33,741,059.55	-	-	-	-	-	-	-	-	33,741,059.55
TOTAL CASH AVAILABLE	53,714,533.11	52,053,766.61	50,195,041.19	60,121,934.82	-	-	-	-	-	-	-	-	60,121,934.82

[illegible]

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
Cash and Investments Reconciliation
as of December 31, 2016

Operating Fund:

Balance per bank	26,380,875.27
Add: Texas Class/MBIA	20,100,578.89
Lone Star	12,255,048.47
TexStar	1,385,432.19
Add: Deposits in Transit	507.80
Taxes in Transit	2,516,776.34
Less: Outstanding Checks/Wires	(630,823.61)
Balance per Books	62,008,395.35

Interest & Sinking Fund:

Balance per bank	7,441,554.25
Add: Texpool	2,704,648.44
Add: Taxes in Transit	795,986.08
Less: Outstanding Checks	-
Balance per Books	10,942,188.77

Total Balance per Books	72,950,584.12
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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
SUMMARY OF CURRENT INVESTMENTS - BY FUND
MONTH ENDED: December 31, 2016

General Fund 199

PURCHASE /SOLD DATE	TRADE TICKET #	CUSIP #	TYPE OF INVESTMENT	PAR VALUE	BEGINNING MARKET VALUE	ENDING MARKET VALUE	AVERAGE MONTHLY RATE	BOOK VALUE	DAYS TO MATURE	YIELD TO MATURE	INTEREST ACCRUED FOR PERIOD	W/D FOR PERIOD
12/01/16	Lone Star		Investment Pool	12,247,107.26	100.0000%	100.0000%	0.0000%	12,247,107.26				
			Investment	-				12,247,107.26				
			Withdrawal	-				12,247,107.26				-
12/31/16			Interest	7,941.21			0.7700%	12,255,048.47			7,941.21	
				<u>12,255,048.47</u>				<u>12,255,048.47</u>			<u>7,941.21</u>	<u>-</u>

General Fund 199

PURCHASE /SOLD DATE	TRADE TICKET #	CUSIP #	TYPE OF INVESTMENT	PAR VALUE	BEGINNING MARKET VALUE	ENDING MARKET VALUE	AVERAGE MONTHLY RATE	BOOK VALUE	DAYS TO MATURE	YIELD TO MATURE	INTEREST ACCRUED FOR PERIOD	W/D FOR PERIOD
12/01/16	TexSTAR		Investment Pool	1,384,865.80	100.0000%	100.0000%	0.0000%	1,384,865.80				
			Investment	-				1,384,865.80				
			Withdrawal	-				1,384,865.80				-
12/31/16			Interest	566.39			0.4815%	1,385,432.19			566.39	
				<u>1,385,432.19</u>				<u>1,385,432.19</u>			<u>566.39</u>	<u>-</u>

Construction Fund 647

PURCHASE /SOLD DATE	TRADE TICKET #	CUSIP #	TYPE OF INVESTMENT	PAR VALUE	BEGINNING MARKET VALUE	ENDING MARKET VALUE	AVERAGE MONTHLY RATE	BOOK VALUE	DAYS TO MATURE	YIELD TO MATURE	INTEREST ACCRUED FOR PERIOD	W/D FOR PERIOD
12/01/16	Texas CLASS		Investment Pool	20,956,966.88	100.0000%	100.0000%	0.0000%	20,956,966.88				
			Investment	-				20,956,966.88				
			Withdrawal	(871,556.79)				20,085,410.09				(871,556.79)
12/31/16			Interest	15,168.80			0.8900%	20,100,578.89			15,168.80	
				<u>20,100,578.89</u>				<u>20,100,578.89</u>			<u>15,168.80</u>	<u>(871,556.79)</u>

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
SUMMARY OF CURRENT INVESTMENTS - BY FUND
MONTH ENDED: December 31, 2016

Debt Service Fund 511

PURCHASE /SOLD DATE	TRADE TICKET #	CUSIP #	TYPE OF INVESTMENT	PAR VALUE	BEGINNING MARKET VALUE	ENDING MARKET VALUE	AVERAGE MONTHLY RATE	BOOK VALUE	DAYS TO MATURE	YIELD TO MATURE	INTEREST ACCRUED FOR PERIOD	W/D FOR PERIOD
12/01/16	TexPool		Investment Pool	2,703,599.00	100.0000%	100.0000%	0.0000%	2,703,599.00				
			Investment	-				2,703,599.00				
			Withdrawal	-				2,703,599.00				-
12/31/16			Interest	1,049.44			0.4570%	2,704,648.44			1,049.44	
				2,704,648.44				2,704,648.44			1,049.44	-

Little Elm Independent School District
Summary of Revenue & Expenditures As Of 12/31/16
Accounting Period: 12

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	Fund: 1XX	%	Fund: 211	%	Fund: 224	%	Fund: 225	%
	General Operating		Title I-A Improving Basic		IDEA-B Formula (Spec Ed)		IDEA-B Pre-School (Spec Ed)	
Revenue Budget	61,694,675.00	100.00%	487,081.00	100.00%	913,850.00	100.00%	9,267.00	100.00%
Period Receipts	18,416,271.78		63,815.24		162,734.94		1,371.00	
Revenue Received to Date	31,545,349.71	51.13%	63,815.24	13.10%	162,734.94	17.81%	1,371.00	14.79%
Revenues Receivable:	30,149,325.29	48.87%	423,265.76	86.90%	751,115.06	82.19%	7,896.00	85.21%
Expenditure Budget	65,526,750.00	100.00%	487,081.00	100.00%	913,850.00	100.00%	9,267.00	100.00%
Period Expenditures	5,477,471.29		34,180.61		52,466.53		681.58	
Exp./Encumbrances to Date	25,742,307.04	39.29%	154,929.85	31.81%	332,066.52	36.34%	2,687.35	29.00%
Balance to Expend:	39,784,442.96	60.71%	332,151.15	68.19%	581,783.48	63.66%	6,579.65	71.00%
Actual Revenue Over (Under)								
Actual Expenditures & Encumbrances:	5,803,042.67		(91,114.61)		(169,331.58)		(1,316.35)	

Little Elm Independent School District
Summary of Revenue & Expenditures As Of 12/31/16
Accounting Period: 12

	Fund: 244	%	Fund: 255	%	Fund: 263	%	Fund 289	%
	Voc Ed Basic Grant		Title II TPTR		Title III, Part A LEP/Immigrant		Summer School LEP	
Revenue Budget	47,282.00	100.00%	39,708.00	100.00%	117,736.00	100.00%	-	100.00%
Period Receipts	7,053.04		24,000.00		14,943.37		-	
Revenue Received to Date	7,053.04	14.92%	24,000.00	60.44%	14,943.37	12.69%	15,144.00	
Revenues Receivable:	40,228.96	85.08%	15,708.00	39.56%	102,792.63	87.31%	(15,144.00)	
Expenditure Budget	47,282.00	100.00%	39,708.00	100.00%	117,736.00	100.00%	-	100.00%
Period Expenditures	1,372.54		-		8,226.91		-	
Exp./Encumbrances to Date	24,339.01	51.48%	24,000.00	60.44%	44,801.24	38.05%	-	#DIV/0!
Balance to Expend:	22,942.99	48.52%	15,708.00	39.56%	72,934.76	61.95%	-	
Actual Revenue Over (Under) Actual Expenditures:	(17,285.97)		-		(29,857.87)		15,144.00	

Little Elm Independent School District
Summary of Revenue & Expenditures As Of 12/31/16
Accounting Period: 12

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	Fund 397	%	Fund 410	%	Fund: 429	%	Fund: 240	%
	APIB Campus Awards		Instructional Materials		State Special Revenue		Food Service	
Revenue Budget	-	100.00%	116,569.00	100.00%	377.00	100.00%	3,588,477.00	100.00%
Period Receipts	-		-		-		313,926.31	
Revenue Received to Date	-	#DIV/0!	116,569.90	100.00%	376.82	99.95%	1,309,022.71	36.48%
Revenues Receivable:	-		-	0.00%	0.18	0.05%	2,279,454.29	63.52%
Expenditure Budget	-	100.00%	372,910.00	100.00%	377.00	100.00%	3,606,263.00	100.00%
Period Expenditures	-		27,550.00		-		281,976.02	
Exp./Encumbrances to Date	-	#DIV/0!	346,891.23	93.02%	376.82	99.95%	1,169,065.07	32.42%
Balance to Expend:	-		26,018.77	6.98%	0.18	0.05%	2,437,197.93	67.58%
Actual Revenue Over (Under)								
Actual Expenditures & Encumbrances:	-		(230,321.33)		-		139,957.64	

Little Elm Independent School District
Summary of Revenue & Expenditures As Of 12/31/16
Accounting Period: 12

	Fund: 511 %		Fund: 647 %		Fund: 720 %	
	Debt Service		2016 Bonds		Child Care	
Revenue Budget	11,495,272.00	100.00%	25,300,000.00	100.00%	607,378.00	100.00%
Period Receipts	5,630,150.44		15,168.80		48,743.57	
Revenue Received to Date	6,618,629.51	57.58%	25,393,291.22	100.37%	196,425.08	32.34%
Revenues Receivable:	4,876,642.49	42.42%	-	0.00%	410,952.92	67.66%
Expenditure Budget	12,089,693.00	100.00%	25,300,000.00	100.00%	618,713.00	100.00%
Period Expenditures	-		891,699.92		51,976.18	
Exp./Encumbrances to Date	809.99	0.01%	3,973,274.50	15.70%	216,102.14	34.93%
Balance to Expend:	12,088,883.01	99.99%	21,326,725.50	84.30%	402,610.86	65.07%
Actual Revenue Over (Under)						
Actual Expenditures & Encumbrances:	6,617,819.52		21,420,016.72		(19,677.06)	

Denton County
Monthly Collection Status Report
December 2016

Little Elm ISD

	Collections Month of December	Cumulative Total 10/1/16 thru 12/31/16	% of Tax Levy
Current Tax Year Collections			
Base M&O	17,782,920.14	20,075,191.20	53.66%
Base I&S	5,623,659.62	6,348,565.91	
Base I&S Bond	-	-	
P&I M&O	880.18	1,330.60	
P&I I&S	-	-	
P&I I&S Bond	-	-	
Attorney Fee	-	-	
Subtotal	23,407,459.94	26,425,087.71	53.66%
Delinquent TaxYears Collections			
Base M&O	7,435.32	27,773.72	
Base I&S	3,035.02	9,993.90	
Base I&S Bond	-	-	
P&I M&O	2,501.14	9,235.44	
P&I I&S	1,009.04	3,191.57	
P&I I&S Bond	-	-	
Attorney Fee	2,145.84	10,192.42	
Other*	-	-	
Subtotal	16,126.36	60,387.05	
Combined Current & Delinquent:			
Base M&O	17,790,355.46	20,102,964.92	
Base I&S	5,626,694.64	6,358,559.81	
Base I&S Bond	-	-	
P&I M&O	3,381.32	10,566.04	
P&I I&S	1,009.04	3,191.57	
Attorney Fee	2,145.84	10,192.42	
Other*	-	-	
Total Collections	23,423,586.30	26,485,474.76	
Original 2016 Tax Levy		48,234,867.86	
Current 2016 Tax Levy		49,247,514.30	

Denton County
Cumulative Comparative Collection Status Report
December 2016

Little Elm ISD

	Tax Year 2015 Collections thru December 2016	% of Tax Levy	Tax Year 2014 Collections thru December 2015	% of Tax Levy
Current Tax Year Collections				
Base M&O + I&S	26,423,757.11	53.66%	28,213,654.22	68.38%
P&I M&O + I&S	1,330.60		280.32	
Attorney Fee	-		-	
Subtotal	<u>26,425,087.71</u>	53.66%	<u>28,213,934.54</u>	68.38%
Delinquent Tax Years Collections				
Base M&O + I&S	37,767.62		48,977.36	
P&I M&O + I&S	12,427.01		13,256.54	
Attorney Fee	10,192.42		12,274.09	
Subtotal	<u>60,387.05</u>		<u>74,507.99</u>	
Combined Current & Delinquent:				
Base M&O + I&S	26,461,524.73		28,262,631.58	
P&I M&O + I&S	13,757.61		13,536.86	
Attorney Fee	10,192.42		12,274.09	
Other	-		-	
Total Collections	<u><u>26,485,474.76</u></u>		<u><u>28,288,442.53</u></u>	
Adjusted 2015 Tax Levy			<u><u>41,258,303.61</u></u>	
Original 2016 Tax Levy	<u><u>48,234,867.86</u></u>			
Current 2016 Tax Levy	<u><u>49,247,514.30</u></u>			

Denton County
Levy Outstanding Status Report
December 2016

Little Elm ISD

	Current Tax Year	Delinquent Tax Years
Current Month:		
Tax Levy Remaining as of 12/01/16	45,665,221.12	484,431.33
Base M&O + I&S Collections	23,406,579.76	10,470.34
Supplement/Adjustments	565,115.83	(12,837.94)
Remaining Levy as of 12/31/16	<u>22,823,757.19</u>	<u>461,123.05</u>
Cumulative (From 10/01/16 thru 12/31/16)		
Original 2016 Tax Levy (as of 10-1-16)	48,234,867.86	537,763.60
Base M&O + I&S Collections	26,423,757.11	37,767.62
Supplement/Adjustments	1,012,646.44	(38,872.93)
Remaining Levy as of 12/31/16	<u>22,823,757.19</u>	<u>461,123.05</u>

Renovations / Maintenance Projects FY 15-16

Total Approved in Original Budget FY 15-16	500,000.00
Additional Approved Dec 2015	1,500,000.00
Transfer to cover teachers additional August days Apr 2016	(600,000.00)
Point Bank Rent Jun 2016	(20,000.00)
Additional Approved Jun 2016	1,331,000.00
PTA Donation for Outdoor Classroom Jul 2016	18,000.00
	2,729,000.00

Expenditures as of 02-14-17

Campus	Account Description	Vendor	Description	Expenditures	Encumbered	Total
Brent						
	Brent Repair & Maintenance	The Deal Group	Interior entry renovation	12,942.00	-	12,942.00
	Brent Misc Contr Srvs	Z Floor Co., Ltd	Resurface gym floors	1,366.00		1,366.00
	Brent Misc Contr Srvs	Perkins & Will, Inc.	Architectural Services Design & Graphics	2,830.00		2,830.00
	Brent Playground	LEA Park & Play, Inc.	Playground	72,821.62		72,821.62
	Brent Playground	The Deal Group	Playground - concrete and sidewalk	36,250.00		36,250.00
	Brent Playground	The Deal Group	Playground	23,343.75		23,343.75
	Brent Playground	The Deal Group	Playground - fencing	10,750.00		10,750.00
	Brent Playground	The Deal Group	Playground - drainage/catch basin	14,500.00		14,500.00
	Brent Playground	The Deal Group	Playground	3,750.00		3,750.00
	Brent Playground	Hellas Construction, Inc.	Playground - synthetic turf	135,700.00		135,700.00
	Brent Playground	Corgan Associates, Inc.	Payground	2,452.50		2,452.50
	Brent Playground	Corgan Associates, Inc.	Payground	300.00		300.00
	Brent Playground	Haven Landscaping & Irrigation	Payground	20,000.00		20,000.00
						337,005.87
Chavez						
78	Chavez Repair & Maintenance	The Deal Group	Interior entry renovation	7,842.00		7,842.00
	Chavez Flooring & Site Work	Will & Perkins, Inc	Architectural services	14,440.00		14,440.00
	Chavez Flooring & Site Work	One Source Flooring	Flooring	342,150.75		342,150.75
	Chavez Flooring & Site Work	The Deal Group	Sidewalk & Covering	27,695.00		27,695.00
	Chavez Flooring & Site Work	Office Depot	Front Furniture	10,488.84		10,488.84
	Chavez Flooring & Site Work	SFCC, Inc.	Texture and Repaint	29,900.00		29,900.00
	Chavez Flooring & Site Work	SFCC, Inc.	Texture and Repaint	3,800.00		3,800.00
	Chavez Flooring & Site Work	One Source Commerical Flooring	Carpet Installation	3,274.23		3,274.23
						439,590.82
Hackberry						
	Hackberry Repair & Maintenance	Haven Landscaping & Irrigation	Irrigation repair and landscaping	83,641.48		83,641.48
	Hackberry Misc Contracted Service	The Deal Group	Exterior signs	13,124.00		13,124.00
	Hackberry Misc Contracted Service	The Deal Group	Catch basin	2,048.00		2,048.00
	Hackberry HVAC Controls	Climatec, LLC	HVAC controls replacement	83,975.00		83,975.00
						182,788.48
High School						
	LEHS Athletics Repair & Maint	Masterturf Prod & Svc, Inc	Baseball and softball fields repair and maintenance	29,390.00		29,390.00
	Athletics Graphics LEHS	Waterboy Graphics LLC	Graphics, Athletics, Band, Theatre, Choir & Dance	25,904.35		25,904.35
	LEHS Misc Contr Srvs	The Deal Group	LEHS electrical service work	18,027.94		18,027.94
	LEHS Misc Contr Srvs	Z Floor Co, Ltd	Resurface gym floors	3,871.00		3,871.00
	LEHS Landscaping	The Deal Group	Landscaping 5 flower beds	8,852.00		8,852.00
	LEHS Landscaping	The Deal Group	Regrading at LEHS	2,368.00		2,368.00
	LEHS Gym Lighting	Facility Solutions Group	Replace lighting in gym	51,719.44		51,719.44
	LEHS Gym Lighting	Corgan Associates, Inc	Replace lighting in gym - architect	300.00		300.00
	LEHS Gym Lighting	Corgan Associates, Inc	Replace lighting in gym - architect	4,033.43		4,033.43
	LEHS Gym Lighting	Corgan Associates, Inc	Replace lighting in gym - architect	763.13		763.13
						145,229.29
Lakeside						
	Middle School Misc Contracted Service	The Deal Group	Lakeside MS serving line	5,493.00		5,493.00

Campus	Account Description	Vendor	Description	Expenditures	Encumbered	Total
	Middle School Misc Contracted Service	The Deal Group	7 LED wall packs with photo cell control	4,642.00		4,642.00
	Middle School Misc Contracted Service	Z Flooring Co., Ltd	Resurface gym floors	3,068.00		3,068.00
	Lakeside Irrigation System	The Deal Group	Irrigation	7,633.00		7,633.00
	Middle School Restrooms	Corgan Associates, Inc	Architectural services	2,508.58		2,508.58
	Middle School Restrooms	Corgan Associates, Inc	Architectural services	6,100.00		6,100.00
	Middle School Restrooms	Corgan Associates, Inc	Architectural services	3,450.00		3,450.00
	Middle School Restrooms	Corgan Associates, Inc	Architectural services	5,563.25		5,563.25
	Middle School Restrooms	Corgan Associates, Inc	Architectural services	3,250.00		3,250.00
	Middle School Restrooms	Corgan Associates, Inc	Architectural services	350.00		350.00
	Middle School Restrooms	Corgan Associates, Inc	Architectural services	261.25		261.25
	Middle School Restrooms	Corgan Associates, Inc	Architectural services	629.84		629.84
	Middle School Restrooms	Corgan Associates, Inc	Architectural services	100.00		100.00
	Lakeside MS Light Pole	SFCC, Inc.	Remove light poles	23,600.00		23,600.00
						66,648.92

Maintenance						
	Facilities Assessments	Glenn Engineering	Facilities Assessments	27,000.00		27,000.00
	Furn & Equip Maint	PAC-VAN Inc.	Storage Containers	10,450.00		10,450.00
						37,450.00

Oak Point						
	Oak Point Canope	The Deal Group	Oak Point canope	25,796.00		25,796.00
	Oak Point Flooring	One Source Commercial Flooring	Flooring		-	-
	Oak Point Flooring	Studio B Architecture	Flooring	2,500.00		2,500.00
	Oak Point Flooring	The Deal Group	Dyslexia classroom	6,293.75		6,293.75
	Oak Point Flooring	One Source Commercial Flooring	Install flooring		17,608.39	17,608.39
						52,198.14

Powell						
79	Middle School Misc Contracted Service	The Deal Group	Powell Exterior Sign	531.00		531.00
	Middle School Misc Contracted Service	SFCC, Inc.	Powell Install Bulletin Boards	11,612.00		11,612.00
	Powell Roof	CBS Roofing	Roof repair	68,515.00		68,515.00
	Powell Renovations Interior	The Deal Group	Room 210 architectural, electrical and data	9,068.75		9,068.75
	Powell Renovations Interior	The Deal Group	Room 115 architectural	4,531.25		4,531.25
	Powell Kitchen Remodel	Corgan Associates, Inc.	Architectural services	1,375.00		1,375.00
	Powell Kitchen Remodel	Corgan Associates, Inc.	Architectural services	600.00		600.00
	Powell Kitchen Remodel	Corgan Associates, Inc.	Architectural services	250.00		250.00
	Powell Kitchen Remodel	Corgan Associates, Inc.	Architectural services	2,900.00		2,900.00
	Powell Kitchen Remodel	Corgan Associates, Inc.	Architectural services	2,190.16		2,190.16
	Powell Kitchen Remodel	Corgan Associates, Inc.	Architectural services	7,062.33		7,062.33
	Powell Kitchen Remodel	Corgan Associates, Inc.	Architectural services	5,337.75		5,337.75
	Powell Kitchen Remodel	Corgan Associates, Inc.	Architectural services	203.46		203.46
	Powell Kitchen Remodel	Corgan Associates, Inc.	Architectural services	5,408.09		5,408.09
	Powell Kitchen Remodel	The Deal Group	Slab inspection	533.00		533.00
	Powell Kitchen Remodel	The Deal Group	Kitchen renovation	8,300.00		8,300.00
	Powell Kitchen Remodel	The Deal Group	Kitchen renovation	26,744.50		26,744.50
	Powell Kitchen Remodel	The Deal Group	Kitchen renovation	67,048.13		67,048.13
	Powell Kitchen Remodel	The Deal Group	Kitchen renovation	26,500.00		26,500.00
	Powell Kitchen Remodel	The Deal Group	Kitchen renovation	31,565.19		31,565.19
						280,275.61

Prestwick						
	Prestwick STEM Canope	The Deal Group	Prestwick canope	24,956.00		24,956.00
	Band Storage Cabinets	Wenger Corporation	Prestwick band storage	40,399.00		40,399.00
	Prestwick Portable	Ramtech Building Systems, Inc.	Portable classroom	213,910.00		213,910.00
	Prestwick Portable	Ramtech Building Systems, Inc.	Portable deck and ramp assembly	3,880.00		3,880.00
	Prestwick Portable	C&G Electric	Electric for portables	24,000.00		24,000.00
	Prestwick Portable	CDW Government, Inc.	Technology for portables	8,582.06		8,582.06
	Prestwick Portable	RAB Group, Inc.	Technology for portables		19,601.00	19,601.00
	Prestwick Portable	RAB Group, Inc.	AVV Equipment for portables		8,026.24	8,026.24

Campus	Account Description	Vendor	Description	Expenditures	Encumbered	Total
	Prestwick Portable	SFCC, Inc.	Metal canopy	17,965.00		17,965.00
	Prestwick Portable	DFS fire Systems, LLC	Fire alarm system for portables	5,500.00		5,500.00
	Prestwick Portable	C and R Services	Cameras for portables	4,181.37		4,181.37
	Prestwick Portable	Office Depot, Inc.	Classroom furniture	63,608.93		63,608.93
	Prestwick Portable	C and R Services	Card access portables	3,376.39		3,376.39
	Prestwick Portable	SFCC, Inc.	Security fence for electrical portables	1,280.00		1,280.00
	Prestwick Portable	SFCC, Inc.	Sidewalks for portables	18,300.00		18,300.00
	Prestwick Portable	SFCC, Inc.	Non-slip ramp felt portables	610.00		610.00
	Prestwick Portable	C & G Electric	Electrical for alarm	2,868.00		2,868.00
	Prestwick Portable	C & G Electric	Electrical for projector	472.00		472.00
	Prestwick Portable	C & G Electric	Electrical for cameras	850.00		850.00
	Prestwick Portable	C & G Electric	Electrical for phone and data	664.00		664.00
	Prestwick Portable	Haven Landscaping & Irrigation	Grading and sod	1,850.00		1,850.00
	Prestwick Outdoor Classroom	VLK Architects	Architectural services	26,750.00		26,750.00
						491,629.99

Zellars						
	Zellars Misc Contracted Service	The Deal Group	Lobo Lane signs	11,660.03	-	11,660.03
	Zellars Misc Contracted Service	Perkins & Wills	School graphics	5,116.44		5,116.44
	Zellars Misc Contracted Service	Perkins & Wills	School graphics	6,544.12		6,544.12
	Zellars Misc Contracted Service	Perkins & Wills	School graphics	480.00		480.00
	Zellars Misc Contracted Service	Perkins & Wills	School graphics	11,866.56		11,866.56
	Zellars Misc Contracted Service	Perkins & Wills	School graphics	3,580.39		3,580.39
	Zellars Misc Contracted Service	The Deal Group	Steel beam work, light fixtures	4,766.00		4,766.00
	Zellars Misc Contracted Service	Corgan Associates, Inc	Reception Area	375.00		375.00
	Zellars Misc Contracted Service	Corgan Associates, Inc	Reception Area	2,100.00		2,100.00
	Zellars Misc Contracted Service	Corgan Associates, Inc	Reception Area	5,079.34		5,079.34
	Zellars Misc Contracted Service	Corgan Associates, Inc	Reception Area Courier Fees	47.38		47.38
	Zellars - Concrete Sidewalk	The Deal Group	Front entry concrete	46,843.75		46,843.75
	Zellars - Concrete Sidewalk	The Deal Group	Front entry concrete	1,683.75		1,683.75
	Zellars - Concrete Sidewalk	Corgan Associates, Inc	Front entry concrete - architect	400.00		400.00
	Zellars Renov - Curriculum	The Deal Group	Renovations Curriculum Dept	28,896.25		28,896.25
	Zellars Renov - Curriculum	The Deal Group	Renovations Curriculum Dept	5,478.30		5,478.30
	Zellars Renov - Curriculum	The Deal Group	Renovations Curriculum Dept	4,680.00		4,680.00
	Zellars Renov - Curriculum	The Deal Group	Renovations Curriculum Dept	552.39		552.39
	Zellars Renov - Curriculum	The Deal Group	Renovations Curriculum Dept	437.50		437.50
	Zellars Renov - Curriculum	Corgan Associates, Inc	Renovations Curriculum Dept - architect	600.00		600.00
	Zellars Renov - Curriculum	The Deal Group	Renovations Curriculum Dept	2,062.50		2,062.50
	Zellars Renov - Curriculum	The Deal Group	Renovations Curriculum Dept	9,875.00		9,875.00
	Zellars Renov - Curriculum	The Deal Group	Renovations Curriculum Dept	7,640.00		7,640.00
	Zellars Renov - Curriculum	Corgan Associates, Inc	Renovations Curriculum Dept - architect	261.25		261.25
	Zellars Renov - Curriculum	The Deal Group	Renovations Curriculum Dept	2,495.00		2,495.00
	Zellars Renov - Curriculum	The Deal Group	Renovations Curriculum Dept	1,700.00		1,700.00
	Zellars Renov - Technology	The Deal Group	Renovations Technology Dept	50,195.73		50,195.73
	Zellars Renov - Technology	The Deal Group	Renovations Technology Dept	5,812.50		5,812.50
	Zellars Renov - Bus Srvs	The Deal Group	Renovations Business Services	5,725.00		5,725.00
	Zellars Renov - Bus Srvs	The Deal Group	Renovations Business Services	2,487.50		2,487.50
						229,441.68

	Total			2,217,023.17	45,235.63	2,262,258.80

Balance	466,741.20
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Expenditures as of 02-14-17

250,000.00

Campus	Account Description	Vendor	Description	Expenditures	Encumbered	Total
Brent						
				-	-	-
						-
Chavez						
				-	-	-
						-
Hackberry						
				-	-	-
						-
High School						
				-	-	-
						-
Lakeside						
				-	-	-
						-
Maintenance						
				-	-	-
						-
Oak Point						
81				-	-	-
						-
Powell						
	Powell Restrooms	Johnson Burks Supply Co	Fixtures	2,562.83		2,562.83
	Powell Restrooms	Spectrum Resource Group	Restroom partitions		3,398.00	3,398.00
	Powell Restrooms	One Source Flooring	Floor and wall tile		7,889.51	7,889.51
	Powell Restrooms	Lowes Companies, Inc.	Open PO	812.30		812.30
	Powell Restrooms	Dealers Electrical Supply	Lighting	600.00		600.00
	Powell Restrooms	Supply Works	Mirrors		412.17	412.17
	Powell Restrooms	Supply Works	Hand dryers	1,500.00		1,500.00
	Powell Restrooms	Home Depot		348.58		348.58
						17,523.39
Prestwick						
				-	-	-
						-
Zellars						
				-	-	-
						-
	Total			5,823.71	11,699.68	17,523.39

Balance 232,476.61

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 02-27-2017	☐	☐	☒	☐	☐
Subject:	PERSONNEL STIPENDS				
Presenter or Contact Person:	Cleota Epps Executive Director for Human Resource Services				
Policy/Code:	DEA (LOCAL), DEAA (LEGAL), and DEAA (LOCAL), as appropriate.				
Summary:	Addition of four stipends to the Board approved stipend list: 1 – Travel Stipend \$1,200 1 – Phone Stipend \$360 2 – Compacted Math @ \$500 each				
Financial Implications:	There is no financial impact to the budget.				
Attachments:	None				
Recommendation:	The Administration recommends approval of the addition of the four stipends as submitted.				
Motion:	I move the Board approve the addition of the four stipends as submitted.				

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 02-27-2017	☐	☐	☒	☐	☐
Subject:	PERSONNEL MEMO				
Presenter or Contact Person:	Cleota Epps Executive Director for Human Resource Services				
Policy/Code:	DCA, DCB, DC, and DCE, as appropriate.				
Summary:	Administration Contract Renewals.				
Financial Implications:	There is no financial impact to the budget.				
Attachments:	Administration contract renewal memo.				
Recommendation:	The Administration recommends approval of the Administration Contract Renewals as submitted.				
Motion:	I move the Board approve the Administration Contract Renewals as submitted.				



300 Lobo Lane
Little Elm, TX

www.littleelmsd.net
972.947.9340

Department for Human Resource Services

2017-2018 Administrator Contract Renewals

<u>First</u>	<u>Last</u>	<u>Contract</u>	<u>Campus</u>	<u>Position</u>
Tiffany	Ansel	Term	PSA	Assistant Principal
Khari	Applewhite	Employee Agreement	Zellars	Network Systems Administrator
Casey	Bain	Employee Agreement	Zellars	Web Specialist
Randall	Ball	Term	LEHS	Assistant Principal
Amanda	Ball	Term	Zellars	Director for Teacher and Student Engagement
Kristin	Barger	Term	LSMS	Counselor
David	Barnes	Term	Zellars	Occupational Therapy
Jennifer	Bernabo	Term	Zellars	Coordinator for Science
Amy	Boring	Probation	Zellars	LSSP
Temesa	Bradley	Term	LSMS	Counselor
Kristin	Brown	Term	Brent/PSA	Speech Therapy
Kendrick	Brown	Term	LEHS	Head Football Coach
Keisha	Brown	Employee Agreement	LEHS	Coordinator for K-12 College Readiness
Andrea	Buonanno	Term	Lakeside/Powell/LEHS	Speech Therapy
Sandy	Burrell	Term	PSA	Counselor
Bill	Bush	Term	GOALS/AIMS/DAEP	Coordinator for Alternative Education
Kelley	Carr	Term	Lakeview	Principal
Dengiyefa	Carter	Term	LEHS	Counselor
Anna	Chavez	Employee Agreement	Zellars	Purchasing Accountant
Misty	Chesnut	Term	Lakeview	Assistant Principal
Debbie	Clark	Term	Oak Point	Principal
Christi	Clay	Employee Agreement	Zellars	Payroll Supervisor

"Quest for Quality"

<u>First</u>	<u>Last</u>	<u>Contract</u>	<u>Campus</u>	<u>Position</u>
Cortney	Clover	Term	Zellars	Director for Special Populations
Billy	Coburn	Employee Agreement	Zellars	Director for Safety and Security
Danny	Cogdell	Employee Agreement	Zellars	Director for Maintenance
Debbie	Deverich	Term	Lakeview	Counselor
Kendal	Euler	Employee Agreement	Zellars	PEIMS Coordinator
Beth	Euler	Employee Agreement	Zellars	Accountant
Geordan	Fisher	Term	Lakeside	LSSP
Amanda	Fleming	Term	Lakeview	LSSP
Shronda	Fletcher	Term	Zellars	Coordinator for Social Studies
Joey	Frare	Term	LEHS	Athletic Trainer
Christine	Gibson	Term	Prestwick	Principal
Ashley	Glover	Term	Zellars	Director for Curriculum and Learning
Kyle	Grewing	Employee Agreement	Zellars	Network Systems Administrator
Virginia	Gwyn	Term	Brent	Assistant Principal
Melissa	Heckman	Term	Zellars	Instructional Technology Facilitator
Nancy	Hicks	Employee Agreement	Zellars	Accountant
Lisa	Hooten	Employee Agreement	Zellars	Director for Child Care
Eileen	Horton	Term	Oak Point	Counselor
Sarah	Housel	Term	Chavez	Speech Therapy
Sandra	Howell	Term	LEHS	Athletic Director
Denise	Jensen	Term	Zellars	Coordinator for Counseling
Misty	Joaquin	Term	Zellars	Digital Learning Facilitator
Cecelia	Jones	Employee Agreement	Zellars	Coordinator for Communication Services and Community Partnerships
Laws	Kidwell	Term	LEHS	Athletic Trainer
Kyleen	Langat	Term	LEHS	Counselor
Amber	Larue	Term	LEHS	Diagnostician
Erik	Lokken	Term	Zellars	Human Resource Coordinator
Janel	Madely	Term	Zellars	Coordinator for Math
Marina	Matus Garcia	Term	LSMS	Assistant Principal
Douglas	McCall	Term	Brent/OPE	LSSP

<u>First</u>	<u>Last</u>	<u>Contract</u>	<u>Campus</u>	<u>Position</u>
Clint	Miller	Term	LSMS	Principal
Stephanie	Mitchell	Term	Hackberry/Chavez/OPE	LSSP
Ruben	Molinar	Term	LEHS	Assoc. Principal
Joel	Moses	Employee Agreement	Zellars	Supervisor for Custodians
Gerald	Muhammad	Term	Chavez	Assistant Principal
Lisa	Neal	Term	Lakeview	Speech Therapy
Kelly	Painter	Term	Powell	Counselor
Alen	Palislaamovic	Term	LEHS	Assistant Principal
Renee	Pentecost	Term	LEHS	Principal
Tony	Peters	Term	Brent	Principal
Yamille	Quintero de Corredor	Term	Zellars	Parent Liaison
Nadine	Raybourn	Term	Zellars	Coordinator for Languages and Literacy
Elizabeth	Reed	Term	GOALS/AIMS/DAEP	Counselor
Christopher	Reza	Term	LEHS	Assistant Principal
Stephen	Richardson	Term	Hackberry	Assistant Principal
Patricia	Robbins	Employee Agreement	Zellars	Director for Communications
Lecrecia	Robinson	Term	Hackberry	Counselor
Kylie	Robinson	Term	Chavez	Counselor
David	Rodriguez	Employee Agreement	Zellars	Coordinator for Network Systems
Juan	Schmidt	Term	LEHS	Counselor
Bronwyn	Seal	Term	LEHS	Diagnostician
Doug	Sevier	Term	Chavez	Principal
Magdalena	Silva	Term	Zellars	Coordinator for Bilingual and English Language Learners
Jillian	Simpson	Probation	LEHS	Counselor
Lori	Snook	Term	Hackberry/OPE	Speech Therapy
Tom	Swartz	Term	Hackberry	Principal
Carolyn	Tarver	Employee Agreement	Zellars	Director for Child Nutrition
Terilyn	Thomas-Monday	Term	LEHS	Assistant Principal
Brandon	Thompson	Employee Agreement	Zellars	Director of Data Processing
Meg	Tillman	Term	Powell	Assistant Principal

<u>First</u>	<u>Last</u>	<u>Contract</u>	<u>Campus</u>	<u>Position</u>
Marcia	Torres	Term	LSMS	Assistant Principal
Audra	Vandiver	Term	Oak Point	Assistant Principal
Felipe	Vargas	Term	PSA	Assistant Principal
Tosha	Vincent	Employee Agreement	Zellars	Child Nutrition
Kendra	Vogt	Employee Agreement	Zellars	Child Nutrition
Clay	Walker	Employee Agreement	Zellars	Director for Systems Technology
Shai	Walker	Employee Agreement	Zellars	Human Resource On-Boarding Manager
Jefferson	Wiseman	Term	Zellars	Director for Instructional Technology
Tena	Worthy	Term	Chavez	Diagnostician
Jeese	Wyse	Employee Agreement	Zellars	Director for Budget and Finance

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date 02-27-2017	Reports of the Superintendent ☐	Business Item ☐	Consent Agenda ☒	Reports, Routine Monthly ☐	Other ☐
Subject:	Addition of Leasor Crass, P.C. to the list of approved legal counsel for Little Elm ISD				
Presenter or Contact Person:	Cleota Epps Executive Director for Human Resource Services				
Policy/Code:	BDD (LEGAL) and BDD (LOCAL)				
Summary:	The addition of Leasor Crass, P.C. as one of the Board approved legal firms available for the District's use. An overview of Leasor Crass, P.C. is available on their web site at: http://leasorcrass.com/firm-overview/				
Financial Implications:	There is no financial impact to the budget.				
Attachments:					
Recommendation:	The Administration recommends approval of the addition of Leasor Crass, P.C. to the list of approved legal counsel for Little Elm ISD, as submitted.				
Motion:	I move the Board approve the addition of Leasor Crass, P.C. to the list of approved legal counsel for Little Elm ISD, as submitted.				

Board Agenda Item

Little Elm Independent School District

300 Lobo Lane

Little Elm, Texas 75068

Board Mtg. Date 2-27-2017	Reports of the Superintendent ☐	Action Item ☐	Consent Agenda ☒	Reports, Routine Monthly ☐	Other ☐
Subject:	PROCLAMATION 2017 INSTRUCTIONAL MATERIALS ADOPTION				
Presenter or Contact Person:	Dr. Tony Tipton, Director for CTE and Elective Programs Dr. Ashley Glover, Director for Curriculum and Learning Services				
Policy/Code:	EFAA Legal; EFAA Local				
Summary:	This report provides our Board of Trustees with important information about our process for selecting recommended Instructional Materials vendors for Proclamation 2017 in the areas of CTE & World Languages. All instructional materials purchased with Instructional Materials Allotment funds will be acquired from vendors on the recommended list attached.				
Financial Implications:	There is no financial impact to the budget. The District will receive Instructional Materials Allotment funding amounts later in the spring and these funds will be used to purchase the needed materials for CTE & World Languages.				
Attachments:	LEISD Instructional Materials Adoption process and list of suggested vendors.				
Recommendation:	The Administration recommends approval of the Instructional Materials vendors for Proclamation 2017 as submitted				
Motion:	I move the Board approve the Instructional Materials vendors for Proclamation 2017 as submitted.				



Operating Procedures

Procedure	How to participate in the textbook/instructional materials adoption process in LEISD
Policy	
Updated	Summer 2016
Department	Curriculum and Learning
Creator	A. Glover
Purpose	Execution of IMA Proclamations
Resource	IMA Information
Justification	Board Policy EFAA Legal & Local

Step #	Action/Task	Information Source/Contact
1	Familiarize yourself with the IMA information	Content Coordinator or Director
2	Understand which areas are up for adoption and responsibilities	IMA Basics
3	Attend Region XI and other preview opportunities	early Fall
4	Contact vendors for materials and samples	late Fall
5	Provide campuses for materials to preview	as soon as possible after list is released
6	Review and understand district-provided rubrics	Collaborate with Director for Curriculum & Learning
7	Schedule presentations in-house from vendors if possible (use rubrics)	Over 1-2 month period if necessary
8	Schedule parent preview nights	Late February
9	IMA Committee invitations sent out	Late February
10	Approved list of possible vendors sent to Board	February meeting
11	Content area team votes for top recommendations	February / March
12	Adoption area/ Curriculum and Instruction pre-IMA committee meeting	March
12	Top recommendations taken to Board of Trustees	March or April Board Meeting



	for approval	
14	IMA Committee Meeting	Local meeting comprised of Finance, Curriculum and other district decision makers
15	Purchasing of Materials in IMAT	IMAT Ordering Information

Proclamation 2017 LEISD Suggested Instructional Materials Vendors

Career & Technical Education

Pearson
 iCEV
 TPS
 Goodheart Wilcox
 Perfection Learning
 Cengage
 Compusolar
 McGraw Hill

World Languages

Pearson
 Santillana
 EMC
 Houghton Mifflin Harcourt
 McGraw Hill
 Cambridge University Press

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date 02-27-2017	Reports of the Superintendent ☐	Business Item ☐	Consent Agenda ☒	Reports, Routine Monthly ☐	Action Item ☐
Subject:	RESOLUTION TO ADOPT A LONG-RANGE FACILITIES PLANNING COMMITTEE				
Presenter or Contact Person:	Grant Anderson, Assistant Superintendent for Finance and Operations				
Policy/Code:					
Summary:	The Long-Range Facilities Planning Committee is created to research and make future facilities recommendations to the Board of Trustees.				
Financial Implications:	There may be ancillary costs associated with meetings such as, food and supplies. A preliminary budget is set at \$3,000.				
Attachments:	Undercover				
Recommendation:	The Administration recommends approval of the Long-Range Planning Committee.				
Motion:	I move the Board approve the Long-Range Planning Committee, as submitted.				

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date 02-27-2017	Reports of the Superintendent ☐	Action Item ☐	Consent Agenda ☒	Reports, Routine Monthly ☐	Discussion Item ☐
Subject:	GIFTS AND DONATIONS				
Presenter or Contact Person:	Grant Anderson, Assistant Superintendent for Finance and Operations				
Policy/Code:	Other Revenues – Grants from Private Sources – CDC (LOCAL)				
Summary:	New gifts and donations received by the District will be presented.				
Financial Implications:	Increase of General Fund revenues and increase in appropriate budgets.				
Attachments:	Donation List				
Recommendation:	The Administration recommends the acceptance of gifts and donations.				
Motion:	I recommend the Board approve the acceptance of gifts and donations as submitted.				

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NEW DONATIONS
February 2017

Campus/Dept	Fund	Donation From	Description	Date	Monetary	Non-Monetary	Total
Athletics	461	Baseball Booster Club	Cleats & turfs	01/03/17	5,682.15		5,682.15
Athletics	461	Soccer Booster Club	2 team shelters from BSN Sports	01/04/17	5,400.00		5,400.00
Athletics	461	Cross Country & Track Booster Club	3 iPads and Applecare	01/20/17	2,463.00		2,463.00
Chavez		Federal Express - Ronnie Hockum	5 boxes of copy paper	02/10/17		200.00	200.00
					13,545.15	200.00	13,745.15

Board Agenda Item

Little Elm Independent School District

300 Lobo Lane

Little Elm, Texas 75068

Board Mtg. Date 02-27-2017	Reports of the Superintendent ☐	Business Item ☐	Consent Agenda ☒	Reports, Routine Monthly ☐	Discussion Item ☐
Subject:	Annual Investment Report				
Presenter or Contact Person:	Grant Anderson, CFO & Asst. Superintendent of Finance and Operations				
Policy/Code:	CDA Legal and CDA Local Board Policies				
Summary:	"The Board shall review its investment policy and investment strategies not less than annually. The Board shall adopt a written instrument 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."				
Financial Implications:	None.				
Attachments:	Annual Investment Policies				
Recommendation:	The Administration recommends approval of the Investment Policies.				
Motion:	"I move that we adopt Investment Policy CDA (Legal) dated 10/29/2015 and CDA (Local) dated 08/24/2015 with no changes."				

Little Elm ISD
Annual Investment Report
February 27, 2017

Little Elm ISD

Annual Investment Report

February 27, 2017

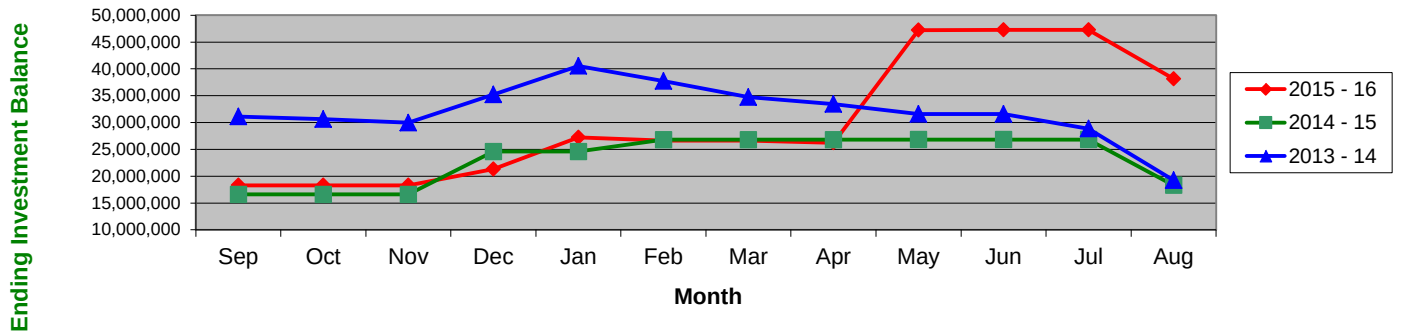
Table of Contents

1. Three year historical investment data ending August 31, 2016
2. LEISD Investment Policy
3. TexSTAR
 - a. Certification Letter
 - b. Investment Policy
4. Texas CLASS
 - a. Certification Letter
 - b. Investment Policy
5. TexPool
 - a. Certification Letter
 - b. Investment Policy
6. Lone Star Investment Pool
 - a. Compliance Officer Certification Letter
 - b. Investment Officer Certification Letter
 - c. Lone Star Investment Policy

Little Elm ISD

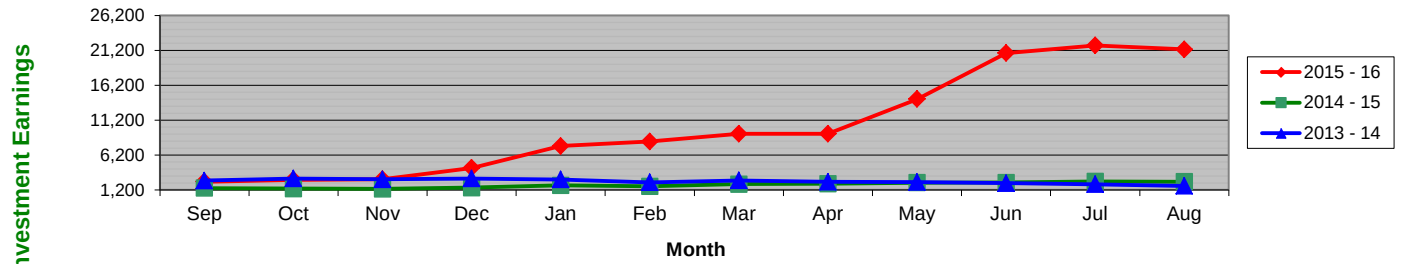
Investment Balances, Returns and Rates
Three Year History Ending August 31, 2016
Unaudited for Management Purposes Only

Monthly Investment Balances Over a 3 Year Period



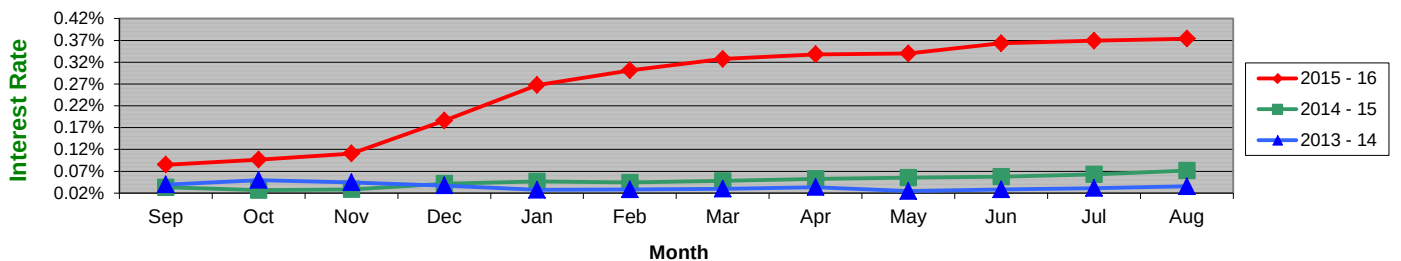
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
2015 - 16	18,307,578	18,310,235	18,312,960	21,317,311	27,238,752	26,662,558	26,622,196	26,229,321	47,243,538	47,264,338	47,286,220	38,129,884
2014 - 15	16,591,042	16,592,434	16,593,788	24,595,312	24,597,171	26,805,190	26,807,222	26,809,315	26,811,566	26,813,822	26,816,255	18,305,200
2013 - 14	31,113,873	30,613,264	29,979,180	35,219,465	40,556,616	37,716,904	34,747,300	33,442,441	31,615,662	31,617,826	28,864,395	19,225,539

Monthly Investment Earnings Over a 3 Year Period



	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
2015 - 16	2,378	2,657	2,725	4,350	7,481	8,131	9,253	9,259	14,217	20,800	21,882	21,326
2014 - 15	1,466	1,392	1,354	1,524	1,859	1,728	2,033	2,093	2,251	2,256	2,433	2,383
2013 - 14	2,546	2,837	2,715	2,828	2,682	2,299	2,571	2,362	2,313	2,164	2,012	1,779

Average Monthly Interest Rates Over a 3 Year Period



	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
2015 - 16	0.09%	0.10%	0.11%	0.19%	0.27%	0.30%	0.33%	0.34%	0.34%	0.36%	0.37%	0.37%
2014 - 15	0.03%	0.03%	0.03%	0.04%	0.05%	0.04%	0.05%	0.05%	0.06%	0.06%	0.06%	0.07%
2013 - 14	0.04%	0.05%	0.04%	0.04%	0.03%	0.03%	0.03%	0.03%	0.02%	0.03%	0.03%	0.04%

Periodic interest rates of Texpool.

LEISD 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*

WRITTEN POLICIES

Investments shall be made in accordance with written policies approved by the board. 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 a 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;
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(b)

ANNUAL REVIEW

The board shall review its investment policy and investment strategies not less than annually. The board shall adopt a written instrument 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 part of the investment policy, a 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

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the investment objectives for the particular fund under 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 investment needs to be liquidated before maturity;
5. Diversification of the investment portfolio; and
6. Yield.

Gov't Code 2256.005(d)

INVESTMENT
OFFICER

A district shall designate one or more officers or employees as investment officer(s) to be responsible for the investment of its funds. 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
INITIAL

Within 12 months after taking office or assuming duties, the chief financial officer and the investment officer of a district shall attend at least one training session from an independent source approved either by the board or by 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)*

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ONGOING

The chief financial officer and the investment officer must also 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 a designated investment committee advising the investment officer. If a district has contracted with another investing entity to invest the district's funds, this training requirement may be satisfied by having a board officer attend four hours of appropriate instruction 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. *Gov't Code 2256.008(a-1)–(b)*

Investment training shall include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with the Government Code, Chapter 2256. *Gov't Code 2256.008(c)*

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 his or her own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investments 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, rather than the prudence of a single investment, over which the officer had responsibility.
2. Whether the investment decision was consistent with a board'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 relat-

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ed within the second degree by affinity or consanguinity, as determined by Government Code Chapter 573, 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:

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, an investment officer shall prepare and submit to a 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 to a board and a superintendent, not less than quarterly, within a reasonable time after the end of the reporting period. The report must:

1. Contain a detailed description of the investment position of a district on the date of the report.
2. Be prepared jointly and signed by all district investment officers.
3. Contain a summary statement for each pooled fund group (i.e., each internally created fund in which one or more accounts are combined for investing purposes) 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.

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6. State the account or fund or pooled group fund in a district for which each individual investment was acquired.
7. State the compliance of the investment portfolio of a district as it relates to the district's investment strategy expressed in the district's investment policy and relevant provisions of Government Code, Chapter 2256.

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 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

A board or a 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

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. Investments may be made directly by a board or by a nonprofit corporation acting on behalf of the board or an investment pool acting on behalf of two or more local governments, state agencies, or a combination of the two. *Gov't Code 2256.003(a)*

In the exercise of these powers, a 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 for such purpose may not be for a term longer than two years. A renewal or extension of the contract must be made by a board by order, ordinance, or resolution. *Gov't Code 2256.003(b)*

The following investments are authorized for districts, although the board may specify in its investment policy that any such investment is not suitable, per Government Code 2256.005(j):

1. Obligations, including letters of credit, of the United States or its agencies and instrumentalities; direct obligations of the state of Texas or its agencies and instrumentalities; 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

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United States; other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the state of Texas, 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; 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; and bonds issued, assumed, or guaranteed by the state of Israel. *Gov't Code 2256.009(a)*

The following investments are not authorized:

- a. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal.
- b. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest.
- c. Collateralized mortgage obligations that have a stated final maturity date of greater than ten years.
- d. 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)

2. Certificates of deposit or share certificates issued by a depository institution that has its main office or a branch office in Texas that is guaranteed or insured by the FDIC or its successor or the National Credit Union Share Insurance Fund or its successor and is secured by obligations described in item 1 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 in Section 2256.009(b)] or secured in any other manner and amount provided by law for the deposits of the investing entity. *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 under Government Code 2256.010:

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- a. 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 by Government Code 2256.025, or a depository institution that has its main office or a branch office in this state and that is selected by the district;
- b. 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;
- c. 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
- d. The district appoints the depository institution selected by the district, an entity described by Government Code 2257.041(d), 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 entity.

Gov't Code 2256.010(b)

The 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)*

3. Fully collateralized "repurchase agreements" [as defined by Government Code 2256.011(b)] that have a defined termination date; are secured by a combination of cash and obligations of the United States or its agencies and instrumentalities; require 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 with the district or a third party selected and approved by the district, and are 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. *Gov't Code 2256.011*

4. A securities lending program if:
 - a. The value of securities loaned is not less than 100 percent collateralized, including accrued income, and the loan allows for termination at any time;
 - b. The loan is secured by:
 - (1) Pledged securities described by Government Code 2256.009;
 - (2) 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
 - (3) Cash invested in accordance with Government Code 2256.009, 2256.013, 2256.014, or 2256.016;
 - c. The terms of the loan require that the securities being held as collateral be pledged to the investing entity, held in the investing entity's name, and deposited at the time the investment is made with the entity or with a third party selected by or approved by the investing entity; and
 - d. The loan is placed through a primary government securities dealer 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

5. Banker's acceptance, with a stated maturity of 270 days or fewer from the date of issuance that will be liquidated in full at maturity, which is eligible for collateral for borrowing from a Federal Reserve Bank, and is accepted by a bank meeting the requirements of Government Code 2256.012(4). *Gov't Code 2256.012*
6. Commercial paper that has a stated maturity of 270 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 two nationally recognized credit rating agencies or by one nationally recognized credit rating agency provided the commercial paper is fully

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secured by an irrevocable letter of credit issued by a bank or-
ganized and existing under United States law or the law of
any state. *Gov't Code 2256.013*

7. No-load money market mutual funds that:
 - a. Are registered with and regulated by the Securities and Exchange Commission;
 - b. Provide a 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.);
 - c. Have a dollar-weighted average stated maturity of 90 days or fewer; and
 - d. Include in their investment objectives the maintenance of a stable net asset value of \$1 for each share.

However, investments in no-load money market mutual funds shall be limited to the percentages authorized by Government Code 2256.014(c).

8. No-load mutual funds that:
 - a. Are registered with the Securities and Exchange Commission;
 - b. Have an average weighted maturity of less than two years;
 - c. Are invested exclusively in obligations approved by Government Code Chapter 2256, Subchapter A, regarding authorized investments (Public Funds Investment Act);
 - d. Are continuously rated by at least one nationally recognized investment rating firm of not less than AAA or its equivalent; and
 - e. Conform to the requirements in Government Code 2256.016(b) and (c) relating to the eligibility of investment pools to receive and invest funds of investing entities.

Investments in no-load mutual funds shall be limited to the percentages authorized by Government Code 2256.014(c). In addition, a district may not invest any portion of bond proceeds, reserves, and funds held for debt service, in no-load mutual funds described in this item.

Gov't Code 2256.014

9. A guaranteed investment contract, as an investment vehicle for bond proceeds, if the guaranteed investment contract:
 - a. Has a defined termination date.
 - b. Is secured by obligations described by Government Code 2256.009(a)(1), excluding those obligations described by Section 2256.009(b), in an amount at least equal to the amount of bond proceeds invested under the contract.
 - c. Is pledged to a 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:

- a. A board must specifically authorize guaranteed investment contracts as eligible investments in the order, ordinance, or resolution authorizing the issuance of bonds.
- b. A district must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received.
- c. A district must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received.
- d. The price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested.
- e. The provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

Gov't Code 2256.015

10. A public funds investment pool meeting the requirements of Government Code 2256.016 and 2256.019, if a board authorizes the investment in the particular pool by resolution. *Gov't Code 2256.016, .019*
11. 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 in Government Code 2256.0204(a)) 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. *Gov’t Code 2256.0204(b)–(c)*

The district is not authorized to:

- a. 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
- b. 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.

Gov’t Code 2256.0204(d)

The district may purchase, sell, and invest its funds and funds under its control in corporate bonds if the board:

- a. Amends its investment policy to authorize corporate bonds as an eligible investment;
- b. Adopts procedures to provide for monitoring rating changes in corporate bonds acquired with public funds, and liquidating the investment in corporate bonds; and
- c. Identifies the funds eligible to be invested in corporate bonds.

Gov’t Code 2256.0204(e)

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:

- a. 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
- b. Changes the rating on the corporate bonds to a rating lower than “AA” or the equivalent.

Gov’t Code 2256.0204(f)

Corporate bonds are not an eligible investment for a public funds investment pool. *Gov’t Code 2256.0204(g)*

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CHANGE IN LAW	A district is not required to liquidate investments that were authorized investments at the time of purchase. <i>Gov't Code 2256.017</i>
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. <i>Gov't Code 2256.021</i>
SELLERS OF INVESTMENTS	A written copy of the investment policy shall be presented to any person offering to engage in an investment transaction with a district or to an investment management firm under contract with a district to invest or manage the district's investment portfolio. For purposes of this section, a business organization includes investment pools and an investment management firm under contract with a district to invest or manage the district's investment portfolio. 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 thoroughly 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 policy, except to the extent that this authorization is dependent on an analysis of the makeup of the district's entire portfolio or requires an interpretation of subjective investment standards. The investment officer may not acquire or otherwise obtain any authorized investment described in a district's investment policy from a person who has not delivered to the district the instrument described above. <i>Gov't Code 2256.005(k)-(l)</i>
DONATIONS	A gift, devise, or bequest made to provide college scholarships for district graduates may be invested by a board as provided in Property Code 117.004, unless otherwise specifically provided by the terms of the gift, devise, or bequest. <i>Education Code 45.107</i> Investments donated to a district for a particular purpose or under terms of use specified by the donor are not subject to the require-

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ments of Government Code Chapter 2256, Subchapter A. *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*

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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 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 money market mutual funds and no-load 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 fluctuations 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.

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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 monthly or 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.

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.

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AGENCY FUNDS	Investment strategies for agency 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.
SAFEKEEPING AND CUSTODY	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.
BROKERS / DEALERS	Prior to handling investments on behalf of the District, brokers/dealers must submit required written documents in accordance with law. [See SELLERS OF INVESTMENTS, CDA(LEGAL)] 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).
SOLICITING BIDS FOR CD'S	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.
INTEREST RATE RISK	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. The District shall monitor interest rate risk using weighted average maturity and specific identification.
INTERNAL CONTROLS	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.

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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.

TexSTAR Investment Pool



TEXAS PUBLIC FUNDS INVESTMENT ACT
ACKNOWLEDGMENT AND CERTIFICATION

This Acknowledgment and Certification is executed on behalf of the Little Elm Independent School District (the "Investing Entity") and Texas Short Term Asset Reserve Fund ("TexSTAR") pursuant to the Public Funds Investment Act, Chapter 2256.005(k), Government Code (the "Act"), in connection with investment transactions conducted between the Investing Entity and TexSTAR.

The undersigned qualified representative of TexSTAR (the "Qualified Representative") hereby certifies on behalf of TexSTAR that:

- (i) The Qualified Representative is duly authorized to execute this Acknowledgment and Certification on behalf of TexSTAR; and,
- (ii) The Qualified Representative has received and reviewed the investment policy provided by the Investing Entity; and,
- (iii) TexSTAR has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the Investing Entity and TexSTAR that are not authorized by the Investing Entity's investment policy, except (i) to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio and (ii) with respect to an interpretation of subjective investment standards.

QUALIFIED REPRESENTATIVE

Mary Ann Dunda
Managing Director - TexSTAR Administrator
FirstSouthwest, A Division of Hilltop Securities
February 9, 2017



INVESTMENT POLICY

(CASH RESERVE FUND)

The Premier Investment Service for
Texas Local Governments

I. STATEMENT OF PURPOSE AND OBJECTIVE

ORGANIZATION

The Texas Short Term Asset Reserve Program (“TexSTAR”) is a local government investment pool organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code (the “PFIA”). TEXSTAR was created in April 2002 by contract among its participating governmental units and is governed by a board of directors (the “Board”).

J.P. Morgan Investment Management Inc. (“JPMIM” or the “investment manager”) and First Southwest Company, LLC (“FSC”) serve as co-administrators for TEXSTAR under an agreement with the TEXSTAR board of directors (the “Board”). JPMIM provides investment management, and FSC provides participant services and marketing. Custodial, fund accounting and depository services are provided by JPMorgan Chase Bank, N.A. and/or its subsidiary J.P. Morgan Investor Services Co. Transfer agency services are provided by Boston Financial Data Services, Inc. (“BFDS” or the “Transfer Agent”). Each of JPMIM, FSC, BFDS and JPMorgan Chase Bank, N.A. may provide certain services, including those described herein, through the use of subcontractors and/or delegates.

OBJECTIVE

The purpose of TEXSTAR is to offer a safe, efficient and liquid investment alternative to local governments in the State of Texas so that they may benefit from and realize a higher investment return by utilizing economies of scale and professional investment expertise. It is the policy of TEXSTAR to invest pooled assets in a manner which will provide for preservation and safety of principal and competitive investment returns while meeting the daily liquidity needs of the participants. Specifically, the primary investment objectives of TEXSTAR in order of priority are:

- preservation of capital and protection of principal,
- safety of funds and investments,
- maintenance of sufficient liquidity,
- diversification to avoid unreasonable or avoidable risks, and
- yield.

This Investment Policy establishes investment strategies, policies, and procedures intended to assure that these objectives are met.

FUNDS

The Board may establish separate Funds with separate investment portfolios within TEXSTAR from time to time. Initially, TEXSTAR will maintain a Cash Reserve Fund (also referred to as the “Fund”). Unless otherwise stated, this Investment Policy applies to the Cash Reserve Fund.

II. STANDARD OF CARE

The TexSTAR Cash Reserve Fund shall be designed and managed in accordance with the following prudent person standard of care:

Investments shall be made with the 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 as well as the probable income to be derived.

This prudent person standard shall apply to the management of all TexSTAR Funds.

III. AUTHORIZED INVESTMENTS

The TexSTAR Cash Reserve Fund shall be invested only in the following:

GOVERNMENT SECURITIES

The Fund may be invested in obligations of, unconditionally guaranteed or insured by, or backed by the full faith and credit of the United States or its agencies or instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation, *except* the following:

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 10 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.

REPURCHASE AGREEMENTS AND REVERSE REPURCHASE AGREEMENTS

The Fund may be invested in fully collateralized repurchase agreements having a defined termination date and secured by the delivery of cash or obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the United States or its agencies or instrumentalities, including mortgage-backed securities and obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation. TEXSTAR may also borrow against its investments through a reverse repurchase agreement meeting the foregoing standards and the other conditions described herein. The repurchase and reverse repurchase agreement transactions shall be placed only with primary government securities dealers, as recognized by the Federal Reserve or financial institutions doing business in the State of Texas. All such transactions must be governed by a master repurchase agreement in form approved by The Securities Industry and Financial Market Association ("SIFMA").

MONEY MARKET MUTUAL FUNDS

The Fund may be invested in no-load money market mutual funds which meet the requirements of the PFIA and which (1) are registered with and regulated by the United States Securities and Exchange Commission (SEC), (2) are rated “AAAm” or the equivalent by at least one nationally recognized statistical rating organization, (3) maintain a dollar-weighted average stated maturity of 90 days or fewer and a dollar-weighted average maturity of 60 days or fewer, (4) include in their investment objectives the maintenance of a stable net asset value of \$1 per share, and (5) invest only in obligations of the United States, its agencies and/or instrumentalities or repurchase agreements collateralized by obligations of the United States, its agencies and/or instrumentalities.

IV. PROHIBITED INVESTMENTS

The TexSTAR Cash Reserve Fund *may not* be invested in commercial paper.

The TexSTAR Cash Reserve Fund *may not* be invested in derivatives.

For the purposes of this Investment Policy, the definition of derivatives includes instruments which have embedded features that alter their character or income stream or allow holders to hedge or speculate on a market or spreads between markets that are external to the issuer, or are not correlated on a one-to-one basis to the associated index or market.

Prohibited derivatives *include* the following:

1. Arrangements in which an investor has swapped the natural cash flows or some portion of the natural cash flows of an instrument for a different set of cash flows (i.e., interest rate swaps).
2. Over-the-counter/exchange-traded options or futures (i.e., option contracts, futures contracts, etc.).
3. The following instruments: collateralized mortgage obligations, inverse floating rate notes, range index notes, non-money market index-based notes, dual index notes, index amortizing notes, inverse multi-index bonds, stepped inverse index bonds, and inverse index bonds.

Instruments that are *not* considered derivatives by the preceding definition and are authorized investments, if described in Part III, are as follows:

Treasury bills, Treasury notes, Treasury bonds, Treasury strips, repurchase agreements, agency notes with a defined maturity and fixed coupon rate, money market index variable rate notes (i.e., floating rate notes tied to money market indices such as three- or six-month Treasury bills, one-, three-, and six-month London Interbank Offering Rate (“LIBOR”), federal funds, the one-year constant maturity Treasury rate, or a prime rate or a commercial paper composite rate) and step-up notes.

In addition to commercial paper and derivatives, the TexSTAR Cash Reserve Fund may not invest in certificates of deposit or any other investments that are not authorized by Part III.

V. POLICY GUIDELINES AND STRATEGY

PORTFOLIO STRUCTURE AND COMPOSITION

The TexSTAR Cash Reserve Fund portfolio shall be designed and managed to ensure that it will meet all the requirements necessary to maintain a AAAM rating (or the equivalent) by a nationally recognized investment rating firm. The weighted average maturity of the TexSTAR Cash Reserve Fund portfolio shall be limited to: (1) a maximum sixty (60) days when calculated utilizing the period remaining until the date on which, in accordance with the terms of each security, the principal amount must unconditionally be paid, or in the case of a security called for redemption, the date on which the redemption payment must be made, and may utilize the interest rate reset date for variable rate notes (VRN) or floating rate securities; and (2) one hundred twenty (120) days or fewer as calculated taking into account the period remaining until the date on which, in accordance with the terms of each security, the principal amount must unconditionally be paid, or in the case of a security called for redemption, the date on which the redemption payment must be made, with a maximum final stated maturity for any obligation of, or securities that are guaranteed or insured by the United States, its agencies or instrumentalities limited to 397 days for fixed rate securities and 24 months for variable rate notes. All investments shall be purchased on a delivery versus payment (DVP) basis. Specific portfolio composition and maturity limitation guidelines shall be guided by the following general parameters.

Portfolio Composition:

The composition of the Fund shall be limited as follows. Limitations shall be applied by comparing the aggregate market value of the Fund's investments as of the close of business on the day preceding purchase. Investments need not be sold to maintain continuing compliance with composition limits, unless required by TexSTAR's general investment objectives.

US Government Securities, Agencies and Instrumentalities

The Fund portfolio may be comprised of one hundred percent (100%) obligations of, unconditionally guaranteed or insured by, or backed by the full faith and credit of the United States or its agencies or instrumentalities.

Repurchase Agreements

One hundred percent (100%) of the Fund may be invested in direct repurchase agreements. The continuing need for liquidity and the short-term profile of the portfolio dictates a high use of repurchase agreements.

Term Repurchase Agreements

Not more than percent (25%) in aggregate of the total market value of the Fund may be invested in term repurchase agreements. Term repurchase agreements will be used primarily to enhance portfolio return.

Reverse Repurchase Agreements

TEXSTAR is permitted to enter into reverse repurchase agreements for investments in the Fund totaling not more than one third (1/3) of the value of the Fund's total assets. Reverse repurchase agreements will be used primarily to enhance Fund return.

Money Market Mutual Funds

A maximum of ten percent (10%) of the Fund may be invested in any one money market mutual fund, and the Fund's investment in any one money market mutual fund may not exceed ten percent (10%) of the total assets of that money market mutual fund.

Variable Rate Notes

A maximum of 60 percent (60%) of the Fund may be invested in eligible variable rate notes.

Maturity Limitations:

Government Securities, Agencies and Instrumentalities

The maximum final stated maturity for any securities that are obligations of or guaranteed or insured by the United States government, its agencies or instrumentalities shall be limited to 397 days for fixed rate securities and 24 months for variable rate notes.

Repurchase Agreements

The maturity of direct repurchase agreements shall not exceed ninety-five (95) days unless the repurchase agreements have a put option that allows the fund to liquidate the position at par (principal plus accrued interest) with no more than 7 days notice to the counterparty.

Reverse Repurchase Agreements

Money received under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments. The authorized investments acquired must mature not later than the expiration date stated in the reverse repurchase agreement. The term of a reverse repurchase agreement may not exceed ninety (90) days.

Money Market Mutual Funds

Money market funds must have a weighted average maturity of sixty (60) days or less and a weighted average stated maturity of ninety (90) days or less.

PURCHASERS

All trades, purchases and sales transacted for TEXSTAR shall be done on a best execution basis. The broker-dealers used for TEXSTAR shall be those approved by the Board.

COLLATERALIZATION AND SAFEKEEPING

All repurchase agreements shall be fully collateralized as required by the PFIA. The market value of collateral shall be equal to at least one hundred and two percent (102%) of the total

amount payable to TExSTAR under the repurchase agreement, including accrued interest, and shall be checked daily.

All book entry securities, whether purchased outright or under repurchase agreements, shall be held in a custodial account at the Federal Reserve Bank. The Custodian shall keep accurate records reflecting TExSTAR's ownership of the securities.

All securities not held in book entry form shall be held by the Custodian or its agent. Third party institutions must issue original safekeeping receipts to the Custodian.

AUTHORIZED PERSONNEL

The investment manager must deliver to TExSTAR a written acknowledgment that the investment manager has received and reviewed the TExSTAR Cash Reserve Fund Investment Policy and has implemented reasonable procedures and controls in an effort to preclude investment transactions that are not authorized by the Investment Policy. All investment manager personnel authorized to buy and sell investment instruments, send and receive securities, make fund transfers and other types of related investment transactions shall be directly supervised by senior management personnel of the investment manager.

DOCUMENTATION

Reasonable documentation and a thorough audit trail shall be maintained for all investment transactions.

DIVERSIFICATION AND SUITABILITY

The TExSTAR Cash Reserve Fund portfolio shall be designed with the protection of principal and maintenance of sufficient liquidity to all participants as the highest priority. After consideration of safety and liquidity, the portfolio shall be designed to achieve a competitive rate of return for participants that meets or exceeds the yield on money market mutual funds with similar investment authority. The risk-return relationship shall be maintained and controlled through this Investment Policy and the TExSTAR Operating Procedures. Adequate collateralization and delivery versus payment procedures shall be utilized at all times in an attempt to minimize risk.

Diversification by market sector and security types, as well as maturity, may be used in an attempt to protect the TExSTAR Cash Reserve Fund against market and credit risk as well as aiding in liquidity requirements. The portfolio shall be structured to benefit from anticipated market conditions and to achieve a reasonable return.

Cash needs and cash expectations shall take priority in designing and structuring each Fund portfolio. Income and expenditure history shall be developed and continuously updated to determine the liquidity needs of the TExSTAR Cash Reserve Fund. Reports of these cash flow needs shall be used to develop the maturity structure of each Fund to assure liquidity to all participants. In order to meet the anticipated liquidity needs, the portfolio shall be designed to ensure sufficient distribution of investments in liquid, short-term instruments.

TEMPORARY CASH HOLDINGS

To respond to unusual market conditions in a prudent manner, TexSTAR may be required to hold all or most of its total assets in cash, including for the purpose of assuring sufficient liquidity or due to the lack of eligible securities, among other circumstances. This may result in a lower yield and prevent the Fund portfolio from meeting all its investment objectives.

DISTRIBUTION OF GAINS AND LOSSES

So long as the Fund continues to utilize amortized accounting, all gains or losses from the sale of, and all other income received from, securities held in the TexSTAR Cash Reserve Fund shall be distributed among its participants in proportion to their day-weighted units in the Fund and generally are amortized over a period of up to thirty (30) days from the date on which the gain, loss, or income is realized or received.

CONSTANT DOLLAR OBJECTIVE

The objective of the TexSTAR Cash Reserve Fund is to maintain a stable value of \$1.00 per unit (rounded to the nearest whole cent). Although all securities in the portfolio shall be marked to market daily using the fair value method, amortized cost, which generally approximates the market value of securities, has been deemed to be a proxy for fair value. If, upon a daily calculation, the investment manager finds that the deviation between the amortized cost and market-determined values or the deviation between market-determined values and \$1.00 per unit of the Portfolio's assets exceeds \$0.0030, it shall promptly notify the Board. In the event that the deviation from amortized cost or the deviation between market-determined values and \$1.00 per unit exceeds \$0.0040, the Board shall direct the investment manager to take such action, if any, as it determines is necessary to eliminate or reduce to the extent reasonably practicable any dilution or unfair results to existing participants. Notwithstanding the foregoing, absent contrary instructions from the Board, the investment manager shall cause the subject investments to be sold promptly to attempt to bring the deviation back within the desired value band. However, the \$1.00 per unit value is not guaranteed or insured by TexSTAR or the co-administrators. There can be no assurance that the Fund portfolio will maintain a stable net asset value of \$1.00. The Board, in its discretion, may elect to cease utilization of amortized accounting and to utilize the fair value method at any time. To the extent that the Board elects to utilize a net asset value per share determined by using available market quotations in lieu of amortized accounting, the Fund will reflect market fluctuations and any unrealized gains and losses resulting from those fluctuations on a daily basis.

MONITORING MARKET PRICE AND RATINGS

Through one or both of the co-administrators, TexSTAR shall account for all Fund transactions and shall mark to market the Fund portfolio holdings of TexSTAR on a daily basis through the use of independent or affiliated commercial pricing services or third party broker-dealers. The market prices shall be checked daily for current data and validity of information. In addition, a reasonability test shall be performed in order to determine if the prices received are within a set tolerance range. In the event that any of the prices fall outside of the set tolerance range, then these prices shall be investigated. The investment manager will periodically monitor the credit ratings of the investments in which the Fund invests and, to the extent required under the PFIA, shall take all prudent measures to liquidate any investments of the Fund that fail to meet any minimum rating requirement for such investments set forth in the PFIA.

VI. ADMINISTRATIVE CONSIDERATIONS

PARTICIPATION AGREEMENTS

Each participant must have a fully executed application on file with TEXSTAR before investing in TEXSTAR.

DEPOSIT AND WITHDRAWAL DEADLINES

See separate TEXSTAR Operating Procedures for detailed deposit and withdrawal deadlines.

REPORTING AND DISCLOSURE

Each participant must obtain and should review the TEXSTAR Cash Reserve Fund Information Statement before investing. TEXSTAR will furnish investment confirmations and a monthly report disclosing certain information to participants in accordance with the Texas Public Funds Investment Act. Additional information is available on the TEXSTAR web site, www.textstar.org, or by calling TEXSTAR Participant Services at 1-800-TEXSTAR (1-800-839-7827).

TEXSTAR is audited annually by an independent auditor.

AUTHORIZED DEALERS

The investment manager shall maintain a list of primary dealers and brokers authorized to provide investment services to TEXSTAR.

ETHICS AND CONFLICTS OF INTEREST

Each co-administrator is required to maintain a code of ethics which requires its employees working with TexSTAR to place the interests of TexSTAR before their personal interests and to avoid any actual or potential conflicts of interest. Each co-administrator must promptly report any material non-compliance with such requirements to the Board.

JPMIM acts as a fiduciary when providing investment management services to TexSTAR. JPMIM may order the purchase of investments from either itself, FSC or their affiliates only on terms and conditions approved by a majority of the Participant members of the Board.

JPMIM has provided the following disclosures concerning its practices:

JPMIM and/or its affiliates ("JPMorgan Chase") perform investment services, including rendering investment advice, to varied clients. JPMIM, JPMorgan Chase and its or their directors, officers, agents, and/or employees may render similar or differing investment advisory services to clients and may give advice or exercise investment responsibility and take such other action with respect to any of its other clients that differs from the advice given or the timing or nature of action taken with respect to another client or group of clients. It is JPMIM's policy, to the extent practicable, to allocate, within its reasonable discretion, investment opportunities among clients over a period of time on a fair and equitable basis. One or more of JPMIM's other

client accounts may at any time hold, acquire, increase, decrease, dispose, or otherwise deal with positions in investments in which another client account may have an interest from time-to-time.

JPMIM, JPMorgan Chase, and any of its or their directors, partners, officers, agents or employees, may also buy, sell, or trade securities for their own accounts or the proprietary accounts of JPMIM and/or JPMorgan Chase. JPMIM and/or JPMorgan Chase, within their discretion, may make different investment decisions and other actions with respect to their own proprietary accounts than those made for client accounts, including the timing or nature of such investment decisions or actions. Further, JPMIM is not required to purchase or sell for any client account securities that it, JPMorgan Chase, and any of its or their employees, principals, or agents may purchase or sell for their own accounts or the proprietary accounts of JPMIM, or JPMorgan Chase or its clients.

JPMIM and its related persons may recommend securities to clients that JPMIM and its related persons may also purchase or sell. As a result, positions taken by JPMIM and its related persons may be the same as or different from, or made contemporaneously or at different times than, positions taken for clients of JPMIM. As these situations may involve potential conflicts of interest, JPMIM has adopted policies and procedures relating to personal securities transactions, insider trading and other ethical considerations. These policies and procedures are intended to identify and mitigate actual and perceived conflicts of interest with clients and to resolve such conflicts appropriately if they do occur. The policies and procedures contain provisions regarding preclearance of employee trading, reporting requirements and supervisory procedures that are designed to address potential conflicts of interest with respect to the activities and relationships of related persons that might interfere or appear to interfere with making decisions in the best interest of clients, including the prevention of front-running. In addition, JPMIM has implemented monitoring systems designed to ensure compliance with these policies and procedures.

April 2015

Texas CLASS Investment Pool

February 9, 2017

Mr. Grant Anderson
Asst. Superintendent of Finance & Operation Services, CFO
Little Elm Independent School District
300 Lobo La.
Little Elm, TX 75068

Re: Little Elm Independent School District Investment Policy

Dear Mr. Anderson:

Thank you for your interest in the Texas CLASS program. This letter is to acknowledge that the Texas CLASS staff has received from you (the "Investor") and reviewed the Investment Policy (described in (ii) below) and the form of resolution (the "Resolution") proposed for adoption by your governing body (the "Governing Body") approving the Investment Policy. According to the Resolution, the Investment Policy has been developed in accordance with the requirements of the Public Funds Investment Act, Texas Government Code, Chapter 2256 (the "Act"), and, upon adoption, will authorize you to deposit funds in Texas CLASS for investment by Texas CLASS. You also have represented to the undersigned that:

- i. The Investment Officer named in the Resolution has been, or upon adoption of the Resolution will be, (a) duly designated by official action of the Governing Body to act as its Investment Officer pursuant to the Act, (b) vested with full power and authority under the Act and other applicable law (collectively, the "Authorized Investments Law") to engage in investment activities on behalf of the Investor and to perform all obligations in connection therewith, and (c) duly authorized to execute this letter on behalf of the Investor for the purpose of confirming the representations of the Investor set forth herein;
- ii. Pursuant to the Act, the Governing Body of the Investor has, or will upon approval of the Resolution have, duly adopted a written investment policy, including an investment strategy (as the same may be amended, the "Investment Policy"), and the Investment Officer (a) has furnished a true and correct copy of the Investment Policy to us and (b) will promptly notify us of any rescission of, or amendment to, the Investment Policy, provided that we shall be entitled to rely upon the most recent version of the Investment Policy furnished by the Investment Officer; and
- iii. The Investor has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising out of investment transactions with Texas CLASS, and prior to investing assets through the Texas CLASS program, the Investment Officer will determine that the contemplated investment is authorized under the Authorized Investments Law and is consistent with the Investment Policy.

Texas CLASS acknowledges that it has reviewed the investment policy of the above-named entity and has implemented reasonable procedures and controls in an effort to preclude

investment transactions involving funds invested on behalf of Texas CLASS participants that are not authorized by the entity's investment policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio or requires an interpretation of subjective investment standards. The Texas CLASS Program allows the purchase of investments that are authorized by the Act. Texas CLASS is committed to the high standards and level of service that participants expect in the investments of their funds.

The foregoing representations of the Investor are true and correct as of the date hereof.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gregory S. Wright". The signature is fluid and cursive, with a large initial "G" and "S".

Gregory S. Wright
Texas CLASS Administrator

TEXAS COOPERATIVE LIQUID ASSETS SECURITIES SYTEM TRUST INVESTMENT POLICY

This Investment Policy (the “Policy”) is adopted by the Board of Trustees of Texas Cooperative Liquid Assets Securities System Trust (“Texas CLASS”), a public funds investment pool established and created pursuant to Chapter 2256 of the Texas Government Code, as amended, and an Amended and Restated Trust Agreement dated as of August 16, 2013 (as amended from time to time, the “Trust Agreement”) among certain Texas Participants, as defined in the Trust Agreement, Wells Fargo Bank, National Association, as Custodian (the “Custodian”), and Public Trust Advisors, LLC, as Program Administrator (the “Program Administrator”). This policy is effective as of October 18, 2013.

ARTICLE I **PURPOSE**

Section 1.01. Purpose.

This Policy with respect to investments of Texas CLASS has been adopted to establish the principles and criteria by which the funds of Texas CLASS should be invested and secured and to comply with the provisions of the Trust Agreement and with various provisions of Texas law relating to the investment and security of funds of public funds investment pools (the “Investment Laws”). As of the date of the adoption of this Policy, the following laws are applicable to the investment of Texas CLASS’ funds: Chapter 2256, Texas Government Code; Chapter 791, Texas Government Code; Chapter 2257, Texas Government Code; and Chapter 404.101 et seq., Texas Government Code. The Investment Laws generally provide the minimum criteria for the authorized investment and security of funds of Texas CLASS and require Texas CLASS to adopt rules to ensure the investment of funds of Texas CLASS in accordance with such laws. This Policy will specify the scope of authority of Texas CLASS Officials who are responsible for the investment of funds of Texas CLASS.

Section 1.02. Policy Application to Sub-Accounts.

This Policy shall apply to all sub-accounts of Texas CLASS, including Texas CLASS PLUS any other sub-accounts that are invested and managed separately from Texas CLASS, whether such sub-accounts contain one or multiple Participants.

ARTICLE II DEFINITIONS

Section 2.01. Definitions.

Unless the context requires otherwise, the following terms and phrases used in this Policy shall mean the following:

- a) The term “Authorized Collateral” means any means or method of securing the deposit of funds of Texas CLASS authorized by Chapter 2257, Texas Government Code.
- b) The term “Authorized Investment” means any security which Texas CLASS is authorized to invest in under Chapter 2256, Texas Government Code.
- c) The term “Board” means the Board of Trustees of Texas CLASS.
- d) The term “Collateral” means any means or method of securing the deposit of funds of Texas CLASS under Article V hereof.
- e) The term “Collateral Act” means Chapter 2257, Texas Government Code, as amended from time to time.
- f) The term “Trustee” means a person elected or appointed to serve on the Board of Trustees of Texas CLASS.
- g) The term “Employee” means any person employed by Texas CLASS, but does not include independent contractors or professionals hired by Texas CLASS as outside consultants, such as the Program Administrator or the Custodian for Texas CLASS.
- h) The term “Investment Act” means Chapter 2256, Texas Government Code, as amended from time to time.
- i) The term “Investment Officer” means the Trustee of Texas CLASS designated by the Trust Agreement to invest and reinvest the funds of Texas CLASS held in its various accounts.

- j) The term “Texas CLASS Officials” means the Investment Officer, Trustees, officers, employees, and persons and business entities engaged in handling the investment of funds of Texas CLASS, including, without limitation, the Program Administrator and the Custodian.

ARTICLE III

INVESTMENT OFFICER

Section 3.01. Investment Officer.

The Trust Agreement designates the Chairman of the Board, ex officio, or in the absence of the Chairman, the Vice Chairman, if any, to serve as Investment Officer to handle the investment of funds of Texas CLASS. The Investment Officer shall be responsible for investing funds of Texas CLASS in accordance with this Policy. The Investment Officer shall invest funds of Texas CLASS, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived, with all investment decisions to be governed by the following objectives in order of priority: (a) preservation and safety of principal; (b) liquidity; and (c) yield.

Section 3.02. Training.

The Investment Officer shall complete any and all training sessions that may be required by law relating to his or her responsibilities under the Investment Act as the Investment Officer for the Participant represented by the Investment Officer.

Section 3.03. Reporting by the Program Administrator.

Not less than quarterly and within a reasonable time after the end of the period reported, the Investment Officer and Texas CLASS Officials shall cause the Program Administrator to prepare and submit to the Board a written report of the investment transactions for all funds of Texas CLASS for the preceding reporting period. The report must (1) describe in detail the investment position of Texas CLASS on the date of the report, (2) be signed by the Program Administrator, (3) state the book value and the market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested, (4) state the maturity date of each separately invested asset that has a maturity date, and (5) state the compliance of the investment portfolio as it relates to this Policy and the Investment Act.

Section 3.04. Assistance with Certain Duties of the Investment Officer.

The Board hereby authorizes and directs the Program Administrator and any other Texas CLASS Officials requested by the Investment Officer to assist the Investment Officer with any of his duties, including but not limited to the following:

1. Presenting a copy of the Policy to any person or business organization seeking to sell an investment to Texas CLASS and obtaining the necessary written certification from such seller referred to in Section 4.03;
2. Handling investment transactions;
3. Preparing and submitting to the Board the written report of all investment transactions for Texas CLASS as required by this Article;
4. Researching investment options and opportunities;
5. Obtaining written depository pledge agreements as required herein;
6. Obtaining safekeeping receipts from the Texas financial institution which serves as a depository for pledged Collateral; and
7. Reviewing the market value of investments of Texas CLASS and of the Collateral pledged to secure funds of Texas CLASS.

ARTICLE IV

PROCEDURES FOR INVESTMENT OF TEXAS CLASS MONIES

Section 4.01. Qualified Broker/Dealers

The list of qualified broker/dealers with whom Texas CLASS may engage in investment transactions is listed in The Qualified Broker/Dealer List attached to this Policy as Exhibit B. The Qualified Broker/Dealer List to the Policy may be amended and updated by the Board separate from or as a part of this Policy.

Section 4.02. Disclosures of Relationships with Entities Offering to Enter into Investment Transactions with Texas CLASS.

The Investment Officer and Texas CLASS Officials shall disclose in writing (a) any “personal business relationship” with a business organization offering to engage in an investment transaction with Texas CLASS and (b) any relationship within the second degree by affinity or consanguinity, as determined by Chapter 573, Texas Government Code, to any individual seeking to sell an investment to Texas CLASS, as required by the Investment Act. The existence of a “personal business relationship” shall be determined in accordance with the Investment Act. Such disclosure statement shall be filed with the Board and the Texas Ethics Commission.

Section 4.03. Certifications from Sellers of Investments.

The Investment Officer or Texas CLASS Officials shall present this Policy to any person or business organization offering to engage in an investment transaction with Texas CLASS and obtain the certificate that such potential seller has reviewed the Policy as provided in the Investment Act. This certificate shall be in a form acceptable to Texas CLASS and shall state that the potential seller has received and reviewed the Policy and has acknowledged that the potential seller has implemented reasonable procedures and controls in an effort to preclude investment transactions with Texas CLASS that are not authorized by this Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entire portfolio of Texas CLASS or requires an interpretation of subjective investment standards. Neither the Investment Officer nor Texas CLASS Officials shall purchase or make any investment from a potential seller that has not delivered to Texas CLASS this required certification. A form of certificate acceptable to Texas CLASS is attached hereto as Exhibit A.

Section 4.04. Solicitation of Bids for Certificates of Deposit.

Bids for certificates of deposit may be solicited orally, in writing, electronically or in any combination of those methods.

Section 4.05. Settlement Basis.

All purchases of investments, except investment in mutual funds, shall be made on a delivery versus payment basis. The safekeeping entity for all Texas CLASS investments and for all Collateral pledged to secure funds of Texas CLASS shall be one approved by the Investment Officer or the Program Administrator.

Section 4.06. Monitoring of the Market Value of Investments and Collateral.

The Program Administrator, on behalf of the Investment Officer, with the help of such Texas CLASS Officials as needed, shall determine the market value of each investment and of all Collateral pledged to secure deposits of funds of Texas CLASS at the times required and in the manner provided in the Trust Agreement and the Investment Act.

ARTICLE V **PROVISIONS APPLICABLE TO ALL FUNDS**

Section 5.01. Provisions Applicable to All Funds.

- A. All funds of Texas CLASS shall be invested only in accordance with this Policy and shall comply with any additional requirements imposed by the Trust Agreement or by resolutions of the Board and applicable state law or federal tax law, including the Investment Laws.
- B. The Program Administrator may withdraw or transfer funds from and to accounts of Texas CLASS only in compliance with this Policy.

Section 5.02. Policy of Securing Deposits of Funds of Texas CLASS -- Applicable to All Deposited Funds of Texas CLASS.

- A. Texas CLASS recognizes that FDIC (or its successor) insurance is available for funds of Texas CLASS deposited at any one Texas Financial Institution (including branch banks) only up to a maximum of \$250,000 (including accrued interest) for each of the following: (i) demand deposits, (ii) time and savings deposits, and (iii) deposits made pursuant to an indenture or pursuant to law in order to pay bondholders or noteholders. It is the policy of Texas CLASS that all deposited funds in Texas CLASS shall be insured by the FDIC, or its successor, and to the extent not insured, shall be secured by Collateral pledged to the extent of the fair market value of the principal amount deposited plus accrued interest as required by the Collateral Act.
- B. If it is necessary for depositories of Texas CLASS to pledge Collateral to secure Texas CLASS' deposits, (1) the Collateral pledge agreement must be in writing, (2) the Collateral pledge agreement must be approved by the depository's board of directors or loan committee, (3) the depository's approval of the Collateral pledge agreement must be reflected in the minutes of the meeting of the depository's board or loan committee approving same, and (4) the Collateral pledge agreement must be kept in the official records of the depository. The depository must provide the Investment Officer or Texas CLASS Officials with written proof of the depository's approval of the pledge agreement as required herein in a form acceptable to Texas CLASS. A signed or certified copy of the

minutes of the meeting of the depository's board or loan committee reflecting the approval of the Collateral pledge agreement or other written documentation of such approval acceptable to the Investment Officer will be accepted. It is the preference of the Board that all requirements of this section be met prior to the deposit of any funds of Texas CLASS in such financial institution when a pledge of Collateral is required; however, the Board recognizes that compliance with this preference might not be practicable due to time constraints for making a deposit. In such event, the Board directs the Investment Officer and Texas CLASS Officials to proceed diligently to have such agreement approved and documented to assure protection of funds of Texas CLASS. If the decision is made to forego the protection of a Collateral pledge agreement with any depository, the Program Administrator shall be responsible for maintaining the balance of deposit(s) in such depository plus any accrued but unpaid interest at or below FDIC insurance levels.

- C. Collateral pledged by a depository shall be held in safekeeping at an independent third party institution, and the Program Administrator shall obtain safe-keeping receipts from the Texas financial institution or the safekeeping institution that reflect that Collateral as allowed by this Policy and in the amount required was pledged to Texas CLASS. Principal and accrued interest on deposits in a financial institution shall not exceed the FDIC's, or its successor's, insurance limits or the market value of the Collateral pledged as security for Texas CLASS' deposits. It shall be acceptable for the Program Administrator to periodically receive interest on deposits to be deposited to the credit of Texas CLASS if needed to keep the amount of the funds under the insurance or Collateral limits. It is the preference of this Board that there be no sharing, splitting or cotenancy of Collateral with other secured parties or entities; however, in the event that a depository cannot accommodate this preference due to the denominations of the securities to be pledged, the Board directs the Investment Officer and Texas CLASS Officials to obtain appropriate protections in the pledge agreement with the depository to assure that the Collateral is liquidated and the funds distributed appropriately to all parties with a security interest in such Collateral. The Program Administrator shall monitor the pledged Collateral to assure that it is pledged only to Texas CLASS, review the fair market value of the Collateral to ensure that Texas CLASS' funds are fully secured, and report periodically to the Investment Officer and the Board regarding the Collateral.
- D. Texas CLASS' funds deposited in any Texas financial institution, to the extent that they are not insured, may be secured in any manner authorized by law for Texas CLASS as such law is currently written or as amended in the future.

Section 5.03. Diversification.

The pool shall at all times diversify its assets in such a way as to maintain its AAAM rating status with at least one nationally recognized statistical rating organization. The diversification criteria set by the rating organization shall be reviewed with the Board at least annually. The diversification criteria and the diversification of the pool's assets shall at all times be in compliance with the Texas Public Funds Investment Act, Chapter 2256, Texas Government Code.

ARTICLE VI AUTHORIZED INVESTMENTS

Section 6.01. Authorized Investments – Texas CLASS.

Unless specifically prohibited by law or elsewhere by this Policy, monies of Texas CLASS may be invested and reinvested only in investments authorized by Chapter 2256, Texas Government Code, as amended, including the following types of investments:

1. Obligations, including letters of credit, of the United States or its agencies and instrumentalities with a maximum maturity of 397 days, except that certain permitted variable rate securities may be purchased with final maturities greater than 397 days, as described in Paragraph 12 (d) below.
2. Direct obligations of the State of Texas or its agencies and instrumentalities;
3. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States;
4. 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;
5. Certificates of deposit or share certificates if the certificate is issued by a depository institution that has its main office or a branch office in this state and is: (1) guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor; (2) secured by obligations that are described by Section 2256.009(a) of Chapter 2256, Texas Government Code as

amended, 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 of the nature described by Section 2256.009(b), Texas Government Code, as amended; or (3) secured in any other manner and amount provided by law for deposits of the investing entity. In addition, an investment in certificates of deposit is authorized if (1) the funds are invested by an investing entity through (A) a broker that has its main office or a branch office in Texas and is selected from a list adopted by the investing entity, or (B) a depository institution that has its main office or a branch office in Texas and that is selected by the investing entity, (2) the broker or depository institution selected by the investing entity under (1) above 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 investing entity, (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 investing entity appoints the depository institution selected by the investing entity under (1) above, an entity described by Section 2257.041(d) or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rules 15c3-3 (17 C.F.W. Section 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity, .

6. Repurchase agreements that comply with the Investment Act. No more than 25% of the portfolio of Texas CLASS shall be invested in term repurchase agreements and no more than 5% of the portfolio of Texas CLASS may be invested in term repurchase agreements with maturities exceeding 90 days. Repurchase agreements shall be 102% collateralized by obligations of the United States Treasury or its agencies and instrumentalities in accordance with the provisions of the Public Securities Association Master Agreement on file with the Program Administrator pertaining to repurchase agreement operating procedures.
7. A securities lending program where:
 - 1) the value of securities loaned under the program is not less than 100 percent collateralized, including accrued income;
 - 2) a loan made under the program allows for termination at any time;
 - 3) a loan made under the program is secured by: (A) pledged securities described subsection (I) below; (B) pledged irrevocable letters of credit issued by a bank that is: (i) organized and existing under the laws of the United States or any other state; and (ii) continuously rated by at least one nationally recognized investment rating firm at not less than A or its equivalent; or (C) cash invested in:

(I) obligations, including letters of credit, of the United States or its agencies and instrumentalities; (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 or the United States or their respective agencies and instrumentalities; (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; and (6) bonds issued, assumed, or guaranteed by the State of Israel.

(II) Commercial Paper pursuant to Number Nine below.

(III) Mutual Funds pursuant to Number 10 below; or

(IV) Investment Pools

- 4) the terms of a loan made under the program must require that the securities being held as collateral be: (A) pledged to the investing entity; (B) held in the investing entity's name; and (C) deposited at the time the investment is made with the entity or with a third party selected by or approved by the investing entity;
- 5) a loan made under the program must be placed through: (A) 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 (B) a financial institution doing business in Texas; and
- 6) an agreement to lend securities must have a term of one year or less.
8. Bankers' acceptances that comply with the Investment Act;
9. Commercial paper that complies with the Investment Act; provided that no more than 25% of the assets of Texas CLASS shall be invested in commercial paper of any one industry, except that the 25% limitation shall not apply to commercial paper of banking and financial institutions.

10. No-load money market mutual funds that comply with the Investment Act;
11. Guaranteed investment contracts that comply with the Investment Act;
12. The following other requirements shall also be met:
 - a. No investments shall be made in securities denominated in a currency other than dollars of the United States of America.
 - b. The weighted average maturity of the fund will not exceed the lesser of the triple-A guidelines of a nationally recognized rating agency, or 90 days.
 - c. Securities with capped coupons are not permitted.
 - d. Variable rate instruments issued by United States agencies or instrumentalities with final maturities of greater than 397 days are allowed if the rate resets at least annually and is calculated with reference to a single, established money market index and the instrument can reasonably be expected to reset to or maintain its par value at all reset dates.
13. Bonds issued, assumed or guaranteed by the State of Israel that are also backed by the full faith and credit of the United States of America.

Section 6.02. Authorized Investments – Texas CLASS PLUS

Unless specifically prohibited by law or elsewhere by this Policy, monies of Texas CLASS PLUS may be invested and reinvested only in investments authorized by Chapter 2256, Texas Government Code, as amended, including the following types of investments:

1. Obligations, including letters of credit, of the United States or its agencies and instrumentalities with a maximum maturity of 7 years.
2. Direct obligations of the State of Texas or its agencies and instrumentalities;
3. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of the State of Texas or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States;

4. 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;
5. Certificates of deposit or share certificates if the certificate is issued by a depository institution that has its main office or a branch office in this state and is: (1) guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor; (2) secured by obligations that are described by Section 2256.009(a) of Chapter 2256, Texas Government Code as amended, 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 of the nature described by Section 2256.009(b), Texas Government Code, as amended; or (3) secured in any other manner and amount provided by law for deposits of the investing entity. In addition, an investment in certificates of deposit is authorized if (1) the funds are invested by an investing entity through (A) a broker that has its main office or a branch office in Texas and is selected from a list adopted by the investing entity, or (B) a depository institution that has its main office or a branch office in Texas and that is selected by the investing entity, (2) the broker or depository institution selected by the investing entity under (1) above 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 investing entity, (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 investing entity appoints the depository institution selected by the investing entity under (1) above, an entity described by Section 2257.041(d) or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rules 15c3-3 (17 C.F.W. Section 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity, .
6. Repurchase agreements that comply with the Investment Act. No more than 25% of the portfolio of Texas CLASS PLUS shall be invested in term repurchase agreements and no more than 5% of the portfolio of Texas CLASS PLUS may be invested in term repurchase agreements with maturities exceeding 90 days. Repurchase agreements shall be 102% collateralized by obligations of the United States Treasury or its agencies and instrumentalities in accordance with the provisions of the Public Securities Association Master Agreement on file with the Program Administrator pertaining to repurchase agreement operating procedures.

7. A securities lending program where:
- (1) the value of securities loaned under the program is not less than 100 percent collateralized, including accrued income;
 - (2) a loan made under the program allows for termination at any time;
- (3) a loan made under the program is secured by: (A) pledged securities described subsection (I) below; (B) pledged irrevocable letters of credit issued by a bank that is: (i) organized and existing under the laws of the United States or any other state; and (ii) continuously rated by at least one nationally recognized investment rating firm at not less than A or its equivalent; or (C) cash invested in:
- (I) (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities; (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 or the United States or their respective agencies and instrumentalities; (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; and (6) bonds issued, assumed, or guaranteed by the State of Israel.
 - (II) Commercial Paper pursuant to Number Nine below.
 - (III) Mutual Funds pursuant to Number 10 below; or
 - (IV) Investment Pools
- (4) the terms of a loan made under the program must require that the securities being held as collateral be: (A) pledged to the investing entity; (B) held in the investing entity's name; and (C) deposited at the time the investment is made with the entity or with a third party selected by or approved by the investing entity;

- (5) a loan made under the program must be placed through: (A) 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 (B) a financial institution doing business in Texas; and
- (6) an agreement to lend securities must have a term of one year or less.
- 8. Bankers' acceptances that comply with the Investment Act;
- 9. Commercial paper that complies with the Investment Act; provided that no more than 25% of the assets of Texas CLASS PLUS shall be invested in commercial paper of any one industry, except that the 25% limitation shall not apply to commercial paper of banking and financial institutions.
- 10. No-load money market mutual funds that comply with the Investment Act;
- 11. Guaranteed investment contracts that comply with the Investment Act;
- 12. The following other requirements shall also be met:
 - a. No investments shall be made in securities denominated in a currency other than dollars of the United States of America.
 - b. Securities with capped coupons are not permitted.
 - c. Variable rate instruments issued by United States agencies or instrumentalities with final maturities of greater up to 7 years are allowed if the rate resets at least annually and is calculated with reference to a single, established money market index and the instrument can reasonably be expected to reset to or maintain its par value at all reset dates.
- 13. Bonds issued, assumed or guaranteed by the State of Israel that are also backed by the full faith and credit of the United States of America.

Section 6.03 Prohibited Investments.

Notwithstanding anything to the contrary stated herein, no funds of Texas CLASS may be invested in the following or in any other type of investment prohibited by the Investment Act or other applicable law:

1. Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal (IO's);
2. Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest (PO's);
3. Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
4. Collateralized mortgage obligations the interest rate of which are determined by an index that adjusts opposite to the changes in the market index (inverse floaters).
5. Corporate bonds.

ARTICLE VII **INVESTMENT STRATEGIES**

Section 7.01. Strategy Applicable to Texas CLASS.

The general investment strategy for Texas CLASS shall be to invest all monies so as to accomplish the following objectives, which are listed in the order of importance:

1. Understanding of the suitability of the investment to the financial requirements of the Participants in Texas CLASS;
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.

All monies shall be invested to meet the cash flow requirements of Texas CLASS as determined by the needs of the Participants. Monies in Texas CLASS shall not be invested for longer than 397 days or as specified in Section 6.01(11)(d). Monies in Texas CLASS PLUS shall not be invested longer than 7 years.

ARTICLE VIII MISCELLANEOUS

Section 8.01. Annual Review.

Texas CLASS shall review this Policy at least annually and adopt a resolution confirming the continuance of the Policy without amendment or adopt an Amended Policy.

Section 8.02. Superseding Clause.

This Policy supersedes any prior policies adopted by the Board of Trustees regarding investment or securitization of Funds of Texas CLASS.

Section 8.03. Open Meeting.

The Board officially finds, determines and declares that this Policy was reviewed, carefully considered, and adopted at a regular meeting of the Board, and that a sufficient written notice of the date, hour, place and subject of this meeting was posted at a place readily accessible and convenient to the public at the administrative office of Texas CLASS, at a place convenient to the public in the main office of the Secretary of State and on a bulletin board at a place convenient to the public in the county courthouse in Dallas County, for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting had been open to the public as required by law at all times during which this Policy was discussed, considered and acted upon. The Board further ratifies, approves and confirms such written notice and the contents and posting thereof.

This document may be executed in one or more original counterparts, each of which shall constitute one and the same instrument and is effective as of the date specified below.

Adopted on the 18 day of October, 2013.


Secretary, Board of Trustees


Chair, Board of Trustees

Exhibit A

CERTIFICATE OF COMPLIANCE FROM SELLERS OF INVESTMENTS AS REQUIRED BY THE PUBLIC FUNDS INVESTMENT ACT

To: Texas Cooperative Liquid Assets Securities System Trust, a public funds investment pool ("Texas CLASS")

From: _____

[Name of the person offering or the
"qualified representative of the business
organization" offering to engage in an
investment transaction with Texas CLASS]

[Office such person holds]

of _____ (the "Business Organization")
[name of financial institution, business organization or investment pool]

Date: _____

In accordance with the provisions of Chapter 2256 of the Texas Government Code, I hereby certify that:

1. I am an individual offering to enter into an investment transaction with Texas CLASS or any of its subaccounts, including Texas CLASS PLUS (referred to herein collectively as "Texas CLASS"), or I am a "qualified representative" of the Business Organization offering to enter an investment transaction with Texas CLASS, as applicable, as such terms are used in the Public Funds Investment Act, Chapter 2256, Texas Government Code, and that I meet all requirements under such act to sign this Certificate.
2. I or the Business Organization, as applicable, anticipate selling to Texas CLASS investments that comply with Texas CLASS' Investment Policy and the Investment Act (collectively referred to herein as the "Investments"), as amended and effective as of the date hereof. (the "Investment Policy").
3. I or a registered investment professional that services Texas CLASS' account, as applicable, have received and reviewed the Investment Policy, which Texas CLASS has represented is the complete Investment Policy of Texas CLASS now in full force and effect. Texas CLASS has further acknowledged that I or the Business Organization, as

Investment Policy | Texas CLASS

applicable, may rely upon the Investment Policy until Texas CLASS provides me or the Business Organization, as applicable, with any amendments to or any newly adopted form of the Investment Policy.

4. I or the Business Organization, as applicable, have/has implemented reasonable procedures and controls in an effort to preclude investment transactions between Texas CLASS and me or the Business Organization, as applicable, that are not authorized by the Investment Policy, except to the extent that this authorization is dependent upon an analysis of Texas CLASS' entire portfolio or requires an interpretation of subjective investment standards.
5. I or the Business Organization, as applicable, have/has reviewed or will review prior to sale, the terms, conditions and characteristics of the investments to be sold to Texas CLASS and determined (i) that each of the Investments is an authorized investment for local governments under the Investment Act and (ii) each of the Investments is an authorized investment under the Investment Policy. The Business Organization makes no representation as to whether any limits on the amount of Texas CLASS' monies to be invested in the Investments exceeds or in any way violates the Investment Policy.
6. The Business Organization makes no representations or guarantees regarding the prudence, reasonableness or adequacy of the Investment Policy.
7. The Business Organization has attached hereto, for return to Texas CLASS, or will provide a prospectus or disclosure document for each of the Investments other than certificates of deposit and direct obligations of the United States.

By: _____
Name: _____
Title: _____

Investments other than certificates of deposit are not FDIC insured, are not deposits or other obligations of me, the Business Organization or any of its affiliates, and are subject to investment risks, including possible loss of the principal amount invested.

Return Receipt Acknowledged on _____, 20__.

By: _____
Title: _____

Exhibit B
QUALIFIED BROKER/DEALER LIST (10/18/13)

The following are the qualified broker/dealers with whom Texas CLASS may engage in investment transactions:

- Bank of America
- Barclays
- BNP
- Citigroup
- CSFB
- Deutsche Bank
- FTN Financial
- Goldman, Sachs Group, Inc.
- Greenwich Capital
- G.X. Clarke & Co.
- Harris Nesbitt Burns Corp.
- HSBC
- Jefferies and Co., Inc.
- J. P. Morgan
- Loop Capital
- Mizuho Securities USA, Inc.
- Morgan Stanley
- Nomura Securities Int'l Inc.
- RBC Capital Markets
- South Street Securities, LLC
- UBS
- Wells Fargo Securities, LLC
#4386889.1

TexPool Investment Pool



Federated

WORLD-CLASS INVESTMENT MANAGER®

**TEXAS PUBLIC FUNDS INVESTMENT ACT
ACKNOWLEDGEMENT AND CERTIFICATION
OF INVESTMENT POLICIES**

This Acknowledgement and Certification is executed on behalf of the Texas Local Government Investment Pools, TexPool and TexPool Prime (collectively, "TexPool"), and Federated Investment Counseling, as investment adviser to TexPool ("Adviser"), pursuant to Section 2256.005(k), Texas Government Code, in connection with investment transactions conducted between **Little Elm Independent School District** ("Investing Entity") and TexPool.

The undersigned, who is a qualified representative of both TexPool and Adviser (the "Qualified Representative") hereby certifies on behalf of TexPool and Adviser that, as of the date of this letter:

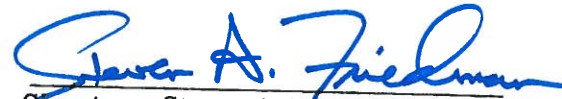
- (i.) The Qualified Representative is duly authorized to execute this Acknowledgment and Certification on behalf of TexPool and Adviser; and
- (ii.) The Qualified Representative has received and reviewed the Investing Entity's investment policy attached hereto as Exhibit A (the "Policy"); and
- (iii.) TexPool and Adviser have implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the Investing Entity and TexPool that are not authorized by the Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the Investing Entity's entire portfolio or requires an interpretation of subjective investment standards.

TEXPOOL

FEDERATED INVESTMENT
COUNSELING


Signature: Steven A. Friedman
Authorized Signatory

Date: 2/14/2017


Signature: Steven A. Friedman
Vice President

Date: 2/24/2017



TexPool Investment Policy

Texas Local Government
Investment Pool

Revised August 2016

I. PURPOSE AND OBJECTIVES STATEMENT

A. TEXPOOL

The Interlocal Cooperation Act, chapter 791 of the Texas Government Code, and the Public Funds Investment Act, chapter 2256 of the Texas Government Code (the “Act”), provide for the creation of public funds investment pools through which political subdivisions and other entities may invest public funds.

TexPool will use amortized cost to value portfolio assets and follow the criteria established by Governmental Accounting Standards Board (“GASB”) Statement No. 79 for use of amortized cost. This Investment Policy shall be interpreted and applied in a manner consistent with GASB guidance on external investment pools that use amortized cost to value all portfolio assets.

Pursuant to subchapter G of chapter 404, the Comptroller of Public Accounts (the “Comptroller”) administers the Texas Local Government Investment Pools (the “TexPool Portfolios”) as public funds investment pools through the Texas Treasury Safekeeping Trust Company (the “Trust Company”). The Trust Company is a special-purpose trust company authorized to receive, transfer, and disburse money and securities as provided by statute or belonging to the state, agencies, and local political subdivisions and other organizations created on behalf of the state or agency or political subdivision of the state. The Comptroller is the sole officer, director, and shareholder of the Trust Company.

The Comptroller and the Trust Company have contracted with an administrator and investment manager (“Investment Manager”) for the TexPool Portfolios. The TexPool Portfolios comprise two investment alternatives: TexPool and TexPool Prime. This Investment Policy relates only to TexPool. TexPool invests in U.S. Treasury and government agency securities, repurchase agreements, and certain mutual funds.

In accordance with the Act, the Comptroller has appointed the TexPool Investment Advisory Board (the “Board”) to advise with respect to TexPool. The Board is composed equally of participants in the TexPool Portfolios and other persons who do not have a business relationship with the TexPool Portfolios and are qualified to advise the TexPool Portfolios.

B. PURPOSE

The purpose of TexPool is to offer a safe, efficient, and liquid investment alternative to local governments in the State of Texas. The expectation is that local governments will benefit from the receipt of higher investment returns as a result of economies of scale and the investment expertise and management oversight of the Comptroller and the Trust Company. Investments are made in accordance with this investment policy (the “TexPool Investment Policy”) established by the Trust Company and approved by the Comptroller. The TexPool Investment Policy’s investment parameters are more conservative than those contained in the Act. The TexPool Investment Policy is reviewed annually and revised as necessary.

C. OBJECTIVES

As required by the Act, the investment objectives of TexPool in order of priority are:

- preservation and safety of principal;
- liquidity; and
- yield

TexPool's additional objective is to maintain a stable \$1.00 price per unit. In accordance with the Act, TexPool securities are marked to market daily, and if the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, TexPool will take any appropriate action necessary to maintain the ratio between 0.995 and 1.005. However, the \$1.00 price is not guaranteed or insured by the State of Texas.

D. STANDARD OF CARE

As also required by the Act, TexPool investments are made subject to the "prudent person" standard of care. Accordingly, the Investment Manager must make investment decisions:

"with [the] 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."

E. STRATEGIES

1. Portfolio Composition

The TexPool portfolio is designed and managed to ensure that it maintains its AAAM rating (or the equivalent) by a nationally recognized statistical rating organization ("NRSRO").

The following guidelines shall be followed by the Investment Manager to maintain the portfolio maturity consistent with a stable net asset value per share:

- The maximum remaining maturity of any security or other investment acquired for the portfolio shall be 397 calendar days or less.
- The portfolio should maintain a weighted average maturity of 60 days or less.
- The portfolio should maintain a weighted average life of 120 days or less.

Maturity limits are applied as defined in GASB 79.

A cure period of not more than 10 business days shall be permitted in the event that the weighted average maturity of the portfolio exceeds these limits, consistent with NRSRO guidelines.

2. Risk Management

Principal is protected and market and credit risks minimized by investing in a diversified pool of assets of high credit quality. Actual risks are minimized by adequate collateralization and use of delivery versus payment procedures.

The following procedure shall be followed by the Investment Manager to monitor investment rating changes:

- Perform ongoing monitoring of the credit risks of all securities.
- Create and update, as necessary, an approved list of issuers and securities.
- Maintain the approved list in the Investment Manager's trading and compliance system and utilize the system to monitor the credit risk on a pre-trade compliance basis.

- Note any changes in the rating of a security and determine whether such change is in compliance with the Act.
- If an investment is downgraded such that it is not in compliance with the Act, liquidate the security as required by the Act.

3. Liquidity

Cash needs and cash expectations take priority in the design and structure of TexPool. Income and expenditure history are developed and continuously updated to determine the liquidity needs of TexPool. Reports of anticipated cash flow needs are used to develop the maturity structure of the portfolio to provide liquidity to all participants. To meet the anticipated liquidity needs, TexPool is invested to ensure sufficient distribution of investments in liquid, short-term instruments. The maturities of the investments are distributed such that there is a continuing stream of securities maturing at frequent intervals.

4. Returns

After consideration of safety and liquidity, TexPool assets are invested with the goal of achieving a competitive rate of return that meets or exceeds the yield on money market mutual funds with similar investment authority. TexPool is structured to benefit from anticipated market conditions and to achieve a reasonable return.

F. DISTRIBUTION OF GAINS AND LOSSES

All gains or losses from the sale of securities are distributed among TexPool participants, and will be amortized over the remaining term to maturity of the liquidated securities.

II. AUTHORIZED INVESTMENTS

The Act governs the investment of TexPool. The Act sets out a number of authorized investments. TexPool funds may be invested only in the following authorized investments:

A. GOVERNMENT SECURITIES (section 2256.009(a)(1) of the Act)

1. Statutory Requirements

Obligations of the United States, its agencies, or instrumentalities **EXCLUDING** the following:

- Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
- Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
- Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
- Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

2. Policy Guidelines

Portfolio Composition: Up to 100% of TexPool assets may be invested in government obligations of the United States, its agencies, or instrumentalities. However, no more than 60% of the portfolio may be invested in variable rate notes.

Maturity Limits: The maximum final stated maturity of a security may not exceed 397 days, other than for floating or variable rate government obligations of the United States, its agencies, or instrumentalities.

B. REPURCHASE AGREEMENTS (section 2256.011 of the Act)

1. Statutory Requirements

Fully collateralized repurchase agreements or reverse repurchase agreements (i) with defined termination dates, (ii) secured by obligations of the United States, its agencies, or its instrumentalities, including certain mortgage-backed securities, (iii) that require purchased securities to be pledged to the investing entity, in the entity's name, and deposited at the time of investment with the investing entity or a third party, and (iv) that are placed through primary government securities dealers, as defined by the Federal Reserve, or a financial institution doing business in the State of Texas.

The term of a reverse repurchase agreement may not exceed 90 days after the date of delivery. Money received under a reverse repurchase agreement may be used to acquire additional authorized investments provided such investments mature not later than the expiration date stated in the reverse repurchase agreement.

2. Policy Guidelines

a. Repurchase Agreements

Portfolio Composition:

Direct Repurchase Agreements: Up to 100% of TexPool assets may be invested in repurchase agreements.

Term Repurchase Agreements: A term repurchase agreement refers to any repurchase agreement with more than 7 calendar days remaining to maturity or more than 7 calendar days to the next put option that allows TexPool to liquidate the position at par (principal plus accrued interest.)

Maturity Limits: The maximum final maturity on repurchase agreements may not exceed 365 days. For purposes of calculating the weighted average maturity of the portfolio, the maturity date of a term repurchase agreement will be equal to the put option notice period.

Margin Requirement: Collateral must be equal to at least 102% of the total market value of the repurchase agreement, including accrued interest.

b. Reverse Repurchase Agreements

Portfolio Composition:

TexPool may enter into reverse repurchase agreements for up to one third (1/3) of the value of TexPool assets.

c. Repurchase Agreements and Reverse Repurchase Agreements

Documentation: All repurchase transactions are governed by a Bond Market Association (BMA) or Securities Industry and Financial Markets Association (SIFMA) approved Master Repurchase Agreement and Master Reverse Repurchase Agreement.

Custody: If collateral is to be held by a third party, the third party must have been previously approved by the Trust Company or the Investment Manager.

C. MONEY MARKET MUTUAL FUNDS (section 2256.014 of the Act)

1. Statutory Requirements

No-load money market mutual fund that (i) is registered with and regulated by the Securities and Exchange Commission, (ii) provides a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940, (iii) is a permissible investment, and (iv) includes in its investment objectives the maintenance of a stable net asset value of \$1.00 for each share.

2. Policy Guidelines

Portfolio Composition: TexPool assets may be invested in approved money market mutual funds. The Investment Manager may utilize affiliated money market funds for this purpose provided the Investment Manager waives its management fee equal to the relevant affiliated fund's net management fee, and provides an annual accounting of such waivers to the Trust Company.

Concentration Limits: No more than 10% of the TexPool assets may be invested in a single money market fund.

Rating: The money market mutual fund must be rated AAA or its equivalent by at least one NRSRO.

D. SECURITIES LENDING (section 2256.0115 of the Act)

1. Statutory Requirements

TexPool may engage in a securities lending program that complies with the following:

- a. the value of the securities loaned, including accrued interest, must be fully collateralized by:
 - (i) government securities,
 - (ii) irrevocable letters of credit issued by a bank organized under U.S. or state law and continuously rated at least A or its equivalent by at least one NRSRO, or
 - (iii) cash invested in government securities, commercial paper, mutual funds, or investment pools authorized by the Act;
- b. the loan must be terminable at any time;
- c. the loan terms must require that the collateral be pledged to the investing entity, held in its name, and deposited with the investing entity or a third party selected and approved by the investing entity;
- d. the loan must be placed through primary dealers or financial institutions doing business in the state; and
- e. the loan agreement must have a term of one year or less.

2. Policy Guidelines

Cash received under securities lending agreements must be used to acquire obligations authorized under this investment policy, provided that the average life of the obligations cannot exceed the average life of the securities lending agreements.

III. PROHIBITED INVESTMENTS

A. STATUTORY

As required by section 2256.009 of the Act, TexPool cannot invest in the following:

- Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
- Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
- Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
- Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

B. POLICY

1. Derivatives

TexPool will not invest in “derivatives.” For the purposes of this Investment Policy, “derivatives” means instruments with embedded features that alter their characteristics or income stream or allow holders to hedge or speculate on a market or spreads between markets that are external to the issuer, or are not directly correlated on a one-to-one basis to the associated index or market. Derivatives include, but are not limited to, the following:

- Arrangements in which an investor has swapped the natural cash flows or some portion of the natural cash flows of an instrument for a different set of cash flows. (*i.e.*, interest rate swaps).
- Over-the-counter/exchange traded options or futures (*i.e.*, option contracts, futures contracts).
- Collateralized mortgage obligations, inverse floating rate notes, range index notes, non-money market index based notes, dual index notes, index amortizing notes, inverse multi-index bonds, stepped inverse index bonds, inverse index bonds.

Securities that are **not** considered derivatives and that are authorized investments for TexPool include the following:

Treasury Bills, Treasury Notes, Treasury Bonds, Treasury Strips, repurchase agreements, reverse repurchase agreements, U.S. agency notes with a defined maturity and fixed coupon rate, U.S. agency discount notes, money market index Treasury and agency variable rate notes (*i.e.*, floating rate notes tied to money market indices such as three and six month Treasury Bills; one, three, and six month London Interbank Offering Rate [LIBOR]; Fed Funds; one year Constant Maturity Treasury; prime rate; and Commercial paper composite); U.S. agency step-up notes and any authorized investment that is callable prior to its final maturity.

2. Commercial Paper

While an authorized investment under the Act, TexPool will not invest in commercial paper.

3. Certificates of Deposit

While an authorized investment under the Act, TexPool will not invest in certificates of deposit.

IV. ADMINISTRATIVE GUIDELINES

A. COMPETITIVE BIDDING

TexPool trades, purchases, and sales are done on a best execution basis through a documented competitive bidding process. The broker/dealers used for TexPool are those approved by the Comptroller and the Trust Company and in compliance with the Comptroller rules.

B. SAFEKEEPING

All eligible book-entry securities whether purchased outright or under repurchase agreements, are held in a separate custodial account at the Federal Reserve Bank in the name of the TexPool Portfolios or in an independent third party institution designated by the Investment Manager on behalf of the TexPool Portfolios. All securities not held in book entry form are held at an independent third-party institution designated by the Investment Manager on behalf of the TexPool Portfolios. Third party institutions must issue original safekeeping receipts to the Investment Manager.

C. AUTHORIZED PERSONNEL

The Investment Manager personnel authorized to buy and sell investment instruments, send and receive securities, and make fund transfers and other types of related investment transactions are directly supervised by senior investment management personnel in the Investment Manager's Investment Management Group.

D. DOCUMENTATION

Complete documentation and audit trails are maintained for all investment transactions.

E. MONITORING MARKET PRICE

State Street Bank and Trust, the custodian designated by the Investment Manager (the "Custodian") provides fund accounting services for TexPool and is responsible for marking-to-market the portfolio holdings of TexPool on a daily basis. The Custodian receives electronic transmissions from various pricing vendors in order to determine the individual market price of each security held in TexPool. These electronic transmissions are checked daily for current data and validity of information. The Custodian also performs a reasonability test to determine whether the prices received are within a set tolerance range. In the event that any of the prices fall outside of the range, then these prices are investigated against secondary pricing sources. As a further check, the Investment Manager also monitors the prices of securities held in TexPool, in order to independently determine reasonableness and validity.

The shadow price is the net asset value per share of TexPool, calculated using total investments measured at fair value at the calculation date. The Investment Manager calculates TexPool's shadow price at a minimum on a monthly basis. The monthly calculation of the shadow price should occur no earlier than five business days prior to and no later than the end of the month.

F. PARTICIPATION AGREEMENTS

Each participant must have a fully executed participation agreement on file with the Trust Company before participating in TexPool.

G. DEPOSIT AND WITHDRAWAL DEADLINES

See separate TexPool Operating Procedures for detailed deposit and withdrawal deadlines.

H. REPORTING AND DISCLOSURE

The Act requires that public fund investment pools provide basic information regarding the pool's investments and operations. The pool is to provide the investment officer, or other authorized representative of a participating entity, disclosure information in an Information Statement. The required disclosure items are listed in the Act. This information is provided to all participants. Further, to maintain eligibility to receive funds from and invest funds on behalf of the pool's participants, TexPool must furnish investment confirmations and a monthly report disclosing certain information. Finally, the Comptroller requires that TexPool be audited annually by an independent auditor.

I. AUTHORIZED DEALERS

The Comptroller maintains a list of approved dealers and brokers (collectively, "dealers") authorized to provide investment services. All dealers who desire to become qualified bidders for investment transactions for TexPool must be on the approved list. The Comptroller annually reviews the financial condition and registration of the qualified dealers and revises the approved list as needed.

J. ETHICS AND CONFLICT OF INTEREST

The Comptroller requires the Investment Manager and its staff that are involved with making investment decisions for or executing trades on behalf of TexPool to disclose any personal or business relationship with a broker/dealer seeking to sell investments to TexPool. These employees are also required to refrain from personal business activity that could conflict with the proper execution and management of the investment program or that could impair their ability to make impartial decisions. The Investment Manager's Compliance Officer is required to file a quarterly statement with the Trust Company evidencing compliance with foregoing matters by the Investment Manager and its employees.

Moreover, agents, advisors, and contractors providing services in connection with the custody, management, and investment of public funds under a contract with the Comptroller are required to at all times avoid any actual or apparent conflict of interest with respect to the custody, management, and investment of public funds. For purposes of this investment policy, a conflict of interest refers to any circumstances in which an agent, advisor, or contractor who, in the context of duties under its contract with the Comptroller, has interests that are or may become inconsistent with the interests of the agent, advisor, or contractor with respect to other duties, contractual or otherwise.

Lone Star Investment Pool



12007 Research Blvd. • Austin, Texas 78759 • 800.558.8875 • Fax: 512.452.7842 • firstpublic.com

February 16, 2017

Grant Anderson
Chief Financial Officer
Little Elm Independent School District
300 Lobo Lane
Little Elm, TX 75068

Dear Mr. Anderson:

I am the Compliance Officer of First Public, LLC ("First Public"). In that capacity I am responding to your request regarding the investment policy certification required by the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act").

I hereby certify to Little Elm Independent School District (the "Investor") as follows:

- 1) I have received and reviewed Investor's investment policy; and
- 2) First Public has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between Investor and First Public that are not authorized by the Investor's investment policy, except to the extent that such authorization is dependent on an analysis of the makeup of the Investor's entire portfolio or requires an interpretation of subjective investment standards.

Thank you for your continued support and business. Please feel free to contact me at 800-558-8875 if you have questions or need additional information.

Sincerely,

Tammy Davis
Compliance Officer

Enclosures

TD/mg



FIRST PUBLIC[®] Member FINRA/SIPC

12007 Research Blvd. • Austin, Texas 78759 • 800.558.8875 • Fax: 512.452.7842 • firstpublic.com

Lone Star
★
Investment Pool

February 16, 2017

Grant Anderson
Chief Financial Officer
Little Elm Independent School District
300 Lobo Lane
Little Elm, TX 75068

Dear Mr. Anderson:

I am an Investment Officer of the Lone Star Investment Pool (the "Pool"). In that capacity I am responding to your request regarding the investment policy certification required by the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act"). The Pool meets all of the requirements of the Act for an eligible investment pool and, as such, is an authorized investment option for local governments and state agencies in Texas.

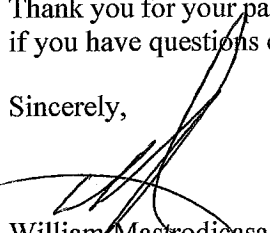
In my capacity as an Investment Officer of the Pool, I hereby certify to Little Elm Independent School District (the "Investor") as follows:

- 1) An Investment Officer of the Pool has received and reviewed Investor's investment policy and a copy of a resolution adopted by Investor wherein Investor (a) authorized participation in the Pool and (b) adopted the investment policy of the Pool as an investment policy of the Investor with respect to Investor monies invested in the Pool; and
- 2) With respect to the Investor's investment in the Pool, the Pool has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between Investors and the Pool that are not authorized by the Investors investment policy, except to the extent that such authorization is dependent on an analysis of the makeup of the Investor's entire portfolio or requires an interpretation of subjective investment standards.

In addition, I have enclosed a copy of the Pool's legal opinion, which states the Pool complies with the Act.

Thank you for your participation in the Lone Star Investment Pool. Please feel free to contact me at 800-580-8272 if you have questions or need additional information.

Sincerely,



William Mastrodicasa
Investment Officer

Enclosures
WM/mg

Lone Star Investment Pool

Investment Policy

Overview

The purpose of this Investment Policy is to set forth the policies which are to be followed in managing and operating the Lone Star Investment Pool (the “Pool”). Policies presented in this document have been developed based on the advice and recommendations of consultants and professionals who serve the Pool. The Board of Trustees of the Pool (the “Board”) has approved these policies. All actions with respect to the Pool, including the establishment and implementation of this Investment Policy, shall be made solely for the interest of the Participants in the Pool. Capitalized terms used herein and not otherwise defined have the same meanings assigned to them in the Investment Agreement creating the Pool.

Identification of Pool

The Pool is a public funds investment pool, designed to invest in certain fixed income securities, and is created under the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code (the “Investment Act”).

Investment Policy Objective

The primary objective of this Investment Policy is to emphasize the importance of safety of principal and liquidity of Pool assets. The policy also addresses other key elements, including but not limited to investment diversification, maturity, quality and capability of investment management, and yield.

Communication Objective

This document is intended to serve as a guide to improve communication between the Board and:

- ★ The Advisory Board;
- ★ The Investment Officer(s);
- ★ The Investment Advisor(s);
- ★ The Custodian;
- ★ The Administrator;
- ★ The Investment Consultant;
- ★ New Board members;
- ★ Current and potential Participants

Investment Strategy and Guidelines

Pursuant to the Agreement and applicable law, the Pool's investments are limited to those permitted under the Investment Act. Further restrictions on eligible investments for each of the Pool's funds are set forth below.

Government Overnight Fund

The Government Overnight Fund is designed for funds that may be required for immediate expenditure. The objectives of the Government Overnight Fund are, in order of importance:

1. an understanding of the suitability of the investment to the financial requirements of the Government Overnight Fund;
2. preservation and safety of principal;
3. liquidity;
4. marketability of each investment if the need arises to liquidate the investment before maturity;
5. diversification of the investment portfolio;
6. and yield.

The Government Overnight Fund seeks to offer daily liquidity and seeks to maintain a net asset value of one dollar. The net asset value of the Government Overnight Fund is determined daily to ensure that the market value of the Fund's assets is maintained at one dollar. The dollar-weighted average maturity of the Government Overnight Fund is 60 days or fewer. The maximum stated maturity of each security acquired by the Government Overnight Fund is 13 months for fixed rate securities and 24 months for variable rate securities. Because of their short maturities, high quality, and minimal price fluctuations, securities in which the Government Overnight Fund invests are generally considered to be marketable and very liquid. Though the Government Overnight Fund may hold investments until they mature, it may periodically trade securities to take advantage of perceived disparities between markets for various categories of investments in an effort to increase returns. The Government Overnight Fund may not invest more than one-third of the value of its assets (determined as of the date of investment) in the securities of any single issuer, except for direct obligations of the U.S. Government.

Though the Pool has the authority to invest in all securities authorized under the Investment Act, it is the Board's policy that only the following of such authorized investments will be eligible as Government Overnight Fund investments:

- ★ Obligations of the United States or its agencies and instrumentalities
- ★ Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the United States or its agencies and instrumentalities
- ★ Fully collateralized repurchase agreements that meet the following criteria: (1) have a defined termination date; (2) are secured by obligations of the United States or its agencies and instrumentalities; (3) require the securities being purchased by the Government Overnight Fund to be pledged to the Government Overnight Fund, held in the Government Overnight Fund's name, and deposited at the time the investment is made with the Government Overnight Fund or with a third party selected and approved by the Government Overnight Fund; and (4) are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state. The market value of repurchase agreement collateral is required to initially be 102 percent of the principal amount of such repurchase agreement. Thereafter, the market value of such collateral will be determined (marked-to-market) daily and reset to 102 percent of the principal amount if it falls below 100 percent.
- ★ The Government Overnight Fund may lend up to 25 percent of its securities pursuant to a reverse repurchase agreement authorized under the Investment Act. Any funds obtained pursuant to a reverse repurchase agreement must be invested in authorized Government Overnight Fund investments and match the term of the reverse repurchase agreement. The term of any reverse repurchase agreement may not exceed 90 days.
- ★ No-Load money market mutual funds regulated by the Securities and Exchange Commission (SEC), that invest exclusively in authorized Government Overnight Fund investments, provided the Government Overnight Fund

shall not invest its funds in any one money market mutual fund in an amount that exceeds (i) 25 percent of the Government Overnight Fund's total assets or (ii) 10 percent of the total assets of such money market mutual fund.

Corporate Overnight Fund

The Corporate Overnight Fund is designed for funds that may be required for immediate expenditure. The objectives of the Corporate Overnight Fund are, in order of importance:

1. an understanding of the suitability of the investment to the financial requirements of the Government Overnight Fund;
2. preservation and safety of principal;
3. liquidity;
4. marketability of each investment if the need arises to liquidate the investment before maturity;
5. diversification of the investment portfolio;
6. and yield.

The Corporate Overnight Fund offers daily liquidity and maintain a net asset value of one dollar. The net asset value of the Corporate Overnight Fund is determined daily to ensure that the market value of the Fund's assets is maintained at one dollar. The dollar-weighted average maturity of the Corporate Overnight Fund is 60 days or fewer. The maximum stated maturity of each security acquired by the Corporate Overnight Fund is 13 months for fixed rate securities and 24 months for variable rate securities. Because of their short maturities, high quality, and minimal price fluctuations, securities in which the Corporate Overnight Fund invests are generally considered to be marketable and very liquid. Though the Corporate Overnight Fund may hold investments until they mature, it may periodically trade securities to take advantage of perceived disparities between markets for various categories of investments in an effort to increase returns.

The Corporate Overnight Fund has the authority to invest in all securities authorized under the Investment Act. However, it is the Board's policy to also have the following restrictions:

- ★ Except for money market mutual funds regulated by the SEC, the Corporate Overnight Fund shall not invest its assets in the securities of any one nongovernmental issuer in an amount that exceeds 5 percent of the Corporate Overnight Fund's total assets at cost.
- ★ Fully collateralized repurchase agreements that meet the following criteria: (1) have a defined termination date; (2) are secured by obligations of the United States or its agencies and instrumentalities; (3) require the securities being purchased by the Corporate Overnight Fund to be pledged to the Corporate Overnight Fund, held in the Corporate Overnight Fund's name, and deposited at the time the investment is made with the Corporate Overnight Fund or with a third party selected and approved by the Corporate Overnight Fund; and (4) are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state. The market value of repurchase agreement collateral is required to initially be 102 percent of the principal amount of such repurchase agreement. Thereafter, the market value of such collateral will be determined (marked-to-market) daily and reset to 102 percent of the principal amount if it falls below 100 percent.
- ★ If an A-1 or P-1 investment is placed on the watch list with negative implications by Standard & Poor's or Moody's Investor Services, the Investment Advisor must notify the Investment Consultant and Administrator that same day and if a ready market exists for that security, sell the investment within one week.
- ★ The Corporate Overnight Fund shall not invest its funds in any one money market mutual fund in an amount that exceeds (i) 25 percent of the Corporate Overnight Fund's total assets or (ii) 10 percent of the total assets of such money market mutual fund.

Corporate Overnight Plus Fund

The Corporate Overnight Plus Fund is designed for funds that may be required for immediate expenditure. The objectives of the Corporate Overnight Fund are, in order of importance:

1. an understanding of the suitability of the investment to the financial requirements of the Government Overnight Fund;
2. preservation and safety of principal;
3. liquidity;
4. marketability of each investment if the need arises to liquidate the investment before maturity;
5. diversification of the investment portfolio;
6. and yield.

The Corporate Overnight Plus Fund has longer maturities than those of the Corporate Overnight Fund and Government Overnight Fund. The Corporate Overnight Plus Fund seeks to maintain a net asset value of 50 cents. The net asset value of the Corporate Overnight Plus Fund will be determined daily to ensure that the market value of the fund's assets is maintained at 50 cents. The dollar-weighted average maturity of the Corporate Overnight Plus Fund is 120 days or fewer. The maximum stated maturity of each security acquired by the Corporate Overnight Plus Fund is two years from date of purchase unless otherwise restricted by the Investment Act. Because of their short maturities, high quality, and minimal price fluctuations, securities in which the Corporate Overnight Plus Fund invests are generally considered to be marketable and very liquid. Though the Corporate Overnight Plus Fund may hold investments until they mature, it may periodically trade securities to take advantage of perceived disparities between markets for various categories of investments in an effort to increase returns.

The Corporate Overnight Plus Fund has the authority to invest in all securities authorized under the Investment Act. However, it is the Board's policy to also have the following restrictions:

- ★ Except for money market mutual funds regulated by the SEC, the Corporate Overnight Plus Fund shall not invest its assets in the securities of any one nongovernmental issuer in an amount that exceeds 5 percent of the Corporate Overnight Plus Fund's total assets at cost.
- ★ Fully collateralized repurchase agreements that meet the following criteria: (1) have a defined termination date; (2) are secured by obligations of the United States or its agencies and instrumentalities; (3) require the securities being purchased by the Corporate Overnight Plus Fund to be pledged to the Corporate Overnight Plus Fund, held in the Corporate Overnight Plus Fund's name, and deposited at the time the investment is made with the Corporate Overnight Plus Fund or with a third party selected and approved by the Corporate Overnight Plus Fund; and (4) are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state. The market value of repurchase agreement collateral is required to initially be 102 percent of the principal amount of such repurchase agreement. Thereafter, the market value of such collateral will be determined (marked-to-market) daily and reset to 102 percent of the principal amount if it falls below 100 percent.
- ★ If an A-1 or P-1 investment is placed on the watch list with negative implications by Standard & Poor's or Moody's Investor Services, the Investment Advisor must notify the Investment Consultant and Administrator that same day, and if a ready market exists for that security, sell the investment within one week.
- ★ The Corporate Overnight Plus Fund shall not invest its funds in any one money market mutual fund in an amount that exceeds (i) 25 percent of the Corporate Overnight Plus Fund's total assets or (ii) 10 percent of the total assets of such money market mutual fund.

Pool Administration

The Board has appointed Investment Officers and entered into a service agreement with the Administrator. The respective authority and responsibilities of the Board, the Investment Officers, and the Administrator are listed below. It should be noted that some of these responsibilities may overlap, and further that the Investment Officers and the Administrator shall at all times be subject to the Board's direction.

Authority and Responsibilities of the Board

- ★ Adopt this Investment Policy.
- ★ Appoint one or more Investment Officers.
- ★ Oversee selection of Investment Advisor, Custodian, Investment Consultant, and other service providers.
- ★ Monitor compliance with this Investment Policy and the Investment Act.
- ★ Monitor performance of the Pool.
- ★ Consider revisions to this Investment Policy to reflect changing conditions affecting the Pool or the needs of the Participants.

Authority and Responsibilities of the Investment Officers

- ★ Invest or oversee the investment of Pool assets.
- ★ Execute contracts on behalf of the Pool, including contracts with the Investment Advisor and other service providers.
- ★ Oversee the daily operations of the Pool.
- ★ Monitor performance of the Pool.
- ★ Monitor the selection and performance of the Investment Advisor and other service providers.
- ★ Monitor compliance with this Investment Policy and the Investment Act.
- ★ Report at least quarterly to the Board.
- ★ Obtain training required under the Investment Act and report training status to the Board not less than annually.

Authority and Responsibilities of the Administrator

- ★ Conduct search for and negotiate contracts with Investment Advisor, Custodian, Investment Consultant, and other service providers, subject to the direction and oversight of the Board and Investment Officers.
- ★ Market program to Local Governments.
- ★ Service Participants on an ongoing basis.
- ★ Meet monthly with Investment Officers and Investment Consultant to review Pool performance.
- ★ Monitor compliance with this Investment Policy and the Investment Act.
- ★ Report at least quarterly to the Board.
- ★ Prepare and distribute the Information Statement.

Additional Guidelines and Restrictions

Standard of Care

Investments of Pool assets shall be made with judgment and care, under circumstances then prevailing, that persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Liquidity Needs

The liquidity needs of the Pool shall be determined from its operating history and with a general awareness of the needs of Participants. The Pool's investments and operations shall be managed consistently with such liquidity needs.

Operational Guidelines

- ★ Each fund within the Pool is designed and shall be managed to ensure it is continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.
- ★ Each fund within the Pool will be marked-to-market daily.
- ★ The Custodian may register or transfer assets of the Pool into its own name or the name of one or more nominees, provided its books and records at all times show that such assets are part of the Pool.
- ★ Total administrative and operating expenses of the Pool are not to exceed 0.06 percent per year based on the daily average assets.
- ★ The Investment Officers may prepare and transmit additional written guidelines and expectations for the Pool or for any Fund within the Pool, provided they do not exceed the parameters set forth in this Investment Policy. The Investment Officers will provide a copy of any such transmission to the Board at its next Board meeting.
- ★ If the Corporate Overnight Fund or the Government Overnight Fund's amortized cost is above or below the market value by more than one-half of one percent, the Investment Officer will take such action as the Investment Officer deems appropriate to maintain a one-dollar net asset value.
- ★ If the Corporate Overnight Plus Fund's book value is above or below market value by more than one-half of 1 percent, the Investment Officer will take such action as the Investment Officer deems appropriate to maintain a 50 cent net asset value.
- ★ If the weighted Average Maturity (WAM) of the Corporate Overnight Plus Fund exceeds 90 days, the Investment Advisor must file a report with the Investment Consultant and Administrator detailing why they have the fund positioned beyond 90 days. The report is due the Monday following any week in which the fund's WAM exceeded 90 days.
- ★ The Corporate Overnight Plus Fund will be evaluated on a "total rate of return" basis for the purpose of this Investment Policy; "total rate of return" is defined as interest plus appreciation or depreciation of market value.
- ★ The Investment Advisor(s) shall monitor rating changes in investments acquired by the Pool and shall take all prudent measures that are consistent with this Investment Policy to liquidate an investment that no longer has the minimum rating required under the Investment Act.

Securities Transactions

All securities transactions are required to be effected through licensed broker-dealer firms, in accordance with all applicable laws and selected on the basis of reasonableness of brokerage commissions and provision of other services, if any, to the Pool. A detailed list shall be maintained showing all commissions paid by the Pool and the identity of and amount paid to each broker-dealer firm executing orders for the Pool.

The Board shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the Pool.

The investment advisor shall not order the purchase of investments in mutual funds, or other similar pooled investment vehicles, that are managed by the investment advisor or affiliates of the investment advisor.

Evaluation and Review

Frequency of Meetings and Reports

The Administrator, Investment Officers, and Investment Consultant will meet at least monthly to review the market, the Pool's investment portfolio, and other issues related to the Pool. The Investment Officers and the Administrator will provide a written investment report to the Board at least quarterly.

Quality and Capability of Investment Management

The Pool and the Investment Advisor shall be carefully monitored on the basis of several key indicators to ensure a consistent and high quality investment approach is being followed. Such indicators include:

- ★ Changes in the Advisor personnel, ownership or fees;
- ★ Compliance with investment guidelines included in this Investment Policy;
- ★ Advisor's current investment outlook for the next six to 12 months and policy developed in response to such outlook;
- ★ Consistency of Pool's performance with the Advisor's investment style;
- ★ Consistency of Pool's performance with the Advisor's style peer group. See "Performance Goals."

Performance Goals

Although the primary emphasis of this Investment Policy is safety of principal and liquidity, the Board expects the Pool to perform credibly within a peer group of other funds or pools with similar investment structures. The performance of each fund may vary. The following standards, established as benchmarks only, will apply:

Government Overnight Fund

- ★ The Government Overnight Fund should outperform the 91-day U.S. Treasury Bill.

- ★ The Government Overnight Fund's return should be in the upper one-half of comparably managed funds selected by the Investment Consultant.

Corporate Overnight Fund

- ★ The Corporate Overnight Fund should outperform the 91-day U.S. Treasury Bill.
- ★ The Corporate Overnight Fund's return should be in the upper one-half of comparably managed funds selected by the Investment Consultant.

Corporate Overnight Plus Fund

- ★ The Corporate Overnight Plus Fund should outperform the 91-day U.S. Treasury Bill.
- ★ The Corporate Overnight Plus Fund's return should be in the upper one-half of comparably managed funds selected by the Investment Consultant.
- ★ If the dollar-weighted average maturity of the Corporate Overnight Plus Fund is greater than 60 days for the period, the Corporate Overnight Plus Fund should outperform the Corporate Overnight Fund.

Policy Review and Amendment

The Investment Officers and the Administrator will use each of their quarterly investment performance evaluations as an opportunity to also consider recommending whether any elements of the existing Investment Policy should be modified.

The Board and Advisory Board shall review this Investment Policy not less than annually.

Possible reasons for policy modification include, but are not limited to, the following:

- ★ A rationale for change presented by the Investment Consultant or other industry specialist that has merit
- ★ New areas found to be important that are not covered in this Investment Policy
- ★ Impractical time horizon for the Pool's portfolio

The Board considers this Investment Policy to be a basic tool for the implementation of a long-range investment program for Participants but also as a dynamic document that is responsive to the need for any fundamental changes. The Board recognizes that a potentially damaging inconsistency would occur if policies were to undergo substantial change over relatively short periods, or if policy changes were implemented as a "reaction" to current short-term market conditions.

February 2014

Board Agenda Item

Little Elm Independent School District
300 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date	Reports of the Superintendent	Business Item	Consent Agenda	Reports, Routine Monthly	Action
02-27-2017	☐	☐	☒	☐	☐
Subject:	Joint Election Agreement and Contract for Election Services with Denton County				
Presenter or Contact Person:	Sonia F. Badillo, Superintendent Secretary.				
Policy/Code:	N/A				
Summary:	Yearly Joint Election Agreement and Contract for Election Services with Denton County.				
Financial Implications:	Around \$10,000.				
Attachments:	Denton County Contract				
Recommendation:	The Administration recommends the approval of the Joint Election Agreement and Contract for Election Services with Denton County.				
Motion:	I move that the Board approve the Joint Election Agreement and Contract for election Services with Denton County.				

THE STATE OF TEXAS
COUNTY OF DENTON

JOINT ELECTION AGREEMENT AND CONTRACT FOR ELECTION SERVICES

THIS CONTRACT for election services is made by and between the Denton County Elections Administrator and the following political subdivisions located entirely or partially inside the boundaries of Denton County:

Insert jurisdictions

This contract is made pursuant to Texas Election Code Sections 31.092 and 271.002 and Texas Education Code Section 11.0581 for a joint May 6, 2017 election to be administered by Frank Phillips, Denton County Elections Administrator, hereinafter referred to as "Elections Administrator."

RECITALS

Each participating authority listed above plans to hold a general and/or special election on May 6, 2017.

The County owns an electronic voting system, the Hart InterCivic eSlate/eScan Voting System (Version 6.2.1), which has been duly approved by the Secretary of State pursuant to Texas Election Code Chapter 122 as amended, and is compliant with the accessibility requirements for persons with disabilities set forth by Texas Election Code Section 61.012. The contracting political subdivisions desire to use the County's electronic voting system and to compensate the County for such use and to share in certain other expenses connected with joint elections in accordance with the applicable provisions of Chapters 31 and 271 of the Texas Election Code, as amended.

NOW THEREFORE, in consideration of the mutual covenants, agreements, and benefits to the parties, IT IS AGREED as follows:

I. ADMINISTRATION

The parties agree to hold a "Joint Election" with each other in accordance with Chapter 271 of the Texas Election Code and this agreement. The Denton County Elections Administrator shall coordinate, supervise, and handle all aspects of administering the Joint Election as provided in this agreement. Each participating authority agrees to pay the Denton County Elections Administrator for equipment, supplies, services, and administrative costs as provided in this agreement. The Denton County Elections Administrator shall serve as the administrator for the Joint Election; however, each participating authority shall remain responsible for the decisions and actions of its officers necessary for the lawful conduct of its election. The Elections Administrator shall provide advisory services in connection with decisions to be made and actions to be taken by the officers of each participating authority as necessary.

It is understood that other political subdivisions may wish to participate in the use of the County's electronic voting system and polling places, and it is agreed that the Elections Administrator may enter into other contracts for election services for those purposes on terms and conditions generally similar to those set forth in this contract. In such cases, costs shall be pro-rated among the participants according to Section XI of this contract.

At each polling location, joint participants shall share voting equipment and supplies to the extent possible. The participating authorities shall share a mutual ballot in those polling places where jurisdictions overlap.

II. LEGAL DOCUMENTS

Each participating authority shall be responsible for the preparation, adoption, and publication of all required election orders, resolutions, notices, and any other pertinent documents required by the Texas Election Code and/or the participating

authority's governing body, charter, or ordinances, except that the Elections Administrator shall be responsible for the preparation and publication of all electronic voting equipment testing notices that are required by the Texas Election Code. Election orders should include language that would not necessitate amending the order if any of the Early Voting and/or Election Day polling places change.

Preparation of the necessary materials for notices and the official ballot shall be the responsibility of each participating authority, including translation to languages other than English. Each participating authority shall provide a copy of their respective election orders and notices to the Denton County Elections Administrator.

III. VOTING LOCATIONS

The Elections Administrator shall select and arrange for the use of and payment for all Early Voting and Election Day voting locations. Voting locations will be, whenever possible, the usual voting location for each election precinct in elections conducted by each participating city, and shall be compliant with the accessibility requirements established by Election Code Section 43.034 and the Americans with Disabilities Act (ADA). All Early Voting and Election Day locations shall be located in Denton County. The proposed voting locations are listed in Attachment A of this agreement. In the event that a voting location is not available or appropriate, the Elections Administrator will arrange for the use of an alternate location. The Elections Administrator shall notify the participating authorities of any changes from the locations listed in Attachment A.

If polling places for the May 6, 2017 joint election are different from the polling place(s) used by a participating authority in its most recent election, the authority agrees to post a notice no later than May 6, 2017 at the entrance to any previous polling places in the jurisdiction stating that the polling location has changed and stating the political subdivision's polling place names and addresses in effect for the May 6, 2017 election. This notice shall be written in both the English and Spanish languages.

IV. ELECTION JUDGES, CLERKS, AND OTHER ELECTION PERSONNEL

Denton County shall be responsible for the appointment of the presiding judge and alternate judge for each polling location. The Elections Administrator shall make emergency appointments of election officials if necessary.

Upon request by the Elections Administrator, each participating authority agrees to assist in recruiting polling place officials who are bilingual (fluent in both English and Spanish). In compliance with the Federal Voting Rights Act of 1965, as amended, each polling place containing more than 5% Hispanic population as determined by the 2010 Census shall have one or more election official who is fluent in both the English and Spanish languages. If a presiding judge is not bilingual, and is unable to appoint a bilingual clerk, the Elections Administrator may recommend a bilingual worker for the polling place. If the Elections Administrator is unable to recommend or recruit a bilingual worker, the participating authority or authorities served by that polling place shall be responsible for recruiting a bilingual worker for translation services at that polling place.

The Elections Administrator shall notify all election judges of the eligibility requirements of Subchapter C of Chapter 32 of the Texas Election Code, and will take the necessary steps to insure that all election judges appointed for the Joint Election are eligible to serve.

The Elections Administrator shall arrange for the training and compensation of all election judges and clerks. Election judges and clerks who attend voting equipment training and/or procedures training shall be compensated at the rate of \$9 per hour.

The Elections Administrator shall arrange for the date, time, and place for presiding election judges to pick up their election supplies. Each presiding election judge will be sent a letter from the Elections Administrator notifying him of his appointment, the time and location of training and distribution of election supplies, and the number of election clerks that the presiding judge may appoint.

Each election judge and clerk will receive compensation at the hourly rate established by Denton County (\$11 an hour for presiding judges, \$10 an hour for alternate judges, and \$9 an hour for clerks) pursuant to Texas Election Code

Section 32.091. The election judge, or his designee, will receive an additional sum of \$25.00 for picking up the election supplies prior to Election Day and for returning the supplies and equipment to the central counting station after the polls close.

The Elections Administrator may employ other personnel necessary for the proper administration of the election, including such part-time help as is necessary to prepare for the election, to ensure the timely delivery of supplies during early voting and on Election Day, and for the efficient tabulation of ballots at the central counting station. Part-time personnel working as members of the Early Voting Ballot Board and/or central counting station on election night will be compensated at the hourly rate set by Denton County in accordance with Election Code Sections 87.005, 127.004, and 127.006.

V. PREPARATION OF SUPPLIES AND VOTING EQUIPMENT

The Elections Administrator shall arrange for all election supplies and voting equipment including, but not limited to, the County's electronic voting system and equipment, sample ballots, voter registration lists, and all forms, signs, maps and other materials used by the election judges at the voting locations. Any additional required materials (required by the Texas Election Code) must be provided by the entity, and delivered to the Elections Office 33 days (April 3, 2017) prior to Election Day. If this deadline is not met, the materials must be delivered by the entity, to all Early Voting and Election Day locations affected, prior to voting commencing. The Elections Administrator shall ensure availability of tables and chairs at each polling place and shall procure rented tables and chairs for those polling places that do not have tables and/or chairs. The Elections Administrator shall be responsible for conducting all required testing of the electronic equipment, as required by Chapters 127 and 129 of the Texas Election Code.

At each polling location, joint participants shall share voting equipment and supplies to the extent possible. The participating parties shall share a mutual ballot in those precincts where jurisdictions overlap. Multiple ballot styles shall be available in those shared polling places where jurisdictions do not overlap. The Elections Administrator shall provide the necessary voter registration information, maps, instructions, and other information needed to enable the election judges in the voting locations that have more than one ballot style to conduct a proper election.

Each participating authority shall furnish the Elections Administrator a list of candidates and/or propositions showing the order and the exact manner in which the candidate names and/or proposition(s) are to appear on the official ballot (including titles and text in each language in which the authority's ballot is to be printed). Said list must be in a Word document, the information must be in an upper and lower case format, be in an Arial 10 point font, and contain candidate information for the purposes of verifying the pronunciation of each candidate's name. Each participating authority shall be responsible for proofreading and approving the ballot and the audio recording of the ballot, insofar as it pertains to that authority's candidates and/or propositions.

The joint election ballots that contain ballot content for more than one joint participant because of overlapping territory shall be arranged in the following order: Independent School District, City, Water District(s), and other political subdivisions.

Early Voting by Personal Appearance and voting on Election Day shall be conducted exclusively on Denton County's eSlate electronic voting system.

The Elections Administrator shall be responsible for the preparation, testing, and delivery of the voting equipment for the election as required by the Election Code.

The Elections Administrator shall conduct criminal background checks on relevant employees upon hiring as required by Election Code Section 129.051(g).

VI. EARLY VOTING

The participating authorities agree to conduct joint early voting and to appoint the Election Administrator as the Early Voting Clerk in accordance with Sections 31.097 and 271.006 of the Texas Election Code. Each participating authority agrees to appoint the Elections Administrator's permanent county employees as deputy early voting clerks. The participating authorities further agree that the Elections Administrator may appoint other deputy early voting clerks to assist

in the conduct of early voting as necessary, and that these additional deputy early voting clerks shall be compensated at an hourly rate set by Denton County pursuant to Section 83.052 of the Texas Election Code. Deputy early voting clerks who are permanent employees of the Denton County Elections Administrator or any participating authority shall serve in that capacity without additional compensation.

Early Voting by personal appearance will be held at the locations, dates, and times listed in Attachment "B" of this document. Any qualified voter of the Joint Election may vote early by personal appearance at any of the joint early voting locations.

As Early Voting Clerk, the Elections Administrator shall receive applications for early voting ballots to be voted by mail in accordance with Chapters 31 and 86 of the Texas Election Code. Any requests for early voting ballots to be voted by mail received by the participating authorities shall be forwarded immediately by fax or courier to the Elections Administrator for processing. The address for the Denton County Early Voting Clerk is:

Frank Phillips, Early Voting Clerk
Denton County Elections
PO Box 1720
Denton, TX 76202
Elections@dentoncounty.com

Any requests for early voting ballots to be voted by mail, and the subsequent actual voted ballots, that are sent by a contract carrier (ie. UPS, FedEx, etc.) should be delivered to the Early Voting Clerk at the Denton County Elections Department physical address as follows:

Frank Phillips, Early Voting Clerk
Denton County Elections
701 Kimberly Drive, Suite A101
Denton, TX 76208
Elections@dentoncounty.com

The Elections Administrator shall post on the county website each participating authority's early voting report on a daily basis and a cumulative final early voting report following the close of early voting. In accordance with Section 87.121(g) of the Election Code, the daily reports showing the previous day's early voting activity will be posted to the county website no later than 8:00 a.m. each business day.

VII. EARLY VOTING BALLOT BOARD

Denton County shall appoint an Early Voting Ballot Board (EVBB) to process early voting results from the Joint Election. The Presiding Judge, with the assistance of the Elections Administrator, shall appoint two or more additional members to constitute the EVBB. The Elections Administrator shall determine the number of EVBB members required to efficiently process the early voting ballots.

The Elections Administrator shall determine whether a Signature Verification Committee is necessary, and if so, shall appoint the members.

VIII. CENTRAL COUNTING STATION AND ELECTION RETURNS

The Elections Administrator shall be responsible for establishing and operating the central counting station to receive and tabulate the voted ballots in accordance with the provisions of the Texas Election Code and of this agreement.

The participating authorities hereby, in accordance with Sections 127.002, 127.003, and 127.005 of the Texas Election Code, appoint the following central counting station officials:

Counting Station Manager:	Frank Phillips, Denton County Elections Administrator
Tabulation Supervisor:	Kerry Martin, Deputy Denton County Elections Administrator
Presiding Judge:	Early Voting Ballot Board Judge
Alternate Judge:	Early Voting Ballot Board Alternate Judge

The counting station manager or his representative shall deliver timely cumulative reports of the election results as precincts report to the central and remote counting stations and are tabulated by posting on the Elections website. The manager shall be responsible for releasing unofficial cumulative totals and precinct returns from the election to the joint participants, candidates, press, and general public by distribution of hard copies at the central counting station (if requested) and by posting to the Denton County web site. To ensure the accuracy of reported election returns, results printed on the tapes produced by Denton County's voting equipment will not be released to the participating authorities at the remote collection sites or by phone from individual polling locations.

The Elections Administrator will prepare the unofficial canvass reports after all precincts have been counted, and will deliver a copy of the unofficial canvass to each participating authority as soon as possible after all returns have been tabulated. The Elections Administrator will include the tabulation and precinct-by-precinct results that are required by Texas Election Code Section 67.004 for the participating entities to conduct their respective canvasses. Each participating authority shall be responsible for the official canvass of its respective election(s), and shall notify the Elections Administrator, or his designee, no later than three days after Election Day of the date of the canvass.

The Elections Administrator shall prepare and deliver by email to each participating entity, the electronic precinct-by-precinct results reports for uploading to the Secretary of State as required by Section 67.017 of the Election Code.

The Elections Administrator shall be responsible for conducting the post-election manual recount required by Section 127.201 of the Texas Election Code unless a waiver is granted by the Secretary of State. Notification and copies of the recount, if waiver is denied, will be provided to each participating authority and the Secretary of State's Office.

IX. PARTICIPATING AUTHORITIES WITH TERRITORY OUTSIDE DENTON COUNTY

Each participating authority with territory containing population outside Denton County agrees that the Elections Administrator shall administer only the Denton County portion of those elections.

X. RUNOFF ELECTIONS

Each participating authority shall have the option of extending the terms of this agreement through its runoff election, if applicable. In the event of such runoff election, the terms of this agreement shall automatically extend unless the participating authority notifies the Elections Administrator in writing within 3 business days of the original election.

Each participating authority shall reserve the right to reduce the number of early voting locations and/or Election Day voting locations in a runoff election.

Each participating authority agrees to order any runoff election(s) at its meeting for canvassing the votes from the May 6, 2017 election and to conduct its drawing for ballot positions at or immediately following such meeting in order to expedite preparations for its runoff election.

Each participating authority eligible to hold runoff elections agrees that the date of the runoff election, if necessary, shall be Saturday, June 10, 2017.

XI. ELECTION EXPENSES AND ALLOCATION OF COSTS

The participating authorities agree to share the costs of administering the Joint Election. Allocation of costs, unless specifically stated otherwise, is mutually agreed to be shared according to a formula which is based on the average cost per election day polling place (unit cost) as determined by adding together the overall expenses and dividing the expenses equally among the total number of polling places. Costs for polling places shared by more than one participating authority shall be pro-rated equally among the participants utilizing that polling place.

It is agreed that charges for Election Day judges and clerks and Election Day polling place rental fees shall be directly charged to the appropriate participating authority rather than averaging those costs among all participants.

If a participating authority's election is conducted at more than one election day polling place, there shall be no charges or fees allocated to the participating authority for the cost of election day polling places in which the authority has fewer than 50% of the total registered voters served by that polling place, except that if the number of registered voters in all of the authority's polling places is less than the 50% threshold, the participating authority shall pay a pro-rata share of the costs associated with the polling place where it has the greatest number of registered voters.

Costs for Early Voting by Personal Appearance shall be allocated based upon the actual costs associated with each early voting site. Each participating authority shall be responsible for a pro-rata portion of the actual costs associated with the early voting sites located within their jurisdiction. Participating authorities that do not have a regular (non-temporary) early voting site within their jurisdiction shall pay a pro-rata portion of the nearest regular early voting site.

Costs for Early Voting by mail shall be allocated according to the actual number of ballots mailed to each participating authority's voters.

Each participating authority agrees to pay the Denton County Elections Administrator an administrative fee equal to ten percent (10%) of its total billable costs in accordance with Section 31.100(d) of the Texas Election Code.

The Denton County Elections Administrator shall deposit all funds payable under this contract into the appropriate fund(s) within the county treasury in accordance with Election Code Section 31.100.

The Denton County Elections Administrator reserves the right to adjust the above formulas in agreement with any individual jurisdiction if the above formula results in a cost allocation that is inequitable.

If any participating authority makes a special request for extra Temporary Branch Early Voting by Personal Appearance locations as provided for by the Texas Election Code, that entity agrees to pay the entire cost for that request.

Participating authorities having the majority of their voters in another county, and fewer than 500 registered voters in Denton County, and that do not have an election day polling place or early voting site within their Denton County territory shall pay a flat fee of \$400 for election expenses.

Election expenses, including but not limited to, overtime charges for Elections Office Staff, and any unforeseen expenses needed to conduct the election, will be borne by the Participating Authority or Authorities, affected.

XII. WITHDRAWAL FROM CONTRACT DUE TO CANCELLATION OF ELECTION

Any participating authority may withdraw from this agreement and the Joint Election should it cancel its election in accordance with Sections 2.051 - 2.053 of the Texas Election Code. The withdrawing authority is fully liable for any expenses incurred by the Denton County Elections Administrator on behalf of the authority plus an administrative fee of ten percent (10%) of such expenses. Any monies deposited with the Elections Administrator by the withdrawing authority shall be refunded, minus the aforementioned expenses and administrative fee, if applicable.

It is agreed that any of the joint election early voting sites that are not within the boundaries of one or more of the remaining participating authorities, with the exception of the early voting site located at the Denton County Elections Building, may be dropped from the joint election unless one or more of the remaining participating authorities agreed to fully fund such site(s). In the event that any early voting site is eliminated under this section, an addendum to the contract shall be provided to the remaining participants within five days after notification of all intents to withdraw have been received by the Elections Administrator.

XIII. RECORDS OF THE ELECTION

The Elections Administrator is hereby appointed general custodian of the voted ballots and all records of the Joint Election as authorized by Section 271.010 of the Texas Election Code.

Access to the election records shall be available to each participating authority as well as to the public in accordance with applicable provisions of the Texas Election Code and the Texas Public Information Act. The election records shall be stored at the offices of the Elections Administrator or at an alternate facility used for storage of county records. The Elections Administrator shall ensure that the records are maintained in an orderly manner so that the records are clearly identifiable and retrievable.

Records of the election shall be retained and disposed of in accordance with the provisions of Section 66.058 of the Texas Election Code. If records of the election are involved in any pending election contest, investigation, litigation, or open records request, the Elections Administrator shall maintain the records until final resolution or until final judgment, whichever is applicable. It is the responsibility of each participating authority to bring to the attention of the Elections Administrator any notice of pending election contest, investigation, litigation or open records request which may be filed with the participating authority.

XIV. RECOUNTS

A recount may be obtained as provided by Title 13 of the Texas Election Code. By signing this document, the presiding officer of the contracting participating authority agrees that any recount shall take place at the offices of the Elections Administrator, and that the Elections Administrator shall serve as Recount Supervisor and the participating authority's official or employee who performs the duties of a secretary under the Texas Election Code shall serve as Recount Coordinator.

The Elections Administrator agrees to provide advisory services to each participating authority as necessary to conduct a proper recount.

XV. MISCELLANEOUS PROVISIONS

1. It is understood that to the extent space is available, other districts and political subdivisions may wish to participate in the use of the County's election equipment and voting places, and it is agreed that the Elections Administrator may contract with such other districts or political subdivisions for such purposes and that in such event there may be an adjustment of the pro-rata share to be paid to the County by the participating authorities.
2. The Elections Administrator shall file copies of this document with the Denton County Treasurer and the Denton County Auditor in accordance with Section 31.099 of the Texas Election Code.
3. Nothing in this contract prevents any party from taking appropriate legal action against any other party and/or other election personnel for a breach of this contract or a violation of the Texas Election Code.
4. This agreement shall be construed under and in accord with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Denton County, Texas.
5. In the event that one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
6. All parties shall comply with all applicable laws, ordinances, and codes of the State of Texas, all local governments, and any other entities with local jurisdiction.

7. The waiver by any party of a breach of any provision of this agreement shall not operate as or be construed as a waiver of any subsequent breach.
8. Any amendments of this agreement shall be of no effect unless in writing and signed by all parties hereto.
9. Failure for a participating authority to meet the deadlines as outlined in this contract or on the calendar (Attachment C) may result in additional charges, including but not limited to, overtime charges, etc.

XVI. COST ESTIMATES AND DEPOSIT OF FUNDS

The total estimated obligation for each participating authority under the terms of this agreement is listed below. The exact amount of each participating authority's obligation under the terms of this agreement shall be calculated after the May 6, 2017 election (or runoff election, if applicable). The participating authority's obligation shall be paid to Denton County within 30 days after the receipt of the final invoice from the Denton County Elections Administrator.

The total estimated obligation for each participating authority under the terms of this agreement shall be provided within 45 days after the last deadline for ordering an election.

[illegible]

XVII. SIGNATURE PAGE (separate page)

Revised 1.12.2017 (9:40 a.m.)

XVII. JOINT CONTRACT ACCEPTANCE AND APPROVAL

IN TESTIMONY HEREOF, this agreement has been executed on behalf of the parties hereto as follows, to-wit:

- (1) It has on the ____ day of _____, 2017 been executed by the Denton County Elections Administrator pursuant to the Texas Election Code so authorizing;
- (2) It has on the ____ day of _____, 2017 been executed on behalf of the Little Elm Independent School District pursuant to an action of the Board of Trustees so authorizing;

ACCEPTED AND AGREED TO BY DENTON COUNTY ELECTIONS ADMINISTRATOR:

APPROVED:

Frank Phillips, CERA

ACCEPTED AND AGREED TO BY THE LITTLE ELM INDEPENDENT SCHOOL DISTRICT:

APPROVED:

ATTESTED:

Melissa Myers – Board President

Alejandro Flores – Board Secretary