

INTERLOCAL AGREEMENT Supplemental Employee Benefits

This Interlocal Agreement ("Agreement") is made and entered into by and between the undersigned parties in addition to other parties that may join this Agreement under separate addendum, (individually "Party" and collectively "Parties"), pursuant to the Interlocal Cooperation Act, Chapter 791 of the Government Code, for the purpose of securing supplemental employee benefits.

RECITALS

WHEREAS, each Party is a governmental entity authorized to be a party to an agreement under the Interlocal Cooperation Act; and

WHEREAS, each Party is authorized under law to provide or make available personal benefits to employees and their dependents, such as health, accident, accidental death and dismemberment, disability, and other coverage; and

WHEREAS, the Parties to this Agreement are collectively discharging their governmental functions by increasing their bargaining power to secure supplemental employee benefits; and

WHEREAS, it is a public purpose to provide such benefits to the Parties' employees in order to attract and retain a competent workforce;

NOW THEREFORE, in consideration of the mutual covenants, promises and obligations contained herein, the Parties agree as follows.

TERMS AND CONDITIONS

1. **Additional Parties.** The undersigned Parties agree that other governmental entities which are authorized to enter into a contract under the Interlocal Cooperation Act may join this Agreement upon execution of the Additional Party Addendum, attached hereto as **Exhibit A**, and that the Administrator is authorized by the Parties to accept such Additional Party Addendum on behalf of the Parties.
2. **Termination.** This Agreement shall be effective upon execution by the undersigned Parties, and shall continue until completely terminated as provided by this Agreement.
 - a. Termination by a Party will occur as follows:
 - (i) By a Party giving 30 days prior written notice to the Administrator terminating its participation in this Agreement.
 - (ii) By a Party failing to secure employee benefits with any of the providers made available under this Agreement for a period of 12 months.

- b. This Agreement shall be deemed terminated in its entirety if fewer than two Parties (whether the undersigned signatories or those who signed the Additional Party Addendum) fail to participate in the Agreement.
- c. Each Party agrees that upon termination of this Agreement the terminating Party will continue to fulfill and be bound by its obligations entered into with the providers of any and all employee benefits, including any policies of insurance, facilitated in accordance with this Agreement. Such obligations are independent of any provision contained in this Agreement and shall survive the termination of this Agreement by the terminating Party.

4. **Administrator.**

- a. The Parties authorize and designate the Texas Association of School Boards, Inc. (“TASB”), a Texas nonprofit corporation and 501(c)(3) tax exempt organization, to serve as the Administrator for this Agreement, as permitted by Section 791.013 of the Interlocal Cooperation Act. TASB’s terms of acceptance of this designation are attached and incorporated by reference as **Exhibit B**.
- b. While the Parties shall have no obligation to pay the Administrator any fees directly, it is recognized that the Administrator will be compensated for its management and administration of this Agreement by the providers of employee benefits, and the Parties hereby authorize the Administrator to be paid by such providers. The Administrator shall disclose the nature of these fee arrangements whenever a Party or potential Party obtains a proposal from the Administrator, or shall disclose such information upon a Party’s request.
- c. The Parties understand that the initial set of providers of employee benefits under this Agreement were originally procured through the TASB Risk Management Fund, an administrative agency formed under the Interlocal Cooperation Act. The Parties agree that these providers will be the approved providers under this Agreement without any further need for re-procurement, except as follows. No later than December 31, 2008, the Administrator shall undertake a procurement for the selection of providers for this Agreement, and, thereafter, the Administrator shall undertake a procurement for providers at least every four (4) years. When conducting a procurement for providers after the initial period, the Administrator shall obtain the participation of at least three (3) Parties, with each having an appointed representative. Each Party to this Agreement authorizes the Administrator to perform the procurement function as set forth in this Agreement.
- d. The Parties further authorize the Administrator to monitor the Parties’ compliance with the provisions of this Agreement and to take action as authorized by this Agreement. The Parties agree and acknowledge that if the Administrator takes action as set out in this Agreement, including but not limited to terminating participation of a Party, the Administrator is not acting on its own behalf but on behalf of the collective interests of the Parties to this Agreement.

5. **Coverage and Claims Administration.** The Administrator will document each Party's participation in the various employee benefit offerings obtained under this Agreement for the convenience of the Parties; however, such documentation is not, and shall not be relied upon as an, enforceable contract. Each Party agrees and understands that the Administrator bears no financial risk or responsibility for the timely binding of coverage or payment of claims under the provider contracts which are made possible through this Agreement. In addition, the Administrator is not responsible for the administration of claims under the provider contracts. Accordingly, any issues or disputes with providers shall be the sole responsibility of each Party to resolve with the providers. Each Party is solely responsible for maintaining necessary documentation, including but not limited to, evidence of contractual obligations with providers.

GENERAL PROVISIONS

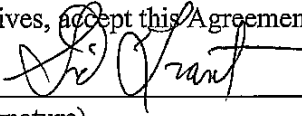
1. **Authorization to Participate.** Each Party represents and warrants that its governing body has duly authorized its participation in this Agreement.
2. **Current Revenue.** Each Party hereby warrants that all payments, contributions, fees, and disbursements required of it hereunder shall be made from current local revenues budgeted and available to the Party.
3. **Eligible Parties.** In the interest of providing effective public school governance, the Parties agree that if a governmental entity is eligible to be an Active or Associate Member of TASB, as such terms are defined by TASB's bylaws, then membership in TASB is a condition precedent for participating as a Party to this Agreement.
4. **Cooperation and Access.** Each party agrees that it will cooperate with any reasonable request for information and/or records made by the Administrator for the purpose of facilitating compliance with this Agreement.
5. **Coordinator.** Each Party agrees to appoint a contract coordinator who shall have express authority to represent and bind the Party. The Administrator under this Agreement will not be required to contact any other individual regarding contract matters. Any notice to or any agreements with the coordinator shall be binding upon the Party. Each Party reserves the right to change the coordinator as needed by giving written notice to the Administrator. Such notice is not effective until actually received by the Administrator.
6. **Notice.** Any written notice required by this Agreement to be given to the Administrator shall be made by certified U.S. mail, postage prepaid, and delivered to the Supplemental Benefits Administrator, Texas Association of School Boards, Inc., P.O. Box 400, Austin, TX 78767-0400. Notices required to be given to Parties shall be made by certified U.S. mail, postage prepaid, and delivered to Parties at the address given in this Agreement, the Additional Party Addendum, or in a change of address notice received by the Administrator.
7. **Merger.** This Agreement, together with Additional Party Addenda, and exhibits, represents the complete understanding of the Parties. To the extent there is any conflict

between the terms of this Agreement and that of any prior agreements, this Agreement shall control and take precedence. Each Party agrees that any obligation entered into with providers of any and all employee benefits, including policies of insurance, facilitated in accordance with this Agreement, is independent of this Agreement and that such obligation is enforceable outside of this Agreement.

8. **Jurisdiction/Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and venue for all disputes arising under this Agreement shall lie in Travis County, Texas.
9. **Disclaimer.** Neither any Party to this Agreement nor the Administrator (i) is a guarantor of a provider's performance, claim determinations, or solvency; (ii) bears any risk for the employee benefits secured under this Agreement; or (iii) is liable for any actions or failure on the part of any carrier, reinsurer, stop loss carrier, broker or agent.
10. **No Derivative Rights.** Other than the rights and benefits afforded the Administrator, nothing in this Agreement is intended to confer, nor does it confer, any benefits, rights, claims, or remedies upon any person or entity, other than the Parties hereto.
11. **Liability.** Without waiver of any disclaimer in this Agreement, the Parties agree as follows:
 - a. Neither any Party to this Agreement nor the Administrator waives any immunity from liability afforded under law;
 - b. If any Party files suit against the Administrator, the maximum amount recoverable will be limited to the amount of fees the Administrator received as a result of that particular Party's participation with providers under this Agreement. No more than 24 months of fees may be recovered, and only actual damages may be sought.
 - c. In the event of a lawsuit or other formal adjudication the prevailing party will be entitled to recover reasonable attorney's fees pursuant to Section 271.159 of the Local Government Code.
12. **Severability.** If any portion of this Agreement shall be declared illegal or held unenforceable for any reason, the remaining portions shall continue in full force and effect.
13. **Amendment.** This Agreement may not be modified or amended in any manner other than by written agreement containing such modification or amendment, to be executed by a majority of the Parties to this Interlocal Agreement, with such change not being effective on all Parties until all have received 60 days prior written notice of such change.
14. **Signatures/Counterparts.** The failure of a Party to provide an original, manually executed signature to any other Party or the Administrator will not affect the validity, enforceability or binding effect of this Agreement, because any Party or the Administrator may rely upon a facsimile signature as if it were an original. Furthermore,

this Agreement may be executed in several separate counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned Parties, acting through their duly authorized representatives, accept this Agreement.

By:  Coppell Independent School District
(Signature) (Local Government)
Assistant Superintendent
Sid Grant for Business & Support Services Date: August 8, 2007
(Printed name and title)

Coordinator: Sid Grant
Name
1303 Wrangler Circle #100
Mailing Address
Coppell, TX 75019
City, State, ZIP
214-496-6024
Telephone
214-496-6047
Fax
sgrant@coppellisd.com
Email

By: _____
(Signature) (Local Government)

Date: _____
(Printed name and title)

Coordinator: _____
Name

Mailing Address

City, State, ZIP

Telephone

Fax

Email

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IN WITNESS WHEREOF, the undersigned Parties, acting through their duly authorized representatives, accept this Agreement.

By: _____
(Signature) (Local Government)

_____ Date: _____
(Printed name and title)

Coordinator: _____
Name

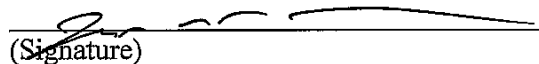
_____ Mailing Address

_____ City, State, ZIP

_____ Telephone

_____ Fax

_____ Email

By:  Brazosport I.S.D.
(Signature) (Local Government)

Jay Bart Luce, President Board of Trustees Date: August 27, 2007
(Printed name and title)

Coordinator: Michael D. Abild
Name

301 W. Brazoswood Dr.
Mailing Address

Clute, Tx 77531
City, State, ZIP

(979) 730-7000
Telephone

(979) 266-2486
Fax

mabild@brazosportisd.net
Email



**Interlocal Participation Agreement
Supplemental Employee Benefits
Additional Party Addendum – Exhibit A**

The below-named governmental entity of the State of Texas, acting by and through the undersigned duly authorized officer(s), by this instrument hereby agrees to become an additional party (“Party”) to the Supplemental Employee Benefits Interlocal Agreement (“Agreement”), dated August 27, 2007, and administered by the Texas Association of School Boards, Inc. (“TASB”). The undersigned Party agrees to the terms and provisions of that Agreement and acknowledges that no contemporaneous counter-signature of the other Parties is required in order to confer Party status on the undersigned governmental entity. The undersigned acknowledges receiving a complete copy of the Agreement, including the exhibits thereto.

Executed this _____ day of _____, 200__.

By: _____
(Signature) (Local Government)

_____ Date: _____
(Printed name and title)

Coordinator: _____
Name

Mailing Address

City, State, ZIP

Telephone

Fax

Email

Accepted by Administrator (TASB) on behalf of the Parties:

TEXAS ASSOCIATION OF SCHOOL BOARDS, INC.

By: _____ Date: _____
James B. Crow
Executive Director



Supplemental Employee Benefits Acceptance of Administrator – Exhibit B

By and through this Acceptance of Administrator (“Acceptance”), the Texas Association of School Boards, Inc. (“TASB” or “Administrator”) accepts the designation as the Administrator of that certain agreement entitled Supplemental Employee Benefits Interlocal Agreement, effective **August 27**, 2007, (“Interlocal Agreement”).

TASB is a Texas nonprofit corporation, recognized as an exempt organization under Section 501(c)(3) of the Internal Revenue Code, whose purpose is to lessen the burdens of government by providing services to public school districts and other local governments.

It is agreed that each party to the underlying Interlocal Agreement has assented to TASB’s designation as Administrator, as permitted by Section 791.013 of the Interlocal Cooperation Act, by virtue of said party’s execution of the Interlocal Agreement.

1. Duties of Administrator.

The Administrator shall:

- a. Provide overall contract administration of the Interlocal Agreement in accordance with the applicable terms thereof and under the terms of this Acceptance.
- b. On behalf of the parties to the Interlocal Agreement, procure providers of supplemental employee benefits as described in the Interlocal Agreement.
- c. Be authorized to market the availability of the underlying Interlocal Agreement to its membership and other local governments which might seek to join as additional parties.

2. Compensation.

- a. The Administrator is authorized to be compensated for its management and administration of the Interlocal Agreement from the providers of employee benefits.
- b. All fees shall be disclosed by Administrator to any party to the Interlocal Agreement upon the party’s request and as required by the Interlocal Agreement.

3. Term and Termination.

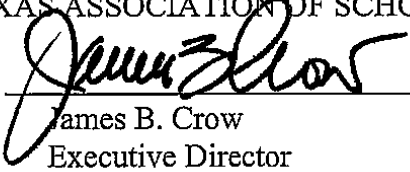
- a. **Term.** This Acceptance, once executed, shall be effective upon the effective date of the Interlocal Agreement, and shall apply to all who join the Interlocal Agreement as additional parties at the time of their joinder.

- b. **Amendment.** This Acceptance may not be modified or amended in any manner other than by means of a written agreement.
 - c. **Termination.** This Acceptance shall continue until terminated. When a party to the Interlocal Agreement terminates its participation from that Agreement, such party will no longer be bound by this Acceptance. The Administrator may terminate this Acceptance upon providing 60 days notice to all parties to the Interlocal Agreement.
 - d. **Procedure upon Termination.** Upon termination of this Acceptance, the Administrator shall transfer records of the Interlocal Agreement to any successor Administrator or, if none, maintain records of the Interlocal Agreement for a period of five years.
4. **Other Provisions.**
- a. **Disclaimer.** It is recognized and agreed that the Administrator does not (i) guarantee the performance of any provider, including performance regarding claims determinations or solvency; (ii) bear any risk for the employee benefits secured under the Interlocal Agreement; or (iii) have liability for any actions or failures on the part of any carrier, reinsurer, stop loss carrier, broker or agent.
 - b. **No Derivative Rights.** Nothing in this Acceptance is intended to confer, nor does it confer, any benefits, rights, claims, or remedies upon any person or entity, other than the parties hereto (i.e., Administrator and the local government entities that are parties to the Interlocal Agreement).
 - c. **Liability.** Without waiver of the disclaimer in this Acceptance, it is agreed that:
 - (i) If any party files suit against the Administrator, the maximum amount recoverable will be limited to the amount of fees the Administrator received as a result of that particular party's participation with providers under the Interlocal Agreement. No more than 24 months of fees may be recovered, and only actual damages may be sought.
 - (ii) In the event of a lawsuit or other formal adjudication, the prevailing party will be entitled to recover reasonable attorney's fees pursuant to Section 271.159 of the Local Government Code.
 - d. **Honorable Undertaking.** This Acceptance shall be considered an honorable undertaking and shall be subject to liberal construction for the purpose of giving effect to the intentions of the parties; the purposes of the Acceptance are not to be defeated by a narrow or technical construction of its provisions.
 - e. **Law and Venue.** This Acceptance shall be governed by the laws of the State of Texas, and venue for any cause of action arising hereunder shall lie in the courts of Travis County, Texas.

- f. **Entirety.** This Acceptance is the entire agreement between the parties and may be amended only in accordance with the provisions hereof. It is recognized and agreed that Administrator is not a party to the underlying Interlocal Agreement.
- g. **Severability.** If any term or provision of this Acceptance is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions of this Acceptance shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

AGREED TO AND ACCEPTED BY the signatory below and the parties to the Interlocal Agreement as evidenced by their execution of the Interlocal Agreement:

TEXAS ASSOCIATION OF SCHOOL BOARDS, INC.

By: 
James B. Crow
Executive Director

Date: 8/30/07