

District School Board of Indian River County
1990 25th Street, Vero Beach, FL 32960
Business Meeting
Agenda

Date: January 13, 2015

Time: 6:00 p.m.

Room: Teacher Education Center (TEC)

It is hereby advised that if a person decides to appeal any decision made by the Board with respect to any matter considered at this meeting, he/she will need to ensure that a verbatim record is made that includes the testimony and evidence upon which the appeal is to be made.

- I. CALL MEETING TO ORDER – Chairman McCain

- II. INSPIRATIONAL MOMENT

- III. PLEDGE OF ALLEGIANCE TO THE FLAG AND PRESENTATION OF COLORS by Vero Beach High School Air Force Junior ROTC under the Direction of Chief Master Sergeant Wade E. Dues, USAF (ret.)

- IV. ADOPTION OF ORDERS OF THE DAY

- V. PRESENTATIONS
No presentations

- VI. CITIZEN INPUT

- VII. CONSENT AGENDA
 - A. Approval of Minutes**
 - 1. Student Assessment Workshop held 12/9/2014
 - 2. Discussion Session held 12/9/2014
 - 3. Business Meeting held 12/9/2014Superintendent recommends approval.
 - B. Approval of Personnel Recommendations – Mr. Fritz**

Attached is a list of personnel recommendations that includes personnel additions, terminations, and/or changes. Superintendent recommends approval.
 - C. Approval for Board Chairman to Sign Power of Attorney and Declaration of Representative Form - Mr. Morrison**

On April 8, 2014, the Board approved piggybacking the Hernando County RFP #12-R097 for Telecommunications and Utility Billing Audit Services. Eric Ryan Corporation (ERC) was the awarded vendor at a rate of compensation of 22 percent

on all refunds and credits received. The ERC audit is ongoing; however, one finding has produced a refund with Paetec/Windstream. Approval is recommended for the Chairman to execute the Power of Attorney and Declaration of Representative Form to petition for a refund of federal taxes paid to Paetec/Windstream in the amount of \$2,818.88. Page two of the attached document is to allow ERC the Power of Attorney to file the petition and the execution of Form 8849 as required by the IRS. Please see attached backup. Superintendent recommends approval.

D. Approval of Donations – Mr. Morrison

1. Beachland Elementary School received a donation in the amount of \$3,500 from the Beachland Elementary PTA. The funds will be used to help purchase Wii Smart Boards for the Beachland Elementary School classrooms.
2. Fellsmere Elementary School received a donation in the amount of \$2,300 from St. Augustine of Canterbury. The funds will be used to aid the families of the Fellsmere Elementary School students.

Superintendent recommends approval.

E. Approval to Award RFP #2015-10 to Multiple Vendors for a Continuing Contract for Electrical Contractor Services - Mr. Morrison

A Request for Proposal (RFP) was promulgated for a continuing contract with electrical contractors for projects on an as-needed basis. The estimated annual financial impact to the District is \$89,000. Projects less than \$5,000 may be awarded on a rotational or best fit basis. For projects greater than \$5,000, all awarded vendors will be invited to provide a formal quote and the award will be made to the lowest bidder. The Purchasing Department is recommending the award and issuance of all subsequent purchase orders, contracts, as well as bid renewal letters for years 2 and 3. The term of this RFP is from January 14, 2015, through January 13, 2016; and may, by mutual agreement between the Superintendent and the awardees, be renewable for two, additional, one-year periods. All prices, terms, and conditions shall remain the same. The recommended vendors are Bismark Electrical Services, Inc.; Complete Electric, Inc.; Davco Electric Contractors Corp.; Diversified Electrical Systems, Inc.; F. V. Casano Electrical Contractors, Inc.; Gerelcom, Inc.; Paragon Electric of Vero, Inc.; and Universal Cabling Systems, Inc., as the best responsive and responsible bidders meeting specifications, terms, and conditions. Please see attached backup. Superintendent recommends approval.

F. Approval of 2014-2015 School Advisory Council Membership Reports – Mr. Green

Pursuant to School Board Rule 2125 and 1001.452 Florida Statutes, the School Advisory Council Membership Reports for the schools listed below are attached for approval. Each School Advisory Council below is composed of the principal and an appropriately balanced number of teachers, education support employees, students, parents, and other business and community citizens who are representative of the

ethnic, racial, and economic community served by the school. Students must serve on high school advisory councils and may serve on middle school advisory councils.

Schools in Compliance

1. Beachland Elementary
- 2. Dodgertown Elementary**
3. Glendale Elementary
4. Pelican Island Elementary
5. Sebastian River High School
6. Storm Grove Middle School
7. Treasure Coast Elementary
8. Vero Beach High School

Superintendent recommends approval.

VIII. ACTION AGENDA

A. Approval to Award RFP #2015-09 to Bill Bryant & Associates, Inc., for Construction Services for a New Portable at Wabasso School - Mr. Morrison

A Request for Proposal (RFP) was promulgated to obtain a firm price for construction services for the required infrastructure of one portable classroom at Wabasso School. Scope of services to include is electrical, low voltage, water, sewer (lift station to be provided by owner), concrete sidewalk, aluminum canopy sidewalk cover, delayed access door hardware, sod, and temporary fencing. The portable classroom will be delivered and setup by Mobile Modular. The cost of this project is \$72,379. In addition, a 10% contingency will be reserved in the amount of \$7,237.90 and will only be used if directed by the District. The recommendation is for the award to Bill Bryant & Associates, Inc., as the best responsive and responsible bidder meeting specifications, terms, and conditions. Please see attached backup. Superintendent recommends approval.

B. Approval of Owner/Contractor Construction Agreement for Construction Services for New Classroom Portable at Wabasso School (SDIRC #2015-09) – Mr. Morrison

Approval is recommended for the Owner/Contractor Construction Agreement between the School Board of Indian River County and Bill Bryant & Associates, Inc., for Construction Services for the New Classroom Portable at Wabasso School (SDIRC #2015-09) in the amount of \$79,616.90. The scope of work includes infrastructure consisting of electrical, low voltage, water, sewer (lift station to be provided by owner), concrete sidewalk, aluminum canopy sidewalk cover, delayed access door hardware, sod, and temporary fencing to be provided for one portable classroom at Wabasso School.

The contract amount consists of the Contractor's Base Bid in the amount of \$72,379.00 and an owner added contingency in the amount of \$7,237.90, that includes all construction costs associated with this project. The contract amount does not include engineering fees. Superintendent recommends approval.

C. Approval of Photovoltaic for Schools Pilot Program Contracts – Mr. Morrison

Approval is recommended for the Photovoltaic for Schools Pilot Program contract between Florida Power & Light Company and the School Board of Indian River County for Citrus Elementary, Dodgertown Elementary, Indian River Academy, and Vero Beach Elementary Schools. The Photovoltaic (PV) for Schools Pilot Program was designed to reduce energy consumption and growth of coincident peak demand, as well as to educate future generations on the practical application of a PV System by School Districts in FPL's territory to be used for renewable energy education curriculum. FPL would install, at no cost to the District, one (1) PV System at each of the following school sites:

- Citrus Elementary School
- Dodgertown Elementary School
- Indian River Academy
- Vero Beach Elementary School

FPL will perform certain operation and maintenance services on the System for the term of this Contract that is five (5) years from the System's Commercial Operation Date. After such time, FPL would donate the PV System to the District, who shall then be solely responsible for any on-going costs necessary to maintain and continuously operate the PV System at its location. Superintendent recommends approval.

D. Approval to Adopt School Board Resolution #2015-08 regarding Procedures for Opening Invocations at School Board Business Meetings – Mrs. Simchick

Discuss and approve Resolution #2015-08. As directed, School District Attorney drafted for Board's approval a resolution addressing School Board Business Meetings Invocation Procedures. These procedures will be formalized in writing upon adoption. Superintendent recommends approval.

E. Approval of Amendment to Substitute and Miscellaneous Pay Salary Schedule – Mr. Fritz

The current salary schedule denotes a daily rate of \$95.00 (hourly rate is \$12.6667 for 7.5 hours) for substitutes with a Bachelor’s Degree. In order to retain substitute teachers who are loyal to the School District and to incentivize acceptance of work, an adjustment to the approved rate is recommended for days worked beyond the 50th day. For instructional substitutes with Bachelor’s degree or above, who work or have worked 51+ days during the 2014-15 school year, the recommended daily rate is \$100.00 to be paid for days 51 and beyond. (Hourly rate of \$13.33 for 7.5 hours). Days worked on or after August 18, 2014, count towards the accrual of the first 50 days. The estimated cost for this adjustment is \$16,000. Superintendent recommends approval.

F. Approval to Accept Annual Operational Audit Report #2015-076 for Fiscal Year that Ended June 30, 2014 – Mr. Morrison

The Annual Operational Audit Report for the fiscal year that ended on June 30, 2014, has been completed by the Auditor General, State of Florida. This report is to be filed as part of the public records of the Board, making mention of this fact in the minutes. Superintendent recommends approval.

G. Approval to Accept Comprehensive Annual Financial Report #2015-077 for Fiscal Year that Ended June 30, 2014 – Mr. Morrison

The Comprehensive Annual Financial Report for the fiscal year that ended on June 30, 2014, has been completed. In addition, incorporated within the Comprehensive Annual Financial Report are the Financial and Federal Single Audit Reports that were completed by the Auditor General, State of Florida. This report is to be filed as part of the public records of the Board, making mention of this fact in the minutes. Superintendent recommends approval.

IX. SUPERINTENDENT’S REPORT

X. DISCUSSION

No discussion items

XI. SCHOOL BOARD MEMBER MATTERS – Chairman McCain

XII. INFORMATION AGENDA

A. Financial Reports for Months ending September 2014 -- Mr. Morrison

Attached are the Financial Reports for the month ending September 2014.

B. Charter School Financials – Mr. Morrison

Charter school financial statements are presented to the Board for information only. No approval of a charter school's financial statement is required. This presentation of charter school financial statements is to demonstrate compliance with section 1002.33, Florida Statutes. Specifically, subsection (5) (b) requires the District, as sponsor, to monitor the revenues and expenditures of the charter school and to perform the duties provided in s. 1002.345. High performing charter schools are only required to submit financials quarterly. All charter schools currently operating in Indian River have been designated as high performing. Indian River Charter High School, Imagine Schools of South Vero, Sebastian Charter Junior High School, and St. Peter's Academy opted to submit their financials quarterly. North County Charter School opted to submit their financials monthly.

XIII. SUPERINTENDENT'S CLOSING

XIV. ADJOURNMENT – Chairman McCain

Anyone who needs a special accommodation may contact the School District's American Disabilities Act Coordinator at 564-3071 (TTY 564-8507) at least 48-hours in advance of the meeting. NOTE: Changes and amendments to the agenda can occur 72-hours prior to the meeting. All business meetings will be held in the Teacher Education Center (TEC) located in the J.A. Thompson Administrative Center at 1990 25th Street, Vero Beach, FL 32960, unless otherwise specified. Meetings may broadcast live on Comcast/Xfinity Ch. 28, AT&T Uverse Ch. 99, and the School District's website stream; and may be replayed on Tuesdays and Thursdays at the time of the original meeting. For a schedule, please visit the District's website at www.indianriverschools.org/iretv. The agenda can be accessed by Internet at <http://www.indianriverschools.org>.

The District School Board of Indian River County met on December 9, 2014, at 9:30 a.m. The workshop was held in the Teacher Education Center located in the School District Office at the J.A. Thompson Administrative Center located at 1990 25th Street, Vero Beach, Florida 32960. District School Board Members attending were: Chairman Matthew McCain, Vice Chairman Charles G. Searcy, and Board Members: Claudia Jiménez, Dale Simchick, and Shawn R. Frost. Dr. Frances J. Adams, Superintendent of Schools; and Suzanne D’Agresta, School Board Attorney, were also present.

Student Assessment Workshop Minutes

- I. Workshop was called to order by Chairman McCain
Chairman McCain noted that Mrs. Simchick was not present but would arrive shortly.
- II. Purpose of the Workshop – Dr. Adams
Dr. Adams said that the purpose of the workshop was to bring some facts to the Board regarding the mandated student assessments. She said that they would also talk about what they were doing in Indian River County.
- III. Presentation – Dr. Adams
Mr. Green introduced staff that were in attendance. He reviewed a packet of information given to Board Members that included a copy of the PowerPoint; Assessment Definitions and Acronyms; Assessment Requirements--Statutes State Board Rules; and Assessments to Meet State Mandates (K-12). Mr. Green began by looking at the front end of the assessment process.

Assessments

Mr. Green stated that an assessment was a tool used by educators to determine a student’s academic readiness, understanding of concepts, learning progress, or skill acquisition. He reviewed the types of assessments that included diagnostic, progress monitoring, and summative. For future reference, a list of Assessments Definitions and Acronyms were attached. He briefly described the various assessments that included a District “Benchmark” assessment. Also attached for reference was a list of State Statutes, each with a brief descriptor. The States were: 1002.69, 1008.22, 1008.25, 1008.30, 1003.56, and 1012.34.

Note: Mrs. Simchick was present.

Levels of Support and Intervention

Mr. Green reviewed the Differentiated Accountability that defined the levels of intervention and support for schools, based on the school’s grade. Mr. Green reviewed handout #3 on Assessments Administered. The Florida State selected assessments were:

- Florida Standards Assessment (FSA)
- Florida Alternate Assessment (FAA)
- End of Course Assessments (EOCs)
- FLKRS
- CELLA
- PERT

The locally-selected assessments administered by Indian River County School District were:

- DIBELS
- SAT 10
- FAIR-FS
- Benchmarks
- Locally Created Assessments (LCAs)

State and Local Assessments Administered

Mr. Green reviewed the assessments-administered spreadsheets included in handout #3 that were separated by grades K-2, 3-5, 6-8, and 9-12. The sheets listed the grade levels separating out the locally selected student assessments given, the State/Local student assessments given, and the State Selected student assessments given. The information also denoted the purpose of the assessment for diagnostic, summative, or progress monitoring. Mr. Green also talked about testing windows. Student assessment program for public schools was required under State Statute 1008.22. Under this system the School District chose a school-wide system of progress monitoring for all students to ensure that all students were monitored Levels 1-4.

Next Steps

- Make FAIR-FS assessment “available” as an optional resource, not mandatory for levels 3, 4, and 5 students-- “D” and “F” schools must include Level 3 students.
- Continue to work with lawmakers and Department of Education regarding assessments.
- Continue to work with lawmakers to provide a transition period for full implementation of new assessments
- Continue to involve IRCEA in the assessment process.
- Continue to review alignment of benchmark assessments to new Florida Standards.

Board Members were given an opportunity to ask questions between each section of the presentation. Superintendent was asked to follow up with State Representative Mayfield so that she could become a voice for education. She was also asked to obtain data for quality purposes for each preschool, individually, to ensure that the classes were successful as students moved into higher grades.

With no further discussion, the workshop adjourned at approximately 10:59 a.m.

The District School Board of Indian River County met on December 9, 2014, at 1:00 p.m. The session was held in the Teacher Education Center located in the School District Office at the J.A. Thompson Administrative Center located at 1990 25th Street, Vero Beach, Florida 32960. District School Board Members attending were: Chairman Matthew McCain, Vice Chairman Charles G. Searcy, and Board Members: Claudia Jiménez, Dale Simchick, and Shawn R. Frost. Dr. Frances J. Adams, Superintendent of Schools; and Suzanne D'Agresta, School Board Attorney, were also present.

Discussion Session Minutes

- I. Discussion was called to order by Chairman McCain

- II. ITEMS PLACED ON AGENDA BY BOARD MEMBERS – Chairman McCain
 - A. **Chairman McCain**
 1. Meeting Setup Procedures
School Board Members performed their annual review of Board Meeting Setup Procedures as stipulated in Resolution #2014-08. No changes were requested. The Board agreed to try a new podium location, moving it from the middle of the meeting room to the side of the room, angled towards the dais for the evening business meeting. Board Members agreed that no formal action was required.
 2. General Information/Protocol
Chairman McCain read the general protocol for the Board. In reference to the Treasure Coast Regional Planning Council and the Treasure Coast Work Group, Chairman McCain stated that it would be appropriate for the Board's Legislative Liaison to attend when there were issues related to the School District. He noted that the Treasure Coast Council of Local Governments was assigned to Mr. Frost to attend when there were issues concerning the School District.
 3. Land Use and Acquisition Committee
Chairman McCain reviewed the purpose and responsibilities of the Board Members' volunteer appointments to the Board's Land Use and Acquisition Committee. Board Members requested a packet be prepared for their applicants as was given to Mrs. Simchick by Mr. Sanders. It was noted by the Chair that Board Members were to submit their volunteer application to Miss Stang for the January business meeting. Dr. Adams said to let Miss Stang know who the new person was and they would get a packet out to them.
 4. Superintendent Search Update
Chairman distributed an update on the Superintendent search. He stated that binders would be prepared for each Board Member. Question was asked regarding who picked the finalists. Chairman McCain said that the School Board Members would select the finalists.
 5. Superintendent Assessment for 2014-2015, Timeline
Not discussed.

B. Charles Searcy

1. Ethics Training for Elected Officials

Mr. Searcy suggested and Board Members agreed that Mr. Searcy should lobby State Representative Mayfield to ask for a change in statute to reduce the four-hours training to one-hour training and to keep the four-hours training session for new Board Members.

2. Chapter 119 Public Records Requests

Board Members discussed the issue. Dr. Adams explained the process. Mrs. D'Agresta reviewed the requirements under the law. There was a discussion on determining personal information versus public information. Dr. Adams stated how the process worked. All requests for copies of emails were redacted only for student information, social security numbers, etc.; but not for personal versus work related emails. Board Member wanted assurance that all employees were aware of who they should contact and what the process was for Chapter 119 requests.

3. Crisis Management Representative

Mr. Fritz stated that he was the spokesperson for Risk Management for the District. He said that Human Resources drafted Press Notices for the Superintendent. Board Member wanted assurance that all employees were aware of the name of the person who was in charge and what the process was.

4. Location of New School District Administrative Center in the County Seat

Question was in regard to statute/law. Mrs. D'Agresta stated that the statute regarding the location of the building did not apply to School Boards, just to municipalities.

C. Claudia Jimenez

1. Resolution in Recognition of 1994 Passage of the African American History Required Instruction

After discussing the request received from the Florida School Boards Association to adopt a resolution in support of the 1994 Passage of the African American History Required Instruction, the Board agreed that it was not needed because the School District was in compliance with the 1994 Passage.

2. Scheduling Workshops

Board Members discussed the need to review the District's initiatives such as the Moonshot Moment and the Desegregation Order. It was suggested that instead of having a morning workshop and an afternoon workshop, there should be a four-hour workshop, with breaks. Dr. Adams presented a list of workshops for 2015. She noted that the Discussion Session in January would be replaced with an afternoon workshop on changes to Board policies. Dr. Adams went over the list of proposed workshops. Dr. Adams stated that the start time for workshops would remain at 9:30 a.m.

3. Superintendent Search

Board Members discussed whether to hold a visioning session to include goals and expectations; list of questions; and community input. After discussing the issue, Board Members requested that a Discussion item be added to the January 27 business meeting for Community Input on the Superintendent search. [Board Members decided to set a visioning session on January 27, 2015, and that Chairman McCain would contact Dr. Massey.](#)

D. Dale Simchick

Mrs. Simchick deferred to Mr. Frost, as his item was on the same topic.

E. Shawn Frost

1. Freedom from Religion Letter/Invocation

Board Members discussed the letter received by Mrs. D'Agresta from the Freedom from Religion Foundation on September 4, 2014, regarding the subject of Unconstitutional Prayers at Board of Education Meetings. Mrs. D'Agresta spoke on her findings regarding this topic and the choices available to the Board. The majority of the Board, after discussing the choices, agreed to direct the Board Attorney to draw up a "draft" to consider as a formal process for invocations. Mrs. D'Agresta said that she would prepare a few "drafts" for the Board to choose from. Chairman McCain said that until the Board had an opportunity to make a decision, the Board would continue with the present practice of having an "inspirational moment".

III. BOARD COMMITTEE REPORTS – Chairman McCain

Ms. Jiménez reported on the Florida School Boards Association's and the Greater Florida Consortium of School Board's Legislative Platforms. She also reminded the Board about upcoming events that included the FSBA Day in the Legislature on March 11 and 12 that she would be attending and the Florida School Boards Association Joint Conference on June 10 through 12. Other dates of interest were mentioned. Ms. Jiménez attended a workshop at the FSBA Conference at which Mr. Gene Waddell presented information on charter schools. She mentioned other hot topics that were covered at the conference.

Mrs. Simchick asked the Superintendent to report to the Board if and when there were any ADA accommodations made in the District. She reported on the Sebastian City and Fellsmere City Planning and Zoning Committee meetings. Dr. Adams advised the Board to keep an eye on growth in Sebastian.

Mr. Searcy asked if the Florida School Boards Association was still in pursuit of the lawsuit against the State. Ms. Jiménez said that they were and that they also prepared a Resolution on Assessment and Accountability with bullets for our Legislators.

IV. ITEMS PLACE ON AGENDA BY SUPERINTENDENT – Dr. Adams

Dr. Adams said that in line with some of our next steps in Student Assessment and Accountability, the Florida Association of District School Superintendents was supporting the removal of the required start date for schools from language in State Statute.

V. ADJOURNMENT – Chairman McCain

With no further business, the discussion session adjourned at approximately 3:24 p.m.

The District School Board of Indian River County met on December 9, 2014, at 6:00 p.m. The business meeting was held in the Teacher Education Center located in the School District Office at the J.A. Thompson Administrative Center located at 1990 25th Street, Vero Beach, Florida 32960. District School Board Members attending were: Chairman Matthew McCain, Vice Chairman Charles G. Searcy, and Board Members: Claudia Jiménez, Dale Simchick, and Shawn R. Frost. Dr. Frances J. Adams, Superintendent of Schools; and Suzanne D'Agresta, School Board Attorney, were also present.

Business Meeting Minutes

- I. Meeting was called to order by Chairman McCain
- II. Inspirational Moment by Mrs. Simchick.
- III. Pledge of Allegiance to the Flag and Presentation of Colors by Sebastian River High School's Naval Junior ROTC under the direction of Master Gunny Sergeant James R. O'Neal.
- IV. ADOPTION OF ORDERS OF THE DAY – Chairman McCain
Chairman McCain asked Dr. Adams to state for the record why she was requesting to add Action F. Approval of the Memorandum of Understanding (MOU) with Indian River County Education Association. Dr. Adams stated that both parties signed off on the Memorandum of Understanding with Indian River County Education Association and that the next meeting was not until next year. Chairman McCain called for a motion.

Ms. Jiménez moved approval of the Orders of the Day, adding Action F. Mrs. Simchick seconded the motion. Mr. Searcy moved to amend the motion to remove Consent B Approval of Personnel Recommendations, items 9 and 11; and to move Consent D. Approval of Donations, item 3. Ms. Jiménez seconded the motion. Board Members voted unanimously in favor of the amendment, with a 5-0 vote. Board Members voted unanimously in favor of the amended main motion, with a 5-0 vote.
- V. PRESENTATIONS
No presentations
- VI. CITIZEN INPUT
Jorge Lugo requested to speak on the upcoming Legislative Session.
- VII. CONSENT AGENDA
Chairman McCain called for a motion. Mrs. Simchick moved approval of the Consent Agenda as amended, moving Consent B. items 9 and 11; and moving Consent D. item 3. Mr. Searcy seconded the motion and it carried unanimously, with a 5-0 vote.
 - A. **Approval of Minutes – Dr. Adams**
 1. Organization Meeting held 11/18/2014
 2. Business Meeting held 11/18/2014Superintendent recommended approval.

B. Approval of Personnel Recommendations – Mr. Fritz

Attached was a list of personnel recommendations that included personnel additions, terminations, and/or changes. Superintendent recommended approval.

C. Approval to Dispose of Surplus Property – Mr. Morrison

This request was for approval to dispose of surplus property in accordance with Florida Statutes 274.05 and 274.06. The attached lists represented property to be deleted from various inventories and/or for items that had been declared surplus. After Board approval, property would be recycled and/or auctioned. It was requested that this property be deleted from the Fixed Asset Ledger. Superintendent recommended approval.

D. Approval of Donations – Mr. Morrison

1. Sebastian River High School received a donation in the amount of \$1,000 from Carlos A/ Vizcarra, MD, PA. The funds were donated for the Sebastian River High School's IB Program.
2. Liberty Magnet School received a donation in the amount of \$2,265.36 from the Liberty Magnet School PTA. The funds would be utilized for classroom supplies or grade level activities.
3. The School District of Indian River County received a donation of 5 iPads from the Treasure Coast Golf Course Superintendent's Association. The approximate donation value was \$1,500. The iPads would be used to increase student engagement in the Science Technology Engineering and Math (S.T.E.M.) learning environment.

Superintendent recommended approval.

E. Approval of Budget Amendments – Mr. Morrison

This request was for approval of the following budget amendments for fiscal year ending June 30, 2015:

1. Amendment #1 – Debt Service Fund
2. Amendment #1 – Capital Projects Fund
3. Amendment #1 – Food Service

Superintendent recommended approval.

F. Approval to Award RFP #2015-06 to Multiple Vendors for a Continuing Contract for Mechanical Contractor Services - Mr. Morrison

A Request for Proposal (RFP) was promulgated for a continuing contract with mechanical contractors for HVAC (heating, air conditioning and ventilation) installations, maintenance, repairs, sheet metal work, chiller change outs, chilled water piping, and other HVAC work as requested on an as-needed basis. The estimated financial impact to the District was \$600,000. Projects less than \$5,000 may be awarded on a rotational or best fit basis. For projects greater than \$5,000, all awarded vendors would be invited to provide a formal quote. The award would be made to the lowest bidder. The Purchasing Department recommended the award and issuance of all subsequent purchase orders, contracts, as well as bid renewal letters for years 2 and 3. The term of this RFP is from November 19, 2014, through November 18, 2015. And may, by mutual agreement between the Superintendent and the awardees, be renewed for two, additional, one-year periods. All prices, terms, and conditions shall remain the same. The recommended vendors are Airstron, Inc.; Florida Mechanical, L.L.C.; Kuchar Mechanical, Inc.; and Mid-State Mechanical of Vero Beach, Inc., as the best responsive and responsible bidders meeting specifications, terms, and conditions. Backup was attached. Superintendent recommended approval.

G. Approval to Award RFQ #2015-08 to Multiple Vendors for a Continuing Contract for Civil Engineering Services - Mr. Morrison

A request for qualifications (RFQ) was promulgated for a continuing contract with engineering firms to provide services for site, civil, surveying, and other services for miscellaneous projects District wide on an as-needed basis pursuant to School Board Policy 6330. Projects may be awarded on a rotating or best fit basis. The estimated annual financial impact to the District was \$200,000. The Purchasing Department recommended the award and Superintendent approval for the issuance of all subsequent purchase orders. The term of this RFQ for civil engineering services was three (3) years; December 10, 2014, through December 9, 2017. The recommended firms were Carter Associates; Masteller & Moler, Inc.; MBV, Inc.; Mills, Short & Associates; and Schulke, Bittle & Stoddard. Superintendent recommended approval.

H. Approval of Easement and Bill of Sale of Utility Facilities to Indian River County, Treasure Coast Elementary School – Mr. Morrison

Approval was recommended for the Easement and Bill of Sale of Utility Facilities for Treasure Coast Elementary School to be granted to Indian River County. This was for a perpetual easement for utility purposes over, across, and beneath the land described in Exhibit “B” (Sketch and Description) for the purpose of installing, replacing, repairing, and maintaining the utilities described in Exhibit “A”; and further sells, assigns, or conveys title to all utility facilities now installed by or on behalf of the School District. Superintendent recommended approval.

I. Approval of Cash Deposit and Escrow Agreement, Treasure Coast Elementary School – Mr. Morrison

Approval was recommended for the cash deposit and escrow agreement between the School Board of Indian River County and Indian River County in the amount of \$3,417.53 for the Treasure Coast Elementary School classroom addition. The School Board was required to provide financial surety for a one-year period for the maintenance of the utility improvements in association with the Treasure Coast Elementary School classroom addition as set out in the Easement and Bill of Sale. Upon completion of the maintenance period specified in the Easement and Bill of Sale, the School Board may obtain a disbursement from the escrow account by written request to the Indian River County Director of Utility Services. Superintendent recommended approval.

VIII. ACTION AGENDA

A. Approval to Award RFP #2015-07 to Mid-State Mechanical, Inc., for Thermal Energy Storage (TES) Tank Replacement at Indian River Academy (IRA) (former known as Highlands Elementary) - Mr. Morrison

RFP #2015-07 was promulgated for the replacement of the existing TES tanks at IRA with new District-owned tanks. The total cost of this project was \$56,699.00. Award was not on the basis of price alone but to the proposer whose submission contained the most advantageous combination of price, qualifications, experience, references, and work capacity. The Purchasing Department recommend the award and issuance of all subsequent purchase orders under this RFP to Mid-State Mechanical, Inc., as the lowest and best responsive and responsible bidder meeting specifications, terms, and conditions. Backup was attached. Superintendent recommended approval.

Chairman McCain called for a motion. Mr. Searcy moved approval of the award of RFP #2015-07 to Mid-State Mechanical, Inc., for Thermal Energy Storage (TES) Tank Replacement at Indian River Academy (IRA) (former known as Highlands Elementary). Ms. Jiménez seconded the motion and it carried unanimously, with a 5-0 vote.

B. Approval of Owner/Contractor Construction Agreement (Lump Sum) for the TES Tank Replacement at the Indian River Academy School (SDIRC #2015-07) – Mr. Morrison

Approval was recommended for the Owner/Contractor Construction Agreement between the School Board of Indian River County and Mid-State Mechanical for the construction of the replacement of the TES tanks at Indian River Academy (SDIRC #2015-07) in the amount of \$56,699. The project included the replacement of the TES tanks and all associated mechanical work and removal of the existing TES tanks. The contract amount consisted of the Contractor's base bid in the amount of \$56,699.00. Superintendent recommended approval.

Chairman McCain called for a motion. Ms. Jiménez moved approval of the Owner/Contractor Construction Agreement (Lump Sum) for the TES Tank Replacement at the Indian River Academy School (SDIRC #2015-07). Mrs. D'Agresta noted a typo on the contract. The Board voted unanimously in favor of the motion with a 5-0 vote.

C. Approval of Release of Final Payment to Florida Mechanical LLC for the Oslo Middle School Air Handler Replacement Project (SDRIC #2012-18 Quote #41-14) – Mr. Morrison

Approval is recommended for release of final payment in the amount of \$11,527.70 to Florida Mechanical LLC for the Oslo Middle School air handler replacement project (SDRIC #2012-18 Quote #41-14). On April 8, 2014, the Board approved the Owner Contractor Construction Agreement (Lump Sum) for the Oslo Middle School replacement project in the amount of \$168,439.70 (\$153,127.00 Contractors Bid Price/\$15,312.70 Owner Added Contingency), with the final construction cost for this project totaling \$162,067.00. The unused balance of the Owner Added Contingency, in the amount of \$6,372.70, was a savings to the District. Final payment for this project was being brought to the Board for approval, in accordance with Florida Statute 1013.50. The final payment to the contractor consisted of the project retainage that was held until project completion. Superintendent recommended approval.

Chairman McCain called for a motion. Mr. Searcy moved approval of the release of final payment to Florida Mechanical LLC for the Oslo Middle School air handler replacement project (SDRIC #2012-18 Quote #41-14). Ms. Jiménez seconded the motion and it carried unanimously, with a 5-0 vote.

D. Approval to Piggyback the School Board of Broward County's Bid #15-024R and Issue Purchase Orders to Amerigas Propane, L.P., for the Purchase of Propane Fuel for School Buses - Mr. Morrison

Pursuant to School Board Policy 6320, the Superintendent's authority was limited to purchase commodities and/or contractual services where the total amount did not exceed \$50,000 and did not exceed the applicable appropriation in the District Budget. This request was to grant the authority for the Superintendent to issue all purchase orders under this item, including those that may have been in excess of \$50,000, for the mobile fueling of the District's propane buses. The estimated financial impact for the remainder of the 2014-2015 school year was \$90,000. Pricing was as per the School Board of Broward County Bid #15-024R.

This bid would expire on September 30, 2017. Please see the attached bid documentation. Superintendent recommended approval.

Chairman McCain called for a motion. Mrs. Simchick moved approval to piggyback the School Board of Broward County's Bid #15-024R and issue purchase orders to Amerigas Propane, L.P., for the purchase of propane fuel for school buses. Mr. Frost seconded the motion and it carried unanimously, with a 5-0 vote.

E. Approval of Broker Services Agreement for Employee Insurance - Mr. Fritz

The current insurance broker, Brown and Brown, procured and maintained the School Board's portfolio of employee insurance products, including: dental, vision, accident, hospital protection/intensive care, cancer, group disability, term life, flexible spending accounts, group health, group life, AD&D, and health savings accounts. The proposed agreement reinstated the existing broker agreement. The agreement was for one year, with an opportunity to annually extend the contract for an additional three years. This agreement included an option to cancel the contract at any time, with a 30-day notice of intent. This agreement maintained the existing broker fees. Superintendent recommended approval.

Chairman McCain called for a motion. Ms. Jiménez moved approval of the broker services agreement for employee insurance products, with Brown and Brown. Mrs. Simchick seconded the motion. Board Member requested a copy of the schedule of commission rates, when it was available. Mr. Fritz said that he would provide that document. Board Members spoke to the motion. The Board voted unanimously, in favor of the motion, with a 5-0 vote.

Added on 12/8/2014:

F. Approval of Memorandum of Understanding (MOU) with Indian River County Education Association – Mr. Fritz

Attached was the proposed MOU that addressed the teacher evaluation criteria for the 2013-14 school year. District staff were in the process of finalizing evaluations for instructional personnel and discovered a small number of positions for which they encountered problems computing the evaluation rating. Examples included, criteria not being included in the Teacher Evaluation Procedures Manual for certain positions/assignments, data that was denoted does not exist, or the sample size was too small. The parties met in a good faith attempt to resolve these issues, and the proposed MOU was the result. This list had been tentatively agreed upon by the parties. The Association had indicated that they would be able to seek ratification prior to December 18, 2014. The School District Bargaining Team appreciated the partnership IRCEA had shown to reach a timely agreement. Approval was contingent upon ratification by IRCEA. Superintendent recommended approval.

Chairman McCain called for a motion. Mr. Frost moved approval of the Memorandum of Understanding (MOU) with Indian River County Education Association. Ms. Jiménez seconded the motion. Board Member requested a final copy of this manual, when it was done. The Board voted unanimously in favor of the motion, with a 5-0 vote.

Consent Items Moved to Follow the Action Agenda

B. Approval of Personnel Recommendations, Items 9 and 11 – Mr. Fritz

Attached was a list of personnel recommendations that included personnel additions, terminations, and/or changes. Superintendent recommended approval.

Chairman McCain called for a motion. Mr. Searcy moved approval of items 9 and 11. Mrs. Simchick seconded the motion. Board Members discussed the items and staff answered their questions. The Board voted unanimously in favor of the motion, with a 5-0 vote.

D. Approval of Donations – Mr. Morrison

3. The School District of Indian River County received a donation of 5 iPads from the Treasure Coast Golf Course Superintendent's Association. The approximate donation value was \$1,500. The iPads would be used to increase student engagement in the Science Technology Engineering and Math (S.T.E.M.) learning environment. Superintendent recommended approval.

Chairman McCain called for a motion. Mr. Searcy moved approval of Consent D. item #3. Ms. Jiménez seconded the motion. Dr. Adams stated that the iPads would be used for the STEM (Science, Technology, Engineering, and Mathematics) for the Bio-tech Program. Board Members voted unanimously in favor of the motion, with a 5-0 vote.

IX. SUPERINTENDENT'S REPORT

Dr. Adams reported on the Student Assessment Workshop and the Joint FADSS/FSBA (Florida Association of District School Superintendents and Florida School Board Association) Conference.

X. DISCUSSION

No discussion items

XI. SCHOOL BOARD MEMBER MATTERS – Chairman McCain

Mr. Searcy reported on the FSBA (Florida School Board Association) Conference and Ethics Training.

Ms. Jiménez talked about the Florida School Board Association Conference regarding the testing calendar and the School Board's Student Assessment Workshop. She spoke of the importance of legislative involvement in Tallahassee. Ms. Jiménez also noted for the public the link to the School Board's Legislative Platform on the District website. She also noted that on January 27, 2015, there would be a Discussion item on the business meeting agenda that was created for community input into the Superintendent Search. Ms. Jiménez noted that the community could contact Board Members at any time with input for the superintendent search. Ms. Jimenez thanked all of the teachers and community for their hard work. She wished everyone a wonderful time off.

Mrs. Simchick reported on her attendance at the Legislative Luncheon with State Representative Mayfield. She mentioned the information session held with Rep. Mayfield, Dr. Adams, Chairman Johnson, and others. Mrs. Simchick spoke of the morning workshop on Student Assessment. She wished her fellow Board Members a Merry Christmas.

Mr. Frost reported on the Science Fair, the moving of the podium at the business meeting, and the Superintendent's Coffee with the community. Dr. Adams said that she would be holding the next Superintendent Coffee at Indian River Academy Elementary School on December 12 at 7:30 a.m. Mr. Frost thanked the Board for their patience as he started the learning process of being a Board Member.

Chairman McCain said that the Board would be working hard next year on the Superintendent Search and wished everyone a very blessed Christmas.

XII. INFORMATION AGENDA

A. Financial Reports for Months ending July and August 2014 - Mr. Morrison

Attached were the Financial Reports for the month ending July 31, 2014, and August 31, 2014.

XIII. SUPERINTENDENT'S CLOSING

Dr. Adams encouraged the community to attend the calendar year end school events. She said that she was pleased to announce the five finalists in the Teacher of the Year event. Dr. Adams said that the District winner would be announced on January 29.

Dr. Adams closed the meeting with a short video on student participation in a question and answer event held with local and state government officials at Indian River State College She also talked about the Science Fair, with special thanks to the Education Association.

XIV. ADJOURNMENT – Chairman McCain

With no further business, the meeting adjourned at approximately 6:50 p.m.

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CONSENT AGENDA 1/13/15

Personnel Recommendations

1. Instructional Changes
2. Instructional Leaves
 - Acosta, Heather – SRHS, 3/2/15-4/24/15**
 - Blessing, Nancy – Fellsmere, 10/31/14-6/9/15**
 - Cornacchione, Ann Marie – SRMS, 1/8/15-2/21/15**
 - Gaddis, Linda – VBHS, 12/16/14-1/8/15**
 - Gilbert, Robert – Gifford Middle, change to 10/29/14-11/14/14**
 - Hay, Jonnette – VBHS, extend to 1/5/15-1/8/15**
 - Houston, Jody – Fellsmere, 12/8/14-12/19/14**
 - Jones, Sarah – VBHS, 1/21/15-6/9/15**
 - Little-Rolle, Nena – FLC, 11/12/14-11/21/14**
 - Miller, Ida – Storm Grove Middle, extend to 11/4/14-2/27/15**
 - Nesper, Megan – Rosewood Magnet, 3/29/15-5/22/15**
 - Ogilvie, Jackie – SRMS, change to 8/12/14-1/19/15
 - Schroeder, Debra – Curriculum, 10/5/14-11/30/14**
 - Warner, Anne – SRMS, 1/6/15-1/19/15**
 - Wilson, Zora – VBE, 12/11/14-12/19/14**
3. Instructional Promotions
4. Instructional Transfers
5. Instructional Separations
 - Brown, Angel – Indian River Academy, resignation 1/23/15
 - Brown, Susan – Glendale, resignation 1/31/15
 - Condit, Linda – Fellsmere, retirement, exiting DROP 4/30/15
 - Farrah, Bonnie – Liberty Magnet, resignation 1/5/15
 - Gilmore, Marilyn – VBHS, retirement, exiting DROP 1/20/15**
 - Hackford, Amanda – Treasure Coast, retirement 1/7/15, pending FRS attestation**
 - Hoier, Hollis – SRHS, retirement, entering DROP 5/1/15
 - Ingram, Barbara – Oslo Middle, retirement, entering DROP 12/1/14
 - McCarthy, Susan – Treasure Coast, retirement, entering DROP 6/1/15
 - Pennington, Teri – SRMS, retirement, exiting DROP 1/20/15**
 - Roy, Steven – SRMS, resignation 12/19/14
 - Stinson, Kimberly – Technical Center for Career and Adult Education, resignation 1/16/15
 - Streetman, Janice – VBE, retirement, exiting DROP 6/9/15**
 - Weatherstone, Elizabeth – GMS, retirement 3/2/15
6. Instructional Employment
 - Flory, Madison – SRHS, Guidance Counselor 1/14/15
 - Fredrickson, Susan – VBE, Title 1 Resource Teacher 1/20/15**

- Gaughran, Leslie – Sebastian Elementary, Speech Language Pathologist, pending background clearance**
Smith, Anne – VBE, Kindergarten Teacher, pending background clearance
Threlkeld, Lucy – Technical Center for Career and Adult Education, LPN Instructor 1/14/15
Wiggins, Karen – VBHS, Auditorium Director 1/14/15
7. Support Staff Changes
Dykes, Elizabeth – Food Service, change start date from 12/10/14 to 12/11/14
8. Support Staff Leaves
Brown, Ian – Physical Plant, 12/8/14-6/30/15
Cartolaro, Danielle – Transportation, extend to 1/5/15-1/9/15
Cragin, Tracey – Fellsmere, 11/10/14-11/21/14
Cruce, Edward – Physical Plant, 1/5/15-1/10/15
Mongelli, Anthony – Transportation, extend to 11/18/14-12/8/14
Rhodewalt, Stephen – Physical Plant, 11/18/14-12/19/14
Seymour, Chieon – Transportation, 1/5/15-2/16/15
Smith, Sharquita – SRHS, 1/12/15-3/9/15
Spero, Janis – Student Services, 1/6/15-2/6/15
Thompson, Jeanette – Pelican Island, 12/17/14-1/21/15
Wilson, Megan – VBE, 12/15/14-1/9/15
9. Support Staff Promotions
Erney, Jacqueline – from Food Service Manager Trainee to Treasure Coast Food Service Manager 1/14/15
O’Neal, Laura – Transportation, from Bus Driver to Operations Manager 1/5/15
Rogers, Wyedeea – Storm Grove Middle, from ESE Self-Care Aide to ESE Teacher Assistant 12/11/14
10. Support Staff Transfers
Mitchell, Beverly – from Fellsmere Head Custodian to Wabasso Head Custodian 1/5/15
White, Jeffrey – from Gifford Middle ESE Teacher Assistant to Wabasso ESE Teacher Assistant 12/5/14
11. Support Staff Separations
Blidgen, William – SRHS, retirement 12/19/14, pending FRS attestation
Cruce, Edward – Physical Plant, deceased 1/11/15
Dixon, Roy – Print Shop, retirement, exiting DROP 1/30/15
Harrington, Juanita – Transportation, retirement, entering DROP 6/1/15
Mesley, Eugene - VBHS, resignation 5/29/15
Murano, Brian – Sebastian Elementary, resignation 12/19/14
Sanchez, Ofelia – Storm Grove, resignation 12/19/14
12. Support Staff Employment
Alexander, Rhys – Student Services, Secretary II 1/14/15

Floyd, Chelsea – Dodgertown, ESE Teacher Assistant 1/14/15
Hamrick, Zachary – Fellsmere, Head Custodian 1/14/15
McCord, Connie – Citrus, Secretary 1 1/14/15
Mclver, Beverly – VBE, Custodian 1/14/15
**Shuttleworth, Judy – Fellsmere, 4 hr. Food Service Worker
1/14/15**

Williams, Natira – SRHS, ESE Teacher Assistant 1/14/15

Zilnicki, Suann – Fellsmere, Student Monitor 1/14/15

13. Administrative Separations

14. Administrative Employment

15. Administrative Leaves

16. Administrative Promotion

Esposito, Tabettha – from Treasure Coast 3rd Grade Teacher to
Rosewood Magnet, Interim Assistant Principal 1/5/15-
6/26/15

17. Approval of Placement in Instructional Substitute Pool

Dix, Malcom – Substitute Teacher 1/14/15

Miller, Gerrod – Substitute Teacher 1/14/15

Seaman, Cortney - Substitute Teacher 1/14/15

Sobreyra, Cynthia – Substitute Teacher 1/14/15

18. Approval of Placement in Support Staff Substitute Pool

Clark, Oreal – Substitute Bus Aide 1/14/15

King, Keisa - Substitute Bus Aide 1/14/15

Sanchez, Ofelia – Substitute Food Service Worker 1/5/15

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Power of Attorney and Declaration of Representative

OMB No. 1545-0150

For IRS Use Only

Received by: _____

Name _____

Telephone _____

Function _____

Date / /

▶ Type or print. ▶ See the separate instructions.

Part I Power of Attorney

Caution: A separate Form 2848 should be completed for each taxpayer. Form 2848 will not be honored for any purpose other than representation before the IRS.

1 Taxpayer information. Taxpayer must sign and date this form on page 2, line 7.

Taxpayer name and address School District of Indian County 1990 5th Street Vero Beach FL 332960	Taxpayer identification number(s) <p style="text-align: center;">59-6000673</p> Daytime telephone number <p style="text-align: center;">724-758-2927</p> Plan number (if applicable)
---	--

hereby appoints the following representative(s) as attorney(s)-in-fact:

2 Representative(s) must sign and date this form on page 2, Part II.

Name and address Maureen Brew 1 Early Street Ellwood City PA 16117	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Check if to be sent notices and communications <input checked="" type="checkbox"/>	
Name and address	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Check if to be sent notices and communications <input type="checkbox"/>	
Name and address	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

to represent the taxpayer before the Internal Revenue Service for the following matters:

3 Matters

Description of Matter (Income, Employment, Payroll, Excise, Estate, Gift, Whistleblower, Practitioner Discipline, PLR, FOIA, Civil Penalty, etc.) (see instructions for line 3)	Tax Form Number (1040, 941, 720, etc.) (if applicable)	Year(s) or Period(s) (if applicable) (see instructions for line 3)
Excise tax	8849	November 2011 thru April 2014

4 Specific use not recorded on Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for Line 4. **Specific Uses Not Recorded on CAF**

5 Acts authorized. Unless otherwise provided below, the representatives generally are authorized to receive and inspect confidential tax information and to perform any and all acts that I can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The representative(s), however, is (are) not authorized to receive or negotiate any amounts paid to the client in connection with this representation (including refunds by either electronic means or paper checks). Additionally, unless the appropriate box(es) below are checked, the representative(s) is (are) not authorized to execute a request for disclosure of tax returns or return information to a third party, substitute another representative or add additional representatives, or sign certain tax returns.

Disclosure to third parties; Substitute or add representative(s); Signing a return; _____

Other acts authorized: _____ (see instructions for more information)

Exceptions. An unenrolled return preparer cannot sign any document for a taxpayer and may only represent taxpayers in limited situations. An enrolled actuary may only represent taxpayers to the extent provided in section 10.3(d) of Treasury Department Circular No. 230 (Circular 230). An enrolled retirement plan agent may only represent taxpayers to the extent provided in section 10.3(e) of Circular 230. A registered tax return preparer may only represent taxpayers to the extent provided in section 10.3(f) of Circular 230. See the line 5 instructions for restrictions on tax matters partners. In most cases, the student practitioner's (level k) authority is limited (for example, they may only practice under the supervision of another practitioner).

List any specific deletions to the acts otherwise authorized in this power of attorney: _____

6 Retention/revocation of prior power(s) of attorney. The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same matters and years or periods covered by this document. If you **do not** want to revoke a prior power of attorney, check here **YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.**

7 Signature of taxpayer. If a tax matter concerns a year in which a joint return was filed, the husband and wife must each file a separate power of attorney even if the same representative(s) is (are) being appointed. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.

▶ **IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED TO THE TAXPAYER.**

X _____
Signature Date Title (if applicable)

X _____
Print Name PIN Number Print name of taxpayer from line 1 if other than individual

Part II Declaration of Representative

Under penalties of perjury, I declare that:

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Circular 230 (31 CFR, Part 10), as amended, concerning practice before the Internal Revenue Service;
- I am authorized to represent the taxpayer identified in Part I for the matter(s) specified there; and
- I am one of the following:
 - a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b Certified Public Accountant—duly qualified to practice as a certified public accountant in the jurisdiction shown below.
 - c Enrolled Agent—enrolled as an agent under the requirements of Circular 230.
 - d Officer—a bona fide officer of the taxpayer's organization.
 - e Full-Time Employee—a full-time employee of the taxpayer.
 - f Family Member—a member of the taxpayer's immediate family (for example, spouse, parent, child, grandparent, grandchild, step-parent, step-child, brother, or sister).
 - g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Internal Revenue Service is limited by section 10.3(d) of Circular 230).
 - h Unenrolled Return Preparer—Your authority to practice before the Internal Revenue Service is limited. You must have been eligible to sign the return under examination and have signed the return. See Notice 2011-6 and Special rules for registered tax return preparers and unenrolled return preparers in the instructions.
 - i Registered Tax Return Preparer—registered as a tax return preparer under the requirements of section 10.4 of Circular 230. Your authority to practice before the Internal Revenue Service is limited. You must have been eligible to sign the return under examination and have signed the return. See Notice 2011-6 and Special rules for registered tax return preparers and unenrolled return preparers in the instructions.
 - k Student Attorney or CPA—receives permission to practice before the IRS by virtue of his/her status as a law, business, or accounting student working in LITC or STCP under section 10.7(d) of Circular 230. See instructions for Part II for additional information and requirements.
 - r Enrolled Retirement Plan Agent—enrolled as a retirement plan agent under the requirements of Circular 230 (the authority to practice before the Internal Revenue Service is limited by section 10.3(e)).

▶ **IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED. REPRESENTATIVES MUST SIGN IN THE ORDER LISTED IN LINE 2 ABOVE.** See the instructions for Part II.

Note: For designations d-f, enter your title, position, or relationship to the taxpayer in the "Licensing jurisdiction" column. See the instructions for Part II for more information.

Designation— Insert above letter (a-r)	Licensing jurisdiction (state) or other licensing authority (if applicable)	Bar, license, certification, registration, or enrollment number (if applicable). See instructions for Part II for more information.	Signature	Date
h	PA			

Claim for Refund of Excise Taxes

Print clearly. Leave a blank box between words.

Name of claimant

S c h o o l D i s t o f I n d i a n R i v e r

Employer identification number (EIN)

5 9 6 0 0 0 6 7 3

Address (number, street, room or suite no.)

1 9 9 0 2 5 S t r e e t

Social security number (SSN)

City and state or province. If you have a foreign address, see page 2.

V e r o B e a c h F L

ZIP code

3 2 9 6 0 3 3 6 7

Foreign country, if applicable. Do not abbreviate.

Month claimant's income tax year ends

1 2

Daytime telephone number (optional)

7 2 4 7 5 8 2 9 2 7

Caution. Do not use Form 8849 to make adjustments to liability reported on Forms 720 for prior quarters or to claim any amounts that were or will be claimed on Schedule C (Form 720), Claims, Form 4136, Credit for Federal Tax Paid on Fuels, Form 2290, Heavy Highway Vehicle Use Tax Return, or Form 730, Monthly Tax Return for Wagers.

Schedules Attached

Check (✓) the appropriate box(es) for the schedule(s) you attach to Form 8849. Only attach the schedules on which you are claiming a refund. Schedules 2, 3, 5, and 8 cannot be filed with any other schedules on Form 8849. File each of these schedules with a separate Form 8849.

Schedule 1	Nontaxable Use of Fuels	<input type="checkbox"/>
Schedule 2	Sales by Registered Ultimate Vendors	<input type="checkbox"/>
Schedule 3	Certain Fuel Mixtures and the Alternative Fuel Credit	<input type="checkbox"/>
Schedule 5	Section 4081(e) Claims	<input type="checkbox"/>
Schedule 6	Other Claims	<input checked="" type="checkbox"/>
Schedule 8	Registered Credit Card Issuers	<input type="checkbox"/>

Sign Here

X
X

Under penalties of perjury, I declare (1) that I have examined this claim, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and (2) that amounts claimed on this form have not been, and will not be, claimed on any other form. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature and title (if applicable)

Date

Type or print your name below signature.

Paid Preparer's Use Only

Preparer's signature

Date

Check if self-employed

Preparer's SSN or PTIN

Firm's name (or yours if self-employed), address, and ZIP code

EIN

Phone no. ()

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Beachland Elementary School

3350 Indian River Drive East
Vero Beach, Florida 32963-1799

Telephone: (772) 564-3300

FAX: (772) 564-3350

Caroline Barker
Principal

Susan Del Tufo
Assistant Principal



December 2, 2014

{To}: School Board Members

{From}: Caroline Barker, Principal

Regarding: PTA Donation

Beachland Elementary received \$3,500.00 from Beachland PTA. These funds are allocated to help purchase Wii Smart Boards for our classrooms.

Funds were deposited into Beachland's Internal accounts for District purchasing.

Caroline Barker, Principal

CB/br



Fellsmere Elementary School

50 North Cypress Street, Fellsmere, FL 32948

Phone 772-564-5970 Fax 772-564-6020

Ramón J. Echeverría
Principal

Kimberly Garcia
Assistant Principal

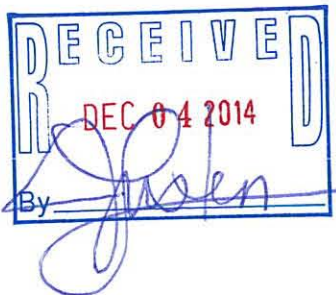
Memorandum

To: Carter Morrison, Assistant Superintendent of Finance/Operations
From: Ramon Echeverria, Principal
Date: December 2, 2014
Subject: St. Augustine of Canterbury Donation

Fellsmere Elementary has received a donation from St. Augustine of Canterbury in the amount of \$2300.00 to be used for aid for families of Fellsmere Elementary.

Please notify the Board of this donation.

RE/jm



WE EXIST TO ACHIEVE HIGH LEVELS OF LEARNING FOR ALL STUDENTS!

Approval to Award RFP #2015-10 to Multiple Vendors for a Continuing Contract for Electrical Contractor Services - Mr. Morrison

A Request for Proposal (RFP) was promulgated for a continuing contract with electrical contractors for projects on an as-needed basis. The estimated annual financial impact to the District is \$89,000. Projects less than \$5,000 may be awarded on a rotational or best fit basis. For projects greater than \$5,000, all awarded vendors will be invited to provide a formal quote and award will be made to the lowest bidder.

Notification was sent to forty-two (42) vendors in our vendor data base and was posted on the Purchasing Department's website. Proposals were due on November 12, 2014 and were publicly opened in the Purchasing Department. Eight (8) responses were received and reviewed by the Evaluation Team. The team determined that all respondents were qualified contractors to participate in the procurement process. The recommended vendors are listed below.

Legend: Award _____ Reject ()

Bismark Electrical Services, Inc.
Complete Electric, Inc.
Davco Electric Contractors Corp.
Diversified Electrical Systems, Inc.
F. V. Casano Electrical Contractors, Inc.
Gerelcom, Inc.
Paragon Electric of Vero, Inc.
Universal Cabling Systems, Inc.

Recommended vendors are Bismark Electrical Services, Inc., Complete Electric, Inc., Davco Electric Contractors Corp., Diversified Electrical Systems, Inc., F. V. Casano Electrical Contractors, Inc., Gerelcom, Inc., Paragon Electric of Vero, Inc., and Universal Cabling Systems, Inc. as the best responsive and responsible bidders meeting specifications, terms, and conditions.

Failure to file a protest with the time prescribed in Florida Statutes 120.57(3) or failure to post a bond or other security required by law within the time allowed for filing a bond shall constitute a waiver or proceedings under Chapter 120, Florida Statutes.

SDIRC 2015-10 RFP for Continuing Contract for Electrical Contractors

EVALUATION TOTALS

	<i>Hourly Rate</i>	<i>Qualifications</i>	<i>Staff Experience</i>	<i>Litigation</i>	<i>Recent Commercial Projects and References</i>	<i>Pete Copeman</i>	<i>Scott Sanders</i>	<i>Chad Lane</i>	TOTAL	RANKING
Bidder	30	20	20	10	20					
Bismark Electric						94	86	88	268	
Complete Electric						96	98	98	292	
Davco Electric						90	92	86	268	
Diversified Electric						94	89	88	271	
F. V. Casano						90	86	86	262	
Gerelcom						100	89	98	287	
Paragon Electric						90	86	90	266	
Universal Cabling						96	88	90	274	

**2014-2015 SAC Composition Report
 Beachland Elementary School (School ID: 0061)
 As Of: 12/19/2014 9:34:40 AM**

Note: Numbers and percentages are rounded.

Members by Category		
Category	Count	Percent
Business/Community	1	8%
Parent	7	54%
Principal	2	15%
Student	0	0%
Support Staff	1	8%
Teacher	2	15%

Members by Ethnicity		
Category	Count	Percent
African American	1	8%
Asian	0	0%
Hispanic	2	15%
Other	0	0%
White	10	77%

District Employed Members		
Category	Count	Percent
Yes	4	31%
No	9	69%

Members by Gender		
Category	Count	Percent
Male	3	23%
Female	10	77%

Total Voting Members: 13

Student Demographics			SAC Team	
Category	# of Students	Percent	Suggested Membership	Difference
African American	106	20%	3	-2 (-12%)
Asian	4	1%	0	0 (-1%)
Hispanic	68	13%	2	0 (2%)
Other	19	4%	0	0 (-4%)
White	323	62%	8	+2 (15%)
Total Students	520			

The ethnic composition of the SAC should reflect the ethnic make-up of the student population

SAC Compliance

Yes - The majority of SAC members are non-school employees.

Report Comments:

Invitation to join SAC extended in June, August and September School Newsletters (2014). Personal invitation extended at "Meet the Teacher Night" (Open House) on September 13, 2014. Invitation extended at June, August & September PTA Executive Board Meetings.

Membership Report for Beachland Elementary School (School ID: 0061)

As Of: 12/19/2014 9:34:15 AM

Total Members: 13

** Indicates Chairperson

Last Name	First Name	Category	Status	District Employed
Barker	Caroline	Principal	Voting	Yes
Blackburn	Pat	Parent	Voting	No
Cisnero	Patricia	Principal	Voting	No
Degnan	Ellen	Teacher	Voting	Yes
DeGroat	Vickie	Parent	Voting	No
Eby	Marcia	Teacher	Voting	Yes
Jennings	Monica	Parent	Voting	No
Jones	Carole	Support Staff	Voting	Yes
Iloyd	Cecilia	Parent	Voting	No
McGilberry	Timothy	Parent	Voting	No
Melvin	Cliff	Business/Community	Voting	No
Panny **	William	Parent	Voting	No
Riley	Liz	Parent	Voting	No

**2014-2015 SAC Composition Report
 Dodgertown Elementary School (School ID: 0151)
 As Of: 12/19/2014 9:36:06 AM**

Note: Numbers and percentages are rounded.

Members by Category		
Category	Count	Percent
Business/Community	2	18%
Parent	4	36%
Principal	1	9%
Student	0	0%
Support Staff	1	9%
Teacher	3	27%

Members by Ethnicity		
Category	Count	Percent
African American	3	27%
Asian	0	0%
Hispanic	3	27%
Other	0	0%
White	5	45%

District Employed Members		
Category	Count	Percent
Yes	4	36%
No	7	64%

Members by Gender		
Category	Count	Percent
Male	4	36%
Female	7	64%

Total Voting Members: 11

Student Demographics			SAC Team	
Category	# of Students	Percent	Suggested Membership	Difference
African American	178	36%	4	-1 (-9%)
Asian	1	0%	0	0 (0%)
Hispanic	162	32%	4	-1 (-5%)
Other	12	2%	0	0 (-2%)
White	146	29%	3	+2 (16%)
Total Students	499			

The ethnic composition of the SAC should reflect the ethnic make-up of the student population

SAC Compliance

Yes - The majority of SAC members are non-school employees.

Report Comments:

Dodgertown's School Advisory Council is continuing to encourage parents to join. Our SAC is working hard to ensure that membership reflects our ethnic, racial, and economic community served by the school. At Orientation Night, we had a SAC booth in order to share information as well as to build our membership. SAC will continue to reach out to our parents and community members through calls, letters and personal invitations.

Membership Report for Dodgertown Elementary School (School ID: 0151)

As Of: 12/19/2014 9:35:44 AM

Total Members: 13

** Indicates Chairperson

Last Name	First Name	Category	Status	District Employed
Aguayo	Yolanda	Parent	Voting	No
Brown	Donald	Parent	Voting	No
Hart	Donald	Business/Community	Voting	No
Jenkins	Tarsha	Support Staff	Non-Voting	Yes
Levering	Bridgett	Parent	Voting	No
Meidona	Shelley	District Representative	Non-Voting	Yes
Micket	Alejandrina	Support Staff	Voting	Yes
Miller	Stacey	Teacher	Voting	Yes
Morgan **	Crystal	Teacher	Voting	Yes
OHanlon	Chuck	Parent	Voting	No
Puerto	Hugo	Business/Community	Voting	No
Swanigan	Denise	Teacher	Voting	No
Tetreault	Elizabeth	Principal	Voting	Yes

**2014-2015 SAC Composition Report
Glendale Elementary School (School ID: 0201)
As Of: 1/5/2015 9:57:02 AM**

Note: Numbers and percentages are rounded.

Members by Category			Student Demographics			SAC Team	
Category	Count	Percent	Category	# of Students	Percent	Suggested Membership	Difference
Business/Community	2	17%	African American	134	25%	3	-1 (-8%)
Parent	5	42%	Asian	8	1%	0	0 (-1%)
Principal	1	8%	Hispanic	99	18%	2	-1 (-10%)
Student	0	0%	Other	35	6%	1	0 (2%)
Support Staff	1	8%	White	266	49%	6	+2 (18%)
Teacher	3	25%	Total Students	542			

Members by Ethnicity		
Category	Count	Percent
African American	2	17%
Asian	0	0%
Hispanic	1	8%
Other	1	8%
White	8	67%

The ethnic composition of the SAC should reflect the ethnic make-up of the student population

SAC Compliance

Yes - The majority of SAC members are non-school employees.

District Employed Members		
Category	Count	Percent
Yes	5	42%
No	7	58%

Members by Gender		
Category	Count	Percent
Male	4	33%
Female	8	67%

Total Voting Members: 12

Membership Report for Glendale Elementary School (School ID: 0201)

As Of: 1/5/2015 9:54:13 AM

Total Members: 12

** Indicates Chairperson

Last Name	First Name	Category	Status	District Employed
Adam	Faust	Principal	Voting	Yes
Bey	Dani	Teacher	Voting	Yes
Coffey	Brian	Business/Community	Voting	No
Gale	Ashley	Parent	Voting	No
Luz	Corchado	Support Staff	Voting	Yes
McKay **	Patricia	Teacher	Voting	Yes
Mehta	Tony	Parent	Voting	No
Presley	Barbara	Teacher	Voting	Yes
Prince	Lois	Business/Community	Voting	No
Sean	Mcclure	Parent	Voting	No
Tessier	Shari	Parent	Voting	No
White	Julie	Parent	Voting	No

2014-2015 SAC Composition Report
Pelican Island Elementary School (School ID: 0121)
As Of: 1/5/2015 9:58:20 AM

Note: Numbers and percentages are rounded.

Members by Category			Student Demographics			SAC Team	
Category	Count	Percent	Category	# of Students	Percent	Suggested Membership	Difference
Business/Community	3	33%	African American	93	20%	2	0 (2%)
Parent	2	22%	Asian	4	1%	0	0 (-1%)
Principal	1	11%	Hispanic	45	10%	1	0 (1%)
Student	0	0%	Other	36	8%	1	-1 (-8%)
Support Staff	2	22%	White	278	61%	5	+1 (6%)
Teacher	1	11%					

Members by Ethnicity		
Category	Count	Percent
African American	2	22%
Asian	0	0%
Hispanic	1	11%
Other	0	0%
White	6	67%

Total Students 456

The ethnic composition of the SAC should reflect the ethnic make-up of the student population

SAC Compliance

Yes - The majority of SAC members are non-school employees.

District Employed Members		
Category	Count	Percent
Yes	4	44%
No	5	56%

Members by Gender		
Category	Count	Percent
Male	4	44%
Female	5	56%

Total Voting Members: 9

Membership Report for Pelican Island Elementary School (School ID: 0121)

As Of: 1/5/2015 9:57:39 AM

Total Members: 9

** Indicates Chairperson

Last Name	First Name	Category	Status	District Employed
Anderson	Jerri	Teacher	Voting	Yes
Browning	Kevin	Principal	Voting	Yes
Campbell	Tina	Support Staff	Voting	Yes
Hepler	Greg	Business/Community	Voting	No
Jobe **	Charlotte	Support Staff	Voting	Yes
Jobe	Don	Business/Community	Voting	No
Johnson	Debbie	Parent	Voting	No
Sampson	Jeanine	Business/Community	Voting	No
Winans	Antonio	Parent	Voting	No

2014-2015 SAC Composition Report
Sebastian River High School (School ID: 0291)
As Of: 1/5/2015 9:59:18 AM

Note: Numbers and percentages are rounded.

Members by Category			Student Demographics			SAC Team	
Category	Count	Percent	Category	# of Students	Percent	Suggested Membership	Difference
Business/Community	1	7%	African American	196	11%	1	0 (-4%)
Parent	6	43%	Asian	14	1%	0	0 (-1%)
Principal	1	7%	Hispanic	475	26%	4	0 (3%)
Student	1	7%	Other	63	3%	0	0 (-3%)
Support Staff	1	7%	White	1097	59%	8	+1 (5%)
Teacher	4	29%					

Members by Ethnicity		
Category	Count	Percent
African American	1	7%
Asian	0	0%
Hispanic	4	29%
Other	0	0%
White	9	64%

Total Students 1845

The ethnic composition of the SAC should reflect the ethnic make-up of the student population

SAC Compliance

Yes - The majority of SAC members are non-school employees.

District Employed Members		
Category	Count	Percent
Yes	6	43%
No	8	57%

Report Comments:

The invitation to all parents requesting their membership and involvement in the School Advisory Committee occurred through our Newsletters, Open House Parent Night, and through Connect Ed. calls. We will continue to invite parents from diverse ethnic backgrounds to serve on our SAC committee throughout the school year.

Members by Gender		
Category	Count	Percent
Male	7	50%
Female	7	50%

Total Voting Members: 14

Membership Report for Sebastian River High School (School ID: 0291)

As Of: 1/5/2015 9:58:50 AM

Total Members: 14

** Indicates Chairperson

Last Name	First Name	Category	Status	District Employed
Clemons	Myron	Parent	Voting	No
De La Torre	Martha	Support Staff	Voting	Yes
Gamez	Aleida	Teacher	Voting	Yes
Holmes	Michelle	Teacher	Voting	Yes
Jefferson	Lorenzo	Student	Voting	No
Kayser	Alan	Parent	Voting	No
Nicolace	Maureen	Parent	Voting	No
Pena	Jovana	Parent	Voting	No
Racine	Todd	Principal	Voting	Yes
Raupot	Ron	Parent	Voting	No
Schultz	Bill	Business/Community	Voting	No
Sloane	Keith	Parent	Voting	No
Taflinger	Debbie	Teacher	Voting	Yes
Valencia **	Enrique	Teacher	Voting	Yes

**2014-2015 SAC Composition Report
 Sebastian River Middle School (School ID: 0171)
 As Of: 12/19/2014 9:46:36 AM**

Note: Numbers and percentages are rounded.

Members by Category		
Category	Count	Percent
Business/Community	0	0%
Parent	10	59%
Principal	1	6%
Student	0	0%
Support Staff	1	6%
Teacher	5	29%

Members by Ethnicity		
Category	Count	Percent
African American	2	12%
Asian	0	0%
Hispanic	6	35%
Other	1	6%
White	8	47%

District Employed Members		
Category	Count	Percent
Yes	6	35%
No	11	65%

Members by Gender		
Category	Count	Percent
Male	2	12%
Female	15	88%

Total Voting Members: 17

Student Demographics			SAC Team	
Category	# of Students	Percent	Suggested Membership	Difference
African American	78	9%	2	0 (3%)
Asian	6	1%	0	0 (-1%)
Hispanic	303	35%	6	0 (0%)
Other	31	4%	1	0 (2%)
White	455	52%	9	-1 (-5%)
Total Students	873			

The ethnic composition of the SAC should reflect the ethnic make-up of the student population

SAC Compliance

Yes - The majority of SAC members are non-school employees.

Membership Report for Sebastian River Middle School (School ID: 0171)

As Of: 12/19/2014 9:46:03 AM

Total Members: 17 ** Indicates Chairperson

Last Name	First Name	Category	Status	District Employed
Benjamin	Arjentin	Support Staff	Voting	No
Dauch	Kristene	Parent	Voting	No
Gamez	Viridiana	Parent	Voting	No
Griffin	Denise	Parent	Voting	No
Holmes	Joanne	Parent	Voting	No
Idlette	Jody	Principal	Voting	Yes
Karina	Villegas	Parent	Voting	No
King	Amanda	Parent	Voting	No
Leticia	Gonzalez	Parent	Voting	No
Maschhoff	Caroline	Parent	Voting	No
McCombs	Shameka	Teacher	Voting	Yes
Nancy	Weiss	Parent	Voting	No
Rojas	Juan	Teacher	Voting	Yes
Scaramuzzi	Carol	Parent	Voting	No
Sleeper	Melissa	Teacher	Voting	Yes
Tatro **	Meredith	Teacher	Voting	Yes
Velazquez	Samuel	Teacher	Voting	Yes

**2014-2015 SAC Composition Report
Storm Grove Middle School (School ID: 0371)
As Of: 1/5/2015 10:01:19 AM**

Note: Numbers and percentages are rounded.

Members by Category			Student Demographics			SAC Team	
Category	Count	Percent	Category	# of Students	Percent	Suggested Membership	Difference
Business/Community	1	5%	African American	129	14%	3	0 (1%)
Parent	14	70%	Asian	19	2%	0	0 (-2%)
Principal	1	5%	Hispanic	179	20%	4	-1 (-5%)
Student	0	0%	Other	25	3%	1	0 (2%)
Support Staff	1	5%	White	560	61%	12	+1 (4%)
Teacher	3	15%	Total Students	912			

Members by Ethnicity		
Category	Count	Percent
African American	3	15%
Asian	0	0%
Hispanic	3	15%
Other	1	5%
White	13	65%

The ethnic composition of the SAC should reflect the ethnic make-up of the student population

SAC Compliance

Yes - The majority of SAC members are non-school employees.

District Employed Members		
Category	Count	Percent
Yes	4	20%
No	16	80%

Report Comments:

The Storm Grove Middle School Advisory Council is composed of 20 members and does represent the demographic makeup of our student body. Ten members of SAC are not employed by the school district. Every effort is made to advertise the opportunity, solicit parent involvement, and secure representation from all segments of our school population.

Members by Gender		
Category	Count	Percent
Male	2	10%
Female	18	90%

Total Voting Members: 20

Membership Report for Storm Grove Middle School (School ID: 0371)

As Of: 1/5/2015 10:00:49 AM

Total Members: 20

** Indicates Chairperson

Last Name	First Name	Category	Status	District Employed
Bradley	Sonya	Teacher	Voting	Yes
Burkins	Mary	Support Staff	Voting	No
Check	Becky	Parent	Voting	No
Corrie	Pam	Parent	Voting	No
Dalton	Dawn	Parent	Voting	No
Davis **	Danielle	Business/Community	Voting	No
Deppe	Karen	Parent	Voting	No
Dougail	Bevolin	Parent	Voting	No
Dougall	Bevohn	Parent	Voting	No
Dragone	Mark	Parent	Voting	No
Fernandez	Carrie	Parent	Voting	No
Fritz	Dee	Parent	Voting	No
Harbaugh	Viola	Teacher	Voting	Yes
Hutchins	Jena	Parent	Voting	No
Idlette	Jennifer	Principal	Voting	Yes
McDald	Migdalia	Parent	Voting	No
Morris	Marta	Teacher	Voting	Yes
Oberlink	Scott	Parent	Voting	No
Prefontaine	Leah	Parent	Voting	No
Zoffer	Roxanne	Parent	Voting	No

2014-2015 SAC Composition Report
Treasure Coast Elementary School (School ID: 0341)
As Of: 12/19/2014 9:49:29 AM

Note: Numbers and percentages are rounded.

Members by Category		
Category	Count	Percent
Business/Community	0	0%
Parent	6	55%
Principal	1	9%
Student	0	0%
Support Staff	1	9%
Teacher	3	27%

Members by Ethnicity		
Category	Count	Percent
African American	1	9%
Asian	0	0%
Hispanic	1	9%
Other	0	0%
White	9	82%

District Employed Members		
Category	Count	Percent
Yes	5	45%
No	6	55%

Members by Gender		
Category	Count	Percent
Male	1	9%
Female	10	91%

Total Voting Members: 11

Student Demographics			SAC Team	
Category	# of Students	Percent	Suggested Membership	Difference
African American	70	11%	1	0 (-2%)
Asian	9	1%	0	0 (-1%)
Hispanic	122	19%	2	-1 (-10%)
Other	22	3%	0	0 (-3%)
White	427	66%	7	+2 (16%)
Total Students	650			

The ethnic composition of the SAC should reflect the ethnic make-up of the student population

SAC Compliance

Yes - The majority of SAC members are non-school employees.

Membership Report for Treasure Coast Elementary School (School ID: 0341)

As Of: 12/19/2014 9:49:06 AM

Total Members: 11 ** Indicates Chairperson

Last Name	First Name	Category	Status	District Employed
Badenhop	Marlina	Parent	Voting	No
Baysura	Kelly	Principal	Voting	Yes
Esposito **	Tabetha	Teacher	Voting	Yes
Freeland	Jennifer	Teacher	Voting	Yes
Haddick	Wendee	Parent	Voting	No
Kramek	Mary	Support Staff	Voting	Yes
Lefebure	Abby	Parent	Voting	No
Lyford	Tiffany	Parent	Voting	No
Palmer	Rebecca	Teacher	Voting	Yes
Plotkin	Cheryl	Parent	Voting	No
Simms	Matt	Parent	Voting	No

**2014-2015 SAC Composition Report
Vero Beach High School (School ID: 0031)
As Of: 1/5/2015 10:00:21 AM**

Note: Numbers and percentages are rounded.

Members by Category			Student Demographics			SAC Team	
Category	Count	Percent	Category	# of Students	Percent	Suggested Membership	Difference
Business/Community	3	23%	African American	578	20%	3	0 (3%)
Parent	3	23%	Asian	54	2%	0	0 (-2%)
Principal	1	8%	Hispanic	407	14%	2	0 (1%)
Student	3	23%	Other	81	3%	0	0 (-3%)
Support Staff	1	8%	White	1723	61%	8	0 (1%)
Teacher	2	15%					

Members by Ethnicity		
Category	Count	Percent
African American	3	23%
Asian	0	0%
Hispanic	2	15%
Other	0	0%
White	8	62%

Total Students 2843

The ethnic composition of the SAC should reflect the ethnic make-up of the student population

SAC Compliance

Yes - The majority of SAC members are non-school employees.

District Employed Members		
Category	Count	Percent
Yes	4	31%
No	9	69%

Report Comments:

Numbers accurately reflect student demographics for 2014-2015 school year. Total student body is 2843.

Members by Gender		
Category	Count	Percent
Male	5	38%
Female	8	62%

Total Voting Members: 13

Membership Report for Vero Beach High School (School ID: 0031)

As Of: 1/5/2015 9:59:54 AM

Total Members: 13

** Indicates Chairperson

Last Name	First Name	Category	Status	District Employed
Bethel	Randy	Student	Voting	No
Brooks	Dawn	Business/Community	Voting	No
DeGroat	Cori	Student	Voting	No
DeGroat	Vicki	Parent	Voting	No
Frazier	Faith	Business/Community	Voting	No
Jorgenson **	Cindy**	Teacher	Voting	Yes
Lewis	Richard	Teacher	Voting	Yes
McCracken	Scott	Parent	Voting	No
Minton	Kere	Support Staff	Voting	Yes
OKeefe	Shawn	Principal	Voting	Yes
Parada	Jesus Umberto	Student	Voting	No
Schepers	Angie	Parent	Voting	No
Smith	Denise	Business/Community	Voting	No

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Approval to Award RFP #2015-09 to Bill Bryant & Associates, Inc. for Construction Services for a New Classroom Portable at Wabasso School- Mr. Morrison

A Request for Proposal (RFP) was promulgated to obtain a firm price for construction services for the required infrastructure of one portable classroom at Wabasso School. Scope of services to include electrical, low voltage, water, sewer (lift station to be provided by owner), concrete sidewalk, aluminum canopy sidewalk cover, delayed access door hardware, sod, and temporary fencing. The portable classroom will be delivered and setup by Mobile Modular. Award was not made on the basis of price alone, but to the proposer whose submission contained the most advantageous combination of price, qualifications, experience, litigation and references.

Notification was sent to thirty (30) vendors in our vendor data base and was posted on the Purchasing Department's website. Proposals were due on December 11, 2014 and were publicly opened in the Purchasing Department. Two (2) responses were received and evaluated. As follows:

Legend: Award _____ Reject ()

Bidder	Points Assigned of Possible 300
<u>Bill Bryant & Associates, Inc.</u>	299
One Call Property Services, Inc.	283

Award is recommended to Bill Bryant and Associates, Inc. as the best responsive and responsible bidder meeting specifications, terms, and conditions.

Failure to file a protest with the time prescribed in Florida Statutes 120.57(3) or failure to post a bond or other security required by law within the time allowed for filing a bond shall constitute a waiver or proceedings under Chapter 120, Florida Statutes.

SDIRC 2015-09 RFP for Construction Services for a New Portable Classroom at Wabasso School

EVALUATION TOTALS										
	Price	Qualifications	Staff Experience	Litigation	Recent Commercial Projects and References	Pete Copeman	Rick Huff	Scott Sanders	TOTAL	RANKING
Bidder	30	20	20	10	20					
Bill Bryant & Associates, Inc.						99	100	100	299	
One Call Property Services, Inc.						97	90	96	283	

OWNER/ CONTRACTOR CONSTRUCTION AGREEMENT (LUMP SUM)

THIS AGREEMENT is dated and will be effective on the **13TH January, 2015**, by and between the School Board of Indian River County, an entity existing under the laws of the state of Florida, (hereinafter called OWNER) and **Bill Bryant & Associates, Inc.** (hereinafter called CONTRACTOR).

OWNER and CONTRACTOR, in consideration of the mutual covenants hereinafter set forth, agree as follows:

ARTICLE 1 - WORK

CONTRACTOR shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

WABASSO SCHOOL
CONSTRUCTION SERVICES FOR NEW CLASSROOM PORTABLE
For The School Board of Indian River County
Project No. SDIRC #2015-09

Construction Services for New Classroom Portable on the Wabasso School campus located in Vero Beach, Florida. The Work shall include required infrastructure consisting of electrical, low voltage, water, sewer (lift station to be provided by owner), concrete sidewalk, aluminum canopy sidewalk cover, delayed access door hardware, sod and temporary fencing to be provided for one portable classroom at Wabasso School and all required Electrical, Plumbing and Site/Civil work as detailed in the plans and specifications, schedule of values of the Contractor as approved in writing by the ARCHITECT, together with this Contract and the General Conditions of Contract 1997 AIA General Conditions 201 and by this reference incorporated herein, (collectively referred to as "Contract Documents").

ARTICLE 2 – ARCHITECT

The Project has been designed by **OCI Associates, Inc.**, who is hereinafter called Architect and who is to act as OWNER's representative. The Architect shall assume all duties and responsibilities and have the rights and authority to act as the Architect as specified in the Contract Documents in connection with completion of the Work and in accordance with the Contract Documents. The Owner may, without liability to the Contractor, unilaterally amend this Article from time to time by designating a different person or organization to act as its Architect and so advising the Contractor in writing, at which time the person or organization so designated shall be the Architect for purposes of this Contract.

ARTICLE 3 - CONTRACT TIME

- 3.1 Work shall be substantially completed within 45 calendar days (or by March 4, 2015) from the date the Notice to Proceed is issued by Owner. The work shall be ready for Final Completion within 15 calendar days (or by March 20, 2015) from the date of Substantial Completion.
- 3.2 LIQUIDATED DAMAGES. Time is of the essence in the performance of the Work. The Owner and Contractor agree that the losses suffered by Owner if Substantial Completion of the Work is not achieved, are not ascertainable at this time. Contractor acknowledges and agrees that, since time is of the essence, the Owner will suffer financial and other losses if Substantial Completion of the Work is not achieved within the Contract Time, as the Contract Time may be adjusted pursuant to the terms of the Contract Documents. Should the Contractor fail to achieve Substantial Completion of the Work within the Contract Time, Owner shall be entitled to assess, as liquidated damages but not as a penalty, the sum of \$500.00 for each calendar day thereafter until Substantial Completion is achieved and \$250.00 for each calendar day thereafter until Final Completion is achieved. Should the Contractor achieve Substantial Completion of the Work within the Contract Time but fail to achieve Final Completion of the Work within the Contract Time, Owner shall be entitled to assess, as liquidated damages but not as a penalty, the sum of \$250.00 for each calendar day thereafter until Final Completion of the Work is achieved. Contractor hereby expressly waives and relinquishes any right which it may have to seek to characterize the above noted liquidated damages as a penalty, which the parties agree represents a fair and reasonable estimate of the Owner's actual damages at the time of contracting if Contractor fails to achieve Substantial Completion or Final Completion of the Work within the Contract Time. Further, the parties acknowledge that it would be extremely difficult, if not impossible, to ascertain Owner's actual damages with any degree of certainty in the event Contractor fails to achieve either Substantial Completion or Final Completion of the Work within the Contract Time. Owner has paid to Contractor out of the first payment hereunder, the consideration of \$10.00 as consideration for this provision.
- 3.3 No extension of time shall be granted for delays resulting from normal weather conditions prevailing in the area as defined by the average of the last five (5) years of weather recorded by the Architect and in accordance with the Contract Documents. The time during which the Contractor is delayed in the performance of the Work by acts or omission of the Owner or Architect or any other unforeseeable conditions or events that could not

have reasonably been predicted shall be added to the time for completion of the Work. A change in Contract Time may only be authorized by a written Change Order.

- 3.4 The date of commencement of the Work is the date established in a Notice to Proceed. If there is no Notice to Proceed, it shall be the date of the Owner-Contractor Agreement or such other date as may be established therein. The Contractor shall not mobilize, commence Work or store materials or equipment on site until: (1) written Notice to Proceed is issued or until the Contractor otherwise receives the Owner's written consent and; (2) all bonds and Certificates of Insurance have been executed, delivered to and accepted by the Owner and; (3) Contractor has delivered to Owner his as-planned schedule, original job cost estimate, list of Subcontractors and corporate resolution designating his representative.
- 3.5 The Date of Substantial Completion of the Work is the Date certified by the Architect and the Owner when the Work is sufficiently complete, in accordance with the Contract Documents, so the Owner can fully occupy and utilize the Work for the use for which it is intended, with all of the Project's parts and systems operable as required by the Contract Documents. Only incidental corrective work and any final cleaning beyond that needed for the Owner's full use may remain for final completion.
- 3.6 The date of Final Completion of the Work is the date certified by the Owner and Architect when the Work is totally complete, to include all items listed on the inspection report following substantial completion inspection, in accordance with the Contract Documents and the Owner may fully occupy and utilize all of the Work for the use for which it is intended.

ARTICLE 4 - CONTRACT PRICE

- 4.1 OWNER shall pay CONTRACTOR for completion of the Work in accordance with the Contract Documents, subject to adjustment as provided therein, in current funds as follows:

The Contractor's price(s) in the Bid Form is in the amount of **\$ 72,379.00**. The Owner may include a **10%** (**\$7,237.90**) contingency, for a total contract amount of **\$ 79,616.90**. Any contingency remaining at the closeout or completion of the project will be retained by the Owner.

ARTICLE 5 - PAYMENT PROCEDURES

CONTRACTOR shall submit Applications for Payment in accordance with the Contract Documents, AIA Form G702. Applications for Payment will be

approved by Architect, then forwarded to the Owner for payment as provided in the Contract Documents.

- 5.1. **PROGRESS PAYMENTS.** OWNER shall make progress payments on account of the Contract Price on the basis of CONTRACTOR'S Applications for Payment as recommended by Architect. All progress payments will be on the basis of the progress of the Work measured by the schedule of values established in the Contract Documents. The OWNER agrees to make payments within 25 business days providing the CONTRACTOR processes the invoice and delivers same to the Facilities Division Bookkeeping Department as the single agent/point of contact, by the 20th of the preceding month. The OWNER will not withhold payment without proper and adequate justification.

General Requirements

5.1.1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below, but, in each case, less the aggregate of payments previously made and less such amounts as Architect shall determine, or OWNER may withhold, in accordance with the Contract Documents.

90% of Work completed.

0% of materials and equipment not incorporated in the Work.

5.1.2. Upon Substantial Completion payment may be made in an amount sufficient to increase total payments to CONTRACTOR to 95% of the Contract Price, less such amounts, as Architect shall determine, or OWNER may withhold, in accordance with the Contract Documents.

5.1.3. When the Architect determines that the Work or designated portion thereof as defined in the Contract Documents is substantially complete, the Architect shall issue a Certification of Substantial Completion which establishes: the date of substantial completion; the "Substantial Completion Punch List", which establishes a single list providing feedback to the Contractor on non-conforming work, or work requiring further quality adjustments and must be developed within 30 calendar days of the date of substantial completion and delivered to Contractor within 5 calendar days thereafter; the date the Contractor will have completed all items on the Substantial Completion Punch List, and such other items as the Architect and Owner deem appropriate. The Certificate of Substantial Completion shall be executed by the Architect, Contractor and Owner. The Contractor

will promptly engage in completing the Substantial Completion Punch List within 10 days of its issuance.

- 5.2. **FINAL PAYMENT.** Final payment of the Contract Sum will be made after the Architect certifies that the Work is complete, Owner's representatives complete their final acceptance report, the School District's Building Official completes the final inspection and a "certificate of occupancy" is issued. . Final Payment to the contractor requires School Board approval in accordance with Florida Statute 1013.50. It is understood and agreed, that final payment will not be withheld if a certificate of final inspection is issued by the Owner's Uniform Building Code Inspector, or if any other government agency refuses to give final acceptance for any reason other than the failure of the Contractor to complete the Work in accordance with the Contract Documents. Further, neither final payment nor any remaining Retainage shall be paid to the Contractor until the Architect has received an affidavit in a form sufficient to the Owner that all indebtedness in connection with the performance of the Work for which the Owner or the Owner's property may be held liable or encumbered, have been fully paid or otherwise satisfied; a certification in a form acceptable to the Owner which establishes that all required insurance will remain in full force and effect after final payment and will not be cancelled or allowed to expire until at least 30 days prior written notice has been provided to the Owner; consent of the surety to final payment; and any other certifications reasonably required by the Owner establishing full payment or satisfaction of any obligations. In the event the Contractor fails to furnish such certifications as the Owner reasonably requires to satisfy the Owner that there are no outstanding liens, the Owner may require the Contractor as a condition of final payment and at the Contractor's expense, to furnish a bond in a form and amount satisfactory to the Owner to indemnify the Owner against such liens or claims. The one year warranty period for the work will begin upon Final Completion. Warranty will be for all workmanship, material, and equipment except for Owner insured damages.
- 5.3 **CHANGE ORDERS.** No change in the Contract Sum or Time may be made except by a duly authorized and executed written Change Order. If the Change in or addition to the Work will result in an increase in the Contract Sum, the Owner shall have the right to require the performance thereof on a lump sum basis, a unit price basis or a time and material basis, all as hereinafter more particularly described (the right of the Owner as aforesaid shall apply with respect to each such Change in the Work). Any such Change Order shall be substantiated by complete itemized statements showing quantities and unit prices for material, labor (including all applicable fringe benefits), equipment, markup for overhead and profit, and other items of cost. Costs of labor (including all applicable fringe

benefits) and materials shall be actual costs to the subcontractor. All duly authorized and executed Change Orders shall become a part of the Contract Documents as described in Article 8.

ARTICLE 6 – OWNERS PROJECT REPRESENTATIVE

- 6.1 The Owner's Project Representative who shall act as OWNER'S PROJECT MANAGER is Rick Huff who is a School District employee. The Owner's Project Manager has the authority to approve matters contemplated in this Agreement where the monetary impact is within the Owner approved Contingency.

ARTICLE 7 - CONTRACTOR'S REPRESENTATIONS

In order to induce OWNER to enter into this Agreement CONTRACTOR makes the following representations:

- 7.1 CONTRACTOR has familiarized itself with the nature and extent of the Contract Documents, Work, site, locality, and all local conditions, laws, rules, regulations, codes, ordinances that in any manner may affect cost, progress, performance, or furnishing of the Work. Contractor fully understands the intent and purpose of the project and agrees to maximize Owner's fulfillment and needs.
- 7.2. CONTRACTOR IS AT RISK. Contractor has reviewed and checked all information and data shown or indicated on the Contract Documents with respect to existing Underground and Concealed Facilities internal or contiguous to the site and assumes responsibility for the accurate location of said Facilities. No additional examinations, investigations, explorations, tests, reports, studies or similar information or data in respect of said facilities are or will be required of OWNER by CONTRACTOR in order to perform and furnish the Work at the Contract Price, within the Contract Time and in accordance with the other terms and conditions of the Contract Documents. Only at Owner's discretion will Owner expend funds or resources to the project in the repair, preservation, or reuse of these existing facilities that are outside of the project scope or included in the Contract Documents.
- 7.3. CONTRACTOR has given ARCHITECT written notice of all conflicts, errors or discrepancies that it has discovered in the Contract Documents and the written resolution thereof by ARCHITECT is acceptable to CONTRACTOR.

ARTICLE 8 - CONTRACT DOCUMENTS

The Contract Documents, which comprise the entire Agreement between OWNER and CONTRACTOR concerning the Work, consist of the following:

- 8.1 This Agreement consisting of 36 pages.
- 8.2 Performance Bond and Payment Bond in accordance with F.S. 255.01 et. seq. consisting of N/A pages (plus Power of Attorney Forms as applicable).
- 8.3 Notice of Award
- 8.4 General Conditions consisting of (Itemization Attached)
- 8.5 Supplementary Conditions consisting of N/A.
- 8.6 Drawings to be prepared and provided by OCI Associates, Inc.
- 8.7 Specifications to be prepared and provided by OCI Associates, Inc.
- 8.8 Addenda numbers N/A to N/A, inclusive.
- 8.9 CONTRACTOR'S Bid.
- 8.10 The following which may be delivered or issued after the Effective Date of the Agreement are not attached hereto, which shall be all Written Amendments and other documents amending, modifying, or supplementing the Contract Documents pursuant to the Contract Documents.
- 8.11 The documents listed under Article 8 above are attached to this Agreement (except as expressly noted otherwise above).
- 8.12 Anything shown on the drawings and not mentioned in the specifications or mentioned in the specifications and not shown on the drawings shall have the same effect as if shown or mentioned respectively in both. Technical specifications take priority over general specifications and detail drawings take precedence over general drawings. Any work shown on one drawing shall be construed to be shown in all drawings and the Contractor will coordinate the work and the drawings. If any portion of the Contract Documents shall be in conflict with any other portion, the various documents comprising the Contract Documents shall govern in the following order of precedence: The Owner- Contractor Agreement; Modifications; Addenda; any Supplementary Conditions; the General Conditions; the Specifications; the Drawings; as between schedules and

information given on Drawings, the schedules shall govern; as between figures given on Drawings and the scaled measurements, the figures shall govern; as between large-scale Drawings and small scale Drawings, the larger scale shall govern. Any such conflict or inconsistency between or in the drawings shall be submitted to the Design Consultant whose decision thereon shall be final and conclusive.

- 8.13 The provisions of this Contract cannot be amended, modified, varied or waived by the Owner or its agents or representatives in any respect except by a Modification approved and executed by the School Board of Indian River County. The Contractor is hereby given notice that no person or entity has authority to orally waive, or to release the Contractor from any of the Contractor's duties or to alter obligations under or arising out of this Contract. Any waiver, approval or consent granted by Modification to the Contractor shall be limited to those matters specifically and expressly stated thereby to be waived, approved or consented to and shall not relieve the Contractor of the obligation to obtain any future waiver, approval or consent.

This Agreement and the Construction Documents incorporated herein by reference constitute the entire Agreement between the parties with respect to the matters covered by this Agreement. All prior negotiations, representations and agreements not incorporated in this Agreement are cancelled. This Agreement can be modified or amended only by a written document duly executed by the parties or their duly appointed representative.

ARTICLE 9 – ARCHITECT

- 9.1 Should errors, omissions, or conflicts in the Drawings, Specifications, or other Contract Documents prepared by the Architect be discovered, the Architect will prepare such amendments or supplementary documents and provide consultation as may be required.
- 9.2 The Architect will visit the site at intervals appropriate to the stage of construction to familiarize itself generally with the progress and quality of the Work and to determine in general if the Work is proceeding in accordance with the Contract Documents. On the basis of such on-site observations, the Architect and his consulting engineers shall endeavor to guard the Owner against defects and deficiencies in the Work of the Contractor. Contractor shall not be relieved from any of the obligations of the Contract Documents as a result of the Architect's failure to detect any

defective or deficient Work of the Contractor or others working by, through or under the Contractor.

- 9.3 The Architect shall at all times have access to the work wherever it is in preparation or progress. The Contractor shall provide safe facilities for such access so the Architect may perform his functions under the Contract Documents.
- 9.4 All interpretations and decisions of the Architect shall be consistent with the intent of and reasonably inferable from the Contract Documents. The Architect's decisions in matters relating to artistic effect will be final if consistent with the intent of the Contract Documents.
- 9.5 The Architect has the authority to condemn or reject work on behalf of the Owner when, in its opinion, the work does not conform to the requirements of the Contract Documents. Whenever, in the Architect's reasonable opinion, it is considered necessary or advisable for the implementation of the intent of the Contract Documents, the Architect will have the authority to require special inspection or testing of the work in accordance with the provisions of the Contract Documents whether or not such work be then fabricated, installed or completed.
- 9.6 The Architect will conduct inspections to determine the dates of Substantial Completion and Final Completion, and will issue a final Certificate for Payment. The Architect shall be solely responsible for issuance of Certificates of Substantial and Final Completion.

ARTICLE 10 – MISCELLANEOUS

- 10.1 Terms used in this Agreement, which are defined in Article 1 of the General Conditions, will have the meanings indicated in the General Conditions.
- 10.2 If the Contract Documents, laws, rules, regulations or orders of any State or Federal authority having jurisdiction require any portion of the Work to be inspected, tested, or approved, the Contractor shall give the Owner and Architect timely notice of its readiness so they may observe such inspection, testing or approval. The Contractor shall bear all costs of such inspections, tests or approvals conducted by public authorities. Unless otherwise provided, the Owner shall bear all costs of other inspections, tests or approvals. The Contractor shall pay for all utilities required for testing of installed equipment of all of his work and the work of each Subcontractor.
- 10.3 Contractor shall include all subcontractors as insureds under its policies or shall be responsible for verifying and maintaining the Certificates provided

by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Owner reserves the right to request copies of subcontractor's Certificates at any time. If Contractor does not verify subcontractors' insurance as described above, Owner has the right to withhold payments to the Contractor until the requirements have been met.

10.3.1 The Contractor shall deliver the required bonds and proofs of insurance to the Owner prior to the commencement of any Work, and in no event any later than 10 days after the execution of this Agreement.

10.3.2 The Contractor shall, throughout the performance of its services under this Agreement and throughout the term of this Agreement maintain and provide to the Owner the insurance coverages listed in this Article. The insurance policies shall be issued and underwritten by a licensed insurer, licensed as such in the State of Florida. The Contractor shall provide insurance that may not be reduced, terminated, or cancelled unless 30 days prior written notice thereof is furnished to the Owner. Certificates of insurance and copies of all policies (if required by the Owner) shall be furnished to the Owner within 10 days after the execution of this Agreement. In the event of any cancellation or reduction in insurance coverage, the Contractor shall obtain substitute coverage, without any lapse of coverage whatsoever. The insurance policies shall name the Owner, the Owner's representatives, and the officers, directors, agents, employees and assigns of the Owner as additional insured (except for the professional liability and worker's compensation insurance).

10.3.3 The Owner may, in its sole discretion, procure and pay for the required Builders Risk insurance for the Project. In the event Owner elects to procure and pay for the Builders Risk insurance for the Project, the Contractor shall cooperate with Owner and provide any requested information for the procurement of the Builders Risk insurance.

10.3.4 The insurance required from the Contractor in this Article shall include all major divisions of coverage, and shall be on a commercial general basis including premises and operations (including X-C-U), Independent Contractor Hired Products and Completed Operations, and Owned, Non-owned, and Hired Motor Vehicles. Such insurance shall be written for not less than any limits of liability required by law or others set forth in the Contract Documents, whichever is greater. All insurance shall be written on an occurrence basis, unless the Owner approves in writing

coverage on a claims-made basis. Coverages, whether written on an occurrence or claims-made basis, shall be maintained without interruption from date of commencement of the work until date of final payment and termination of any coverage required to be maintained after final payment.

10.3.5 The Contractor shall furnish to the Owner copies of any endorsements that are subsequently issued amending limits of coverage.

10.3.6 Liability insurance shall include all major divisions of coverage and be on a comprehensive basis including:

1. Premises Operation (including X-C-U as applicable)
2. Independent Contractor's Hired
3. Products and Completed Operations
4. Personal Injury Liability
5. Contractor liability including the provision for Contractor's obligation of indemnification and hold harmless
6. Owned, non-owned and hired motor vehicles
7. Broad Form Property Damage including Completed Operations

10.3.7 The insurance required by this Article shall be written for not less than the following, or greater if required by law.

1. Workers' Compensation:
 - (a) State: As required by Chapter 440, Florida Statutes
 - (b) Applicable Federal (e.g. Longshoremen's Statutory)
 - (c) Employer's Liability: \$500,000.00
2. Commercial General Liability (including Premises Operations; Independent Contractor Hired; Products and Completed Operations; Broad Form Property Damage):
 - (a) Bodily Injury:
\$1,000,000.00 per incident or occurrence; with an annual general aggregate per policy of not less than \$2,000,000
 - (b) Property Damage:
\$1,000,000.00 per incident or occurrence; with an annual general aggregate per policy of not less than \$2,000,000.

- (c) Products and Completed Operations to be maintained for one year after final payment
 - (d) Property Damage Liability Insurance shall provide S, C or U Coverage as applicable
3. Contractual Liability:
- (a) Bodily Injury:
\$1,000,000.00 per incident or occurrence; with an annual general aggregate per policy of not less than \$2,000,000.
 - (b) Property Damage:
\$1,000,000.00 per incident or occurrence; with an annual general aggregate per policy of not less than \$2,000,000.
4. Personal Injury, \$1,000,000.00 per claimant; with an annual general aggregate per policy of not less than \$2,000,000
5. Commercial Automobile Liability: The State of Florida has no-fault automobile insurance requirements. The Contractor shall be certain coverage is provided which conforms to any specific stipulation in the law.
- (a) \$1,000,000.00 per incident or occurrence combined single limit for bodily injury and property damage; with an annual general aggregate per policy of not less than \$2,000,000.

10.3.8 The Contractor shall procure property insurance for any portion of the Work stored off Site or in transit, and the cost for such shall be borne by the Contractor.

10.3.9 Boiler and Machinery Insurance. The Contractor shall purchase and maintain boiler and machinery insurance if applicable to the Contract Documents. This insurance shall remain in full force and effect until final acceptance of the insured items by the Owner.

10.4.0 Performance and Payment Bonds. The Contractor shall furnish bonds covering the faithful performance of the Agreement and payment of any and all obligations arising under the Agreement as required by Florida law. Upon request, the Contractor shall furnish a copy to any person or entity requesting a copy. Such bonds shall be in conformance and compliance with sec. 255.05, Florida Statutes, and shall contain the

information and provisions set forth in the referenced section. Pursuant to sec. 255.05, the Contractor shall record the performance and payment bonds in the public records of Indian River County, Florida. The Contractor shall provide the recorded copy of the bonds to the Owner.

10.4.1 Insurance as Additional Remedy. Compliance with the insurance requirements of this Agreement shall not limit the liability of the Contractor, its subcontractors, sub-subcontractors, material suppliers, employees, or agents to the Owner or others. Any remedy provided to the Owner, or the Owner's officers, employees, agents or assigns, by the insurance shall be in addition to and not in lieu of any other remedy available under the Agreement or otherwise.

10.4.2 No Waiver by Approval/Disapproval. Neither approval by the Owner nor failure to disapprove the insurance furnished by the Contractor shall relieve the Contractor of its full responsibility to provide the insurance as required by this Agreement.

ARTICLE 11 – TERMINATION OF THE CONTRACT

- 11.1 The Owner may, at any time upon ten (10) days' written notice to the Contractor, which notice shall specify that portion of the Work to be terminated and the date said termination is to take effect, terminate (without prejudice to any right or remedy of the Owner) the whole or any portion of the work for the convenience of the Owner. The Contractor's sole remedy, in the event of such termination, will be the allowable termination costs permitted by Article 11.3. Contractor shall include termination clauses identical to Article 11 in each of his Subcontracts.
- 11.2 The Owner may, upon ten (10) days' written notice to the Contractor and to the Contractor's surety, terminate (without prejudice to any right or remedy of the Owner or any subsequent buyer of any portion of the Work) the employment of the Contractor and his right to proceed either as to the whole or any portion of the Work required by the Contract Documents and may take possession of the Work and complete the Work by Contract or otherwise in any one of the following circumstances:
- 11.2.1 if the Contractor refuses or fails to prosecute the work or any separable part thereof with such diligence as will ensure the Substantial or Final Completion of the Work within the Contract Time or fails to complete the Work within said periods;

- 11.2.2 if the Contractor is in material default in carrying out any provisions of the Contract;
 - 11.2.3 if the Contractor fails to supply a sufficient number of properly qualified and skilled workers or proper equipment or materials;
 - 11.2.4 if the Contractor fails to make prompt payment to Subcontractors or materialmen or for materials or labor;
 - 11.2.5 if the Contractor disregards laws, permits, ordinances, rules, the Lunsford Requirements, regulations or orders of any public authority having jurisdiction, or fails to follow the instructions of the Owner;
 - 11.2.6 if the Contractor violates any provisions of the Contract Documents;
or
 - 11.2.7 if the Contractor refuses or fails to properly schedule, plan, coordinate and execute the Work, as specified herein, so as to perform the Work within the specified Milestone and Completion dates, or to provide scheduling or related information, revisions and updates as required by the Contract Documents.
- 11.3 If the Owner terminates the whole or any portion of the Work pursuant to ARTICLE 11, then the Owner shall only be liable to the Contractor for those reasonable costs reimbursable to the Contractor as calculated by Owner in Owner's sole discretion, provided however, that if there is evidence that the Contractor would have sustained a loss on the entire Contract had it been completed an appropriate adjustment shall be made reducing the amount of the allowable termination payment to reflect the indicated amount of loss. Contractor shall submit any claim of reimbursable cost, as stated in this paragraph, within 10 days of receipt of Notice of Termination or such claims are waived, released and forever barred. Reasonable costs owed to the Contractor by the Owner may include supplies, services, or property accepted by the Owner. In arriving at any amount due the Contractor, there shall be deducted any claim the Owner may have against the Contractor, amounts determined to be necessary to protect the Owner against loss because of outstanding or potential liens or claims, and the price for any materials, supplies, or other things acquired by the Contractor and not otherwise recovered by or credited to the Owner. The total sum to be paid to the Contractor shall not exceed the Contract Sum as reduced by the amount of payments otherwise made or to be made for Work not terminated and as otherwise permitted by the Contract.

- 11.4 After receipt of a notice of termination from the Owner, the Contractor shall:
- 11.4.1 stop Work under the Contract on the date and to the extent specified in the notice of termination;
 - 11.4.2 place no further order or subcontracts for materials, services or facilities, except as may be necessary for completion of such portion of the work under the Contract as is not terminated;
 - 11.4.3 terminate all purchase orders and subcontracts to the extent that they relate to the performance of Work terminated by the notice of termination;
 - 11.4.4 at the option of the Owner, assign to the Owner in the manner, at the times and to the extent directed by the Owner, all of the rights in the subcontracts so terminated, in which case the Owner shall have the right, at his discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts;
 - 11.4.5 settle all outstanding liabilities and all claims arising out of such termination or orders and subcontracts;
 - 11.4.6 complete performance of such part of the Work as shall not have been terminated by the notice of termination; and
 - 11.4.7 take such action as may be necessary for the protection and preservation of the property related to the Contract which is in the possession of the Contractor and in which the Owner has or may acquire an interest.
- 11.5 In the event the provisions of this Agreement are determined by a Court of competent jurisdiction to be illegal or unenforceable, then such unenforceable or unlawful provision shall be excised from this Agreement, and the remainder of this Agreement shall continue in full force and effect. Notwithstanding the foregoing, if the result of the deletion of such provision will materially and adversely affect the rights of a party, such party may elect, at its option, to terminate this Agreement in its entirety.

ARTICLE 12 – CONTRACTOR

- 12.1 The Contractor shall carefully study and compare the Contract Documents and shall at once report to the Owner and Architect any error, inconsistency or omission he may discover in the Contract Documents, including any requirement which may be contrary to any law, ordinance, rule, regulation or order of any public authority bearing on the performance of the Work. If the Contractor has reported in writing an error,

inconsistency or omission, has promptly stopped the affected work until otherwise instructed, and has otherwise followed the instructions of the Owner, the Contractor shall not be liable to the Owner for any damage resulting from any such errors, inconsistencies or omissions in the Contract Documents. The Contractor shall perform no portion of the Work at any time without first possessing approved Shop Drawings, Product Data or Samples for such portion of the Work.

- 12.2 The Contractor and his Subcontractors shall keep at the site of the Work at least one copy of the approved drawings and specifications and shall at all times give the Owner, the Architect, inspectors, as well as other representatives of the Owner access thereto.
- 12.3 The Contractor shall supervise, coordinate and direct the Work, using his best skill and attention. He shall be solely responsible for and have control over all construction means, methods, techniques, sequences and procedures of construction and for coordinating all portions of the Work under the Contract.
- 12.4 It shall be the responsibility of the Contractor to coordinate the work, to maintain a progress schedule, and to notify the Owner and the Architect of any changes in the approved progress schedule.
- 12.5 The Contractor shall be responsible to the Owner for the acts and omissions of his employees, Subcontractors and sub-Subcontractors, suppliers, their agents and employees, and other persons performing any of the Work and for their compliance with each and every requirement of the Contract Documents, in the same manner as if they were directly employed by the Contractor.
- 12.6 The Contractor understands and agrees that the Owner and Architect will not be responsible for and will not have control or charge of construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, and they will not be responsible for the Contractor's failure to carry out the Work in accordance with the Contract Documents. The Owner, and Architect will not be responsible for or have control or charge over the acts or omissions of the Contractor, Subcontractors, or any of their agents or employees, or any other persons performing any of the Work.
- 12.7 The Contractor shall employ no plant, equipment, materials, methods or persons to which the Owner and Architect have a reasonable objection.
- 12.8 Background Check. The Contractor agrees to comply with all requirements of sections 1012.32 and 1012.465, Florida Statutes, and, except as provided in sections 1012.467 or 1012.468 and consistent with

District policy, all of its personnel who (1) are to be permitted access to school grounds when students are present, (2) will have direct contact with students, or (3) have access or control of school funds, shall successfully complete the background screening required by the referenced statutes and meet the standards established by the statutes and the School Board. This background screening will be conducted by the School Board in advance of the Contractor or its personnel or subcontractors providing any services under the conditions described in the previous sentence. The Contractor shall bear the cost of acquiring the background screening required by section 1012.32, Florida Statutes, and any fee imposed by the Florida Department of Law Enforcement to maintain the fingerprints provided with respect to the Contractor and its personnel. The parties agree that the failure of the Contractor to perform any of the duties described in this section shall constitute a material breach of this Agreement entitling the School Board to terminate immediately with no further responsibilities or duties to perform under this Agreement. The Contractor agrees to indemnify and hold harmless the School Board, its officers and employees from any liability in the form of physical or mental injury, death or property damage resulting from Contractor's failure to comply with requirements of this section or with sections 1012.32 and 1012.465, Florida Statutes.

- 12.9 The Contractor warrants to the Owner and the Architect that all materials and equipment furnished under this Contract will be new, unless otherwise specified, and that all workmanship will be of the best, first class quality, free from faults and defects and in conformance with the Contract Documents and all other warranties and guaranties specified therein. Where no standard is specified for such workmanship or materials, they shall be the best of their respective kinds. All Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. If required by the Owner or Architect, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials, workmanship and equipment. The warranties set forth in this paragraph and elsewhere in the Contract Documents shall survive Final Completion of the Work.
- 12.10 If, within one year after the Date of Final Completion of the Work or within such longer period of time as may be prescribed by law or by the terms of any applicable special warranty required by the Contract Documents, any of the Work is found to be defective, not in accordance with the Contract Documents, or not in accordance with the guarantees and warranties specified in the Contract Documents, the Contractor or its Surety shall correct it within five (5) working days or such other period as mutually agreed, after receipt of a written notice from the Owner to do so. The Owner shall give such notice with reasonable promptness after discovery of the condition.

- 12.11 If at any time latent deficiencies in the Work are discovered, the Contractor will be liable for replacement or correction of such Work and any damages which Owner has incurred related thereto, regardless of the time limit of any guarantee or warranty, up to the time limit of the applicable statute of repose.
- 12.12 If the Contractor fails to correct defective or nonconforming Work as required, or if the Contractor fails to remove defective or nonconforming Work from the site, as required, the Owner may elect to either correct such Work or remove and store materials and equipment at the expense of the Contractor. If the Contractor does not pay the cost of such removal and storage within ten (10) days thereafter, the Owner may upon ten (10) additional days' written notice sell such Work at auction or at private sale and shall account for the net proceeds thereof, after deducting all the costs that should have been borne by the Contractor, including compensation for the Architect's additional services made necessary thereby. If such proceeds of sale do not cover all costs which the Contractor should have borne, the difference shall be charged to the Contractor and an appropriate Change Order shall be issued. If the payments then or thereafter due the Contractor are not sufficient to cover such amount, the Contractor shall pay the difference to the Owner.
- 12.13 The Contractor shall prepare and submit to the Owner for the Owner's review and approval an as-planned progress schedule for the Work. The Contractor shall furnish such manpower, materials, facilities and equipment and shall work such hours, including night shifts, overtime operations and Sundays and holidays, as may be necessary to ensure the performance of the Work within the Milestone and Completion dates specified. If it becomes apparent to the Owner or Architect that the Work will not be completed within required Milestone or Completion dates, the Contractor agrees to undertake some or all of the following actions, at no additional cost to the Owner, in order to ensure that the Contractor will comply with all Milestone and Completion date requirements:
- 12.13.1 increase manpower, materials, crafts, equipment and facilities to accelerate performance of the Work;
 - 12.13.2 increase the number of working hours per shift, shifts per working day, working days per week, or any combination of the foregoing; and
 - 12.13.3 reschedule activities to achieve maximum practical concurrence of accomplishment of activities.

- 12.14 In undertaking the actions required under paragraph 12.13, Contractor shall prepare a Recovery Schedule and comply with the requirements thereof. If the schedule recovery actions taken by the contractor are not satisfactory, the Owner or Architect may direct the Contractor to take any and all actions necessary to ensure completion within the required Milestone and Completion dates (which shall be at Contractor's sole expense), without additional cost to the Owner. In such event, the Contractor shall continue to assume responsibility for his performance and for completion within the required dates.
- 12.15 The Contractor shall be responsible for taking all steps necessary to ascertain the nature and location of the Work and the general and local conditions which can affect the Work or the cost thereof. Failure by the Contractor to fully acquaint himself with conditions which may affect the Work, including, but not limited to conditions relating to access, transportation, handling, storage of materials, availability of labor, water, roads, weather, topographic and subsurface conditions, Separate Prime Contractor conditions and schedules, applicable provisions of law, and the character and availability of equipment and facilities needed prior to and during the execution of the Work, shall not relieve the Contractor of his responsibilities under the Contract Documents and shall not constitute a basis for an adjustment in the Contract Sum or the Contract Time under any circumstances. The Owner assumes no responsibility for any understanding or representation about conditions affecting the Work made by any of its officers, employees, representatives, or agents prior to the execution of the Contract, unless such understandings or representations are expressly stated in the Contract Documents.

ARTICLE 13 - INDEMNIFICATION

- 13.1 The parties agree that 1% of the total compensation paid to the CONTRACTOR for performance of this Agreement shall represent the specific consideration for the CONTRACTOR'S indemnification of the OWNER as is set forth in the General Conditions and Contract Document.
- 13.2 It is the specific intent of the parties hereto that the indemnification below complies with Florida Statute 725.06 (Chapter 725). It is further the specific intent and agreement of the parties that all of the Contract Documents on this Project are hereby amended to include the foregoing indemnification and the "Specific Consideration" therefore.
- 13.3 CONTRACTOR shall indemnify and hold harmless the OWNER, their officers and employees, from liabilities, damages, losses and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness, or intentional wrongful

misconduct of the CONTRACTOR and persons employed or utilized by the CONTRACTOR in the performance of this construction contract. Regardless of the foregoing the indemnification herein shall be the greater of the CONTRACTORS insurance coverage for such claim or One million dollars, whichever is greater.

- 13.4 The Owner shall be liable only to the extent of its interest in the Project, and no officer, director, partner, agent or employee of the Owner shall ever be personally or individually liable with respect to this Agreement or the Work. Any subcontract entered into by the Contractor shall include the foregoing limitation, which shall be effective in the event the Owner ever succeeds to the Contractor's rights and obligations under a subcontract.

ARTICLE 14 – OWNER DIRECT PURCHASE PROGRAM

- 14.1 The Owner shall appoint the Contractor as the Owner's authorized representative with respect to any matter arising out of the purchase orders under this program. The Contractor will cooperate fully with the Owner with respect to the implementation of a tax exempt direct material/equipment purchase program involving the direct purchase of various construction materials, supplies and equipment that is currently part of this Contract. The Owner shall obtain, with the assistance of the Contractor, the proper authorization from the State of Florida in the form of a Technical Assistance Advisement (TAA).

The Owner Direct Purchase Program is attached hereto as **Exhibit "A,"** controls the Direct Purchase Program for the Project. The Direct Purchase Program will be operated in accordance with the following provisions:

- 14.1.(a) The Owner will issue its own purchase orders directly to the third party vendor or supplier of material and equipment purchased under the Direct Purchase Program. The purchase order will be accompanied by the Owner's Exemption Certificate which includes its name, address, and the exemption number with issuance and expiration date.
- 14.1.(b) All material and equipment purchased under the Direct Purchase Program is sold directly to the Owner and is directly to the Owner and is directly invoiced by the vendor or supplier.

- 14.1.(c) The Owner takes title and possession of all materials and equipment purchased under the Direct Purchase Program from the vendor or seller before they are incorporated into the Project.
- 14.1.(d) The Owner assumes all risk of loss on all material and equipment purchased under the Direct Purchase Program. The Contractor cannot be held liable for damage or loss to the material or equipment.
- 14.1.(e) The Owner is responsible for and pays the premiums on all insurance and/or bonding on materials or equipment purchased under the Direct Purchase Program. The Contractor does not share any economic benefits of proceeds from bond or insurance covering risk of damage or loss of the material or equipment.
- 14.1.(f) The Owner makes direct payment to the third party vendor or seller for all purchases from its own funds or accounts for all purchases under the Direct Purchase Program.
- 14.2 The Owner agrees to process its purchase orders so that the progress of construction is not jeopardized. Should the Owner fail to process the purchase orders within a time frame so as not to delay the construction, the Contractor shall, at its sole discretion, void the Owner purchase order and purchase the item direct thereby waiving any rights the Owner may have for a direct purchase tax savings. Should the items included in the purchase order represent any materials, supplies or equipment that is part of a subcontractor's scope of Work, any terms and conditions that the subcontractor deems to be warranted to protect their interest, shall also be included and/or substituted. Vendors and suppliers must be approved by the Owner prior to the processing of purchase orders.
- 14.3 The items being purchased shall be purchased from the vendors and suppliers selected by the Contractor and/or the subcontractor for prices negotiated by the Contractor and/or subcontractor.
- 14.4 The Contractor is responsible for establishing an accounting system that will adequately track and monitor the direct purchases made by the Owner. The determination of the adequacy of the accounting system shall be mutually agreed upon between the Contractor and the Owner. The system developed by the Contractor shall track and monitor that materials purchased (and shall adequately identify the same), costs, tax savings, and such other charts of accounts or information as may be reasonable requested by the Owner. The Contractor shall submit a monthly accounting report of this information with the Contractor's application for payment.

- 14.5 The Contractor shall provide all rough drafts of purchase orders to the Owner for processing in such time and sequence that the Work will not be impeded or delayed in any manner. Notwithstanding anything in this Article 10.3 to the contrary, the Contractor remains fully responsible under its Contract with the Owner, and the implementation of this direct purchase program shall not be used in any manner by the Contractor to justify any delay unless such delay is a direct result of the Owner's failure to comply with the terms of the Direct Owner Purchase Program through no fault of the Contractor. Should a delay be incurred that is not the result of the Owner's failure, as stated above, the Contractor shall be held accountable for such a delay. The Contractor, for \$10.00 and other valuable consideration, the adequacy of receipt of which is hereby acknowledged and deemed to be sufficient, does hereby release, waive and hold harmless the Owner from and against any claim for damages, acceleration damages, or any other matter, claim or damage that may arise from or be related to in any way the Owner's Direct Purchase Program to the extent stated herein.
- 14.6 The Contractor shall be responsible for all purchases in the same manner as if the Contractor had purchased the items, inclusive of managing the warranties for the Owner. The Contractor shall cooperate with the Owner and take all action necessary to assure that all warranties with respect to any materials or equipment which may be available from any vendor are passed-through to the Owner.
- 14.7 Modification of the Contract Sum will be made by one (1) change order (or additional change orders in the sole discretion of the Owner) prior to final payment unless the Contract period crosses the Owner's fiscal year, in which case, one (1) change order will occur for each fiscal year, one prior to the close of the first year, and the other during the second fiscal year.
- 14.8 The Contractor and its surety hereby agree that the performance bond penal amount shall be unaffected by any direct purchase deductive change order which is made pursuant to this program.
- 14.9 The Contractor agrees that its builder's risk insurance coverage amount shall be unaffected by any direct purchase deductive change order implemented pursuant to this program.
- 14.10 Payment shall be directly made by the Owner to the vendor for any Direct Purchases.
- 14.11 To the extent authorized under Florida law, Owner agrees to indemnify and hold harmless Contractor, its subcontractors and suppliers of and from any claims, liability, or responsibility to the State of Florida for any action the State may take against any of them for the payment of any sales or

use taxes as a result of Owner's direct purchase of such materials, supplies or equipment.

- 14.12 The Owner shall have the sole option to require the vendor to include a supply bond in the amount of 100% of the purchase order price. The bond shall be from a qualified surety company authorized to do business in the State of Florida and acceptable to the Owner and Contractor. The cost of the supply bond shall be included in Contractor's GMP.
- 14.13 The Owner agrees to make payments by the 15th of the month providing the Contractor processes the invoices and delivers same to the Facilities Division by the 20th of the preceding month.
- 14.14 Owner shall not withhold retainage on any payments made to the vendor.

ARTICLE 15 – TERMS

- 15.1 Limitation of Liability. The Owner shall be liable only to the extent of its interest in the Project, and no officer, director, partner, agent or employee of the Owner shall ever be personally or individually liable with respect to this Agreement or the Work. Any subcontract entered into by the Contractor shall include the forgoing limitation, which shall be effective in the event the Owner ever succeeds to the Contractor's rights and obligations under a subcontract.
- 15.2 Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, references to the singular include the plural, the term "including" is not limiting, and the terms "hereof", "herein", "hereunder", and similar terms in the Contract Documents refer to the Contract Documents as a whole and not to any particular provision thereof, unless stated otherwise.
- 15.3 Gender. Unless the context clearly indicates to the contrary, pronouns having a neuter, masculine or feminine gender shall be deemed to include the others.
- 15.4 Entire Agreement. This Agreement and the Construction Documents incorporated herein by reference constitute the entire Agreement between the parties with respect to the matters covered by this Agreement. All prior negotiations, representations and agreements not incorporated in this Agreement are cancelled. This Agreement can be modified or amended only by a written document duly executed by the parties or their duly appointed representative.

15.5 **Binding Effect.** Each and all of the covenants, terms, provisions and agreements contained in this Agreement shall be binding upon and inure to the benefits of the parties and their respective assigns, successors, subsidiaries, affiliates, holding companies and legal representatives, as allowed in this Agreement.

15.6 **Notices.** All notices shall be in writing, and may be served by (a) depositing the same in the United States mail addressed to the party to be notified, postpaid, and registered or certified with return receipt requested, (b) by delivering the same in person to such party, (i) personal delivery, or (ii) overnight courier, or (c) by facsimile transmission provided that a copy is sent on the same day, by 5 p.m., by either of the methods described in (a) or (b). Notice deposited in the mail shall be deemed to have been given on the third day next following the date postmarked on the envelope containing such notice, or when actually received, whichever is earlier. Notice given in any manner shall be effective only if and when received by the party to be notified. All notices to be given to the parties shall be sent to or delivered at the addresses or facsimile numbers set forth below:

If to Owner: Facilities Planning & Construction
The School District of Indian River County, Florida
Mr. Scott Sanders
6055 62nd Avenue
Vero Beach, FL 32967
Telephone: 772-564-5017

Contractor: Bill Bryant & Associates, Inc.
1550 Old Dixie Highway
Vero Beach, FL 32960
Telephone: 772-567-0045

By giving the other party at least 15 days written notice, each party shall have the right to change its address and specify as its new address any other address in the United States of America.

15.7 **Waiver.** No consent or waiver, express or implied, by either party to this Agreement to or of any breach or default by another in the performance of any obligations shall be deemed or construed to be consent or waiver to or of any other breach or default by that party. Except as otherwise provided in this Agreement, failure on the part of any party to complain of any act or failure to act by another party or to declare the other party in

default, irrespective of how long such failure continues, shall not constitute a waiver of the rights of that party.

- 15.8 Captions. The headings used for the various portions of this Agreement and the Construction Documents are inserted only as a matter of convenience, and for reference, and in no way define, limit or describe the scope or the intent of this Agreement, any section of this Agreement, or any section of the Contract Documents.
- 15.9 Severability. In the event the provisions of this Agreement are determined by a Court of competent jurisdiction to be illegal or unenforceable, then such unenforceable or unlawful provision shall be excised from this Agreement, and the remainder of this Agreement shall continue in full force and effect. Notwithstanding the foregoing, if the result of the deletion of such provision will materially and adversely affect the rights of a party, such party may elect, at its option, to terminate this Agreement in its entirety.
- 15.10 Cumulative Remedies. All rights, powers, remedies, benefits, and privileges are available under any provision of this Agreement to any party, is in addition to and cumulative of any and all rights, powers, remedies, benefits and privileges available to such party under all other provisions of this Agreement, at law or in equity.
- 15.11 Approval. Whenever any review or approval is required by any party, such party agrees that such review or approval will be promptly and expeditiously prosecuted to conclusion.
- 15.12 Further Assurances. The parties agree to execute any and all further instruments and documents, and take all such action as may be reasonably required by any party to effectuate the terms and provisions of this Agreement and the transactions contemplated in this Agreement.
- 15.13 No Partnership or Joint Venture. It is understood and agreed that nothing contained in this Agreement shall be deemed or construed as creating a partnership or joint venture between the parties or any third party, or cause any party to be responsible in any way for the debts and obligations of the other party.
- 15.14 No Construction Against Drafter. Each of the parties have been represented by legal counsel who have had ample opportunity to, and have, participated in the drafting of this Agreement. Therefore, this Agreement shall not be construed more favorably or unfavorably against any party.

- 15.15 Third Party Beneficiary. This Agreement has been made and entered into for the sole protection and benefit of the Owner, and its respective successors, and no other person or entity shall have any right or action under this Agreement.
- 15.16 No Assignments. This Agreement is for the personal services of the Contractor, and may not be assigned by the Contractor in any fashion, whether by operation of law or by conveyance of any type, including without limitation, transfer of stock in the Contractor, without the prior written consent of the Owner, which consent the Owner may withhold in its sole discretion.
- 15.17 Force Majeure. With regard to the performance under this Agreement, a party shall not be deemed to be in default of this Agreement, or have failed to comply with any term or conditions if, for reasons beyond the parties reasonable control, including without limitation acts of God, natural disaster, labor unrest, war, declared or undeclared, the existence of injunctions or requirements for obtaining licenses, easements, permits or other compliance with applicable laws, rules and regulations, such performance is not reasonably possible within such time periods, then the time for such performance shall be extended until removal of such reasons beyond the parties reasonable control, provided that the party commences such performance as soon as reasonably possible and diligently pursues such performance.
- 15.18 Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Florida. Except for a suit in federal court, Indian River County, Florida shall be the proper place of venue for all suits to enforce this Agreement. Any legal proceeding arising out of or in connection with this Agreement shall be brought in the Circuit Courts of Indian River County, Florida, or if appropriate, the United States District Court for the Southern District of Florida. Notwithstanding any other provision of the Contract Documents, the Owner does not agree to, nor shall the parties; arbitrate in any matter whatsoever any issue arising out of this Agreement, the Contract Documents or the performance thereof. The Owner does not agree to pay attorneys' fees to the prevailing party in connection with a dispute arising out of this Agreement or the Contract Documents.
- 15.19 Waiver of Jury Trial. The parties expressly waive the right to a jury trial.
- 15.20 Dispute Resolution. Prior to initiating any litigation arising out of the Agreement, the parties to submit the dispute to non-binding mediation by a mediator who is certified in Florida in an effort to resolve disputes in an expedient manner. Each party shall bear their own attorneys' fees, and the cost of the mediator shall be split between the parties.

- 15.21 Right to Enter this Agreement. Each party warrants and represents, with respect to itself, that neither the execution of this Agreement nor the performance of its obligations under this Agreement shall violate any legal requirement, result in or constitute a breach or default under any indenture, contract, or other commitment or restriction to which it is a party or by which it is bound. Each party also warrants and represents, with respect to itself, that the execution of this Agreement and the performances and obligations under this Agreement shall not require any consent, vote, or approval which has not been obtained, or at the appropriate time shall not have been given or obtained. Each party agrees that it has or will continue to have throughout the term of this Agreement the full right and authority to enter into this Agreement and to perform its obligation under this Agreement. Upon written request, each party agrees to supply the other party with evidence of its full right and authority.
- 15.22 Conduct While on School Property. The Contractor acknowledges that its employees and agents must behave in an appropriate manner while on the premises of any school facility and shall at all times conduct themselves in a manner consistent with School Board policies and subject to the administrator or designee. It will be considered a breach of this Agreement for any agent or employee of the Contractor to behave in a manner which is inconsistent with good conduct or decorum, or to behave in any manner which will disrupt the educational program or constitute any level of threat to safety, health, and well-being of any student or employee of the School Board. The Contractor agrees to immediately remove any agent or employee if directed to do so by the building administrator or designee.
- 15.25 Owner Transfer of Interest. If the Owner conveys its interest in the Project to a third party, any rights which the Owner may have against the Contractor arising from this Agreement shall automatically transfer to such third party without the necessity of a written document or consent from the Contractor.
- 15.26 Public Entity Crime Information Statement and Debarment – Section 287.133(2)(a) of the Florida Statutes states: “A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided

in Section 287.017, for CATEGORY TWO for a period of thirty-six (36) months from the date of being placed on the convicted vendor list.”

By signing this Agreement, Contractor certifies, to the best of its knowledge and belief, that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by a federal department or agency.
- (b) Have not, within a five-year period preceding the issuance of RFQ **SDIRC# 2015-09** been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.
- (c) Are not presently indicted or otherwise criminally charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in the preceding paragraph (b).
- (d) Have not within a five-year period preceding the issuance of RFQ **SDIRC# 2015-09** had one or more public transactions (federal, state or local) terminated for cause or default.

Contractor agrees to notify School Board within 30 days after the occurrence of any of the events, actions, debarments, proposals, declarations, exclusions, convictions, judgments, indictments, informations, or terminations as described in paragraphs (a) – (d) above, with respect to Contractor or its principals.

15.28 **No Waiver of Sovereign Immunity.** Nothing herein is intended to serve as a waiver of sovereign immunity by any agency or political subdivision to which sovereign immunity may be applicable.

15.29 **Non-Discrimination.** The parties shall not discriminate against any employee or participant in the performance of the duties, responsibilities and obligations under this agreement because of race, color, religion, gender, age, marital status, disability, political or religious beliefs, national or ethnic origin.

15.30 **Compliance with Federal Grant Requirements.** If made applicable by the use of federal grant funds in the Project or any other requirement as set

out below, Contractor and its subcontractors shall comply with the following enactments, rules, regulations and orders:

Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of \$10,000 by grantees and their contractors or subgrantees).

Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 3145) as supplemented in Department of Labor regulations (29 CFR part 3).

Davis-Bacon Act (40 U.S.C. 3141 et seq.) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts in excess of \$2000 awarded by grantees and subgrantees when required by Federal grant program legislation).

Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 701 et seq.) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts awarded by grantees and subgrantees in excess of \$2000, and in excess of \$2500 for other contracts which involve the employment of mechanics or laborers).

All applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 7606), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of \$100,000).

Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

ARTICLE 16 - PROJECT SIGNAGE

CONTRACTOR shall furnish and erect 1 signs at the Project site as directed by the PROJECT MANAGER. CONTRACTOR may install signage at the site subject to approval by the PROJECT MANAGER.

IN WITNESS WHEREOF, OWNER and CONTRACTOR have signed this Agreement. One counterpart each has been delivered to OWNER, CONTRACTOR, and the ARCHITECT. All portions of the Contract Documents have been signed or identified by OWNER and CONTRACTOR or by the ARCHITECT on their behalf.

OWNER: SCHOOL BOARD OF INDIAN RIVER COUNTY

CONTRACTOR: BILL BRYANT & ASSOCIATES, INC.

By _____
School Board Chairman

By *Robert Wayne*

Attest: _____
Superintendent
(SEAL)

Attest: *Alicia J. Anthony*
(CORPORATE SEAL)

Address for giving notices

Address for giving notices
1550 Old Dixie Highway
Vero Beach, FL 32960

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

License No. CGC017811

Agent for service of process:

School Dist. Attorney

(If CONTRACTOR is a corporation, attach evidence of authority to sign.)

Exhibit A

Owner Direct Material/Equipment Purchase Program

1. The Subcontractor has included Florida State Sales and other applicable taxes in his bid for material, supplies and equipment. The Owner, being exempt from sales tax, reserves the right to make direct purchases of various construction equipment, materials or supplies included in the Subcontractor's bid and/or contract, substantially in accordance with the form of Purchase Order attached herewith.

Any equipment, materials or supplies directly purchased by the Owner that are included in the Subcontractor's contract shall be referred to as Owner-Purchased Materials and the responsibilities of both Owner and Subcontractor relating to such Owner-Purchased Materials shall be governed by the terms and conditions of the procedures. The Owner will own and hold full title to all Owner-Purchased Materials.

2. Material suppliers shall be selected by the Subcontractor awarded the subcontract.

The Subcontractor has included the price for all construction materials in his bid. Owner Purchasing of construction materials, if selected, will be administered on a deductive Change Order basis.

3. Subcontractor shall provide Contractor a list of all intended suppliers, vendors, and material men for consideration as Owner-Purchased Materials. This list shall be submitted at the same time as the preliminary schedule of values. The Subcontractor shall submit a description of the materials to be supplied, estimated quantities and prices.
4. Upon request from Contractor, and in a timely manner, Subcontractor shall prepare a standard Purchase Order Requisition Form in a form acceptable to the Owner and the Contractor, to specifically identify the materials which Owner had, at its sole option, elected to purchase directly. The Purchase Order Requisition Form shall include:

A. The name, address, telephone number and contact person for the material supplier.

B. Manufacturer or brand, model or specification number of the item.

- C. Quantity needed as estimated by the Subcontractor.
- D. The price quoted by the supplier for the materials identified therein.
- E. Any sales tax associated, with such quote.
- F. Delivery dates as established by Subcontractor.

Subcontractor shall include reference to any terms and conditions which have been negotiated with the vendors; i.e., payment terms, warranties, retainage, etc.

Such Purchase Order Requisition Forms are to be submitted to Contractor's designated representative no less than fifteen (15) days prior to the need for ordering such Owner-Purchased Materials, in order to provide sufficient time for Owner review and approval and to assure that, such Directly Purchased Materials may be directly purchased by Owner and delivered to the Project site so as to avoid any delay to the Project.

- 5. After receipt of the Purchase Order Requisition Form, Owner shall prepare its Purchase Orders for equipment, materials or supplies which the Owner chooses to purchase directly. Pursuant to the Purchase Order, the vendor will provide the required quantities of material at the price established in the vendor's quote to the Subcontractor, less any sales tax associated with such price. Promptly upon receipt of each Purchase Order, Subcontractor shall verify the terms and conditions of the Purchase Order prior to its issuance to supplier and in a manner to assure proper and timely delivery of items. Owners Purchasing Director or his designated representative shall be the approving authority for the Owner on Purchase Orders in conjunction with Owner-Purchased Materials. The Purchase Order shall require that the supplier provide the required shipping and handling insurance. The Purchase Order shall also require the delivery of the Owner-Purchased Materials on the delivery dates provided by the Subcontractor in the Purchase Order Requisition Form and shall indicate F.O.B. jobsite.
- 6. In conjunction with the execution of the Purchase Orders by the suppliers, the Subcontractor shall execute and deliver to the Owner, through the Contractor, one or more deductive Change Orders, referencing the full value of all Owner-Purchased Materials to be provided by each supplier from whom the Owner elected to purchase material directly, plus all sales tax savings associated with such materials in Subcontractor's bid to Contractor.

7. All shop drawings and submittals shall be made by the Subcontractor in accordance with the Project Specifications.
8. Subcontractor shall be fully responsible for all matters relating to the receipt of materials furnished by Owner in accordance with these Procedures, including, but not limited to, verifying correct quantities, verifying documentation of orders in a timely manner, coordinating purchases, providing and obtaining all warranties and guarantees required by the Contract Documents, inspection and acceptance of the goods at the time of delivery, and loss, or damage to equipment and materials following acceptance of items by the Owner due to the negligence of the Subcontractor. The Subcontractor shall coordinate delivery schedules, sequence of delivery, loading orientation, and other arrangements normally required by the Subcontractor for the particular materials furnished. The Subcontractor agrees to indemnify and hold harmless the Owner from any and all claims of whatever nature resulting from non-payment of goods to suppliers arising from the actions or directions of Subcontractor. Owner purchased materials shall be stored at the construction site.
9. As Owner-Purchased Materials are delivered to the jobsite, the Subcontractor and the Contractor, as County's Representative, shall visually inspect all shipments from the suppliers, and approve the vendor's invoice of material delivered. The Subcontractor shall assure that each delivery of Owner-Purchased materials is accompanied by adequate to identify the Purchase Order against which the purchase is made. This documentation may consist of a delivery ticket and an invoice from the supplier conforming to the Purchase Order, together with such additional information as the Owner or Contractor may require. The Contractor, as Owner's Representative, shall verify in writing to the Owner the accuracy of the delivery ticket. The Subcontractor will then forward the invoice to the Owner through the Contractor for payment. The invoice shall be thereupon furnished to the Finance Department for processing and payment in the manner as all other Osceola School District invoices are processed. The Owner shall have the right to assign personnel to verify and audit the accuracy of all Director Purchase Documents.
10. The Subcontractor shall insure that Owner-Purchased Materials conform to the Specifications, and determine prior to incorporation into the work if such materials are patently defective, and whether such materials are identical to the material ordered and match the description on the bill of lading. If the Subcontractor discovers defective or non-conformities in the Owner-Purchased Material upon such visual inspection, the Subcontractor shall not utilize such non-conforming or defective materials in the work

and instead shall promptly notify the vendor of the defective or non-conforming condition in order to pursue repair or replacement of those materials without any undue delay or interruption to the Project. Additionally, the Subcontractor shall notify the Owner, through the Contractor, of such occurrence. If the Subcontractor fails to perform such inspection and otherwise incorporated Owner-Purchased Materials, the condition of which it either knew or should have known by performance of an inspection, Subcontractor shall be responsible for all damages to County resulting from Subcontractor's incorporation of such materials into the Project, including liquidated or delay damages. In the event that materials furnished are found to be defective or non-conforming, the Subcontractor shall promptly take action to remedy the defect or non-conformance so as not to delay the work.

11. The Subcontractor shall maintain records of all Owner-Purchased Materials it incorporates into the work from the stock of Owner-Purchased Materials in its possession. The Subcontractor shall account monthly to the Owner, through the Contractor, for any Owner-Purchased Materials delivered into the Subcontractor's possession, including portions of all such materials which have been incorporated into the work.
12. The Subcontractor, as the Owner's agent, shall be responsible for obtaining and managing all warranties and guarantees for all material and products as required by the Contract Documents. All repair, maintenance or damage-repair calls shall be forwarded to the Subcontractor for resolution with the appropriate supplier or vendor.
13. Notwithstanding the transfer of Owner-Purchased Materials by the Owner to the Subcontractor's possession, the Owner shall retain title to any and all Owner-Purchased Materials.
14. The transfer of possession of Owner-Purchased Materials from the Owner to the Subcontractor shall constitute a bailment for the mutual benefit of the Owner and the Subcontractor. The Owner shall be considered the bailor and the Subcontractor the bailee of the Owner-Purchased Materials. Owner-Purchased Materials shall be considered returned to the Owner for the purposes of its bailment at such time as they are incorporated into the Project or consumed in the process of completing the Project. All Owner-Purchased Materials shall be stored at the construction site.
15. The insurance purchased and maintained by the Contractor shall be sufficient to protect against any loss of or damage to Owner-Purchased Equipment, Materials or Supplies. Such insurance shall cover the full value of any Owner-Purchased Materials not yet incorporated into the Project from the time the Owner first takes title. The Owner shall be

named as an Additional Insured Party on such policies of insurance. The Owner will bear the costs of all Payment and Performance Bonds and Owner's Insurance including Builder's Risk Insurance as a reimbursable expense to the Contractor. The Owner as an additional named insured on the Contractor's Builder's Risk Insurance and, in the event of damage or destruction to the Owner-Purchased Materials, the Owner will receive all proceeds derived from all claims against insurers or others to pay for repair or reconstruction as a result of damage or destruction.

16. The Owner shall in no way be liable for interruption or delay in the Project, for any defects or other problems with the Project, or for any extra costs or time resulting from delay in the delivery of, or defects in, Owner-Purchased Materials when such delay is a result of the failure of the Subcontractor's performance.
17. On a monthly basis, Subcontractor shall be required to review invoices submitted by all suppliers of Owner-Purchased Materials delivered to the Project site during that month and either concur or object to the Owner's issuance of payment to the suppliers, based upon Subcontractor's records of material delivered to the site and any defects in such materials.
18. In order to arrange for the prompt payment to the supplier, the Subcontractor shall provide to the Owner, through the Contractor, a list indicating the acceptance of the goods or materials in accordance with the established monthly Payment Request Schedule. The list shall include a copy of the applicable Purchase Order, invoices, delivery tickets, written acceptance of the delivered items, and such other documentation as may be reasonably required by the Owner. Upon receipt and verification of the appropriate documentation, the Owner shall prepare a check drawn to the supplier based upon the receipt of data provided. This check will be released, delivered, and remitted directly to the supplier. The Subcontractor agrees to assist the Owner to immediately obtain a partial or final release of lien waiver as appropriate.
19. The Owner's direct purchase of equipment, materials or supplies, as provided herein does not relieve the Contractor or any Subcontractor of any obligation required pursuant to the contract or subcontract pertaining to the performance of work, except as to the Owner's obligation to make direct payments to such vendors and may reduce the bonds to the extent permitted by Section 255.05, F.S.

PHOTOVOLTAIC FOR SCHOOLS PILOT PROGRAM CONTRACT

This PHOTOVOLTAIC FOR SCHOOLS PILOT PROGRAM CONTRACT (“**Contract**”) is entered into this [] day of [], 2015 (“**Effective Date**”), by and between FLORIDA POWER & LIGHT COMPANY, a Florida corporation (“**FPL**”), and THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA a political subdivision of the State of Florida (“**Customer**”) (FPL and Customer each being referred to herein individually as a “**Party**” and collectively as the “**Parties**”), with reference to the following:

WITNESSETH:

WHEREAS, FPL has received approval from the Florida Public Service Commission (“**FPSC**”) to enter into contracts with its customers under the Photovoltaic for Schools Pilot Program (“**Program**”) pursuant to the Photovoltaic for Schools Pilot Program Standards (“**Program Standards**”), as such Program Standards are more particularly described in Attachment 1;

WHEREAS, the FPSC approved the Program for the purpose of (i) reducing energy consumption and growth of coincident peak demand and (ii) educating future generations on the application of solar photovoltaic (“**PV**”) electrical generation by (A) donating a PV system, as such system is more particularly described in Attachment 2 hereto (collectively, the “**System**”) five (5) years from the System’s Commercial Operation Date (as defined herein) and (B) furnishing educational materials to the Customer for the purpose of the Customer using such materials in its renewable energy educational curriculum;

WHEREAS, the System has an anticipated energy output of approximately up to 10 kilowatts (“**kW**”) under peak conditions;

WHEREAS, FPL has contracted with a licensed contractor (“**Contractor**”) to install one (1) System at Citrus Elementary School, 2771 4th Street, vero Beach, FL 32968 (the “**Location**”); and

WHEREAS, subject to the terms and conditions of this Contract, FPL agrees to install the System at the Location and perform certain operation and maintenance services on the System until such time as FPL donates the System to the Customer as provided in this Contract.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1 – TERM AND TERMINATION

1.1 **Term.** The term of this Contract shall commence on the last/latest date signed by either Party and continue until the earlier of (i) the date that is five (5) years from the Commercial Operation Date or (ii) termination as set forth in this Article 1.

1.2 **Termination.** A Party shall have the right to terminate this Contract for cause if a Party substantially fails to perform any material obligation under this Contract and fails to cure or commence and diligently proceed to cure such obligation within thirty (30) days written notice from the other Party. Notwithstanding the foregoing, FPL may elect to terminate this Contract for convenience after thirty (30) days written notice to Customer.

1.3 Termination Upon Mutual Agreement. At any time, after thirty (30) days written notice, the Parties may mutually agree to terminate this Contract, in whole or in part, without cause and for their convenience.

1.4 Termination Due to Regulatory or Legislative Action. In the event that FPL is denied, by any governmental or regulatory authority (including, without limitation, the FPSC), the authority to conduct the Program or if such approval to conduct the Program is materially altered or impacted because of (i) a rule or order of a governmental or regulatory authority having jurisdiction over the Program, or (2) a legislative proceeding or enactment, in each case, FPL may terminate this Contract by giving notice to the Customer of its intent to terminate, unless required to terminate earlier by applicable laws or governmental or regulatory requirement. In the event the Program is terminated under this Section 1.4. The Customer acknowledges and agrees that FPL's sole and only obligation and the Customer's exclusive remedy for termination of this Contract under this Section 1.4 shall be limited to the Customer's direct damages actually incurred, provided such liability shall be subject to FPL's limitation of liability in Article 4. The Customer voluntarily and knowingly waives any other available right, claim or remedy available at law or equity for a FPL termination for regulatory or legislative action.

ARTICLE 2 – FEES: COMMERCIAL OPERATION; OPERATION AND MAINTENANCE SERVICES; BILL OF SALE; AND INTERCONNECTION AGREEMENT

2.1 Fees. FPL has agreed to donate the System to the Customer at no cost to the Customer, and be responsible for costs incurred to install and perform certain O&M Services (as such term is defined herein) for the System at the Location as set forth herein and outlined in Attachment 2 hereto; however, the Parties mutually agree and acknowledge that (i) as of the date that is five (5) years from the System's Commercial Operation, the Customer, not FPL, shall be solely responsible for any on-going costs necessary to maintain and continuously operate the System at the Location, and (ii) the Customer, not FPL, shall be solely responsible for and any landscape around the site at the Location where the System is installed.

2.2 Commercial Operation. The “**Commercial Operation Date**” shall mean the date the System (i) is connected to the grid and (ii) is capable of being operated and delivering electricity in accordance with all applicable laws, rules and regulations. FPL shall provide the Customer notice of the date representing the Commercial Operation Date.

2.3 Bill of Sale. Within ten (10) days of the date that is five (5) years from the Commercial Operation Date, FPL shall deliver to the Customer a fully executed document (“**Bill of Sale**”) transferring title of the System from FPL to the Customer. The Parties agree that the form of Bill of Sale is attached hereto as Attachment 3. The Customer hereby agrees to execute the form of Bill of Sale within thirty (30) days of the date FPL delivers the Bill of Sale to the Customer, and the Customer hereby waives any right to object to the form of Bill of Sale.

2.4 FPL Operation & Maintenance Obligations.

2.4.1 Unless terminated earlier, commencing on the Commercial Operation Date and continuing for a period of five (5) years (the “**O&M Period**”), the Parties agree that FPL shall be the exclusive provider of the any operation and maintenance services (“**O&M Work**”) on the System unless this Contract is terminated prior to the expiration of the O&M Period. The scope of the O&M Work that FPL agrees to perform on the System at the Location is set forth in Attachment 2.

2.4.2 The Customer shall insure that all permits relating to the Location and all land owner provisions, easements, permits and land rights are sufficient to permit FPL to comply with its obligations under this Contract.

2.4.3 THE PARTIES AGREE THAT THE O&M WORK IS BEING PERFORMED BY FPL “AS-IS” AND “WHERE-IS” AND WITHOUT ANY GUARANTEE OR WARRANTY OF ANY KIND, AND ALL GUARANTEES AND WARRANTIES, EXPRESS OR IMPLIED, FOR PERFORMANCE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE ARE HEREBY DISCLAIMED BY FPL.

2.5 Interconnection Agreement. As a condition precedent to the Customer’s execution of this Contract, the Customer hereby agrees and acknowledges that it shall execute an Interconnection Agreement for Customer-Owned Renewable Generation Tier 1 - 10 kW or Less (effective as of October 1, 2008), the form of which is attached hereto as Attachment 4 (“**Interconnection Agreement**”). The Customer shall be obligated to deliver to FPL a fully executed version of the Interconnection Agreement concurrent with the execution of this Contract.

ARTICLE 3 – WARRANTY EXCLUSION

3.1 Limited Contractor/Manufacturer Warranty. FPL, in procuring materials and equipment for the System and the installation of the System, shall use reasonable efforts to obtain customary and standard Contractor, warranties, if any, from the manufacturer of the System or the subcontractors used to install the System. Upon issuance of the Bill of Sale to the Customer and to the extent permitted by the Contractor or manufacturer of the System, FPL agrees to assign, to the extent assignable or transferrable, any applicable warranties to the Customer such that the Customer may be able to benefit from any such Contractor or manufacturer provided warranties obtained by FPL.

3.2 FPL Not Responsible. The Customer acknowledges and agrees that FPL shall have no liability, and Customer hereby waives any liability against FPL, with respect to any or all Contractor or manufacturer provided or supplied labor, materials, equipment or warranties set forth in Section 3.1, including warranties with respect to services performed and materials and equipment supplied in connection with to the installation or on-going maintenance of the System. As of the date of the Bill of Sale to the Customer, the Customer agrees that it shall look solely to the Contractor or the System manufacturer, as applicable, for corrective action pursuant to Section 3.1. The Customer further waives any right to seek any damages arising from any services performed by FPL or its subcontractors and materials and equipment supplied in connection the installation or the performance of the O&M Work on the System.

3.3 No Implied or Expressed Warranties. FPL PROVIDES THE SYSTEM UNDER THIS CONTRACT “AS IS” AND “WHERE IS” WITHOUT ANY EXPRESS OR IMPLIED WARRANTIES. In addition, the Customer hereby acknowledges and understands that : (i) the Contractor chosen to install the System is not employed by FPL nor is an agent of FPL, but rather is an independent contractor hired by FPL; and (ii) FPL HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS, OR GUARANTIES OF ANY KIND OF CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE WITH RESPECT TO THE SYSTEM’S: (A) SUITABILITY FOR THE CUSTOMER’S LOCATION; (B) SAFETY, QUALITY, AND/OR PERFORMANCE (INCLUDING, WITHOUT LIMITATION, ANY PROJECTED ENERGY SAVINGS); (C) INSTALLATION AND/OR THE CUSTOMER’S SUBSEQUENT OPERATION BEING IN COMPLIANCE WITH ANY APPLICABLE LAWS; (D) MERCHANTABILITY, PROFITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE EQUIPMENT OR MATERIALS FURNISHED BY ANY THIRD PARTY MANUFACTURER OR CONTRACTOR; AND (E) IMPLIED WARRANTIES OF NON-INFRINGEMENT, CUSTOM OR USAGE. This Section 3.3 shall survive the termination and expiration of this Contract.

3.4 Customer Warranty. The Customer hereby warrants and represents that it has secured and will continue to maintain all real property rights at the Location that are necessary to (i) install the System and (ii) perform the O&M Work the System during the O&M Period. The Customer's obligation to secure all real property rights hereunder shall be at no cost to FPL and the Customer shall bear all costs related to securing such real property rights. Upon FPL's request, the Customer shall promptly furnish such documentation requested by FPL to document that the Customer has fulfilled its obligations under this Section 3.4. The Customer's failure to properly secure and continue to maintain all such real property rights at the Location that are necessary to install and operate the System shall constitute a automatic material default event that Customer shall be obligated to cure within the time period set forth in Section 1.2. For purpose of this Contract, "**real property rights**" means all rights in or to real property, including leases, agreements, permits, easements, licenses, and provide right-of-ways, obtained by the Customer as may be necessary for FPL or Contractor to install the System, use and/or access the Location.

ARTICLE 4 – INDEMNITY; INSURANCE; AND LIMITATION OF LIABILITY

4.1 Indemnity. FPL shall hold the Customer, its officers, agents, and employees harmless against claims by third parties for bodily injury (including death) and third party tangible personal property damage resulting solely and exclusively from FPL's gross negligence during the performance of the installation of the System at the Location. FPL shall not be responsible for damages whether resulting in whole or in part from the Customer, or any of its employees, agents, representatives or those in its care and custody. To the extent permitted by Section 768.28, Florida Statutes, the Customer shall hold harmless, indemnify and defend FPL, its affiliates and parent company, and their officers, agents, and employees (collectively, "**FPL Entities**") from and against all liability, claims, judgments or costs for injury to, or death of any person or persons, for the loss or damage to any property, and for the imposition of any penalties, fines or other assessments by any governmental agency arising out of the performance under this Contract, and resulting from any negligence or failure to act by the Customer, or any of its employees, agents, representatives or those in its care and custody. An indemnitor under this Section shall have the right to defend an indemnitee by counsel (including insurance counsel) of indemnitor's selection reasonably satisfactory to the indemnitee, with respect to any claims within the indemnification obligations hereof. The Parties shall give each other prompt written notice of any asserted claims or actions indemnified against hereunder and shall cooperate with each other in the defense of any such claims or actions. No indemnitee shall settle any such claims or actions without prior written consent of the indemnitor. **NOTWITHSTANDING ANYTHING CONTAINED IN THIS SECTION 4.1 TO THE CONTRARY, NOTHING CONTAINED HEREIN SHALL CONSTITUTE A WAIVER BY THE CUSTOMER OF ITS LIMITED WAIVER OF SOVEREIGN IMMUNITY PURSUANT TO THE PROVISIONS OF SECTION 768.28, FLORIDA STATUTES.**

4.2 The Customer's Insurance Requirements. As of the expiration of the O&M Period, the Customer shall (i) maintain comprehensive property insurance, including all risk physical damage insurance, on the System with replacement cost coverage; and (ii) either (a) maintain comprehensive liability insurance for bodily injury, death, and property damage in the amount of \$200,000 per claimant and \$300,000 per occurrence or higher limits permitted under Section 768.28, Florida Statutes or (b) evidence that the Customer is self-insured for all liability claims and related expenses pursuant to Section 768.28, Florida Statutes. The Customer shall provide FPL copies of insurance certificates which provide evidence of the insurance coverage under this Contract, in form and substance reasonably satisfactory to FPL.

4.3 Limitation of Liability. By participating in the Program and entering into this Contract, the Customer acknowledges and agrees notwithstanding anything contained in this Contract to the contrary: (i) to be bound by this Contract and the Program Standards, which are final and legally binding on all matters relating to the Program; (ii) to waive, relinquish, release any right the Customer may have to seek, claim or petition any indirect, incidental, special, consequential, punitive and/or exemplary damages against any of

the FPL Entities; (iii) that FPL Entities shall also not be liable to the Customer for any lost profits, lost revenue, or lost institutional operating savings arising out of or in connection with this Contract and the Program; and (iv) in no event shall FPL Entities total aggregate liability to the Customer for all damages, losses and causes of action, whether in tort (including, but not limited to, negligence) or otherwise exceed \$100. This Section 4.3 shall survive the termination or expiration of this Contract.

4.4 Survival. This provision of this Article 4 shall survive the termination and expiration of this Contract.

ARTICLE 5 – ACCESS, OWNERSHIP AND CONFIDENTIALITY

5.1 Location Access and Jessica Lunsford Act.

5.1.1 Upon the request of FPL and the Contractor, the Customer shall provide FPL and the Contractor (and its subcontractors) with reasonable access to the Location to enable FPL and the Contractor to install the System at the Location, and to verify and confirm the operation of the System at the Location. The Customer shall provide FPL and the Contractor with adequate storage and laydown areas at the Location during the installation of System and shall make available any construction power and other utilities (at the Customer's sole expense) as necessary for the Contractor and its subcontractors to perform the installation, activation of the System.

5.1.2 If FPL, its Contractor, employees, and/or subcontractors have access on school grounds when students are present, have direct contact with children or any student of the Customer, then FPL, its employees, and/or subcontractors shall undergo level 2 screening, including fingerprinting by the Customer's designated subcontractor at the sole cost of the FPL or Contractor, as applicable. Level 2 screening consists of fingerprinting and a background check as set forth in Section 1012.32, Florida Statutes. Neither FPL nor Contractor (or its subcontractors) shall begin work at the Location until it receives clearance by the Customer. The Customer shall not be liable to FPL under any legal theory or equitable theory for any claim whatsoever for the rejection of FPL its employees and/or subcontractors on the basis of these compliance with Section 1012.32, Florida Statutes. All exceptions to certain fingerprinting and criminal history checks pursuant to Section 1012.468, Florida Statutes shall apply.

5.2 Ownership. All right, title and interest in any intellectual property embedded or made part of the System and any other report or document furnished or to be furnished by FPL pursuant to this Contract shall constitute Confidential Information and shall remain the sole and exclusive property of FPL and may only be used by the Customer through the grant of a limited license for the operation, maintenance, repair or alteration of the System installed by the Contractor. The Customer shall not acquire any rights or interest with respect to FPL's or its subcontractors' proprietary technology, know-how, processes or computer software or any other intellectual property that may be used in connection with the services or the supply of equipment and materials hereunder. The Customer acknowledges that FPL may provide similar services or install similar Systems to other companies or customers and agrees that nothing in this Contract will be deemed or construed to prevent FPL from carrying on such business. In particular, the Customer agrees that, notwithstanding anything to the contrary set forth herein, as part of FPL's provision of the installation of the System hereunder, FPL may utilize software, methodologies, tools, specifications, models, samples and documentation, FPL's Confidential Information, as well as copyrights, trademarks, service marks, ideas, concepts, know-how, techniques, knowledge or data, which have been originated, developed or purchased by FPL or by third parties under agreements to provide services for such third parties.

5.3 Confidentiality. The Customer agrees to hold Confidential Information in strict confidence and agrees that it shall not disclose Confidential Information without prior written consent of FPL except to the extent disclosure is required by Chapter 119, Florida Statutes, as may be amended from time to time. For

purposes of this Contract, “**Confidential Information**” shall mean (i) all information for which a statutory exemption from disclosure exists under Chapter 119, Florida Statutes, as may be amended from time to time that is (i) marked as “confidential” or “proprietary” by an appropriate stamp, label, legend or other written notice thereon if transmitted electronically or other written form, and if disclosed orally by FPL, then FPL shall confirm the oral or visual disclosure that shall be considered Confidential Information in a written memorandum or e-mail transmittal to the Customer within thirty (30) days after such visual or oral disclosure, or (ii) information that due to its character and nature, a reasonable person under like circumstances would treat such information as confidential or proprietary. Confidential Information may only be disclosed to employees with a need to know the Confidential Information for the sole purpose of performing its obligations under this Contract and the Customer is responsible for any breach of this Section 5.3 by its employees. This Section 5.3 does not apply to information that is presently a matter of public knowledge, which is or becomes available on a non-confidential basis from a source which is not known to be prohibited from disclosing such information or which was legally in the Customer’s possession without obligation of confidentiality prior to disclosure by FPL. In the event that either Party is requested or required by legal, statutory or regulatory authority to disclose any Confidential Information, the Customer shall promptly notify FPL of such request or requirement prior to disclosure so that FPL may seek an appropriate protective order and/or waive compliance with the terms of this Contract. Both Parties acknowledge that FPL would not have an adequate remedy at law for money damages if the covenants contained in this Section 5.3 were breached. Accordingly, FPL shall be entitled to an injunction restraining the Customer from violating this Section 5.3, provided all necessary requirements under law for such injunction were met.

5.4 Publicity. The Customer acknowledges that FPL desires to generate favorable publicity regarding FPL’s conveyance of the System to the Customer and the Customer’s use of the System. The Customer further acknowledges and agrees FPL shall have the right: (i) to issue press releases regarding the installation and use of the System and to publicize FPL’s customers and to the public that FPL have helped, encouraged and supported the installation of the System; (ii) to use the Customer’s name in FPL’s press releases, publicity and advertising; (iii) to display photographs of any of the System in its advertising and promotional materials; and (iv) to post signage at the Location acknowledging FPL’s ownership and future donation of the System to the Customer. The Customer shall not make any public announcement or publication concerning, related to or in connection with its participation in the Program or this Contract (or any activity related to this Contract) until FPL approves such announcement or publication, which such approval may be withheld by FPL in its sole discretion.

ARTICLE 6– GENERAL TERMS

6.1 Independent Contractor Relationship. The Customer shall represent itself and its employees/subcontractors to all customers and other parties as an independent contractor and shall not in any manner, including by telemarketing or otherwise, promote, infer or identify itself or its employees/subcontractors as FPL, or as an agent, partner, joint venturer, or employee of FPL, or permit any such promotion or identification of itself or its employees/subcontractors. Each Party shall have the sole responsibility to employ and pay its employees/subcontractors as may be required to perform the work, use appropriate equipment, follow good work practices, provide appropriate supervision and ensure compliance with its obligation under this Contract.

6.2 Non-Exclusivity. The Customer understands that FPL may enter into similar agreement with others and FPL’s donation of the System under this Contract shall not be interpreted as created any type of exclusive relationship.

6.3 Conflicting Provisions. In the event of any inconsistencies between this Agreement and the other documents integrated into the Contract, the following order of precedence in the interpretation hereof or resolution of such conflict hereunder shall prevail: first, written amendments to this Contract agreed upon

by the Parties; second, the terms and conditions of this Contract (excluding Attachments); third, Attachment 1; fourth, all other Attachments (other than Attachment 1); and last, any drawings produced and delivered pursuant hereto (in respect of which, precedence shall be given to drawings of a larger scale over those of smaller, figured dimensions on the drawings shall control over scaled dimensions, and noted materials shall control over undimensioned graphic indications.

6.4 Assignment. Neither the Contract, nor the work, nor any duty, interest or rights hereunder shall be subcontracted, assigned, transferred, delegated or otherwise disposed of by either Party without the other's prior written approval. However, FPL may at any time and at its sole and unrestrained discretion assign the Contract, in whole or in part, to one of its subsidiaries or affiliates by written notice to the Customer. No assignment or transfer of the Contract shall relieve either Party of any of its obligations hereunder until such obligations have been assumed by the assignee and agreed to by FPL, the Customer and assignee. If the Contract should be permitted to be assigned by either Party, it shall be binding upon and shall inure to the benefit of the permitted assignee.

6.5 Headings Not Controlling; Construction. Headings in this Contract are for reference purposes only and shall not be part of the Contract. Each Party acknowledges that it has actively participated in the negotiation and preparation of this Contract, and that accordingly this Contract and any uncertainty or ambiguity contained therein shall not be construed against any one Party as drafter.

6.6 Non-waiver. The failure of a Party to enforce, insist upon, or comply with any of the terms, conditions or covenants of this Contract, or a Party's waiver of the same in any instance or instances shall not be construed as a general waiver or relinquishment of any such terms, conditions or covenants, but the same shall be and remain at all times in full force and effect.

6.7 Governing Law and Venue. This Contract shall be governed by, construed and enforced in accordance with the laws of the State of Florida, exclusive of conflicts of laws provisions. Any disputes resulting in litigation between the Parties shall be conducted in the state or federal courts of the State of Florida. Proceedings shall take place in the Circuit Court for Indian River County, Florida or the United States District Court for the Southern District of Florida.

6.8 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS CONTRACT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, OR STATEMENTS WHETHER ORAL OR PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE FPL ENTERING INTO THIS CONTRACT.

6.9 Notices. Correspondence concerning this Contract must be sent to the Parties at the following addresses:

If to the Customer: The School Board of Indian River County, Florida
 Attention: Superintendent
 1990 25th Street
 Vero Beach, Florida 32960
 Telephone: (772) 564-3000
 Facsimile: (772) 564-3105

If to FPL: Florida Power & Light Company
 9250 West Flagler Street

Miami, Florida 33174
Attention: Gus Dominguez Mail Stop: DMO//GO
Telephone: (305) 552-4663
Facsimile: (305) 552-2487

If the mailing address for either Party changes during the term of this Contract, it shall be that Party's responsibility to notify the other Party promptly of the new address, and the old address shall remain effective for the purposes of this Contract, or any renewal thereof, until notice of the address change has been received by the other Party. All notices shall be delivered in person; by courier service; by registered mail or certified mail; or by U.S. Mail, postage prepaid, in which case receipt shall be deemed effective three (3) business days after postmark.

6.10 Survival. The obligations of the Parties contained in Articles 2, 3, 4, 5 and 6, which by their nature survive the termination of the Contract and/or the completion of the work hereunder, shall survive and inure to the benefit of the Parties. Those provisions of the Contract which provide for the limitation of or protection against liability shall apply to the full extent permitted by law and shall survive termination of the Contract and/or completion of the work.

6.11 Severability. Should any provision, portion or application thereof, of the Contract be determined by a court of competent jurisdiction to be illegal, unenforceable or in conflict with any applicable law, the Parties shall negotiate an equitable adjustment to the affected provisions of the Contract with a view toward effecting the purpose of the Contract and the validity and enforceability of the remaining provisions, portions or applications thereof, shall not be impaired.

6.12 Hazardous Materials. The Customer shall have sole responsibility and liability with respect to the proper identification, removal and disposal of any asbestos or any substance containing asbestos, polychlorinated biphenyl's, any explosives, radioactive materials, chemicals known or suspected to cause cancer or reproductive toxicity, pollutants, effluents, contaminants, emissions, infectious wastes, any petroleum or petroleum-derived waste or product or related materials and any items defined as hazardous, special or toxic materials, substances or waste under any applicable law (collectively, "**Hazardous Materials**") or correction of any hazardous condition at the Location which affects FPL's or the Contractor's performance of the services to install and/or perform the O&M Work on the System. If, during the course of performing the installation of the System and/or O&M Work, FPL or the Contractor becomes aware of any such Hazardous Materials or hazardous condition, FPL shall promptly report such matter to the Customer and before disturbing (or further disturbing) such Hazardous Materials or hazardous condition. Work in the affected areas shall be resumed by the Contractor only upon the written notice from the Customer that such Hazardous Materials have been removed or such hazardous condition has been corrected, and then only if such continuation of work shall not violate any applicable law or permit. The Customer shall, to the extent permitted under Section 768.28, Florida Statutes, indemnify, defend and hold harmless FPL Entities with respect to any liability, cost or expense incurred as a result of its negligence involving such Hazardous Materials or hazardous condition.

6.13 Title and Risk of Loss.

6.13.1 Legal title to the System, including all equipment and materials comprising a part thereof, shall pass to the Customer upon the earlier of (i) delivery of the Bill of Sale by FPL to the Customer and (ii) expiration of the O&M Period.

6.13.2 The Customer shall bear all risk of loss or damage of any kind with respect to all or any part of System located at the Location, whether installed or not upon delivery of the System to the Location unless such loss or damage is found to have been directly caused by the negligence of FPL or

Contractor. As of the date that the Customer assumes risk of loss of the System, the Customer hereby releases and waives, and will cause its insurers to release and waive, any right of subrogation against FPL for any loss under this Section 6.13.

6.14 Force Majeure. Neither Party shall be liable for any loss, damage, cost, delay, or failure to perform in whole or in part resulting from causes beyond such Party's control, including but not limited to, fires, strikes, insurrections, riots, or requirements of any governmental authority.

6.15 Taxes. FPL shall have no obligation or liability with respect to any property tax or with respect to any income, excess profits, or revenue tax charged or levied against the Customer as a result of this Contract.

6.16 Customer Training. As part of the installation of the System, Customer is required to designate to FPL in the Attachment 2, Scope or Work, a certified and licensed person who teaches at the Location along with a Customer facility's representative that shall be made available to attend educational training related to the System and solar energy technology. FPL agrees to provide for the following reimbursements costs (the "**Reimbursement Expenses**") as a result of such mandatory training: (i) Customer's designated teacher and facility representative's direct expenses paid by such persons for travel to and from the FPL designated training site; (ii) Customer's designated teacher and facility representative's direct expenses paid by such persons for meals and lodging to and from the FPL designated training site; and (iii) Customer's direct expenses incurred for procuring a substitute teacher if the teacher is required to attend the training class during the school year on a date when school is in session. Notwithstanding anything contained herein, the total aggregate amount of Reimbursable Expenses that FPL shall be liable and responsible for under this Contract shall not exceed \$1,000.00, and in order for Customer to allow Customer and its designated teacher and facility representative to be eligible for any Reimbursable Expenses, Customer and such persons must present receipts documenting and supporting any claim for such Reimbursable Expenses.

6.17 Integration. This Contract (including Attachments 1, 2 and 3) contains all the terms and conditions agreed on by the Parties, and no other agreement, oral or otherwise, regarding the subject matter of this Contract shall be deemed to bind the Parties hereto. No modification of this Contract shall be binding unless made in writing and signed by both Parties. There are no other oral understandings, terms or conditions and neither Party has relied upon any representation, express or implied, not contained in this Contract.

[Remainder of Page Left Intentionally Blank;
Signatures on Following Page]

IN WITNESS WHEREOF, the duly authorized representatives of the Parties have executed this Contract effective as of the Effective Date.

**FLORIDA POWER & LIGHT
COMPANY**
a Florida corporation

**THE SCHOOL BOARD OF INDIAN RIVER
COUNTY, FLORIDA**
a political subdivision of the State of Florida

By: _____

By: _____

Name: Marlene M. Santos
Title: Vice President, Customer Service

Name:
Title:

ATTACHMENT 1

PHOTOVOLTAIC FOR SCHOOLS PILOT PROGRAM STANDARDS



Photovoltaic for Schools Pilot

Program Standards

**Florida Power & Light Company
Photovoltaic for Schools Pilot**

Program Standards

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Program Objectives

Description of purpose of program

The Photovoltaic (PV) for Schools Pilot Program is designed to reduce energy consumption and growth of coincident peak demand. Its other purpose is to educate future generations on the practical application of a PV system by providing systems and educational materials to selected schools in each public school district in FPL's territory.

Measures included in program

The measure included in this program is a PV system consisting of solar electric panels, mounting hardware, grid-interactive inverter(s), associated equipment, and an on-line data acquisition system to be used by the schools in their renewable energy education curriculum.

Output to the customers

Each school will receive a PV system, teacher training and educational materials, in addition to the reduced energy consumption and technical assistance on the operation of the PV system.

Customer Requirements

Customer / premise eligibility

All existing K-12 public schools served by FPL are eligible.

Eligible rates

All metered commercial/industrial retail rate schedules are eligible.

Dwelling / building type

All public school building types are eligible for this program.

Age of dwelling / building type

All existing public school buildings are eligible for this program.

Restriction from re-participation and exceptions

An individual school is eligible for only one solar installation during the duration of the pilot program.

Other customer requirements

The school district must provide a sufficiently sized, accessible unshaded area to accommodate the PV system. The participating school must have, and be willing to maintain, a science teaching position at that school trained to present curriculum related to the PV installation. Prior to the installation of the PV system, the school district must submit an application and a Net Metering Interconnection Agreement as per Rule 25-6.065, Net Metering of Customer-owned Renewable Generation

(Interconnection Agreement). The school district must partner with FPL to select and approve the specific schools and commit to facilitating the installation of the PV system within the funding year. The school must supply an internet connection through the school's internet system to provide monitoring information to the classrooms, the school district and FPL.

FPL will own and repair the PV system for the first five years following installation. At the end of the five year period, FPL will transfer ownership to the school district and all responsibility for the operation and maintenance of the system.

Contractor Requirements

Licensing requirements

The contractor must meet any and all applicable legal licensing requirements of the State of Florida and local municipalities for the work being performed.

Other contractor requirements

FPL will select the licensed contractor to construct each system. The selected contractor will be responsible for all work performed and maintenance for the first five years of the system operation. The contractor must comply with all FPL requirements and must commission and certify each system.

Eligible Equipment Requirements

Definition of system

A PV system consists of solar panels, mounting hardware, grid-interactive inverter(s), associated cabling, and an on-line data acquisition system to be used to transmit educational information to the school districts through the schools' internet system.

Accreditation of ratings

The PV system components shall be tested and listed by a nationally recognized testing and certification laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards of IEEE 1547, IEEE 1547.1, and UL 1741.

Additional equipment requirements

All installed systems must have at least a five year warranty on equipment and installation beginning on the in-service date.

Installation Requirements

Specific installation requirements

The PV system will be installed using a design approved by FPL. The installations must comply with all local, state and federal statutes, codes, ordinances, and accepted engineering practices.

Fees or charges

There are no fees or charges to be paid by the customer for systems installed under this program.

Other installation requirements

If the customer requires a fence around the PV system, then the cost of purchasing and installing the fence will be the responsibility of the school district. Following installation, FPL will provide each school with copies of applicable warranties, system design schematics, manuals, maintenance instructions, and provide basic instructions on the operation of the system. In addition to the PV system, FPL will provide classroom PV instruction kits, training for one or more teachers and instructions for school maintenance personnel regarding the operation and maintenance of the system.

Reporting Requirements

All program charges such as payroll & benefits, material and supplies, outside services, advertising, vehicles, other and rebate costs shall be reported as part of the Energy Conservation Cost Recovery True-Up and Projection filings.

FPL will evaluate the energy and demand impacts through the use of engineering modeling analyses. This modeling will be calibrated with onsite metering research in a manner that most cost-effectively meets the overall impact evaluation objectives. For a statistically valid sample, FPL will analyze individual hourly energy and demand impacts, engineering and system design variations and their impact on energy and demand; analyze the billing impacts to customers while analyzing the data based on system size and configurations; and plan to meter the actual energy performance. FPL will monitor the installed costs over the life of the pilot program.

ATTACHMENT 2

DESCRIPTION OF PHOTOVOLTAIC SYSTEM AND SCOPE OF WORK

1. **General Information**

1.1. The contractor to be chosen by FPL (“**Contractor**”) has been contracted by FPL to install one stand alone photovoltaic system whose approximate nameplate rating is 10 kW (collectively, the “**System**”) at Citrus Elementary School, 2771 4th Street, Vero Beach, Florida 32968 (the “**Location**”). The System will provide supplemental energy to the Location. The System type is gazebo design to be located at the location. Upon transfer of title to the System from FPL the Customer under the Contract, FPL agrees, to the extent permitted under the agreement with the Contractor, to assign any remaining warranties to the Customer.

2. **FPL Photovoltaic System Guidelines**

2.1. The Contractor will obtain in coordination with the Customer any permits from the appropriate legal authority for system installation and operation.

2.2. The Contractor will coordinate an acceptance test that must be performed on the System once the installation is complete. The acceptance testing includes measuring the short circuit currents and open-circuit voltages on all source circuits while measuring irradiance and panel temperature, and measuring the instantaneous DC input and AC output of the System to determine its efficiency.

3. **System (Photovoltaic (“PV”) Panel and Array) Specifications**

3.1. The System includes all equipment, hardware and documentation required for the installation of one (1) photovoltaic system whose approximate nameplate rating is 10 kW.

3.2. The System will be designed for installation in FPL’s service territory in the State of Florida, with the understanding that the System may be subject to long-term high humidity and temperature conditions (condensing, salt-air environment), and annual ambient temperatures range from below freezing to near 100° F (38° C).

- 3.3. The System will be installed at a pre-selected FPL approved site at the Location. The Location where the System is installed will require a freestanding structure for support. This structure will have a single 10-30 degree, fixed tilt plane, to be oriented either to the South, East, West or flat, as local conditions dictate.
- 3.4. Install the System as follows:
 - 3.4.1. The PV array shall consist of framed flat-plate crystalline silicon panels.
 - 3.4.2. The PV array will be supported by a freestanding structure.
 - 3.4.3. Each PV panel shall have a minimum 5 year warranty.
 - 3.4.4. The PV panels' electrical characteristics including current-voltage (I-V) curves and temperature coefficients of panel power, voltage, and current shall be provided with the panels.
 - 3.4.5. The System shall meet or exceed the requirements of:
 - 3.4.5.1. IEEE Standard 1262-1995 IEEE Recommended Practice for Qualification of PV panels and Underwriter Laboratories (UL) Standard 1703 Standard for Safety for Flat-Plate PV panels;
 - 3.4.5.2. UL 1741 – (Underwriters Laboratories) Static Inverters and Charge Controllers for use in Photovoltaic Power Systems; and
 - 3.4.5.3. NFPA 70 – (National Fire Protection Agency) as published by the National Electric Code (NEC).

4. PV System Electrical Design

- 4.1. The electrical design and installation instructions for the System shall conform to the National Electric Code (NFPA 70), as adopted by Florida law (“NEC”). Article 690 of the NEC applies specifically to photovoltaic system safety, protection, control and interface with other sources. Other articles of the NEC also apply.
- 4.2. All electrical components, including over current protection, disconnects, surge suppression devices, conduit, wiring and terminals must have UL or equivalent listing and have appropriate voltage, current and temperature ratings for the application. Special attention should be given to appropriate ratings for components used in DC circuits.
- 4.3. All wiring shall meet NEC requirements.
- 4.4. All terminations must use listed box terminal or compression type connections. Twist on wire splices, crimped, soldered or taped connections are not permitted for the required field installed wiring.
- 4.5. All panel frames, panel/array support structures, metal enclosures, panel boards and the PCU cabinet shall be grounded in accordance to the NEC.

5. PV Array Mechanical Design

- 5.1. The Contractor will design a freestanding base support structure for mounting the photovoltaic arrays, and all other hardware required for assembling the System, and structurally attaching them to the base support structure.
- 5.2. The Contractor will be responsible for the PV array mounting structure, including panels, hardware and attachments shall be designed to withstand wind loads as required by applicable building codes and regulations based on Location. Array structural design information sealed by a professional engineer is desired.
- 5.3. The array shall be mounted on the base structure at a tilt angle of 10-30 degrees from horizontal. The orientation of the base structure will vary between South, East, West or flat, at FPL's discretion.
- 5.4. Array mounting hardware supplied by the bidder should be compatible with the site considerations and environment. Special attention should be paid to minimizing the risk from exposed fasteners, sharp edges, and potential damage to the panels or support structure. Corrosion resistance and durability of the mechanical hardware should be emphasized. The use of ferrous metals, contact of dissimilar metals and the use of any wood or plastic components are strongly discouraged.
- 5.5. As these are high profile, publicly visible installations, the aesthetics of the overall installation is extremely important to FPL. To create a uniform appearance of the array, spacing between individual panels and panels should be kept to a minimum. As much as possible, all mechanical hardware, conduit, junction boxes and other equipment should be concealed beneath and/or behind the array.
- 5.6. The array layout should be consistent with the ordering (and labeling) of source circuits in the array combiner boxes. Ease of access for array troubleshooting and maintenance is desired by allowing access to the back of the array for panel junction box servicing, and removal/replacement of individual source circuits (panels) and panels if necessary.

6. Documentation to be supplied by Contractor to Customer

- 6.1. One copy of all equipment manufacturers' specifications and operations manuals, including those for PV panels, inverter, over current devices, disconnects and optional equipment.
- 6.2. Overview of major system components and principles of operation.
- 6.3. Diagram indicating overall layout of entire system, including PV array, and location of BOS hardware and inverter (if needed) with respect to the array.
- 6.4. Electrical schematics and diagrams showing all major components and devices, including conductor types and sizes, connections of individual panels and array source circuits, terminations at junction boxes, connection to surge suppression devices and the inverter, and the inverter interface with the utility grid.
- 6.5. Mechanical drawings showing details of panel/array mechanical support structure and instructions for assembling and installing arrays on the base structure.

- 6.6. Procedures for operating, disconnecting, servicing and maintaining complete system and individual components.
- 6.7. Warranty information on individual components.
- 6.8. As-built diagrams indicating overall layout of entire system, including PV array, and location of BOS hardware and PCS with respect to the array.
- 6.9. **ANY DOCUMENTS PROVIDED HEREUNDER ARE FOR INFORMATIONAL PURPOSES ONLY, PROVIDED "AS-IS," AND FPL DISCLAIMS ANY AND ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED BY LAW, AND MAKES NO WARRANTY OR REPRESENTATION, WHETHER EXPRESS OR IMPLIED, WITH REGARD TO THE ACCURACY OR COMPLETENESS OF ANY SUCH DOCUMENTS OR INFORMATION PROVIDED BY FPL HEREUNDER. CUSTOMER AGREES AND ACKNOWLEDGES FPL WILL NOT BE LIABLE FOR ANY DAMAGES AS A RESULT OF THE CUSTOMER'S RELIANCE OF SUCH INFORMATION.**

7. Customer Designated Training Representatives*

- 7.1 Upon written notice to FPL, the Customer's designated teacher is to be determined prior to commencement of construction.
- 7.2 The following is Customer's designated facility representative: Richard Huff

*Upon written notice to FPL, the Customer may change its designated teacher and/or facility representative.

8. Project Schedules

- 8.1. Proposed Commercial Operational Date for the System will be prior to September 30, 2015, provided, however, and for avoidance of doubt, the Parties acknowledge and agree that such date is only an estimate and not guaranteed.

9. Scope of O&M Work

- 9.1 Once a year during the O&M Period, FPL or its designated representative will visit the Location for the purpose of inspecting the System to determine if the System is operating properly in accordance with System manufacturer specifications. During this visit, FPL or its designated representative will conduct tests similar to those made during the original System acceptance test. Such test includes measurements of short-circuit current and open-circuit voltage, and the instantaneous measurement of DC and AC current and voltage while the System is in operation.
- 9.2 Once a year during the O&M Period, FPL or its designated representative will:
 - 9.2.1 inspect the System's support structure that the photovoltaic arrays are mounted upon, and all other assembling of the System;
 - 9.2.2 inspect the overall aesthetics of the System and notify Customer of any damage to the System;

- 9.2.3 inspect the System's electrical connections;
- 9.2.4 inspect all System communication connections (including, verifying that the System is communicating with the Internet;
- 9.2.5 check and document output of the System inverter;
- 9.2.6 perform a general safety inspection of the System and identify any safety concerns to Customer;
- 9.2.7 test both the voltage and the current for each System PV array;
- 9.2.8 check System for any degradation; and
- 9.2.9 perform general System cleaning to remove dirt in an effort to improve System output.

ATTACHMENT 3

FORM OF BILL OF SALE

THIS BILL OF SALE is made and entered into as of [_____] [___], 201[___] (“**Effective Date**”) between FLORIDA POWER & LIGHT COMPANY, a Florida corporation (“**FPL**”) and THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA, a political subdivision of the State of Florida (the “**Customer**”). The Customer and FPL are hereinafter sometimes collectively referred to as the “**Parties**” and individually referred to as a “**Party.**”

WHEREAS, FPL and the Customer are parties to that certain Photovoltaic for Schools Pilot Program Contract (“**Contract**”) effective as of [_____] [___], 2015, pursuant to which FPL has agreed to assign, transfer and convey certain assets of FPL to the Customer.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, FPL, by this Bill of Sale, does hereby convey, grant, bargain, sell, transfer, set over, assign, alienate, remise, release, deliver and confirm unto the Customer, its successors and assigns, forever, all of FPL’s right, title, interest in and to the System (as defined in the Contract) as of the close of business on the date hereof.

TO HAVE AND TO HOLD all and singular the System unto the Customer, its successors and assigns, to its and their own use and enjoyment forever.

ASSIGNOR FURTHER COVENANTS AND AGREES AS FOLLOWS:

1. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Contract.

2. The System is conveyed to the Customer in its “as is” condition. **THE CUSTOMER AGREES THAT FPL HAS MADE NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED (INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE), AS TO THE CONDITION OF THE SYSTEM, ITS SUITABILITY OR USEFULNESS FOR ANY PARTICULAR PURPOSE, OR ITS COMPLIANCE WITH ANY FEDERAL, STATE OR LOCAL STATUTE, ORDINANCE, RULE, REGULATION OR ORDER.**

3. This Bill of Sale and Assignment is given pursuant to the Section 2.3 of the Contract, and, except as herein otherwise provided, the transfer of the System hereunder is made subject to the terms and provisions of the Contract. Notwithstanding anything to the contrary set forth herein, if there is any conflict between the terms and conditions of this Bill of Sale and the terms and conditions of the Contract, the terms and conditions of the Contract shall control.

4. Any notice, request or other document to be given hereunder or in connection herewith to any Party hereto shall be given in the manner described in the Contract.

5. The Parties acknowledge and agree that this Bill of Sale may be executed in multiple counterparts, and transmitted via telecopy or .pdf e-mail file, and all such counterparts (whether transmitted via telecopy, .pdf e-mail file or otherwise), when executed and taken together, shall constitute integral parts of one and the same Bill of Sale between the Parties.

6. This Bill of Sale shall be construed in accordance with and governed by the internal laws of the State of Florida without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Florida to the rights and duties of the Parties.

[Remainder of Page Left Intentionally Blank;
Signatures on Following Page]

IN WITNESS WHEREOF, the duly authorized representatives of the Parties have executed this Bill of Sale effective as of the Effective Date.

**FLORIDA POWER & LIGHT
COMPANY**
a Florida corporation

**THE SCHOOL BOARD OF INDIAN RIVER
COUNTY, FLORIDA**
a political subdivision of the State of Florida

By: _____

By: _____

Name:

Name

Title:

Title:

ATTACHMENT 4

**INTERCONNECTION AGREEMENT FOR CUSTOMER-OWNED
RENEWABLE GENERATION TIER 1-10kW OR LESS**

**Interconnection Agreement for Customer-Owned Renewable Generation
Tier 1 - 10 kW or Less**

This Agreement, is made and entered into this _____ day of _____, 20____, by and between _____ (“Customer”), with an address of _____ and FLORIDA POWER & LIGHT COMPANY (“FPL”), a Florida corporation with an address of P.O. Box 14000, 700 Universe Boulevard, Juno Beach, FL 33408-0429.

WITNESSETH:

WHEREAS, the Customer has requested to interconnect its Customer-owned renewable generation, 10 kW AC or less, to FPL’s electrical service grid at the Customer’s presently metered location.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein set forth, the Parties hereto covenant and agree as follows:

1. Definitions

- 1.1 Gross Power Rating means the total manufacturer’s AC nameplate generating capacity of an on-site customer-owned renewable generation system that will be interconnected to and operate in parallel with FPL’s distribution facilities. For inverter-based systems, the AC nameplate generating capacity shall be calculated by multiplying the total installed DC nameplate generating capacity by 0.85 in order to account for losses during the conversion from DC to AC.
- 1.2 Capitalized Terms shall have the meanings set forth in Florida Public Service Commission Rule 25-6.065 F.A.C. - Interconnection and Net Metering of Customer-owned renewable generation.

2. Customer Qualification and Fees

- 2.1. Customer-owned renewable generation shall have a Gross Power Rating that:
- a) does not exceed 90% of the Customer’s utility distribution service rating; and
 - b) is 10 kW AC or less.
- Gross Power Rating for the Customer-owned renewable generation is _____kW AC.
- 2.2. The Customer shall not be required to pay any application fee for this Tier 1 Customer-owned renewable generation system.
- 2.3. In order to commence the process for interconnection the Customer shall provide FPL a completed application.

3. General Responsibilities of the Parties

- 3.1. Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards of IEEE 1547, IEEE 1547.1, and UL 1741.
- 3.2. Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to Section 3.1 above, that performs the function of automatically isolating the Customer-owned generation equipment from the electric grid in the event the electric grid loses power.
- 3.3. The Customer shall be responsible for protecting its Customer-owned renewable generation equipment, inverters, protective devices, and other system components from damage from the normal and abnormal conditions and operations that occur on the FPL system in delivering and restoring power; and shall be responsible for ensuring that Customer-owned renewable generation equipment is inspected, maintained, and tested in accordance with the manufacturer’s instructions to ensure that it is operating correctly and safely.
- 3.4. The Customer agrees to provide Local Building Code Official inspection and certification of installation. The certification shall reflect that the local code official has inspected and certified that the installation was permitted, has been approved, and has met all electrical and mechanical qualifications.

(Continued on Sheet No. 9.051)

(Continued from Sheet No. 9.050)

3.5 The Customer shall notify FPL at least ten (10) calendar days prior to initially placing Customer's equipment and protective apparatus in service and FPL shall have the right to have personnel present on the in-service date.

3.6 Interconnection Agreement shall be executed by FPL within thirty (30) calendar days of receipt of a completed application.

4. **Inspection and On-going Compliance**

4.1 FPL will provide Customer with as much notice as reasonably practicable; either in writing, e-mail, facsimile or by phone as to when FPL may conduct inspection and/or document review. Upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, FPL shall have access to the Customer's premises for the purpose of accessing the manual disconnect switch, performing an inspection or disconnection, or, if necessary, to meet FPL's legal obligation to provide service to its Customers.

5. **Manual Disconnect Switch**

5.1 U.L.1741 Listed, inverter-based Tier 1 customer-owned renewable generation systems do not require a customer-installed manual disconnect switch.

5.2 Other customer-owned Tier 1 renewable generation systems that are not U.L. 1741 inverter based. FPL shall require the Customer to install, at the Customer's expense, a manual disconnect switch of the visible load break type to provide a separation point between the AC power output of the Customer-owned renewable generation and any Customer wiring connected to FPL's system. The manual disconnect switch shall be mounted separate from, but adjacent to, the FPL meter socket. The Customer shall ensure that such manual disconnect switch shall remain readily accessible to FPL and be capable of being locked in the open position with a single FPL utility padlock.

5.3 In the event that FPL has determined with respect to the Customer-owned renewable generation that the installation of a manual disconnect switch or switches adjacent to FPL's meter socket would not be practical from a safety perspective and/or design considerations in accordance with good engineering practices; and FPL and the customer agree upon a location on the customer's premises for the switch or switches which meet all applicable safety and/or design considerations, then, pursuant to the conditions set forth in Section 5.2 above, each manual disconnect switch shall be mounted separate from FPL's meter socket at a location agreed to by the Customer and FPL, and the customer shall install a permanent weather-proof plaque adjacent to FPL's meter socket indicating the location of the manual disconnect switch or switches.

6. **Disconnection / Reconnection**

6.1 FPL may open the manual disconnect switch, if available, or disconnect the Customer's meter, pursuant to the conditions set forth in Section 6.2 below, isolating the Customer-owned renewable generation, without prior notice to the Customer. To the extent practicable, however, prior notice shall be given. If prior notice is not given, FPL shall at the time of disconnection leave a door hanger notifying the Customer that its Customer-owned renewable generation has been disconnected, including an explanation of the condition necessitating such action. FPL will reconnect the Customer-owned renewable generation as soon as practicable after the condition(s) necessitating disconnection has been remedied.

(Continued on Sheet No. 9.052)

(Continued from Sheet No. 9.051)

6.2 FPL has the right to disconnect the Customer-owned renewable generation at any time. This may result for the following reasons:

- a) Emergencies or maintenance requirements on FPL's system;
- b) Hazardous conditions existing on FPL's system due to the operation of the Customer's generating or protective equipment as determined by FPL; and
- c) Adverse electrical effects, such as power quality problems, on the electrical equipment of FPL's other electric consumers caused by the Customer-owned renewable generation as determined by FPL.

7. **Modifications/Additions to Customer-owned Renewable Generation**

7.1 If the Customer-owned renewable generation system is subsequently modified in order to increase its Gross Power Rating, the Customer must notify FPL by submitting a new application and Interconnection Agreement specifying the modification at least thirty (30) calendar days prior to making the modification.

7.2 If the Customer adds another Customer-owned renewable generator system which i.) Utilizes the same utility inter-active inverter, or other device certified pursuant to Section 3.1 above, for both systems; and ii.) Utilizes a separate utility inter-active inverter, or other device certified pursuant to Section 3.1 above, for each system the Customer shall provide thirty (30) calendar days notice prior to installation.

7.3 In the event any Customer modifications or additions result in the input to any FPL meter so as to qualify as a Tier 2 or Tier 3 system, then all terms and conditions, including appropriate notice, of the Interconnection Agreement for Tier 2 or Tier 3 systems shall apply.

7.4 The Interconnection Agreement which applies in instances described in Sections 7.1, 7.2, and 7.3 above shall be determined by the combined gross power rating of the generation system(s) which is connected to the FPL meter. In all instances described in this Section 7, the Customer shall submit a new application to FPL and shall enter into a new Interconnection Agreement. In no event shall the maximum output of the Customer-owned generation system(s), which is connected to the FPL meter exceed 2 MW Gross Power Rating.

8. **Indemnity**

8.1 Customer, to the extent permitted by law without waiving or limiting any defense of sovereign immunity, shall indemnify, hold harmless and defend FPL from and against any and all judgments, losses, damages, claims relating to injury to or death of any person or damage to property, (including the Customer-owned renewable generation system), fines and penalties, costs and expenses arising out of or resulting from the operation of the Customer-owned renewable generation system, except in those instances where such loss is due to the negligent action or inactions of FPL. Nothing herein shall be intended to serve as a waiver or limitation of Customer's sovereign immunity defense as allowed by law.

8.2 FPL shall indemnify, hold harmless and defend Customer from and against any and all judgments, losses, damages, claims relating to injury to or death of any person or damage to property (including FPL's transmission system), fines and penalties, costs and expenses arising out of or resulting from the operation of FPL's system, except in those instances where such loss is due to the negligent action or inactions of the Customer.

(Continued on Sheet No. 9.053)

(Continued from Sheet No. 9.052)

9. Limitation of Liability

9.1 Liability under this Interconnection Agreement for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Interconnection Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall the indemnifying Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Interconnection Agreement.

10. Assignment

10.1 The Interconnection Agreement shall be assignable by either Party upon thirty (30) calendar days notice to the other Party and written consent of the other Party, which consent shall not be unreasonably withheld or delayed.

10.2 An assignee to this Interconnection Agreement shall be required to assume in writing the Customer's rights, responsibilities, and obligations under this Interconnection Agreement; or execute a new Interconnection Agreement.

11. Insurance

11.1 FPL recommends that the Customer maintain Liability Insurance for Personal Injury and Property damage in amount of not less than \$100,000 during the entire term of this Interconnection Agreement to the extent permitted by law. For government entities, the policy coverage shall not exceed the entity's maximum liability established by law.

12. Renewable Energy Certificates

12.1 The Customer shall retain any Renewable Energy Certificates associated with the electricity produced by their Customer-owned renewable generation equipment; any additional meters necessary for measuring the total renewable electricity generated for the purposes of receiving Renewable Energy Certificates shall be installed at the Customer's expense, unless otherwise determined during negotiations for the sale of the Customer's Renewable Energy Certificates to FPL.

13. Lease Agreements

13.1 The Customer shall provide FPL a copy of the lease agreement, as applicable, for any and all leased interconnection equipment.

13.2 The Customer shall not enter into any lease agreement that results in the retail purchase of electricity; or the retail sale of electricity from the Customer-owned renewable generation. Notwithstanding this restriction, in the event it is determined by the Florida Public Service Commission that the Customer has entered such an agreement, the Customer shall be in breach of this Interconnection Agreement and the lessor may become subject to the jurisdiction and regulations of the Florida Public Service Commission as a public utility.

14. Dispute Resolution

14.1 Disputes between the Parties shall be handled in accordance with subsection 11 of Florida Public Service Commission Rule 25_6.065 F.A.C. - Interconnection and Net Metering of Customer-owned renewable generation.

15. Effective Date

15.1 The Customer must execute this Interconnection Agreement and return it to FPL at least thirty (30) calendar days prior to beginning parallel operations and the Customer must begin parallel operation within one year after FPL executes the Interconnection Agreement.

16. Termination

16.1 Upon termination of this Interconnection Agreement, FPL shall open and padlock the manual disconnect switch, if applicable, and remove the Net Metering and associated FPL equipment. At the Customer's expense, the Customer agrees to permanently disconnect the Customer-owned renewable generation and associated equipment from FPL's electric service grid. The Customer shall notify FPL in writing within ten (10) calendar days that the disconnect procedure has been completed.

(Continued on Sheet No. 9.054)

(Continued from Sheet No. 9.053)

17. **Amendments to Florida Public Service Commission Rules**

17.1 FPL and Customer recognize that the Florida Public Service Commission rules may be amended from time to time. In the event that Florida Public Service Commission rules are modified, FPL and Customer agree to supersede and replace this Interconnection Agreement with a new Interconnection Agreement which complies with the amended Florida Public Service Commission rules.

18. **Entire Agreement**

18.1 This Interconnection Agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between FPL and the Customer, made in respect to matters herein contained, and when duly executed, this Interconnection Agreement constitutes the entire agreement between Parties hereto.

19. **Governmental Entities**

19.1 For those customers, which are government entities, provisions within this agreement will apply to the extent the agency is not legally barred from executing such provisions by State or Federal law.

(Continued on Sheet No. 9.054)

(Continued from Sheet No. 9.053.1)

IN WITNESS WHEREOF, the Parties hereto have caused this Interconnection Agreement to be duly executed the day and year first above written.

CUSTOMER

(Signature)

(Print or Type Name)

Title: _____

FLORIDA POWER & LIGHT COMPANY

(Signature)

Ron Bartnick

(Print or Type Name)

Title: Manager Product Support

The completed agreement may be submitted to FPL by:

E-mail - scan and e-mail to Netmetering@fpl.com

Mail - send to: Net Metering
FPL – Mail code CSF-GO
9250 W. Flagler St.
Miami, FL 33174

FAX - 305-552-2275

PHOTOVOLTAIC FOR SCHOOLS PILOT PROGRAM CONTRACT

This PHOTOVOLTAIC FOR SCHOOLS PILOT PROGRAM CONTRACT (“**Contract**”) is entered into this [] day of [], 2015 (“**Effective Date**”), by and between FLORIDA POWER & LIGHT COMPANY, a Florida corporation (“**FPL**”), and THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA a political subdivision of the State of Florida (“**Customer**”) (FPL and Customer each being referred to herein individually as a “**Party**” and collectively as the “**Parties**”), with reference to the following:

WITNESSETH:

WHEREAS, FPL has received approval from the Florida Public Service Commission (“**FPSC**”) to enter into contracts with its customers under the Photovoltaic for Schools Pilot Program (“**Program**”) pursuant to the Photovoltaic for Schools Pilot Program Standards (“**Program Standards**”), as such Program Standards are more particularly described in Attachment 1;

WHEREAS, the FPSC approved the Program for the purpose of (i) reducing energy consumption and growth of coincident peak demand and (ii) educating future generations on the application of solar photovoltaic (“**PV**”) electrical generation by (A) donating a PV system, as such system is more particularly described in Attachment 2 hereto (collectively, the “**System**”) five (5) years from the System’s Commercial Operation Date (as defined herein) and (B) furnishing educational materials to the Customer for the purpose of the Customer using such materials in its renewable energy educational curriculum;

WHEREAS, the System has an anticipated energy output of approximately up to 10 kilowatts (“**kW**”) under peak conditions;

WHEREAS, FPL has contracted with a licensed contractor (“**Contractor**”) to install one (1) System at Dodgertown Elementary School, 4350 43rd Avenue, Vero Beach, Florida 32967 (the “**Location**”); and

WHEREAS, subject to the terms and conditions of this Contract, FPL agrees to install the System at the Location and perform certain operation and maintenance services on the System until such time as FPL donates the System to the Customer as provided in this Contract.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1 – TERM AND TERMINATION

1.1 **Term.** The term of this Contract shall commence on the last/latest date signed by either Party and continue until the earlier of (i) the date that is five (5) years from the Commercial Operation Date or (ii) termination as set forth in this Article 1.

1.2 **Termination.** A Party shall have the right to terminate this Contract for cause if a Party substantially fails to perform any material obligation under this Contract and fails to cure or commence and diligently proceed to cure such obligation within thirty (30) days written notice from the other Party. Notwithstanding the foregoing, FPL may elect to terminate this Contract for convenience after thirty (30) days written notice to Customer.

1.3 Termination Upon Mutual Agreement. At any time, after thirty (30) days written notice, the Parties may mutually agree to terminate this Contract, in whole or in part, without cause and for their convenience.

1.4 Termination Due to Regulatory or Legislative Action. In the event that FPL is denied, by any governmental or regulatory authority (including, without limitation, the FPSC), the authority to conduct the Program or if such approval to conduct the Program is materially altered or impacted because of (i) a rule or order of a governmental or regulatory authority having jurisdiction over the Program, or (2) a legislative proceeding or enactment, in each case, FPL may terminate this Contract by giving notice to the Customer of its intent to terminate, unless required to terminate earlier by applicable laws or governmental or regulatory requirement. In the event the Program is terminated under this Section 1.4. The Customer acknowledges and agrees that FPL's sole and only obligation and the Customer's exclusive remedy for termination of this Contract under this Section 1.4 shall be limited to the Customer's direct damages actually incurred, provided such liability shall be subject to FPL's limitation of liability in Article 4. The Customer voluntarily and knowingly waives any other available right, claim or remedy available at law or equity for a FPL termination for regulatory or legislative action.

ARTICLE 2 – FEES: COMMERCIAL OPERATION; OPERATION AND MAINTENANCE SERVICES; BILL OF SALE; AND INTERCONNECTION AGREEMENT

2.1 Fees. FPL has agreed to donate the System to the Customer at no cost to the Customer, and be responsible for costs incurred to install and perform certain O&M Services (as such term is defined herein) for the System at the Location as set forth herein and outlined in Attachment 2 hereto; however, the Parties mutually agree and acknowledge that (i) as of the date that is five (5) years from the System's Commercial Operation, the Customer, not FPL, shall be solely responsible for any on-going costs necessary to maintain and continuously operate the System at the Location, and (ii) the Customer, not FPL, shall be solely responsible for and any landscape around the site at the Location where the System is installed.

2.2 Commercial Operation. The “**Commercial Operation Date**” shall mean the date the System (i) is connected to the grid and (ii) is capable of being operated and delivering electricity in accordance with all applicable laws, rules and regulations. FPL shall provide the Customer notice of the date representing the Commercial Operation Date.

2.3 Bill of Sale. Within ten (10) days of the date that is five (5) years from the Commercial Operation Date, FPL shall deliver to the Customer a fully executed document (“**Bill of Sale**”) transferring title of the System from FPL to the Customer. The Parties agree that the form of Bill of Sale is attached hereto as Attachment 3. The Customer hereby agrees to execute the form of Bill of Sale within thirty (30) days of the date FPL delivers the Bill of Sale to the Customer, and the Customer hereby waives any right to object to the form of Bill of Sale.

2.4 FPL Operation & Maintenance Obligations.

2.4.1 Unless terminated earlier, commencing on the Commercial Operation Date and continuing for a period of five (5) years (the “**O&M Period**”), the Parties agree that FPL shall be the exclusive provider of the any operation and maintenance services (“**O&M Work**”) on the System unless this Contract is terminated prior to the expiration of the O&M Period. The scope of the O&M Work that FPL agrees to perform on the System at the Location is set forth in Attachment 2.

2.4.2 The Customer shall insure that all permits relating to the Location and all land owner provisions, easements, permits and land rights are sufficient to permit FPL to comply with its obligations under this Contract.

2.4.3 THE PARTIES AGREE THAT THE O&M WORK IS BEING PERFORMED BY FPL “AS-IS” AND “WHERE-IS” AND WITHOUT ANY GUARANTEE OR WARRANTY OF ANY KIND, AND ALL GUARANTEES AND WARRANTIES, EXPRESS OR IMPLIED, FOR PERFORMANCE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE ARE HEREBY DISCLAIMED BY FPL.

2.5 Interconnection Agreement. As a condition precedent to the Customer’s execution of this Contract, the Customer hereby agrees and acknowledges that it shall execute an Interconnection Agreement for Customer-Owned Renewable Generation Tier 1 - 10 kW or Less (effective as of October 1, 2008), the form of which is attached hereto as Attachment 4 (“**Interconnection Agreement**”). The Customer shall be obligated to deliver to FPL a fully executed version of the Interconnection Agreement concurrent with the execution of this Contract.

ARTICLE 3 – WARRANTY EXCLUSION

3.1 Limited Contractor/Manufacturer Warranty. FPL, in procuring materials and equipment for the System and the installation of the System, shall use reasonable efforts to obtain customary and standard Contractor, warranties, if any, from the manufacturer of the System or the subcontractors used to install the System. Upon issuance of the Bill of Sale to the Customer and to the extent permitted by the Contractor or manufacturer of the System, FPL agrees to assign, to the extent assignable or transferrable, any applicable warranties to the Customer such that the Customer may be able to benefit from any such Contractor or manufacturer provided warranties obtained by FPL.

3.2 FPL Not Responsible. The Customer acknowledges and agrees that FPL shall have no liability, and Customer hereby waives any liability against FPL, with respect to any or all Contractor or manufacturer provided or supplied labor, materials, equipment or warranties set forth in Section 3.1, including warranties with respect to services performed and materials and equipment supplied in connection with to the installation or on-going maintenance of the System. As of the date of the Bill of Sale to the Customer, the Customer agrees that it shall look solely to the Contractor or the System manufacturer, as applicable, for corrective action pursuant to Section 3.1. The Customer further waives any right to seek any damages arising from any services performed by FPL or its subcontractors and materials and equipment supplied in connection the installation or the performance of the O&M Work on the System.

3.3 No Implied or Expressed Warranties. FPL PROVIDES THE SYSTEM UNDER THIS CONTRACT “AS IS” AND “WHERE IS” WITHOUT ANY EXPRESS OR IMPLIED WARRANTIES. In addition, the Customer hereby acknowledges and understands that : (i) the Contractor chosen to install the System is not employed by FPL nor is an agent of FPL, but rather is an independent contractor hired by FPL; and (ii) FPL HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS, OR GUARANTIES OF ANY KIND OF CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE WITH RESPECT TO THE SYSTEM’S: (A) SUITABILITY FOR THE CUSTOMER’S LOCATION; (B) SAFETY, QUALITY, AND/OR PERFORMANCE (INCLUDING, WITHOUT LIMITATION, ANY PROJECTED ENERGY SAVINGS); (C) INSTALLATION AND/OR THE CUSTOMER’S SUBSEQUENT OPERATION BEING IN COMPLIANCE WITH ANY APPLICABLE LAWS; (D) MERCHANTABILITY, PROFITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE EQUIPMENT OR MATERIALS FURNISHED BY ANY THIRD PARTY MANUFACTURER OR CONTRACTOR; AND (E) IMPLIED WARRANTIES OF NON-INFRINGEMENT, CUSTOM OR USAGE. This Section 3.3 shall survive the termination and expiration of this Contract.

3.4 Customer Warranty. The Customer hereby warrants and represents that it has secured and will continue to maintain all real property rights at the Location that are necessary to (i) install the System and (ii) perform the O&M Work the System during the O&M Period. The Customer's obligation to secure all real property rights hereunder shall be at no cost to FPL and the Customer shall bear all costs related to securing such real property rights. Upon FPL's request, the Customer shall promptly furnish such documentation requested by FPL to document that the Customer has fulfilled its obligations under this Section 3.4. The Customer's failure to properly secure and continue to maintain all such real property rights at the Location that are necessary to install and operate the System shall constitute a automatic material default event that Customer shall be obligated to cure within the time period set forth in Section 1.2. For purpose of this Contract, "**real property rights**" means all rights in or to real property, including leases, agreements, permits, easements, licenses, and provide right-of-ways, obtained by the Customer as may be necessary for FPL or Contractor to install the System, use and/or access the Location.

ARTICLE 4 – INDEMNITY; INSURANCE; AND LIMITATION OF LIABILITY

4.1 Indemnity. FPL shall hold the Customer, its officers, agents, and employees harmless against claims by third parties for bodily injury (including death) and third party tangible personal property damage resulting solely and exclusively from FPL's gross negligence during the performance of the installation of the System at the Location. FPL shall not be responsible for damages whether resulting in whole or in part from the Customer, or any of its employees, agents, representatives or those in its care and custody. To the extent permitted by Section 768.28, Florida Statutes, the Customer shall hold harmless, indemnify and defend FPL, its affiliates and parent company, and their officers, agents, and employees (collectively, "**FPL Entities**") from and against all liability, claims, judgments or costs for injury to, or death of any person or persons, for the loss or damage to any property, and for the imposition of any penalties, fines or other assessments by any governmental agency arising out of the performance under this Contract, and resulting from any negligence or failure to act by the Customer, or any of its employees, agents, representatives or those in its care and custody. An indemnitor under this Section shall have the right to defend an indemnitee by counsel (including insurance counsel) of indemnitor's selection reasonably satisfactory to the indemnitee, with respect to any claims within the indemnification obligations hereof. The Parties shall give each other prompt written notice of any asserted claims or actions indemnified against hereunder and shall cooperate with each other in the defense of any such claims or actions. No indemnitee shall settle any such claims or actions without prior written consent of the indemnitor. **NOTWITHSTANDING ANYTHING CONTAINED IN THIS SECTION 4.1 TO THE CONTRARY, NOTHING CONTAINED HEREIN SHALL CONSTITUTE A WAIVER BY THE CUSTOMER OF ITS LIMITED WAIVER OF SOVEREIGN IMMUNITY PURSUANT TO THE PROVISIONS OF SECTION 768.28, FLORIDA STATUTES.**

4.2 The Customer's Insurance Requirements. As of the expiration of the O&M Period, the Customer shall (i) maintain comprehensive property insurance, including all risk physical damage insurance, on the System with replacement cost coverage; and (ii) either (a) maintain comprehensive liability insurance for bodily injury, death, and property damage in the amount of \$200,000 per claimant and \$300,000 per occurrence or higher limits permitted under Section 768.28, Florida Statutes or (b) evidence that the Customer is self-insured for all liability claims and related expenses pursuant to Section 768.28, Florida Statutes. The Customer shall provide FPL copies of insurance certificates which provide evidence of the insurance coverage under this Contract, in form and substance reasonably satisfactory to FPL.

4.3 Limitation of Liability. By participating in the Program and entering into this Contract, the Customer acknowledges and agrees notwithstanding anything contained in this Contract to the contrary: (i) to be bound by this Contract and the Program Standards, which are final and legally binding on all matters relating to the Program; (ii) to waive, relinquish, release any right the Customer may have to seek, claim or petition any indirect, incidental, special, consequential, punitive and/or exemplary damages against any of

the FPL Entities; (iii) that FPL Entities shall also not be liable to the Customer for any lost profits, lost revenue, or lost institutional operating savings arising out of or in connection with this Contract and the Program; and (iv) in no event shall FPL Entities total aggregate liability to the Customer for all damages, losses and causes of action, whether in tort (including, but not limited to, negligence) or otherwise exceed \$100. This Section 4.3 shall survive the termination or expiration of this Contract.

4.4 Survival. This provision of this Article 4 shall survive the termination and expiration of this Contract.

ARTICLE 5 – ACCESS, OWNERSHIP AND CONFIDENTIALITY

5.1 Location Access and Jessica Lunsford Act.

5.1.1 Upon the request of FPL and the Contractor, the Customer shall provide FPL and the Contractor (and its subcontractors) with reasonable access to the Location to enable FPL and the Contractor to install the System at the Location, and to verify and confirm the operation of the System at the Location. The Customer shall provide FPL and the Contractor with adequate storage and laydown areas at the Location during the installation of System and shall make available any construction power and other utilities (at the Customer's sole expense) as necessary for the Contractor and its subcontractors to perform the installation, activation of the System.

5.1.2 If FPL, its Contractor, employees, and/or subcontractors have access on school grounds when students are present, have direct contact with children or any student of the Customer, then FPL, its employees, and/or subcontractors shall undergo level 2 screening, including fingerprinting by the Customer's designated subcontractor at the sole cost of the FPL or Contractor, as applicable. Level 2 screening consists of fingerprinting and a background check as set forth in Section 1012.32, Florida Statutes. Neither FPL nor Contractor (or its subcontractors) shall begin work at the Location until it receives clearance by the Customer. The Customer shall not be liable to FPL under any legal theory or equitable theory for any claim whatsoever for the rejection of FPL its employees and/or subcontractors on the basis of these compliance with Section 1012.32, Florida Statutes. All exceptions to certain fingerprinting and criminal history checks pursuant to Section 1012.468, Florida Statutes shall apply.

5.2 Ownership. All right, title and interest in any intellectual property embedded or made part of the System and any other report or document furnished or to be furnished by FPL pursuant to this Contract shall constitute Confidential Information and shall remain the sole and exclusive property of FPL and may only be used by the Customer through the grant of a limited license for the operation, maintenance, repair or alteration of the System installed by the Contractor. The Customer shall not acquire any rights or interest with respect to FPL's or its subcontractors' proprietary technology, know-how, processes or computer software or any other intellectual property that may be used in connection with the services or the supply of equipment and materials hereunder. The Customer acknowledges that FPL may provide similar services or install similar Systems to other companies or customers and agrees that nothing in this Contract will be deemed or construed to prevent FPL from carrying on such business. In particular, the Customer agrees that, notwithstanding anything to the contrary set forth herein, as part of FPL's provision of the installation of the System hereunder, FPL may utilize software, methodologies, tools, specifications, models, samples and documentation, FPL's Confidential Information, as well as copyrights, trademarks, service marks, ideas, concepts, know-how, techniques, knowledge or data, which have been originated, developed or purchased by FPL or by third parties under agreements to provide services for such third parties.

5.3 Confidentiality. The Customer agrees to hold Confidential Information in strict confidence and agrees that it shall not disclose Confidential Information without prior written consent of FPL except to the extent disclosure is required by Chapter 119, Florida Statutes, as may be amended from time to time. For

purposes of this Contract, “**Confidential Information**” shall mean (i) all information for which a statutory exemption from disclosure exists under Chapter 119, Florida Statutes, as may be amended from time to time that is (i) marked as “confidential” or “proprietary” by an appropriate stamp, label, legend or other written notice thereon if transmitted electronically or other written form, and if disclosed orally by FPL, then FPL shall confirm the oral or visual disclosure that shall be considered Confidential Information in a written memorandum or e-mail transmittal to the Customer within thirty (30) days after such visual or oral disclosure, or (ii) information that due to its character and nature, a reasonable person under like circumstances would treat such information as confidential or proprietary. Confidential Information may only be disclosed to employees with a need to know the Confidential Information for the sole purpose of performing its obligations under this Contract and the Customer is responsible for any breach of this Section 5.3 by its employees. This Section 5.3 does not apply to information that is presently a matter of public knowledge, which is or becomes available on a non-confidential basis from a source which is not known to be prohibited from disclosing such information or which was legally in the Customer’s possession without obligation of confidentiality prior to disclosure by FPL. In the event that either Party is requested or required by legal, statutory or regulatory authority to disclose any Confidential Information, the Customer shall promptly notify FPL of such request or requirement prior to disclosure so that FPL may seek an appropriate protective order and/or waive compliance with the terms of this Contract. Both Parties acknowledge that FPL would not have an adequate remedy at law for money damages if the covenants contained in this Section 5.3 were breached. Accordingly, FPL shall be entitled to an injunction restraining the Customer from violating this Section 5.3, provided all necessary requirements under law for such injunction were met.

5.4 Publicity. The Customer acknowledges that FPL desires to generate favorable publicity regarding FPL’s conveyance of the System to the Customer and the Customer’s use of the System. The Customer further acknowledges and agrees FPL shall have the right: (i) to issue press releases regarding the installation and use of the System and to publicize FPL’s customers and to the public that FPL have helped, encouraged and supported the installation of the System; (ii) to use the Customer’s name in FPL’s press releases, publicity and advertising; (iii) to display photographs of any of the System in its advertising and promotional materials; and (iv) to post signage at the Location acknowledging FPL’s ownership and future donation of the System to the Customer. The Customer shall not make any public announcement or publication concerning, related to or in connection with its participation in the Program or this Contract (or any activity related to this Contract) until FPL approves such announcement or publication, which such approval may be withheld by FPL in its sole discretion.

ARTICLE 6– GENERAL TERMS

6.1 Independent Contractor Relationship. The Customer shall represent itself and its employees/subcontractors to all customers and other parties as an independent contractor and shall not in any manner, including by telemarketing or otherwise, promote, infer or identify itself or its employees/subcontractors as FPL, or as an agent, partner, joint venturer, or employee of FPL, or permit any such promotion or identification of itself or its employees/subcontractors. Each Party shall have the sole responsibility to employ and pay its employees/subcontractors as may be required to perform the work, use appropriate equipment, follow good work practices, provide appropriate supervision and ensure compliance with its obligation under this Contract.

6.2 Non-Exclusivity. The Customer understands that FPL may enter into similar agreement with others and FPL’s donation of the System under this Contract shall not be interpreted as created any type of exclusive relationship.

6.3 Conflicting Provisions. In the event of any inconsistencies between this Agreement and the other documents integrated into the Contract, the following order of precedence in the interpretation hereof or resolution of such conflict hereunder shall prevail: first, written amendments to this Contract agreed upon

by the Parties; second, the terms and conditions of this Contract (excluding Attachments); third, Attachment 1; fourth, all other Attachments (other than Attachment 1); and last, any drawings produced and delivered pursuant hereto (in respect of which, precedence shall be given to drawings of a larger scale over those of smaller, figured dimensions on the drawings shall control over scaled dimensions, and noted materials shall control over undimensioned graphic indications.

6.4 Assignment. Neither the Contract, nor the work, nor any duty, interest or rights hereunder shall be subcontracted, assigned, transferred, delegated or otherwise disposed of by either Party without the other's prior written approval. However, FPL may at any time and at its sole and unrestrained discretion assign the Contract, in whole or in part, to one of its subsidiaries or affiliates by written notice to the Customer. No assignment or transfer of the Contract shall relieve either Party of any of its obligations hereunder until such obligations have been assumed by the assignee and agreed to by FPL, the Customer and assignee. If the Contract should be permitted to be assigned by either Party, it shall be binding upon and shall inure to the benefit of the permitted assignee.

6.5 Headings Not Controlling; Construction. Headings in this Contract are for reference purposes only and shall not be part of the Contract. Each Party acknowledges that it has actively participated in the negotiation and preparation of this Contract, and that accordingly this Contract and any uncertainty or ambiguity contained therein shall not be construed against any one Party as drafter.

6.6 Non-waiver. The failure of a Party to enforce, insist upon, or comply with any of the terms, conditions or covenants of this Contract, or a Party's waiver of the same in any instance or instances shall not be construed as a general waiver or relinquishment of any such terms, conditions or covenants, but the same shall be and remain at all times in full force and effect.

6.7 Governing Law and Venue. This Contract shall be governed by, construed and enforced in accordance with the laws of the State of Florida, exclusive of conflicts of laws provisions. Any disputes resulting in litigation between the Parties shall be conducted in the state or federal courts of the State of Florida. Proceedings shall take place in the Circuit Court for Indian River County, Florida or the United States District Court for the Southern District of Florida.

6.8 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS CONTRACT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, OR STATEMENTS WHETHER ORAL OR PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE FPL ENTERING INTO THIS CONTRACT.

6.9 Notices. Correspondence concerning this Contract must be sent to the Parties at the following addresses:

If to the Customer: The School Board of Indian River County, Florida
 Attention: Superintendent
 1990 25th Street
 Vero Beach, Florida 32960
 Telephone: (772) 564-3000
 Facsimile: (772) 564-3105

If to FPL: Florida Power & Light Company
 9250 West Flagler Street

Miami, Florida 33174
Attention: Gus Dominguez Mail Stop: DMO//GO
Telephone: (305) 552-4663
Facsimile: (305) 552-2487

If the mailing address for either Party changes during the term of this Contract, it shall be that Party's responsibility to notify the other Party promptly of the new address, and the old address shall remain effective for the purposes of this Contract, or any renewal thereof, until notice of the address change has been received by the other Party. All notices shall be delivered in person; by courier service; by registered mail or certified mail; or by U.S. Mail, postage prepaid, in which case receipt shall be deemed effective three (3) business days after postmark.

6.10 Survival. The obligations of the Parties contained in Articles 2, 3, 4, 5 and 6, which by their nature survive the termination of the Contract and/or the completion of the work hereunder, shall survive and inure to the benefit of the Parties. Those provisions of the Contract which provide for the limitation of or protection against liability shall apply to the full extent permitted by law and shall survive termination of the Contract and/or completion of the work.

6.11 Severability. Should any provision, portion or application thereof, of the Contract be determined by a court of competent jurisdiction to be illegal, unenforceable or in conflict with any applicable law, the Parties shall negotiate an equitable adjustment to the affected provisions of the Contract with a view toward effecting the purpose of the Contract and the validity and enforceability of the remaining provisions, portions or applications thereof, shall not be impaired.

6.12 Hazardous Materials. The Customer shall have sole responsibility and liability with respect to the proper identification, removal and disposal of any asbestos or any substance containing asbestos, polychlorinated biphenyl's, any explosives, radioactive materials, chemicals known or suspected to cause cancer or reproductive toxicity, pollutants, effluents, contaminants, emissions, infectious wastes, any petroleum or petroleum-derived waste or product or related materials and any items defined as hazardous, special or toxic materials, substances or waste under any applicable law (collectively, "**Hazardous Materials**") or correction of any hazardous condition at the Location which affects FPL's or the Contractor's performance of the services to install and/or perform the O&M Work on the System. If, during the course of performing the installation of the System and/or O&M Work, FPL or the Contractor becomes aware of any such Hazardous Materials or hazardous condition, FPL shall promptly report such matter to the Customer and before disturbing (or further disturbing) such Hazardous Materials or hazardous condition. Work in the affected areas shall be resumed by the Contractor only upon the written notice from the Customer that such Hazardous Materials have been removed or such hazardous condition has been corrected, and then only if such continuation of work shall not violate any applicable law or permit. The Customer shall, to the extent permitted under Section 768.28, Florida Statutes, indemnify, defend and hold harmless FPL Entities with respect to any liability, cost or expense incurred as a result of its negligence involving such Hazardous Materials or hazardous condition.

6.13 Title and Risk of Loss.

6.13.1 Legal title to the System, including all equipment and materials comprising a part thereof, shall pass to the Customer upon the earlier of (i) delivery of the Bill of Sale by FPL to the Customer and (ii) expiration of the O&M Period.

6.13.2 The Customer shall bear all risk of loss or damage of any kind with respect to all or any part of System located at the Location, whether installed or not upon delivery of the System to the Location unless such loss or damage is found to have been directly caused by the negligence of FPL or

Contractor. As of the date that the Customer assumes risk of loss of the System, the Customer hereby releases and waives, and will cause its insurers to release and waive, any right of subrogation against FPL for any loss under this Section 6.13.

6.14 Force Majeure. Neither Party shall be liable for any loss, damage, cost, delay, or failure to perform in whole or in part resulting from causes beyond such Party's control, including but not limited to, fires, strikes, insurrections, riots, or requirements of any governmental authority.

6.15 Taxes. FPL shall have no obligation or liability with respect to any property tax or with respect to any income, excess profits, or revenue tax charged or levied against the Customer as a result of this Contract.

6.16 Customer Training. As part of the installation of the System, Customer is required to designate to FPL in the Attachment 2, Scope or Work, a certified and licensed person who teaches at the Location along with a Customer facility's representative that shall be made available to attend educational training related to the System and solar energy technology. FPL agrees to provide for the following reimbursements costs (the "**Reimbursement Expenses**") as a result of such mandatory training: (i) Customer's designated teacher and facility representative's direct expenses paid by such persons for travel to and from the FPL designated training site; (ii) Customer's designated teacher and facility representative's direct expenses paid by such persons for meals and lodging to and from the FPL designated training site; and (iii) Customer's direct expenses incurred for procuring a substitute teacher if the teacher is required to attend the training class during the school year on a date when school is in session. Notwithstanding anything contained herein, the total aggregate amount of Reimbursable Expenses that FPL shall be liable and responsible for under this Contract shall not exceed \$1,000.00, and in order for Customer to allow Customer and its designated teacher and facility representative to be eligible for any Reimbursable Expenses, Customer and such persons must present receipts documenting and supporting any claim for such Reimbursable Expenses.

6.17 Integration. This Contract (including Attachments 1, 2 and 3) contains all the terms and conditions agreed on by the Parties, and no other agreement, oral or otherwise, regarding the subject matter of this Contract shall be deemed to bind the Parties hereto. No modification of this Contract shall be binding unless made in writing and signed by both Parties. There are no other oral understandings, terms or conditions and neither Party has relied upon any representation, express or implied, not contained in this Contract.

[Remainder of Page Left Intentionally Blank;
Signatures on Following Page]

IN WITNESS WHEREOF, the duly authorized representatives of the Parties have executed this Contract effective as of the Effective Date.

**FLORIDA POWER & LIGHT
COMPANY**
a Florida corporation

**THE SCHOOL BOARD OF INDIAN RIVER
COUNTY, FLORIDA**
a political subdivision of the State of Florida

By: _____

By: _____

Name: Marlene M. Santos
Title: Vice President, Customer Service

Name:
Title:

ATTACHMENT 1

PHOTOVOLTAIC FOR SCHOOLS PILOT PROGRAM STANDARDS



Photovoltaic for Schools Pilot

Program Standards

**Florida Power & Light Company
Photovoltaic for Schools Pilot**

Program Standards

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Program Objectives

Description of purpose of program

The Photovoltaic (PV) for Schools Pilot Program is designed to reduce energy consumption and growth of coincident peak demand. Its other purpose is to educate future generations on the practical application of a PV system by providing systems and educational materials to selected schools in each public school district in FPL's territory.

Measures included in program

The measure included in this program is a PV system consisting of solar electric panels, mounting hardware, grid-interactive inverter(s), associated equipment, and an on-line data acquisition system to be used by the schools in their renewable energy education curriculum.

Output to the customers

Each school will receive a PV system, teacher training and educational materials, in addition to the reduced energy consumption and technical assistance on the operation of the PV system.

Customer Requirements

Customer / premise eligibility

All existing K-12 public schools served by FPL are eligible.

Eligible rates

All metered commercial/industrial retail rate schedules are eligible.

Dwelling / building type

All public school building types are eligible for this program.

Age of dwelling / building type

All existing public school buildings are eligible for this program.

Restriction from re-participation and exceptions

An individual school is eligible for only one solar installation during the duration of the pilot program.

Other customer requirements

The school district must provide a sufficiently sized, accessible unshaded area to accommodate the PV system. The participating school must have, and be willing to maintain, a science teaching position at that school trained to present curriculum related to the PV installation. Prior to the installation of the PV system, the school district must submit an application and a Net Metering Interconnection Agreement as per Rule 25-6.065, Net Metering of Customer-owned Renewable Generation

(Interconnection Agreement). The school district must partner with FPL to select and approve the specific schools and commit to facilitating the installation of the PV system within the funding year. The school must supply an internet connection through the school's internet system to provide monitoring information to the classrooms, the school district and FPL.

FPL will own and repair the PV system for the first five years following installation. At the end of the five year period, FPL will transfer ownership to the school district and all responsibility for the operation and maintenance of the system.

Contractor Requirements

Licensing requirements

The contractor must meet any and all applicable legal licensing requirements of the State of Florida and local municipalities for the work being performed.

Other contractor requirements

FPL will select the licensed contractor to construct each system. The selected contractor will be responsible for all work performed and maintenance for the first five years of the system operation. The contractor must comply with all FPL requirements and must commission and certify each system.

Eligible Equipment Requirements

Definition of system

A PV system consists of solar panels, mounting hardware, grid-interactive inverter(s), associated cabling, and an on-line data acquisition system to be used to transmit educational information to the school districts through the schools' internet system.

Accreditation of ratings

The PV system components shall be tested and listed by a nationally recognized testing and certification laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards of IEEE 1547, IEEE 1547.1, and UL 1741.

Additional equipment requirements

All installed systems must have at least a five year warranty on equipment and installation beginning on the in-service date.

Installation Requirements

Specific installation requirements

The PV system will be installed using a design approved by FPL. The installations must comply with all local, state and federal statutes, codes, ordinances, and accepted engineering practices.

Fees or charges

There are no fees or charges to be paid by the customer for systems installed under this program.

Other installation requirements

If the customer requires a fence around the PV system, then the cost of purchasing and installing the fence will be the responsibility of the school district. Following installation, FPL will provide each school with copies of applicable warranties, system design schematics, manuals, maintenance instructions, and provide basic instructions on the operation of the system. In addition to the PV system, FPL will provide classroom PV instruction kits, training for one or more teachers and instructions for school maintenance personnel regarding the operation and maintenance of the system.

Reporting Requirements

All program charges such as payroll & benefits, material and supplies, outside services, advertising, vehicles, other and rebate costs shall be reported as part of the Energy Conservation Cost Recovery True-Up and Projection filings.

FPL will evaluate the energy and demand impacts through the use of engineering modeling analyses. This modeling will be calibrated with onsite metering research in a manner that most cost-effectively meets the overall impact evaluation objectives. For a statistically valid sample, FPL will analyze individual hourly energy and demand impacts, engineering and system design variations and their impact on energy and demand; analyze the billing impacts to customers while analyzing the data based on system size and configurations; and plan to meter the actual energy performance. FPL will monitor the installed costs over the life of the pilot program.

ATTACHMENT 2

DESCRIPTION OF PHOTOVOLTAIC SYSTEM AND SCOPE OF WORK

1. **General Information**

1.1. The contractor to be chosen by FPL (“**Contractor**”) has been contracted by FPL to install one stand alone photovoltaic system whose approximate nameplate rating is 10 kW (collectively, the “**System**”) at Dodgertown Elementary School, 4350 43rd Avenue, Vero Beach, Florida 32967 (the “**Location**”). The System will provide supplemental energy to the Location. The System type is gazebo design to be located at the location. Upon transfer of title to the System from FPL the Customer under the Contract, FPL agrees, to the extent permitted under the agreement with the Contractor, to assign any remaining warranties to the Customer.

2. **FPL Photovoltaic System Guidelines**

2.1. The Contractor will obtain in coordination with the Customer any permits from the appropriate legal authority for system installation and operation.

2.2. The Contractor will coordinate an acceptance test that must be performed on the System once the installation is complete. The acceptance testing includes measuring the short circuit currents and open-circuit voltages on all source circuits while measuring irradiance and panel temperature, and measuring the instantaneous DC input and AC output of the System to determine its efficiency.

3. **System (Photovoltaic (“PV”) Panel and Array) Specifications**

3.1. The System includes all equipment, hardware and documentation required for the installation of one (1) photovoltaic system whose approximate nameplate rating is 10 kW.

3.2. The System will be designed for installation in FPL’s service territory in the State of Florida, with the understanding that the System may be subject to long-term high humidity and temperature conditions (condensing, salt-air environment), and annual ambient temperatures range from below freezing to near 100° F (38° C).

- 3.3. The System will be installed at a pre-selected FPL approved site at the Location. The Location where the System is installed will require a freestanding structure for support. This structure will have a single 10-30 degree, fixed tilt plane, to be oriented either to the South, East, West or flat, as local conditions dictate.
- 3.4. Install the System as follows:
 - 3.4.1. The PV array shall consist of framed flat-plate crystalline silicon panels.
 - 3.4.2. The PV array will be supported by a freestanding structure.
 - 3.4.3. Each PV panel shall have a minimum 5 year warranty.
 - 3.4.4. The PV panels' electrical characteristics including current-voltage (I-V) curves and temperature coefficients of panel power, voltage, and current shall be provided with the panels.
 - 3.4.5. The System shall meet or exceed the requirements of:
 - 3.4.5.1. IEEE Standard 1262-1995 IEEE Recommended Practice for Qualification of PV panels and Underwriter Laboratories (UL) Standard 1703 Standard for Safety for Flat-Plate PV panels;
 - 3.4.5.2. UL 1741 – (Underwriters Laboratories) Static Inverters and Charge Controllers for use in Photovoltaic Power Systems; and
 - 3.4.5.3. NFPA 70 – (National Fire Protection Agency) as published by the National Electric Code (NEC).

4. PV System Electrical Design

- 4.1. The electrical design and installation instructions for the System shall conform to the National Electric Code (NFPA 70), as adopted by Florida law (“NEC”). Article 690 of the NEC applies specifically to photovoltaic system safety, protection, control and interface with other sources. Other articles of the NEC also apply.
- 4.2. All electrical components, including over current protection, disconnects, surge suppression devices, conduit, wiring and terminals must have UL or equivalent listing and have appropriate voltage, current and temperature ratings for the application. Special attention should be given to appropriate ratings for components used in DC circuits.
- 4.3. All wiring shall meet NEC requirements.
- 4.4. All terminations must use listed box terminal or compression type connections. Twist on wire splices, crimped, soldered or taped connections are not permitted for the required field installed wiring.
- 4.5. All panel frames, panel/array support structures, metal enclosures, panel boards and the PCU cabinet shall be grounded in accordance to the NEC.

5. PV Array Mechanical Design

- 5.1. The Contractor will design a freestanding base support structure for mounting the photovoltaic arrays, and all other hardware required for assembling the System, and structurally attaching them to the base support structure.
- 5.2. The Contractor will be responsible for the PV array mounting structure, including panels, hardware and attachments shall be designed to withstand wind loads as required by applicable building codes and regulations based on Location. Array structural design information sealed by a professional engineer is desired.
- 5.3. The array shall be mounted on the base structure at a tilt angle of 10-30 degrees from horizontal. The orientation of the base structure will vary between South, East, West or flat, at FPL's discretion.
- 5.4. Array mounting hardware supplied by the bidder should be compatible with the site considerations and environment. Special attention should be paid to minimizing the risk from exposed fasteners, sharp edges, and potential damage to the panels or support structure. Corrosion resistance and durability of the mechanical hardware should be emphasized. The use of ferrous metals, contact of dissimilar metals and the use of any wood or plastic components are strongly discouraged.
- 5.5. As these are high profile, publicly visible installations, the aesthetics of the overall installation is extremely important to FPL. To create a uniform appearance of the array, spacing between individual panels and panels should be kept to a minimum. As much as possible, all mechanical hardware, conduit, junction boxes and other equipment should be concealed beneath and/or behind the array.
- 5.6. The array layout should be consistent with the ordering (and labeling) of source circuits in the array combiner boxes. Ease of access for array troubleshooting and maintenance is desired by allowing access to the back of the array for panel junction box servicing, and removal/replacement of individual source circuits (panels) and panels if necessary.

6. Documentation to be supplied by Contractor to Customer

- 6.1. One copy of all equipment manufacturers' specifications and operations manuals, including those for PV panels, inverter, over current devices, disconnects and optional equipment.
- 6.2. Overview of major system components and principles of operation.
- 6.3. Diagram indicating overall layout of entire system, including PV array, and location of BOS hardware and inverter (if needed) with respect to the array.
- 6.4. Electrical schematics and diagrams showing all major components and devices, including conductor types and sizes, connections of individual panels and array source circuits, terminations at junction boxes, connection to surge suppression devices and the inverter, and the inverter interface with the utility grid.
- 6.5. Mechanical drawings showing details of panel/array mechanical support structure and instructions for assembling and installing arrays on the base structure.

- 6.6. Procedures for operating, disconnecting, servicing and maintaining complete system and individual components.
- 6.7. Warranty information on individual components.
- 6.8. As-built diagrams indicating overall layout of entire system, including PV array, and location of BOS hardware and PCS with respect to the array.
- 6.9. **ANY DOCUMENTS PROVIDED HEREUNDER ARE FOR INFORMATIONAL PURPOSES ONLY, PROVIDED "AS-IS," AND FPL DISCLAIMS ANY AND ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED BY LAW, AND MAKES NO WARRANTY OR REPRESENTATION, WHETHER EXPRESS OR IMPLIED, WITH REGARD TO THE ACCURACY OR COMPLETENESS OF ANY SUCH DOCUMENTS OR INFORMATION PROVIDED BY FPL HEREUNDER. CUSTOMER AGREES AND ACKNOWLEDGES FPL WILL NOT BE LIABLE FOR ANY DAMAGES AS A RESULT OF THE CUSTOMER'S RELIANCE OF SUCH INFORMATION.**

7. Customer Designated Training Representatives*

- 7.1 Upon written notice to FPL, the Customer's designated teacher is to be determined prior to commencement of construction.
- 7.2 The following is Customer's designated facility representative: Richard Huff

*Upon written notice to FPL, the Customer may change its designated teacher and/or facility representative.

8. Project Schedules

- 8.1. Proposed Commercial Operational Date for the System will be prior to September 30, 2015, provided, however, and for avoidance of doubt, the Parties acknowledge and agree that such date is only an estimate and not guaranteed.

9. Scope of O&M Work

- 9.1 Once a year during the O&M Period, FPL or its designated representative will visit the Location for the purpose of inspecting the System to determine if the System is operating properly in accordance with System manufacturer specifications. During this visit, FPL or its designated representative will conduct tests similar to those made during the original System acceptance test. Such test includes measurements of short-circuit current and open-circuit voltage, and the instantaneous measurement of DC and AC current and voltage while the System is in operation.
- 9.2 Once a year during the O&M Period, FPL or its designated representative will:
 - 9.2.1 inspect the System's support structure that the photovoltaic arrays are mounted upon, and all other assembling of the System;
 - 9.2.2 inspect the overall aesthetics of the System and notify Customer of any damage to the System;

- 9.2.3 inspect the System's electrical connections;
- 9.2.4 inspect all System communication connections (including, verifying that the System is communicating with the Internet;
- 9.2.5 check and document output of the System inverter;
- 9.2.6 perform a general safety inspection of the System and identify any safety concerns to Customer;
- 9.2.7 test both the voltage and the current for each System PV array;
- 9.2.8 check System for any degradation; and
- 9.2.9 perform general System cleaning to remove dirt in an effort to improve System output.

ATTACHMENT 3

FORM OF BILL OF SALE

THIS BILL OF SALE is made and entered into as of [_____] [], 201[] (“**Effective Date**”) between FLORIDA POWER & LIGHT COMPANY, a Florida corporation (“**FPL**”) and THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA, a political subdivision of the State of Florida (the “**Customer**”). The Customer and FPL are hereinafter sometimes collectively referred to as the “**Parties**” and individually referred to as a “**Party.**”

WHEREAS, FPL and the Customer are parties to that certain Photovoltaic for Schools Pilot Program Contract (“**Contract**”) effective as of [_____] [], 2015, pursuant to which FPL has agreed to assign, transfer and convey certain assets of FPL to the Customer.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, FPL, by this Bill of Sale, does hereby convey, grant, bargain, sell, transfer, set over, assign, alienate, remise, release, deliver and confirm unto the Customer, its successors and assigns, forever, all of FPL’s right, title, interest in and to the System (as defined in the Contract) as of the close of business on the date hereof.

TO HAVE AND TO HOLD all and singular the System unto the Customer, its successors and assigns, to its and their own use and enjoyment forever.

ASSIGNOR FURTHER COVENANTS AND AGREES AS FOLLOWS:

1. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Contract.

2. The System is conveyed to the Customer in its “as is” condition. THE CUSTOMER AGREES THAT FPL HAS MADE NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED (INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE), AS TO THE CONDITION OF THE SYSTEM, ITS SUITABILITY OR USEFULNESS FOR ANY PARTICULAR PURPOSE, OR ITS COMPLIANCE WITH ANY FEDERAL, STATE OR LOCAL STATUTE, ORDINANCE, RULE, REGULATION OR ORDER.

3. This Bill of Sale and Assignment is given pursuant to the Section 2.3 of the Contract, and, except as herein otherwise provided, the transfer of the System hereunder is made subject to the terms and provisions of the Contract. Notwithstanding anything to the contrary set forth herein, if there is any conflict between the terms and conditions of this Bill of Sale and the terms and conditions of the Contract, the terms and conditions of the Contract shall control.

4. Any notice, request or other document to be given hereunder or in connection herewith to any Party hereto shall be given in the manner described in the Contract.

5. The Parties acknowledge and agree that this Bill of Sale may be executed in multiple counterparts, and transmitted via telecopy or .pdf e-mail file, and all such counterparts (whether transmitted via telecopy, .pdf e-mail file or otherwise), when executed and taken together, shall constitute integral parts of one and the same Bill of Sale between the Parties.

6. This Bill of Sale shall be construed in accordance with and governed by the internal laws of the State of Florida without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Florida to the rights and duties of the Parties.

[Remainder of Page Left Intentionally Blank;
Signatures on Following Page]

IN WITNESS WHEREOF, the duly authorized representatives of the Parties have executed this Bill of Sale effective as of the Effective Date.

**FLORIDA POWER & LIGHT
COMPANY**
a Florida corporation

**THE SCHOOL BOARD OF INDIAN RIVER
COUNTY, FLORIDA**
a political subdivision of the State of Florida

By: _____

By: _____

Name:

Name

Title:

Title:

ATTACHMENT 4

**INTERCONNECTION AGREEMENT FOR CUSTOMER-OWNED
RENEWABLE GENERATION TIER 1-10kW OR LESS**

**Interconnection Agreement for Customer-Owned Renewable Generation
Tier 1 - 10 kW or Less**

This Agreement, is made and entered into this _____ day of _____, 20____, by and between _____ (“Customer”), with an address of _____ and FLORIDA POWER & LIGHT COMPANY (“FPL”), a Florida corporation with an address of P.O. Box 14000, 700 Universe Boulevard, Juno Beach, FL 33408-0429.

WITNESSETH:

WHEREAS, the Customer has requested to interconnect its Customer-owned renewable generation, 10 kW AC or less, to FPL’s electrical service grid at the Customer’s presently metered location.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein set forth, the Parties hereto covenant and agree as follows:

1. Definitions

- 1.1 Gross Power Rating means the total manufacturer’s AC nameplate generating capacity of an on-site customer-owned renewable generation system that will be interconnected to and operate in parallel with FPL’s distribution facilities. For inverter-based systems, the AC nameplate generating capacity shall be calculated by multiplying the total installed DC nameplate generating capacity by 0.85 in order to account for losses during the conversion from DC to AC.
- 1.2 Capitalized Terms shall have the meanings set forth in Florida Public Service Commission Rule 25-6.065 F.A.C. - Interconnection and Net Metering of Customer-owned renewable generation.

2. Customer Qualification and Fees

- 2.1. Customer-owned renewable generation shall have a Gross Power Rating that:
- a) does not exceed 90% of the Customer’s utility distribution service rating; and
 - b) is 10 kW AC or less.
- Gross Power Rating for the Customer-owned renewable generation is _____kW AC.
- 2.2. The Customer shall not be required to pay any application fee for this Tier 1 Customer-owned renewable generation system.
- 2.3. In order to commence the process for interconnection the Customer shall provide FPL a completed application.

3. General Responsibilities of the Parties

- 3.1. Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards of IEEE 1547, IEEE 1547.1, and UL 1741.
- 3.2. Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to Section 3.1 above, that performs the function of automatically isolating the Customer-owned generation equipment from the electric grid in the event the electric grid loses power.
- 3.3. The Customer shall be responsible for protecting its Customer-owned renewable generation equipment, inverters, protective devices, and other system components from damage from the normal and abnormal conditions and operations that occur on the FPL system in delivering and restoring power; and shall be responsible for ensuring that Customer-owned renewable generation equipment is inspected, maintained, and tested in accordance with the manufacturer’s instructions to ensure that it is operating correctly and safely.
- 3.4. The Customer agrees to provide Local Building Code Official inspection and certification of installation. The certification shall reflect that the local code official has inspected and certified that the installation was permitted, has been approved, and has met all electrical and mechanical qualifications.

(Continued on Sheet No. 9.051)

(Continued from Sheet No. 9.050)

3.5 The Customer shall notify FPL at least ten (10) calendar days prior to initially placing Customer's equipment and protective apparatus in service and FPL shall have the right to have personnel present on the in-service date.

3.6 Interconnection Agreement shall be executed by FPL within thirty (30) calendar days of receipt of a completed application.

4. **Inspection and On-going Compliance**

4.1 FPL will provide Customer with as much notice as reasonably practicable; either in writing, e-mail, facsimile or by phone as to when FPL may conduct inspection and/or document review. Upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, FPL shall have access to the Customer's premises for the purpose of accessing the manual disconnect switch, performing an inspection or disconnection, or, if necessary, to meet FPL's legal obligation to provide service to its Customers.

5. **Manual Disconnect Switch**

5.1 U.L.1741 Listed, inverter-based Tier 1 customer-owned renewable generation systems do not require a customer-installed manual disconnect switch.

5.2 Other customer-owned Tier 1 renewable generation systems that are not U.L. 1741 inverter based. FPL shall require the Customer to install, at the Customer's expense, a manual disconnect switch of the visible load break type to provide a separation point between the AC power output of the Customer-owned renewable generation and any Customer wiring connected to FPL's system. The manual disconnect switch shall be mounted separate from, but adjacent to, the FPL meter socket. The Customer shall ensure that such manual disconnect switch shall remain readily accessible to FPL and be capable of being locked in the open position with a single FPL utility padlock.

5.3 In the event that FPL has determined with respect to the Customer-owned renewable generation that the installation of a manual disconnect switch or switches adjacent to FPL's meter socket would not be practical from a safety perspective and/or design considerations in accordance with good engineering practices; and FPL and the customer agree upon a location on the customer's premises for the switch or switches which meet all applicable safety and/or design considerations, then, pursuant to the conditions set forth in Section 5.2 above, each manual disconnect switch shall be mounted separate from FPL's meter socket at a location agreed to by the Customer and FPL, and the customer shall install a permanent weather-proof plaque adjacent to FPL's meter socket indicating the location of the manual disconnect switch or switches.

6. **Disconnection / Reconnection**

6.1 FPL may open the manual disconnect switch, if available, or disconnect the Customer's meter, pursuant to the conditions set forth in Section 6.2 below, isolating the Customer-owned renewable generation, without prior notice to the Customer. To the extent practicable, however, prior notice shall be given. If prior notice is not given, FPL shall at the time of disconnection leave a door hanger notifying the Customer that its Customer-owned renewable generation has been disconnected, including an explanation of the condition necessitating such action. FPL will reconnect the Customer-owned renewable generation as soon as practicable after the condition(s) necessitating disconnection has been remedied.

(Continued on Sheet No. 9.052)

(Continued from Sheet No. 9.051)

- 6.2 FPL has the right to disconnect the Customer-owned renewable generation at any time. This may result for the following reasons:
- a) Emergencies or maintenance requirements on FPL's system;
 - b) Hazardous conditions existing on FPL's system due to the operation of the Customer's generating or protective equipment as determined by FPL; and
 - c) Adverse electrical effects, such as power quality problems, on the electrical equipment of FPL's other electric consumers caused by the Customer-owned renewable generation as determined by FPL.

7. **Modifications/Additions to Customer-owned Renewable Generation**

- 7.1 If the Customer-owned renewable generation system is subsequently modified in order to increase its Gross Power Rating, the Customer must notify FPL by submitting a new application and Interconnection Agreement specifying the modification at least thirty (30) calendar days prior to making the modification.
- 7.2 If the Customer adds another Customer-owned renewable generator system which i.) Utilizes the same utility inter-active inverter, or other device certified pursuant to Section 3.1 above, for both systems; and ii.) Utilizes a separate utility inter-active inverter, or other device certified pursuant to Section 3.1 above, for each system the Customer shall provide thirty (30) calendar days notice prior to installation.
- 7.3 In the event any Customer modifications or additions result in the input to any FPL meter so as to qualify as a Tier 2 or Tier 3 system, then all terms and conditions, including appropriate notice, of the Interconnection Agreement for Tier 2 or Tier 3 systems shall apply.
- 7.4 The Interconnection Agreement which applies in instances described in Sections 7.1, 7.2, and 7.3 above shall be determined by the combined gross power rating of the generation system(s) which is connected to the FPL meter. In all instances described in this Section 7, the Customer shall submit a new application to FPL and shall enter into a new Interconnection Agreement. In no event shall the maximum output of the Customer-owned generation system(s), which is connected to the FPL meter exceed 2 MW Gross Power Rating.

8. **Indemnity**

- 8.1 Customer, to the extent permitted by law without waiving or limiting any defense of sovereign immunity, shall indemnify, hold harmless and defend FPL from and against any and all judgments, losses, damages, claims relating to injury to or death of any person or damage to property, (including the Customer-owned renewable generation system), fines and penalties, costs and expenses arising out of or resulting from the operation of the Customer-owned renewable generation system, except in those instances where such loss is due to the negligent action or inactions of FPL. Nothing herein shall be intended to serve as a waiver or limitation of Customer's sovereign immunity defense as allowed by law.
- 8.2 FPL shall indemnify, hold harmless and defend Customer from and against any and all judgments, losses, damages, claims relating to injury to or death of any person or damage to property (including FPL's transmission system), fines and penalties, costs and expenses arising out of or resulting from the operation of FPL's system, except in those instances where such loss is due to the negligent action or inactions of the Customer.

(Continued on Sheet No. 9.053)

(Continued from Sheet No. 9.052)

9. Limitation of Liability

9.1 Liability under this Interconnection Agreement for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Interconnection Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall the indemnifying Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Interconnection Agreement.

10. Assignment

10.1 The Interconnection Agreement shall be assignable by either Party upon thirty (30) calendar days notice to the other Party and written consent of the other Party, which consent shall not be unreasonably withheld or delayed.

10.2 An assignee to this Interconnection Agreement shall be required to assume in writing the Customer's rights, responsibilities, and obligations under this Interconnection Agreement; or execute a new Interconnection Agreement.

11. Insurance

11.1 FPL recommends that the Customer maintain Liability Insurance for Personal Injury and Property damage in amount of not less than \$100,000 during the entire term of this Interconnection Agreement to the extent permitted by law. For government entities, the policy coverage shall not exceed the entity's maximum liability established by law.

12. Renewable Energy Certificates

12.1 The Customer shall retain any Renewable Energy Certificates associated with the electricity produced by their Customer-owned renewable generation equipment; any additional meters necessary for measuring the total renewable electricity generated for the purposes of receiving Renewable Energy Certificates shall be installed at the Customer's expense, unless otherwise determined during negotiations for the sale of the Customer's Renewable Energy Certificates to FPL.

13. Lease Agreements

13.1 The Customer shall provide FPL a copy of the lease agreement, as applicable, for any and all leased interconnection equipment.

13.2 The Customer shall not enter into any lease agreement that results in the retail purchase of electricity; or the retail sale of electricity from the Customer-owned renewable generation. Notwithstanding this restriction, in the event it is determined by the Florida Public Service Commission that the Customer has entered such an agreement, the Customer shall be in breach of this Interconnection Agreement and the lessor may become subject to the jurisdiction and regulations of the Florida Public Service Commission as a public utility.

14. Dispute Resolution

14.1 Disputes between the Parties shall be handled in accordance with subsection 11 of Florida Public Service Commission Rule 25_6.065 F.A.C. - Interconnection and Net Metering of Customer-owned renewable generation.

15. Effective Date

15.1 The Customer must execute this Interconnection Agreement and return it to FPL at least thirty (30) calendar days prior to beginning parallel operations and the Customer must begin parallel operation within one year after FPL executes the Interconnection Agreement.

16. Termination

16.1 Upon termination of this Interconnection Agreement, FPL shall open and padlock the manual disconnect switch, if applicable, and remove the Net Metering and associated FPL equipment. At the Customer's expense, the Customer agrees to permanently disconnect the Customer-owned renewable generation and associated equipment from FPL's electric service grid. The Customer shall notify FPL in writing within ten (10) calendar days that the disconnect procedure has been completed.

(Continued on Sheet No. 9.054)

(Continued from Sheet No. 9.053)

17. **Amendments to Florida Public Service Commission Rules**

17.1 FPL and Customer recognize that the Florida Public Service Commission rules may be amended from time to time. In the event that Florida Public Service Commission rules are modified, FPL and Customer agree to supersede and replace this Interconnection Agreement with a new Interconnection Agreement which complies with the amended Florida Public Service Commission rules.

18. **Entire Agreement**

18.1 This Interconnection Agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between FPL and the Customer, made in respect to matters herein contained, and when duly executed, this Interconnection Agreement constitutes the entire agreement between Parties hereto.

19. **Governmental Entities**

19.1 For those customers, which are government entities, provisions within this agreement will apply to the extent the agency is not legally barred from executing such provisions by State or Federal law.

(Continued on Sheet No. 9.054)

(Continued from Sheet No. 9.053.1)

IN WITNESS WHEREOF, the Parties hereto have caused this Interconnection Agreement to be duly executed the day and year first above written.

CUSTOMER

(Signature)

(Print or Type Name)

Title: _____

FLORIDA POWER & LIGHT COMPANY

(Signature)

Ron Bartnick

(Print or Type Name)

Title: Manager Product Support

The completed agreement may be submitted to FPL by:

E-mail - scan and e-mail to Netmetering@fpl.com

Mail - send to: Net Metering
FPL – Mail code CSF-GO
9250 W. Flagler St.
Miami, FL 33174

FAX - 305-552-2275

PHOTOVOLTAIC FOR SCHOOLS PILOT PROGRAM CONTRACT

This PHOTOVOLTAIC FOR SCHOOLS PILOT PROGRAM CONTRACT (“**Contract**”) is entered into this [] day of [], 2015 (“**Effective Date**”), by and between FLORIDA POWER & LIGHT COMPANY, a Florida corporation (“**FPL**”), and THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA a political subdivision of the State of Florida (“**Customer**”) (FPL and Customer each being referred to herein individually as a “**Party**” and collectively as the “**Parties**”), with reference to the following:

WITNESSETH:

WHEREAS, FPL has received approval from the Florida Public Service Commission (“**FPSC**”) to enter into contracts with its customers under the Photovoltaic for Schools Pilot Program (“**Program**”) pursuant to the Photovoltaic for Schools Pilot Program Standards (“**Program Standards**”), as such Program Standards are more particularly described in Attachment 1;

WHEREAS, the FPSC approved the Program for the purpose of (i) reducing energy consumption and growth of coincident peak demand and (ii) educating future generations on the application of solar photovoltaic (“**PV**”) electrical generation by (A) donating a PV system, as such system is more particularly described in Attachment 2 hereto (collectively, the “**System**”) five (5) years from the System’s Commercial Operation Date (as defined herein) and (B) furnishing educational materials to the Customer for the purpose of the Customer using such materials in its renewable energy educational curriculum;

WHEREAS, the System has an anticipated energy output of approximately up to 10 kilowatts (“**kW**”) under peak conditions;

WHEREAS, FPL has contracted with a licensed contractor (“**Contractor**”) to install one (1) System at Indian River Academy, 500 20th Street SW, Vero Beach, Florida 32962 (the “**Location**”); and

WHEREAS, subject to the terms and conditions of this Contract, FPL agrees to install the System at the Location and perform certain operation and maintenance services on the System until such time as FPL donates the System to the Customer as provided in this Contract.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1 – TERM AND TERMINATION

1.1 **Term.** The term of this Contract shall commence on the last/latest date signed by either Party and continue until the earlier of (i) the date that is five (5) years from the Commercial Operation Date or (ii) termination as set forth in this Article 1.

1.2 **Termination.** A Party shall have the right to terminate this Contract for cause if a Party substantially fails to perform any material obligation under this Contract and fails to cure or commence and diligently proceed to cure such obligation within thirty (30) days written notice from the other Party. Notwithstanding the foregoing, FPL may elect to terminate this Contract for convenience after thirty (30) days written notice to Customer.

1.3 Termination Upon Mutual Agreement. At any time, after thirty (30) days written notice, the Parties may mutually agree to terminate this Contract, in whole or in part, without cause and for their convenience.

1.4 Termination Due to Regulatory or Legislative Action. In the event that FPL is denied, by any governmental or regulatory authority (including, without limitation, the FPSC), the authority to conduct the Program or if such approval to conduct the Program is materially altered or impacted because of (i) a rule or order of a governmental or regulatory authority having jurisdiction over the Program, or (2) a legislative proceeding or enactment, in each case, FPL may terminate this Contract by giving notice to the Customer of its intent to terminate, unless required to terminate earlier by applicable laws or governmental or regulatory requirement. In the event the Program is terminated under this Section 1.4. The Customer acknowledges and agrees that FPL's sole and only obligation and the Customer's exclusive remedy for termination of this Contract under this Section 1.4 shall be limited to the Customer's direct damages actually incurred, provided such liability shall be subject to FPL's limitation of liability in Article 4. The Customer voluntarily and knowingly waives any other available right, claim or remedy available at law or equity for a FPL termination for regulatory or legislative action.

ARTICLE 2 – FEES: COMMERCIAL OPERATION; OPERATION AND MAINTENANCE SERVICES; BILL OF SALE; AND INTERCONNECTION AGREEMENT

2.1 Fees. FPL has agreed to donate the System to the Customer at no cost to the Customer, and be responsible for costs incurred to install and perform certain O&M Services (as such term is defined herein) for the System at the Location as set forth herein and outlined in Attachment 2 hereto; however, the Parties mutually agree and acknowledge that (i) as of the date that is five (5) years from the System's Commercial Operation, the Customer, not FPL, shall be solely responsible for any on-going costs necessary to maintain and continuously operate the System at the Location, and (ii) the Customer, not FPL, shall be solely responsible for and any landscape around the site at the Location where the System is installed.

2.2 Commercial Operation. The "**Commercial Operation Date**" shall mean the date the System (i) is connected to the grid and (ii) is capable of being operated and delivering electricity in accordance with all applicable laws, rules and regulations. FPL shall provide the Customer notice of the date representing the Commercial Operation Date.

2.3 Bill of Sale. Within ten (10) days of the date that is five (5) years from the Commercial Operation Date, FPL shall deliver to the Customer a fully executed document ("**Bill of Sale**") transferring title of the System from FPL to the Customer. The Parties agree that the form of Bill of Sale is attached hereto as Attachment 3. The Customer hereby agrees to execute the form of Bill of Sale within thirty (30) days of the date FPL delivers the Bill of Sale to the Customer, and the Customer hereby waives any right to object to the form of Bill of Sale.

2.4 FPL Operation & Maintenance Obligations.

2.4.1 Unless terminated earlier, commencing on the Commercial Operation Date and continuing for a period of five (5) years (the "**O&M Period**"), the Parties agree that FPL shall be the exclusive provider of the any operation and maintenance services ("**O&M Work**") on the System unless this Contract is terminated prior to the expiration of the O&M Period. The scope of the O&M Work that FPL agrees to perform on the System at the Location is set forth in Attachment 2.

2.4.2 The Customer shall insure that all permits relating to the Location and all land owner provisions, easements, permits and land rights are sufficient to permit FPL to comply with its obligations under this Contract.

2.4.3 THE PARTIES AGREE THAT THE O&M WORK IS BEING PERFORMED BY FPL “AS-IS” AND “WHERE-IS” AND WITHOUT ANY GUARANTEE OR WARRANTY OF ANY KIND, AND ALL GUARANTEES AND WARRANTIES, EXPRESS OR IMPLIED, FOR PERFORMANCE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE ARE HEREBY DISCLAIMED BY FPL.

2.5 Interconnection Agreement. As a condition precedent to the Customer’s execution of this Contract, the Customer hereby agrees and acknowledges that it shall execute an Interconnection Agreement for Customer-Owned Renewable Generation Tier 1 - 10 kW or Less (effective as of October 1, 2008), the form of which is attached hereto as Attachment 4 (“**Interconnection Agreement**”). The Customer shall be obligated to deliver to FPL a fully executed version of the Interconnection Agreement concurrent with the execution of this Contract.

ARTICLE 3 – WARRANTY EXCLUSION

3.1 Limited Contractor/Manufacturer Warranty. FPL, in procuring materials and equipment for the System and the installation of the System, shall use reasonable efforts to obtain customary and standard Contractor, warranties, if any, from the manufacturer of the System or the subcontractors used to install the System. Upon issuance of the Bill of Sale to the Customer and to the extent permitted by the Contractor or manufacturer of the System, FPL agrees to assign, to the extent assignable or transferrable, any applicable warranties to the Customer such that the Customer may be able to benefit from any such Contractor or manufacturer provided warranties obtained by FPL.

3.2 FPL Not Responsible. The Customer acknowledges and agrees that FPL shall have no liability, and Customer hereby waives any liability against FPL, with respect to any or all Contractor or manufacturer provided or supplied labor, materials, equipment or warranties set forth in Section 3.1, including warranties with respect to services performed and materials and equipment supplied in connection with to the installation or on-going maintenance of the System. As of the date of the Bill of Sale to the Customer, the Customer agrees that it shall look solely to the Contractor or the System manufacturer, as applicable, for corrective action pursuant to Section 3.1. The Customer further waives any right to seek any damages arising from any services performed by FPL or its subcontractors and materials and equipment supplied in connection the installation or the performance of the O&M Work on the System.

3.3 No Implied or Expressed Warranties. FPL PROVIDES THE SYSTEM UNDER THIS CONTRACT “AS IS” AND “WHERE IS” WITHOUT ANY EXPRESS OR IMPLIED WARRANTIES. In addition, the Customer hereby acknowledges and understands that : (i) the Contractor chosen to install the System is not employed by FPL nor is an agent of FPL, but rather is an independent contractor hired by FPL; and (ii) FPL HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS, OR GUARANTIES OF ANY KIND OF CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE WITH RESPECT TO THE SYSTEM’S: (A) SUITABILITY FOR THE CUSTOMER’S LOCATION; (B) SAFETY, QUALITY, AND/OR PERFORMANCE (INCLUDING, WITHOUT LIMITATION, ANY PROJECTED ENERGY SAVINGS); (C) INSTALLATION AND/OR THE CUSTOMER’S SUBSEQUENT OPERATION BEING IN COMPLIANCE WITH ANY APPLICABLE LAWS; (D) MERCHANTABILITY, PROFITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE EQUIPMENT OR MATERIALS FURNISHED BY ANY THIRD PARTY MANUFACTURER OR CONTRACTOR; AND (E) IMPLIED WARRANTIES OF NON-INFRINGEMENT, CUSTOM OR USAGE. This Section 3.3 shall survive the termination and expiration of this Contract.

3.4 Customer Warranty. The Customer hereby warrants and represents that it has secured and will continue to maintain all real property rights at the Location that are necessary to (i) install the System and (ii) perform the O&M Work the System during the O&M Period. The Customer's obligation to secure all real property rights hereunder shall be at no cost to FPL and the Customer shall bear all costs related to securing such real property rights. Upon FPL's request, the Customer shall promptly furnish such documentation requested by FPL to document that the Customer has fulfilled its obligations under this Section 3.4. The Customer's failure to properly secure and continue to maintain all such real property rights at the Location that are necessary to install and operate the System shall constitute a automatic material default event that Customer shall be obligated to cure within the time period set forth in Section 1.2. For purpose of this Contract, "**real property rights**" means all rights in or to real property, including leases, agreements, permits, easements, licenses, and provide right-of-ways, obtained by the Customer as may be necessary for FPL or Contractor to install the System, use and/or access the Location.

ARTICLE 4 – INDEMNITY: INSURANCE: AND LIMITATION OF LIABILITY

4.1 Indemnity. FPL shall hold the Customer, its officers, agents, and employees harmless against claims by third parties for bodily injury (including death) and third party tangible personal property damage resulting solely and exclusively from FPL's gross negligence during the performance of the installation of the System at the Location. FPL shall not be responsible for damages whether resulting in whole or in part from the Customer, or any of its employees, agents, representatives or those in its care and custody. To the extent permitted by Section 768.28, Florida Statutes, the Customer shall hold harmless, indemnify and defend FPL, its affiliates and parent company, and their officers, agents, and employees (collectively, "**FPL Entities**") from and against all liability, claims, judgments or costs for injury to, or death of any person or persons, for the loss or damage to any property, and for the imposition of any penalties, fines or other assessments by any governmental agency arising out of the performance under this Contract, and resulting from any negligence or failure to act by the Customer, or any of its employees, agents, representatives or those in its care and custody. An indemnitor under this Section shall have the right to defend an indemnitee by counsel (including insurance counsel) of indemnitor's selection reasonably satisfactory to the indemnitee, with respect to any claims within the indemnification obligations hereof. The Parties shall give each other prompt written notice of any asserted claims or actions indemnified against hereunder and shall cooperate with each other in the defense of any such claims or actions. No indemnitee shall settle any such claims or actions without prior written consent of the indemnitor. **NOTWITHSTANDING ANYTHING CONTAINED IN THIS SECTION 4.1 TO THE CONTRARY, NOTHING CONTAINED HEREIN SHALL CONSTITUTE A WAIVER BY THE CUSTOMER OF ITS LIMITED WAIVER OF SOVEREIGN IMMUNITY PURSUANT TO THE PROVISIONS OF SECTION 768.28, FLORIDA STATUTES.**

4.2 The Customer's Insurance Requirements. As of the expiration of the O&M Period, the Customer shall (i) maintain comprehensive property insurance, including all risk physical damage insurance, on the System with replacement cost coverage; and (ii) either (a) maintain comprehensive liability insurance for bodily injury, death, and property damage in the amount of \$200,000 per claimant and \$300,000 per occurrence or higher limits permitted under Section 768.28, Florida Statutes or (b) evidence that the Customer is self-insured for all liability claims and related expenses pursuant to Section 768.28, Florida Statutes. The Customer shall provide FPL copies of insurance certificates which provide evidence of the insurance coverage under this Contract, in form and substance reasonably satisfactory to FPL.

4.3 Limitation of Liability. By participating in the Program and entering into this Contract, the Customer acknowledges and agrees notwithstanding anything contained in this Contract to the contrary: (i) to be bound by this Contract and the Program Standards, which are final and legally binding on all matters relating to the Program; (ii) to waive, relinquish, release any right the Customer may have to seek, claim or petition any indirect, incidental, special, consequential, punitive and/or exemplary damages against any of

the FPL Entities; (iii) that FPL Entities shall also not be liable to the Customer for any lost profits, lost revenue, or lost institutional operating savings arising out of or in connection with this Contract and the Program; and (iv) in no event shall FPL Entities total aggregate liability to the Customer for all damages, losses and causes of action, whether in tort (including, but not limited to, negligence) or otherwise exceed \$100. This Section 4.3 shall survive the termination or expiration of this Contract.

4.4 Survival. This provision of this Article 4 shall survive the termination and expiration of this Contract.

ARTICLE 5 – ACCESS, OWNERSHIP AND CONFIDENTIALITY

5.1 Location Access and Jessica Lunsford Act.

5.1.1 Upon the request of FPL and the Contractor, the Customer shall provide FPL and the Contractor (and its subcontractors) with reasonable access to the Location to enable FPL and the Contractor to install the System at the Location, and to verify and confirm the operation of the System at the Location. The Customer shall provide FPL and the Contractor with adequate storage and laydown areas at the Location during the installation of System and shall make available any construction power and other utilities (at the Customer's sole expense) as necessary for the Contractor and its subcontractors to perform the installation, activation of the System.

5.1.2 If FPL, its Contractor, employees, and/or subcontractors have access on school grounds when students are present, have direct contact with children or any student of the Customer, then FPL, its employees, and/or subcontractors shall undergo level 2 screening, including fingerprinting by the Customer's designated subcontractor at the sole cost of the FPL or Contractor, as applicable. Level 2 screening consists of fingerprinting and a background check as set forth in Section 1012.32, Florida Statutes. Neither FPL nor Contractor (or its subcontractors) shall begin work at the Location until it receives clearance by the Customer. The Customer shall not be liable to FPL under any legal theory or equitable theory for any claim whatsoever for the rejection of FPL its employees and/or subcontractors on the basis of these compliance with Section 1012.32, Florida Statutes. All exceptions to certain fingerprinting and criminal history checks pursuant to Section 1012.468, Florida Statutes shall apply.

5.2 Ownership. All right, title and interest in any intellectual property embedded or made part of the System and any other report or document furnished or to be furnished by FPL pursuant to this Contract shall constitute Confidential Information and shall remain the sole and exclusive property of FPL and may only be used by the Customer through the grant of a limited license for the operation, maintenance, repair or alteration of the System installed by the Contractor. The Customer shall not acquire any rights or interest with respect to FPL's or its subcontractors' proprietary technology, know-how, processes or computer software or any other intellectual property that may be used in connection with the services or the supply of equipment and materials hereunder. The Customer acknowledges that FPL may provide similar services or install similar Systems to other companies or customers and agrees that nothing in this Contract will be deemed or construed to prevent FPL from carrying on such business. In particular, the Customer agrees that, notwithstanding anything to the contrary set forth herein, as part of FPL's provision of the installation of the System hereunder, FPL may utilize software, methodologies, tools, specifications, models, samples and documentation, FPL's Confidential Information, as well as copyrights, trademarks, service marks, ideas, concepts, know-how, techniques, knowledge or data, which have been originated, developed or purchased by FPL or by third parties under agreements to provide services for such third parties.

5.3 Confidentiality. The Customer agrees to hold Confidential Information in strict confidence and agrees that it shall not disclose Confidential Information without prior written consent of FPL except to the extent disclosure is required by Chapter 119, Florida Statutes, as may be amended from time to time. For

purposes of this Contract, “**Confidential Information**” shall mean (i) all information for which a statutory exemption from disclosure exists under Chapter 119, Florida Statutes, as may be amended from time to time that is (i) marked as “confidential” or “proprietary” by an appropriate stamp, label, legend or other written notice thereon if transmitted electronically or other written form, and if disclosed orally by FPL, then FPL shall confirm the oral or visual disclosure that shall be considered Confidential Information in a written memorandum or e-mail transmittal to the Customer within thirty (30) days after such visual or oral disclosure, or (ii) information that due to its character and nature, a reasonable person under like circumstances would treat such information as confidential or proprietary. Confidential Information may only be disclosed to employees with a need to know the Confidential Information for the sole purpose of performing its obligations under this Contract and the Customer is responsible for any breach of this Section 5.3 by its employees. This Section 5.3 does not apply to information that is presently a matter of public knowledge, which is or becomes available on a non-confidential basis from a source which is not known to be prohibited from disclosing such information or which was legally in the Customer’s possession without obligation of confidentiality prior to disclosure by FPL. In the event that either Party is requested or required by legal, statutory or regulatory authority to disclose any Confidential Information, the Customer shall promptly notify FPL of such request or requirement prior to disclosure so that FPL may seek an appropriate protective order and/or waive compliance with the terms of this Contract. Both Parties acknowledge that FPL would not have an adequate remedy at law for money damages if the covenants contained in this Section 5.3 were breached. Accordingly, FPL shall be entitled to an injunction restraining the Customer from violating this Section 5.3, provided all necessary requirements under law for such injunction were met.

5.4 Publicity. The Customer acknowledges that FPL desires to generate favorable publicity regarding FPL’s conveyance of the System to the Customer and the Customer’s use of the System. The Customer further acknowledges and agrees FPL shall have the right: (i) to issue press releases regarding the installation and use of the System and to publicize FPL’s customers and to the public that FPL have helped, encouraged and supported the installation of the System; (ii) to use the Customer’s name in FPL’s press releases, publicity and advertising; (iii) to display photographs of any of the System in its advertising and promotional materials; and (iv) to post signage at the Location acknowledging FPL’s ownership and future donation of the System to the Customer. The Customer shall not make any public announcement or publication concerning, related to or in connection with its participation in the Program or this Contract (or any activity related to this Contract) until FPL approves such announcement or publication, which such approval may be withheld by FPL in its sole discretion.

ARTICLE 6– GENERAL TERMS

6.1 Independent Contractor Relationship. The Customer shall represent itself and its employees/subcontractors to all customers and other parties as an independent contractor and shall not in any manner, including by telemarketing or otherwise, promote, infer or identify itself or its employees/subcontractors as FPL, or as an agent, partner, joint venturer, or employee of FPL, or permit any such promotion or identification of itself or its employees/subcontractors. Each Party shall have the sole responsibility to employ and pay its employees/subcontractors as may be required to perform the work, use appropriate equipment, follow good work practices, provide appropriate supervision and ensure compliance with its obligation under this Contract.

6.2 Non-Exclusivity. The Customer understands that FPL may enter into similar agreement with others and FPL’s donation of the System under this Contract shall not be interpreted as created any type of exclusive relationship.

6.3 Conflicting Provisions. In the event of any inconsistencies between this Agreement and the other documents integrated into the Contract, the following order of precedence in the interpretation hereof or resolution of such conflict hereunder shall prevail: first, written amendments to this Contract agreed upon

by the Parties; second, the terms and conditions of this Contract (excluding Attachments); third, Attachment 1; fourth, all other Attachments (other than Attachment 1); and last, any drawings produced and delivered pursuant hereto (in respect of which, precedence shall be given to drawings of a larger scale over those of smaller, figured dimensions on the drawings shall control over scaled dimensions, and noted materials shall control over undimensioned graphic indications.

6.4 Assignment. Neither the Contract, nor the work, nor any duty, interest or rights hereunder shall be subcontracted, assigned, transferred, delegated or otherwise disposed of by either Party without the other's prior written approval. However, FPL may at any time and at its sole and unrestrained discretion assign the Contract, in whole or in part, to one of its subsidiaries or affiliates by written notice to the Customer. No assignment or transfer of the Contract shall relieve either Party of any of its obligations hereunder until such obligations have been assumed by the assignee and agreed to by FPL, the Customer and assignee. If the Contract should be permitted to be assigned by either Party, it shall be binding upon and shall inure to the benefit of the permitted assignee.

6.5 Headings Not Controlling; Construction. Headings in this Contract are for reference purposes only and shall not be part of the Contract. Each Party acknowledges that it has actively participated in the negotiation and preparation of this Contract, and that accordingly this Contract and any uncertainty or ambiguity contained therein shall not be construed against any one Party as drafter.

6.6 Non-waiver. The failure of a Party to enforce, insist upon, or comply with any of the terms, conditions or covenants of this Contract, or a Party's waiver of the same in any instance or instances shall not be construed as a general waiver or relinquishment of any such terms, conditions or covenants, but the same shall be and remain at all times in full force and effect.

6.7 Governing Law and Venue. This Contract shall be governed by, construed and enforced in accordance with the laws of the State of Florida, exclusive of conflicts of laws provisions. Any disputes resulting in litigation between the Parties shall be conducted in the state or federal courts of the State of Florida. Proceedings shall take place in the Circuit Court for Indian River County, Florida or the United States District Court for the Southern District of Florida.

6.8 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS CONTRACT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, OR STATEMENTS WHETHER ORAL OR PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE FPL ENTERING INTO THIS CONTRACT.

6.9 Notices. Correspondence concerning this Contract must be sent to the Parties at the following addresses:

If to the Customer: The School Board of Indian River County, Florida
 Attention: Superintendent
 1990 25th Street
 Vero Beach, Florida 32960
 Telephone: (772) 564-3000
 Facsimile: (772) 564-3105

If to FPL: Florida Power & Light Company
 9250 West Flagler Street

Miami, Florida 33174
Attention: Gus Dominguez Mail Stop: DMO//GO
Telephone: (305) 552-4663
Facsimile: (305) 552-2487

If the mailing address for either Party changes during the term of this Contract, it shall be that Party's responsibility to notify the other Party promptly of the new address, and the old address shall remain effective for the purposes of this Contract, or any renewal thereof, until notice of the address change has been received by the other Party. All notices shall be delivered in person; by courier service; by registered mail or certified mail; or by U.S. Mail, postage prepaid, in which case receipt shall be deemed effective three (3) business days after postmark.

6.10 Survival. The obligations of the Parties contained in Articles 2, 3, 4, 5 and 6, which by their nature survive the termination of the Contract and/or the completion of the work hereunder, shall survive and inure to the benefit of the Parties. Those provisions of the Contract which provide for the limitation of or protection against liability shall apply to the full extent permitted by law and shall survive termination of the Contract and/or completion of the work.

6.11 Severability. Should any provision, portion or application thereof, of the Contract be determined by a court of competent jurisdiction to be illegal, unenforceable or in conflict with any applicable law, the Parties shall negotiate an equitable adjustment to the affected provisions of the Contract with a view toward effecting the purpose of the Contract and the validity and enforceability of the remaining provisions, portions or applications thereof, shall not be impaired.

6.12 Hazardous Materials. The Customer shall have sole responsibility and liability with respect to the proper identification, removal and disposal of any asbestos or any substance containing asbestos, polychlorinated biphenyl's, any explosives, radioactive materials, chemicals known or suspected to cause cancer or reproductive toxicity, pollutants, effluents, contaminants, emissions, infectious wastes, any petroleum or petroleum-derived waste or product or related materials and any items defined as hazardous, special or toxic materials, substances or waste under any applicable law (collectively, "**Hazardous Materials**") or correction of any hazardous condition at the Location which affects FPL's or the Contractor's performance of the services to install and/or perform the O&M Work on the System. If, during the course of performing the installation of the System and/or O&M Work, FPL or the Contractor becomes aware of any such Hazardous Materials or hazardous condition, FPL shall promptly report such matter to the Customer and before disturbing (or further disturbing) such Hazardous Materials or hazardous condition. Work in the affected areas shall be resumed by the Contractor only upon the written notice from the Customer that such Hazardous Materials have been removed or such hazardous condition has been corrected, and then only if such continuation of work shall not violate any applicable law or permit. The Customer shall, to the extent permitted under Section 768.28, Florida Statutes, indemnify, defend and hold harmless FPL Entities with respect to any liability, cost or expense incurred as a result of its negligence involving such Hazardous Materials or hazardous condition.

6.13 Title and Risk of Loss.

6.13.1 Legal title to the System, including all equipment and materials comprising a part thereof, shall pass to the Customer upon the earlier of (i) delivery of the Bill of Sale by FPL to the Customer and (ii) expiration of the O&M Period.

6.13.2 The Customer shall bear all risk of loss or damage of any kind with respect to all or any part of System located at the Location, whether installed or not upon delivery of the System to the Location unless such loss or damage is found to have been directly caused by the negligence of FPL or

Contractor. As of the date that the Customer assumes risk of loss of the System, the Customer hereby releases and waives, and will cause its insurers to release and waive, any right of subrogation against FPL for any loss under this Section 6.13.

6.14 Force Majeure. Neither Party shall be liable for any loss, damage, cost, delay, or failure to perform in whole or in part resulting from causes beyond such Party's control, including but not limited to, fires, strikes, insurrections, riots, or requirements of any governmental authority.

6.15 Taxes. FPL shall have no obligation or liability with respect to any property tax or with respect to any income, excess profits, or revenue tax charged or levied against the Customer as a result of this Contract.

6.16 Customer Training. As part of the installation of the System, Customer is required to designate to FPL in the Attachment 2, Scope or Work, a certified and licensed person who teaches at the Location along with a Customer facility's representative that shall be made available to attend educational training related to the System and solar energy technology. FPL agrees to provide for the following reimbursements costs (the "**Reimbursement Expenses**") as a result of such mandatory training: (i) Customer's designated teacher and facility representative's direct expenses paid by such persons for travel to and from the FPL designated training site; (ii) Customer's designated teacher and facility representative's direct expenses paid by such persons for meals and lodging to and from the FPL designated training site; and (iii) Customer's direct expenses incurred for procuring a substitute teacher if the teacher is required to attend the training class during the school year on a date when school is in session. Notwithstanding anything contained herein, the total aggregate amount of Reimbursable Expenses that FPL shall be liable and responsible for under this Contract shall not exceed \$1,000.00, and in order for Customer to allow Customer and its designated teacher and facility representative to be eligible for any Reimbursable Expenses, Customer and such persons must present receipts documenting and supporting any claim for such Reimbursable Expenses.

6.17 Integration. This Contract (including Attachments 1, 2 and 3) contains all the terms and conditions agreed on by the Parties, and no other agreement, oral or otherwise, regarding the subject matter of this Contract shall be deemed to bind the Parties hereto. No modification of this Contract shall be binding unless made in writing and signed by both Parties. There are no other oral understandings, terms or conditions and neither Party has relied upon any representation, express or implied, not contained in this Contract.

[Remainder of Page Left Intentionally Blank;
Signatures on Following Page]

IN WITNESS WHEREOF, the duly authorized representatives of the Parties have executed this Contract effective as of the Effective Date.

**FLORIDA POWER & LIGHT
COMPANY**
a Florida corporation

**THE SCHOOL BOARD OF INDIAN RIVER
COUNTY, FLORIDA**
a political subdivision of the State of Florida

By: _____

By: _____

Name: Marlene M. Santos
Title: Vice President, Customer Service

Name:
Title:

ATTACHMENT 1

PHOTOVOLTAIC FOR SCHOOLS PILOT PROGRAM STANDARDS



Photovoltaic for Schools Pilot

Program Standards

**Florida Power & Light Company
Photovoltaic for Schools Pilot**

Program Standards

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Program Objectives

Description of purpose of program

The Photovoltaic (PV) for Schools Pilot Program is designed to reduce energy consumption and growth of coincident peak demand. Its other purpose is to educate future generations on the practical application of a PV system by providing systems and educational materials to selected schools in each public school district in FPL's territory.

Measures included in program

The measure included in this program is a PV system consisting of solar electric panels, mounting hardware, grid-interactive inverter(s), associated equipment, and an on-line data acquisition system to be used by the schools in their renewable energy education curriculum.

Output to the customers

Each school will receive a PV system, teacher training and educational materials, in addition to the reduced energy consumption and technical assistance on the operation of the PV system.

Customer Requirements

Customer / premise eligibility

All existing K-12 public schools served by FPL are eligible.

Eligible rates

All metered commercial/industrial retail rate schedules are eligible.

Dwelling / building type

All public school building types are eligible for this program.

Age of dwelling / building type

All existing public school buildings are eligible for this program.

Restriction from re-participation and exceptions

An individual school is eligible for only one solar installation during the duration of the pilot program.

Other customer requirements

The school district must provide a sufficiently sized, accessible unshaded area to accommodate the PV system. The participating school must have, and be willing to maintain, a science teaching position at that school trained to present curriculum related to the PV installation. Prior to the installation of the PV system, the school district must submit an application and a Net Metering Interconnection Agreement as per Rule 25-6.065, Net Metering of Customer-owned Renewable Generation

(Interconnection Agreement). The school district must partner with FPL to select and approve the specific schools and commit to facilitating the installation of the PV system within the funding year. The school must supply an internet connection through the school's internet system to provide monitoring information to the classrooms, the school district and FPL.

FPL will own and repair the PV system for the first five years following installation. At the end of the five year period, FPL will transfer ownership to the school district and all responsibility for the operation and maintenance of the system.

Contractor Requirements

Licensing requirements

The contractor must meet any and all applicable legal licensing requirements of the State of Florida and local municipalities for the work being performed.

Other contractor requirements

FPL will select the licensed contractor to construct each system. The selected contractor will be responsible for all work performed and maintenance for the first five years of the system operation. The contractor must comply with all FPL requirements and must commission and certify each system.

Eligible Equipment Requirements

Definition of system

A PV system consists of solar panels, mounting hardware, grid-interactive inverter(s), associated cabling, and an on-line data acquisition system to be used to transmit educational information to the school districts through the schools' internet system.

Accreditation of ratings

The PV system components shall be tested and listed by a nationally recognized testing and certification laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards of IEEE 1547, IEEE 1547.1, and UL 1741.

Additional equipment requirements

All installed systems must have at least a five year warranty on equipment and installation beginning on the in-service date.

Installation Requirements

Specific installation requirements

The PV system will be installed using a design approved by FPL. The installations must comply with all local, state and federal statutes, codes, ordinances, and accepted engineering practices.

Fees or charges

There are no fees or charges to be paid by the customer for systems installed under this program.

Other installation requirements

If the customer requires a fence around the PV system, then the cost of purchasing and installing the fence will be the responsibility of the school district. Following installation, FPL will provide each school with copies of applicable warranties, system design schematics, manuals, maintenance instructions, and provide basic instructions on the operation of the system. In addition to the PV system, FPL will provide classroom PV instruction kits, training for one or more teachers and instructions for school maintenance personnel regarding the operation and maintenance of the system.

Reporting Requirements

All program charges such as payroll & benefits, material and supplies, outside services, advertising, vehicles, other and rebate costs shall be reported as part of the Energy Conservation Cost Recovery True-Up and Projection filings.

FPL will evaluate the energy and demand impacts through the use of engineering modeling analyses. This modeling will be calibrated with onsite metering research in a manner that most cost-effectively meets the overall impact evaluation objectives. For a statistically valid sample, FPL will analyze individual hourly energy and demand impacts, engineering and system design variations and their impact on energy and demand; analyze the billing impacts to customers while analyzing the data based on system size and configurations; and plan to meter the actual energy performance. FPL will monitor the installed costs over the life of the pilot program.

ATTACHMENT 2

DESCRIPTION OF PHOTOVOLTAIC SYSTEM AND SCOPE OF WORK

1. **General Information**

1.1. The contractor to be chosen by FPL (“**Contractor**”) has been contracted by FPL to install one stand alone photovoltaic system whose approximate nameplate rating is 10 kW (collectively, the “**System**”) at Indian River Academy, 500 20th Street SW, Vero Beach, Florida 32962 (the “**Location**”). The System will provide supplemental energy to the Location. The System type is gazebo design to be located at the location. Upon transfer of title to the System from FPL the Customer under the Contract, FPL agrees, to the extent permitted under the agreement with the Contractor, to assign any remaining warranties to the Customer.

2. **FPL Photovoltaic System Guidelines**

2.1. The Contractor will obtain in coordination with the Customer any permits from the appropriate legal authority for system installation and operation.

2.2. The Contractor will coordinate an acceptance test that must be performed on the System once the installation is complete. The acceptance testing includes measuring the short circuit currents and open-circuit voltages on all source circuits while measuring irradiance and panel temperature, and measuring the instantaneous DC input and AC output of the System to determine its efficiency.

3. **System (Photovoltaic (“PV”) Panel and Array) Specifications**

3.1. The System includes all equipment, hardware and documentation required for the installation of one (1) photovoltaic system whose approximate nameplate rating is 10 kW.

3.2. The System will be designed for installation in FPL’s service territory in the State of Florida, with the understanding that the System may be subject to long-term high humidity and temperature conditions (condensing, salt-air environment), and annual ambient temperatures range from below freezing to near 100° F (38° C).

- 3.3. The System will be installed at a pre-selected FPL approved site at the Location. The Location where the System is installed will require a freestanding structure for support. This structure will have a single 10-30 degree, fixed tilt plane, to be oriented either to the South, East, West or flat, as local conditions dictate.
- 3.4. Install the System as follows:
 - 3.4.1. The PV array shall consist of framed flat-plate crystalline silicon panels.
 - 3.4.2. The PV array will be supported by a freestanding structure.
 - 3.4.3. Each PV panel shall have a minimum 5 year warranty.
 - 3.4.4. The PV panels' electrical characteristics including current-voltage (I-V) curves and temperature coefficients of panel power, voltage, and current shall be provided with the panels.
 - 3.4.5. The System shall meet or exceed the requirements of:
 - 3.4.5.1. IEEE Standard 1262-1995 IEEE Recommended Practice for Qualification of PV panels and Underwriter Laboratories (UL) Standard 1703 Standard for Safety for Flat-Plate PV panels;
 - 3.4.5.2. UL 1741 – (Underwriters Laboratories) Static Inverters and Charge Controllers for use in Photovoltaic Power Systems; and
 - 3.4.5.3. NFPA 70 – (National Fire Protection Agency) as published by the National Electric Code (NEC).

4. PV System Electrical Design

- 4.1. The electrical design and installation instructions for the System shall conform to the National Electric Code (NFPA 70), as adopted by Florida law (“NEC”). Article 690 of the NEC applies specifically to photovoltaic system safety, protection, control and interface with other sources. Other articles of the NEC also apply.
- 4.2. All electrical components, including over current protection, disconnects, surge suppression devices, conduit, wiring and terminals must have UL or equivalent listing and have appropriate voltage, current and temperature ratings for the application. Special attention should be given to appropriate ratings for components used in DC circuits.
- 4.3. All wiring shall meet NEC requirements.
- 4.4. All terminations must use listed box terminal or compression type connections. Twist on wire splices, crimped, soldered or taped connections are not permitted for the required field installed wiring.
- 4.5. All panel frames, panel/array support structures, metal enclosures, panel boards and the PCU cabinet shall be grounded in accordance to the NEC.

5. PV Array Mechanical Design

- 5.1. The Contractor will design a freestanding base support structure for mounting the photovoltaic arrays, and all other hardware required for assembling the System, and structurally attaching them to the base support structure.
- 5.2. The Contractor will be responsible for the PV array mounting structure, including panels, hardware and attachments shall be designed to withstand wind loads as required by applicable building codes and regulations based on Location. Array structural design information sealed by a professional engineer is desired.
- 5.3. The array shall be mounted on the base structure at a tilt angle of 10-30 degrees from horizontal. The orientation of the base structure will vary between South, East, West or flat, at FPL's discretion.
- 5.4. Array mounting hardware supplied by the bidder should be compatible with the site considerations and environment. Special attention should be paid to minimizing the risk from exposed fasteners, sharp edges, and potential damage to the panels or support structure. Corrosion resistance and durability of the mechanical hardware should be emphasized. The use of ferrous metals, contact of dissimilar metals and the use of any wood or plastic components are strongly discouraged.
- 5.5. As these are high profile, publicly visible installations, the aesthetics of the overall installation is extremely important to FPL. To create a uniform appearance of the array, spacing between individual panels and panels should be kept to a minimum. As much as possible, all mechanical hardware, conduit, junction boxes and other equipment should be concealed beneath and/or behind the array.
- 5.6. The array layout should be consistent with the ordering (and labeling) of source circuits in the array combiner boxes. Ease of access for array troubleshooting and maintenance is desired by allowing access to the back of the array for panel junction box servicing, and removal/replacement of individual source circuits (panels) and panels if necessary.

6. Documentation to be supplied by Contractor to Customer

- 6.1. One copy of all equipment manufacturers' specifications and operations manuals, including those for PV panels, inverter, over current devices, disconnects and optional equipment.
- 6.2. Overview of major system components and principles of operation.
- 6.3. Diagram indicating overall layout of entire system, including PV array, and location of BOS hardware and inverter (if needed) with respect to the array.
- 6.4. Electrical schematics and diagrams showing all major components and devices, including conductor types and sizes, connections of individual panels and array source circuits, terminations at junction boxes, connection to surge suppression devices and the inverter, and the inverter interface with the utility grid.
- 6.5. Mechanical drawings showing details of panel/array mechanical support structure and instructions for assembling and installing arrays on the base structure.

- 6.6. Procedures for operating, disconnecting, servicing and maintaining complete system and individual components.
- 6.7. Warranty information on individual components.
- 6.8. As-built diagrams indicating overall layout of entire system, including PV array, and location of BOS hardware and PCS with respect to the array.
- 6.9. **ANY DOCUMENTS PROVIDED HEREUNDER ARE FOR INFORMATIONAL PURPOSES ONLY, PROVIDED "AS-IS," AND FPL DISCLAIMS ANY AND ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED BY LAW, AND MAKES NO WARRANTY OR REPRESENTATION, WHETHER EXPRESS OR IMPLIED, WITH REGARD TO THE ACCURACY OR COMPLETENESS OF ANY SUCH DOCUMENTS OR INFORMATION PROVIDED BY FPL HEREUNDER. CUSTOMER AGREES AND ACKNOWLEDGES FPL WILL NOT BE LIABLE FOR ANY DAMAGES AS A RESULT OF THE CUSTOMER'S RELIANCE OF SUCH INFORMATION.**

7. Customer Designated Training Representatives*

- 7.1 Upon written notice to FPL, the Customer's designated teacher is to be determined prior to commencement of construction.
- 7.2 The following is Customer's designated facility representative: Richard Huff

*Upon written notice to FPL, the Customer may change its designated teacher and/or facility representative.

8. Project Schedules

- 8.1. Proposed Commercial Operational Date for the System will be prior to September 30, 2015, provided, however, and for avoidance of doubt, the Parties acknowledge and agree that such date is only an estimate and not guaranteed.

9. Scope of O&M Work

- 9.1 Once a year during the O&M Period, FPL or its designated representative will visit the Location for the purpose of inspecting the System to determine if the System is operating properly in accordance with System manufacturer specifications. During this visit, FPL or its designated representative will conduct tests similar to those made during the original System acceptance test. Such test includes measurements of short-circuit current and open-circuit voltage, and the instantaneous measurement of DC and AC current and voltage while the System is in operation.
- 9.2 Once a year during the O&M Period, FPL or its designated representative will:
 - 9.2.1 inspect the System's support structure that the photovoltaic arrays are mounted upon, and all other assembling of the System;
 - 9.2.2 inspect the overall aesthetics of the System and notify Customer of any damage to the System;

- 9.2.3 inspect the System's electrical connections;
- 9.2.4 inspect all System communication connections (including, verifying that the System is communicating with the Internet;
- 9.2.5 check and document output of the System inverter;
- 9.2.6 perform a general safety inspection of the System and identify any safety concerns to Customer;
- 9.2.7 test both the voltage and the current for each System PV array;
- 9.2.8 check System for any degradation; and
- 9.2.9 perform general System cleaning to remove dirt in an effort to improve System output.

ATTACHMENT 3

FORM OF BILL OF SALE

THIS BILL OF SALE is made and entered into as of [_____] [], 201[] (“**Effective Date**”) between FLORIDA POWER & LIGHT COMPANY, a Florida corporation (“**FPL**”) and THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA, a political subdivision of the State of Florida (the “**Customer**”). The Customer and FPL are hereinafter sometimes collectively referred to as the “**Parties**” and individually referred to as a “**Party.**”

WHEREAS, FPL and the Customer are parties to that certain Photovoltaic for Schools Pilot Program Contract (“**Contract**”) effective as of [_____] [], 2015, pursuant to which FPL has agreed to assign, transfer and convey certain assets of FPL to the Customer.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, FPL, by this Bill of Sale, does hereby convey, grant, bargain, sell, transfer, set over, assign, alienate, remise, release, deliver and confirm unto the Customer, its successors and assigns, forever, all of FPL’s right, title, interest in and to the System (as defined in the Contract) as of the close of business on the date hereof.

TO HAVE AND TO HOLD all and singular the System unto the Customer, its successors and assigns, to its and their own use and enjoyment forever.

ASSIGNOR FURTHER COVENANTS AND AGREES AS FOLLOWS:

1. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Contract.

2. The System is conveyed to the Customer in its “as is” condition. THE CUSTOMER AGREES THAT FPL HAS MADE NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED (INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE), AS TO THE CONDITION OF THE SYSTEM, ITS SUITABILITY OR USEFULNESS FOR ANY PARTICULAR PURPOSE, OR ITS COMPLIANCE WITH ANY FEDERAL, STATE OR LOCAL STATUTE, ORDINANCE, RULE, REGULATION OR ORDER.

3. This Bill of Sale and Assignment is given pursuant to the Section 2.3 of the Contract, and, except as herein otherwise provided, the transfer of the System hereunder is made subject to the terms and provisions of the Contract. Notwithstanding anything to the contrary set forth herein, if there is any conflict between the terms and conditions of this Bill of Sale and the terms and conditions of the Contract, the terms and conditions of the Contract shall control.

4. Any notice, request or other document to be given hereunder or in connection herewith to any Party hereto shall be given in the manner described in the Contract.

5. The Parties acknowledge and agree that this Bill of Sale may be executed in multiple counterparts, and transmitted via telecopy or .pdf e-mail file, and all such counterparts (whether transmitted via telecopy, .pdf e-mail file or otherwise), when executed and taken together, shall constitute integral parts of one and the same Bill of Sale between the Parties.

6. This Bill of Sale shall be construed in accordance with and governed by the internal laws of the State of Florida without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Florida to the rights and duties of the Parties.

[Remainder of Page Left Intentionally Blank;
Signatures on Following Page]

IN WITNESS WHEREOF, the duly authorized representatives of the Parties have executed this Bill of Sale effective as of the Effective Date.

**FLORIDA POWER & LIGHT
COMPANY**
a Florida corporation

**THE SCHOOL BOARD OF INDIAN RIVER
COUNTY, FLORIDA**
a political subdivision of the State of Florida

By: _____

By: _____

Name:

Name

Title:

Title:

ATTACHMENT 4

**INTERCONNECTION AGREEMENT FOR CUSTOMER-OWNED
RENEWABLE GENERATION TIER 1-10kW OR LESS**

**Interconnection Agreement for Customer-Owned Renewable Generation
 Tier 1 - 10 kW or Less**

This Agreement, is made and entered into this _____ day of _____, 20____, by and between _____ (“Customer”), with an address of _____ and FLORIDA POWER & LIGHT COMPANY (“FPL”), a Florida corporation with an address of P.O. Box 14000, 700 Universe Boulevard, Juno Beach, FL 33408-0429.

WITNESSETH:

WHEREAS, the Customer has requested to interconnect its Customer-owned renewable generation, 10 kW AC or less, to FPL’s electrical service grid at the Customer’s presently metered location.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein set forth, the Parties hereto covenant and agree as follows:

1. Definitions

- 1.1 Gross Power Rating means the total manufacturer’s AC nameplate generating capacity of an on-site customer-owned renewable generation system that will be interconnected to and operate in parallel with FPL’s distribution facilities. For inverter-based systems, the AC nameplate generating capacity shall be calculated by multiplying the total installed DC nameplate generating capacity by 0.85 in order to account for losses during the conversion from DC to AC.
- 1.2 Capitalized Terms shall have the meanings set forth in Florida Public Service Commission Rule 25-6.065 F.A.C. - Interconnection and Net Metering of Customer-owned renewable generation.

2. Customer Qualification and Fees

- 2.1. Customer-owned renewable generation shall have a Gross Power Rating that:
 - a) does not exceed 90% of the Customer’s utility distribution service rating; and
 - b) is 10 kW AC or less.
 Gross Power Rating for the Customer-owned renewable generation is _____kW AC.
- 2.2. The Customer shall not be required to pay any application fee for this Tier 1 Customer-owned renewable generation system.
- 2.3. In order to commence the process for interconnection the Customer shall provide FPL a completed application.

3. General Responsibilities of the Parties

- 3.1. Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards of IEEE 1547, IEEE 1547.1, and UL 1741.
- 3.2. Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to Section 3.1 above, that performs the function of automatically isolating the Customer-owned generation equipment from the electric grid in the event the electric grid loses power.
- 3.3. The Customer shall be responsible for protecting its Customer-owned renewable generation equipment, inverters, protective devices, and other system components from damage from the normal and abnormal conditions and operations that occur on the FPL system in delivering and restoring power; and shall be responsible for ensuring that Customer-owned renewable generation equipment is inspected, maintained, and tested in accordance with the manufacturer’s instructions to ensure that it is operating correctly and safely.
- 3.4. The Customer agrees to provide Local Building Code Official inspection and certification of installation. The certification shall reflect that the local code official has inspected and certified that the installation was permitted, has been approved, and has met all electrical and mechanical qualifications.

(Continued on Sheet No. 9.051)

(Continued from Sheet No. 9.050)

3.5 The Customer shall notify FPL at least ten (10) calendar days prior to initially placing Customer's equipment and protective apparatus in service and FPL shall have the right to have personnel present on the in-service date.

3.6 Interconnection Agreement shall be executed by FPL within thirty (30) calendar days of receipt of a completed application.

4. **Inspection and On-going Compliance**

4.1 FPL will provide Customer with as much notice as reasonably practicable; either in writing, e-mail, facsimile or by phone as to when FPL may conduct inspection and/or document review. Upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, FPL shall have access to the Customer's premises for the purpose of accessing the manual disconnect switch, performing an inspection or disconnection, or, if necessary, to meet FPL's legal obligation to provide service to its Customers.

5. **Manual Disconnect Switch**

5.1 U.L.1741 Listed, inverter-based Tier 1 customer-owned renewable generation systems do not require a customer-installed manual disconnect switch.

5.2 Other customer-owned Tier 1 renewable generation systems that are not U.L. 1741 inverter based. FPL shall require the Customer to install, at the Customer's expense, a manual disconnect switch of the visible load break type to provide a separation point between the AC power output of the Customer-owned renewable generation and any Customer wiring connected to FPL's system. The manual disconnect switch shall be mounted separate from, but adjacent to, the FPL meter socket. The Customer shall ensure that such manual disconnect switch shall remain readily accessible to FPL and be capable of being locked in the open position with a single FPL utility padlock.

5.3 In the event that FPL has determined with respect to the Customer-owned renewable generation that the installation of a manual disconnect switch or switches adjacent to FPL's meter socket would not be practical from a safety perspective and/or design considerations in accordance with good engineering practices; and FPL and the customer agree upon a location on the customer's premises for the switch or switches which meet all applicable safety and/or design considerations, then, pursuant to the conditions set forth in Section 5.2 above, each manual disconnect switch shall be mounted separate from FPL's meter socket at a location agreed to by the Customer and FPL, and the customer shall install a permanent weather-proof plaque adjacent to FPL's meter socket indicating the location of the manual disconnect switch or switches.

6. **Disconnection / Reconnection**

6.1 FPL may open the manual disconnect switch, if available, or disconnect the Customer's meter, pursuant to the conditions set forth in Section 6.2 below, isolating the Customer-owned renewable generation, without prior notice to the Customer. To the extent practicable, however, prior notice shall be given. If prior notice is not given, FPL shall at the time of disconnection leave a door hanger notifying the Customer that its Customer-owned renewable generation has been disconnected, including an explanation of the condition necessitating such action. FPL will reconnect the Customer-owned renewable generation as soon as practicable after the condition(s) necessitating disconnection has been remedied.

(Continued on Sheet No. 9.052)

(Continued from Sheet No. 9.051)

6.2 FPL has the right to disconnect the Customer-owned renewable generation at any time. This may result for the following reasons:

- a) Emergencies or maintenance requirements on FPL's system;
- b) Hazardous conditions existing on FPL's system due to the operation of the Customer's generating or protective equipment as determined by FPL; and
- c) Adverse electrical effects, such as power quality problems, on the electrical equipment of FPL's other electric consumers caused by the Customer-owned renewable generation as determined by FPL.

7. **Modifications/Additions to Customer-owned Renewable Generation**

7.1 If the Customer-owned renewable generation system is subsequently modified in order to increase its Gross Power Rating, the Customer must notify FPL by submitting a new application and Interconnection Agreement specifying the modification at least thirty (30) calendar days prior to making the modification.

7.2 If the Customer adds another Customer-owned renewable generator system which i.) Utilizes the same utility inter-active inverter, or other device certified pursuant to Section 3.1 above, for both systems; and ii.) Utilizes a separate utility inter-active inverter, or other device certified pursuant to Section 3.1 above, for each system the Customer shall provide thirty (30) calendar days notice prior to installation.

7.3 In the event any Customer modifications or additions result in the input to any FPL meter so as to qualify as a Tier 2 or Tier 3 system, then all terms and conditions, including appropriate notice, of the Interconnection Agreement for Tier 2 or Tier 3 systems shall apply.

7.4 The Interconnection Agreement which applies in instances described in Sections 7.1, 7.2, and 7.3 above shall be determined by the combined gross power rating of the generation system(s) which is connected to the FPL meter. In all instances described in this Section 7, the Customer shall submit a new application to FPL and shall enter into a new Interconnection Agreement. In no event shall the maximum output of the Customer-owned generation system(s), which is connected to the FPL meter exceed 2 MW Gross Power Rating.

8. **Indemnity**

8.1 Customer, to the extent permitted by law without waiving or limiting any defense of sovereign immunity, shall indemnify, hold harmless and defend FPL from and against any and all judgments, losses, damages, claims relating to injury to or death of any person or damage to property, (including the Customer-owned renewable generation system), fines and penalties, costs and expenses arising out of or resulting from the operation of the Customer-owned renewable generation system, except in those instances where such loss is due to the negligent action or inactions of FPL. Nothing herein shall be intended to serve as a waiver or limitation of Customer's sovereign immunity defense as allowed by law.

8.2 FPL shall indemnify, hold harmless and defend Customer from and against any and all judgments, losses, damages, claims relating to injury to or death of any person or damage to property (including FPL's transmission system), fines and penalties, costs and expenses arising out of or resulting from the operation of FPL's system, except in those instances where such loss is due to the negligent action or inactions of the Customer.

(Continued on Sheet No. 9.053)

(Continued from Sheet No. 9.052)

9. Limitation of Liability

9.1 Liability under this Interconnection Agreement for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Interconnection Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall the indemnifying Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Interconnection Agreement.

10. Assignment

10.1 The Interconnection Agreement shall be assignable by either Party upon thirty (30) calendar days notice to the other Party and written consent of the other Party, which consent shall not be unreasonably withheld or delayed.

10.2 An assignee to this Interconnection Agreement shall be required to assume in writing the Customer's rights, responsibilities, and obligations under this Interconnection Agreement; or execute a new Interconnection Agreement.

11. Insurance

11.1 FPL recommends that the Customer maintain Liability Insurance for Personal Injury and Property damage in amount of not less than \$100,000 during the entire term of this Interconnection Agreement to the extent permitted by law. For government entities, the policy coverage shall not exceed the entity's maximum liability established by law.

12. Renewable Energy Certificates

12.1 The Customer shall retain any Renewable Energy Certificates associated with the electricity produced by their Customer-owned renewable generation equipment; any additional meters necessary for measuring the total renewable electricity generated for the purposes of receiving Renewable Energy Certificates shall be installed at the Customer's expense, unless otherwise determined during negotiations for the sale of the Customer's Renewable Energy Certificates to FPL.

13. Lease Agreements

13.1 The Customer shall provide FPL a copy of the lease agreement, as applicable, for any and all leased interconnection equipment.

13.2 The Customer shall not enter into any lease agreement that results in the retail purchase of electricity; or the retail sale of electricity from the Customer-owned renewable generation. Notwithstanding this restriction, in the event it is determined by the Florida Public Service Commission that the Customer has entered such an agreement, the Customer shall be in breach of this Interconnection Agreement and the lessor may become subject to the jurisdiction and regulations of the Florida Public Service Commission as a public utility.

14. Dispute Resolution

14.1 Disputes between the Parties shall be handled in accordance with subsection 11 of Florida Public Service Commission Rule 25_6.065 F.A.C. - Interconnection and Net Metering of Customer-owned renewable generation.

15. Effective Date

15.1 The Customer must execute this Interconnection Agreement and return it to FPL at least thirty (30) calendar days prior to beginning parallel operations and the Customer must begin parallel operation within one year after FPL executes the Interconnection Agreement.

16. Termination

16.1 Upon termination of this Interconnection Agreement, FPL shall open and padlock the manual disconnect switch, if applicable, and remove the Net Metering and associated FPL equipment. At the Customer's expense, the Customer agrees to permanently disconnect the Customer-owned renewable generation and associated equipment from FPL's electric service grid. The Customer shall notify FPL in writing within ten (10) calendar days that the disconnect procedure has been completed.

(Continued on Sheet No. 9.054)

(Continued from Sheet No. 9.053)

17. **Amendments to Florida Public Service Commission Rules**

17.1 FPL and Customer recognize that the Florida Public Service Commission rules may be amended from time to time. In the event that Florida Public Service Commission rules are modified, FPL and Customer agree to supersede and replace this Interconnection Agreement with a new Interconnection Agreement which complies with the amended Florida Public Service Commission rules.

18. **Entire Agreement**

18.1 This Interconnection Agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between FPL and the Customer, made in respect to matters herein contained, and when duly executed, this Interconnection Agreement constitutes the entire agreement between Parties hereto.

19. **Governmental Entities**

19.1 For those customers, which are government entities, provisions within this agreement will apply to the extent the agency is not legally barred from executing such provisions by State or Federal law.

(Continued on Sheet No. 9.054)

(Continued from Sheet No. 9.053.1)

IN WITNESS WHEREOF, the Parties hereto have caused this Interconnection Agreement to be duly executed the day and year first above written.

CUSTOMER

(Signature)

(Print or Type Name)

Title: _____

FLORIDA POWER & LIGHT COMPANY

(Signature)

Ron Bartnick

(Print or Type Name)

Title: Manager Product Support

The completed agreement may be submitted to FPL by:

E-mail - scan and e-mail to Netmetering@fpl.com

Mail - send to: Net Metering
FPL – Mail code CSF-GO
9250 W. Flagler St.
Miami, FL 33174

FAX - 305-552-2275

PHOTOVOLTAIC FOR SCHOOLS PILOT PROGRAM CONTRACT

This PHOTOVOLTAIC FOR SCHOOLS PILOT PROGRAM CONTRACT (“**Contract**”) is entered into this [] day of [], 2015 (“**Effective Date**”), by and between FLORIDA POWER & LIGHT COMPANY, a Florida corporation (“**FPL**”), and THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA a political subdivision of the State of Florida (“**Customer**”) (FPL and Customer each being referred to herein individually as a “**Party**” and collectively as the “**Parties**”), with reference to the following:

WITNESSETH:

WHEREAS, FPL has received approval from the Florida Public Service Commission (“**FPSC**”) to enter into contracts with its customers under the Photovoltaic for Schools Pilot Program (“**Program**”) pursuant to the Photovoltaic for Schools Pilot Program Standards (“**Program Standards**”), as such Program Standards are more particularly described in Attachment 1;

WHEREAS, the FPSC approved the Program for the purpose of (i) reducing energy consumption and growth of coincident peak demand and (ii) educating future generations on the application of solar photovoltaic (“**PV**”) electrical generation by (A) donating a PV system, as such system is more particularly described in Attachment 2 hereto (collectively, the “**System**”) five (5) years from the System’s Commercial Operation Date (as defined herein) and (B) furnishing educational materials to the Customer for the purpose of the Customer using such materials in its renewable energy educational curriculum;

WHEREAS, the System has an anticipated energy output of approximately up to 10 kilowatts (“**kW**”) under peak conditions;

WHEREAS, FPL has contracted with a licensed contractor (“**Contractor**”) to install one (1) System at Vero Beach Elementary School, 1770 12th Street, Vero Beach, Florida 32960 (the “**Location**”); and

WHEREAS, subject to the terms and conditions of this Contract, FPL agrees to install the System at the Location and perform certain operation and maintenance services on the System until such time as FPL donates the System to the Customer as provided in this Contract.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1 – TERM AND TERMINATION

1.1 **Term.** The term of this Contract shall commence on the last/latest date signed by either Party and continue until the earlier of (i) the date that is five (5) years from the Commercial Operation Date or (ii) termination as set forth in this Article 1.

1.2 **Termination.** A Party shall have the right to terminate this Contract for cause if a Party substantially fails to perform any material obligation under this Contract and fails to cure or commence and diligently proceed to cure such obligation within thirty (30) days written notice from the other Party. Notwithstanding the foregoing, FPL may elect to terminate this Contract for convenience after thirty (30) days written notice to Customer.

1.3 Termination Upon Mutual Agreement. At any time, after thirty (30) days written notice, the Parties may mutually agree to terminate this Contract, in whole or in part, without cause and for their convenience.

1.4 Termination Due to Regulatory or Legislative Action. In the event that FPL is denied, by any governmental or regulatory authority (including, without limitation, the FPSC), the authority to conduct the Program or if such approval to conduct the Program is materially altered or impacted because of (i) a rule or order of a governmental or regulatory authority having jurisdiction over the Program, or (2) a legislative proceeding or enactment, in each case, FPL may terminate this Contract by giving notice to the Customer of its intent to terminate, unless required to terminate earlier by applicable laws or governmental or regulatory requirement. In the event the Program is terminated under this Section 1.4. The Customer acknowledges and agrees that FPL's sole and only obligation and the Customer's exclusive remedy for termination of this Contract under this Section 1.4 shall be limited to the Customer's direct damages actually incurred, provided such liability shall be subject to FPL's limitation of liability in Article 4. The Customer voluntarily and knowingly waives any other available right, claim or remedy available at law or equity for a FPL termination for regulatory or legislative action.

ARTICLE 2 – FEES: COMMERCIAL OPERATION; OPERATION AND MAINTENANCE SERVICES; BILL OF SALE; AND INTERCONNECTION AGREEMENT

2.1 Fees. FPL has agreed to donate the System to the Customer at no cost to the Customer, and be responsible for costs incurred to install and perform certain O&M Services (as such term is defined herein) for the System at the Location as set forth herein and outlined in Attachment 2 hereto; however, the Parties mutually agree and acknowledge that (i) as of the date that is five (5) years from the System's Commercial Operation, the Customer, not FPL, shall be solely responsible for any on-going costs necessary to maintain and continuously operate the System at the Location, and (ii) the Customer, not FPL, shall be solely responsible for and any landscape around the site at the Location where the System is installed.

2.2 Commercial Operation. The "**Commercial Operation Date**" shall mean the date the System (i) is connected to the grid and (ii) is capable of being operated and delivering electricity in accordance with all applicable laws, rules and regulations. FPL shall provide the Customer notice of the date representing the Commercial Operation Date.

2.3 Bill of Sale. Within ten (10) days of the date that is five (5) years from the Commercial Operation Date, FPL shall deliver to the Customer a fully executed document ("**Bill of Sale**") transferring title of the System from FPL to the Customer. The Parties agree that the form of Bill of Sale is attached hereto as Attachment 3. The Customer hereby agrees to execute the form of Bill of Sale within thirty (30) days of the date FPL delivers the Bill of Sale to the Customer, and the Customer hereby waives any right to object to the form of Bill of Sale.

2.4 FPL Operation & Maintenance Obligations.

2.4.1 Unless terminated earlier, commencing on the Commercial Operation Date and continuing for a period of five (5) years (the "**O&M Period**"), the Parties agree that FPL shall be the exclusive provider of the any operation and maintenance services ("**O&M Work**") on the System unless this Contract is terminated prior to the expiration of the O&M Period. The scope of the O&M Work that FPL agrees to perform on the System at the Location is set forth in Attachment 2.

2.4.2 The Customer shall insure that all permits relating to the Location and all land owner provisions, easements, permits and land rights are sufficient to permit FPL to comply with its obligations under this Contract.

2.4.3 THE PARTIES AGREE THAT THE O&M WORK IS BEING PERFORMED BY FPL “AS-IS” AND “WHERE-IS” AND WITHOUT ANY GUARANTEE OR WARRANTY OF ANY KIND, AND ALL GUARANTEES AND WARRANTIES, EXPRESS OR IMPLIED, FOR PERFORMANCE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE ARE HEREBY DISCLAIMED BY FPL.

2.5 Interconnection Agreement. As a condition precedent to the Customer’s execution of this Contract, the Customer hereby agrees and acknowledges that it shall execute an Interconnection Agreement for Customer-Owned Renewable Generation Tier 1 - 10 kW or Less (effective as of October 1, 2008), the form of which is attached hereto as Attachment 4 (“**Interconnection Agreement**”). The Customer shall be obligated to deliver to FPL a fully executed version of the Interconnection Agreement concurrent with the execution of this Contract.

ARTICLE 3 – WARRANTY EXCLUSION

3.1 Limited Contractor/Manufacturer Warranty. FPL, in procuring materials and equipment for the System and the installation of the System, shall use reasonable efforts to obtain customary and standard Contractor, warranties, if any, from the manufacturer of the System or the subcontractors used to install the System. Upon issuance of the Bill of Sale to the Customer and to the extent permitted by the Contractor or manufacturer of the System, FPL agrees to assign, to the extent assignable or transferrable, any applicable warranties to the Customer such that the Customer may be able to benefit from any such Contractor or manufacturer provided warranties obtained by FPL.

3.2 FPL Not Responsible. The Customer acknowledges and agrees that FPL shall have no liability, and Customer hereby waives any liability against FPL, with respect to any or all Contractor or manufacturer provided or supplied labor, materials, equipment or warranties set forth in Section 3.1, including warranties with respect to services performed and materials and equipment supplied in connection with to the installation or on-going maintenance of the System. As of the date of the Bill of Sale to the Customer, the Customer agrees that it shall look solely to the Contractor or the System manufacturer, as applicable, for corrective action pursuant to Section 3.1. The Customer further waives any right to seek any damages arising from any services performed by FPL or its subcontractors and materials and equipment supplied in connection the installation or the performance of the O&M Work on the System.

3.3 No Implied or Expressed Warranties. FPL PROVIDES THE SYSTEM UNDER THIS CONTRACT “AS IS” AND “WHERE IS” WITHOUT ANY EXPRESS OR IMPLIED WARRANTIES. In addition, the Customer hereby acknowledges and understands that : (i) the Contractor chosen to install the System is not employed by FPL nor is an agent of FPL, but rather is an independent contractor hired by FPL; and (ii) FPL HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS, OR GUARANTIES OF ANY KIND OF CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE WITH RESPECT TO THE SYSTEM’S: (A) SUITABILITY FOR THE CUSTOMER’S LOCATION; (B) SAFETY, QUALITY, AND/OR PERFORMANCE (INCLUDING, WITHOUT LIMITATION, ANY PROJECTED ENERGY SAVINGS); (C) INSTALLATION AND/OR THE CUSTOMER’S SUBSEQUENT OPERATION BEING IN COMPLIANCE WITH ANY APPLICABLE LAWS; (D) MERCHANTABILITY, PROFITABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE EQUIPMENT OR MATERIALS FURNISHED BY ANY THIRD PARTY MANUFACTURER OR CONTRACTOR; AND (E) IMPLIED WARRANTIES OF NON-INFRINGEMENT, CUSTOM OR USAGE. This Section 3.3 shall survive the termination and expiration of this Contract.

3.4 Customer Warranty. The Customer hereby warrants and represents that it has secured and will continue to maintain all real property rights at the Location that are necessary to (i) install the System and (ii) perform the O&M Work the System during the O&M Period. The Customer's obligation to secure all real property rights hereunder shall be at no cost to FPL and the Customer shall bear all costs related to securing such real property rights. Upon FPL's request, the Customer shall promptly furnish such documentation requested by FPL to document that the Customer has fulfilled its obligations under this Section 3.4. The Customer's failure to properly secure and continue to maintain all such real property rights at the Location that are necessary to install and operate the System shall constitute a automatic material default event that Customer shall be obligated to cure within the time period set forth in Section 1.2. For purpose of this Contract, "**real property rights**" means all rights in or to real property, including leases, agreements, permits, easements, licenses, and provide right-of-ways, obtained by the Customer as may be necessary for FPL or Contractor to install the System, use and/or access the Location.

ARTICLE 4 – INDEMNITY; INSURANCE; AND LIMITATION OF LIABILITY

4.1 Indemnity. FPL shall hold the Customer, its officers, agents, and employees harmless against claims by third parties for bodily injury (including death) and third party tangible personal property damage resulting solely and exclusively from FPL's gross negligence during the performance of the installation of the System at the Location. FPL shall not be responsible for damages whether resulting in whole or in part from the Customer, or any of its employees, agents, representatives or those in its care and custody. To the extent permitted by Section 768.28, Florida Statutes, the Customer shall hold harmless, indemnify and defend FPL, its affiliates and parent company, and their officers, agents, and employees (collectively, "**FPL Entities**") from and against all liability, claims, judgments or costs for injury to, or death of any person or persons, for the loss or damage to any property, and for the imposition of any penalties, fines or other assessments by any governmental agency arising out of the performance under this Contract, and resulting from any negligence or failure to act by the Customer, or any of its employees, agents, representatives or those in its care and custody. An indemnitor under this Section shall have the right to defend an indemnitee by counsel (including insurance counsel) of indemnitor's selection reasonably satisfactory to the indemnitee, with respect to any claims within the indemnification obligations hereof. The Parties shall give each other prompt written notice of any asserted claims or actions indemnified against hereunder and shall cooperate with each other in the defense of any such claims or actions. No indemnitee shall settle any such claims or actions without prior written consent of the indemnitor. **NOTWITHSTANDING ANYTHING CONTAINED IN THIS SECTION 4.1 TO THE CONTRARY, NOTHING CONTAINED HEREIN SHALL CONSTITUTE A WAIVER BY THE CUSTOMER OF ITS LIMITED WAIVER OF SOVEREIGN IMMUNITY PURSUANT TO THE PROVISIONS OF SECTION 768.28, FLORIDA STATUTES.**

4.2 The Customer's Insurance Requirements. As of the expiration of the O&M Period, the Customer shall (i) maintain comprehensive property insurance, including all risk physical damage insurance, on the System with replacement cost coverage; and (ii) either (a) maintain comprehensive liability insurance for bodily injury, death, and property damage in the amount of \$200,000 per claimant and \$300,000 per occurrence or higher limits permitted under Section 768.28, Florida Statutes or (b) evidence that the Customer is self-insured for all liability claims and related expenses pursuant to Section 768.28, Florida Statutes. The Customer shall provide FPL copies of insurance certificates which provide evidence of the insurance coverage under this Contract, in form and substance reasonably satisfactory to FPL.

4.3 Limitation of Liability. By participating in the Program and entering into this Contract, the Customer acknowledges and agrees notwithstanding anything contained in this Contract to the contrary: (i) to be bound by this Contract and the Program Standards, which are final and legally binding on all matters relating to the Program; (ii) to waive, relinquish, release any right the Customer may have to seek, claim or petition any indirect, incidental, special, consequential, punitive and/or exemplary damages against any of

the FPL Entities; (iii) that FPL Entities shall also not be liable to the Customer for any lost profits, lost revenue, or lost institutional operating savings arising out of or in connection with this Contract and the Program; and (iv) in no event shall FPL Entities total aggregate liability to the Customer for all damages, losses and causes of action, whether in tort (including, but not limited to, negligence) or otherwise exceed \$100. This Section 4.3 shall survive the termination or expiration of this Contract.

4.4 Survival. This provision of this Article 4 shall survive the termination and expiration of this Contract.

ARTICLE 5 – ACCESS, OWNERSHIP AND CONFIDENTIALITY

5.1 Location Access and Jessica Lunsford Act.

5.1.1 Upon the request of FPL and the Contractor, the Customer shall provide FPL and the Contractor (and its subcontractors) with reasonable access to the Location to enable FPL and the Contractor to install the System at the Location, and to verify and confirm the operation of the System at the Location. The Customer shall provide FPL and the Contractor with adequate storage and laydown areas at the Location during the installation of System and shall make available any construction power and other utilities (at the Customer's sole expense) as necessary for the Contractor and its subcontractors to perform the installation, activation of the System.

5.1.2 If FPL, its Contractor, employees, and/or subcontractors have access on school grounds when students are present, have direct contact with children or any student of the Customer, then FPL, its employees, and/or subcontractors shall undergo level 2 screening, including fingerprinting by the Customer's designated subcontractor at the sole cost of the FPL or Contractor, as applicable. Level 2 screening consists of fingerprinting and a background check as set forth in Section 1012.32, Florida Statutes. Neither FPL nor Contractor (or its subcontractors) shall begin work at the Location until it receives clearance by the Customer. The Customer shall not be liable to FPL under any legal theory or equitable theory for any claim whatsoever for the rejection of FPL its employees and/or subcontractors on the basis of these compliance with Section 1012.32, Florida Statutes. All exceptions to certain fingerprinting and criminal history checks pursuant to Section 1012.468, Florida Statutes shall apply.

5.2 Ownership. All right, title and interest in any intellectual property embedded or made part of the System and any other report or document furnished or to be furnished by FPL pursuant to this Contract shall constitute Confidential Information and shall remain the sole and exclusive property of FPL and may only be used by the Customer through the grant of a limited license for the operation, maintenance, repair or alteration of the System installed by the Contractor. The Customer shall not acquire any rights or interest with respect to FPL's or its subcontractors' proprietary technology, know-how, processes or computer software or any other intellectual property that may be used in connection with the services or the supply of equipment and materials hereunder. The Customer acknowledges that FPL may provide similar services or install similar Systems to other companies or customers and agrees that nothing in this Contract will be deemed or construed to prevent FPL from carrying on such business. In particular, the Customer agrees that, notwithstanding anything to the contrary set forth herein, as part of FPL's provision of the installation of the System hereunder, FPL may utilize software, methodologies, tools, specifications, models, samples and documentation, FPL's Confidential Information, as well as copyrights, trademarks, service marks, ideas, concepts, know-how, techniques, knowledge or data, which have been originated, developed or purchased by FPL or by third parties under agreements to provide services for such third parties.

5.3 Confidentiality. The Customer agrees to hold Confidential Information in strict confidence and agrees that it shall not disclose Confidential Information without prior written consent of FPL except to the extent disclosure is required by Chapter 119, Florida Statutes, as may be amended from time to time. For

purposes of this Contract, “**Confidential Information**” shall mean (i) all information for which a statutory exemption from disclosure exists under Chapter 119, Florida Statutes, as may be amended from time to time that is (i) marked as “confidential” or “proprietary” by an appropriate stamp, label, legend or other written notice thereon if transmitted electronically or other written form, and if disclosed orally by FPL, then FPL shall confirm the oral or visual disclosure that shall be considered Confidential Information in a written memorandum or e-mail transmittal to the Customer within thirty (30) days after such visual or oral disclosure, or (ii) information that due to its character and nature, a reasonable person under like circumstances would treat such information as confidential or proprietary. Confidential Information may only be disclosed to employees with a need to know the Confidential Information for the sole purpose of performing its obligations under this Contract and the Customer is responsible for any breach of this Section 5.3 by its employees. This Section 5.3 does not apply to information that is presently a matter of public knowledge, which is or becomes available on a non-confidential basis from a source which is not known to be prohibited from disclosing such information or which was legally in the Customer’s possession without obligation of confidentiality prior to disclosure by FPL. In the event that either Party is requested or required by legal, statutory or regulatory authority to disclose any Confidential Information, the Customer shall promptly notify FPL of such request or requirement prior to disclosure so that FPL may seek an appropriate protective order and/or waive compliance with the terms of this Contract. Both Parties acknowledge that FPL would not have an adequate remedy at law for money damages if the covenants contained in this Section 5.3 were breached. Accordingly, FPL shall be entitled to an injunction restraining the Customer from violating this Section 5.3, provided all necessary requirements under law for such injunction were met.

5.4 Publicity. The Customer acknowledges that FPL desires to generate favorable publicity regarding FPL’s conveyance of the System to the Customer and the Customer’s use of the System. The Customer further acknowledges and agrees FPL shall have the right: (i) to issue press releases regarding the installation and use of the System and to publicize FPL’s customers and to the public that FPL have helped, encouraged and supported the installation of the System; (ii) to use the Customer’s name in FPL’s press releases, publicity and advertising; (iii) to display photographs of any of the System in its advertising and promotional materials; and (iv) to post signage at the Location acknowledging FPL’s ownership and future donation of the System to the Customer. The Customer shall not make any public announcement or publication concerning, related to or in connection with its participation in the Program or this Contract (or any activity related to this Contract) until FPL approves such announcement or publication, which such approval may be withheld by FPL in its sole discretion.

ARTICLE 6– GENERAL TERMS

6.1 Independent Contractor Relationship. The Customer shall represent itself and its employees/subcontractors to all customers and other parties as an independent contractor and shall not in any manner, including by telemarketing or otherwise, promote, infer or identify itself or its employees/subcontractors as FPL, or as an agent, partner, joint venturer, or employee of FPL, or permit any such promotion or identification of itself or its employees/subcontractors. Each Party shall have the sole responsibility to employ and pay its employees/subcontractors as may be required to perform the work, use appropriate equipment, follow good work practices, provide appropriate supervision and ensure compliance with its obligation under this Contract.

6.2 Non-Exclusivity. The Customer understands that FPL may enter into similar agreement with others and FPL’s donation of the System under this Contract shall not be interpreted as created any type of exclusive relationship.

6.3 Conflicting Provisions. In the event of any inconsistencies between this Agreement and the other documents integrated into the Contract, the following order of precedence in the interpretation hereof or resolution of such conflict hereunder shall prevail: first, written amendments to this Contract agreed upon

by the Parties; second, the terms and conditions of this Contract (excluding Attachments); third, Attachment 1; fourth, all other Attachments (other than Attachment 1); and last, any drawings produced and delivered pursuant hereto (in respect of which, precedence shall be given to drawings of a larger scale over those of smaller, figured dimensions on the drawings shall control over scaled dimensions, and noted materials shall control over undimensioned graphic indications.

6.4 Assignment. Neither the Contract, nor the work, nor any duty, interest or rights hereunder shall be subcontracted, assigned, transferred, delegated or otherwise disposed of by either Party without the other's prior written approval. However, FPL may at any time and at its sole and unrestrained discretion assign the Contract, in whole or in part, to one of its subsidiaries or affiliates by written notice to the Customer. No assignment or transfer of the Contract shall relieve either Party of any of its obligations hereunder until such obligations have been assumed by the assignee and agreed to by FPL, the Customer and assignee. If the Contract should be permitted to be assigned by either Party, it shall be binding upon and shall inure to the benefit of the permitted assignee.

6.5 Headings Not Controlling; Construction. Headings in this Contract are for reference purposes only and shall not be part of the Contract. Each Party acknowledges that it has actively participated in the negotiation and preparation of this Contract, and that accordingly this Contract and any uncertainty or ambiguity contained therein shall not be construed against any one Party as drafter.

6.6 Non-waiver. The failure of a Party to enforce, insist upon, or comply with any of the terms, conditions or covenants of this Contract, or a Party's waiver of the same in any instance or instances shall not be construed as a general waiver or relinquishment of any such terms, conditions or covenants, but the same shall be and remain at all times in full force and effect.

6.7 Governing Law and Venue. This Contract shall be governed by, construed and enforced in accordance with the laws of the State of Florida, exclusive of conflicts of laws provisions. Any disputes resulting in litigation between the Parties shall be conducted in the state or federal courts of the State of Florida. Proceedings shall take place in the Circuit Court for Indian River County, Florida or the United States District Court for the Southern District of Florida.

6.8 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS CONTRACT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, OR STATEMENTS WHETHER ORAL OR PARTY HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE FPL ENTERING INTO THIS CONTRACT.

6.9 Notices. Correspondence concerning this Contract must be sent to the Parties at the following addresses:

If to the Customer: The School Board of Indian River County, Florida
 Attention: Superintendent
 1990 25th Street
 Vero Beach, Florida 32960
 Telephone: (772) 564-3000
 Facsimile: (772) 564-3105

If to FPL: Florida Power & Light Company
 9250 West Flagler Street

Miami, Florida 33174
Attention: Gus Dominguez Mail Stop: DMO//GO
Telephone: (305) 552-4663
Facsimile: (305) 552-2487

If the mailing address for either Party changes during the term of this Contract, it shall be that Party's responsibility to notify the other Party promptly of the new address, and the old address shall remain effective for the purposes of this Contract, or any renewal thereof, until notice of the address change has been received by the other Party. All notices shall be delivered in person; by courier service; by registered mail or certified mail; or by U.S. Mail, postage prepaid, in which case receipt shall be deemed effective three (3) business days after postmark.

6.10 Survival. The obligations of the Parties contained in Articles 2, 3, 4, 5 and 6, which by their nature survive the termination of the Contract and/or the completion of the work hereunder, shall survive and inure to the benefit of the Parties. Those provisions of the Contract which provide for the limitation of or protection against liability shall apply to the full extent permitted by law and shall survive termination of the Contract and/or completion of the work.

6.11 Severability. Should any provision, portion or application thereof, of the Contract be determined by a court of competent jurisdiction to be illegal, unenforceable or in conflict with any applicable law, the Parties shall negotiate an equitable adjustment to the affected provisions of the Contract with a view toward effecting the purpose of the Contract and the validity and enforceability of the remaining provisions, portions or applications thereof, shall not be impaired.

6.12 Hazardous Materials. The Customer shall have sole responsibility and liability with respect to the proper identification, removal and disposal of any asbestos or any substance containing asbestos, polychlorinated biphenyl's, any explosives, radioactive materials, chemicals known or suspected to cause cancer or reproductive toxicity, pollutants, effluents, contaminants, emissions, infectious wastes, any petroleum or petroleum-derived waste or product or related materials and any items defined as hazardous, special or toxic materials, substances or waste under any applicable law (collectively, "**Hazardous Materials**") or correction of any hazardous condition at the Location which affects FPL's or the Contractor's performance of the services to install and/or perform the O&M Work on the System. If, during the course of performing the installation of the System and/or O&M Work, FPL or the Contractor becomes aware of any such Hazardous Materials or hazardous condition, FPL shall promptly report such matter to the Customer and before disturbing (or further disturbing) such Hazardous Materials or hazardous condition. Work in the affected areas shall be resumed by the Contractor only upon the written notice from the Customer that such Hazardous Materials have been removed or such hazardous condition has been corrected, and then only if such continuation of work shall not violate any applicable law or permit. The Customer shall, to the extent permitted under Section 768.28, Florida Statutes, indemnify, defend and hold harmless FPL Entities with respect to any liability, cost or expense incurred as a result of its negligence involving such Hazardous Materials or hazardous condition.

6.13 Title and Risk of Loss.

6.13.1 Legal title to the System, including all equipment and materials comprising a part thereof, shall pass to the Customer upon the earlier of (i) delivery of the Bill of Sale by FPL to the Customer and (ii) expiration of the O&M Period.

6.13.2 The Customer shall bear all risk of loss or damage of any kind with respect to all or any part of System located at the Location, whether installed or not upon delivery of the System to the Location unless such loss or damage is found to have been directly caused by the negligence of FPL or

Contractor. As of the date that the Customer assumes risk of loss of the System, the Customer hereby releases and waives, and will cause its insurers to release and waive, any right of subrogation against FPL for any loss under this Section 6.13.

6.14 Force Majeure. Neither Party shall be liable for any loss, damage, cost, delay, or failure to perform in whole or in part resulting from causes beyond such Party's control, including but not limited to, fires, strikes, insurrections, riots, or requirements of any governmental authority.

6.15 Taxes. FPL shall have no obligation or liability with respect to any property tax or with respect to any income, excess profits, or revenue tax charged or levied against the Customer as a result of this Contract.

6.16 Customer Training. As part of the installation of the System, Customer is required to designate to FPL in the Attachment 2, Scope or Work, a certified and licensed person who teaches at the Location along with a Customer facility's representative that shall be made available to attend educational training related to the System and solar energy technology. FPL agrees to provide for the following reimbursements costs (the "**Reimbursement Expenses**") as a result of such mandatory training: (i) Customer's designated teacher and facility representative's direct expenses paid by such persons for travel to and from the FPL designated training site; (ii) Customer's designated teacher and facility representative's direct expenses paid by such persons for meals and lodging to and from the FPL designated training site; and (iii) Customer's direct expenses incurred for procuring a substitute teacher if the teacher is required to attend the training class during the school year on a date when school is in session. Notwithstanding anything contained herein, the total aggregate amount of Reimbursable Expenses that FPL shall be liable and responsible for under this Contract shall not exceed \$1,000.00, and in order for Customer to allow Customer and its designated teacher and facility representative to be eligible for any Reimbursable Expenses, Customer and such persons must present receipts documenting and supporting any claim for such Reimbursable Expenses.

6.17 Integration. This Contract (including Attachments 1, 2 and 3) contains all the terms and conditions agreed on by the Parties, and no other agreement, oral or otherwise, regarding the subject matter of this Contract shall be deemed to bind the Parties hereto. No modification of this Contract shall be binding unless made in writing and signed by both Parties. There are no other oral understandings, terms or conditions and neither Party has relied upon any representation, express or implied, not contained in this Contract.

[Remainder of Page Left Intentionally Blank;
Signatures on Following Page]

IN WITNESS WHEREOF, the duly authorized representatives of the Parties have executed this Contract effective as of the Effective Date.

**FLORIDA POWER & LIGHT
COMPANY**
a Florida corporation

**THE SCHOOL BOARD OF INDIAN RIVER
COUNTY, FLORIDA**
a political subdivision of the State of Florida

By: _____

By: _____

Name: Marlene M. Santos
Title: Vice President, Customer Service

Name:
Title:

ATTACHMENT 1

PHOTOVOLTAIC FOR SCHOOLS PILOT PROGRAM STANDARDS



Photovoltaic for Schools Pilot

Program Standards

**Florida Power & Light Company
Photovoltaic for Schools Pilot**

Program Standards

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Program Objectives

Description of purpose of program

The Photovoltaic (PV) for Schools Pilot Program is designed to reduce energy consumption and growth of coincident peak demand. Its other purpose is to educate future generations on the practical application of a PV system by providing systems and educational materials to selected schools in each public school district in FPL's territory.

Measures included in program

The measure included in this program is a PV system consisting of solar electric panels, mounting hardware, grid-interactive inverter(s), associated equipment, and an on-line data acquisition system to be used by the schools in their renewable energy education curriculum.

Output to the customers

Each school will receive a PV system, teacher training and educational materials, in addition to the reduced energy consumption and technical assistance on the operation of the PV system.

Customer Requirements

Customer / premise eligibility

All existing K-12 public schools served by FPL are eligible.

Eligible rates

All metered commercial/industrial retail rate schedules are eligible.

Dwelling / building type

All public school building types are eligible for this program.

Age of dwelling / building type

All existing public school buildings are eligible for this program.

Restriction from re-participation and exceptions

An individual school is eligible for only one solar installation during the duration of the pilot program.

Other customer requirements

The school district must provide a sufficiently sized, accessible unshaded area to accommodate the PV system. The participating school must have, and be willing to maintain, a science teaching position at that school trained to present curriculum related to the PV installation. Prior to the installation of the PV system, the school district must submit an application and a Net Metering Interconnection Agreement as per Rule 25-6.065, Net Metering of Customer-owned Renewable Generation

(Interconnection Agreement). The school district must partner with FPL to select and approve the specific schools and commit to facilitating the installation of the PV system within the funding year. The school must supply an internet connection through the school's internet system to provide monitoring information to the classrooms, the school district and FPL.

FPL will own and repair the PV system for the first five years following installation. At the end of the five year period, FPL will transfer ownership to the school district and all responsibility for the operation and maintenance of the system.

Contractor Requirements

Licensing requirements

The contractor must meet any and all applicable legal licensing requirements of the State of Florida and local municipalities for the work being performed.

Other contractor requirements

FPL will select the licensed contractor to construct each system. The selected contractor will be responsible for all work performed and maintenance for the first five years of the system operation. The contractor must comply with all FPL requirements and must commission and certify each system.

Eligible Equipment Requirements

Definition of system

A PV system consists of solar panels, mounting hardware, grid-interactive inverter(s), associated cabling, and an on-line data acquisition system to be used to transmit educational information to the school districts through the schools' internet system.

Accreditation of ratings

The PV system components shall be tested and listed by a nationally recognized testing and certification laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards of IEEE 1547, IEEE 1547.1, and UL 1741.

Additional equipment requirements

All installed systems must have at least a five year warranty on equipment and installation beginning on the in-service date.

Installation Requirements

Specific installation requirements

The PV system will be installed using a design approved by FPL. The installations must comply with all local, state and federal statutes, codes, ordinances, and accepted engineering practices.

Fees or charges

There are no fees or charges to be paid by the customer for systems installed under this program.

Other installation requirements

If the customer requires a fence around the PV system, then the cost of purchasing and installing the fence will be the responsibility of the school district. Following installation, FPL will provide each school with copies of applicable warranties, system design schematics, manuals, maintenance instructions, and provide basic instructions on the operation of the system. In addition to the PV system, FPL will provide classroom PV instruction kits, training for one or more teachers and instructions for school maintenance personnel regarding the operation and maintenance of the system.

Reporting Requirements

All program charges such as payroll & benefits, material and supplies, outside services, advertising, vehicles, other and rebate costs shall be reported as part of the Energy Conservation Cost Recovery True-Up and Projection filings.

FPL will evaluate the energy and demand impacts through the use of engineering modeling analyses. This modeling will be calibrated with onsite metering research in a manner that most cost-effectively meets the overall impact evaluation objectives. For a statistically valid sample, FPL will analyze individual hourly energy and demand impacts, engineering and system design variations and their impact on energy and demand; analyze the billing impacts to customers while analyzing the data based on system size and configurations; and plan to meter the actual energy performance. FPL will monitor the installed costs over the life of the pilot program.

ATTACHMENT 2

DESCRIPTION OF PHOTOVOLTAIC SYSTEM AND SCOPE OF WORK

1. General Information

1.1. The contractor to be chosen by FPL (“**Contractor**”) has been contracted by FPL to install one stand alone photovoltaic system whose approximate nameplate rating is 10 kW (collectively, the “**System**”) at Vero Beach Elementary School, 1770 12th Street, Vero Beach, Florida 32960 (the “**Location**”). The System will provide supplemental energy to the Location. The System type is gazebo design to be located at the location. Upon transfer of title to the System from FPL the Customer under the Contract, FPL agrees, to the extent permitted under the agreement with the Contractor, to assign any remaining warranties to the Customer.

2. FPL Photovoltaic System Guidelines

2.1. The Contractor will obtain in coordination with the Customer any permits from the appropriate legal authority for system installation and operation.

2.2. The Contractor will coordinate an acceptance test that must be performed on the System once the installation is complete. The acceptance testing includes measuring the short circuit currents and open-circuit voltages on all source circuits while measuring irradiance and panel temperature, and measuring the instantaneous DC input and AC output of the System to determine its efficiency.

3. System (Photovoltaic (“PV”) Panel and Array) Specifications

3.1. The System includes all equipment, hardware and documentation required for the installation of one (1) photovoltaic system whose approximate nameplate rating is 10 kW.

3.2. The System will be designed for installation in FPL’s service territory in the State of Florida, with the understanding that the System may be subject to long-term high humidity and temperature conditions (condensing, salt-air environment), and annual ambient temperatures range from below freezing to near 100° F (38° C).

- 3.3. The System will be installed at a pre-selected FPL approved site at the Location. The Location where the System is installed will require a freestanding structure for support. This structure will have a single 10-30 degree, fixed tilt plane, to be oriented either to the South, East, West or flat, as local conditions dictate.
- 3.4. Install the System as follows:
 - 3.4.1. The PV array shall consist of framed flat-plate crystalline silicon panels.
 - 3.4.2. The PV array will be supported by a freestanding structure.
 - 3.4.3. Each PV panel shall have a minimum 5 year warranty.
 - 3.4.4. The PV panels' electrical characteristics including current-voltage (I-V) curves and temperature coefficients of panel power, voltage, and current shall be provided with the panels.
 - 3.4.5. The System shall meet or exceed the requirements of:
 - 3.4.5.1. IEEE Standard 1262-1995 IEEE Recommended Practice for Qualification of PV panels and Underwriter Laboratories (UL) Standard 1703 Standard for Safety for Flat-Plate PV panels;
 - 3.4.5.2. UL 1741 – (Underwriters Laboratories) Static Inverters and Charge Controllers for use in Photovoltaic Power Systems; and
 - 3.4.5.3. NFPA 70 – (National Fire Protection Agency) as published by the National Electric Code (NEC).

4. PV System Electrical Design

- 4.1. The electrical design and installation instructions for the System shall conform to the National Electric Code (NFPA 70), as adopted by Florida law (“NEC”). Article 690 of the NEC applies specifically to photovoltaic system safety, protection, control and interface with other sources. Other articles of the NEC also apply.
- 4.2. All electrical components, including over current protection, disconnects, surge suppression devices, conduit, wiring and terminals must have UL or equivalent listing and have appropriate voltage, current and temperature ratings for the application. Special attention should be given to appropriate ratings for components used in DC circuits.
- 4.3. All wiring shall meet NEC requirements.
- 4.4. All terminations must use listed box terminal or compression type connections. Twist on wire splices, crimped, soldered or taped connections are not permitted for the required field installed wiring.
- 4.5. All panel frames, panel/array support structures, metal enclosures, panel boards and the PCU cabinet shall be grounded in accordance to the NEC.

5. PV Array Mechanical Design

- 5.1. The Contractor will design a freestanding base support structure for mounting the photovoltaic arrays, and all other hardware required for assembling the System, and structurally attaching them to the base support structure.
- 5.2. The Contractor will be responsible for the PV array mounting structure, including panels, hardware and attachments shall be designed to withstand wind loads as required by applicable building codes and regulations based on Location. Array structural design information sealed by a professional engineer is desired.
- 5.3. The array shall be mounted on the base structure at a tilt angle of 10-30 degrees from horizontal. The orientation of the base structure will vary between South, East, West or flat, at FPL's discretion.
- 5.4. Array mounting hardware supplied by the bidder should be compatible with the site considerations and environment. Special attention should be paid to minimizing the risk from exposed fasteners, sharp edges, and potential damage to the panels or support structure. Corrosion resistance and durability of the mechanical hardware should be emphasized. The use of ferrous metals, contact of dissimilar metals and the use of any wood or plastic components are strongly discouraged.
- 5.5. As these are high profile, publicly visible installations, the aesthetics of the overall installation is extremely important to FPL. To create a uniform appearance of the array, spacing between individual panels and panels should be kept to a minimum. As much as possible, all mechanical hardware, conduit, junction boxes and other equipment should be concealed beneath and/or behind the array.
- 5.6. The array layout should be consistent with the ordering (and labeling) of source circuits in the array combiner boxes. Ease of access for array troubleshooting and maintenance is desired by allowing access to the back of the array for panel junction box servicing, and removal/replacement of individual source circuits (panels) and panels if necessary.

6. Documentation to be supplied by Contractor to Customer

- 6.1. One copy of all equipment manufacturers' specifications and operations manuals, including those for PV panels, inverter, over current devices, disconnects and optional equipment.
- 6.2. Overview of major system components and principles of operation.
- 6.3. Diagram indicating overall layout of entire system, including PV array, and location of BOS hardware and inverter (if needed) with respect to the array.
- 6.4. Electrical schematics and diagrams showing all major components and devices, including conductor types and sizes, connections of individual panels and array source circuits, terminations at junction boxes, connection to surge suppression devices and the inverter, and the inverter interface with the utility grid.
- 6.5. Mechanical drawings showing details of panel/array mechanical support structure and instructions for assembling and installing arrays on the base structure.

- 6.6. Procedures for operating, disconnecting, servicing and maintaining complete system and individual components.
- 6.7. Warranty information on individual components.
- 6.8. As-built diagrams indicating overall layout of entire system, including PV array, and location of BOS hardware and PCS with respect to the array.
- 6.9. **ANY DOCUMENTS PROVIDED HEREUNDER ARE FOR INFORMATIONAL PURPOSES ONLY, PROVIDED "AS-IS," AND FPL DISCLAIMS ANY AND ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED BY LAW, AND MAKES NO WARRANTY OR REPRESENTATION, WHETHER EXPRESS OR IMPLIED, WITH REGARD TO THE ACCURACY OR COMPLETENESS OF ANY SUCH DOCUMENTS OR INFORMATION PROVIDED BY FPL HEREUNDER. CUSTOMER AGREES AND ACKNOWLEDGES FPL WILL NOT BE LIABLE FOR ANY DAMAGES AS A RESULT OF THE CUSTOMER'S RELIANCE OF SUCH INFORMATION.**

7. Customer Designated Training Representatives*

- 7.1 Upon written notice to FPL, the Customer's designated teacher is to be determined prior to commencement of construction.
- 7.2 The following is Customer's designated facility representative: Richard Huff

*Upon written notice to FPL, the Customer may change its designated teacher and/or facility representative.

8. Project Schedules

- 8.1. Proposed Commercial Operational Date for the System will be prior to September 30, 2015, provided, however, and for avoidance of doubt, the Parties acknowledge and agree that such date is only an estimate and not guaranteed.

9. Scope of O&M Work

- 9.1 Once a year during the O&M Period, FPL or its designated representative will visit the Location for the purpose of inspecting the System to determine if the System is operating properly in accordance with System manufacturer specifications. During this visit, FPL or its designated representative will conduct tests similar to those made during the original System acceptance test. Such test includes measurements of short-circuit current and open-circuit voltage, and the instantaneous measurement of DC and AC current and voltage while the System is in operation.
- 9.2 Once a year during the O&M Period, FPL or its designated representative will:
 - 9.2.1 inspect the System's support structure that the photovoltaic arrays are mounted upon, and all other assembling of the System;
 - 9.2.2 inspect the overall aesthetics of the System and notify Customer of any damage to the System;

- 9.2.3 inspect the System's electrical connections;
- 9.2.4 inspect all System communication connections (including, verifying that the System is communicating with the Internet;
- 9.2.5 check and document output of the System inverter;
- 9.2.6 perform a general safety inspection of the System and identify any safety concerns to Customer;
- 9.2.7 test both the voltage and the current for each System PV array;
- 9.2.8 check System for any degradation; and
- 9.2.9 perform general System cleaning to remove dirt in an effort to improve System output.

ATTACHMENT 3

FORM OF BILL OF SALE

THIS BILL OF SALE is made and entered into as of [_____] [], 201[] (“**Effective Date**”) between FLORIDA POWER & LIGHT COMPANY, a Florida corporation (“**FPL**”) and THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA, a political subdivision of the State of Florida (the “**Customer**”). The Customer and FPL are hereinafter sometimes collectively referred to as the “**Parties**” and individually referred to as a “**Party.**”

WHEREAS, FPL and the Customer are parties to that certain Photovoltaic for Schools Pilot Program Contract (“**Contract**”) effective as of [_____] [], 2015, pursuant to which FPL has agreed to assign, transfer and convey certain assets of FPL to the Customer.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, FPL, by this Bill of Sale, does hereby convey, grant, bargain, sell, transfer, set over, assign, alienate, remise, release, deliver and confirm unto the Customer, its successors and assigns, forever, all of FPL’s right, title, interest in and to the System (as defined in the Contract) as of the close of business on the date hereof.

TO HAVE AND TO HOLD all and singular the System unto the Customer, its successors and assigns, to its and their own use and enjoyment forever.

ASSIGNOR FURTHER COVENANTS AND AGREES AS FOLLOWS:

1. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Contract.

2. The System is conveyed to the Customer in its “as is” condition. THE CUSTOMER AGREES THAT FPL HAS MADE NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED (INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE), AS TO THE CONDITION OF THE SYSTEM, ITS SUITABILITY OR USEFULNESS FOR ANY PARTICULAR PURPOSE, OR ITS COMPLIANCE WITH ANY FEDERAL, STATE OR LOCAL STATUTE, ORDINANCE, RULE, REGULATION OR ORDER.

3. This Bill of Sale and Assignment is given pursuant to the Section 2.3 of the Contract, and, except as herein otherwise provided, the transfer of the System hereunder is made subject to the terms and provisions of the Contract. Notwithstanding anything to the contrary set forth herein, if there is any conflict between the terms and conditions of this Bill of Sale and the terms and conditions of the Contract, the terms and conditions of the Contract shall control.

4. Any notice, request or other document to be given hereunder or in connection herewith to any Party hereto shall be given in the manner described in the Contract.

5. The Parties acknowledge and agree that this Bill of Sale may be executed in multiple counterparts, and transmitted via telecopy or .pdf e-mail file, and all such counterparts (whether transmitted via telecopy, .pdf e-mail file or otherwise), when executed and taken together, shall constitute integral parts of one and the same Bill of Sale between the Parties.

6. This Bill of Sale shall be construed in accordance with and governed by the internal laws of the State of Florida without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Florida to the rights and duties of the Parties.

[Remainder of Page Left Intentionally Blank;
Signatures on Following Page]

IN WITNESS WHEREOF, the duly authorized representatives of the Parties have executed this Bill of Sale effective as of the Effective Date.

**FLORIDA POWER & LIGHT
COMPANY**
a Florida corporation

**THE SCHOOL BOARD OF INDIAN RIVER
COUNTY, FLORIDA**
a political subdivision of the State of Florida

By: _____

By: _____

Name:

Name

Title:

Title:

ATTACHMENT 4

**INTERCONNECTION AGREEMENT FOR CUSTOMER-OWNED
RENEWABLE GENERATION TIER 1-10kW OR LESS**

**Interconnection Agreement for Customer-Owned Renewable Generation
Tier 1 - 10 kW or Less**

This Agreement, is made and entered into this _____ day of _____, 20____, by and between _____ (“Customer”), with an address of _____ and FLORIDA POWER & LIGHT COMPANY (“FPL”), a Florida corporation with an address of P.O. Box 14000, 700 Universe Boulevard, Juno Beach, FL 33408-0429.

WITNESSETH:

WHEREAS, the Customer has requested to interconnect its Customer-owned renewable generation, 10 kW AC or less, to FPL’s electrical service grid at the Customer’s presently metered location.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein set forth, the Parties hereto covenant and agree as follows:

1. Definitions

1.1 Gross Power Rating means the total manufacturer’s AC nameplate generating capacity of an on-site customer-owned renewable generation system that will be interconnected to and operate in parallel with FPL’s distribution facilities. For inverter-based systems, the AC nameplate generating capacity shall be calculated by multiplying the total installed DC nameplate generating capacity by 0.85 in order to account for losses during the conversion from DC to AC.

1.2 Capitalized Terms shall have the meanings set forth in Florida Public Service Commission Rule 25-6.065 F.A.C. - Interconnection and Net Metering of Customer-owned renewable generation.

2. Customer Qualification and Fees

2.1. Customer-owned renewable generation shall have a Gross Power Rating that:

- a) does not exceed 90% of the Customer’s utility distribution service rating; and
- b) is 10 kW AC or less.

Gross Power Rating for the Customer-owned renewable generation is _____kW AC.

2.2. The Customer shall not be required to pay any application fee for this Tier 1 Customer-owned renewable generation system.

2.3. In order to commence the process for interconnection the Customer shall provide FPL a completed application.

3. General Responsibilities of the Parties

3.1. Customer-owned renewable generation shall be considered certified for interconnected operation if it has been submitted by a manufacturer to a nationally recognized testing and certification laboratory, and has been tested and listed by the laboratory for continuous interactive operation with an electric distribution system in compliance with the applicable codes and standards of IEEE 1547, IEEE 1547.1, and UL 1741.

3.2. Customer-owned renewable generation shall include a utility-interactive inverter, or other device certified pursuant to Section 3.1 above, that performs the function of automatically isolating the Customer-owned generation equipment from the electric grid in the event the electric grid loses power.

3.3. The Customer shall be responsible for protecting its Customer-owned renewable generation equipment, inverters, protective devices, and other system components from damage from the normal and abnormal conditions and operations that occur on the FPL system in delivering and restoring power; and shall be responsible for ensuring that Customer-owned renewable generation equipment is inspected, maintained, and tested in accordance with the manufacturer’s instructions to ensure that it is operating correctly and safely.

3.4. The Customer agrees to provide Local Building Code Official inspection and certification of installation. The certification shall reflect that the local code official has inspected and certified that the installation was permitted, has been approved, and has met all electrical and mechanical qualifications.

(Continued on Sheet No. 9.051)

(Continued from Sheet No. 9.050)

3.5 The Customer shall notify FPL at least ten (10) calendar days prior to initially placing Customer's equipment and protective apparatus in service and FPL shall have the right to have personnel present on the in-service date.

3.6 Interconnection Agreement shall be executed by FPL within thirty (30) calendar days of receipt of a completed application.

4. **Inspection and On-going Compliance**

4.1 FPL will provide Customer with as much notice as reasonably practicable; either in writing, e-mail, facsimile or by phone as to when FPL may conduct inspection and/or document review. Upon reasonable notice, or at any time without notice in the event of an emergency or hazardous condition, FPL shall have access to the Customer's premises for the purpose of accessing the manual disconnect switch, performing an inspection or disconnection, or, if necessary, to meet FPL's legal obligation to provide service to its Customers.

5. **Manual Disconnect Switch**

5.1 U.L.1741 Listed, inverter-based Tier 1 customer-owned renewable generation systems do not require a customer-installed manual disconnect switch.

5.2 Other customer-owned Tier 1 renewable generation systems that are not U.L. 1741 inverter based. FPL shall require the Customer to install, at the Customer's expense, a manual disconnect switch of the visible load break type to provide a separation point between the AC power output of the Customer-owned renewable generation and any Customer wiring connected to FPL's system. The manual disconnect switch shall be mounted separate from, but adjacent to, the FPL meter socket. The Customer shall ensure that such manual disconnect switch shall remain readily accessible to FPL and be capable of being locked in the open position with a single FPL utility padlock.

5.3 In the event that FPL has determined with respect to the Customer-owned renewable generation that the installation of a manual disconnect switch or switches adjacent to FPL's meter socket would not be practical from a safety perspective and/or design considerations in accordance with good engineering practices; and FPL and the customer agree upon a location on the customer's premises for the switch or switches which meet all applicable safety and/or design considerations, then, pursuant to the conditions set forth in Section 5.2 above, each manual disconnect switch shall be mounted separate from FPL's meter socket at a location agreed to by the Customer and FPL, and the customer shall install a permanent weather-proof plaque adjacent to FPL's meter socket indicating the location of the manual disconnect switch or switches.

6. **Disconnection / Reconnection**

6.1 FPL may open the manual disconnect switch, if available, or disconnect the Customer's meter, pursuant to the conditions set forth in Section 6.2 below, isolating the Customer-owned renewable generation, without prior notice to the Customer. To the extent practicable, however, prior notice shall be given. If prior notice is not given, FPL shall at the time of disconnection leave a door hanger notifying the Customer that its Customer-owned renewable generation has been disconnected, including an explanation of the condition necessitating such action. FPL will reconnect the Customer-owned renewable generation as soon as practicable after the condition(s) necessitating disconnection has been remedied.

(Continued on Sheet No. 9.052)

(Continued from Sheet No. 9.051)

6.2 FPL has the right to disconnect the Customer-owned renewable generation at any time. This may result for the following reasons:

- a) Emergencies or maintenance requirements on FPL's system;
- b) Hazardous conditions existing on FPL's system due to the operation of the Customer's generating or protective equipment as determined by FPL; and
- c) Adverse electrical effects, such as power quality problems, on the electrical equipment of FPL's other electric consumers caused by the Customer-owned renewable generation as determined by FPL.

7. **Modifications/Additions to Customer-owned Renewable Generation**

7.1 If the Customer-owned renewable generation system is subsequently modified in order to increase its Gross Power Rating, the Customer must notify FPL by submitting a new application and Interconnection Agreement specifying the modification at least thirty (30) calendar days prior to making the modification.

7.2 If the Customer adds another Customer-owned renewable generator system which i.) Utilizes the same utility inter-active inverter, or other device certified pursuant to Section 3.1 above, for both systems; and ii.) Utilizes a separate utility inter-active inverter, or other device certified pursuant to Section 3.1 above, for each system the Customer shall provide thirty (30) calendar days notice prior to installation.

7.3 In the event any Customer modifications or additions result in the input to any FPL meter so as to qualify as a Tier 2 or Tier 3 system, then all terms and conditions, including appropriate notice, of the Interconnection Agreement for Tier 2 or Tier 3 systems shall apply.

7.4 The Interconnection Agreement which applies in instances described in Sections 7.1, 7.2, and 7.3 above shall be determined by the combined gross power rating of the generation system(s) which is connected to the FPL meter. In all instances described in this Section 7, the Customer shall submit a new application to FPL and shall enter into a new Interconnection Agreement. In no event shall the maximum output of the Customer-owned generation system(s), which is connected to the FPL meter exceed 2 MW Gross Power Rating.

8. **Indemnity**

8.1 Customer, to the extent permitted by law without waiving or limiting any defense of sovereign immunity, shall indemnify, hold harmless and defend FPL from and against any and all judgments, losses, damages, claims relating to injury to or death of any person or damage to property, (including the Customer-owned renewable generation system), fines and penalties, costs and expenses arising out of or resulting from the operation of the Customer-owned renewable generation system, except in those instances where such loss is due to the negligent action or inactions of FPL. Nothing herein shall be intended to serve as a waiver or limitation of Customer's sovereign immunity defense as allowed by law.

8.2 FPL shall indemnify, hold harmless and defend Customer from and against any and all judgments, losses, damages, claims relating to injury to or death of any person or damage to property (including FPL's transmission system), fines and penalties, costs and expenses arising out of or resulting from the operation of FPL's system, except in those instances where such loss is due to the negligent action or inactions of the Customer.

(Continued on Sheet No. 9.053)

(Continued from Sheet No. 9.052)

9. Limitation of Liability

9.1 Liability under this Interconnection Agreement for any loss, cost, claim, injury, liability, or expense, including reasonable attorney's fees, relating to or arising from any act or omission in its performance of this Interconnection Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall the indemnifying Party be liable to the other Party for any indirect, special, consequential, or punitive damages, except as authorized by this Interconnection Agreement.

10. Assignment

10.1 The Interconnection Agreement shall be assignable by either Party upon thirty (30) calendar days notice to the other Party and written consent of the other Party, which consent shall not be unreasonably withheld or delayed.

10.2 An assignee to this Interconnection Agreement shall be required to assume in writing the Customer's rights, responsibilities, and obligations under this Interconnection Agreement; or execute a new Interconnection Agreement.

11. Insurance

11.1 FPL recommends that the Customer maintain Liability Insurance for Personal Injury and Property damage in amount of not less than \$100,000 during the entire term of this Interconnection Agreement to the extent permitted by law. For government entities, the policy coverage shall not exceed the entity's maximum liability established by law.

12. Renewable Energy Certificates

12.1 The Customer shall retain any Renewable Energy Certificates associated with the electricity produced by their Customer-owned renewable generation equipment; any additional meters necessary for measuring the total renewable electricity generated for the purposes of receiving Renewable Energy Certificates shall be installed at the Customer's expense, unless otherwise determined during negotiations for the sale of the Customer's Renewable Energy Certificates to FPL.

13. Lease Agreements

13.1 The Customer shall provide FPL a copy of the lease agreement, as applicable, for any and all leased interconnection equipment.

13.2 The Customer shall not enter into any lease agreement that results in the retail purchase of electricity; or the retail sale of electricity from the Customer-owned renewable generation. Notwithstanding this restriction, in the event it is determined by the Florida Public Service Commission that the Customer has entered such an agreement, the Customer shall be in breach of this Interconnection Agreement and the lessor may become subject to the jurisdiction and regulations of the Florida Public Service Commission as a public utility.

14. Dispute Resolution

14.1 Disputes between the Parties shall be handled in accordance with subsection 11 of Florida Public Service Commission Rule 25_6.065 F.A.C. - Interconnection and Net Metering of Customer-owned renewable generation.

15. Effective Date

15.1 The Customer must execute this Interconnection Agreement and return it to FPL at least thirty (30) calendar days prior to beginning parallel operations and the Customer must begin parallel operation within one year after FPL executes the Interconnection Agreement.

16. Termination

16.1 Upon termination of this Interconnection Agreement, FPL shall open and padlock the manual disconnect switch, if applicable, and remove the Net Metering and associated FPL equipment. At the Customer's expense, the Customer agrees to permanently disconnect the Customer-owned renewable generation and associated equipment from FPL's electric service grid. The Customer shall notify FPL in writing within ten (10) calendar days that the disconnect procedure has been completed.

(Continued on Sheet No. 9.054)

(Continued from Sheet No. 9.053)

17. **Amendments to Florida Public Service Commission Rules**

17.1 FPL and Customer recognize that the Florida Public Service Commission rules may be amended from time to time. In the event that Florida Public Service Commission rules are modified, FPL and Customer agree to supersede and replace this Interconnection Agreement with a new Interconnection Agreement which complies with the amended Florida Public Service Commission rules.

18. **Entire Agreement**

18.1 This Interconnection Agreement supersedes all previous agreements or representations, either written or oral, heretofore in effect between FPL and the Customer, made in respect to matters herein contained, and when duly executed, this Interconnection Agreement constitutes the entire agreement between Parties hereto.

19. **Governmental Entities**

19.1 For those customers, which are government entities, provisions within this agreement will apply to the extent the agency is not legally barred from executing such provisions by State or Federal law.

(Continued on Sheet No. 9.054)

(Continued from Sheet No. 9.053.1)

IN WITNESS WHEREOF, the Parties hereto have caused this Interconnection Agreement to be duly executed the day and year first above written.

CUSTOMER

(Signature)

(Print or Type Name)

Title: _____

FLORIDA POWER & LIGHT COMPANY

(Signature)

Ron Bartnick

(Print or Type Name)

Title: Manager Product Support

The completed agreement may be submitted to FPL by:

E-mail - scan and e-mail to Netmetering@fpl.com

Mail - send to: Net Metering
FPL – Mail code CSF-GO
9250 W. Flagler St.
Miami, FL 33174

FAX - 305-552-2275

SCHOOL BOARD RESOLUTION - # 2015-08

A RESOLUTION OF THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA RELATED TO SCHOOL BOARD BUSINESS MEETINGS; CODIFYING ITS PRACTICE REGARDING OPENING INVOCATIONS FOR BUSINESS MEETINGS OF THE SCHOOL BOARD; MAKING CERTAIN FINDINGS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, The School Board of Indian River County, Florida (hereinafter "School Board") is an elected legislative body, serving the citizens of Indian River County, Florida; and

WHEREAS, the School Board wishes to maintain its tradition by allowing for an opening invocation before each business meeting, for the benefit of the School Board members; and

WHEREAS, the purposes of the opening invocation are to express thankfulness for the right of self-government, to solemnize the School Board's legislative tasks, to dignify and confirm the seriousness of School Board business meetings, to encourage respect and appreciation for all School Board members, to see to unite and not divide the School Board, and to "reflect upon shared ideals and common ends before embarking on the fractious business of governing." *Town of Greece v. Galloway*, 134 S.Ct. 1811, 1823 (2014); and

WHEREAS, the School Board members desire to adopt this written procedure to clarify and codify its invocation practices; and

WHEREAS, our country's Founders recognized that we possess certain rights that cannot be awarded, surrendered, nor corrupted by human power, and the Founders explicitly attributed the origin of these, our inalienable rights, to a Creator; and

WHEREAS, the practice of invocations before elected legislative public bodies has been consistently upheld as constitutional by the Courts, including the United States Supreme Court; and

WHEREAS, in *Marsh v. Chambers*, 463 U.S. 783 (1983), the United States Supreme Court rejected a challenge to the Nebraska Legislature's practice of opening each day of its sessions with a prayer by a chaplain paid with taxpayer dollars, and specifically concluded, "The opening of sessions of legislative and other deliberative public bodies with prayer is deeply embedded in the history and tradition of this country. From colonial times through the founding of the Republic and ever since, the practice of legislative prayer has coexisted with the principles of disestablishment and religious freedom." *Id.* at 786; and

WHEREAS, the School Board desires to avail itself of the Supreme Court's recognition that it is constitutionally permissible for a public body to "invoke Divine guidance" on its work. *Id.* at 792. Such invocation "is not, in these circumstances, an 'establishment' of religion or a step toward establishment; it is simply a tolerable acknowledgment of beliefs widely held among the people of this country." *Id.*; and

WHEREAS, the Supreme Court affirmed in *Lynch v. Donnelly*, 465 U.S. 668 (1984), "Our history is replete with official references to the value and invocation of Divine guidance in deliberations and pronouncements of the Founding Father and contemporary leaders." *Id.* at 675; and

WHEREAS, the Supreme Court further stated that "government acknowledgments of religion serve, in the only ways reasonably possible in our culture, the legitimate secular purposes of solemnizing public occasions, expressing confidence in the future, and encouraging the recognition of what is worthy of appreciation in society. For that reason, and because of their history and ubiquity, those practices are not understood as conveying government approval of particular religious beliefs." *Id.* at 693 (O'Connor, J., concurring); and

WHEREAS, the Supreme Court also observed in *Zorach v. Clauson*, 343 U.S. 306 (1952), "We are a religious people whose institutions presuppose a Supreme Being." *Id.* at 313; and

WHEREAS, the Supreme Court acknowledged in *Holy Trinity Church v. United States*, 143 U.S. 457 (1892), that the American people have long followed a "custom of opening sessions of all deliberative bodies and most conventions with prayer." *Id.* at 471; and

WHEREAS, the Supreme Court has determined, "The content of such prayer is not of concern to judges where ... there is no indication that the prayer opportunity has been exploited to proselytize or advance any one, or to disparage any other, faith or belief." *Marsh*, 463 U.S. at 794-95; and

WHEREAS, the Supreme Court also proclaimed that it should not be the job of the Courts or deliberative public bodies "to embark on a sensitive evaluation or to parse the content of a particular prayer" offered before a deliberative public body." *Id.*; and

WHEREAS, the Supreme Court has counseled against the efforts of government officials to affirmatively screen, censor, prescribe and/or proscribe the specific content of public prayers offered by private speakers, as such government efforts would violate the First Amendment rights of those speakers. See, e.g., *Lee v. Weisman*, 505 U.S. 577, 588-89 (1992); and

WHEREAS, in *Pelphrey v. Cobb County, GA*, 547 F.3d 1263 (11th Cir. 2008), the United States Court of Appeals for the Eleventh Circuit, which includes Florida, held that the practice of allowing clergy to offer uncensored religious invocations at the beginning of sessions of a county commission and county planning commission did not violate the Establishment Clause, as long as the invocations did not advance or disparage a belief or affiliate government with specific faith. *Id.* at 1266-67; and

WHEREAS, in *Atheists of Fla., Inc. v. City of Lakeland*, 713 F.3d 577 (11th Cir. 2013), the Eleventh Circuit found the policies and practices adopted by the Lakeland City Commission regarding selection of invocation speakers did not support a finding that the City Commission “attempted to exploit the prayer opportunity to proselytize or advance or disparage any one faith or belief.” *Id.* at 593. “Nor do those policies and practices have the effect of affiliating the Lakeland City Commission with any discrete faith or belief.” *Id.*; and

WHEREAS, the recent case of *Town of Greece v. Galloway*, 134 S.Ct. 1811 (2014), provides further guidance as to acceptable invocation procedures, in which the U.S. Supreme Court found the practice used by the Town of Greece in its invocation process did not dissuade members of the public from leaving the meeting room during the prayer, arriving late, or even making a later protest. In the *Town of Greece* case, as in *Marsh* referenced above, board members and constituents were free to enter and leave with little comment or for any number of reasons; and

WHEREAS, the U.S. Supreme Court held in *Town of Greece* that, “So long as the town maintains a policy of nondiscrimination, the Constitution does not require it to search beyond its borders for non-Christian prayer givers in an effort to achieve religious balancing.” *Id.* at 1824.; and

WHEREAS, the School Board intends, and has intended in past practice, to adopt a procedure that does not proselytize or advance any faith, or show any purposeful preference of one religious view to the exclusion of others; and

WHEREAS, the School Board recognizes its constitutional duty to interpret, construe and amend its practices and procedures to comply with constitutional requirements as they are announced; and

WHEREAS, the School Board accepts as binding the applicability of general principles of law and all the rights and obligations afforded under the Constitution of the United States and the State of Florida.

NOW, THEREFORE, be it resolved by the School Board of Indian River County, Florida as follows:

Section 1: Adoption of “Whereas” Clauses. The foregoing “Whereas” clauses are hereby adopted and incorporated by reference.

Section 2: Adoption of Invocation Speaker Procedures. The School Board hereby adopts the following procedures regarding opening invocations for the School Board before its business meetings:

1. It is the intent of the School Board to solemnize the proceedings of the School Board by allowing an invocation for the benefit of School Board members to be offered immediately prior to commencement of its business meetings.
2. To that end, the School Board hereby invites and welcomes the religious leaders and other representatives of any and all local religions, denominations, faiths, creeds, and beliefs, including but not limited to ministers, priests, chaplains, rabbis, deacons, clerics, and the like (hereinafter “Invocation Speakers”), to participate in providing invocations for the School Board.
3. Shortly before the opening gavel that officially begins a School Board business meeting and the commencement of the public business before the School Board, the Chairman of the School Board shall introduce the Invocation Speaker and invite those persons in attendance who wish to do so to participate in the observance. The Invocation Speaker may then voluntarily deliver the invocation for the School Board. No person in attendance is or shall be required to participate in these observances and the personal decision of each person regarding participation will have no impact on his or her right to actively participate in the School Board’s business meeting.
4. Should the scheduled Invocation Speaker or his/her substitute not appear at the appointed time to deliver the invocation, the Chairman of the School Board may either forego the invocation or may offer a moment of silence.
5. Neither the Chairman, any other School Board member, nor any employee of the School Board shall deliver an invocation.
6. In furtherance of the invocation procedures adopted herein, the Executive Assistant to the School Board shall establish and maintain an Invocation Speaker rotation list (hereinafter “List”) comprised of a broad and diverse pool of religious leaders and other representatives of any and all local

religions, denominations, faiths, creeds and beliefs, including but not limited to ministers, priests, chaplains, rabbis, deacons, clerics, and the like, that have expressed an interest in providing invocations for the School Board on a rotation basis (Invocation Speakers). Such List shall be established and maintained as follows:

- a. The Executive Assistant shall compile and maintain a database of religious assemblies with an established presence in the local community of Indian River County (hereinafter "Database"). The Database shall include the name of all such religious assemblies and contact information. The initial Database shall be compiled within forty-five (45) days after the effective date of this Resolution and shall be updated annually before _____ **[insert month]** of each year. The Executive Assistant may also periodically update the Database as needed upon receiving a request to add a religious assembly.
- b. The Database shall be compiled by referencing the listings for religious assemblies in print reference guides, online research, and by any other effective method in the discretion of the Executive Assistant, who shall make every reasonable effort to compile as broad and diverse a database pool as possible from which to establish the List. Any other religious assembly not otherwise identified may request inclusion in the Database by written communication to the Executive Assistant.
- c. The Database shall also include the name and contact information of any religious assembly located outside of Indian River County if such religious assembly is attended by a resident or residents of Indian River County and such resident requests the inclusion of said religious assembly by written communication to the Executive Assistant.
- d. All religious assemblies in the Database are eligible to be, and shall be invited to provide an Invocation Speaker for inclusion on the List by the Executive Assistant mailing an invitation addressed to a religious leader or other

representative at each religious assembly in the Database. Such invitations shall be mailed within sixty (60) days after the effective date of this Resolution. Thereafter, commencing in 2016, the Executive Assistant shall send an invitation on or about _____ **[insert month & date]** of each calendar year based on the updated Database in order to update the List. The Executive Assistant may also periodically send an invitation as needed to any additional religious assembly added to the Database.

- e. The invitation to provide an Invocation Speaker shall be dated and signed by the Executive Assistant on behalf of the School Board and shall read substantially as follows:

Dear (name of religious leader or representative):

The School Board invites and welcomes religious leaders and representatives, including but not limited to ministers, priests, chaplains, rabbis, deacons, and clerics, of any and all local religions, denominations, faiths, creeds and beliefs established within the Indian River County community to voluntarily offer an invocation for the benefit of the School Board before the commencement of School Board business meetings. As the leader of one of the religious assemblies in the community or as the religious leader of one or more Indian River County residents, the School Board invites you to participate in offering this important service for a future public meeting of the School Board.

If you or another representative from your assembly or congregation are willing to assist the School Board in this regard and be listed on the School Board's list of available invocation speakers, please send a written reply in the next thirty (30) days to the Executive Assistant at the address included on this letterhead. A list of the dates of the School Board's scheduled meetings for the upcoming year is attached. If you have a preferred date to offer an

invocation for the School Board, please state that preference in your written reply. Otherwise, invocation speakers are invited on a rotation basis.

This opportunity is voluntary, and you are free to offer the invocation according to the dictates of your own conscience. To maintain a spirit of respect and ecumenism, the School Board requests only that the invocation opportunity not be used as an effort to convert others to the particular faith of the invocation speaker, nor used to disparage any faith or belief or non-religious view different than that of the invocation speaker. A copy of Resolution #_____ adopting the School Board's procedure regarding opening invocations is attached for your information.

On behalf of the School Board of Indian River County, I thank you in advance for considering this invitation.

Sincerely,

Executive Assistant

- f. Those religious leaders and other representatives expressing an interest in participating as an Invocation Speaker shall be included on the List.
- g. The List shall be updated annually on or about the month of _____ **[insert month]** by reasonable efforts of the Executive Assistant based on responses to the annual invitations. The Executive Assistant may also periodically update the list as needed upon request to add an Invocation Speaker and shall insure that those added are sent a copy of this Resolution for their information.
- h. This procedure is intended to be and shall be implemented in a way that is all inclusive of every diverse religious assembly in Indian River County, regardless of religion, denomination, faith, creed, or belief. The List shall be compiled and used for purposes of logistics, efficiency, and

equal opportunity for all of the community's religious leaders and representatives, who may themselves choose whether to respond to the School Board's invitation and whether to participate as an Invocation Speaker.

7. No Invocation Speaker shall receive compensation for his/her service.
8. The Executive Assistant shall make every reasonable effort to ensure that a broad variety of Invocation Speakers from different religions, denominations, faiths, creeds, and beliefs are scheduled for School Board business meetings. In any event, no Invocation Speaker shall be scheduled to offer an invocation at consecutive meetings of the School Board.
9. Neither the School Board nor any employee of the School Board shall engage in any prior inquiry, review of, or involvement in, the content of any invocation to be offered by an Invocation Speaker. No guidelines or limitations shall be issued regarding the content of the invocation, except that the School Board requests by the language of this Resolution that no prayer should proselytize any particular religion or faith, or disparage the religious faith or non-religious views of others. The School Board reserves the right to limit from delivering invocations at future School Board business meetings any Invocation Speaker or religious leader or representative who violates the spirit and intent of this Resolution.
10. Although the giving of an invocation and the name of the Invocation Speaker delivering an invocation for the School Board may be listed on the agenda published for a School Board business meeting, such entries shall not be nor considered an official agenda item for the public meeting nor considered part of the public business to be transacted by the School Board. The Executive Assistant is authorized to adjust the School Board's meeting agendas to comport with the provisions of this Resolution.
11. To clarify the School Board's intentions as stated herein, a disclaimer shall be included in at least 10 point font at the bottom of each School Board business meeting agenda in substantially the following form:

Any invocation that may be offered before the official start of the School Board business meeting is and shall be the voluntary offering of a private citizen to

and for the benefit of the School Board pursuant to Resolution #_____. The views and beliefs expressed by the Invocation Speaker have not been previously reviewed or approved by the School Board and do not necessarily represent their individual religious beliefs, nor are the views or beliefs expressed intended to express allegiance to or preference for any particular religion, denomination, faith, creed, or belief by the School Board. No person in attendance at this meeting is or shall be required to participate in any invocation and such decision whether or not to participate will have no impact on his or her right to actively participate in the public meeting.

12. This policy is not intended and shall not be implemented or construed in any way to affiliate the School Board with nor express any preference of the School Board for, or any disfavor against, any religion, denomination, faith, creed, or belief. Rather, this procedure is intended to acknowledge and express the School Board's respect for the diversity of religions, denominations, faiths, creeds, and beliefs represented and practiced among the citizens of Indian River County.

Section 3: Effective Date. This Resolution shall become effective upon adoption by the School Board.

DONE AND ADOPTED by the School Board of Indian River County, Florida at a duly noticed public meeting this _____ day of _____, 2015.

THE SCHOOL BOARD OF INDIAN RIVER
COUNTY, FLORIDA

By: _____
Matthew McCain, Chairman

ATTEST

By: _____
Dr. Frances J. Adams, Superintendent

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**INDIAN RIVER COUNTY
DISTRICT SCHOOL BOARD**

Operational Audit



STATE OF FLORIDA
AUDITOR GENERAL
DAVID W. MARTIN, CPA

BOARD MEMBERS AND SUPERINTENDENT

Board members and the Superintendent who served during the 2013-14 fiscal year are listed below:

	<u>District No.</u>
Karen Disney-Brombach	1
Jeffrey Pegler to 7-25-13 (1)	2
Dale Simchick from 11-19-13	2
Matthew McCain, Vice Chair from 11-19-13	3
Carol Johnson, Chair	4
Claudia Jimenez, Vice Chair to 11-18-13	5

Frances J. Adams, Ed.D., Superintendent

Note: (1) Board member resigned on July 26, 2013, and position remained vacant until replaced on November 19, 2013.

The audit team leader was Bevohn T. Dougall, CPA, and the audit was supervised by Tim L. Tucker, CPA. For the information technology portion of this audit, the audit team leader was Deena Warren, and the supervisor was Heidi G. Burns, CPA, CISA. Please address inquiries regarding this report to Douglas R. Conner, CPA, Audit Manager, by e-mail at dougconner@aud.state.fl.us or by telephone at (850) 412-2730.

This report and other reports prepared by the Auditor General can be obtained on our Web site at www.myflorida.com/audgen; by telephone at (850) 412-2722; or by mail at G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450.

INDIAN RIVER COUNTY

District School Board

EXECUTIVE SUMMARY

Our operational audit disclosed the following:

PERSONNEL AND PAYROLL

Finding No. 1: The District needed to strengthen its controls to ensure timely background rescreenings for instructional and noninstructional employees, and appropriate evaluation of backgrounds of job applicants and employees.

Finding No. 2: Enhancements could be made to ensure that terminated employees and their dependents are timely removed from the District’s health insurance program.

ADULT GENERAL EDUCATION

Finding No. 3: The Board had not adopted a plan for the use of unspent workforce education funds accumulated over several years.

Finding No. 4: Improvements were needed in controls over the reporting of instructional contact hours for adult general education classes to the Florida Department of Education.

PROCUREMENT

Finding No. 5: Procurement procedures could be enhanced to provide for routine review of required statements of financial interests for consideration in making procurement decisions.

VIRTUAL INSTRUCTION PROGRAM

Finding No. 6: Controls over virtual instruction program (VIP) operations and related activities could be enhanced by developing comprehensive, written procedures.

Finding No. 7: VIP provider contracts did not include certain provisions required by State law.

Finding No. 8: The District could enhance its procedures to ensure that the required number of VIP options is offered.

Finding No. 9: District records did not evidence that required background screenings were performed for VIP provider employees and contracted personnel.

Finding No. 10: District records did not evidence that timely, written notifications were provided to parents about student opportunities to participate in the District’s VIP and open enrollment period dates.

BACKGROUND

The Indian River County School District (District) is part of the State system of public education under the general direction of the Florida Department of Education, and is governed by State law and State Board of Education rules. Geographic boundaries of the District correspond with those of Indian River County. The governing body of the District is the Indian River County District School Board (Board), which is composed of five elected members. The appointed Superintendent of Schools is the executive officer of the Board.

During the 2013-14 fiscal year, the District operated 25 elementary, middle, high, and specialized schools; sponsored five charter schools; and reported 17,603 unweighted full-time equivalent students.

The results of our audit of the District’s financial statements and Federal awards for the fiscal year ended June 30, 2014, will be presented in a separate report.

FINDINGS AND RECOMMENDATIONS

Personnel and Payroll

Finding No. 1: Background Screenings

Section 1012.315, Florida Statutes, disqualifies persons from District employment in any position that will have direct contact with students, if the person has been convicted of certain felony offenses such as aggravated battery, sale/buy/delivery of drugs within 1,000 feet of a school, and other offenses. Also, Sections 1012.56(10), and 1012.465(2), Florida Statutes, require that instructional personnel, and noninstructional personnel who have direct contact with students, undergo required background rescreenings every five years following the initial screening upon employment. During the 2013-14 fiscal year, the District had 1,186 and 747 instructional and noninstructional personnel, respectively.

Human resource department personnel are responsible for assessing whether job applicants possess appropriate backgrounds for District employment and ensuring personnel are timely rescreened as required. Our review of District records to determine whether instructional and noninstructional personnel were timely rescreened as required disclosed the following:

- Our test of District records for 30 instructional and noninstructional employees disclosed 2 noninstructional employees, who had direct contact with students, did not have backgrounds appropriate for such contact, contrary to Section 1012.315, Florida Statutes. These 2 employees included one hired during the 2013-14 fiscal year and convicted of aggravated battery in calendar year 1993, and another with five years of District experience and convicted of felony sale/buy/delivery of drugs within 1,000 feet of a school in calendar year 1992. District personnel indicated that human resources department personnel misinterpreted the law and will be retrained, and all personnel would be reevaluated to assess whether they have appropriate backgrounds for District employment. As of October 2014, the District continued to employ the 2 noninstructional personnel ineligible for employment.
- Our test of District records for 16 of 68 instructional and noninstructional employees required to obtain background rescreenings during the 2013-14 fiscal year disclosed that 5 of these employees had not been rescreened as of the time of our review in June 2014 because of District oversights. Subsequent to our inquiry, the District rescreened these employees, from 254 to 1,028 days late, and none had inappropriate backgrounds.

Absent appropriate evaluation of job applicant and employee backgrounds and timely background rescreenings, there is an increased risk that personnel with unsuitable backgrounds may be allowed access to students.

Recommendation: The District should enhance its procedures to ensure that backgrounds of job applicants are appropriately evaluated for District employment and the District only employs individuals eligible for employment. The District should also ensure that required background rescreenings are timely performed for all employees.

Finding No. 2: Health Insurance – Participant Eligibility

The District’s self-insurance program provides health and prescription coverage for eligible participants including employees, retired former employees, and eligible dependents. Pursuant to Section 1011.18(6), Florida Statutes, the

District contracted with a third party administrator (TPA) to administer its health and prescription coverage plan and process, investigate, and pay claims. During the 2013-14 fiscal year, the District reported health insurance program expenses totaling \$18.4 million, including claims expenses of \$14.1 million, premium expenses of \$2.8 million, and other expenses totaling \$1.5 million.

The District’s risk management department is responsible for adding and deleting health insurance program participants. District procedures require that terminated employees and their eligible dependents be removed from the program within the month they terminate employment; however, our review disclosed certain ineligible program participants as follows:

- Our test of 20 employees who terminated District employment during the 2013-14 fiscal year disclosed 14 former employees who continued to participate in the program after their termination dates. We expanded our procedures and compared a list of current employees to program participants and identified an additional 33 former employees who were ineligible program participants, including some that continued to participate since being terminated during the 2010-11 fiscal year.
- We also reviewed dependent health insurance program participants and identified three ineligible dependents that exceeded the program eligibility age. District personnel indicated that these errors occurred because the District inadvertently misclassified the three dependents as incapacitated.

Subsequent to our inquiries, the District removed the ineligible participants from the program in June 2014. Because of the ineligible participants, the District incurred excessive TPA claims and premium costs totaling \$21,412 and \$1,919, respectively.

While District personnel tested claims expense by reviewing supporting documentation of selected claims, controls could be enhanced to ensure the eligibility of program participants. Absent such controls, there is an increased risk that the District may incur excessive claim and premium costs of ineligible health insurance program participants.

Recommendation: The District should enhance its controls to ensure eligibility of health insurance program participants. Such procedures could include comparisons of current employees to program participants and evaluations of dependents participating in the program to ensure the participants are eligible for the insurance. The District should also seek reimbursement for the excess claim and premium costs totaling \$21,412 and \$1,919, respectively.

Adult General Education

Finding No. 3: Workforce Education Program

Pursuant to Section 1011.80, Florida Statutes, the District receives funding for workforce education programs and is required to use the money to benefit the programs it provides. During the 2013-14 fiscal year, the District’s workforce education program revenues totaled \$1,399,119. These revenues, when combined with \$2,041,676 of unspent workforce education revenues from prior fiscal years, made available \$3,440,795 for workforce education program expenditures during the 2013-14 fiscal year.

Workforce education program expenditures totaled \$1,464,327, representing 42.5 percent of that available during the 2013-14 fiscal year. The unencumbered balance carried forward into the 2014-15 fiscal year was \$1,976,468. Although the workforce education funds are restricted for adult education purposes and not subject to reversion, carrying forward large balances of such funds into subsequent years does not appear to be consistent with legislative intent for annually funding the adult education program and does not appear to benefit the persons and programs for which the funds were generated.

Recommendation: The Board should develop a spending plan for unspent workforce education program funds to serve as a guide to ensure that these resources will have a direct, positive impact on these programs as intended by the Legislature.

Finding No. 4: Adult General Education Classes

Section 1004.02(3), Florida Statutes, defines adult general education, in part, as comprehensive instructional programs designed to improve the employability of the State’s workforce. The District received State funding for adult general education, and proviso language in Chapter 2013-40, Laws of Florida, Specific Appropriation 117, required that each school district report enrollment for adult general education programs identified in Section 1004.02, Florida Statutes, in accordance with the Florida Department of Education (FDOE) instructional hours reporting procedures.

FDOE procedures stated that fundable instructional contact hours are those scheduled hours that occur between the date of enrollment in a class and the withdrawal date or end-of-class date, whichever is sooner. FDOE procedures also provided that school districts develop a procedure for withdrawing students for nonattendance and that the standard for setting the withdrawal date be six consecutive absences from a class schedule, with the withdrawal date reported as the day after the last date of attendance.

For the 2013-14 fiscal year, the District reported to the FDOE 49,113 instructional contact hours for 652 students enrolled in 24 adult general education classes at three adult education centers. We randomly selected a representative sample of 2,464 hours reported for 30 students enrolled in 9 adult general education classes to test the accuracy of the District’s reporting procedures. Our test disclosed 639 hours over-reported for 11 students enrolled in 9 classes, and District personnel indicated that the reporting errors occurred mainly because of a programming error. Given the number of errors, the full extent of the class hours misreported was not readily available.

Since future funding may be based, in part, on enrollment data reported to the FDOE, it is important that the District reports data correctly. A similar finding was noted in our report No. 2014-067.

Recommendation: The District should strengthen its controls to ensure accurate reporting of instructional contract hours for adult general education classes to the FDOE. The District should also determine the extent of adult general education hours over-reported and contact the FDOE for proper resolution.

Procurement

Finding No. 5: Purchasing Procedures

Board-adopted policies prohibit conflicts of interest and the District had certain procedures to reduce the risk of contractual relationships that cause conflicts of interest. For example, District personnel indicated that standard bid forms and request for qualifications require vendors to notify the District of conflicts of interest.

The Superintendent, Board members, Chief Financial Officer, Purchasing Director, and other District personnel including school principals and other directors were required to file a statement of financial interests pursuant to Section 112.3145, Florida Statutes. While statements of financial interests were filed with the appropriate agency as required, the Purchasing Department did not review the statements. Providing for routine review and consideration

of required statements of financial interest by the Purchasing Department would enhance the District’s procurement practices and reduce the risk of questioned procurement transactions or contractual obligations.

Recommendation: The District should provide for routine review of required statements of financial interests by its Purchasing Department for consideration in making procurement decisions.

Follow-up to Management's Response:

The District indicates in its response that it does not concur with this finding, that there is no requirement in the law for statements of financial interests to be submitted to the District’s Purchasing Department, and that the District has sufficient controls to detect any conflicts of interests. The point of our finding is that providing for routine review and consideration of required statements of financial interests by the Purchasing Department would enhance the District’s procurement practices.

Virtual Instruction Program

Finding No. 6: Virtual Instruction Program Policies and Procedures

Pursuant to Section 1001.41(3), Florida Statutes, school districts are responsible for prescribing and adopting standards and policies to provide each student the opportunity to receive a complete education. Education methods to implement such standards and policies may include the delivery of learning courses through traditional school settings, blended courses consisting of both traditional classroom and online instructional techniques, participation in a virtual instruction program (VIP), or other methods. Section 1002.45, Florida Statutes, establishes VIP requirements and requires school districts to include mandatory provisions in VIP provider contracts; make available optional types of virtual instruction; provide timely, written parental notification of VIP options; ensure the eligibility of students participating in VIPs; and provide computer equipment, Internet access, and instructional materials to eligible students.

For the 2013-14 fiscal year, District records indicated enrollment of 242 part-time VIP students. The Board adopted a policy that identified VIP options for students, student eligibility, and open enrollment periods and the District had written procedures addressing student progression requirements, attendance, mandated testing, and other procedures related to the VIP. However, the policies and procedures could be expanded to include more detailed instructions for personnel responsible for administering the VIP, as well as procedures for other VIP statutory requirements, such as provider contracts, required written notices, instructional materials, and computing resources. The policies and procedures could also be expanded to provide guidance on monitoring VIP teacher qualifications and certifications. For example, policies and procedures could require District personnel to confirm Florida teaching certificates with the FDOE and survey a sample of parents to confirm that the contracted VIP teachers were the teachers who provided the services. Further, the absence of comprehensive, written VIP policies and procedures may have contributed to the instances of District noncompliance and control deficiencies identified in Finding Nos. 7 through 10.

Recommendation: The District should develop and maintain comprehensive, written VIP policies and procedures to enhance the effectiveness of its VIP operations and related activities.

Finding No. 7: Provider Contracts

Section 1002.45(4), Florida Statutes, requires that each contract with a FDOE-approved VIP provider contain certain provisions. While the District entered into contracts with three FDOE-approved providers, the contracts contained deficiencies and lacked some statutorily required provisions. District personnel indicated that they were unaware the contracts needed to include the following provisions:

- One contract lacked a provision requiring the provider to utilize only teachers certified to teach in Florida. Section 1002.45(2)(a)3., Florida Statutes, requires all instructional personnel of District-approved VIP providers to be Florida-certified teachers under Chapter 1012, Florida Statutes. The inclusion of such a provision could help ensure that students receive the level of educational instruction intended by statute. District procedures did not require confirmation, and the District did not obtain confirmation that the VIP provider's teachers were certified. Under these conditions, there is an increased risk that VIP provider teachers may not be Florida-certified teachers.
- None of the contracts included an agreed-upon student-teacher ratio. This is contrary to Section 1002.45(2)(a)8., Florida Statutes, which requires that FDOE-approved VIP providers publish student-teacher ratios and other instructional information in all contracts negotiated pursuant to Section 1002.45, Florida Statutes. Further, the District did not establish a student-teacher ratio threshold for the contracted VIP classes to allow for evaluations of the reasonableness of such ratios. Without establishing such ratios or ratio thresholds in the contracts or documenting evaluations of the reasonableness of the ratios, the number of students in the VIP classes may exceed the District's expectation and the District's abilities to monitor the quality of the provider's virtual instruction may be limited.
- None of the contracts provided for the District to monitor the provider's compliance with contract terms or quality of the virtual instruction. Without such provisions, the District may be limited in its ability to perform such monitoring. Such monitoring could include confirmation or verification that the VIP provider protected the confidentiality of student records.
- One contract did not contain requirements for the provider to implement, maintain, and use appropriate, administrative, technical, or physical security measures to the full extent required by Title 20, Section 1232g, United States Code, The Family Educational Rights and Privacy Act, to maintain the confidentiality of education records and did not specify any minimum required security controls that the District expected to be in place to protect the confidentiality, availability, and integrity of critical and sensitive education data. Without specifying minimum required security controls, there is an increased risk that deficiencies in information security and other information technology (IT) controls may occur.
- None of the contracts included provisions for data quality requirements. The District's VIP providers maintain significant amounts of educational data used to support the administration of the VIP and to meet District reporting needs to ensure compliance with State funding, information, and accountability requirements as set forth in State law. Accordingly, it is essential that accurate and complete data maintained by the provider on behalf of the District be available in a timely manner. Inclusion of data quality requirements in provider contracts would help ensure that District expectations for the timeliness, accuracy, and completeness of education data are clearly communicated to providers.

Recommendation: The District should ensure that statutorily required and other necessary provisions are included in contracts with FDOE-approved VIP providers.

Finding No. 8: Virtual Instruction Options

Section 1002.45(1)(b), Florida Statutes, requires school districts, under certain conditions, to provide students the option of participating in VIPs. For example, students may choose VIP services provided by the school district, Florida Virtual School, another approved provider, another school district, or a virtual charter school. Pursuant to Section 1002.45(1)(b), Florida Statutes, school districts that are not considered to be in sparsely-populated counties, as

discussed in Section 1011.62(7), Florida Statutes, must provide students with at least three options to participate in virtual instruction. As the District is not in a sparsely-populated county, the District must offer three VIP types for all grade levels within the District's VIP.

The District provided students the opportunity to participate in virtual instruction. However, the District did not provide all students at least three options, contrary to Section 1002.45(1)(b), Florida Statutes, and thus limited student access to the different virtual instruction types. Although full-time and part-time types were provided for grades 9 through 12, only two virtual school options were offered. District personnel indicated that they were unaware that at least three options are required for each grade level.

Recommendation: The District should ensure that it offers the minimum number of VIP options is offered to all grade levels as required by law.

Finding No. 9: Provider Background Screenings

Section 1002.45(2)(a)3., Florida Statutes, requires VIP providers to conduct background screenings for all employees or contracted personnel as a condition of approval by the FDOE as a VIP provider in the State. The District's three providers indicated in their assurances to the FDOE during the approval process that lists of provider employees or contracted personnel subjected to the required screening would be provided to the District; however, the District did not obtain such a list from its VIP providers. District personnel indicated that they relied on the contracted VIP providers to background screen employees and contracted personnel.

As similarly discussed in Finding No. 1 for background screenings of instructional and noninstructional contractors, without effective controls to ensure that background screenings of VIP provider employees and contracted personnel are performed, there is an increased risk that these individuals may have backgrounds that are inappropriate for interacting with students and accessing confidential or sensitive District data and IT resources.

Recommendation: The District should ensure that required background screenings are performed for all VIP provider employees and contracted personnel.

Finding No. 10: Written Parental Notification

Section 1002.45(10), Florida Statutes, requires that each school district provide information to parents and students about their right to participate in a VIP. Further, Section 1002.45(1)(b), Florida Statutes, requires all school districts to provide parents with timely, written notification of the open enrollment periods for VIPs.

For the 2013-14 fiscal year, District personnel indicated there were several communication methods used to provide information about the District's VIP to parents and students. Such communication included the student progression plan, the District's television channel, the District's Web site, and information via the telephone if the parent inquires. While these methods indicate efforts by District personnel to communicate with parents and students about VIP options, District records did not evidence that written notifications were provided directly to parents of students regarding the VIP and associated open enrollment periods.

Absent timely, written notifications provided directly to parents, some parents may not be informed of available VIP options and associated open enrollment period dates, potentially limiting student access to virtual instruction types.

Recommendation: The District should enhance its procedures to ensure that records are maintained evidencing timely, written notifications to parents about student opportunities to participate in the District's VIP and open enrollment period dates.

PRIOR AUDIT FOLLOW-UP

The District had taken corrective actions for findings included in our report No. 2014-067, except that finding No. 4 was also noted in prior audit report No. 2014-067 as finding No. 2.

OBJECTIVES, SCOPE, AND METHODOLOGY

The Auditor General conducts operational audits of governmental entities to provide the Legislature, Florida's citizens, public entity management, and other stakeholders unbiased, timely, and relevant information for use in promoting government accountability and stewardship and improving government operations.

We conducted this operational audit from March 2014 through October 2014 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The objectives of this operational audit were to:

- Evaluate management's performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse, and in administering assigned responsibilities in accordance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines.
- Examine internal controls designed and placed in operation to promote and encourage the achievement of management's control objectives in the categories of compliance, economic and efficient operations, reliability of records and reports, and the safeguarding of assets.
- Determine whether management had taken corrective actions for findings included in our report No. 2014-067.
- Identify statutory and fiscal changes that may be recommended to the Legislature pursuant to Section 11.45(7)(h), Florida Statutes.

This audit was designed to identify, for those programs, activities, or functions included within the scope of the audit, weaknesses in management's internal controls, instances of noncompliance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines; and instances of inefficient or ineffective operational policies, procedures, or practices. The focus of this audit was to identify problems so that they may be corrected in such a way as to improve government accountability and efficiency and the stewardship of management. Professional judgment has been used in determining significance and audit risk and in selecting the particular transactions, legal compliance matters, records, and controls considered.

For those programs, activities, and functions included within the scope of our audit, our audit work included, but was not limited to, communicating to management and those charged with governance the scope, objectives, timing, overall methodology, and reporting of our audit; obtaining an understanding of the program, activity, or function; exercising professional judgment in considering significance and audit risk in the design and execution of the research, interviews, tests, analyses, and other procedures included in the audit methodology; obtaining reasonable assurance of


the overall sufficiency and appropriateness of the evidence gathered in support of our audit findings and conclusions; and reporting on the results of the audit as required by governing laws and auditing standards.

The scope and methodology of this operational audit are described in Exhibit A. Our audit included the selection and examination of records and transactions occurring during the 2013-14 fiscal year and selected actions taken subsequent thereto. Unless otherwise indicated in this report, these records and transactions were not selected with the intent of projecting the results, although we have presented for perspective, where practicable, information concerning relevant population value or size and quantifications relative to the items selected for examination.

An audit by its nature does not include a review of all records and actions of District management, staff, and vendors, and as a consequence, cannot be relied upon to identify all instances of noncompliance, fraud, waste, abuse, or inefficiency.

AUTHORITY

Pursuant to the provisions of Section 11.45, Florida Statutes, I have directed that this report be prepared to present the results of our operational audit.



David W. Martin, CPA
Auditor General

MANAGEMENT'S RESPONSE

Management's response is included as Exhibit B.

EXHIBIT A
AUDIT SCOPE AND METHODOLOGY

Scope (Topic)	Methodology
Information technology (IT) access privileges and separation of duties.	Tested selected access privileges over the database and finance and human resources applications to determine the appropriateness and necessity based on employees' job duties and user account functions and adequacy with regard to preventing the performance of incompatible duties. Tested administrator account access privileges granted and procedures for oversight of administrator accounts for the network, operating system, database, and application to determine whether these accounts had been appropriately assigned and managed.
Deactivation of employee IT access.	Reviewed procedures to prohibit former employees' access to electronic data files. Tested access privileges for former employees to determine whether their access privileges had been timely deactivated.
IT logical access controls and user authentication.	Reviewed selected operating system, database, network, and application security settings to determine whether authentication controls were configured and enforced in accordance with IT best practices.
Financial condition.	Applied analytical procedures to determine whether the percent of the General Fund total unassigned and assigned fund balances at June 30, 2014, to the fund's revenues was less than the percents specified in Section 1011.051, Florida Statutes. Analytical procedures were also applied to determine the reasonableness and ability of the District to make its future debt service payments.
Earmarked capital project resources.	Determined, on a test basis, whether nonvoted capital outlay tax levy proceeds and Public Education Capital Outlay funds, were expended in compliance with the restrictions imposed on the use of these resources.
Restrictions on use of Workforce Development funds.	Reviewed District records and applied analytical procedures to determine whether the District used funds for authorized purposes (i.e., not used to support K-12 programs or District K-12 administrative costs) and whether the Board approved plans to utilize unspent funds, if any.
Accumulation of State appropriation of Workforce Development funds.	Determined whether the Board adopted a spending plan for unspent Workforce Development funds.
Adult general education program enrollment reporting.	Tested a representative sample of 30 students from the population of students in adult general education to verify whether the District reported instructional contact hours in accordance with Florida Department of Education (FDOE) requirements.

**EXHIBIT A (CONTINUED)
AUDIT SCOPE AND METHODOLOGY**

Scope (Topic)	Methodology
Statements of financial interest requirements of Section 112.3145(2), Florida Statutes.	Determined whether the District Superintendent, Board members, and certain purchasing agents filed statements of financial interest in accordance with law.
Transparency.	Determined whether the District Web site included the proposed, tentative, and official budgets pursuant to Section 1011.035(2), Florida Statutes.
Investments.	Determined whether the Board established investment policies and procedures as required by Section 218.415, Florida Statutes, and whether investments during the fiscal year were in accordance with those policies and procedures.
Severance pay.	Reviewed severance pay provisions in selected contracts to determine whether the District was in compliance with Florida Statutes.
Compensation and salary schedules.	Examined supporting documentation to determine whether the Board established a documented process and adopted a salary schedule to ensure that differentiated pay of instructional personnel and school administrators is based on District-determined factors, including, but not limited to, additional responsibilities, school demographics, critical shortage areas, and level of job performance difficulties.
Background screenings.	Determined, on a test basis, whether personnel who had direct contact with students had been subjected to required fingerprinting and background checks.
Bus drivers.	Determined whether District procedures were adequate to ensure that bus drivers were properly licensed and monitored.
Eligibility for health insurance benefits.	Reviewed District policies and procedures to ensure health insurance was provided only to eligible employees, retirees, and dependents and that such insurance was timely cancelled upon employee termination. Also, determined whether the District had procedures for reconciling health insurance costs to employee, retiree and Board-approved contributions.
Employee payments.	Tested employee payments, other than travel and payroll payments, to determine whether such payments were reasonable, adequately supported, and for valid District purposes. Also, determined whether such payments were contrary to Section 112.313, Florida Statutes.
Purchase of software applications.	Determined whether the District evaluated the effectiveness and suitability of the software application prior to purchase and if the purchase was performed through the competitive vendor selection process. Also, determined if the deliverables met the terms and conditions of the contract.

EXHIBIT A (CONTINUED)
AUDIT SCOPE AND METHODOLOGY

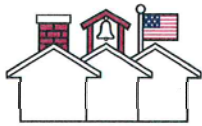
Scope (Topic)	Methodology
Related-party transactions.	Reviewed District policies and procedures related to identifying potential conflicts of interest. For selected District employees, reviewed Department of State, Division of Corporation, records; statements of financial interest; and District records to identify any potential relationships that represent a conflict of interest with vendors used by the District.
Dual enrollment program.	Reviewed District policies and procedures related to the dual enrollment program. Determined, on a test basis, whether payments made for dual enrolled students were consistent with the applicable dual enrollment agreement and Section 1007.271, Florida Statutes.
Direct-support organizations and charter school audits.	Determined whether audits of the District’s direct-support organization and charter schools were performed pursuant to Chapters 10.700 and 10.850, Rules of the Auditor General, and Section 1001.453, Florida Statutes.
Virtual instruction program (VIP) policies and procedures.	Determined whether the District had written VIP policies and procedures addressing certain important VIP functions.
VIP parent options.	Reviewed District records to determine whether the District provided the VIP options required by State law and provided parents and students with information about their rights to participate in VIPs as well as timely written notification of VIP enrollment periods.
VIP fees.	Reviewed District accounting records to ensure that the District refrained from assessing registration or tuition fees for participation in the VIP.
VIP Sunshine State Standards.	Reviewed records to determine whether VIP curriculum and course content was aligned with Sunshine State Standards and whether the instruction offered was designed to enable students to gain proficiency in each virtually delivered course of study.
VIP instructional materials and computing resources.	Reviewed student records and determined whether the District ensured that VIP students were provided with all necessary instructional materials and computing resources necessary for program participation for those eligible students that did not already have such resources in their home.
VIP background screenings.	For District-contracted FDOE-approved VIP providers, determined whether the District obtained evidence that all provider employees and contracted personnel were subjected to background screenings in accordance with Section 1002.45(2)(a)3., Florida Statutes.

**EXHIBIT A (CONTINUED)
AUDIT SCOPE AND METHODOLOGY**

Scope (Topic)	Methodology
VIP eligibility.	Tested student records to determine whether students enrolled in the VIP met statutory eligibility requirements.
VIP participation requirements.	Tested student records to determine whether students enrolled in the VIP met statutory participation requirements, including compulsory attendance and State assessment testing requirements.
VIP FDOE-approved contract provisions.	For District-contracted FDOE-approved VIP providers, determined whether contracts with the providers contained provisions required by State law, including: (1) a detailed curriculum plan; (2) a method for satisfying graduation requirements; (3) a method for resolving conflicts; (4) authorized reasons for contract terminations; (5) a requirement that the provider be responsible for all debts of the VIP should the contract be terminated or not renewed; and (6) a requirement that the provider comply with Section 1002.45, Florida Statutes. Also, reviewed contracts to determine whether provisions were included to address compliance with contract terms, the confidentiality of student records, monitoring of the providers' quality of virtual instruction, data quality, and the availability of provider accounts and records for review and audit by the school districts and other external parties.
VIP FDOE-approved contract fees.	Reviewed contract fee provisions, inquired as to how fees were determined, and reviewed payments made by the District to FDOE-approved providers for services rendered.
VIP teacher certification.	Compared the certification coverages listed on the teachers' certificates to the required coverages for courses taught as listed on the FDOE's Course Code Directory to determine whether the VIP teachers selected for testing were properly certified.
VIP residual funds.	Determined whether the District had established controls to ensure that residual VIP funds are restricted and used on the District's local instructional improvement system or other technological tools, as required by law.

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EXHIBIT B
MANAGEMENT'S RESPONSE



School District of Indian River County

1990 25th Street • Vero Beach, Florida, 32960-3395 • Telephone: 772-564-3000 • Fax: 772-569-0424

Frances J. Adams, Ed.D. - Superintendent

December 15, 2014

David W. Martin, CPA
Office of the Auditor General
State of Florida
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

Dear Mr. Martin:

The purpose of this letter is to respond to the preliminary and tentative audit findings for the School Board of Indian River County, as a result of the audit for the fiscal year ended June 30, 2014. Following are the responses, as submitted by the appropriate staff:

Finding No. 1: Background Screenings

The District concurs with the auditor's finding and recommendation and will enhance our procedures to ensure that the backgrounds of job applicants are appropriately evaluated for District employment and that the District only employs individuals eligible for employment. As pointed out by the auditor, the District misinterpreted the law regarding candidates for employment for whom "adjudication was withheld" or pleaded "no contest." Personnel records for all employees hired between August 2013 and April 2014 are undergoing legal review for any ineligible employees, after which, determinations will be made as to their employment status with the District. We are also in the process of enhancing our procedures to ensure that required background screenings are timely performed for all employees.

Finding No. 2: Health Insurance Program – Participant Eligibility

The District concurs with the auditor's finding and recommendation and will enhance our procedures to ensure eligibility of health insurance program participants. Our expanded procedures will include a comparison of current employees to program participants and an evaluation of dependents participating in the program to ensure that participants are eligible for the insurance.

Finding No. 3: Workforce Education Program

The District concurs with the auditor's finding and subsequent recommendation for the School Board to continue to work on a spending plan for unspent workforce education funds.

"Educate and inspire every student to be successful"

Shawn R. Frost • Dale Simchick • Matthew McCain • Charles G. Searcy • Claudia Jiménez
District 1 District 2 District 3 District 4 District 5

"To serve all students with excellence"
Equal Opportunity Educator and Employer

EXHIBIT B (CONTINUED)
MANAGEMENT'S RESPONSE

We are always willing to expand our efforts to survey our business community as to their needs for workforce ready job candidates in an effort to increase program offerings.

As management that oversees the proper stewardship of these funds, the District currently surveys several businesses such as, Piper Aircraft Inc. and community partners such as, Vero Beach Chamber of Commerce, on how best we can respond to demand for job ready candidates, and as recently as March 2014, expanded our program offerings to include a welding program. This addition was based on the demands of the marketplace, research, response to businesses within our community, cost effectiveness, job placement, and industry placement based on credentialing.

Another major factor impacting the District's ability in accessing these funds is the 2013-2014 General Appropriations Act (GAA). HB 5001 prohibits funds from being used to support K-12 administrative indirect costs. However, new information provided by the Auditor General's office through the FL DOE may allow the District to reimburse itself for approximately \$155,000 per year in indirect costs. On July 7, 2014, the District was advised by the Florida Department of Education that it was not appropriate to charge the workforce education program any rent, despite the program occupying approximately 26,284 square feet of space in several of our facilities.

Finding No. 4: Adult General Classes

The District concurs with the auditor's finding and recommendation that the District should strengthen its controls to ensure accurate reporting of instructional contact hours for adult general classes to the Florida Department of Education. As pointed out by the auditor, the District responded that the reporting errors were caused by a programming error in the software used to report the instructional contact hours. As a result, new software that has the capability to ensure accurate reporting of instructional contact hours to the Florida Department of Education has been procured by the District and, as such, do not expect a repeat of this finding.

Finding No. 5: Procurement

The District **does not** concur with the auditor's finding that specified District personnel failed to provide to the Purchasing Department a copy of the Statement of Financial Interests required by § 112.3145 Florida Statutes and subsequent recommendation that copies of these filings be provided to the Purchasing Department for review. In fact, that the law specifies in § 112.3145(2) (c) that "*Local officers shall file their statements of financial interests with the supervisor of elections of the county in which they permanently Reside.*" It is unequivocally and abundantly clear that there is no requirement in the law for the Superintendent, Chief Financial Officer, Purchasing Director, and other school principals and other directors, per the auditor's finding, to submit their statement of financial interests to the local school board's purchasing department for any kind of review. The School Board Policy 3129 – "**Conflict of Interest**" - prohibits any employee from engaging in or have a financial interest, directly or indirectly, in any activity that conflicts with the employee's job duties and responsibilities in the school system. In addition, as discussed in the Audit Report, the District has mechanisms in place in our bid documents that require all vendors to disclose any conflicts of interest, which enforces the referenced Board policy. We, therefore, feel that we have sufficient controls in place to detect any conflicts of interest and therefore take exception to this finding and reject it in its totality, as not only is it unwarranted and unnecessary, not required by law, and impractical to administer but distracts the school district from its primary mission of providing our students a first class education.

**EXHIBIT B (CONTINUED)
MANAGEMENT'S RESPONSE**

Finding No. 6: Virtual Instruction Program - Policies and Procedures

The District concurs with the auditor's finding and recommendation. The District is in the process of expanding its policies and procedures to include more detailed instructions for personnel responsible for administering the Virtual Instruction Program (VIP), as well as procedures for other VIP statutory requirements, such as provider contracts, required written notices, instructional materials, and computing resources. The District is also in the process of expanding procedures to provide guidance on monitoring VIP teacher qualifications and certifications.

Finding No. 7: Virtual Instruction Program - Provider contracts

The District concurs with the auditor's finding and recommendation and will ensure that future contracts with Florida Department of Education approved Virtual Instruction Program providers contain provisions as required by law.

Finding No. 8: Virtual Instruction Program - Instruction options

The District concurs with the auditor's finding and recommendation and will ensure that the minimum number of Virtual Instruction Program options, as required by law, are offered to all grade levels of students, as required by law.

Finding No. 9: Virtual Instruction Program - Provider background screenings

The District concurs with the auditor's finding and recommendation and will ensure that the required background screenings are performed for all Virtual Instruction Program provider employees and contracted personnel.

Finding No. 10: Virtual Instruction Program - Written Parental Notification

The District concurs with the auditor's finding and recommendation and will enhance its procedures to ensure that records are maintained evidencing timely written notification to parents about student opportunities to participate in the District's Virtual Instruction Program and open enrollment dates.

In closing, I would like to thank the staff from your office for their professionalism and cooperation in the conduct of the aforementioned audit. Please feel free to contact my office, if you have any questions concerning this matter.

Sincerely,



Frances J. Adams, Ed.D.
Superintendent

- c School Board Members
Superintendent's Leadership Council

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School Board of Indian River County



Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2014



“To Serve All Students with Excellence”



The School Board of Indian River County, Florida

Vero Beach, Florida

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2014

Prepared by:
Division of Finance & Operations



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**The School Board of Indian River County, Florida
Comprehensive Annual Financial Report
for the fiscal year ended June 30, 2014**

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Transmittal Letter



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School District of Indian River County

1990 25th Street • Vero Beach, Florida 32960-3395 – Telephone: 772-564-3000 • Fax: 772-569-0424

Frances J. Adams, Ed.D.
Superintendent



December 12, 2014

Dear Chairman, Members of the Board, and the Citizens of Indian River County:

The Comprehensive Annual Financial Report of the School Board of Indian River County, Florida (the “School Board” or the “District”) for the fiscal year ended June 30, 2014, is hereby submitted. We believe the information, as presented, is accurate in all material aspects; that it is presented in a manner designed to set forth fairly, in all material respects, the financial position and results of operations of the District as measured and reported by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain an adequate understanding of the District’s financial affairs have been included. The responsibility for the preparation of the accompanying financial statements and other information contained in this report, based on the above standards, rests with the District’s management.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the United States Office of Management and Budget (OMB) *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Information related to this single audit, including the schedule of expenditures of Federal awards, schedule of findings and questioned costs, and the independent auditor’s report on compliance for each major Federal program and report on internal control over compliance, are included in the single audit section.

Generally accepted accounting principles used in the United States of America also require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

**“Educate and inspire every
Student to be successful”**

Karen Disney-Brombach
District 1

● Dale Simchick
District 2

● Matthew McCain
District 3

● Carol Johnson
District 4

● Claudia Jimenez
District 5

The report includes all funds of the District, the Indian River County School Board Leasing Corporation (“Leasing Corporation”), and the District’s charter schools, which comprise the reporting entity. The Leasing Corporation was formed by the District to be the lessor in connection with financing the acquisition and/or construction of certain educational facilities. Charter schools are public schools operating under a performance contract with the School Board. The Leasing Corporation was identified as a component unit, requiring blended presentation of the financial statements, and the District’s charter schools are included as discretely presented component units.

The District receives the majority of its operating funds through a State funding formula that is intended to equalize funding received from the State and local property taxes between districts within the State. Charter schools operating through a contract with the District are provided with a proportionate share of these funds, based upon the number of full-time equivalent students enrolled at the charter school.

GENERAL INFORMATION

The District and its governing board were created pursuant to Section 4, Article IX of the Constitution of the State of Florida. The District is an independent taxing and reporting entity managed, controlled, operated, administered, and supervised by the District school officials in accordance with Chapter 1001, Florida Statutes. The School Board consists of five elected officials responsible for the adoption of policies, which govern the operation of the District’s public schools. The District is responsible for maintaining a uniform system of records and accounts, as prescribed by the State Board of Education.

The geographical boundaries of the District are those of Indian River County. During the 2013-14 fiscal year, the District operated 25 schools, including 13 elementary schools, 4 middle schools, 2 high schools, 5 special centers for students and 1 separate adult education center. Additionally, the District sponsored 5 charter schools. The District reported 17,614 unweighted full-time equivalent students for all locations; and is projecting 17,710 unweighted full-time equivalent students for the 2014-15 fiscal year.

GENERAL DESCRIPTION AND LOCATION

Indian River County (County) encompasses approximately 497 square miles of land along the Atlantic Ocean and is located in the middle of Florida’s East Coast. In relation to other areas, the County is approximately 100 miles southeast of Orlando, 190 miles south of Jacksonville and 135 miles north of Miami. Brevard County borders to the north, St. Lucie County borders to the south, and Osceola and Okeechobee Counties form the western boundary. There are approximately 100 miles of waterfront land in the County, with 23 miles being the Atlantic beaches.

ECONOMIC CONDITIONS AND OUTLOOK

The County located in the middle of the state on the Atlantic Coast, is primarily supported by tourism and agriculture; mostly citrus, although other industries have grown in the past decade. Some stability is provided with top employers being governmental such as the District, the County, and the City of Vero Beach. The City of Vero Beach is the county seat and largest municipality. The District's taxable assessed property values have declined 26.5 percent since its 2007-08 fiscal year peak of \$18.6 billion to \$13.6 billion in the 2013-14 fiscal year, reflecting the economic decline's impact on housing. Taxable value growth of 1.5 percent in 2013-14 fiscal year and an anticipated 4.3 percent for the 2014-15 fiscal year to \$14.3 billion shows signs of economic stability. Socioeconomic indicators are generally favorable when compared to the state but slightly below average when compared to the nation.

While the economic recovery remains tenuous in the County, it still maintains long term expansion capabilities given its favorable location and moderately diversified base. The current above average unemployment rate of 7.1 percent in July 2014, compared to the State's 6.6 percent and the nation's 6.5 percent, is indicative of a still narrowly focused economy. Although unemployment rates are improving from a high of 14.4 percent in 2010, they have been significantly affected by the weakened housing market and related decline in real estate that has affected construction and service-related industries in the County and have not yet returned to the low of 4.3 percent experienced in calendar year 2006.

According to a 2007 Census of Agriculture, there were 415 farms located within the County totaling 157,196 acres, of which cropland covers 51.7 percent, improved pasture and rangelands cover 22.2 percent, forests and woodlands cover approximately 22.1 percent, and 4.0 percent is for other uses.

The County experienced steady population growth over the last decade, increasing 25 percent during the 1990s and another 22 percent since 2000 to a population of 141,994 for calendar year 2014. The population growth has historically been increasing. In addition, the median age of the resident population has increased as persons aged 65 and over, increased from 12 percent of the population in 2005 to 28.6 percent as of 2012. Vero Beach, the largest city in the County had a 2012 Census population of 15,527, compared to the 2000 Census population of 17,705. In 2011, Indian River County ranked 33 out of 67 counties in Florida in terms of total population.

The Atlantic beaches and the climate in the County provide the basis for a year-round tourist industry. There are numerous hotels and motels in the County as well as retail and service establishments geared to serving the tourist trade. Forty-six miles of riverfront on the Indian River, in addition to the 23 miles of Atlantic coastline, create an ideal setting for outdoor recreation. Residents and visitors have the opportunity to enjoy these resources at any of the 24 County parks or the Sebastian Inlet State Park. The County also has 7 public and 11 private golf courses as a source of outdoor recreation. Major private employers include Indian River Medical Center; Publix Supermarkets; Piper Aircraft, Inc.; Wal-Mart, Inc.; Sebastian River Medical Center; and John's Island, Inc.

LONG-TERM FINANCIAL PLANNING

The District follows procedures established by Florida Statutes and the State Board of Education rules in establishing and adopting annual budgets for each of the governmental fund types. Budgets are prepared using the same modified accrual basis as is used to account for governmental funds. Appropriations are controlled at the object level (e.g. salaries, benefits, and purchased services) within each function activity (e.g. instruction, pupil personnel services, and school administration) and may be amended by resolution at any Board meeting prior to the due date for the annual financial report.

Unassigned and Assigned fund balance in the General Fund (10.19 percent of total General Fund revenues) exceeds the District policy of 5 percent of revenues. During the initial planning for the budget, the District each year sets aside 5 percent of its revenues in order to ensure compliance with this policy.

MAJOR INITIATIVES

Indian River Fellowship for Instructional Leaders (IRFIL)

Through the leadership of Superintendent of Indian River County Schools and Assistant Superintendent of Curriculum and Instruction, the District created an organization, Indian River Fellowship for Instructional Leaders (IRFIL), to facilitate District-wide leadership learning and develop the capacity of personnel to work as leaders. District personnel applied various methods to increase student improvement and yet student scores over time have not had the upward trend of academic achievement desired. The aim of IRFIL is to empower personnel so that they are acting as leaders in areas that improve student achievement..

The newly created organization meets via a cohort model. As part of these transformational/turnaround processes, specific topics are provided for the organizational work. Topics are ones that have shown the greatest return on investment of time in order to create a sustainable upward trend with academic achievement. This collaborative initiative is currently funded through Federal (Race to the Top and Title II Part A), local and state funds.

District personnel believe that isolated examples of excellence are not good enough; thus, they are focused on pursuing opportunities, such as IRFIL, that create pattern/breaking systematic change in public schools and high-quality educational opportunities that result in large-scale reform. In addition, District personnel are working on making systems that support improvement and excellence for all. It is their belief that IRFIL will systematically improve the quality of classroom instruction and the learning and achievement of ALL County students. Both administrators and teachers have expressed their excitement and support for IRFIL and want to be effectively engaged in this complex, challenging and crucial work. IRFIL was recognized as a Noteworthy Practice by the Florida Department of Education on July 8, 2014.

Continuation of the Moonshot Moment Initiative

“Moonshot Sports” was added to the Moonshot Moment Initiatives this year, incorporating many of our High School, and Middle School athletes along with numerous community sporting organizations to bring the philosophy of being a good student first helps to enhance the good athlete. Two large community events took place one - in September at the Indian River Soccer Fields and one in April at the Citrus Bowl at VBHS. Both incorporated athletes donating and reading books to younger student-athletes and students from throughout the County. At both events books were donated to students who attended the events.

“The Moonshot Moment Family Reading Party” with children’s author Marc Brown took place on March 3 at the VBHS Performing Arts Center. Students and their families came from all over the County to meet, hear and receive autographed “Arthur” books from Marc Brown. This was another family evening promoting our literacy goal that 90 percent of our children are reading on grade level by third grade.

Digital Literacy Integration

The District continues to move forward with its Digital Literacy Implementation. An online resource, Title I SMART Resources, was created especially for educators on the School District Web site. Teacher resources available include, but are not limited to the following: innovative shared lessons, interactive lesson templates, SMART presentations, technical assistance for SMART Notebook software and the Wonders Reading program, and website suggestions for teachers to develop interactive, standards-based lessons. The SMART initiative has moved into its next phase with the purchase of SMART Tables for select elementary schools. The purpose of the SMART Table pilot program is to transform student learning, increase student engagement, and help students practice 21st Century skills. The District’s Learning Management System, CANVAS, was purchased and plans for Professional Development sessions have been developed. Digital Curriculum is being utilized in the elementary and secondary schools. Trainings will occur for both students and teachers to effectively integrate digital curriculum with the new English Language Arts (ELA) and MATH standards and to support new textbook adoptions.

ELA and Math Textbook Adoptions

The Curriculum & Instruction department along with District secondary English/Language Arts (ELA) teachers and secondary 8th grade math teachers selected and adopted new textbooks that include the new Florida Standards and increased rigor. Teacher representatives from each of the secondary schools were on the committees and were committed to adopting a standardized-based tool that would be useful and beneficial for all in providing rigorous standardized-based instruction. The process began with a textbook extravaganza, which was a new phase in the adoption process.

OTHER INFORMATION

Student Performance. Indian River County students continue to perform very favorably as compared with other students in Florida based on the Florida Comprehensive Assessment Test (FCAT). The FCAT 2.0 measures student progress toward mastery of benchmarks of the Next Generation Sunshine State Standards for all Florida public school students in grades 3 through 10 and will transition to the Florida Standards Assessments in the 2014-15 school year. In the District, five schools achieved an “A”. Three schools received a letter grade of “B”, nine schools received a letter grade of “C”, and three schools received a letter grade of “D”. There were no schools in the District with an “F”. The District received a letter grade of “C” for the 2013-14 school year.

INDEPENDENT AUDIT

Section 218.39, Florida Statutes, requires an annual audit by the Auditor General or another independent certified public accountant. The Office of the Auditor General for the State of Florida conducted the audit for the fiscal year ended June 30, 2014. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act of 1996 and related OMB *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. The auditor’s report on the basic financial statements is included in the Financial Section of this report.

REPORTING ACHIEVEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the School Board of Indian River County for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

The School Board of Indian River County also received the Association of School Business Officials (ASBO) International Certificate of Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. This award, valid for one year, certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by ASBO.

This was the seventh consecutive year that the District has received these prestigious awards. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program and the Certificate of Excellence Program requirements, and we are submitting it to both GFOA and ASBO, to determine its eligibility to receive these prestigious awards.

ACKNOWLEDGEMENT

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Division of Finance and Operations, and of all the other departments, which provided valuable assistance and necessary support throughout the preparation of this report.

In closing, we would like to thank the members of the School Board for their leadership and support in planning and conducting the financial operations of the District.

Respectfully submitted,



Frances J. Adams, Ed.D.
Superintendent of Schools



Carter Morrison
Assistant Superintendent for Finance / Operations



Eloise Simpson
Accounting Manager



Charlene Atkins
Accounting Manager

THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS – ELECTED



Mrs. Carol Johnson, Chair
Member from District 4
Member since November 2006
Current term expires November 2014



Ms. Claudia Jiménez
Member from District 5
Member since November 2008
Current term expires November 2016



Mrs. Karen Disney – Brombach
Member from District 1
Member since November 2006
Current term expires November 2014



Mrs. Dale Simchick
Member from District 2
Member since November 2010
Current term expires November 2014



Mr. Matthew McCain
Member from District 3
Member since November 2008
Current term expires November 2016

THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS - APPOINTED

Frances J. Adams, Ed.D.	Superintendent
Andrew Rynberg	Assistant Superintendent for Curriculum and Instruction
Carter Morrison	Assistant Superintendent for Finance / Operations
William “Bill” Fritz	Assistant Superintendent for Human Resources/Risk Management
Denise Roberts	Executive Director Human Resources
Bruce Green	Assistant Superintendent for Instructional and Information Technology
Jody Idlette Bennett	Executive Director Core Curriculum
Michael Ferrentino	Executive Director Exceptional Student Education
Christopher Kohlstedt	Director for Instructional Support



Government Finance Officers Association

**Certificate of
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**School Board of Indian River County
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award
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School Board of Indian River County

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2013*

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, reading 'Terrie S. Simmons', written over a horizontal line.

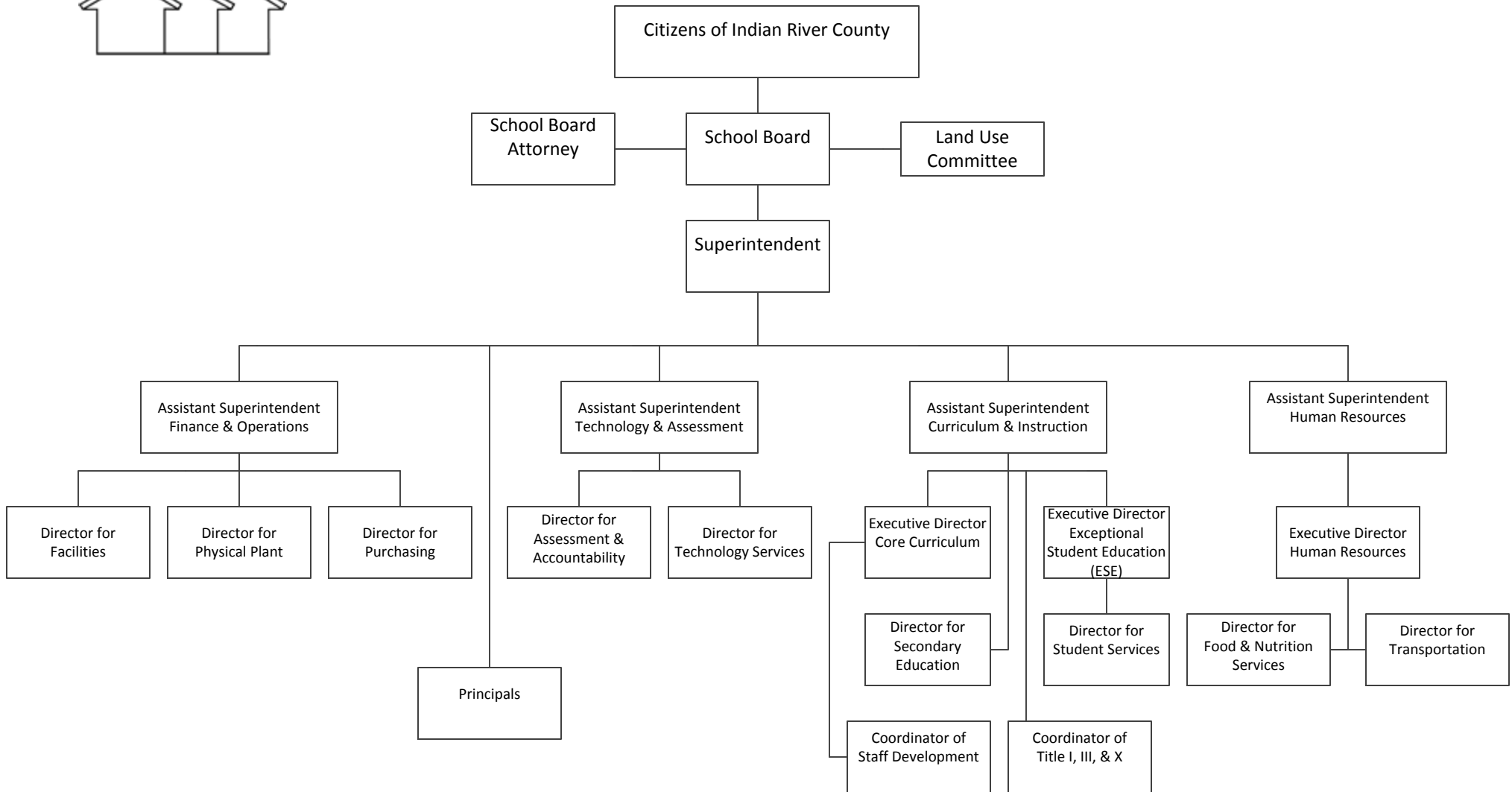
Terrie S. Simmons, RSBA, CSBO
President

A handwritten signature in black ink, reading 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director



School District of Indian River County Organizational Chart 2013-2014

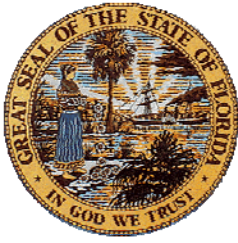


Board Approved – June 11, 2013

Independent Auditor's Report



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DAVID W. MARTIN, CPA
AUDITOR GENERAL

AUDITOR GENERAL STATE OF FLORIDA

G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450



PHONE: 850-412-2722
FAX: 850-488-6975

The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Indian River County District School Board, as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the school internal funds, which represent 8 percent of the assets and 18 percent of the liabilities of the aggregate remaining fund information. In addition, we did not audit the financial statements of the aggregate discretely presented component units, which represent 100 percent of the transactions and account balances of the aggregate discretely presented component units' columns. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the school internal funds and the aggregate discretely presented component units, are based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information for the Indian River County District School Board as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparisons for the general fund and major special revenue fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that **MANAGEMENT'S DISCUSSION AND ANALYSIS** and **SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS PLAN**, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules, and the introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Also, the accompanying **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS** is presented for purposes of additional analysis as required by the United States Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, and **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, and **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**, are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,



David W. Martin, CPA

Tallahassee, Florida

December 12, 2014

Audit Report No. 2015-077



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Management's Discussion and Analysis



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Management's Discussion and Analysis

This section of the School Board of Indian River County, Florida's (the District) comprehensive annual financial report represents our discussion and analysis of the financial performance of the District for the fiscal year ended June 30, 2014. This information should be read in conjunction with the financial statements included in this report.

Financial Highlights

- ◆ The assets of the District exceed its liabilities at June 30, 2014, by \$239 million. Of this amount, \$208 million represents the net investment in capital assets, and \$30 million represents restricted and unrestricted net position of \$38 million and negative \$8 million, respectively.
- ◆ The District's total net position decreased by \$2 million or 0.9 percent.
- ◆ Program revenues account for \$12.5 million or 7.1 percent of total revenues, and general revenues account for \$164.3 million or 92.9 percent.
- ◆ The governmental funds report combined fund balances of \$52.5 million, a decrease of \$5.3 million in comparison to the prior fiscal year.
- ◆ At the end of the fiscal year, assigned plus unassigned fund balance for the General Fund was \$13.6 million, or 10.2 percent of General Fund revenues.

Overview of the Financial Statements

This discussion and analysis, in conjunction with the financial statements, is intended to serve as an introduction to the District's basic financial statements. The statements are organized in such a manner that the reader can understand the District as a whole, and then proceed to provide an increasingly detailed look at specific financial activities. The basic financial statements consist of the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

Reporting the District as a Whole

The Statement of Net Position and Statement of Activities

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in the manner that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used in the private sector. All of the current year's revenues and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report the District's net position and changes in them. The change in net position provides the reader a tool to assist in determining whether the District's financial health is improving or deteriorating. The reader will need to consider other nonfinancial factors such as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall financial well-being of the District.

The government-wide financial statements present the District's activities in three categories:

- ◆ Governmental activities – This represents most of the District's services, including its educational programs: basic, vocational, adult and exceptional education. Support functions such as transportation and administration are also included. Local property taxes and the State's class size reduction and education finance programs provide most of the resources that support these activities.
- ◆ Business-type activities – The District charges fees to cover the cost of certain services it provides. These activities are for its Extended Day Care Program.
- ◆ Component units – The District presents five separate legal entities that operate as charter schools as discussed in the notes to the basic financial statements. Although these are legally separate organizations, the component units' activities are included in the financial statements since they meet the criteria for inclusion provided by generally accepted accounting principles. Financial information for these component units is reported separately from the financial information presented for the primary government. The Indian River County School Board Leasing Corporation, although a legally separate entity, was formed to facilitate financing for the acquisition of facilities and equipment for the District. Due to the substantive economic relationship between the District and the leasing corporation, the leasing corporation has been included as an integral part of the District.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds, not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and demonstrate compliance with various grant provisions. The District's three types of funds: governmental, proprietary, and fiduciary, use different accounting approaches as further described in the notes to the basic financial statements.

Governmental Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or less financial resources available to spend in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the basic financial statements.

The District has several governmental fund types: the General Fund, the debt service funds, the special revenue funds (including the School Food Services Program), and the capital projects funds. Within these funds, the District maintains 14 individual funds. Of those funds, the General Fund, Special Revenue – Federal Economic Stimulus Fund, Debt Service – Other Fund, Debt Service – American Recovery and Reinvestment Act (ARRA) Fund, Capital Projects – Local Capital Improvement Fund, Capital Projects – Other Fund, and Capital Projects – American Recovery and Reinvestment Act (ARRA) Fund are considered to be major funds.

Proprietary Funds

Services for which the District charges a fee are generally reported in the proprietary funds. Proprietary funds use the accrual basis of accounting, the same as on the entity-wide statements. Two types of proprietary funds are maintained:

- Enterprise funds are used to report the same functions as business-type activities in the government-wide financial statements. The District uses the enterprise fund to account for its Extended Day Care Program.
- Internal service funds are used to report activities that provide goods or services to support the District's other programs and functions through user fees. The District uses the internal service fund to account for the self-insurance program activities. Since these services predominately benefit governmental functions rather than business-type functions, the internal service fund has been included within the governmental activities in the government-wide financial statements.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of external parties, such as student activity funds. Fiduciary funds are not reflected in the government-wide statements because the resources are not available to support the District's own programs. In its fiduciary capacity, the District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes.

The District uses private-purpose trust funds to account for scholarship funds established by private donors.

The District uses agency funds to account for resources held for student activities and groups.

Notes to the Basic Financial Statements

The notes to the basic financial statements contain additional information, which is essential to fully understand data provided within the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information showing historical trend information about the funded status of the District's postemployment benefits plan. The required supplementary information can be found immediately following the notes to the basic financial statements. The combining statements of the nonmajor governmental funds are presented immediately following the required supplementary information on the postemployment benefits plan.

Government-wide Financial Analysis

The School Board of Indian River County, Florida						
Condensed Statement of Net Position						
June 30, 2014 and 2013						
(amounts expressed in thousands)						
	Governmental		Business-type		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 77,817	\$ 82,731	\$ 701	\$ 639	\$ 78,518	\$ 83,370
Capital assets, net	335,477	330,555	-	-	335,477	330,555
Total assets	413,294	413,286	701	639	413,995	413,925
Current and other liabilities	19,659	17,659	31	22	19,690	17,681
Long-term liabilities	155,008	154,929	52	51	155,060	154,980
Total liabilities	174,667	172,588	83	73	174,750	172,661
Net position :						
Net Investment in capital assets	208,351	209,060	-	-	208,351	209,060
Restricted	38,435	37,900	-	-	38,435	37,900
Unrestricted (Deficit)	(8,159)	(6,262)	618	566	(7,541)	(5,696)
Total net position	\$ 238,627	\$ 240,698	\$ 618	\$ 566	\$ 239,245	\$ 241,264

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the District, assets exceeded liabilities by \$239 million at the end of the fiscal year. The largest portion of the District’s net position, \$208 million (87 percent), reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding.

The District uses capital assets to provide services; consequently, these assets are not available for future spending. Although the District’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District’s net position, \$38.4 million, represents resources subject to external restrictions on how they may be used. The remaining balance of net position (\$19.7 million after exclusion of \$9 million in compensated absences payable and \$18.9 million in other postemployment benefits obligations) is unrestricted and may be used to meet the government’s ongoing obligations to its citizens and creditors. Restricted net position has increased \$536 thousand from June 30, 2013, to June 30, 2014.

The School Board of Indian River County, Florida
Condensed Statement of Activities and Changes in Net Position
June 30, 2014 and 2013
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	\$ 2,256	\$ 2,635	\$ 714	\$ 708	\$ 2,970	\$ 3,343
Operating grants and contributions	6,493	6,354	-	-	6,493	6,354
Capital grants and contributions	3,068	2,853	-	-	3,068	2,853
General revenues:						
Property taxes, levied for operational purpose	87,941	83,819	-	-	87,941	83,819
Property taxes, levied for debt service	19	5,085	-	-	19	5,085
Property taxes, levied for capital projects	19,887	19,583	-	-	19,887	19,583
Grants and contributions, non-restricted	53,933	46,746	-	-	53,933	46,746
Unrestricted investment earnings	294	1,063	1	1	295	1,064
Miscellaneous	2,265	2,432	-	-	2,265	2,432
Total revenue	176,156	170,570	715	709	176,871	171,279
Expenses:						
Instruction	100,814	93,379	-	-	100,814	93,379
Student personnel services	5,012	4,604	-	-	5,012	4,604
Instructional media services	2,174	2,079	-	-	2,174	2,079
Instruction and Curriculum Dev Services	5,580	5,351	-	-	5,580	5,351
Instructional staff training services	2,530	1,970	-	-	2,530	1,970
Instruction related technology	1,255	941	-	-	1,255	941
School Board	945	797	-	-	945	797
General administration	901	1,030	-	-	901	1,030
School administration	8,747	8,632	-	-	8,747	8,632
Facility services - non-capitalized	4,015	8,866	-	-	4,015	8,866
Fiscal services	1,312	1,586	-	-	1,312	1,586
Food services	8,608	8,725	-	-	8,608	8,725
Central services	2,506	2,167	-	-	2,506	2,167
Student transportation services	6,683	6,425	-	-	6,683	6,425
Operation of plant	13,430	13,418	-	-	13,430	13,418
Maintenance of plant	3,427	3,455	-	-	3,427	3,455
Administrative technology services	3,756	2,357	-	-	3,756	2,357
Community services	251	250	-	-	251	250
Unallocated interest on long-term debt	6,281	6,840	-	-	6,281	6,840
Extended Day Care Program			663	663	663	663
Total expenses	178,227	172,872	663	663	178,890	173,535
Change in net position	(2,071)	(2,302)	52	46	(2,019)	(2,256)
Net position, beginning	240,698	244,162	566	520	241,264	244,682
Adjustment to beginning net position	-	(1,162)	-	-	-	(1,162)
Net position, ending	\$ 238,627	\$ 240,698	\$ 618	\$ 566	\$ 239,245	\$ 242,426

Governmental Activities

Governmental activities decreased the District's net position by \$2.1 million for the fiscal year ended June 30, 2014. Key components of this decrease are as follows:

- ◆ Unrestricted grants and contributions increased by \$7.2 million; State of Florida's Florida Education Finance Program Teacher Salary Allocation of \$3.1 million provided part of the increase. Also, an increase in the Base Student Allocation for the district of \$165.45 per unweighted FTE contributed an increase of approximately \$2.9 million.

- ◆ Governmental activities expenses increased from the prior fiscal year by \$5.4 million, due in part to the increase in teacher salaries funded by the Florida Education Finance Program Teacher Salary Allocation and an increase in Other Post-employment Benefits Liability of \$1.6 million.
- ◆ Property taxes levied for operational purposes increased by \$4.1 million, primarily as a result of an increase in the Special Election Millage from 0.25 mills to 0.60 mills and a 1.5 percent increase in the taxable assessed value of taxable property over the previous fiscal year.
- ◆ Property taxes collected for debt service decreased by \$5.1 million due to the retirement of the General Obligation Bonds. Due to the retirement, taxes were not levied for debt service on the 2013 tax roll for the 2013-14 fiscal year.

Business-Type Activities

The Extended Day Program business-type activities increased the District’s net position by \$52 thousand for the fiscal year ended June 30, 2014. Charges for services and other income totaled \$715 thousand, while Extended Day Care Program expenses totaled \$663 thousand.

Financial Analysis of the District’s Funds

The District’s governmental funds reported a combined fund balance of \$52.5 million, which is a decrease of \$5.3 million from last fiscal year’s total of \$57.8 million. The following schedule indicates the fund balance and the total change in fund balance by major fund versus other governmental funds as reported in the basic financial statements for the fiscal years ended June 30, 2014 and 2013.

<i>Fund Balance (in thousands)</i>	2014	2013	Increase (Decrease)	Percentage Change
General Fund	\$ 20,524	\$ 16,962	\$ 3,562	21.0%
Special Revenue Federal Economic Stimulus Fund	-	-	-	-
Debt Service Funds				
Other	1,014	673	341	50.7%
ARRA	4,412	2,946	1,466	49.8%
Capital Projects Funds:				
Local Capital Improvement	16,022	20,748	(4,726)	(22.8)%
Other	3,262	8,176	(4,914)	(60.1)%
ARRA	-	5,028	(5,028)	(100.0)%
Other Governmental Funds	7,261	3,284	3,977	121.1%
Total	<u>\$ 52,495</u>	<u>\$ 57,817</u>	<u>\$ (5,322)</u>	<u>(9.2)%</u>

General Fund

The District's General Fund balance increased by \$3.6 million. The tables that follow illustrate the financial activities and balance of the General Fund.

<i>Revenues</i> <i>(in thousands)</i>	2014	2013	Increase (Decrease)	Percentage Change
Taxes	\$ 87,941	\$ 83,819	\$ 4,122	4.9%
Investment earnings	226	282	(56)	(19.9)%
State revenues	41,909	36,054	5,855	16.2%
Other revenues	3,269	4,077	(808)	(19.8)%
Other financing sources	4,587	1,544	3,043	197.1%
Total	\$ 137,932	\$ 125,776	\$ 12,156	9.7%

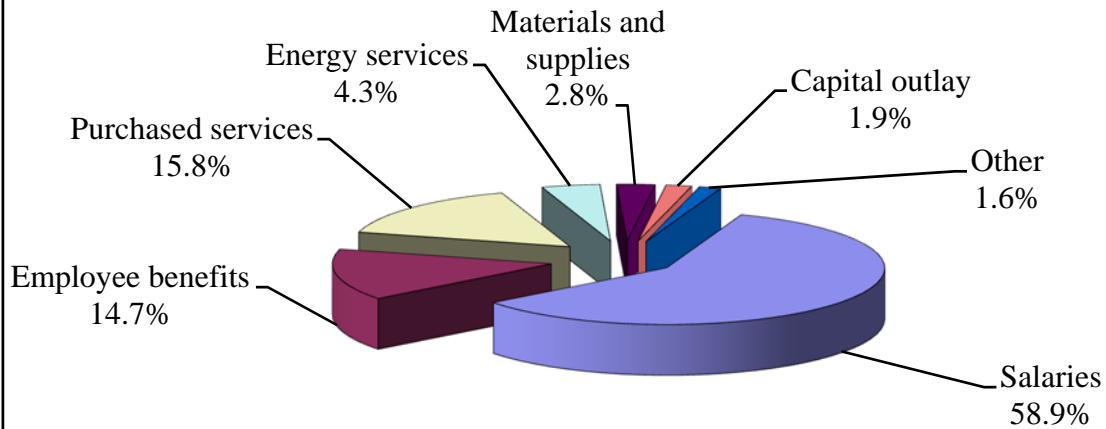
Property tax revenue increased by \$4.1 million, primarily as a result of an increase in the Special Millage from 0.25 mills for the fiscal year ended June 30, 2013 to 0.60 mills for the fiscal year ended June 30, 2014. The taxable assessed value of property increased 1.4 percent over the previous fiscal year, partially offset by the decrease in the millage rates of approximately 3.0 percent as set by the Legislature.

State revenue increased by \$5.9 million for the fiscal year ended June 30, 2014, primarily due to the increase in FEFP funding.

The increase in other financing sources of \$3 million is primarily due to the transfer from the Local Capital Improvement Fund to cover the expenditures in the maintenance and facilities departments. As the table below illustrates, the largest portions of General Fund expenditures are for salaries and fringe benefits. The District is a service entity and, as such, is labor intensive.

<i>Expenditures by Object</i> <i>(in thousands)</i>	2014	2013	Increase (Decrease)	Percentage Change
Salaries	\$ 79,181	\$ 75,778	\$ 3,403	4.5%
Employee benefits	19,718	17,203	2,515	14.6%
Purchased services	21,197	19,287	1,910	9.9%
Energy services	5,768	5,695	73	1.3%
Materials & supplies	3,803	3,754	49	1.3%
Capital outlay	2,543	784	1,759	224.4%
Other	2,160	2,601	(441)	(17.0)%
Total	\$ 134,370	\$ 125,102	\$ 9,268	7.4%

Expenditures by Object



Expenditures increased \$9.3 million, or 7.4 percent from the prior fiscal year.

Salary expenditures increased by \$3.4 million or 4.5 percent, primarily due to the Teacher Salary Allocation provided to districts for teacher raises.

Employee benefits expenditures increased by \$2.5 million or 14.6 percent, as a result of the Florida Retirement System rate increase and increased salary cost.

Purchased services expenditures increased by \$1.9 million or 9.9 percent due to the increase attributed to the voter approved millage for technology, state and local funding passed through to charter schools as a result of increased enrollment, and Teacher Salary Allocation from the state, the outsourcing of custodial substitutes, and increased legal fees and communications expenditures.

Capital outlay increased by \$1.8 million or 224.4 percent largely due to the renovation of facilities for Adult Education and technology purchases from the voter approved 0.6 millage.

Special Revenue – Federal Economic Stimulus Fund

The Special Revenue – Federal Economic Stimulus Fund does not report fund balance because revenues are reported to the extent of expenditures. Revenues and expenditures increased by \$76 thousand each from the previous fiscal year. This increase was due to the spend-down of the Race to the Top grant, which are scheduled to continue until the 2014-15 fiscal year.

Debt Service - Other Fund

The Debt Service – Other Fund has a total fund balance of \$1 million, which is reserved for payment of debt service expenditures. This increase from the prior fiscal year is the residual amount of funds transferred from the Capital Project-Other fund during the 2013-14 fiscal year. The 2007 Certificate of Participation was closed during the fiscal year. The unspent funds were transferred to Debt Service- Other for future debt service interest payments.

Debt Service – ARRA Fund

The Debt Service – ARRA Fund has a total fund balance of \$4.4 million, which is restricted for the payment of debt service on Certificates of Participation, Series 2010 Qualified School Construction Bonds (QSCB) issued on December 17, 2010. This increase from the prior fiscal year represents the annual deposit into and interest earned on the sinking fund held by the Trustee.

Capital Projects – Local Capital Improvement Fund

The fund balance of the Capital Projects – Local Capital Improvement Fund decreased by \$4.7 million, or 22.8 percent during the fiscal year. This was due to an increase in funds transferred for maintenance and facilities and a spend down funds for capital projects. Fund balance totaled \$16 million; of this amount, \$ 4.3 million has been encumbered for specific projects.

Capital Projects – Other Fund

The fund balance of the Capital Projects – Other Fund decreased by \$4.9 million, or 60.1 percent during the fiscal year as a result of the completion of capital projects as well as no new capital project debt issues. It should be noted that \$0.8 million of the \$3.3 million of fund balance has been encumbered for specific purposes.

Capital Projects – ARRA Fund

The fund balance of the Capital Projects – ARRA Fund decreased by \$5 million, or 100 percent. The fund balance was restricted for specific capital projects funded from the Series 2010 QSCB. The District spent \$0.7 million of these funds during the fiscal year on the Vero Beach Elementary Replacement project, \$1.6 million on the Fellsmere Elementary classroom addition, and \$2.7 on the Treasure Coast Elementary classroom addition.

Other Governmental Funds

The fund balance of the Other Governmental Funds increased by \$4 million or 121.1 percent. The District participates in the State of Florida State Board of Education bonding program for State revenues due to the District from motor vehicle license fees. This increase is due to the advance refunding by the State of Florida for a portion of the bonds which were still to be redeemed at June 30, 2014.

General Fund Budget Information

The District's budget is prepared in accordance with Florida Statutes and is based on the modified accrual basis of accounting, which is the same basis as used to account for actual transactions. The most significant budgeted fund is the General Fund. Final budgeted revenues and expenditures were in line with original budgeted amounts.

The District amended its final budget for expenditures to reflect increases in salaries and other employee related costs as well as non-labor costs. Expenditures were originally budgeted at \$140.9 million, and actual expenditures were lower than the original budget by \$6.5 million due to the District's conservative spending and restricted fund sources such as Advanced Placement, Career and Professional Education Act, 0.6 Voter Approved Millage, and Adult and Workforce Development.

Capital Assets

The District's capital assets for its governmental activities as of June 30, 2014, total \$335.5 million (net of accumulated depreciation). Capital assets include land, construction in progress;

improvements other than buildings, buildings and fixed equipment, furniture, fixtures, and equipment, motor vehicles, and audio visual materials and computer software.

Major capital asset events during the current fiscal year included the following:

- ◆ Construction in progress at June 30, 2014, includes Fellsmere Elementary classroom addition and cafeteria, and Citrus Elementary chiller plant relocation.
- ◆ Projects completed and included in buildings and improvements include Fellsmere Elementary phase I demolition and site work, Sebastian River Middle School locker room renovation, Treasure Coast Elementary classrooms, and Osceola Magnet School kitchen and cafeteria renovation.

The total increase in the District's capital assets (net of accumulated depreciation) for the current fiscal year was approximately 1.5 percent. Detailed information regarding capital asset activity is included in Notes III.D. and III.P. to the basic financial statements.

Long-Term Debt and Other Long-Term Liabilities

At the end of the current fiscal year, the District has total long-term liabilities outstanding of \$155 million. Of this amount, \$9.6 million represents state bonds, \$117.6 million represents certificates of participation, \$9 million represents compensated absences payable, and \$18.9 million represents other postemployment benefits payable. During the 2013-14 fiscal year, the District made principal payments of \$345 thousand on State Board of Education bonds and \$5.1 million on certificates of participation. Compensated absences increased by \$101 thousand, increased State Board of Education bonds by \$3.6 million, and increased unamortized premiums on the state bonds by \$555 thousand.

Detailed information regarding long-term debt activity is included in the notes to the basic financial statements, specifically Note III.F., Certificates of Participation; Note III.G., Bonds Payable, and Note III.I., Changes in Long-Term Liabilities.

Economic Factors and Next Year's Budgets and Rates

Local property taxes are the District's primary source of revenue. The required local effort (RLE) for the 2014-15 fiscal year is projected to be 5.268 mills (a decrease of .009 mills); the discretionary millage is projected to be .748 mills; voted additional operating is projected to be .60 mills; and capital outlay millage is projected to be 1.50 mills. General Fund revenues and other financing sources are projected to be \$140.7 million, and expenditures are expected to be \$146.5 million.

Requests for Information

This comprehensive annual financial report is designed to provide a general financial overview of the School Board of Indian River County, Florida for all those interested in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the School Board of Indian River County, Florida, Attn: Assistant Superintendent for Finance/Operations, 1990 25th Street, Vero Beach, FL 32960.

BASIC FINANCIAL STATEMENTS



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The School Board of Indian River County, Florida
Statement of Net Position
June 30, 2014
(amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	Charter Schools
ASSETS				
Cash and Cash Equivalents	\$ 54,761	\$ 701	\$ 55,462	\$ 3,432
Cash with Fiscal Agent	4,175	-	4,175	-
Investments	8,314	-	8,314	-
Receivables	125	-	125	161
Due From Other Agencies	3,213	-	3,213	63
Inventories	440	-	440	-
Prepaid Items	-	-	-	157
Notes Receivable	2,408	-	2,408	-
Restricted Investments	4,381	-	4,381	-
Capital Assets:				
Non-Depreciable	31,747	-	31,747	780
Depreciable (Net)	303,730	-	303,730	14,613
Total Assets	413,294	701	413,995	19,206
LIABILITIES				
Accrued Salaries and Benefits	3,696	18	3,714	506
Accounts Payable	1,755	11	1,766	136
Construction Contracts Payable	566	-	566	-
Retainage Payable on Contracts	103	-	103	-
Due to Other Agencies	1,209	2	1,211	-
Matured Debt Payable	5,065	-	5,065	-
Matured Interest Payable	2,232	-	2,232	-
Unearned Revenue	1,417	-	1,417	363
Accrued Interest Payable	54	-	54	3
Estimated Insurance Claims Payable	3,562	-	3,562	-
Noncurrent Liabilities:				
Portion Due Within One Year	12,226	14	12,240	657
Portion Due In More Than One Year	142,782	38	142,820	7,173
Total Liabilities	174,667	83	174,750	8,838
NET POSITION				
Net Investment in Capital Assets	208,351	-	208,351	7,563
Restricted for:				
Special Revenue - Food Service	2,820	-	2,820	110
Capital Projects	19,433	-	19,433	2
Debt Service	9,663	-	9,663	-
State Required Carryover Programs, Adult Workforce, and Donations	6,520	-	6,520	-
Unrestricted	(8,160)	618	(7,542)	2,693
Total Net Position	\$ 238,627	\$ 618	\$ 239,245	\$ 10,368

The accompanying notes to the basic financial statements are an integral part of this statement.

The School Board of Indian River County, Florida
Statement of Activities
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-Type Activities	Total	Charter Schools
Primary Government:								
Governmental Activities:								
Instruction	\$ 100,814	\$ 304	\$ -	\$ -	\$ (100,510)	\$ -	\$ (100,510)	\$ -
Student Personnel Services	5,012	-	-	-	(5,012)	-	(5,012)	-
Instructional Media Services	2,174	-	-	-	(2,174)	-	(2,174)	-
Instruction and Curriculum Development Services	5,580	-	-	-	(5,580)	-	(5,580)	-
Instructional Staff Training Services	2,530	-	-	-	(2,530)	-	(2,530)	-
Instruction Related Technology	1,255	-	-	-	(1,255)	-	(1,255)	-
School Board	945	-	-	-	(945)	-	(945)	-
General Administration	901	-	-	-	(901)	-	(901)	-
School Administration	8,747	-	-	-	(8,747)	-	(8,747)	-
Facilities Services - Non-Capitalized	4,015	-	-	1,026	(2,989)	-	(2,989)	-
Fiscal Services	1,312	-	-	-	(1,312)	-	(1,312)	-
Food Services	8,608	1,722	6,493	-	(393)	-	(393)	-
Central Services	2,506	-	-	-	(2,506)	-	(2,506)	-
Student Transportation Services	6,683	57	-	-	(6,626)	-	(6,626)	-
Operation of Plant	13,430	-	-	-	(13,430)	-	(13,430)	-
Maintenance of Plant	3,427	-	-	-	(3,427)	-	(3,427)	-
Administrative Technology Services	3,756	-	-	-	(3,756)	-	(3,756)	-
Community Services	251	173	-	-	(78)	-	(78)	-
Unallocated Interest on Long-Term Debt	6,281	-	-	2,042	(4,239)	-	(4,239)	-
Total Governmental Activities	\$ 178,227	\$ 2,256	\$ 6,493	\$ 3,068	\$ (166,410)	\$ -	\$ (166,410)	
Business-Type Activities:								
Extended Day Care Program	663	714	-	-	-	51	51	
Total Primary Government	\$ 178,890	\$ 2,970	\$ 6,493	\$ 3,068	\$ (166,410)	\$ 51	\$ (166,359)	
Component Units:								
Charter Schools	\$ 15,912	\$ 679	\$ 885	\$ 229				(14,119)
General Revenues:								
Taxes:								
Property Taxes, Levied for Operational Purposes					87,941	-	87,941	-
Property Taxes, Levied for Debt Service					19	-	19	-
Property Taxes, Levied for Capital Projects					19,887	-	19,887	-
Grants and Contributions not Restricted to Specific Programs					53,933	-	53,933	13,944
Unrestricted Investment Earnings					294	1	295	5
Miscellaneous					2,265	-	2,265	484
Total General Revenues					164,339	1	164,340	14,433
Changes in Net Position					(2,071)	52	(2,019)	314
Net Position - Beginning					240,698	566	241,264	10,054
Net Position - Ending					\$ 238,627	\$ 618	\$ 239,245	\$ 10,368

The accompanying notes to the basic financial statements are an integral part of this statement.

The School Board of Indian River County, Florida
Balance Sheet - Governmental Funds
June 30, 2014
(amounts expressed in thousands)

	<u>Special Revenue</u>		<u>Debt Service</u>	
	<u>General Fund</u>	<u>Federal Economic Stimulus Fund</u>	<u>Other Fund</u>	<u>American Recovery and Reinvestment Act (ARRA) Fund</u>
ASSETS				
Cash and Cash Equivalents	\$ 23,079	\$ 12	\$ 262	\$ 31
Cash with Fiscal Agent	-	-	-	-
Investments	80	-	8,049	-
Receivables	115	-	-	-
Due from Other Agencies	1,733	71	-	-
Inventories	337	-	-	-
Notes Receivable	2,408	-	-	-
Restricted Investments	-	-	-	4,381
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 27,752</u>	<u>\$ 83</u>	<u>\$ 8,311</u>	<u>\$ 4,412</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accrued Salaries and Benefits	\$ 2,856	\$ 1	\$ -	\$ -
Accounts Payable	1,158	82	-	-
Construction Contracts Payable	-	-	-	-
Retainage Payable on Contracts	-	-	-	-
Due to Other Agencies	792	-	-	-
Matured Debts Payable	-	-	5,065	-
Matured Interest Payable	-	-	2,232	-
Unearned Revenue	14	-	-	-
Accrued Interest Payable	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>4,820</u>	<u>83</u>	<u>7,297</u>	<u>-</u>
Deferred Inflows:				
Note Receivable	2,408	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Deferred Inflows of Resources	<u>2,408</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable	417	-	177	-
Restricted	6,520	-	837	4,412
Assigned	6,070	-	-	-
Unassigned	7,517	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>20,524</u>	<u>-</u>	<u>1,014</u>	<u>4,412</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	<u>\$ 27,752</u>	<u>\$ 83</u>	<u>\$ 8,311</u>	<u>\$ 4,412</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

Capital Projects

Local Capital Improvement Fund	Other Fund	American Recovery and Reinvestment Act (ARRA) Fund	Other Governmental Funds	Total Governmental Funds
\$ 16,357	\$ 3,818	\$ -	\$ 3,508	\$ 47,067
-	-	-	4,175	4,175
37	-	-	123	8,289
-	-	-	10	125
-	11	-	649	2,464
-	-	-	103	440
-	-	-	-	2,408
-	-	-	-	4,381
\$ 16,394	\$ 3,829	\$ -	\$ 8,568	\$ 69,349
\$ -	\$ -	\$ -	\$ 838	\$ 3,695
249	21	-	237	1,747
117	449	-	-	566
6	97	-	-	103
-	-	-	166	958
-	-	-	-	5,065
-	-	-	-	2,232
-	-	-	24	38
-	-	-	42	42
372	567	-	1,307	14,446
-	-	-	-	2,408
-	-	-	-	2,408
37	-	-	104	735
15,985	3,262	-	7,157	38,173
-	-	-	-	6,070
-	-	-	-	7,517
16,022	3,262	-	7,261	52,495
\$ 16,394	\$ 3,829	\$ -	\$ 8,568	\$ 69,349

The School Board of Indian River County, Florida
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Position
 June 30, 2014
 (amounts expressed in thousands)

Total Fund Balances - Governmental Funds	\$	52,495
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		335,477
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		3,267
Notes receivable are accrued as revenue in the government-wide statements because they are earned, but are considered unearned revenue in the governmental funds because the repayments do not provide current financial resources and are not available to liquidate liabilities in the governmental funds.		2,408
Interest on long-term debt is accrued as a liability in the government-wide statements, but is not recognized in the governmental funds until due.		(12)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:		
Bonds Payable	9,573	
Certificates of Participation Payable	117,553	
Compensated Absences Payable	8,972	
Other Postemployment Benefits Payable	18,910	
Total long-term liabilities	(155,008)	(155,008)
Total Net Position - Governmental Activities	\$	238,627

The accompanying notes to the basic financial statements are an integral part of this statement.

The School Board of Indian River County, Florida
Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	General Fund	Special Revenue Federal Economic Stimulus Fund	Debt Service	
			Other Fund	American Recovery and Reinvestment Act (ARRA) Fund
REVENUES				
Federal Direct Sources:				
Reserve Officer Training Corps (ROTC)	\$ 152	\$ -	\$ -	\$ -
Miscellaneous Federal Direct	8	-	-	1,413
Total Federal Direct	160	-	-	1,413
Federal Through State Sources:				
Food Service	-	-	-	-
Other Federal Through State Sources	402	363	-	-
Total Federal through State	402	363	-	-
State Sources:				
Florida Education Finance Program	20,125	-	-	-
Categorical - Class Size Reduction	19,323	-	-	-
Food Service	-	-	-	-
CO&DS Withheld for SBE/COBI Bond	10	-	-	-
CO&DS Distribution	-	-	-	-
Other State Sources	2,451	-	-	-
Total State Sources	41,909	-	-	-
Local Sources:				
Ad Valorem Taxes	87,941	-	-	-
Impact Fees	-	-	-	-
Food Service	-	-	-	-
Investment Income	226	-	2	7
Other Local Sources	2,707	-	-	-
Total Local Sources	90,874	-	2	7
Total Revenues	\$ 133,345	\$ 363	\$ 2	\$ 1,420

The accompanying notes to the basic financial statements are an integral part of this statement.

Capital Projects				
Local Capital Improvement Fund	Other Fund	American Recovery and Reinvestment Act (ARRA) Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 152
-	30	-	-	1,451
-	30	-	-	1,603
-	-	-	6,384	6,384
-	-	-	10,040	10,805
-	-	-	16,424	17,189
-	-	-	-	20,125
-	-	-	-	19,323
-	-	-	109	109
-	-	-	592	602
-	-	-	75	75
-	1,074	-	-	3,525
-	1,074	-	776	43,759
19,887	-	-	19	107,847
-	940	-	-	940
-	-	-	1,722	1,722
30	10	5	3	283
-	348	-	10	3,065
19,917	1,298	5	1,754	113,857
\$ 19,917	\$ 2,402	\$ 5	\$ 18,954	\$ 176,408

The School Board of Indian River County, Florida
Statement of Revenues, Expenditures,
and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	General Fund	Special Revenue Federal Economic Stimulus Fund	Debt Service	
			Other Fund	Recovery and Reinvestment Act (ARRA) Fund
EXPENDITURES				
Current:				
Instruction	\$ 85,096	\$ 116	\$ -	\$ -
Student Personnel Services	3,519	-	-	-
Instructional Media Services	1,948	-	-	-
Instruction and Curriculum Development Services	3,400	63	-	-
Instructional Staff Training Services	1,234	109	-	-
Instruction Related Technology	1,176	-	-	-
School Board	866	-	-	-
General Administration	397	-	-	-
School Administration	7,766	-	-	-
Facilities Services - Non-Capitalized	634	-	-	-
Fiscal Services	1,181	-	-	-
Food Services	15	-	-	-
Central Services	2,247	6	-	-
Student Transportation Services	5,141	-	-	-
Operation of Plant	12,217	-	-	-
Maintenance of Plant	2,932	-	-	-
Administrative Technology Services	3,359	-	-	-
Community Services	-	-	-	-
Capital Outlay:				
Facilities Acquisition and Construction	587	-	-	-
Other Capital Outlay	626	69	-	-
Debt Service:				
Principal	-	-	5,367	-
Interest and Fiscal Charges	29	-	4,476	1,556
Total Expenditures	134,370	363	9,843	1,556
Excess (Deficiency) of Revenues Over Expenditures	(1,025)	-	(9,841)	(136)
OTHER FINANCING SOURCES (USES)				
Transfers In	4,326	-	10,182	1,602
Transfers Out	-	-	-	-
Issuance of Refunding Bonds	-	-	-	-
Premiums on Refunding Bonds	-	-	-	-
Sale of Capital Assets	58	-	-	-
Loss Recoveries	203	-	-	-
Total Other Financing Sources (Uses)	4,587	-	10,182	1,602
Net Change in Fund Balances	3,562	-	341	1,466
Fund Balances, Beginning	16,962	-	673	2,946
Fund Balances, Ending	\$ 20,524	\$ -	\$ 1,014	\$ 4,412

The accompanying notes to the basic financial statements are an integral part of this statement.

Capital Projects

Local Capital Improvement Fund	Other Fund	Recovery and Reinvestment Act (ARRA) Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 5,640	\$ 90,852
-	-	-	950	4,469
-	-	-	3	1,951
-	-	-	1,559	5,022
-	-	-	931	2,274
-	-	-	-	1,176
-	-	-	-	866
-	-	-	409	806
-	-	-	43	7,809
2,841	61	7	169	3,712
-	-	-	-	1,181
-	-	-	7,781	7,796
-	-	-	-	2,253
-	-	-	61	5,202
-	-	-	-	12,217
-	-	-	-	2,932
-	-	-	-	3,359
-	-	-	245	245
-	-	-	-	-
6,629	5,737	5,026	9	17,988
1,716	297	-	327	3,035
-	-	-	345	5,712
-	-	-	283	6,344
11,186	6,095	5,033	18,755	187,201
8,731	(3,693)	(5,028)	199	(10,793)
-	380	-	-	16,490
(13,457)	(2,653)	-	(380)	(16,490)
-	-	-	3,603	3,603
-	-	-	555	555
-	1,005	-	-	1,063
-	47	-	-	250
(13,457)	(1,221)	-	3,778	5,471
(4,726)	(4,914)	(5,028)	3,977	(5,322)
20,748	8,176	5,028	3,284	57,817
\$ 16,022	\$ 3,262	\$ -	\$ 7,261	\$ 52,495

The School Board of Indian River County, Florida
 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and
 Changes in Fund Balances to the Statement of Activities
 June 30, 2014
 (amounts expressed in thousands)

Net Change in Fund Balances - Governmental Funds \$ (5,322)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount of capital outlays and donations in excess of depreciation/amortization expense and sale of capital assets in the current period.

Capital Outlay - Facilities and Construction - Governmental Fund:	17,988	
Capital Outlay - Other Capital Outlay - Governmental Funds	3,035	
Donated Items	80	
Undepreciated Cost of Assets Sold	(972)	
Less: Depreciation/Amortization Expense	(15,167)	4,964

Certificates of participation premiums are reported in the governmental funds in the fiscal year debt is issued, but are amortized over the life of the debt in the government-wide statements. 71

Repayment of long-term debt is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position.

Certificates of Participation Repayments	5,065	
Bond Repayments	345	
Issuance of Advanced Refunding Bonds, Including Premium	(4,158)	
Capital Lease Repayments	302	1,554

Interest on long-term debt is recognized as an expenditure in the governmental funds when due, but is recognized as an expense when interest accrues in the statement of activities. This is the amount of accrued interest at fiscal year-end (\$54), less the amount accrued in the prior fiscal year (\$3). (51)

In the statement of activities, the cost of other postemployment benefits obligation is measured by actuarial estimations, while in the governmental funds expenditures are recognized based on the amounts actually paid for other postemployment benefits. This is the net increase of the postemployment benefits obligation for the current period. (1,603)

In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences earned (\$2,075) in excess of the amount paid (\$1,976) in the current period. (100)

Notes receivable are accrued as revenue in the government-wide statements because they are earned, but are considered unavailable revenue in the governmental funds because the repayments do not provide current financial resources and are not available to liquidate liabilities in the government funds. This is the amount recognized in the current year in governmental funds, whereas the entire amount was recognized in the prior fiscal year in the government-wide statements. (717)

Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The net loss of internal service funds is reported with governmental activities. (867)

Change in Net Position - Governmental Activities \$ (2,071)

The accompanying notes to the basic financial statements are an integral part of this statement.

The School Board of Indian River County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
REVENUES				
Federal Direct Sources:				
Reserve Officer Training Corps (ROTC)	\$ 120	\$ 165	\$ 152	\$ (13)
Other Federal Direct	-	8	8	-
Total Federal Direct	<u>120</u>	<u>173</u>	<u>160</u>	<u>(13)</u>
Federal Through State Sources:				
Other Federal Through State Sources	<u>310</u>	<u>402</u>	<u>402</u>	<u>-</u>
Total Federal through State	<u>310</u>	<u>402</u>	<u>402</u>	<u>-</u>
State Sources:				
Florida Education Finance Program	21,861	20,125	20,125	-
Categorical - Class Size Reduction	19,661	19,323	19,323	-
CO&DS Withheld for SBE/COBI Bond	10	10	10	-
Other State Sources	<u>2,807</u>	<u>2,448</u>	<u>2,451</u>	<u>3</u>
Total State Sources	<u>44,339</u>	<u>41,906</u>	<u>41,909</u>	<u>3</u>
Local Sources:				
Ad Valorem Taxes	87,043	87,049	87,941	892
Investment Income	230	230	226	(4)
Other Local Sources	<u>3,144</u>	<u>3,192</u>	<u>2,707</u>	<u>(485)</u>
Total Local Sources	<u>90,417</u>	<u>90,471</u>	<u>90,874</u>	<u>403</u>
Total Revenues	<u>135,186</u>	<u>132,952</u>	<u>133,345</u>	<u>393</u>
EXPENDITURES				
Current:				
Instruction:				
Salaries	52,972	52,315	52,033	282
Employees Benefits	11,618	12,801	12,692	109
Purchased Services	15,769	15,682	15,279	403
Energy Services	3	6	3	3
Materials and Supplies	6,319	4,381	2,914	1,467
Capital Outlay	197	975	494	481
Other Expenditures	<u>2,984</u>	<u>1,726</u>	<u>1,681</u>	<u>45</u>
Total Instruction	<u>89,862</u>	<u>87,886</u>	<u>85,096</u>	<u>2,790</u>
Student Personnel Services:				
Salaries	2,817	2,757	2,756	1
Employees Benefits	636	686	682	4
Purchased Services	25	22	14	8
Energy Services	5	5	5	-
Materials and Supplies	27	29	23	6
Capital Outlay	1	1	1	-
Other Expenditures	<u>20</u>	<u>40</u>	<u>38</u>	<u>2</u>
Total Student Personnel Services	<u>3,531</u>	<u>3,540</u>	<u>3,519</u>	<u>21</u>
Instructional Media Services:				
Salaries	1,354	1,437	1,437	-
Employees Benefits	368	377	377	-
Purchased Services	4	8	4	4
Materials and Supplies	20	17	15	2
Capital Outlay	134	325	98	227
Other Expenditures	<u>4</u>	<u>18</u>	<u>17</u>	<u>1</u>
Total Instructional Media Services	<u>\$ 1,884</u>	<u>\$ 2,182</u>	<u>\$ 1,948</u>	<u>\$ 234</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

The School Board of Indian River County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current (continued)				
Instruction and Curriculum Development Services:				
Salaries	\$ 2,214	\$ 2,695	\$ 2,694	\$ 1
Employees Benefits	504	646	646	-
Purchased Services	31	24	16	8
Materials and Supplies	24	32	29	3
Capital Outlay	1	3	3	-
Other Expenditures	12	12	12	-
Total Instruction and Curriculum Development Services	<u>2,786</u>	<u>3,412</u>	<u>3,400</u>	<u>12</u>
Instructional Staff Training Services:				
Salaries	750	849	846	3
Employees Benefits	134	206	206	-
Purchased Services	104	179	109	70
Materials and Supplies	7	23	20	3
Capital Outlay	-	7	-	7
Other Expenditures	56	61	53	8
Total Instructional Staff Training Services	<u>1,051</u>	<u>1,325</u>	<u>1,234</u>	<u>91</u>
Instruction Related Technology:				
Salaries	524	559	559	-
Employees Benefits	141	138	138	-
Purchased Services	634	705	448	257
Energy Services	2	-	-	-
Materials and Supplies	3,922	5	5	-
Capital Outlay	8	528	26	502
Total Instruction Related Technology	<u>5,231</u>	<u>1,935</u>	<u>1,176</u>	<u>759</u>
School Board:				
Salaries	179	207	207	-
Employees Benefits	166	168	162	6
Purchased Services	389	475	457	18
Materials and Supplies	2	2	1	1
Other Expenditures	45	40	39	1
Total School Board	<u>781</u>	<u>892</u>	<u>866</u>	<u>26</u>
General Administration:				
Salaries	274	274	274	-
Employees Benefits	83	76	76	-
Purchased Services	18	27	22	5
Materials and Supplies	7	7	6	1
Other Expenditures	140	111	19	92
Total General Administration	<u>522</u>	<u>495</u>	<u>397</u>	<u>98</u>
School Administration:				
Salaries	6,079	6,092	6,092	-
Employees Benefits	1,433	1,473	1,471	2
Purchased Services	100	102	78	24
Energy Services	1	1	1	-
Materials and Supplies	258	66	56	10
Capital Outlay	37	115	32	83
Other Expenditures	12	40	36	4
Total School Administration	<u>\$ 7,920</u>	<u>\$ 7,889</u>	<u>\$ 7,766</u>	<u>\$ 123</u>

Continued on next page.

The School Board of Indian River County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
EXPENDITURES				
Current (continued)				
Facilities Services Non-Capitalized:				
Salaries	\$ 442	\$ 495	\$ 495	\$ -
Employees Benefits	104	98	98	-
Purchased Services	15	17	15	2
Energy Services	5	7	7	-
Materials and Supplies	3	2	2	-
Capital Outlay	520	587	17	570
Total Facilities Services Non-Capitalized	1,089	1,206	634	572
Fiscal Services:				
Salaries	804	828	828	-
Employees Benefits	216	215	215	-
Purchased Services	138	117	114	3
Materials and Supplies	5	4	4	-
Other Expenditures	22	23	20	3
Total Fiscal Services	1,185	1,187	1,181	6
Food Services:				
Salaries	-	14	14	-
Employees Benefits	-	1	1	-
Total Food Services	-	15	15	-
Central Services:				
Salaries	1,224	1,472	1,472	-
Employees Benefits	341	367	367	-
Purchased Services	438	460	361	99
Energy Services	10	12	10	2
Materials and Supplies	77	32	16	16
Capital Outlay	11	8	2	6
Other Expenditures	62	20	19	1
Total Central Services	2,163	2,371	2,247	124
Student Transportation Services:				
Salaries	2,878	2,994	2,803	191
Employees Benefits	895	867	858	9
Purchased Services	319	423	291	132
Energy Services	883	832	838	(6)
Materials and Supplies	131	175	174	1
Capital Outlay	19	5	5	-
Other Expenditures	87	173	172	1
Total Student Transportation Services	5,212	5,469	5,141	328
Operation of Plant:				
Salaries	3,123	3,237	3,236	1
Employees Benefits	947	920	919	1
Purchased Services	2,865	3,179	2,854	325
Energy Services	4,885	4,829	4,807	22
Materials and Supplies	430	406	368	38
Capital Outlay	12	10	8	2
Other Expenditures	46	35	25	10
Total Operation of Plant	\$ 12,308	\$ 12,616	\$ 12,217	\$ 399

The accompanying notes to the basic financial statements are an integral part of this statement.

The School Board of Indian River County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
EXPENDITURES				
Current (continued)				
Maintenance of Plant:				
Salaries	\$ 1,665	\$ 1,874	\$ 1,872	\$ 2
Employees Benefits	458	467	466	1
Purchased Services	312	375	317	58
Energy Services	72	95	93	2
Materials and Supplies	190	208	155	53
Capital Outlay	10	30	29	1
Total Maintenance of Plant	<u>2,707</u>	<u>3,049</u>	<u>2,932</u>	<u>117</u>
Administrative Technology Services:				
Salaries	1,395	1,563	1,563	-
Employees Benefits	306	345	344	1
Purchased Services	713	882	818	64
Energy Services	2	4	4	-
Materials and Supplies	15	15	15	-
Capital Outlay	123	1,524	615	909
Total Administrative Technology Services	<u>2,554</u>	<u>4,333</u>	<u>3,359</u>	<u>974</u>
Capital Outlay:		-		
Facilities Acquisition and Construction	-	587	587	-
Other Capital Outlay	-	626	626	-
Total Capital Outlay:	<u>-</u>	<u>1,213</u>	<u>1,213</u>	<u>-</u>
Debt Service:				
Interest and Fiscal Charges	100	29	29	-
Total Debt Service	<u>100</u>	<u>29</u>	<u>29</u>	<u>-</u>
Total Expenditures	<u>140,886</u>	<u>141,044</u>	<u>134,370</u>	<u>6,674</u>
(Deficiency) of Revenues Over Expenditures	<u>(5,700)</u>	<u>(8,092)</u>	<u>(1,025)</u>	<u>7,067</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	4,061	4,326	4,326	-
Sale of Capital Assets	75	75	58	(17)
Loss Recoveries	-	203	203	-
Total Other Financing Sources (Uses)	<u>4,136</u>	<u>4,604</u>	<u>4,587</u>	<u>(17)</u>
Net Change in Fund Balance	<u>(1,564)</u>	<u>(3,488)</u>	<u>3,562</u>	<u>7,050</u>
Fund Balance, Beginning	<u>16,962</u>	<u>16,962</u>	<u>16,962</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 15,398</u>	<u>\$ 13,474</u>	<u>\$ 20,524</u>	<u>\$ 7,050</u>

The School Board of Indian River County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Major Special Revenue - Federal Economic Stimulus Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Federal Through State Sources:				
Other Federal Through State Sources	\$ 631	\$ 663	\$ 363	\$ (300)
Total Federal through State	631	663	363	(300)
Total Revenues	631	663	363	(300)
EXPENDITURES				
Current:				
Instruction:				
Salaries	31			-
Purchased Services	108	15		15
Materials and Supplies	-	47	44	3
Capital Outlay	31	132	72	60
Total Instruction	170	194	116	78
Student Personnel Services:				
Purchased Services	10	5	-	5
Total Student Personnel Services	10	5	-	5
Instruction and Curriculum Development Services:				
Salaries	69	50	50	-
Employees Benefits	29	8	8	-
Purchased Services	3	7	5	2
Total Instruction and Curriculum Development Services	101	65	63	2
Instructional Staff Training Services:				
Salaries	12	12	1	11
Employees Benefits	1	1		1
Purchased Services	157	195	108	87
Materials and Supplies	80	33		33
Other Expenditures	40	29		29
Total Instructional Staff Training Services	290	270	109	161

The accompanying notes to the basic financial statements are an integral part of this statement.

The School Board of Indian River County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Major Special Revenue - Federal Economic Stimulus Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES				
Current (continued)				
Central Services:				
Purchased Services	\$ 45	\$ 45	\$ 6	\$ 39
Total Central Services	45	45	6	39
Administrative Technology Services:				
Purchased Services	15	15		15
Total Administrative Technology Services	15	15	-	15
Capital Outlay:				
Other Capital Outlay		69	69	-
Total Capital Outlay	-	69	69	-
Total Expenditures	631	663	363	300
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

The School Board of Indian River County, Florida
Statement of Net Position
Proprietary Funds
June 30, 2014
(amounts expressed in thousands)

	Business-Type Activities <u>Nonmajor Enterprise Fund Extended Day Care Program</u>	Governmental Activities <u>Internal Service Fund</u>
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 701	\$ 7,694
Investments	-	25
Due from Other Agencies	-	749
	<u>701</u>	<u>8,468</u>
Total Current Assets		
	<u>701</u>	<u>8,468</u>
Total Assets		
	<u>701</u>	<u>8,468</u>
LIABILITIES		
Current Liabilities:		
Accrued Salaries and Benefits	18	1
Accounts Payable	11	8
Due to Other Agencies	2	251
Unearned Revenue	-	1,379
Estimated Insurance Claims Payable	-	3,562
Compensated Absences Payable	14	
	<u>45</u>	<u>5,201</u>
Total Current Liabilities		
	<u>45</u>	<u>5,201</u>
Long-Term Liabilities:		
Compensated Absences Payable	4	-
Other Postemployment Benefits Payable	34	-
	<u>38</u>	<u>-</u>
Total Long-Term Liabilities		
	<u>38</u>	<u>-</u>
Total Liabilities		
	<u>83</u>	<u>5,201</u>
NET POSITION		
Unrestricted	<u>618.00</u>	<u>3,267.00</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

The School Board of Indian River County, Florida
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	Business-Type Activities <u>Nonmajor Enterprise Fund Extended Day Program</u>	Governmental Activities <u>Internal Service Fund</u>
OPERATING REVENUES		
Charges for Services	\$ 714	\$ -
Premium Revenues	-	16,701
Other Operating Revenues	-	735
	<u>714</u>	<u>17,436</u>
OPERATING EXPENSES		
Insurance Claims	-	14,075
Insurance Premiums	-	2,786
Service Agent Fees	-	1,426
Professional and Technical Services	37	-
Salaries and Benefits	561	100
Materials and Supplies	64	-
Facilities Services - Non-Capitalized	1	2
Other Expenses	-	-
	<u>663</u>	<u>18,389</u>
Operating Income (Loss)	<u>51</u>	<u>(953)</u>
NONOPERATING REVENUES		
Gifts, Grants and Bequests	-	75
Investment Earnings	1	11
	<u>1</u>	<u>86</u>
Change in Net Position	52	(867)
Total Net Position, Beginning	<u>566</u>	<u>4,134</u>
Total Net Position, Ending	<u>\$ 618</u>	<u>\$ 3,267</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

The School Board of Indian River County, Florida
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	Business-Type Activities Nonmajor Enterprise Fund Extended Day Care Program	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received for Premiums	\$ -	\$ 16,503
Cash Received for Other Operating Revenues	714	763
Cash Payments for Insurance Premiums	-	(2,786)
Cash Payments to Employees for Services	(552)	(100)
Cash Payments for Fees	-	(1,426)
Cash Payments for Insurance Claims	-	(13,670)
Cash Payments for Other	(101)	1
	61	(715)
Net Cash Provided (Used) by Operating Activities		
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Subsidies from Grants	-	75
	-	75
Net Cash Provided by Noncapital Financing Activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sales and Maturities of Investments		81
Interest on Investments	1	11
	1	92
Net Cash Provided by Investing Activities		
Net Change in Cash and Cash Equivalents	62	(548)
Cash and Cash Equivalents, Beginning	639	8,242
Cash and Cash Equivalents, Ending	\$ 701	\$ 7,694
Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ 51	\$ (953)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Changes in Assets and Liabilities:		
Decrease in Accounts Receivable		27
Increase in Due From Other Agencies		(489)
Increase in Accrued Salaries and Benefits	3	-
Increase in Accounts Payable	5	3
Increase in Due to Other Agencies	1	251
Increase in Unearned Revenue		40
Increase in Estimated Insurance Claims Payable		406
Decrease in Compensated Absences Payable	(1)	-
Increase in Other Postemployment Benefits Payable	2	-
	10	238
Total Adjustments		
Net Cash Provided (Used) by Operating Activities	\$ 61	\$ (715)

The accompanying notes to the basic financial statements are an integral part of this statement.

The School Board of Indian River County, Florida
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014
(amounts expressed in thousands)

	Private-Purpose Trust Fund	
	Waldo Schraubstader Scholarship Fund	Agency Funds
ASSETS		
Cash and Cash Equivalents	\$ 21	\$ 1,392
Investments	47	-
Accounts Receivable	-	7
Inventory	-	60
	<u>68</u>	<u>1,459</u>
Total Assets	68	1,459
LIABILITIES		
Accounts Payable	-	55
Internal Accounts Payable	-	1,404
	<u>-</u>	<u>1,459</u>
Total Liabilities	-	\$ 1,459
NET POSITION		
Net Position Held in Trust for Scholarships and Other Purposes	<u>\$ 68</u>	

The accompanying notes to the basic financial statements are an integral part of this statement.

The School Board of Indian River County, Florida
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Private-Purpose Trust Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	Fiduciary Fund
	Private-Purpose Trust Fund
	Waldo Schraubstader Scholarship Fund
ADDITIONS	
Investments Earnings:	
Interest on Investments	\$ 1
Increase in Fair Value of Investments	1
Total Investment Earnings	2
DEDUCTIONS	
Other Expenses	4
Change in Net Position	(2)
Total Net Position, Beginning	70
Total Net Position, Ending	\$ 68

The accompanying notes to the basic financial statements are an integral part of this statement.



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THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2014

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees charged to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities and for each segment of the business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation expense associated with the District's transportation fleet is allocated to the appropriate functions of student transportation, maintenance of plant, and food service operations while the remaining depreciation expense is allocated proportionately to all functions based upon functional expenses as a percentage of total expenses.

B. Reporting Entity

The Indian River County District School Board (Board) has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The Indian River County School District (District) is considered part of the Florida system of public education, operates under the general direction of the Florida Department of Education, and is governed by State law and State Board of Education (SBE) rules. The governing body of the District is the Board, which is composed of five elected members. The appointed Superintendent of Schools is the executive officer of the Board. Geographic boundaries of the District correspond with those of Indian River County.

Criteria for determining if other entities are potential component units that should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The application of these criteria provides for identification of any legally separate entities for which the Board is financially accountable and other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the District's basic financial statements to be misleading.

Based on the application of these criteria, the following component units are included within the District's reporting entity:

THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA

Notes to the Basic Financial Statements

June 30, 2014

- Blended Component Unit. The Indian River County School Board Leasing Corporation (Leasing Corporation) was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in a subsequent note to the financials. Due to the substantive economic relationship between the District and the Leasing Corporation, the financial activities of the Leasing Corporation are included in the accompanying basic financial statements. Separate financial statements for the Leasing Corporation are not published.
- Discretely Presented Component Units. The component units columns in the government-wide financial statements include the financial data of the District's other component units. A separate column is used to emphasize that they are legally separate from the District. Per Florida Statute, charter schools operate under charters approved by their sponsor. Charter schools listed below are sponsored by the Indian River County District School board and are considered to be component units of the District since they are fiscally dependent on the District to levy taxes for them and there is a potential for the charter schools to provide specific financial benefits to, or impose specific financial burdens on the District.

Except for Imagine Schools at South Vero, the charter schools listed below are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 1002.33, Florida Statutes. Imagine Schools at South Indian River County, LLC, doing business as Imagine Schools at South Vero, is organized as a limited liability company pursuant to Chapter 608, Florida Statutes, the Florida Limited Liability Company Act, and Section 1002.23, Florida Statutes.

- Indian River Charter High School, Inc. was established to provide educational services to secondary school students in grades 9 through 12 who want or need a nontraditional structure and learning environment to successfully complete their high school academic and vocational preparation and earn their high school diploma.
- North County Charter School, Inc. was established to provide educational services to students in grades K through 5, to learn at high levels, through an academically rigorous and innovative curriculum that incorporates the development of good character.
- Sebastian Charter Junior High, Inc. was established to educate students in grades 6 through 8 in a challenging and wholesome environment which provides an educational environment where students have learning opportunities that set high expectations for academic growth, individual achievement, and character development.

THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2014

- St. Peter's Academy, Inc., was established to provide educational services to students in grades K through 6, to demonstrate that students can learn at high levels, through academically rigorous and innovative curriculum that incorporates the development of good character.
- Imagine Schools at South Vero, LLC, was established to provide students in grades K through 8, with a quality learning opportunity by maintaining a caring learning environment, working with parents and local communities to develop the intellect and character of the students who choose to attend the school; utilizing innovative teaching techniques delivered by a highly qualified faculty; and offering a challenging curriculum that prepares children for lives of leadership in a rapidly changing world.

The financial data reported on the accompanying statements was derived from the charter schools' audited financial statements for the fiscal year ended June 30, 2014. Audits of the charter schools for the fiscal year ended June 30, 2014 were conducted by independent accounting firms and the audit reports are on file at the District Administrative Office.

C. Basis of Presentation: Government-wide Financial Statements

Government-wide financial statements include the non-fiduciary financial activity of the primary government and its component units. The District does not have any major component units. These statements include a governmental activities column which incorporates data from governmental and internal service fund, while business-type activities incorporate data from the District's enterprise fund. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

The effects of interfund activity have been eliminated from the government-wide financial statements except for interfund services provided and used.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in and out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2014

D. Basis of Presentation: Fund Financial Statements

The fund financial statements provide information about the District's funds, including the fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Special Revenue – Federal Economic Stimulus Fund – to account for certain Federal grant program resources related to the American Recovery and Reinvestment Act.
- Debt Service – Other Fund – to account for financial resources generated for debt principal and interest for the Series 2005 and Series 2007 Certificates of Participation.
- Debt Service – American Recovery and Reinvestment Act (ARRA) Fund – to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs of the Qualified School Construction Bond (QSCB) issue.
- Capital Projects – Local Capital Improvement Fund – to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects; motor vehicle purchases; equipment purchases; costs of environmental compliance; and debt service payments on a capital lease for a telephone system.
- Capital Projects – Other Fund – to account for other financial resources generated by the Series 2005 and 2007 Certificates of Participation, Impact Fees, and Class Size Reduction Construction funds to be used for capital projects.
- Capital Projects – American Recovery and Reinvestment Act (ARRA) Fund – to account for the financial resources of the QSCB issue to be used for certain capital construction and improvement projects.

The District reports the following proprietary funds:

- Internal Service Fund – to account for the District's individual self-insurance program.

THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2014

- Enterprise Fund - Extended Day Care Program – to account for the financial resources of the District’s Extended Day Care Program. This program provides before and after school care to students and is administered by the District.

The District reports the following fiduciary funds:

- Private-Purpose Trust Fund – to account for resources of the Estate of Waldo Schraubstader Scholarship Fund.
- Agency Funds – to account for and administer resources of the school internal funds which are custodial in nature and used for student activities such as athletics, classes, and clubs.

E. Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues to be available if they are collected within 30 days of the end of the current fiscal year. Revenues susceptible to accrual include ad valorem taxes, impact fees, and interest on investments. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, other postemployment benefits, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilizes the accrual basis of accounting for reporting their assets and liabilities.

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The charter schools are accounted for as governmental organizations and follow the same accounting model as the District's governmental activities.

F. Assets, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term, highly liquid investments with original maturities of three months or less. Investments classified as cash equivalents include amounts placed with the State Board of Administration (SBA) in Florida PRIME, formerly known as the Local Government Surplus Funds Trust Fund Investment Pool (LGIP).

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

2. Investments

Investments consist of amounts placed in the SBA debt service accounts for investment of debt service moneys, trust accounts, amounts placed with the SBA for participation in the Florida PRIME and Fund B Surplus Funds Trust Fund (Fund B) investment pools created by Sections 218.405 and 218.417, Florida Statutes, and those made locally. These investment pools operate under investment guidelines established by Section 215.47, Florida Statutes.

The District's investments in Florida PRIME, which the SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. These investments are reported at fair value, which is amortized cost.

The District's investments in Fund B are accounted for as a fluctuating net asset value pool, with a fair value factor of 1.84438408 at June 30, 2014. Fund B is not subject to participant withdrawal requests. Distributions from Fund B, as determined by the SBA, are effected by transferring eligible cash or securities to Florida PRIME, consistent with the pro rata allocation of pool shareholders of record at the creation date of Fund B. One hundred percent of such distributions from Fund B are available as liquid balance within Florida PRIME.

Investments made locally consist of mutual funds and are reported at fair value. Types and amounts of investments held at fiscal year-end are described in a subsequent note.

3. Inventories

Inventories consist of expendable supplies held for consumption in the course of District operations. Inventories are valued using a weighted average cost method, except that United States Department of Agriculture donated foods are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food

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Distribution. The costs of inventories are recorded as expenditures when used rather than purchased.

4. Capital Assets

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$1,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at fair value at the date of donation. Interest costs associated with the construction of capital assets are not material and are not capitalized.

Capital assets are depreciated or amortized using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Improvements Other than Buildings	7 - 35 years
Buildings and Fixed Equipment	8 - 50 years
Furniture, Fixtures, and Equipment	5 - 15 years
Motor Vehicles	10 years
Property under Capital Lease	20 years
Audio Visual Materials and Computer Software	5 - 7 years

Current year information relative to changes in capital assets is described in a subsequent note.

5. Long-Term Liabilities

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net position. Debt premiums and discounts are amortized over the life of the related debt using a straight-line method. Bonds and other long-term debts payables such as certificates of participation are reported net of the applicable premium or discount.

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due.

Changes in long term liabilities for the current year are reported in a subsequent note.

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6. Deferred Inflows of Resources

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report this unavailable revenue from a note receivable for State revenues available to the District in a prior period but which were loaned to another school district under an agreement with the State. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

7. Net Position Flow Assumption

The District occasionally funds outlays for a particular purpose from both restricted and unrestricted resources (e.g., restricted bond or grant proceeds). To calculate the amounts report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. Consequently, it is the District's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

8. Fund Balance Flow Assumptions

The District may fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, restricted, assigned and unassigned fund balances). To calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

9. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

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The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

The District does not have a policy regarding the commitment of fund balances and, therefore, does not report any committed fund balance.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board has by resolution authorized the Assistant Superintendent of Finance/Operations to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The Board has adopted minimum fund balance, Policy 6233 (C), which provides that at least 5 percent of the current year's annual estimated General Fund revenues be reserved for contingency purposes. In the event these reserves are needed, a majority vote of the Board is required before using these funds, and the Superintendent is required to provide a financial plan to the Board to restore the funds to the minimum 5 percent amount along with a timeline for restoration.

G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include charges paid by the recipient of the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

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2. State Revenue Sources

Significant revenues from State sources for current operations include funding from the Florida Education Finance Program administered by the Florida Department of Education (Department) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data, and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a period of five months following the date of the original reporting. Such amendments may impact funding allocations for subsequent years. The Department may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

The State also provides financial assistance to administer certain educational programs. State Board of Education rules require that revenue earmarked for certain programs be expended only for the program for which the money is provided, and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same educational programs. The Department generally requires that these educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is restricted in the governmental fund financial statements for the balance of categorical and earmarked educational program resources.

A schedule of revenue from State sources for the current year is presented in a subsequent note.

3. District Property Taxes

The Board is authorized by State law to levy property taxes for district school operations, capital improvements, and debt service.

Property taxes consist of ad valorem taxes on real and personal property within the District. Property values are determined by the Indian River County Property Appraiser, and property taxes are collected by the Indian River County Tax Collector.

The Board adopted the 2013 tax levy on September 09, 2013. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

Taxes become a lien on the property as of January 1, and are delinquent on April 1 of the year following the year of assessment. State law provides for enforcement of collection of personal property taxes by seizure of the property to satisfy unpaid taxes, and for enforcement of collection of real property taxes by the sale of interest bearing tax certificates to satisfy unpaid taxes. The procedures result in the collection of essentially all taxes prior to June 30 of the year following the year of assessment.

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Property tax revenues are recognized in the government-wide financial statements when the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when taxes are received by the District, except that revenue is accrued for taxes collected by the Indian River County Tax Collector at fiscal year-end but not yet remitted to the District.

Millages and taxes levied for the current year are presented in a subsequent note.

4. Additional Operating Millage

In August 2012, the voters of Indian River County approved a 0.6 mills school operating millage levy for 4 years effective January 2013 to fund technology needs of the District. The collections began in the 2013-14 fiscal year.

5. Educational Impact Fees

The District receives educational impact fees based on an ordinance adopted by the Indian River County Commission on May 17, 2005. The educational impact fees are collected by the County for most new residential construction. The fees shall be used solely for the purpose of providing capital improvements to the public education system necessitated by new residential development, and are not be used for any expenditure that would be classified as a maintenance or repair expense. The authorized uses include, but are not limited to, site acquisition, facility design and construction, site development, necessary off-site improvements, and furniture and equipment.

6. Federal Revenue Sources

The District receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to, and approved by, various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

7. Compensated Absences

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability for these amounts is reported in the governmental fund financial statements only if it has matured, such as for occurrences of employee resignations and retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Changes in long-term liabilities for the current year are reported in a subsequent note.

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8. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. The principal operating revenues of the District's internal service fund are charges for employee health and other insurance premiums. Operating expenses include insurance claims and excess coverage premiums. The principal operating revenues of the enterprise fund are fees for child care services. Operating expenses include salaries and benefits. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

II. BUDGETARY COMPLIANCE AND ACCOUNTABILITY

The Board follows procedures established by State statutes and SBE rules in establishing budget balances for governmental funds, as described below:

- A. Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules.
- B. Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, student personnel services, and school administration) and may be amended by resolution at any Board meeting prior to the due date for the annual financial report.
- C. Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.
- D. Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders and other contract commitments are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash Deposits with Financial Institutions

Custodial Credit Risk-Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to the District. The District does not have a custodial credit risk policy. All cash deposits are held in banks that qualify as public depositories under Florida law. All such deposits are insured by federal depository insurance and/or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

Cash balances from all funds are combined and invested to the extent available. Earnings are allocated monthly to each fund balance on average daily balances.

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B. Investments

As of June 30, 2014, the District has the following investments and maturities:

Investments	Maturities	Fair Value
State Board of Administration (SBA):		
Florida PRIME (1) (2)	40 Day Average	\$ 18,128,798
Fund B Surplus Funds Trust Fund (Fund B) (3)	2.86 Years Average	320,399
Debt Service Accounts	6 Months	121,575
Mutual Funds:		
Morgan Stanley U.S. Government Securities Trust (4)	2.6 Years Average	46,786
First American Money Market Fund (5) (6)	24 Day Average	7,871,943
Total Investments, Primary Government		\$ 26,489,501
Notes: (1) Includes \$13,747,634 considered cash equivalents for financial statement reporting purposes.		
(2) Includes \$4,381,164 held under a trust agreement for Certificates of Participation financing arrangements.		
(3) Includes \$177,038 held under a trust agreement for Certificates of Participation financing arrangements.		
(4) The U.S. Government Securities Trust invests exclusively in U.S. Government securities.		
(5) Held under a trust agreement for Certificates of Participation financing arrangements.		
(6) First American Money Market Fund invests exclusively in short-term U.S. Government Securities and repurchase agreements secured by U.S. Government Securities.		

Section 218.415, Florida Statutes, limits the types of investments in which a District can invest unless specifically authorized in District policy. All investments during the fiscal year an at year-end were authorized by the District's Investment Policy.

➤ Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In order to provide sufficient liquidity to pay obligations as they become due, the District's investment policy limits the length of investments as follows: (1) investments of current operating funds shall have maturities of no longer than twenty-four (24) months, and (2) investments of bond reserves, construction funds, and other nonoperating funds shall have a term appropriate for the need for the funds and in accordance with debt covenants, but in no event shall exceed five years.

Florida PRIME had a weighted average days to maturity (WAM) of 40 days at June 30, 2014. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes. Due to the nature of the securities in Fund B, the interest rate risk information required by GASB Statement No. 40 indicating specific identification,

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duration, weighted average maturity, segmented time distribution or simulation model is not available. However, an estimate of weighted average life (WAL) is available. In the calculation of the WAL, the time at which an expected principal amount is to be received, measure in years, is weighted by the principal amount received at that time divided by the sum of all expected principal payments. The principal amounts used in the WAL calculation are not discounted to present value as they would be in a weighted average duration calculation. The WAL, based on expected future cash flows, of Fund B at June 30, 2014, is estimated at 2.86 years. However, because Fund B consists of restructured or defaulted securities there is considerable uncertainty regarding the WAL. The District's participation in Fund B is involuntary.

➤ Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's investment policy limits investments to the SBA's Florida PRIME, United States Government Securities, United States Government Agencies, Federal Instrumentalities, Interest Bearing Time Deposit or Savings Accounts, Repurchase Agreements, Commercial Paper, Bankers' Acceptances, State and/or Local Government Taxable and/or Tax-Exempt Debt, Registered Investment Companies, Intergovernmental Investment Pool, and Corporate Securities.

The District's investments held in the SBA Debt Service Accounts are to provide for debt service payments on bond debt issued by the State Board of Education for the benefit of the District. The District relies on policies developed by the SBA for managing interest rate risk and credit risk for this account.

At June 30, 2014, the District's investment in Florida PRIME is Rated AAAM by Standard & Poor's. Fund B is unrated.

At June 30, 2014, the District's investment in the First American Money Market Fund was rated AAAM by Standard & Poor's, Aaa-mf by Moody's Investors Service, and AAAMmf by Fitch's Rating Agency.

At June 30, 2014, the District's investment in the Morgan Stanley U.S. Government Securities Trust mutual fund is unrated.

C. NOTE RECEIVABLE

Pursuant to Section 1013.68(6), Florida Statutes, in March 2002, the District entered into an inter-local loan agreement to assign \$9,308,048 of its Classrooms First Program allocation from the State of Florida to the Osceola County District School Board. In return, the Osceola County District School Board agreed to repay the Indian River County School District the funds in 15 annual installments. The effective interest rate on the loan is 5.776 percent with annual loan principal and interest payments totaling \$897,039 through August 1, 2016. If an installment payment is not made when due, the State of Florida will make payment to the Board within 10 days of notification of nonpayment. As such, the District considers the receivable totally collectible and did not report an allowance for uncollectible amounts.

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The note receivable at June 30, 2014, is \$2,407,754 as shown in the schedule below:

Fiscal Year Ending June 30	Total	Principal	Interest
2015	\$ 897,039	\$ 757,959	\$ 139,080
2016	897,039	801,742	95,297
2017	<u>897,039</u>	<u>848,053</u>	<u>48,986</u>
Total	<u>\$ 2,691,117</u>	<u>\$2,407,754</u>	<u>\$283,363</u>

D. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below:

	Balance 7-1-13	Reclassification Note (1)	Additions	Deletions	Balance 6-30-14
GOVERNMENTAL ACTIVITIES					
Capital Assets Not Being Depreciated:					
Land	\$ 23,061,429	\$	\$	\$ 915,823	\$ 22,145,606
Improvements Other Than Buildings	182,686				182,686
Construction in Progress	<u>5,795,269</u>		8,828,432	5,205,578	<u>9,418,123</u>
Total Capital Assets Not Being Depreciated	<u>29,039,384</u>		<u>8,828,432</u>	<u>6,121,401</u>	<u>31,746,415</u>
Capital Assets Being Depreciated/Amortized:					
Improvements Other Than Buildings	21,220,055		2,141,388	566	23,360,877
Buildings and Fixed Equipment	388,961,379		12,224,159	-	401,185,538
Furniture, Fixtures, and Equipment	18,991,795	1,941,691	1,226,078	1,019,080	21,140,484
Motor Vehicles	10,878,880		1,545,673	97,918	12,326,635
Property Under Capital Lease	1,941,691	(1,941,691)	-		-
Audio Visual Materials and Computer Software	<u>3,997,941</u>		<u>300,051</u>	<u>262,675</u>	<u>4,035,317</u>
Total Capital Assets Depreciated/Amortized	<u>445,991,741</u>		<u>17,437,349</u>	<u>1,380,239</u>	<u>462,048,851</u>
Less Accumulated Depreciation/Amortization for:					
Improvements Other Than Buildings	12,672,720		1,135,208	-	13,807,928
Buildings and Fixed Equipment	107,265,329		11,396,113	-	118,661,442
Furniture, Fixtures, and Equipment	14,641,653	396,429	1,452,517	999,000	15,491,599
Motor Vehicles	5,852,668		982,200	88,020	6,746,848
Property Under Capital Lease	396,429	(396,429)			-
Audio Visual Materials and Computer Software	<u>3,646,708</u>		<u>200,818</u>	<u>236,767</u>	<u>3,610,759</u>
Total Accumulated Depreciation/Amortization	<u>144,475,507</u>		<u>15,166,856</u>	<u>1,323,787</u>	<u>158,318,576</u>
Total Capital Assets Being Depreciated/Amortized Net	<u>301,516,234</u>		<u>2,270,493</u>	<u>56,452</u>	<u>303,730,275</u>
Governmental Activities Capital Assets, Net	<u>\$ 330,555,618</u>	<u>\$</u>	<u>\$ 11,098,925</u>	<u>\$ 6,177,853</u>	<u>\$ 335,476,690</u>

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Note 1 - The class of property and related accumulated depreciation, previously reported as property under capital lease has been reclassified as equipment under Furniture, Fixtures, and Equipment.

Depreciation and amortization expense was charged to functions as follows:

Governmental Activities	Amount
<u>Function</u>	
Instruction	\$ 8,325,585
Student Personnel Services	409,348
Instructional Media Services	178,732
Instruction and Curriculum Development Services	459,923
Instructional Staff Training Services	208,270
Instruction Related Technology	107,676
School Board	79,300
General Administration	73,901
School Administration	715,278
Facility Services - Non-Capitalized	340,052
Fiscal Services	108,165
Food Services	730,231
Central Services	206,420
Student Transportation Services	1,364,798
Operation of Plant	1,119,047
Maintenance of Plant	432,464
Administrative Technology Services	307,666
Total Depreciation/Amortization Expense- Governmental Activities	<u>\$ 15,166,856</u>

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E. CHANGES IN SHORT-TERM DEBT

The following is a schedule of changes in short-term debt:

	Balance 7/1/2013	Additions	Deletions	Balance 6/30/2014
GOVERNMENTAL ACTIVITIES				
Tax Anticipation Notes	\$ -	\$ 10,000,000	\$ 10,000,000	\$ -

The Tax Anticipation Notes, Series 2013, with an interest rate of 1 percent and a net interest cost of 0.1682 percent, were issued on October 18, 2013, for \$10,000,000, and matured on January 31, 2014. The proceeds were utilized for payment of operating expenses incurred for the District's schools for the 2013-14 fiscal year in anticipation of the receipt of ad valorem taxes levied and collected for the same year.

F. CERTIFICATES OF PARTICIPATION

The District entered into a master financing arrangement on November 1, 2005, characterized as a lease-purchase agreement, with the Indian River School Board Leasing Corporation (Leasing Corporation), whereby the District secured financing for construction of educational facilities and the purchase of land. The financing was accomplished through the issuance of Certificates of Participation, to be repaid from the proceeds of rents paid by the District. As a condition of the financing arrangements, the District has given a ground lease on District property to the Leasing Corporation with a rental fee of \$10 per year. The initial terms of the lease agreements for the Series 2005 and 2007 are 20 years commencing on November 1, 2005 (Series 2005), and August 1, 2007 (Series 2007). The Series 2010A has a term of 18 years commencing on December 17, 2010. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease agreements and to provide for the rent payments through to term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the Certificates for the remaining terms of the lease agreements.

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Certificates of Participation at June 30, 2014, are as follows:

Series	Issued Amount	Amount Outstanding	Interest Rates (Percent)	Annual Maturity to
Series 2005	\$ 80,050,000	\$ 53,735,000	4.125 - 5.000	2025
Series 2007	45,020,000	36,725,000	4.00 - 5.00	2027
Series 2010A-QSCB	26,261,000	26,261,000	0.5276 net *(1)	2029
Total Certificates of Participation	<u>\$ 151,331,000</u>	<u>\$ 116,721,000</u>		

Note: (1) The Series 2010A-Lease Certificate is designated as a "qualified school construction bond" as defined in Section 54F of the Internal Revenue Code, and pursuant to Section 6431 of the Code, the Board has elected to receive Federal subsidy payments on each interest payment date for the Certificates in an amount equal to the lesser of the amount of interest payable with respect to the Certificates on such date or the amount of interest which would have been payable with respect to the Certificates if the interest were determined at the applicable tax credit rate for the Certificates pursuant to Section 54A(b)(3) of the Code. The interest rate is 5.91 percent with an allowable current Federal subsidy of 5.3824 percent.

The District properties included in the ground leases under this arrangement include:

Series 2005 Certificates of Participation

Vero Beach High School renovations
Alternative Education Center
Sebastian River Middle School Music Addition
152 acres of land for future educational facilities

Series 2007 Certificates of Participation

Storm Grove Middle School
Support Services Complex

Series 2010A Qualified School Construction Bonds (QSCB) - Certificates of Participation

Vero Beach Elementary School Replacement
Fellsmere Elementary Expansion Project Addition
Treasure Coast Elementary Expansion Project Addition

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The lease payments for the 2005 and 2007 Series Certificates are payable by the District, semiannually, on July 1 and January 1. The 2010 Series QSCB is payable semiannually on June 1 and December 1. The following is a schedule by years of future minimum lease payments under the lease agreement together with the present value of minimum lease payments as of June 30:

Certificates of Participation Outstanding			
Fiscal Year Ending June 30	Total	Principal	Interest
2015	\$ 11,078,425	\$ 5,270,000	\$ 5,808,425
2016	11,082,775	5,490,000	5,592,775
2017	11,078,283	5,715,000	5,363,283
2018	11,081,718	5,960,000	5,121,718
2019	11,078,418	6,210,000	4,868,418
2020-2024	55,397,888	35,835,000	19,562,888
2025-2029	61,833,262	52,241,000	9,592,262
Total Minimum Lease Payments	172,630,769	116,721,000	55,909,769
Plus: Unamortized Premium	831,599	831,599	-
Total Certificates of Participation	<u>\$ 173,462,368</u>	<u>\$ 117,552,599</u>	<u>\$ 55,909,769</u>

The District issued Certificates of Participation (COPS) dated December 1, 2010, under the QSCB Program pursuant to Section 54F of the United States Internal Revenue Code of 1986 as amended (the Code). The QSCB Program provides for an issuer interest rate subsidy on certain bonds or COPS. The District received an approved allocation of funds from the Florida Department of Education sufficient for the designation of the Series 2010A COP as a QSCB under the Code. Pursuant to Section 6431 of the Code, the District has elected to receive Federal subsidy payments (the Issuer Subsidy) from the United States Treasury on each interest payment date for the 2010A Certificates in an amount equal to the lesser of the amount of interest payable with respect to the Series 2010A Certificates if the interest were determined at the applicable tax credit rate pursuant to Section 54A(b)(3) of the Code. The tax credit rate applicable to the Series 2010A Certificates is 5.80 percent. The Series 2010A Certificates were issued in the amount of \$26,261,000. Interest payments are to be made to the holders of the Certificates on June 1 and December 1 of each year at the stated coupon rate of 5.91 percent with the Issuer Subsidy received by the District on the same date. The principal amount of the Certificates is to be repaid in one lump sum on December 1, 2028. Beginning in 2012, the

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District is to deposit \$1,458,994 into a sinking fund annually on December 1. The accumulated amount in this fund is to be used to repay the principal amount of these certificates upon maturity.

G. BONDS PAYABLE

Bonds payable at June 30, 2014, are as follows:

Bond Type	Issued Amount	Amount Outstanding	Interest Rates (Percent)	Annual Maturity To
State School Bonds:				
Series 2005A	\$ 6,405,000	\$ 4,305,000	4.00 - 5.00	2025
Series 2008A	1,210,000	970,000	4.25 - 5.00	2028
Series 2010A	160,000	140,000	3.50 - 5.00	2030
Series 2014A	<u>3,603,000</u>	<u>3,603,000</u>	2.00 - 5.00	2025
Total Bonds Payable	<u>\$ 11,378,000</u>	<u>\$ 9,018,000</u>		

The various bonds were issued to finance capital outlay projects of the District. The following is a description of the bonded debt issues:

➤ State School Bonds

These bonds are issued by the SBE on behalf of the District. The bonds mature serially, and are secured by a pledge of the District's portion of the State assessed motor vehicle license tax. The State's full faith and credit is also pledged as security for these bonds. Principal and interest payments, investment of Debt Service Fund resources, and compliance with reserve requirements are administered by the SBE and the State Board of Administration.

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Annual requirements to amortize the bonded debt outstanding as of June 30, 2014, are as follows:

Fiscal Year Ending June 30	Total	Principal	Interest
State School Bonds:			
2015	\$ 4,506,203	\$ 4,354,000	\$ 152,203
2016	557,432	344,000	213,432
2017	558,113	356,000	202,113
2018	568,322	381,000	187,322
2019	565,273	397,000	168,273
2020-2024	2,832,075	2,309,000	523,075
2025-2029	935,010	867,000	68,010
2030	10,400	10,000	400
Sub-Total	10,532,828	9,018,000	1,514,828
Plus Unamortized Premium	555,011	555,011	
Total State School Bonds	\$ 11,087,839	\$ 9,573,011	\$ 1,514,828

H. DEFEASED DEBT

On May 22, 2014, the State of Florida refunded callable portions of their State Board of Education Capital Outlay bonds and issued 2014 Series-A bonds to effectuate a savings in debt service costs. The District's pro rata share of the net proceeds of the Series 2014-A bonds which totaled \$4,174,993 (after deduction of \$25,131 by the Florida Department of Education for the District's pro rata share of underwriting fees, insurance and other issuance costs) was placed in a trust account to refund the Series 2005-A bonds, that mature on or after July 1, 2014, and scheduled to be called on January 1, 2015. The trust account is not considered to be risk-free in accordance with GASB Statement No. 7. As a result, the refunding of \$4,305,000 representing the District's portion of Series 2005-A bonds are considered to be an economic defeasance and not a legal defeasance and the liability for these bonds has not been removed from the government-wide financial statements. When the Series 2005-A bonds are called on January 1, 2015, they will be removed. The Series 2014-A bonds were issued to reduce the District's total debt service over the next ten years by approximately \$702,000.

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I. CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

Description	Balance 7-1-13	Additions	Deductions	Balance 6-30-14	Due in One Year
GOVERNMENTAL ACTIVITIES					
Certificates of Participation Payable	\$ 121,786,000	\$ -	\$ 5,065,000	\$ 116,721,000	\$ 5,270,000
Unamortized Premiums	902,585	-	70,986	831,599	70,986
Total Certificates of Participation Payable	122,688,585	-	5,135,986	117,552,599	5,340,986
Bonds Payable	5,760,000	3,603,000	345,000	9,018,000	4,354,000
Unamortized Premiums		555,011		555,011	
Total Bonds Payable	5,760,000	4,158,011	345,000	9,573,011	4,354,000
Obligations Under Capital Lease	301,547	-	301,547	-	-
Compensated Absences Payable	8,872,451	2,075,446	1,975,626	8,972,271	1,975,626
Other Postemployment Benefits Payable	17,306,248	1,945,501	342,033	18,909,716	-
Total Governmental Activities	\$ 154,928,831	\$ 8,178,958	\$ 8,100,192	\$ 155,007,597	\$ 11,670,612
BUSINESS-TYPE ACTIVITIES					
Compensated Absences Payable	\$ 19,329	\$ 12,704	\$ 13,659	\$ 18,374	\$ 13,659
Other Postemployment Benefits Payable	31,626	2,708	476	33,858	-
Total Business-Type Activities	\$ 50,955	\$ 15,412	\$ 14,135	\$ 52,232	\$ 13,659

For the governmental activities, compensated absences are generally liquidated with resources of the General Fund. The governmental activities portion of other postemployment benefits payable is liquidated with resources of the Internal Service Fund, and the business-type activities portion is liquidated with nonmajor Enterprise Fund resources. Insofar as the Internal Service Fund's premium contributions are received from the General Fund, and Special Revenue Funds, these funds indirectly liquidate the governmental activities of other postemployment benefits payable.

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J. INTERFUND TRANSFERS

The following is a summary of interfund transfers reported in the fund financial statements:

Funds	Interfund	
	Transfers In	Transfers Out
Major:		
General	\$ 4,326,397	\$ -
Debt Service		
Other	10,181,548	-
ARRA	1,602,497	-
Capital Projects:		
Local Capital Improvement	-	13,457,506
Other	380,000	2,652,936
Nonmajor:		
Governmental	-	380,000
Total	<u>\$ 16,490,442</u>	<u>\$ 16,490,442</u>

Interfund transfers represent permanent transfers between funds. The transfers out of the Capital Projects – Local Capital Improvement Fund were to provide for debt service payments in the Debt Service – Other Fund and the Debt Service – ARRA Fund and to the General Fund for maintenance and repair of educational plant. The transfers from Capital Projects - Other Fund were to provide for payments to charter schools for capital expenditures and other debt service payments. The transfer from the Debt Service – Other Fund represents residual tax revenue collections on a general obligation bond fund after payment of the debt. Since the funds are no longer needed for debt service payments, they are being used for capital projects on buildings financed with the original debt.

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K. FUND BALANCE REPORTING

The following is a schedule of fund balances by category at June 30, 2014:

	Major Funds						Total Governmental Funds
	General	Debt Service - Other	Debt Service - ARRA	Capital Projects - Local Capital Improvement	Capital Projects - Other	Other Governmental Funds	
Nonspendable:							
Inventories	\$ 337,069	\$ -	\$ -	\$ -	\$ -	\$ 103,151	\$ 440,220
Fund B Trust	80,217	177,038		36,907		1,484	295,646
Restricted:							
State Required Carryover	4,374,525						4,374,525
Adult Workforce	2,082,158						2,082,158
Donations	62,854						62,854
Debt Service		837,127	4,412,223			4,289,956	9,539,306
Capital Projects				15,984,703	3,261,999	149,747	19,396,449
Food Service						2,716,442	2,716,442
Assigned:							
Purchase Obligations	345,998						345,998
Next Year's Budget Deficit	5,724,231						5,724,231
Unassigned	7,516,866						7,516,866
Total Fund Balance	\$ 20,523,918	\$ 1,014,165	\$ 4,412,223	\$ 16,021,610	\$3,261,999	\$ 7,260,780	\$ 52,494,695

In addition to committed and assigned fund balance categories discussed in the Fund Balance Policies note disclosure, fund balances may also be classified as follows:

➤ **Nonspendable**

The net current financial resources that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Generally, not in spendable form means that an item is not expected to be converted to cash. Examples of items that are not in spendable form include inventory, prepaid amounts, long-term amounts of loans and notes receivable, and property acquired for resale. The District classifies as nonspendable those amounts reported as inventories and the unavailable balances invested in Florida SBA Fund B Surplus Funds Trust Fund.

➤ **Restricted**

The portion of fund balance on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions, or enabling legislation. Restricted fund balance places the most binding level of constraint on the use of fund balance. In the General Fund, the District classifies as restricted any unspent State categorical funding as well as donations that are legally or otherwise restricted.

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➤ Unassigned

The portion of fund balance that is residual classification for the General Fund. This balance represents amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned for specific purposes.

At the end of the fiscal year, the unassigned general fund balance was \$7,516,866 or 5.64 percent of general fund total revenues.

L. SCHEDULE OF STATE REVENUE SOURCES

Accounting policies relating to certain State revenue sources are described in Note 1. The following is a schedule of the District's State revenue for the 2013-14 fiscal year:

Source	Amount
Florida Education Finance Program	\$ 20,124,589
Categorical Educational Programs - Class Size Reduction	19,323,457
Workforce Development Program	1,095,633
Charter School Capital Outlay	1,026,397
Motor Vehicle License Tax (Capital Outlay and Debt Service)	676,934
Voluntary Prekindergarten	497,719
School Recognition	444,675
Lottery Funds	175,315
Mobile Home License Tax	154,341
Food Service Supplement	109,018
Miscellaneous	130,969
	<hr/>
Total	<u>\$ 43,759,047</u>

THE SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA
Notes to the Basic Financial Statements
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M. PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2013 tax roll for the 2013-14 fiscal year:

<u>GENERAL FUND</u>	<u>Millages</u>	<u>Taxes Levied</u>
Nonvoted School Tax:		
Required Local Effort	5.259	\$ 71,982,024
Prior Period Funding Adjustment Millage	0.009	123,188
Basic Discretionary Local Effort	0.748	10,238,313
Voted School Tax:		
Additional Operating	0.600	8,212,551
Total General Fund Taxes Levied		90,556,076
<u>CAPITAL PROJECTS FUNDS</u>		
Nonvoted Tax:		
Local Capital Improvements	1.500	20,530,845
Total	8.116	\$111,086,921

N. FLORIDA RETIREMENT SYSTEM

Essentially all regular employees of the District are eligible to enroll as members of the State-administered Florida Retirement System (FRS). Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined benefit pension plan (Plan), a Deferred Retirement Option Program (DROP), and a defined contribution plan, referred to as the Florida Retirement System Investment Plan (Investment Plan).

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the plan on or after July 1, 2011, vest at eight years of creditable service. All vested members enrolled prior to July 1, 2011 are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of both Plans may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a

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period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit Plan. District employees participating in DROP are not eligible to participate in this program. Employer and employee contributions are defined by law; but the ultimate benefit depends in part on the performance of investment funds. The Investment Plan is funded by employer and employee contributions that are based on salary and membership class (Regular, Elected County Officers, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Employees in the Investment Plan vest at one year of service.

FRS Retirement Contribution Rates

The State of Florida establishes contribution rates for participating employers and employees. During the 2013-14 fiscal year, contribution rates were as follows:

Retirement Class	Percent of Gross Salary	
	Employee	Employer (A)
Florida Retirement System, Regular	3.00	6.95
Florida Retirement System, Elected County Officers	3.00	33.03
Florida Retirement System, Senior Management Service	3.00	18.31
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes	0.00	12.84
Florida Retirement System, Reemployed Retiree	(B)	(B)
Notes:	(A)	Employer rates include 1.20 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include .03 percent for administrative costs of the Investment Plan.
	(B)	Contribution rates are dependent upon retirement class in which reemployed.

The District's liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the District. The District's contributions, including employee contributions, for the fiscal years ended June 30, 2012, June 30, 2013, and June 30, 2014, totaled, \$5,237,762, \$5,491,629, and \$7,476,263 respectively, which were equal to the required contributions for each fiscal year.

There were 327 District participants in the Investment Plan during the 2013-14 fiscal year. The District's contributions including employee contributions to the Investment Plan totaled \$1,451,143, which was equal to the required contribution for the 2013-14 fiscal year.

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Financial statements and other supplementary information of the FRS are included in the State's Comprehensive Annual Financial Report, which is available from the Florida Department of Financial Services, Bureau of Financial Reporting Statewide Financial Reporting Section by mail at 200 E. Gaines Street, Tallahassee, Florida 32399-0364; by telephone at (850)413-5511; or at the Department's Web site (www.myfloridacfo.com). An annual report on the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services, Division of Retirement, Research and Education Section, by mail at P.O. Box 9000, Tallahassee, Florida 32315-9000; by telephone toll free at (877)377-1737 or (850)488-5706; by email at rep@dms.myflorida.com; or at the Division's Web site (www.frs.myflorida.com).

O. OTHER POSTEMPLOYMENT BENEFITS

Plan Description. The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, employees who retire from the District and eligible dependents are eligible to participate in the District's self-funded health and hospitalization plan for medical and prescription drug coverage, along with the fully-insured life insurance coverage. The District subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. Additionally, Medicare-eligible retirees receive insurance coverage at a lower premium rate than active employees pursuant to Florida Statutes. The benefits provided under this defined benefit plan are provided for a fixed number of years determined at the time of retirement based on the number of years worked for the District and may be amended by Board action. Retirees are assumed to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The OPEB does not issue a stand-alone report and is not included in the report of another entity.

Funding Policy – OPEB Plan contribution requirements of the District and OPEB Plan members are established and may be amended through recommendations of the Insurance Committee and action from the Board. The District has not advanced-funded or established a funding methodology for the annual OPEB costs or the net OPEB obligation, and the OPEB Plan is financed on a pay-as-you-go basis. For the 2013-14 fiscal year, there were 379 retirees received other postemployment benefits. The District provided required contributions of \$342,509 toward annual OPEB costs, net of retiree contributions totaling \$858,447 which represents 1 percent of covered payroll.

Annual OPEB Cost and Net OPEB Obligation. The District's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 45, *Accounting and*

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Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. The ARC represents a level of funding that if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the District's annual OPEB cost for the fiscal year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation:

Description	Fiscal Year Ending	
	June 30, 2013	June 30, 2014
Other Post Employment Benefits		
Normal Cost (service cost for one year)	\$ 805,671	\$ 905,624
Amortization of Unfunded Actuarial Accrued Liability	874,162	896,216
Interest on Normal Cost and Amortization	<u>67,193</u>	<u>72,074</u>
Annual Required Contribution	1,747,026	1,873,914
Interest on Net OPEB Obligation	633,533	693,515
Adjustment to Annual Required Contribution	<u>(565,664)</u>	<u>(619,220)</u>
Annual OPEB Cost (Expense)	1,814,895	1,948,209
Contribution Toward the OPEB Cost	<u>315,357</u>	<u>342,509</u>
Increase in Net OPEB Obligation	1,499,538	1,605,700
Net OPEB Obligation, Beginning of Year	<u>15,838,336</u>	<u>17,337,874</u>
Net OPEB Obligation, End of Year	<u>\$17,337,874</u>	<u>\$18,943,574</u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the OPEB Plan, and the net OPEB obligation as of June 30, 2014, and the two preceding years, were as follows:

Year	OPEB Cost	Toward the OPEB Cost	Annual OPEB Cost Contributed	Obligation
2011-12	\$1,590,593	\$ 251,765	15.8%	\$ 15,838,336
2012-13	1,814,895	317,357	17.5%	17,337,874
2013-14	1,948,209	342,509	17.6%	18,943,574

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Funded Status and Funding Progress. As of July 1, 2013, the most recent valuation date, the actuarial accrued liability for benefits was \$16,185,989 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$16,185,989 and a funded ratio of 0 percent. The covered payroll (annual payroll of active participating employees) was \$85,329,180, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 19 percent.

Actuarial valuations of an ongoing OPEB Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the OPEB Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The required schedule of funding progress immediately following the notes to the basic financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liability for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive OPEB Plan provisions, as understood by the employer and participating members, and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The District's OPEB actuarial valuation as of July 1, 2013, used the entry age normal cost actuarial method to estimate the unfunded actuarial liability as of June 30, 2014, and the frozen entry age normal cost actuarial method to estimate the Districts 2013-14 fiscal year annual required contributions. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 4 percent rate of return on invested assets, which is the District's long-term expectation of investment returns under its investment policy. The actuarial assumptions also included a payroll growth rate of 3.5 percent per year, and an annual healthcare cost trend rate of 10 percent initially beginning July 1, 2014, reduced by 0.5 percent per year, to an ultimate rate of 5 percent. The investment rate of return and payroll growth rate include a general price inflation of 2.5 percent. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis over a 30-year period. The remaining amortization period at June 30, 2014, was 23 years.

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P. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

Encumbrances. Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Even though appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered.

The following is a schedule of encumbrances at June 30, 2014:

Major Funds					
General	Special Revenue - Federal Economic Stimulus	Capital Projects - Local Capital Improvement	Capital Projects - Other	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,712,113	\$ 92,136	\$ 4,327,229	\$ 780,009	\$ 389,900	\$ 7,301,387

Construction Contracts. Encumbrances include the following major construction contract commitments at fiscal year-end:

Project	Contract Amount	Completed to Date	Balance Committed
Fellsmere Elementary Classroom Addition & Cafeteria			
Architect	\$ 559,528	\$ 536,809	\$ 22,719
Contractor	8,801,540	5,958,835	2,842,705
Citrus Elementary Chiller Plant Relocation			
Architect	88,758	85,309	3,449
Contractor	1,060,498	607,747	452,751
Total	<u>\$10,510,324</u>	<u>\$7,188,700</u>	<u>\$3,321,624</u>

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Q. RISK MANAGEMENT PROGRAMS

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; third party injuries and/or property damage and natural disasters. The Indian River County District School Board is a member of the South Central Educational Risk Management Program (SCERMP), under which eight district school boards have established a public entity risk sharing pool for Property, General Liability, Automobile liability, Workers' Compensation, Governmental Crime, and other coverage deemed necessary by the members of the SCERMP. Section 1001.42(12)(k), Florida Statutes, provides the authority for the District to enter into such a risk management program. The inter-local agreement and bylaws of SCERMP provide that risk of loss is transferred to the consortium. SCERMP is self-sustaining through member contributions (premiums), and purchases insurance coverage through commercial companies for claims in excess of specified amounts. Member school boards are also subject to supplemental contributions in the event of a deficiency, except to the extent that the deficiency results from a specific claim against a member school board in excess of the coverage available, then such deficiency is solely the responsibility of that member school board.

The Board of Directors for SCERMP is composed of superintendents/finance directors or an authorized representative of all participating districts. Employers' Mutual, Inc. d.b.a. Ascension Benefits and Insurance Solutions of FL serves as the third-party administrator, insurance broker and fiscal agent for SCERMP.

Property damage coverage is managed by SCERMP by purchase of excess property coverage through commercial insurance carriers for property loss claims in excess of \$100,000 (except wind/hail/flood), respectively. The named wind/hail/hurricane deductible is 5 percent of replacement cost value with a minimum of \$100,000 per occurrence. The deductible for all other wind events is \$100,000. Special hazard flood area deductibles are \$500,000 per building and \$500,000 contents plus \$100,000 time element per occurrence. The flood deductible outside a special flood hazard area is \$100,000. SCERMP's purchased excess property loss limit during the 2013-14 fiscal year was \$75 million.

Workers' compensation claims are limited based on a per claim self-insured retention. The self-insured retention for the 2013-14 fiscal year was \$1million. SCERMP purchases excess liability coverage through a commercial insurance carrier which covers workers' compensation losses in excess of the self-insured retention. Employers Liability is included subject to \$2,000,000 per occurrence.

The District is protected by Section 768.28, Florida Statutes, under the Doctrine of Sovereign Immunity, as it is now written, as it may be amended by the Legislature at future dates, which effectively limits the amount of liability of governmental entities for tort claims to \$200,000 per claim and \$300,000 per occurrence.

The District self-insures its health care coverage for employees and retired former employees. Blue Cross Blue Shield of Florida acts as the third-party administrator for the health insurance program. The program includes excess coverage of claim amounts above \$175,000 per insured per year. Premiums received for, and claims (and other expenses) paid on behalf of,

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Indian River County School Board employees and their dependents are reported in the District's Internal Service Fund.

The following schedule represents the changes in claims liability for the past two fiscal years for the District's health self-insurance program:

	Beginning-of- Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2012-13	\$ 3,195,579	\$ 13,524,011	\$ (13,563,619)	\$ 3,155,971
2013-14	3,155,971	14,075,461	(13,669,740)	3,561,692

Settled claims have not exceeded the District's purchased commercial coverage in any of the past three years.

R. LITIGATION

The District is a defendant in various lawsuits arising in the normal course of business, including claims for property damage, personal injuries, etc. In the opinion of management, the ultimate outcome of the lawsuits, most of which are covered by insurance, will not have a material effect on the District's financial position.

S. SUBSEQUENT EVENTS

On November 20, 2014 the District issued Refunding Certificates of Participation, Series 2014A, in the amount of \$45,455,000. The Series 2014A Certificates of Participation are being issued to refund the outstanding Series 2005 Certificates.

In addition, the Board also approved on October 7, 2014, an authorization to bid an interest rate under a Forward Purchase Contract for the Series 2010-A Qualified School Construction Bond (QSCB) sinking fund. This contract would allow the sinking fund deposits to be invested at a rate estimated to provide for the future payoff of the debt and to provide savings to the District on each annual sinking fund installment.

The original QSCB contract required a \$5 million compensating balance to be held in reserve during the life of the loan. The contract has been amended to eliminate this requirement and the change was approved by the Board on October 7, 2014.

The School Board of Indian River County, Florida
 Required Supplementary Information
 Schedule of Funding Progress
 Other Postemployment Benefits Plan
 (amounts expressed in thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)			Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll [(b-a)/c]
		Entry Age (b) (3)	Unfunded AAL (UAAL) (b-a)				
6/30/2012	-	11,968	11,968	0.00%	79,288	15.1%	
7/1/2012	-	16,668 ⁽²⁾	16,668	0.00%	79,693	20.9%	
6/30/2014	-	16,186	16,186	0.00%	85,329	19.0%	

(1) There was a significant drop in the actuarial liability of approximately \$50 million dollars, due to the School Board's decision to require Medicare eligible retirees to pay the full cost of their health insurance. Medicare eligible retirees now pay future rate increases that are expected to match claims and administrative costs. Based on this change, there is no implicit or explicit cost to the employer for Medicare eligible retirees. This change eliminated Medicare-eligible retirees from the GASB OPEB liability. Medicare eligible retirees will continue to be excluded as long as this decision remains in place and as long as future charges do not exceed the commingled rate of active and retired employees as described by Section 112.08, Florida Statutes.

(2) The unfunded accrued liability increased from \$11,968,208 at June 30, 2012, to \$16,667,576 at June 30, 2013. This increase in liability of \$4,699,368 was due to changes in certain assumptions used as follows:

- (a) The Aging Table published under the Affordable Care Act was used for 2013. This table was not available for 2012. This table does not differentiate between genders and produces higher costs for older aged participants, which results in an increased liability.
- (b) The termination rates were set to match those of the most recent Florida Retirement System (FRS) defined benefit pension valuation. This valuation does not have separate rates for teachers who are then classified as regular class for termination decrement purposes.

(3) The District's OPEB actuarial valuation used the entry age normal cost actuarial method to estimate the actuarial accrued liability.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**



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Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Food Services Fund—To account for the activities of the District’s food services function. These activities are funded primarily through local charges and Federal awards.

Contracted Programs Fund—To account for programs funded by Federal and State sources, requiring separate accountability because of legal or regulatory restrictions.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

SBE/COBI Bonds Fund—To account for the payment of principal, interest and related costs on the state school bonds issued by the State Board of Education on behalf of the District. These bonds are payable from the District’s portion of the state-assessed motor vehicle license tax.

District Bonds Fund—To account for the payment of principal, interest and fiscal charges on the General Obligation Refunding Bonds, Series 2002, which is payable from the District’s millage levy that was originally voted on by the District’s electorate.

Capital Projects Funds

Capital project funds are used to account for the financial resources to be used for educational capital outlay needs, including new construction, renovation and remodeling projects.

SBE/COBI Bonds Fund—To account for capital project activity funded by proceeds of bonds issued by the State Board of Education on behalf of the District.

Capital Outlay and Debt Service Fund—To account for capital project activity funded by the District’s portion of the state Capital Outlay and Debt Service program.

Public Education Capital Outlay Fund—To account for capital project activity funded through the state Public Education Capital Outlay program.

The School Board of Indian River County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	Special Revenue		
	Food Services	Contracted Programs	Total Nonmajor Special Revenue
ASSETS			
Cash and Cash Equivalents	\$ 2,626	\$ 662	\$ 3,288
Cash with Fiscal Agent	-	-	-
Investments	-	-	-
Receivables	-	10	10
Due from Other Agencies	304	345	649
Inventories	103	-	103
Total Assets	\$ 3,033	\$ 1,017	\$ 4,050
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accrued Salaries and Benefits	\$ 126	\$ 712	\$ 838
Accounts Payable	19	183	202
Due to Other Agencies	47	119	166
Unearned Revenue	21	3	24
Accrued Interest Payable	-	-	-
Total Liabilities	213	1,017	1,230
Fund Balances:			
Nonspendable	103	-	103
Restricted	2,717	-	2,717
Total Fund Balances	2,820	-	2,820
Total Liabilities and Fund Balances	\$ 3,033	\$ 1,017	\$ 4,050

Debt Service			Capital Projects			Total Nonmajor Governmental Funds
SBE / COBI Bonds	District Bonds	Total Nonmajor Debt Service	SBE / COBI Bonds	Capital Outlay and Debt Service	Total Nonmajor Capital Projects	
\$ -	\$ 35	\$ 35	\$ 5	\$ 180	\$ 185	\$ 3,508
4,175	-	4,175	-	-	-	4,175
122	1	123	-	-	-	123
-	-	-	-	-	-	10
-	-	-	-	-	-	649
-	-	-	-	-	-	103
<u>\$ 4,297</u>	<u>\$ 36</u>	<u>\$ 4,333</u>	<u>\$ 5</u>	<u>\$ 180</u>	<u>\$ 185</u>	<u>\$ 8,568</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 838
-	-	-	-	35	35	237
-	-	-	-	-	-	166
-	-	-	-	-	-	24
42	-	42	-	-	-	42
<u>42</u>	<u>-</u>	<u>42</u>	<u>-</u>	<u>35</u>	<u>35</u>	<u>1,307</u>
	1	1	-	-	-	104
4,255	35	4,290	5	145	150	7,157
<u>4,255</u>	<u>36</u>	<u>4,291</u>	<u>5</u>	<u>145</u>	<u>150</u>	<u>7,261</u>
<u>\$ 4,297</u>	<u>\$ 36</u>	<u>\$ 4,333</u>	<u>\$ 5</u>	<u>\$ 180</u>	<u>\$ 185</u>	<u>\$ 8,568</u>

The School Board of Indian River County, Florida
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	Special Revenue		
	Food Services	Contracted Programs	Total Nonmajor Special Revenue
Revenues:			
Federal Sources:			
Other Federal Through State Sources	\$ -	\$ 10,040	\$ 10,040
Food Service	6,384	-	6,384
Total Federal Sources	<u>6,384</u>	<u>10,040</u>	<u>16,424</u>
State Sources:			
Food Service	109	-	109
CO&DS Withheld for SBE/COBI Bond	-	-	-
CO&DS Distribution	-	-	-
Total State Sources	<u>109</u>	<u>-</u>	<u>109</u>
Local Sources:			
Ad Valorem Taxes	-	-	-
Food Service	1,722	-	1,722
Investment Income	3	-	3
Other Local Sources	8	2	10
Total Local Sources	<u>1,733</u>	<u>2</u>	<u>1,735</u>
Total Revenues	<u>8,226</u>	<u>10,042</u>	<u>18,268</u>

Debt Service			Capital Projects			Total
SBE / COBI	District	Total	SBE / COBI	Capital	Total	Nonmajor
Bonds	Bonds	Nonmajor	Bonds	Outlay and	Nonmajor	Governmental
		Debt Service		Debt Service	Capital Projects	Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,040
-	-	-	-	-	-	6,384
-	-	-	-	-	-	16,424
-	-	-	-	-	-	109
592	-	592	-	-	-	592
-	-	-	-	75	75	75
592	-	592	-	75	75	776
-	19	19	-	-	-	19
-	-	-	-	-	-	1,722
-	-	-	-	-	-	3
-	-	-	-	-	-	10
-	19	19	-	-	-	1,754
592	19	611	-	75	75	18,954

The School Board of Indian River County, Florida
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	<u>Special Revenue</u>		
	<u>Food Services</u>	<u>Contracted Programs</u>	<u>Total Nonmajor Special Revenue</u>
Expenditures:			
Current:			
Instruction	\$ -	\$ 5,640	\$ 5,640
Student Personnel Services	-	950	950
Instructional Media Services	-	3	3
Instruction and Curriculum Development Services	-	1,559	1,559
Instructional Staff Training Services	-	931	931
General Administration	-	409	409
School Administration	-	43	43
Facilities Services - Non-Capitalized	-	-	-
Food Services	7,781	-	7,781
Student Transportation Services	-	61	61
Community Services	-	245	245
Capital Outlay:			
Facilities Acquisition & Construction	-	-	-
Other Capital Outlay	122	201	323
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Total Expenditures	<u>7,903</u>	<u>10,042</u>	<u>17,945</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>323</u>	<u>-</u>	<u>323</u>
Other Financing Sources:			
Transfers In	-	-	-
Transfers Out	-	-	-
Sale of Capital Assets	-	-	-
Issuance of Long-Term Debt	-	-	-
Premium on Issuance of Long-Term Debt	-	-	-
Total Other Financing Sources:	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>323</u>	<u>-</u>	<u>323</u>
Fund Balances, Beginning	2,497		2,497
Fund Balances, Ending	<u>\$ 2,820</u>	<u>\$ -</u>	<u>\$ 2,820</u>

Debt Service			Capital Projects			Total
SBE / COBI Bonds	District Bonds	Total Nonmajor Debt Service	SBE / COBI Bonds	Capital Outlay and Debt Service	Total Nonmajor Capital Projects	Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,640
-	-	-	-	-	-	950
-	-	-	-	-	-	3
-	-	-	-	-	-	1,559
-	-	-	-	-	-	931
-	-	-	-	-	-	409
-	-	-	-	-	-	43
-	-	-	11	158	169	169
-	-	-	-	-	-	7,781
-	-	-	-	-	-	61
-	-	-	-	-	-	245
-	-	-	6	3	9	9
-	-	-	-	4	4	327
345	-	345	-	-	-	345
283	-	283	-	-	-	283
<u>628</u>	<u>-</u>	<u>628</u>	<u>17</u>	<u>165</u>	<u>182</u>	<u>18,755</u>
<u>(36)</u>	<u>19</u>	<u>(17)</u>	<u>(17)</u>	<u>(90)</u>	<u>(107)</u>	<u>199</u>
-	-	-	-	-	-	-
-	(380)	(380)	-	-	-	(380)
-	-	-	-	-	-	-
3,603	-	3,603	-	-	-	3,603
555	-	555	-	-	-	555
<u>4,158</u>	<u>(380)</u>	<u>3,778</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,778</u>
<u>4,122</u>	<u>(361)</u>	<u>3,761</u>	<u>(17)</u>	<u>(90)</u>	<u>(107)</u>	<u>3,977</u>
133	397	530	22	235	257	3,284
<u>\$ 4,255</u>	<u>\$ 36</u>	<u>\$ 4,291</u>	<u>\$ 5</u>	<u>\$ 145</u>	<u>\$ 150</u>	<u>\$ 7,261</u>

The School Board of Indian River County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Debt Service - Other Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues:				
Local Sources:				
Investment Income	\$ 6	\$ 2	\$ 2	\$ -
Total Local Sources	<u>6</u>	<u>2</u>	<u>2</u>	<u>-</u>
Total Revenues	<u>6</u>	<u>2</u>	<u>2</u>	<u>-</u>
Expenditures:				
Principal	5,367	5,367	5,367	-
Interest and Fiscal Charges	<u>4,478</u>	<u>4,476</u>	<u>4,476</u>	<u>-</u>
Total Expenditures	<u>9,845</u>	<u>9,843</u>	<u>9,843</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(9,839)</u>	<u>(9,841)</u>	<u>(9,841)</u>	<u>-</u>
Other Financing Sources				
Transfers In	<u>9,845</u>	<u>10,182</u>	<u>10,182</u>	<u>-</u>
Total Other Financing Sources	<u>9,845</u>	<u>10,182</u>	<u>10,182</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 6</u>	<u>\$ 341</u>	341	<u>\$ -</u>
Fund Balance, Beginning			<u>673</u>	
Fund Balance, Ending			<u>\$ 1,014</u>	

The School Board of Indian River County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Debt Service - American Recovery and Reinvestment Act (ARRA) Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal Sources:				
Miscellaneous Federal Direct	\$ 1,391	\$ 1,413	\$ 1,413	\$ -
Local Sources:				
Investment Income	4	7	7	-
Total Revenues	<u>1,395</u>	<u>1,420</u>	<u>1,420</u>	<u>-</u>
Expenditures:				
Interest and Fiscal Charges	<u>1,557</u>	<u>1,556</u>	<u>1,556</u>	<u>-</u>
Total Expenditures	<u>1,557</u>	<u>1,556</u>	<u>1,556</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(162)</u>	<u>(136)</u>	<u>(136)</u>	<u>-</u>
Other Financing Sources				
Transfers In	<u>1,625</u>	<u>1,602</u>	<u>1,602</u>	<u>-</u>
Total Other Financing Sources	<u>1,625</u>	<u>1,602</u>	<u>1,602</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 1,463</u>	<u>\$ 1,466</u>	1,466	<u>\$ -</u>
Fund Balance, Beginning			<u>2,946</u>	
Fund Balance, Ending			<u>\$ 4,412</u>	

The School Board of Indian River County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects - Local Capital Improvement Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues:				
Local Sources:				
Ad Valorem Taxes	\$ 19,734	\$ 19,887	\$ 19,887	\$ -
Investment Income	99	30	30	-
Total Revenues	<u>19,833</u>	<u>19,917</u>	<u>19,917</u>	<u>-</u>
Expenditures:				
Capital Outlay	<u>25,811</u>	<u>27,208</u>	<u>11,186</u>	<u>16,022</u>
Total expenditures	<u>25,811</u>	<u>27,208</u>	<u>11,186</u>	<u>16,022</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,978)</u>	<u>(7,291)</u>	<u>8,731</u>	<u>16,022</u>
Other Financing Sources (Uses):				
Transfers Out	<u>(14,771)</u>	<u>(13,457)</u>	<u>(13,457)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(14,771)</u>	<u>(13,457)</u>	<u>(13,457)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (20,749)</u>	<u>\$ (20,748)</u>	<u>\$ (4,726)</u>	<u>\$ 16,022</u>
Fund Balance, Beginning			<u>20,748</u>	
Fund Balance, Ending			<u>\$ 16,022</u>	

The School Board of Indian River County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects - Other Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal Sources:				
Other	\$ -	\$ 30	\$ 30	\$ -
Total Federal Sources	<u>-</u>	<u>30</u>	<u>30</u>	<u>-</u>
State Sources:				
Other	791	1,074	1,074	-
Total State Sources	<u>791</u>	<u>1,074</u>	<u>1,074</u>	<u>-</u>
Local Sources:				
Investment Income	-	10	10	-
Impact Fees	-	940	940	-
Other	23	348	348	-
Total Local Sources	<u>23</u>	<u>1,298</u>	<u>1,298</u>	<u>-</u>
Total Revenues	<u>814</u>	<u>2,402</u>	<u>2,402</u>	<u>-</u>
Expenditures:				
Capital Outlay	8,229	9,357	6,095	3,262
Interest and Fiscal Charges			-	-
Total Expenditures	<u>8,229</u>	<u>9,357</u>	<u>6,095</u>	<u>3,262</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,415)</u>	<u>(6,955)</u>	<u>(3,693)</u>	<u>3,262</u>
Other Financing Sources (Uses):				
Transfers In	-	380	380	-
Transfers Out	(761)	(2,653)	(2,653)	-
Sale of Capital Assets	-	1,005	1,005	-
Loss Recoveries	-	47	47	-
Total Other Financing Sources (Uses)	<u>(761)</u>	<u>(1,221)</u>	<u>(1,221)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (8,176)</u>	<u>\$ (8,176)</u>	(4,914)	<u>\$ 3,262</u>
Fund Balance, Beginning			8,176	
Fund Balance, Ending			<u>\$ 3,262</u>	

F=Foot, CF = Crossfoot

The School Board of Indian River County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects - American Recovery and Reinvestment Act (ARRA) Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local Sources:				
Investment Income	\$ -	\$ 5	\$ 5	\$ -
Total Local Sources	<u>-</u>	<u>5</u>	<u>5</u>	<u>-</u>
Total Revenues	<u>-</u>	<u>5</u>	<u>5</u>	<u>-</u>
Expenditures:				
Capital Outlay	5,028	5,033	5,033	-
Total Expenditures	<u>5,028</u>	<u>5,033</u>	<u>5,033</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,028)</u>	<u>(5,028)</u>	<u>(5,028)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (5,028)</u>	<u>\$ (5,028)</u>	<u>(5,028)</u>	<u>\$ -</u>
Fund Balance, Beginning			5,028	
Fund Balance, Ending			<u>\$ -</u>	

The School Board of Indian River County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue - Food Services Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal Sources:				
Food Service	6,129	6,129	6,384	255
Total Federal Sources	<u>6,129</u>	<u>6,129</u>	<u>6,384</u>	<u>255</u>
State Sources:				
Food Service	119	119	109	(10)
Total State Sources	<u>119</u>	<u>119</u>	<u>109</u>	<u>(10)</u>
Local Sources:				
Food Service	\$ 1,827	\$ 1,827	\$ 1,722	\$ (105)
Investment Income	-	-	3	3
Other Local Sources	-	-	8	8
Total Local Sources	<u>1,827</u>	<u>1,827</u>	<u>1,733</u>	<u>(94)</u>
Total Revenues	<u>8,075</u>	<u>8,075</u>	<u>8,226</u>	<u>151</u>
Expenditures:				
Food Services:				
Salaries	2,764	2,716	2,551	165
Employee Benefits	947	861	749	112
Purchased Services	147	120	115	5
Energy Services	270	327	304	23
Materials and Supplies	3,677	3,836	3,783	53
Capital Outlay	202	47	47	-
Other Expenditures	205	233	232	1
Total Food Service	<u>8,212</u>	<u>8,140</u>	<u>7,781</u>	<u>359</u>
Capital Outlay:				
Capital Outlay	-	122	122	-
Total Expenditures	<u>8,212</u>	<u>8,262</u>	<u>7,903</u>	<u>359</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(137)</u>	<u>(187)</u>	<u>323</u>	<u>510</u>
Net Change in Fund Balance	<u>\$ (137)</u>	<u>\$ (187)</u>	<u>323</u>	<u>\$ 510</u>
Fund Balance, Beginning			<u>2,497</u>	
Fund Balance, Ending			<u>\$ 2,820</u>	

The School Board of Indian River County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue - Contracted Programs Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues:				
Federal Sources:				
Other Federal Through State Sources	\$ 12,510	\$ 12,623	\$ 10,040	\$ (2,583)
Total Federal Sources	12,510	12,623	10,040	(2,583)
Local Sources:				
Other Local Sources	-	2	2	-
Total Local Sources	-	2	2	-
Total Revenues	12,510	12,625	10,042	(2,583)
Expenditures:				
Instruction:				
Salaries	4,163	4,114	3,777	337
Employee Benefits	1,222	1,127	1,001	126
Purchased Services	126	236	224	12
Materials and Supplies	529	855	434	421
Capital Outlay	791	423	82	341
Other Expenditures	62	124	122	2
Total Instruction	6,893	6,879	5,640	1,239
Student Personnel Services:				
Salaries	784	751	717	34
Employee Benefits	181	171	169	2
Purchased Services	19	11	6	5
Materials and Supplies	122	120	58	62
Other Expenditures	-	-	-	-
Total Student Personnel Services	1,106	1,053	950	103
Instructional Media Services:				
Salaries	-	3	3	-
Employee Benefits	-	-	-	-
Other Expenditures	-	-	-	-
Total Instructional Media Services	-	3	3	-
Instruction and Curriculum Development Services:				
Salaries	1,449	1,547	1,245	302
Employee Benefits	354	355	278	77
Purchased Services	291	127	30	97
Materials and Supplies	10	10	-	10
Capital Outlay	43	41	4	37
Other Expenditures	3	8	2	6
Total Instruction and Curriculum Development Services	2,150	2,088	1,559	529
Instructional Staff Training Services:				
Salaries	379	507	392	115
Employee Benefits	83	75	66	9
Purchased Services	455	471	324	147
Materials and Supplies	67	109	90	19
Capital Outlay	3	-	-	-
Other Expenditures	138	114	59	55
Total Instructional Staff Training Services	1,125	1,276	931	345

The School Board of Indian River County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Special Revenue - Contracted Programs Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures (continued):				
General Administration:				
Other Expenditures	648	587	409	178
Total General Administration	<u>648</u>	<u>587</u>	<u>409</u>	<u>178</u>
School Administration:				
Salaries	46	51	32	19
Employee Benefits	17	11	11	-
Total School Administration	<u>63</u>	<u>62</u>	<u>43</u>	<u>19</u>
Pupil Transportation Services:				
Salaries	4	4	3	1
Employee Benefits				-
Purchased Services				-
Other Expenditures	232	190	58	132
Total Pupil Transportation Services	<u>236</u>	<u>194</u>	<u>61</u>	<u>133</u>
Community Services:				
Salaries	232	223	196	27
Employee Benefits	39	41	34	7
Purchased Services	3	3	3	-
Materials and Supplies	15	15	12	3
Other Expenditures				-
Total Community Services	<u>289</u>	<u>282</u>	<u>245</u>	<u>37</u>
Capital Outlay:				
Other Capital Outlay	-	201	201	-
Total Capital Outlay	<u>-</u>	<u>201</u>	<u>201</u>	<u>-</u>
Total Expenditures	<u>12,510</u>	<u>12,625</u>	<u>10,042</u>	<u>2,583</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance, Beginning			<u>-</u>	
Fund Balance, Ending			<u>\$ -</u>	

The School Board of Indian River County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Debt Service - SBE / COBI Bonds Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues:				
State Sources:				
CO&DS Withheld for SBE/COBI Bond	\$ 599	\$ 592	\$ 592	\$ -
Total State Sources	<u>599</u>	<u>592</u>	<u>592</u>	<u>-</u>
Total Revenues	<u>599</u>	<u>592</u>	<u>592</u>	<u>-</u>
Expenditures:				
Principal	345	345	345	-
Interest and Fiscal Charges	<u>254</u>	<u>283</u>	<u>283</u>	<u>-</u>
Total Expenditures	<u>599</u>	<u>628</u>	<u>628</u>	<u>-</u>
Other Financing Sources:				
Issuance of Refunding Bonds	-	3,603	3,603	-
Premium on Refunding Bonds	<u>-</u>	<u>555</u>	<u>555</u>	<u>-</u>
Total Other Financing Sources	<u>-</u>	<u>4,158</u>	<u>4,158</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ 4,122</u>	<u>\$ 4,122</u>	<u>\$ -</u>
Fund Balance, Beginning			<u>133</u>	
Fund Balance, Ending			<u>\$ 4,255</u>	

F=Foot, CF = Crossfoot

The School Board of Indian River County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Debt Service - District Bonds Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues:				
Local sources:				
Ad Valorem Taxes	\$ -	\$ 19	\$ 19	\$ -
Total Local Sources	-	19	19	-
Total Revenues	-	19	19	-
Expenditures:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	-	-	-	-
Other Financing Sources:				
Transfers Out	-	(380)	(380)	-
Total Other Financing Sources	-	(380)	(380)	-
Net Change in Fund Balance	\$ -	\$ (361)	\$ (361)	\$ -
Fund Balance, Beginning			397	
Fund Balance, Ending			\$ 36	

The School Board of Indian River County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects - SBE / COBI Bonds Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local Sources:				
Investment Income	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Capital Outlay	22	22	17	5
Interest and Fiscal Charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>22</u>	<u>22</u>	<u>17</u>	<u>5</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(22)</u>	<u>(22)</u>	<u>(17)</u>	<u>5</u>
Other Financing Sources				
Issuance of SBE/COBI Bonds	-	-	-	-
Premium on Issuance of SBE/COBI Bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (22)</u>	<u>\$ (22)</u>	(17)	<u>\$ 5</u>
Fund Balance, Beginning			<u>22</u>	
Fund Balance, Ending			<u>\$ 5</u>	

The School Board of Indian River County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects - Capital Outlay & Debt Service Fund
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State Sources:				
CO&DS Distribution	\$ 69	\$ 75	\$ 75	\$ -
Local Sources:				
Investment Income	-	-	-	-
Total Revenues	<u>69</u>	<u>75</u>	<u>75</u>	<u>-</u>
Expenditures:				
Capital Outlay	303	310	165	145
Total Expenditures	<u>303</u>	<u>310</u>	<u>165</u>	<u>145</u>
Net Change in Fund Balance	<u>\$ (234)</u>	<u>\$ (235)</u>	(90)	<u>\$ 145</u>
Fund Balance, Beginning			<u>235</u>	
Fund Balance, Ending			<u>\$ 145</u>	

The School Board of Indian River County, Florida
Statement of Changes in Assets and Liabilities
Fiduciary Funds - Agency Funds
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	<u>Balance</u> <u>July 1, 2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2014</u>
ASSETS				
Cash and Cash Equivalents	\$ 1,284	\$ 3,577	\$ 3,469	\$ 1,392
Accounts Receivable	3	7	3	7
Inventory	42	60	42	60
Total Assets	<u>\$ 1,329</u>	<u>\$ 3,644</u>	<u>\$ 3,514</u>	<u>\$ 1,459</u>
LIABILITIES				
Accounts Payable	\$ 13	\$ 55	\$ 13	\$ 55
Internal Accounts Payable	1,316	3,589	3,501	1,404
Total Liabilities	<u>\$ 1,329</u>	<u>\$ 3,644</u>	<u>\$ 3,514</u>	<u>\$ 1,459</u>

The School Board of Indian River County, Florida
Combining Statement of Net Position
Nonmajor Component Units
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

	Charter High School, Inc.	Charter Junior High, Inc.	Academy, Inc.	Charter School, Inc.	at South Vero, LLC	Total Charter Schools
ASSETS						
Cash and Cash Equivalents	\$ 1,478	\$ 136	\$ 123	\$ 527	\$ 1,168	\$ 3,432
Receivables	114	-	-	-	47	161
Due from Other Agencies	-	-	13	9	41	63
Prepaid Items	80	-	-	-	77	157
Capital Assets (Net of Accumulated Depreciation):						
Land	-	181	-	599	-	780
Improvements Other than Buildings	298	-	3	57	-	358
Buildings and Fixed Equipment	4,697	3,053	1,360	4,383	21	13,514
Furniture, Fixtures and Equipment	295	162	22	102	127	708
Motor Vehicles	-	-	7	-	-	7
Property Under Capital Leases	-	5	-	-	-	5
Audio Visual Materials	-	-	-	-	14	14
Computer Software	7	-	-	-	-	7
Total Assets	<u>6,969</u>	<u>3,537</u>	<u>1,528</u>	<u>5,677</u>	<u>1,495</u>	<u>19,206</u>
LIABILITIES						
Accrued Salaries and Benefits Payable	184	-	-	-	322	506
Accounts Payable	26	41	13	-	56	136
Accrued Expenses	3	-	-	-	-	3
Unearned Revenue	339	-	-	-	24	363
Long-Term Liabilities:						
Portion Due Within One Year:						
Notes Payable	319	144	26	162	-	651
Obligations Under Capital Leases	-	6	-	-	-	6
Portion Due After One Year:						
Notes Payable	961	2,609	367	3,221	-	7,158
Obligations Under Capital Leases	-	15	-	-	-	15
Total Liabilities	<u>1,832</u>	<u>2,815</u>	<u>406</u>	<u>3,383</u>	<u>402</u>	<u>8,838</u>
NET POSITION						
Net Investment in Capital Assets	4,017	627	999	1,758	162	7,563
Restricted for:						
Food Service	-	-	14	-	96	110
Capital Projects	2	-	-	-	-	2
Unrestricted	<u>1,118</u>	<u>95</u>	<u>109</u>	<u>536</u>	<u>835</u>	<u>2,693</u>
Total Net Position	<u>\$ 5,137</u>	<u>\$ 722</u>	<u>\$ 1,122</u>	<u>\$ 2,294</u>	<u>\$ 1,093</u>	<u>\$ 10,368</u>

The School Board of Indian River County, Florida
Combining Statement of Activities
Nonmajor Component Units
For the Fiscal Year Ended June 30, 2014
(amounts expressed in thousands)

Functions/Programs	Indian River Charter High School, Inc.	Sebastian Charter Junior High, Inc.	St. Peter's Academy, Inc.	North County Charter School, Inc.	Imagine Schools at South Vero, LLC	Total Charter Schools
Expenses:						
Instruction	\$ 2,794	\$ 905	\$ 725	\$ 832	\$ 3,074	\$ 8,330
Pupil Personnel Services	284					284
Health Services					26	26
Instructional Media Services	67					67
Instruction and Curriculum Development Services Technology					47	47
Instructional Staff Training Services		4				4
School Board		2		2	24	28
General Administration			17			17
School Administration	574	324	197	233	1,171	2,499
Facilities Services - Non-Capitalized	92	2		3		97
Fiscal Services		42		12		54
Food Services		80	96	113	281	570
Central Services	49				10	59
Pupil Transportation Services	5	33	59	25		122
Operation of Plant	487	92	189	135	1,676	2,579
Maintenance of Plant	35	5		3	45	88
Administrative Technology	115					115
Community Services	-				67	67
Unallocated Interest on Long-Term Debt	55	92	19	106		272
Depreciation/Amortization - Unallocated	440	68		80		588
Total Expenses	4,997	1,649	1,302	1,544	6,421	15,913
Program Revenues:						
Charges for Services	101			52	526	679
Operating Grants and Contributions		80	173	89	544	886
Capital Grants and Contributions		104	19	106	-	229
Total Program Revenues	101	184	192	247	1,070	1,794
Net Program Expense	(4,896)	(1,465)	(1,110)	(1,297)	(5,351)	(14,119)
General Revenues:						
Grants and Contributions not Restricted to Specific Programs	4,178	1,239	970	1,715	5,842	13,944
Unrestricted Investment Earnings	5					5
Miscellaneous	403	81				484
Total General Revenues	4,586	1,320	970	1,715	5,842	14,433
Changes in Net Position	(310)	(145)	(140)	418	491	314
Net Position - Beginning	5,447	867	1,262	1,876	602	10,054
Net Position - Ending	\$ 5,137	\$ 722	\$ 1,122	\$ 2,294	\$ 1,093	\$ 10,368

STATISTICAL SECTION

This part of the School Board of Indian River County, Florida's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Contents	Table
<u><i>Financial Trends Information</i></u>	1
These tables contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
<u><i>Revenue Capacity Information</i></u>	6
These tables contain information to help the reader assess the District's most significant local revenue sources, the property tax.	
<u><i>Debt Capacity Information</i></u>	10
These tables present information to help the reader assess the affordability of the District's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
<u><i>Demographic and Economic Information</i></u>	15
These tables offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
<u><i>Operating Information</i></u>	17
These tables contain service data to help the reader understand how the information in the District's financial report relates to the service the District provides and the activities it perform	



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The School Board of Indian River County, Florida
 Net Position by Component - Government-Wide
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)
 (amounts expressed in thousands)
 (Unaudited)

	Fiscal Year Ending									
	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
Governmental Activities:										
Net Investment in Capital Assets	\$ 119,712	\$ 153,266	\$ 168,013	\$ 178,107	\$ 192,693	\$ 194,967	\$ 204,036	\$ 212,594	\$ 209,060	\$ 208,351
Restricted	42,769	37,121	51,577	56,935	53,202	54,814	44,120	33,743	37,900	38,435
Unrestricted	8,274	10,717	8,125	2,731	(2,812)	(11,162)	(909)	(2,175)	(6,262)	(8,159)
Total Governmental Activities Net Position	<u>\$ 170,755</u>	<u>\$ 201,104</u>	<u>\$ 227,715</u>	<u>\$ 237,773</u>	<u>\$ 243,083</u>	<u>\$ 238,619</u>	<u>\$ 247,247</u>	<u>\$ 244,162</u>	<u>\$ 240,698</u>	<u>\$ 238,627</u>
Business-Type Activities:										
Unrestricted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 253</u>	<u>\$ 339</u>	<u>\$ 401</u>	<u>\$ 520</u>	<u>\$ 566</u>	<u>\$ 618</u>
Primary Government:										
Net Investment in Capital Assets	\$ 119,712	\$ 153,266	\$ 168,013	\$ 178,107	\$ 192,693	\$ 194,967	\$ 204,036	\$ 212,594	\$ 209,060	\$ 208,351
Restricted	42,769	37,121	51,577	56,935	53,202	54,814	44,120	33,743	37,900	38,435
Unrestricted	8,274	10,717	8,125	2,731	(2,559)	(10,823)	(508)	(1,655)	(5,696)	(7,541)
Total Primary Government Net Position	<u>\$ 170,755</u>	<u>\$ 201,104</u>	<u>\$ 227,715</u>	<u>\$ 237,773</u>	<u>\$ 243,336</u>	<u>\$ 238,958</u>	<u>\$ 247,648</u>	<u>\$ 244,682</u>	<u>\$ 241,264</u>	<u>\$ 239,245</u>

(a) Net Position has increased significantly over the ten-year period due primarily to an increase in property tax in fiscal years 2006 through 2009 used to acquire and construct capital assets that depreciate in future years.

Source: District Records

The School Board of Indian River County, Florida
 Changes in Net Position - Government-Wide
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)
 (amounts expressed in thousands)
 (Unaudited)

	Fiscal Year Ending									
	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
Expenses:										
Governmental Activities:										
Instruction	\$ 67,292	\$ 73,352	\$ 82,995	\$ 91,695	\$ 100,824	\$ 101,193	\$ 97,419	\$ 93,440	\$ 93,379	\$ 100,814
Student Personnel Services	3,922	4,255	5,146	5,344	5,858	5,604	4,784	4,714	4,604	5,012
Instructional Media Services	1,865	1,994	2,082	2,116	2,461	2,512	2,172	2,048	2,079	2,174
Instruction and Curriculum Development Services	5,939	6,155	6,342	6,854	6,712	5,632	4,862	4,569	5,351	5,580
Instructional Staff Training Services	718	1,086	1,217	1,186	1,000	2,452	2,235	2,226	1,970	2,530
Instruction Related Technology (a)	-	424	599	955	952	1,062	1,006	1,375	941	1,255
School Board	712	926	911	978	1,103	1,195	1,031	835	797	945
General Administration	754	801	848	705	870	804	843	922	1,030	901
School Administration	6,303	6,841	9,214	9,529	9,777	9,353	8,425	7,875	8,632	8,747
Facilities Services - Non-Capitalized	4,931	6,731	12,240	13,352	11,227	12,690	14,809	5,785	6,775	4,015
Fiscal Services	1,021	996	1,324	1,257	1,298	1,301	1,429	1,220	1,586	1,312
Food Services	6,936	7,622	7,890	8,315	8,848	8,754	8,102	9,257	8,725	8,608
Central Services	4,061	2,189	2,438	2,666	2,638	2,631	2,138	2,154	2,167	2,506
Student Transportation Services	3,655	4,083	5,162	6,689	6,599	6,354	6,106	6,361	6,425	6,683
Operation of Plant	10,772	12,156	14,087	14,906	13,883	12,341	11,634	13,080	13,418	13,430
Maintenance of Plant	4,896	3,676	3,864	3,638	3,804	97	412	3,218	3,455	3,427
Administrative Technology Services (a)	-	1,625	1,927	2,352	2,752	2,515	2,496	2,042	2,357	3,756
Community Services	2,017	961	1,010	1,030	48	281	281	255	250	251
Unallocated Interest on Long-Term Debt	1,860	3,745	5,062	6,575	7,081	6,852	7,339	7,344	6,840	6,281
Depreciation - Unallocated	7,969	8,892	10,088	9,688	-	-	-	-	-	-
Loss on Disposal of Capital Assets	1,123	-	327	-	-	-	-	2,367	2,091	-
Extraordinary Item:										
Claims Settlement	367	222	-	-	-	-	-	-	-	-
Total Governmental Activities Expenses	137,113	148,732	174,773	189,830	187,735	183,623	177,523	171,087	172,872	178,227
Business-Type Activities:										
Extended Day Program	-	-	-	-	827	717	709	650	663	663
Total Business-Type Activities Expenses	-	-	-	-	827	717	709	650	663	663
Total Primary Government Expenses	137,113	148,732	174,773	189,830	188,562	184,340	178,232	171,737	173,535	178,890

Source: District Records

(a) In fiscal year ending June 30, 2006, two new function / expense classifications were established to report technology expenses previously reported in central services.

The School Board of Indian River County, Florida
 Changes in Net Position - Government-Wide
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)
 (amounts expressed in thousands)
 (Unaudited)

	Fiscal Year Ending									
	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
Program Revenues:										
Governmental Activities:										
Charges for Services										
Instruction	\$ 205	\$ 159	\$ 1,454	\$ 1,461	\$ 475	\$ 496	\$ 285	\$ 345	\$ 334	\$ 304
Food Services	2,279	2,670	2,951	3,138	3,025	2,953	2,842	2,491	2,087	1,722
Student Transportation	15	10	10	11	29	31	22	33	44	57
Community	1,032	1,174	-	-	-	-	183	182	170	173
Operating Grants and Contributions	7,734	8,280	8,012	8,442	9,320	5,834	5,765	6,331	6,354	6,493
Capital Grants and Contributions	3,595	3,058	11,940	4,342	7,984	1,246	2,523	2,212	2,853	3,068
Total Government Activities Program Revenues	14,860	15,351	24,367	17,394	20,833	10,560	11,620	11,594	11,842	11,817
Business Type Activities:										
Extended Day Program - Charges for Services	-	-	-	-	872	802	769	767	708	714
Total Primary Government Program Revenues	14,860	15,351	24,367	17,394	21,705	11,362	12,389	12,361	12,550	12,531
Net (Expenses) / Revenues										
Governmental Activities	(122,253)	(133,381)	(150,406)	(172,436)	(166,902)	(173,063)	(165,903)	(159,493)	(161,030)	(166,410)
Business-Type Activities	-	-	-	-	45	85	60	117	45	51
Total Primary Government Net (Expenses) / Revenues	(122,253)	(133,381)	(150,406)	(172,436)	(166,857)	(172,978)	(165,843)	(159,376)	(160,985)	(166,359)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes:										
Levied for Operational Purposes	71,074	81,182	89,194	94,914	88,841	93,743	93,342	86,569	83,819	87,941
Levied for Debt Services	5,671	4,969	4,828	4,861	4,954	4,850	4,794	4,727	5,085	19
Levied for Capital Projects	23,587	27,590	34,531	36,012	31,012	24,275	21,816	20,509	19,583	19,887
Grants and Contributions										
Not Restricted to Specific Programs	24,893	30,315	37,796	37,938	37,706	42,236	51,432	41,342	46,746	53,933
Restricted Investment Earnings	-	1,518	-	-	-	-	-	-	-	-
Unrestricted Investment Earnings	1,240	2,808	7,537	5,158	(767)	1,877	1,309	931	1,063	294
Miscellaneous	22,180	15,348	3,034	3,611	10,672	1,618	1,838	2,330	2,432	2,265
Total Governmental Activities General Revenues	148,645	163,730	176,920	182,494	172,418	168,599	174,531	156,408	158,728	164,339
Business-Type Activities:										
Extended Day Care Program - Investment Earnings	-	-	-	-	2	1	2	2	1	1
Total Business-Type Activities Revenues	-	-	-	-	2	1	2	2	1	1
Total Primary Government General Revenues and Other Changes in Net Position	148,645	163,730	176,920	182,494	172,420	168,600	174,533	156,410	158,729	164,340
Changes in Net Position										
Governmental Activities	26,392	30,349	26,514	10,058	5,516	(4,464)	8,628	(3,085)	(2,302)	(2,071)
Business-Type Activities	-	-	-	-	47	86	62	119	46	52
Total Primary Government	\$ 26,392	\$ 30,349	\$ 26,514	\$ 10,058	\$ 5,563	\$ (4,378)	\$ 8,690	\$ (2,966)	\$ (2,256)	\$ (2,019)

Source: District Records

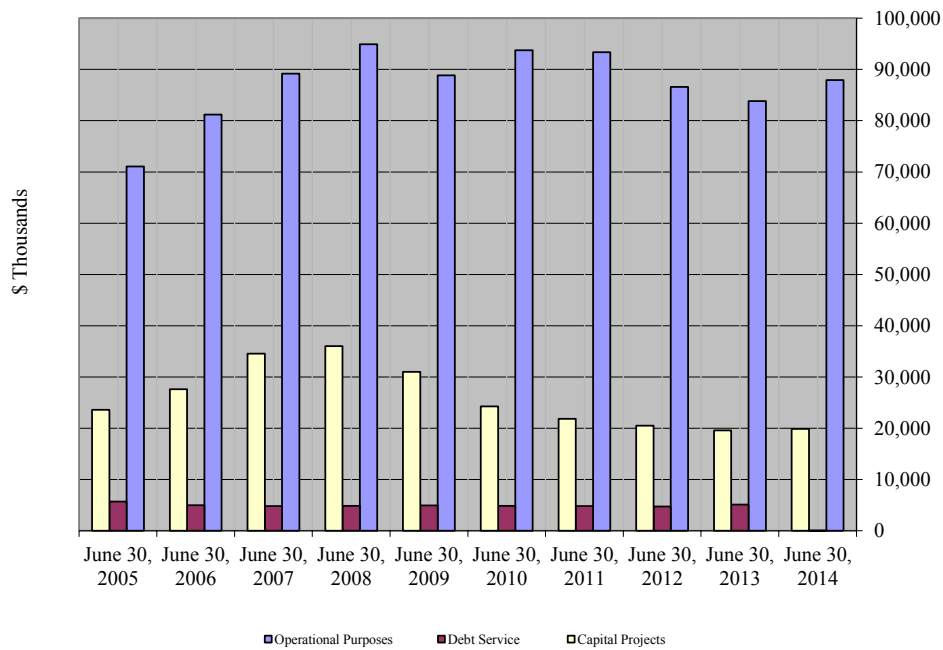
Table 3

The School Board of Indian River County, Florida
 Governmental Activities Tax Revenues by Source
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)
 (amounts expressed in thousands)
 (Unaudited)

Fiscal Year Ending	Property Tax			Total
	Operational Purposes	Debt Service	Capital Projects	
June 30, 2014	\$ 87,941	\$ 19	\$ 19,887	\$ 107,847
June 30, 2013	83,819	5,085	19,583	108,487
June 30, 2012	86,569	4,727	20,509	111,805
June 30, 2011	93,342	4,794	21,816	119,952
June 30, 2010	93,743	4,850	24,275	122,868
June 30, 2009	88,841	4,954	31,012	124,807
June 30, 2008	94,914	4,861	36,012	135,787
June 30, 2007	89,194	4,828	34,531	128,553
June 30, 2006	81,182	4,969	27,590	113,741
June 30, 2005	71,074	5,671	23,587	100,332

Source: District Records

Governmental Activities Tax Revenues by Source



The School Board of Indian River County, Florida
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(amounts expressed in thousands)
(Unaudited)

	<u>Restated (1)</u> <u>June 30, 2005</u>	<u>Restated (1)</u> <u>June 30, 2006</u>	<u>Restated (1)</u> <u>June 30, 2007</u>	<u>Restated (1)</u> <u>June 30, 2008</u>	<u>Restated (1)</u> <u>June 30, 2009</u>
General Fund					
Nonspendable	\$ 332	\$ 433	\$ 397	\$ 474	\$ 429
Restricted	2,140	567	1,259	193	-
Assigned	984	642	511	551	355
Unassigned	9,966	11,109	9,207	8,663	4,061
Total General Fund	<u>\$ 13,422</u>	<u>\$ 12,751</u>	<u>\$ 11,374</u>	<u>\$ 9,881</u>	<u>\$ 4,845</u>
All Other Governmental Funds					
Nonspendable	\$ 315	\$ 295	\$ -	\$ -	\$ -
Restricted	41,112	92,442	95,394	113,922	78,490
Assigned		-	-	-	-
Unassigned: (2)					
Special Revenue Fund	-	-	(336)	(849)	(501)
Total All Other Governmental Funds:	<u>\$ 41,427</u>	<u>\$ 92,737</u>	<u>\$ 95,058</u>	<u>\$ 113,073</u>	<u>\$ 77,989</u>

(1) The District implemented GASB 54 for the fiscal year ended June 30, 2011. The fund balances from the prior fiscal years were restated for comparison purposes.

(2) The District reported a negative unassigned fund balance for the All Other Governmental Funds for fiscal years ending June 30, 2007, June 30, 2008, and June 30, 2009, due to negative ending fund balances in the Special Revenue Fund - Food Service.

Source: District Records

Table 4

Restated (1)				
June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
\$ 335	\$ 330	\$ 916	\$ 685	\$ 417
582	2,208	2,754	4,303	6,520
258	6,539	3,489	2,783	6,070
1,362	5,495	9,129	9,191	7,517
\$ 2,537	\$ 14,572	\$ 16,288	\$ 16,962	\$ 20,524
\$ 150	\$ 208	\$ 1,802	\$ 1,028	\$ 318
67,578	73,408	45,153	39,827	31,653
-	-	-	-	-
-	-	-	-	-
\$ 67,728	\$ 73,616	\$ 46,955	\$ 40,855	\$ 31,971

Table 5

The School Board of Indian River County, Florida
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)
 (amounts expressed in thousands)
 (Unaudited)

	Fiscal Year Ending									
	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
Revenues:										
Federal Direct Sources:										
Reserve Officers Training Corps (ROTC)	\$ 100	\$ 105	\$ 92	\$ 116	\$ 121	\$ 133	\$ 101	\$ 167	\$ 146	\$ 152
Other Federal Direct Sources	322	366	128	291	62	-	694	1,523	1,457	1,451
Total Federal Direct	422	471	220	407	183	133	795	1,690	1,603	1,603
Federal Through State Sources:										
Food Service	4,273	3,879	3,734	4,343	5,202	5,694	5,645	6,215	6,243	6,384
Donated Foods	300	292	145	-	-	-	-	-	-	-
Other Federal Through State Grants	7,086	7,638	7,993	7,866	7,987	18,178	22,254	9,607	9,766	10,805
Total Federal Through State Sources:	11,659	11,809	11,872	12,209	13,189	23,872	27,899	15,822	16,009	17,189
Federal Through Local Sources:										
Other Federal Through Local Grants	45	14	48	-	-	-	-	-	-	-
Total Federal Through Local Sources:	45	14	48	-	-	-	-	-	-	-
State Sources:										
Florida Education Finance Program (FEFP)	11,745	6,581	8,326	4,575	5,732	1,726	6,164	8,141	13,252	20,125
Categorical Programs - Class Size Reduction	11,983	16,866	19,652	23,096	25,476	18,851	19,449	19,742	19,806	19,323
District Discretionary Lottery Funds	1,658	797	672	831	425	49	66	58	-	175
CO&DS Distribution	565	100	100	193	96	83	72	69	79	75
CO&DS Withheld for SBE/COBI Bonds	79	500	565	489	592	590	601	603	603	602
Public Education Capital Outlay	-	2,386	3,082	3,660	1,829	295	825	-	-	-
Food Service	178	159	171	126	113	140	122	119	115	109
Other State Sources	6,005	1,970	12,144	4,239	7,084	3,279	3,397	3,228	3,771	3,350
Total State Sources	32,213	29,359	44,712	37,209	41,347	25,013	30,696	31,960	37,626	43,759
Local Sources:										
Ad Valorem Taxes	94,597	113,741	128,553	135,787	124,807	122,868	119,952	111,805	108,487	107,847
Impact Fees	-	5,409	1,055	1,186	291	279	332	409	713	940
Food Service	2,279	2,953	2,466	2,775	3,025	2,953	2,842	2,491	2,087	1,722
Investment Income	3,571	4,689	6,995	4,776	(739)	1,741	1,228	729	875	283
Other Local Sources	6,336	3,593	3,932	4,442	2,801	2,610	2,632	3,259	3,607	3,065
Total Local Sources	106,783	130,385	143,001	148,966	130,185	130,451	126,986	118,693	115,769	113,857
Total Revenues	\$ 151,122	\$ 172,038	\$ 199,853	\$ 198,791	\$ 184,904	\$ 179,469	\$ 186,376	\$ 168,165	\$ 171,007	\$ 176,408

Source: District Records

Table 5

	Fiscal Year Ending									
	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
Expenditures:										
Current:										
Instruction	\$ 67,784	\$ 73,938	\$ 82,218	\$ 89,240	\$ 90,317	\$ 90,005	\$ 89,556	\$ 84,976	\$ 84,134	\$ 90,852
Student Personnel Services	3,917	4,298	5,089	5,179	5,124	4,971	4,447	4,238	4,149	4,469
Instructional Media Services	1,875	2,012	2,065	2,060	2,173	2,238	1,991	1,841	1,851	1,951
Instruction and Curriculum										
Development Services	5,916	6,203	6,202	6,664	5,852	5,186	4,627	4,183	4,716	5,022
Instructional Staff Training Services	724	1,086	1,197	1,161	955	2,115	2,040	1,958	1,821	2,274
Instruction Related Technology (a)	-	429	591	934	832	949	921	1,246	830	1,176
School Board	1,081	1,371	1,060	1,040	1,013	1,078	954	763	724	866
General Administration	739	806	826	686	816	729	795	717	944	806
School Administration	6,261	6,918	8,851	9,275	9,060	8,270	7,868	7,185	7,835	7,809
Facilities Services-Non-Capitalized	5,345	6,831	12,222	13,372	10,530	11,732	13,677	5,360	6,207	3,712
Fiscal Services	1,017	1,061	1,307	1,218	1,141	1,147	1,318	1,097	1,427	1,181
Food Service	6,933	7,700	7,896	8,158	8,056	7,859	7,446	8,440	7,915	7,796
Central Services	4,068	2,445	2,571	2,519	2,080	2,085	2,024	1,942	2,005	2,253
Student Transportation Services	3,652	4,137	5,175	6,060	5,468	5,208	4,958	5,048	5,011	5,202
Operation of Plant	10,759	12,225	14,030	14,726	12,721	11,175	10,766	11,953	12,217	12,217
Maintenance of Plant	4,908	3,702	3,827	3,428	3,323	-	299	2,800	3,006	2,932
Administrative Technology Services (a)	-	1,639	1,908	2,318	2,473	2,237	2,506	1,845	2,137	3,359
Community Services	2,025	962	1,012	1,006	46	278	277	248	233	245
Capital Outlay:										
Facilities Acquisition and Construction	20,687	48,896	25,642	42,802	43,701	14,720	20,710	28,062	10,570	17,988
Other Capital Outlay	2,855	3,617	3,750	2,990	5,400	4,106	1,034	2,166	2,170	3,035
Debt Service:										
Principal	4,469	13,912	6,947	8,089	8,475	9,128	9,429	9,898	10,338	5,712
Interest and Fiscal Charges	1,689	5,028	5,085	7,273	7,100	6,882	7,376	7,387	6,976	6,344
Total Expenditures	156,704	209,216	199,471	230,198	226,656	192,098	195,019	193,353	177,216	187,201
Excess of Revenues over (under)										
Expenditures	(5,582)	(37,178)	382	(31,407)	(41,752)	(12,629)	(8,643)	(25,188)	(6,209)	(10,793)
Other Financing Sources (Uses)										
Transfers In	2,967	13,451	9,403	14,692	16,303	13,375	10,846	15,649	12,795	16,490
Transfers Out	(2,967)	(13,451)	(9,403)	(14,692)	(16,303)	(13,375)	(10,846)	(15,649)	(12,795)	(16,490)
Sale of Capital Assets	18	44	24	13	99	57	88	68	291	1,063
Loss Recoveries	12,123	6,814	538	1,134	16	3	43	175	492	250
Bonds Payable	16,405	-	-	1,210	-	-	160	-	-	-
Issuance of Refunding Bonds	-	-	-	-	-	-	-	-	-	3,603
Certificates of Participation	-	80,050	-	45,020	-	-	26,261	-	-	-
Premiums on Issuance of Long-Term Debt	240	912	-	552	-	-	14	-	-	555
Payment to Refunding Bonds Escrow Agent	-	-	-	-	-	-	-	-	-	-
Capital Lease Inception	-	-	-	-	1,766	-	-	-	-	-
Total Other Financing Sources (Uses)	28,786	87,820	562	47,929	1,881	60	26,566	243	783	5,471
Net Change in Fund Balances	\$ 23,204	\$ 50,642	\$ 944	\$ 16,522	\$ (39,871)	\$ (12,569)	\$ 17,923	\$ (24,945)	\$ (5,426)	\$ (5,322)
Debt Service as a percentage of non-capital expenditures	4.62%	12.09%	7.07%	8.33%	8.77%	9.24%	9.70%	10.60%	10.53%	7.25%

(a) In fiscal year ending June 30, 2006, two new function / expense classifications were established to report technology expenses previously reported in central services.

Source: District Records

The School Board of Indian River County, Florida
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 (amounts expressed in thousands)
 (Unaudited)

Fiscal Year	Real Property Just Value	Personal Property Just Value	Total Just Value (1)	Total Taxable Value	Percent of Total Taxable Value To Total Just Value	Total Direct Rate
2013-14	\$ 16,819,746	\$ 697,295	\$ 17,530,475	\$ 13,688,603	78.1%	8.116
2012-13	16,551,936	635,119	17,199,280	13,492,590	78.4%	8.313
2011-12	17,279,268	644,206	17,937,953	14,009,273	78.1%	8.244
2010-11	17,312,036	652,541	17,979,056	14,990,362	83.4%	8.250
2009-10	21,257,277	761,011	22,033,451	16,698,857	75.8%	7.596
2008-09	24,122,081	739,468	24,881,556	18,328,612	73.7%	7.040
2007-08	25,141,885	782,529	25,938,182	18,620,780	71.8%	7.538
2006-07	25,447,211	755,187	26,214,228	17,885,105	68.2%	7.443
2005-06	19,253,495	712,012	19,977,046	14,279,413	71.5%	8.240
2004-05	15,705,282	699,716	16,416,179	12,222,586	74.5%	8.499

(1) Includes Centrally Assessed Property

Source: Florida Department of Revenue, Florida Property Valuations and Tax Data Book, 2005-2014

Table 7

The School Board of Indian River County, Florida
 Property Tax Rates
 Direct and Overlapping Governments
 Last Ten Fiscal Years
 (per \$1,000 Assessed Valuation)
 (Unaudited)

	Fiscal Year			
	2004-05	2005-06	2006-07	2007-08
District School Board:				
Local Required Effort	5.4360	5.2440	4.5510	4.6570
Discretionary Local	0.5100	0.5100	0.5100	0.5100
Supplemental Discretionary	0.0730	0.1260	0.1020	0.1010
Critical Operating Needs	0.0000	0.0000	0.0000	0.0000
Debt Service	0.4800	0.3600	0.2800	0.2700
Capital Improvement	2.0000	2.0000	2.0000	2.0000
Total District School Board	8.4990	8.2400	7.4430	7.5380
Other County-Wide:				
Board of County Commissioners	5.1563	4.9173	4.3250	4.1037
St. John River Water Management	0.4620	0.4620	0.4620	0.4158
Total County-Wide	14.1173	13.6193	12.2300	12.0575
Municipalities:				
Fellsmere	5.7500	5.7500	5.7500	4.4301
Indian River Shores	1.4730	1.4730	1.4730	1.3923
Sebastian	4.5904	3.9325	3.0519	2.9917
Orchid	0.7508	0.6900	0.4525	0.4494
Vero Beach	2.1425	2.2925	2.1425	1.9367

Source: Indian River County Tax Collector

Table 7

Fiscal Year					
2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
4.4100	5.0480	5.4220	5.3960	5.4250	5.2680
0.4980	0.7480	0.7480	0.7480	0.7480	0.7480
0.1020	0.0000	0.0000	0.0000	0.0000	0.0000
0.0000	0.0000	0.2500	0.2500	0.2500	0.6000
0.2800	0.3000	0.3300	0.3500	0.3900	0.0000
1.7500	1.5000	1.5000	1.5000	1.5000	1.5000
7.0400	7.5960	8.2500	8.2440	8.3130	8.1160
4.1493	4.1666	4.1625	4.1625	4.1625	5.2419
0.4158	0.4158	0.4158	0.3313	0.3313	0.3164
11.6051	12.1784	12.8283	12.7378	12.8068	13.6743
4.4300	4.4300	4.4300	5.2455	5.4999	5.6190
1.3923	1.3923	1.4105	1.4731	1.4731	1.4731
3.3456	3.3456	3.3041	3.3041	3.7166	3.7166
0.4550	0.4550	0.4550	0.4550	0.5000	0.4864
1.9367	1.9367	1.9367	2.0336	2.0336	2.0336

The School Board of Indian River County, Florida
Principal Property Taxpayers
Current Year and Nine Years Ago
(Unaudited)

Taxpayer	Type of Business	Rank	Fiscal Year	
			2013-2014	
			Taxable Assessed Value	Percentage of Total Assessed Value
Florida Power & Light	Electrical Utility	1	\$ 104,169,885	0.76%
Disney Vacation Dev., Inc.	Resort	2	70,980,390	0.52%
Windsor Properties	Land Development	3	37,435,960	0.27%
Bellsouth Telecommunications, Inc.	Telephone Utility	4	36,274,996	0.27%
Adult Community Services, Inc.	Retirement Community	5	32,546,340	0.24%
Beachlen II LLC	Land Development	6	31,610,580	0.23%
John's Island Club, Inc.	Land Development	7	30,565,160	0.22%
IR Mall Associates, LTD	Retail	8	28,501,910	0.21%
Fellsmere Joint Venture	Land Development	9	26,024,499	0.19%
Health Care REIT, Inc.	Healthcare	10	24,434,920	0.18%
Total			\$ 422,544,640	3.09%
Total County Taxable Valuation			\$ 13,688,603,000	
Taxpayer	Type of Business	Rank	Fiscal Year	
			2004-2005	
			Taxable Assessed Value	Percentage of Total Assessed Value
Disney Vacation Dev., Inc.	Resort	1	\$ 86,931,558	0.71%
Florida Power & Light	Electric Utility	2	83,146,300	0.68%
Bellsouth Telecommunications, Inc.	Telephone Utility	3	60,663,012	0.50%
IR Mall Associates LTD	Retail	4	56,938,710	0.47%
John's Island Club, Inc.	Club & Golf Course	5	40,002,227	0.33%
Windsor Properties	Land Development	6	39,820,277	0.33%
Adult Community Total Services	Retirement Community	7	32,836,850	0.27%
New Piper Aircraft, Inc.	Aircraft Manufacturer	8	30,705,574	0.25%
Wal-Mart Stores, Inc.	Retail	9	28,541,120	0.23%
Fellsmere Joint Venture	Land Development	10	25,388,284	0.21%
Total			\$ 484,973,912	3.97%
Total County Taxable Valuation			\$ 12,222,586,000	

Source: Indian River County Property Appraiser

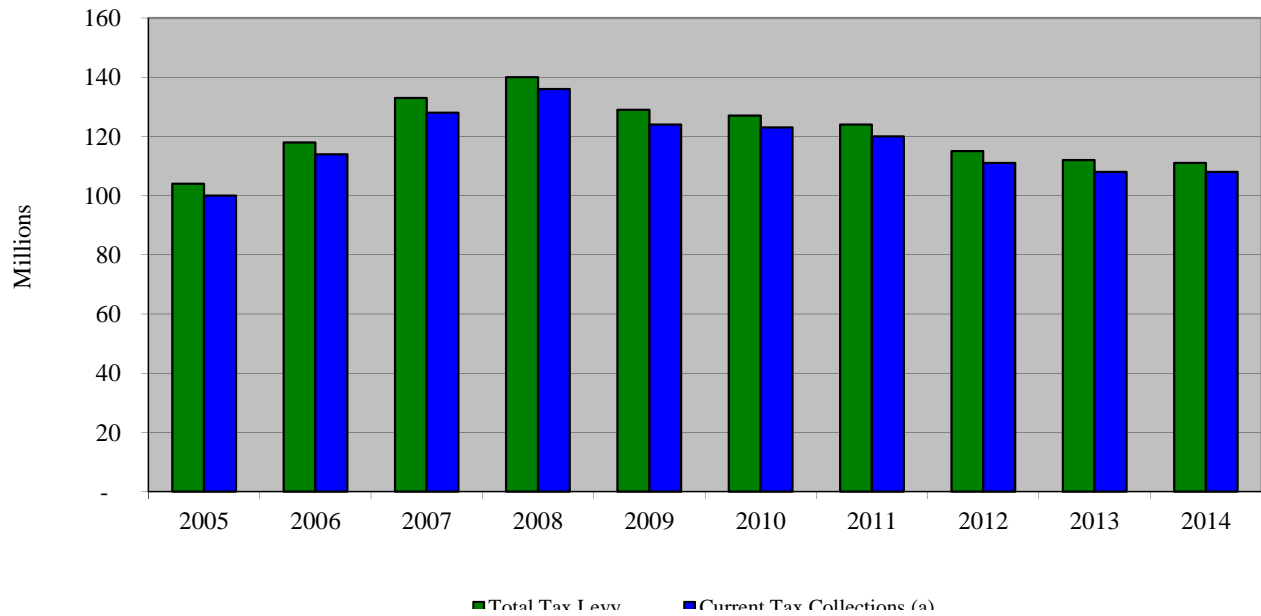
The School Board of Indian River County, Florida
 Property Tax Levies and Collections
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	Total Tax Levy	Collected to End of Tax Year		Collections in Subsequent Years	Total Collections to Date	
		Current Tax Collections (a)	Percent of Levy		Amount	Percent of Levy
2013-14	\$111,086,921	\$107,716,313	96.97%	\$ -	\$107,716,313	96.97%
2012-13	112,162,883	108,355,535	96.61%	130,937	108,486,472	96.72%
2011-12	115,490,776	111,658,599	96.68%	129,465	111,788,064	96.79%
2010-11	123,732,637	119,596,795	96.66%	147,355	119,744,150	96.78%
2009-10	126,867,058	122,523,901	96.58%	354,944	122,878,845	96.86%
2008-09	129,610,986	124,807,833	96.29%	344,273	125,152,106	96.56%
2007-08	140,360,409	135,787,419	96.74%	123,000	135,910,419	96.83%
2006-07	133,125,836	127,641,674	95.88%	12,803	127,654,477	95.89%
2005-06	117,644,386	113,740,009	96.68%	11,332	113,751,341	96.69%
2004-05	103,890,424	100,330,948	96.57%	115	100,331,063	96.57%

(a) Net of allowable discounts

Source: Indian River County Tax Collector and District Records

Property Tax Levies and Collections



The School Board of Indian River County, Florida
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	Governmental Activities ⁽¹⁾					Percentage of Personal Income (a)	Per Capita (b)
	General Obligation Bonds	State Board of Education Bonds	Certificates Of Participation ⁽²⁾	Capital Leases	Total Primary Government		
2013-14	\$ -	\$ 9,573,011	\$ 117,552,599	\$ -	\$ 127,125,610	1.694%	895
2012-13	-	5,760,000	122,688,585	301,547	128,750,132	1.807%	921
2011-12	4,750,000	6,090,000	127,629,571	689,849	139,159,420	1.791%	1,008
2010-11	9,270,000	6,405,000	132,390,557	1,062,988	149,128,545	3.273%	1,080
2009-10	13,520,000	6,545,000	110,720,543	1,421,555	132,207,098	1.914%	978
2008-09	17,580,000	6,825,000	115,151,530	1,849,599	141,406,129	1.858%	1,000
2007-08	21,505,000	7,090,000	119,427,516	163,043	148,185,559	1.932%	1,046
2006-07	25,310,000	6,090,000	77,970,996	237,974	109,608,970	1.403%	784
2005-06	28,985,000	6,370,000	80,916,607	329,818	116,601,425	1.665%	862
2004-05	32,520,000	6,555,000	-	522,253	39,597,253	0.673%	304

Note: The primary government does not have any outstanding debt for business-type activities.

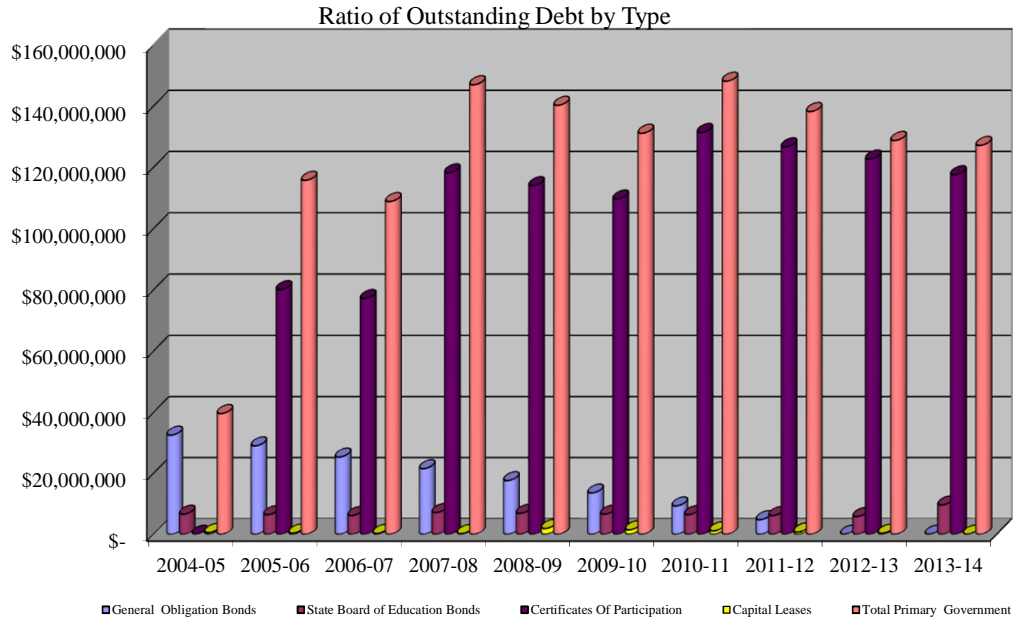
⁽¹⁾ Source: District Records

(a) "Total Primary Government Debt" divided by "Personal Income" from Table 15.

(b) "Total Primary Government Debt" divided by "Population" from Table 15.

⁽²⁾ Source: District Records

Restatement of Certificate of Participation balances to include premiums and discounts



The School Board of Indian River County, Florida
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Estimated Population (a)	Net Taxable Assessed Value (b)	Gross Bonded Debt (c)	Less Debt Service Funds (d)	Net Bonded Debt	Percentage of Net General Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2013-14	141,994	\$ 16,819,746	\$ -	\$ -	\$ -	0.000%	\$ -
2012-13	139,760	16,551,936	-	-	-	0.000%	-
2011-12	138,028	17,279,268	4,750,000	419,786	4,330,214	0.025%	31
2010-11	138,028	17,312,036	9,270,000	776,002	8,493,998	0.049%	62
2009-10	135,167	21,257,277	13,520,000	964,606	12,555,394	0.059%	93
2008-09	141,475	24,122,081	17,580,000	1,081,591	16,498,409	0.068%	117
2007-08	141,667	25,141,885	21,505,000	1,093,205	20,411,795	0.081%	144
2006-07	139,757	25,447,211	25,310,000	1,159,579	24,150,421	0.095%	173
2005-06	135,262	19,253,495	28,985,000	1,190,421	27,794,579	0.144%	205
2004-05	130,043	15,705,282	32,520,000	1,096,356	31,423,644	0.200%	242

(a) Source: Population was obtained from the United States Department of Commerce, Bureau of Economic Analysis, the University of Florida, Bureau of Economic and Business Research, Indian River Chamber of Commerce & the US Census Bureau

(b) Net Taxable Assessed Values are expressed in thousands.

(c) Includes General Obligation Bonds only.

(d) Restricted for Debt Service - General Obligation Bonds only.

The School Board of Indian River County, Florida
Direct and Overlapping Governmental Activities Debt
June 30, 2014
(Unaudited)

Jurisdiction	General Obligation Bonded Debt Outstanding	Other Debt Outstanding	Direct Debt		Direct and Overlapping Debt ⁽³⁾⁽⁴⁾	
			Percentage Applicable to This Governmental Unit	Amount Applicable to This Governmental Unit	Percentage Applicable to Indian River County	Amount Applicable to Indian River County
Indian River County Board of County Commissioners ⁽¹⁾						
Series 2001-Revenue Bonds	\$ 8,145,000	\$ -	0%	\$ -	100%	\$ 8,145,000
Series 2006-Limited GO Bonds	29,987,489	-	0%	-	100%	29,987,489
Subtotal, Overlapping Debt	<u>\$ 38,132,489</u>					<u>\$ 38,132,489</u>
School Board of Indian River County ⁽²⁾						
Series 2005A State School Bonds	-	\$ 4,305,000	100%	\$ 4,305,000	100%	\$ 4,305,000
Series 2008A State School Bonds	-	970,000	100%	970,000	100%	970,000
Series 2010A State School Bonds	-	140,000	100%	140,000	100%	140,000
Series 2014A State School Bonds	-	4,158,011	100%	4,158,011	100%	4,158,011
2005 Certificates of Participation	(a) -	54,236,720	100%	54,236,720	100%	54,236,720
2007 Certificates of Participation	(a) -	37,054,879	100%	37,054,879	100%	37,054,879
2010 Certificates of Participation	(a)/(b) -	26,261,000	100%	26,261,000	100%	26,261,000
Indian River School Board Direct Debt	-	127,125,610		127,125,610		127,125,610
Total Direct and Overlapping Debt	<u>\$ 38,132,489</u>	<u>\$ 127,125,610</u>		<u>\$ 127,125,610</u>		<u>\$ 165,258,099</u>
Total Direct Debt of the School Board				<u>\$ 127,125,610</u>		
Total Direct and Overlapping Debt						<u>\$ 165,258,099</u>

(1) Source: Indian River County, Florida Comprehensive Annual Financial Report dated September 30, 2013.

(2) Source: District Records

(a) Payments appropriated annually by millage allowed under Florida Statutes, Section 1011.71, for facilities.

(b) Qualified School Construction Bond- \$4,376,833 available in sinking fund for repayment of outstanding debt.

(3) Overlapping debt is borne by all property owners within the County boundaries.

(4) Because the County and the School District coincide, the percentage of the overlap is 100%.

The School Board of Indian River County, Florida
 Ratios of Annual Debt Service Expenditures
 For General Obligation Bonded Debt
 To Total Governmental Expenditures
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	Principal	Interest	Total Debt Service (c)	Total General Governmental Non-Capital Expenditures (a) (b)	Ratio of Debt Service to General Governmental Non-Capital Expenditures
2013-14	\$ -	\$ -	\$ -	\$ -	0.000
2012-13	4,750,000	261,250	5,011,250	164,476	0.030
2011-12	4,520,000	487,250	5,007,250	163,125	0.031
2010-11	4,250,000	643,948	4,893,948	173,275	0.028
2009-10	4,060,000	821,223	4,881,223	173,272	0.028
2008-09	3,925,000	952,898	4,877,898	177,555	0.027
2007-08	3,805,000	1,072,560	4,877,560	184,406	0.026
2006-07	3,675,000	1,187,810	4,862,810	157,857	0.031
2005-06	3,535,000	1,328,560	4,863,560	149,872	0.032
2004-05	4,295,000	1,465,185	5,760,185	127,817	0.045

(a) Includes general, special revenue, debt service, and capital projects funds of the primary government, excluding capital expenditures.

(b) Amounts expressed in thousands.

(c) General obligation bonds were paid off during the 2012-13 fiscal year.

Source: District Records

The School Board of Indian River County, Florida
 Anticipated Capital Outlay Millage Levy
 Required to Cover Certificates of Participation Payments
 Last Nine Fiscal Years
 (Unaudited)

Fiscal Year	Tax Year		Taxable Assessed Valuation (5)	Principal Payments (2)(3)	Interest Payments (4)	Total Annual Lease 2013-2014	Millage Levy to Provide 1.00x Coverage (1)
2013-14	2013	\$	13,688,603,000	\$ 6,523,944	\$ 4,602,166	\$ 11,126,110	.847 mills
2012-13	2012		13,492,590,000	6,328,944	4,755,046	11,083,990	.856 mills
2011-12	2011		14,009,273,000	6,148,944	4,869,490	11,018,434	.819 mills
2010-11	2010		14,990,362,000	4,520,000	5,024,572	9,544,572	.663 mills
2009-10	2009		16,698,857,000	4,360,000	5,169,738	9,529,738	.601 mills
2008-09	2008		18,328,612,000	4,205,000	5,322,413	9,527,413	.547 mills
2007-08	2007		18,620,780,000	4,000,000	5,167,744	9,167,744	.518 mills
2006-07	2006		17,885,105,000	2,900,000	3,494,286	6,394,286	.376 mills
2005-06	2005		14,279,413,000	-	2,135,397	2,135,397	.157 mills

- (1) Millage rate calculated using 95% of the taxable assessed valuation; 96% beginning in fiscal year 2010-11.
- (2) The District first issued COPs in November 2005, with the first payment due during the 2006-07 fiscal year.
- (3) Includes \$1,458,944 payment to the Qualified School Construction Bond sinking fund for repayment of outstanding debt.
- (4) Interest amounts are net of Qualified School Construction Bond Federal interest subsidy.
- (5) See Assessed and Estimated Actual Value of Taxable Property Table 6.

Note: Capital lease arrangements financed by Certificates of Participation are not considered general obligation debt as no specific property tax levy has been pledged.

Source: District Records

The School Board of Indian River County, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Population (1)(5)	Personal Income (1)(2)(4)	Per Capita Personal Income (1)(2)(5)	Median Age (1)(5)	Unemployment Rate (3)(5)
2013-14	141,994	7,505,093 *	52,855	49.1	7.1%
2012-13	139,760	7,124,545 *	50,977	48.6	9.7%
2011-12	138,028	7,771,390 *	56,303	49.1	12.5%
2010-11	138,028	4,556,856 *	33,014	49.4	13.7%
2009-10	135,167	6,908,274	49,963	n/a	14.4%
2008-09	141,475	7,610,327	56,303	48.9	13.0%
2007-08	141,667	7,669,062	57,107	48.4	8.0%
2006-07	139,757	7,810,408	59,419	n/a	5.8%
2005-06	135,262	7,002,160	51,767	48.1	4.3%
2004-05	130,043	5,886,319	45,264	47.6	4.9%

Sources:

(1) University of Florida, Bureau of Economic and Business Research, Indian River Chamber of Commerce, US Census Bureau

(2) US Department of Commerce, Bureau of Economic Analysis, University of Florida

(3) Florida Agency for Workforce Innovation

(4) Amounts Expressed in Thousands

(5) Indian River County Chamber of Commerce

(6) District Records

'n/a' = not available.

* District calculated total income from available per capita income and population

Table 15

Education Level (5)			School Enrollment (6)	Government-Wide Governmental Activities Expenses (4)	Cost per Student
High School	Bachelors	Graduate			
80.1%	26.5%	9.6%	17,614	178,227	10,118
86.3%	26.7%	9.8%	17,790	172,872	9,717
n/a	n/a	n/a	17,722	171,087	9,654
n/a	n/a	n/a	17,561	177,523	10,109
87.6%	26.5%	9.6%	17,516	183,623	10,483
86.4%	26.5%	9.6%	17,398	187,735	10,791
86.7%	26.7%	9.6%	17,481	189,830	10,859
n/a	n/a	n/a	17,365	174,773	10,065
82.1%	23.1%	7.9%	16,942	148,732	8,779
81.6%	23.1%	7.9%	16,712	137,113	8,204

Table 16

The School Board of Indian River County, Florida
Principal Employers
Vero Beach - Sebastian - Fellsmere Metropolitan Statistical Area (MSA)
Current Year and Nine Years Ago
(Unaudited)

Employer	Fiscal Year		
	2013-2014		
	Employees	Rank	Percentage of Total MSA Employment
School District of Indian River County	2,100	1	3.32%
Indian River Medical Center	1,608	2	2.54%
Indian River County	1,354	3	2.14%
Publix Supermarkets	1,092	4	1.73%
The New Piper Aircraft ^(b)	800	5	1.27%
Wal-Mart	701	6	1.11%
Sebastian River Medical Center	576	7	0.91%
John's Island	550	8	0.87%
City of Vero Beach	460	9	0.73%
Visiting Nurse Association	401	10	0.63%
	9,642		11.93%
Total MSA Workforce	63,239		
Employer	Fiscal Year		
	2004-2005		
	Employees	Rank	Percentage of Total MSA Employment
School District of Indian River County	2,149	1	3.86%
Indian River County	1,445	2	2.59%
Indian River Memorial Hospital (a)	1,373	3	2.46%
Publix Supermarkets	931	4	1.67%
The New Piper Aircraft ^(b)	688	5	1.23%
Hale Indian River Groves	650	6	1.17%
City of Vero Beach	600	7	1.08%
Sebastian River Medical Center	525	8	0.94%
Wal-Mart	505	9	0.91%
John's Island	500	10	0.90%
	9,366		16.80%
Total MSA Workforce	55,734		

Source: Indian River County Chamber of Commerce, Florida Research and Economic Database

^(a) Corporation doing business as Indian River Medical Center since 2006

^(b) Corporation underwent a name change in 2007 and was renamed Piper Aircraft, Inc.

The School Board of Indian River County, Florida
 School Building Information & Full-Time Equivalent Enrollment Data
 Last Ten Fiscal Years
 (Unaudited)

	Placed in Service (1)	Square Footage (2)	Portables	Capacity	Full-Time Equivalent Enrollment Data		
					2004-05	2005-06	2006-07
Elementary Schools							
Beachland Elementary	1957	94,544	4	635	521	522	540
Citrus Elementary	1967	74,775	12	757	589	585	560
Dodgertown Elementary	1967	117,305	11	793	636	705	654
Fellsmere Elementary	1982	105,345	14	744	530	631	568
Glendale Elementary	1987	71,769	5	743	579	662	652
Highlands Elementary	1987	65,867	-	668	492	462	535
Liberty Magnet Elementary	2002 ^(a)	105,793	-	678	532	537	542
Osceola Magnet Elementary ^(c)	1958	-	-	619	538	543	546
Pelican Island Elementary	1981	69,628	5	681	693	696	453
Rosewood Magnet Elementary	1957	84,042	-	561	561	551	548
Sebastian Elementary	1984	85,825	-	695	659	687	639
J.A. Thompson Elementary/Osceola ^(b)	1982	82,617	-	557	388	413	422
Treasure Coast Elementary	2006 ^(a)	107,652	13	801	-	-	673
Vero Beach Elementary	1971	110,460	-	667	542	584	556
Total Elementary				9,599	7,260	7,578	7,888
Middle Schools							
Gifford Middle	1951	135,033	-	1,471	1,278	1,263	1,298
Oslo Middle	1994	152,045	-	1,269	1,237	1,147	1,140
Sebastian River Middle	1977	164,320	7	1,723	1,267	1,318	1,367
Storm Grove	2009	167,794	-	1,281	-	-	-
Total Middle Schools				5,744	3,782	3,728	3,805

Source: District Records

^(a) Liberty Magnet Elementary School was constructed and placed in service on August 8, 2002. Subsequently a new school was constructed and placed in service on August 16, 2006 and the former school was renamed to Treasure Coast Elementary School and placed in service on August 16, 2006.

^(b) Thompson Elementary was closed as of June 30, 2010. The building was repurposed and renamed Thompson Lifelong Learning Center, effective July 1, 2010. The Thompson building was repurposed to Osceola Magnet, effective July 2013.

^(c) Osceola Magnet Elementary relocated to the Thompson Elementary site effective July 2013, and the old Osceola Magnet was demolished.

^(d) The Department of Education instituted "Recalibrated FTE" in the 2013-14 fiscal year for all school districts.

Table 17

	Full-Time Equivalent Enrollment Data						
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14^(d)
Elementary Schools							
Beachland Elementary	561	564	584	575	598	612	588
Citrus Elementary	633	602	577	659	691	675	673
Dodgertown Elementary	584	495	490	488	431	441	433
Fellsmere Elementary	525	563	599	621	667	668	679
Glendale Elementary	600	466	487	562	502	513	491
Highlands Elementary	562	457	429	444	467	465	465
Liberty Magnet Elementary	538	541	534	542	549	549	545
Osceola Magnet Elementary	537	526	535	535	563	-	-
Pelican Island Elementary	491	467	452	428	514	503	482
Rosewood Magnet Elementary	539	526	538	556	553	547	547
Sebastian Elementary	545	554	562	509	516	505	534
J.A. Thompson Elementary/Osceo	436	355	322	35	40	530	533
Treasure Coast Elementary	783	706	622	645	637	636	648
Vero Beach Elementary	506	517	547	576	598	662	693
Total Elementary	7,840	7,339	7,278	7,175	7,326	7,306	7,311
Middle Schools							
Gifford Middle	1,268	1,326	970	1,033	951	884	862
Oslo Middle	1,142	1,076	961	921	899	915	909
Sebastian River Middle	1,393	1,415	969	992	963	919	847
Storm Grove Middle	-	-	883	819	815	876	918
Total Middle Schools	3,803	3,817	3,783	3,765	3,628	3,594	3,536

Source: District Records

(Continued)

The School Board of Indian River County, Florida
 School Building Information & Full-Time Equivalent Enrollment Data
 Last Ten Fiscal Years
 (Unaudited)

	Place in Service (1)	Square Footage (2)	Portables	Capacity	Full-Time Equivalent Enrollment Data		
					2004-05	2005-06	2006-07
High Schools							
Sebastian River High School	1993	344,334	3	2,275	1,826	1,848	1,925
Vero Beach Senior High School	1964	497,710	-	3,032	2,741	2,644	2,637
Total High Schools				5,307	4,567	4,492	4,562
Specialty Schools							
Adult Education	1951	9,074	-	-			
Alternative Education	2005	44,430	1	328	110	119	116
Exceptional Student Education	n/a	n/a	-	-	-	22	-
Teen Parent	n/a	n/a	-	-	23	18	17
Wabasso	1925	36,875	-	55	63	62	62
Florida Virtual				-	-	-	-
Total Specialty Schools				383	196	221	195
Charter Schools							
Imagine School at South Vero, LLC	n/a	n/a	n/a	-	-	-	-
Indian River Academy	n/a	n/a	n/a	-	49	11	-
Indian River Charter High School, Inc.	n/a	n/a	n/a	-	544	585	576
North County Charter High School, Inc.	n/a	n/a	n/a	-	103	103	102
Sebastian Charter Junior High, Inc.	n/a	n/a	n/a	-	109	127	131
St. Peters Academy, Inc.	n/a	n/a	n/a	-	102	97	106
Total Charter Schools				-	907	923	915
Departments							
Administrative Building	1989	26,755	-	-	-	-	-
Support Service Complex	2012	68,478	-	-	-	-	-
Transportation	1951	22,304	-	-	-	-	-
Total Other Sites				-	-	-	-
Total District				21,033	16,712	16,942	17,365

(1) Original date that the school was placed in service. This date does not reflect additions, renovations, replacements or remodeling.

(2) Square footage is current, but does not include portables.

(3) The Department of Education instituted "Recalibrated FTE" in the 2013-14 fiscal year for all school districts.

Source: District Records

Table 17

	Full-Time Equivalent Enrollment Data						
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14 (3)
High Schools							
Sebastian River High School	2,014	1,939	1,933	1,882	1,850	1,863	1,809
Vero Beach Senior High School	2,652	2,632	2,646	2,678	2,753	2,767	2,653
Total High Schools	<u>4,666</u>	<u>4,571</u>	<u>4,579</u>	<u>4,560</u>	<u>4,603</u>	<u>4,630</u>	<u>4,462</u>
Specialty Schools							
Adult Education							
Alternative Education	150	155	127	96	64	52	49
Exceptional Student Education	-	24	48	49	58	60	61
Teen Parent	17	42	19	25	25	13	14
Wabasso	55	56	55	48	45	46	46
Florida Virtual	-	-	15	14	20	40	44
Total Specialty Schools	<u>222</u>	<u>277</u>	<u>264</u>	<u>232</u>	<u>212</u>	<u>211</u>	<u>214</u>
Charter Schools							
Imagine School at South Vero, LLC	-	434	577	742	813	854	895
Indian River Academy	-	-	-	-	-	-	-
Indian River Charter High School	620	621	635	634	624	653	617
North County Charter School	100	94	135	149	201	225	256
Sebastian Charter Junior High	131	132	141	156	176	185	202
St Peter's Academy	99	113	124	148	139	132	121
Total Charter Schools	<u>950</u>	<u>1,394</u>	<u>1,612</u>	<u>1,829</u>	<u>1,953</u>	<u>2,049</u>	<u>2,091</u>
Departments							
Administrative Building	-	-	-	-	-	-	-
Support Service Complex	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Total Other Sites	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total District	<u>17,481</u>	<u>17,398</u>	<u>17,516</u>	<u>17,561</u>	<u>17,722</u>	<u>17,790</u>	<u>17,614</u>

Source: District Records

Table 18

The School Board of Indian River County, Florida
 Number of Personnel
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	(a) Instructional	(b) Administrative	(c) Support Services	(d) Total	(e) Ratio of Students to Instructional Personnel	Ratio of Instructional Personnel to School Administrators
2013-14	1,106	73	921	2,100	15.93	15.15
2012-13	1,098	71	874	2,043	16.20	15.46
2011-12	1,074	66	845	1,985	16.50	16.27
2010-11	1,092	65	838	1,995	16.08	16.80
2009-10	1,094	77	871	2,042	16.01	14.21
2008-09	1,086	82	897	2,065	16.02	13.24
2007-08	1,112	86	976	2,174	15.72	12.93
2006-07	1,072	98	958	2,128	16.20	10.94
2005-06	1,027	74	894	1,995	16.50	13.88
2004-05	1,154	65	930	2,149	14.48	17.75

(a) Includes all positions on an Instructional Salary Schedule.

(b) Includes all positions on an Administrative Salary Schedule.

(c) Includes all positions on a Professional Support Staff, Confidential / Managerial, and Professional / Technical Salary Schedule.

(d) Includes all full and part-time positions

(e) Student enrollment information is located on Table 15.

Source: District Records

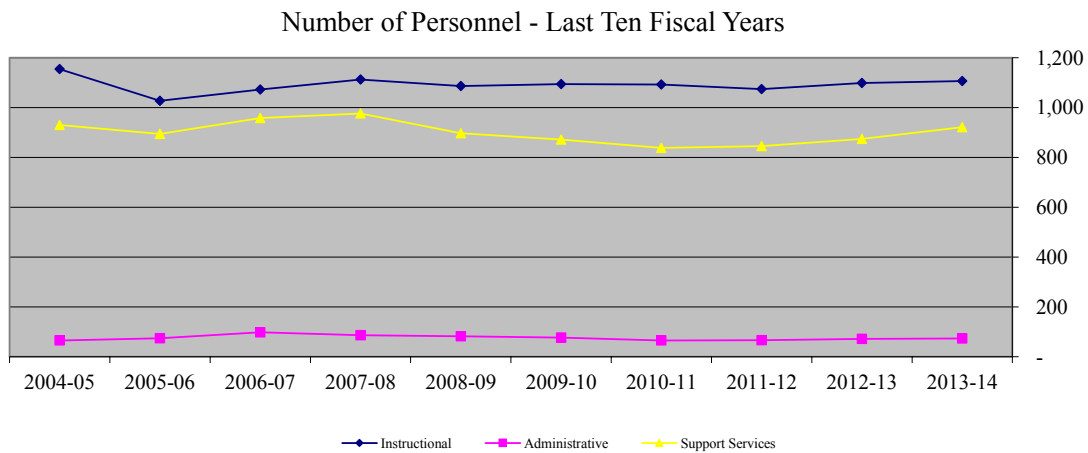


Table 19

The School Board of Indian River County, Florida
 Teacher Base Salaries
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	Minimum Salary ⁽¹⁾	Maximum Salary ⁽¹⁾	Indian River Average Salary ⁽²⁾	Statewide Average Salary ⁽²⁾
2013-14	\$ 38,000	\$ 65,074	N/A	N/A
2012-13	35,500	61,974	44,824	46,583
2011-12	35,500	61,974	45,653	46,479
2010-11	35,500	61,974	45,449	45,110
2009-10	35,500	61,009	46,356	46,696
2008-09	35,500	61,009	45,030	46,938
2007-08	35,500	61,009	43,427	46,922
2006-07	34,240	59,258	43,162	45,296
2005-06	32,000	56,109	40,756	42,702
2004-05	31,150	54,107	39,518	41,578

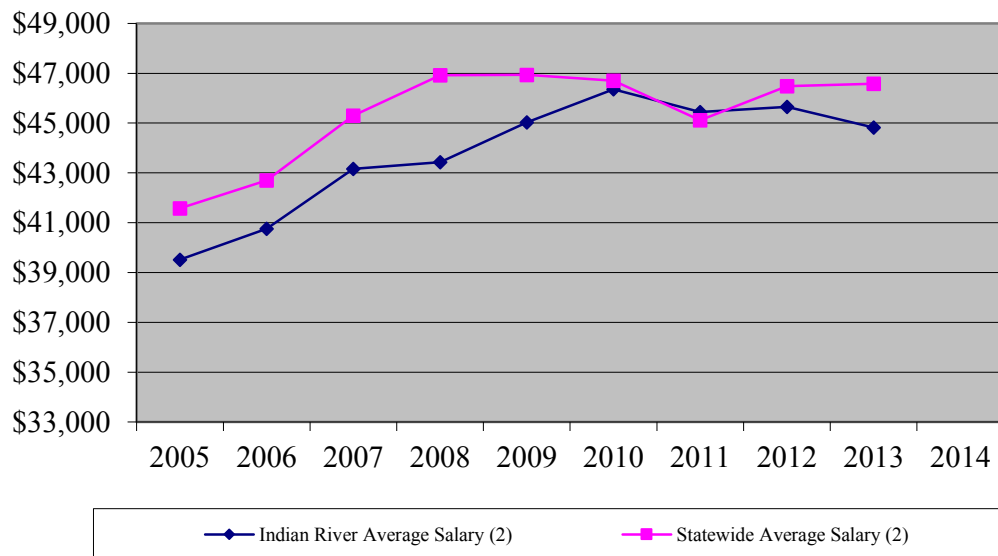
10 Month Teachers

Sources:

⁽¹⁾ District Records

⁽²⁾ Florida Department of Education Bureau of Education Information & Accountability Services. The 2013-14 fiscal year information is not yet available
 N/A = not available

Average Teacher Salary



The School Board of Indian River County, Florida
 Food Service Operating Data
 Last Ten Fiscal Years
 (Unaudited)

	Fiscal Year Ending			
	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008
Days Meals were Served	175	180	180	180
	(a)			
Average Number of Free and Reduced Meals Served Daily	11,870	11,409	8,623	9,326
Number of Free and Reduced Meals Served	2,077,311	2,053,627	1,552,215	1,678,680
Average Daily Subsidy Received	\$ 26,134	\$ 25,890	\$ 21,549	\$ 24,126
Total Subsidy Received	\$ 4,573,494	\$ 4,660,210	\$ 3,878,876	\$ 4,342,612
Average Number of Meals Served Daily	16,967	16,947	13,648	13,952
Meals Served Daily				
Number of Meals Served	2,969,156	3,050,457	2,456,569	2,511,415
Percentage of Free and Reduced Meals Served to Total Meals Served	70%	67%	63%	67%
Average Daily Revenues	\$ 40,239	\$ 41,747	\$ 38,914	\$ 42,261
Total Revenues	\$ 7,041,750	\$ 7,514,491	\$ 7,004,535	\$ 7,606,961
Average Daily Costs	\$ 41,485	\$ 42,675	\$ 43,720	\$ 45,112
Total Costs	\$ 7,259,916	\$ 7,681,532	\$ 7,869,558	\$ 8,120,103

Source: District Records

(a) The school year was shortened by five days due to the impact of Hurricane Frances (September 4, 2004) and Hurricane Jeanne (September 26, 2004)

(b) Serving days reduced due to impact of Tropical Storm Fay

Table 20

Fiscal Year Ending					
June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
179 (b)	180	180	180	180	180
10,005	11,109	11,357	11,579	11,207	11,350
1,790,833	1,999,609	2,044,233	2,084,236	2,017,348	2,042,955
\$ 29,063	\$ 31,635	\$ 32,035	\$ 35,186	\$ 35,319	\$ 35,468
\$ 5,202,288	\$ 5,694,339	\$ 5,766,294	\$ 6,333,543	\$ 6,357,397	\$ 6,384,216
13,630	14,183	14,113	14,463	13,018	13,105
2,439,791	2,552,938	2,540,300	2,603,325	2,343,159	2,358,973
73%	78%	80%	80%	86%	87%
\$ 46,636	\$ 48,997	\$ 47,905	\$ 49,084	\$ 46,987	\$ 45,700
\$ 8,347,783	\$ 8,819,402	\$ 8,622,822	\$ 8,835,068	\$ 8,457,652	\$ 8,226,006
\$ 44,689	\$ 43,476	\$ 41,329	\$ 47,743	\$ 43,769	\$ 43,909
\$ 7,999,364	\$ 7,825,667	\$ 7,439,183	\$ 8,593,734	\$ 7,878,425	\$ 7,903,586



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Federal Reports and Schedules

- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*
- Independent Auditor's Report on each Major Federal Program and Report on Internal Control Over Compliance
- Schedule of Expenditures of Federal Awards
- Schedule of Findings and Questioned Costs
- Summary Schedule of Prior Audit Findings – Federal Awards



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**INDIAN RIVER COUNTY
DISTRICT SCHOOL BOARD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2014**

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass - Through Grantor Number	Amount of Expenditures (1)	Amount Provided to Subrecipients
United States Department of Agriculture:				
Indirect:				
Child Nutrition Cluster:				
Florida Department of Agriculture and Consumer Services:				
School Breakfast Program	10.553	13002	\$ 1,237,600.06	\$
National School Lunch Program	10.555 (2)	13001, 13003	4,652,778.09	
Summer Food Service Program for Children	10.559	13006	220,149.83	
			<u>6,110,527.98</u>	<u>-</u>
Total Child Nutrition Cluster				
Florida Department of Education:				
Child and Adult Care Food Program	10.558	302	200,894.40	
Florida Department of Agriculture and Consumer Services:				
Fresh Fruit and Vegetable Program	10.582	13004	57,055.96	
			<u>6,368,478.34</u>	<u>-</u>
Total United States Department of Agriculture				
United States Department of Education:				
Indirect:				
Special Education Cluster:				
Florida Department of Education:				
Special Education - Grants to States	84.027 (3)	262, 263	3,601,569.33	18,120.04
Special Education - Preschool Grants	84.173	267	103,300.53	
St. Lucie County District School Board:				
Special Education - Grants to States	84.027 (3)	None	69,339.00	
University of South Florida:				
Special Education - Grants to States	84.027 (3)	None	1,674.95	
			<u>3,775,883.81</u>	<u>18,120.04</u>
Total Special Education Cluster				
Florida Department of Education:				
Adult Education - Basic Grants to States	84.002	191	248,689.21	
Title I Grants to Local Educational Agencies	84.010	212, 222, 226, 228	4,611,132.44	66,116.85
Migrant Education-State Grant Program	84.011	217	62,975.07	
Career and Technical Education - Basic Grants to States	84.048	151, 161	177,699.75	
Twenty-First Century Community Learning Centers	84.287	244	278,214.27	
English Language Acquisition State Grants	84.365	102	143,236.18	
Improving Teacher Quality State Grants	84.367	224	743,943.76	
ARRA - State Fiscal Stabilization Fund (SFSF)				
Race-to-the Top Incentive Grants, Recovery Act	84.395	RL 111	363,375.61	
			<u>10,405,150.10</u>	<u>84,236.89</u>
Total United States Department of Education				
United States Department of Defense:				
Direct:				
Army Junior Reserve Officers Training Corps	None	N/A	152,348.59	
			<u>\$ 16,925,977.03</u>	<u>\$ 84,236.89</u>
Total Expenditures of Federal Awards				

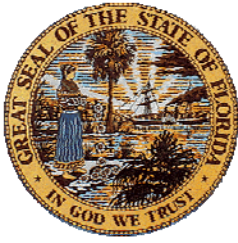
Notes: (1) Basis of Presentation. The Schedule of Expenditures of Federal Awards represents amounts expended from Federal programs during the fiscal year as determined based on the modified accrual basis of accounting. The amounts reported on the Schedule have been reconciled to and are in material agreement with amounts recorded in the District's accounting records from which the basic financial statements have been reported.

(2) Noncash Assistance: National School Lunch Program - Includes \$413,447.52 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.

(3) Special Education - Grants to States. Expenditures total \$3,672,583.28 for CFDA No.84.027.



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AUDITOR GENERAL

AUDITOR GENERAL STATE OF FLORIDA

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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Report on the Financial Statements

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Indian River County District School Board, as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 12, 2014, included under the heading **INDEPENDENT AUDITOR'S REPORT**. Our report includes a reference to other auditors who audited the financial statements of the school internal funds and the aggregate discretely presented component units, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a

timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to District management in our operational audit report No. 2015-076.

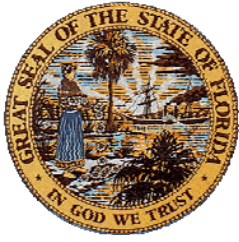
Purpose of this Report

The purpose of the **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*** is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



David W. Martin, CPA
Tallahassee, Florida
December 12, 2014
Audit Report No. 2015-077



DAVID W. MARTIN, CPA
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The President of the Senate, the Speaker of the
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Report on Compliance for the Major Federal Program

We have audited the Indian River County District School Board's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the District's major Federal program for the fiscal year ended June 30, 2014. The District's major Federal program is identified in the **SUMMARY OF AUDITOR'S RESULTS** section of the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its Federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's major Federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major Federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major Federal program for the fiscal year ended June 30, 2014.

Report on Internal Control Over Compliance

District management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on the District's major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major Federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a Federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



David W. Martin, CPA

Tallahassee, Florida

December 12, 2014

Audit Report No. 2015-077

**INDIAN RIVER COUNTY
DISTRICT SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major program:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major program:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	No
Identification of major program:	
CFDA Numbers: 10.553, 10.555, 10.559	Name of Federal Program or Cluster: Child Nutrition Cluster
Dollar threshold used to distinguish between Type A and Type B programs:	\$507,779
Auditee qualified as low-risk auditee?	Yes

FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

There were no audit findings on Federal programs required to be reported under OMB Circular A-133, Section 510.

*INDIAN RIVER COUNTY
DISTRICT SCHOOL BOARD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS - FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2014*

Listed below is the District's summary of the status of prior audit findings on Federal programs:

Audit Report No. and Federal Awards Finding No.	Program/Area	Brief Description	Status	Comments
2007-144 (1)	Disaster Grants - Public Assistance (Presidentially Declared Disasters) (CFDA No. 97.036) - Allowable Costs/Cost Principles	The District did not provide expense support for small projects and, as a result, \$509,681 is considered questioned costs. In addition, \$3,112,457 of large projects were obligated by FEMA; however, the District had not requested reimbursement for these costs.	Uncorrected.	The District submitted the large projects to FEMA for reimbursement. The District is in the process of closing out the small projects with the State prior to submission to FEMA. The District expects to receive reimbursement upon FEMA review and approval.



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NONDISCRIMINATION NOTICE

It is the policy of the School Board of Indian River County to offer the opportunity to all **students** to participate in appropriate programs and activities without regard to race, color, gender, religion, national origin, disability, marital status, or age, except as otherwise provided by Federal law or Florida state law

A **student** having a grievance concerning discrimination may contact:

Dr. Frances J. Adams
Superintendent
Indian River County Public
Schools

Mr. Andrew Rynberg
Assistant Superintendent
Curriculum and Instruction

Ms. Jody Bennett
Executive Director Core
Curriculum

Dr. Michael Ferrentino
Executive Director
Exceptional Student
Education/Student Services

School District of Indian River County

1990 25th Street Vero Beach, Florida

32960-3395

(772) 564-3000

It is the policy of the School Board of Indian River County not to discriminate against **employees** or **applicants** for employment on the basis of race, color, religion, sex, national origin, participation and membership in professional or political organizations, marital status, age or disability. Sexual harassment is a form of employee misconduct which undermines the integrity of the employment relationship, and is prohibited. This policy shall apply to recruitment, employment, transfers, compensation, and other terms and conditions of employment.

An **employee** or **applicant** having a grievance concerning employment may contact:

Mrs. Denise Roberts

Executive Director

Division of Human Resources

School District of Indian River County

1990 25th Street

Vero Beach, Florida 32960-3395

(772) 564-3000

This Publication or portions of this publication can be made available to persons with disabilities in a variety of formats, including large print, or audiotape. Telephone or written request should include your name, address, and telephone number. Requests should be made to Mrs. Peggy Poysell, Executive Assistant to the Superintendent, (772) 564-3150 at least two (2) weeks prior to the time you need the publication.



Beachland Elementary



Citrus Elementary



Dodgertown Elementary



Fellsmere Elementary



Glendale Elementary



Indian River Academy



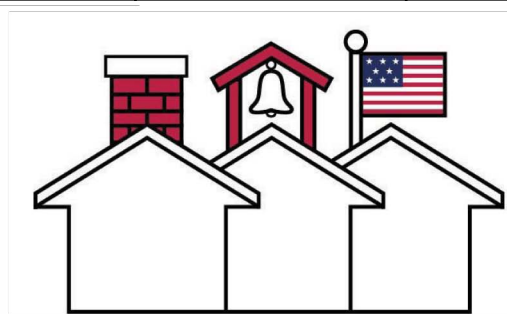
Osceola Magnet



Pelican Island Elementary



Rosewood Elementary



School Board of Indian River County



Sebastian Elementary



Treasure Coast Elementary



Vero Beach Elementary



Gifford Middle School



Oslo Middle School



Sebastian River Middle School



Sebastian River High School



INDIAN RIVER CHARTER HIGH SCHOOL



NORTH COUNTY CHARTER ELEMENTARY SCHOOL



Sebastian CHARTER JUNIOR HIGH



St. Peter's Academy

SCHOOL DISTRICT OF INDIAN RIVER COUNTY
 REVENUE STATUS SUMMARY
 SEPTEMBER 30, 2014

FND FUNC	- 100 DESCRIPTION	GENERAL FUND	ESTIMATED REVENUE	CURRENT REVENUE SEPTEMBER 2014	YTD REVENUE COLLECTED	UNCOLLECTED REVENUE	PERCENT COLLECTED
3191	RESERVE OFFICERS TRAINING CORP		150,000.00	27,136.52	27,136.52	122,863.48	18
3202	MEDICAID		400,000.00	194.00	32,521.18	367,478.82	8
3310	FLA EDUCATION FINANCE PROGRAM		21,335,379.00	1,596,818.00	5,112,883.00	16,222,496.00	24
3315	WORKFORCE DEVELOPMENT		1,059,190.00	88,266.00	264,798.00	794,392.00	25
3323	WITHHELD FOR SBE ADM EXPENSES		10,105.00	0.00	0.00	10,105.00	0
3343	STATE LICENSE TAX		145,000.00	1,352.42	12,179.52	132,820.48	8
3344	LOTTERY FUNDS		173,966.00	0.00	0.00	173,966.00	0
3355	CLASS SIZE REDUCTION (CSR)		19,623,224.00	1,635,269.00	4,905,807.00	14,717,417.00	25
3361	SCHOOL RECOGNITION FUNDS		444,675.00	0.00	0.00	444,675.00	0
3371	VOLUNTARY PRE-K PROGRAM		464,203.50	13,909.67	89,209.76	374,993.74	19
3411	DISTRICT SCHOOL TAX		81,167,567.00	6,912.62	29,217.49	81,138,349.51	0
3414	CRITICAL OPERATING MILLAGE		8,261,330.00	386.64	1,862.64	8,259,467.36	0
3423	EXCESS FEES		68,000.00	0.00	0.00	68,000.00	0
3425	RENT		130,000.00	5,088.29	48,753.31	81,246.69	38
3431	INTEREST ON INVESTMENTS		184,000.00	1,538.30	147,210.77	36,789.23	80
3440	GIFTS, GRANTS AND REQUESTS		3,700.00	3,700.00	3,700.00	0.00	100
3461	ADULT ED FEES (Block Tuition)		25,000.00	1,440.00	5,520.00	19,480.00	22
3462	POST SECONDARY VOC COURSE FEES		167,900.00	4,142.00	33,011.97	134,888.03	20
3464	CAPITAL IMPROVEMENT FEES		8,910.00	248.00	1,798.00	7,112.00	20
3465	POSTSECONDARY LAB FEES		64,500.00	2,325.00	12,995.00	51,505.00	20
3466	LIFELONG LEARNING FEES		10,000.00	111.00	2,997.00	7,003.00	30
3467	GED TESTING FEES		9,000.00	458.75	2,040.00	6,960.00	23
3469	OTHER STUDENT FEES		12,000.00	950.00	3,343.00	8,657.00	28
3473	SCHOOL AGE CHILD CARE FEES		165,000.00	18,998.28	40,524.21	124,475.79	25
3491	BUS FEES		30,000.00	0.00	0.00	30,000.00	0
3493	SALE OF JUNK		0.00	0.00	653.40	653.40-	0
3494	FEDERAL INDIRECT		400,000.00	38,082.89	58,957.43	341,042.57	15
3495	OTHER MISC LOCAL SOURCES		1,536,488.92	83,075.89	172,827.76	1,363,661.16	11
3497	REFUNDS-PRIOR YEAR EXPENDITURE		0.00	39.72	1,091.75	1,091.75-	0
3499	RECPT-FOOD SERVICES INDIRECT C		150,000.00	16,076.70	39,988.02	110,011.98	27
3630	TRANSFERS-CAPITAL PROJECTS FD		4,526,397.00	67,636.00	203,118.00	4,323,279.00	4
3730	SALE OF FIXED ASSETS		25,000.00	2,180.99	5,858.38	19,141.62	23
	*		140,750,535.42	3,616,336.68	11,260,003.11	129,490,532.31	8

SCHOOL DISTRICT OF INDIAN RIVER COUNTY
 REVENUE STATUS SUMMARY
 SEPTEMBER 30, 2014

FND FUNC	- 200 DESCRIPTION	DEBT SERVICE	ESTIMATED REVENUE	CURRENT REVENUE SEPTEMBER 2014	YTD REVENUE COLLECTED	UNCOLLECTED REVENUE	PERCENT COLLECTED
3199	MISCELLANEOUS FEDERAL DIRECT		1,413,472.06	0.00	0.00	1,413,472.06	0
3322	CO & DS WITHHELD-SBE/COBI BOND		201,202.55	0.00	0.00	201,202.55	0
3412	DIST INTEREST/SINKING TAXES		0.00	226.58	719.00	719.00-	0
3431	INTEREST ON INVESTMENTS		4,000.00	1,854.43	1,952.40	2,047.60	49
3630	TRANSFERS-CAPITAL PROJECTS FD		11,138,897.51	0.00	0.00	11,138,897.51	0
	*		12,757,572.12	2,081.01	2,671.40	12,754,900.72	0

SCHOOL DISTRICT OF INDIAN RIVER COUNTY
 REVENUE STATUS SUMMARY
 SEPTEMBER 30, 2014

FND FUNC	- 300 DESCRIPTION	CAPITAL FUND	ESTIMATED REVENUE	CURRENT REVENUE SEPTEMBER 2014	YTD REVENUE COLLECTED	UNCOLLECTED REVENUE	PERCENT COLLECTED
3321	CO & DS DISTRIBUTED		68,705.00	68,705.00	68,705.00	0.00	100
3391	PUBLIC EDUCATION CAPITAL OUTLA		321,266.00	321,266.00	321,266.00	0.00	100
3397	CHARTER SCHOOL CAPITAL OUTLAY		1,026,397.00	1,026,397.00	1,026,397.00	0.00	100
3399	OTHER MISCELLANEOUS STATE REVE		30,000.00	30,000.00	30,000.00	0.00	100
3413	DIST LOCAL CAPITAL IMPROVE TAX		20,653,325.00	20,655,104.04	20,661,036.07	7,711.07-	100
3431	INTEREST ON INVESTMENTS		31,232.30	2,648.13	8,470.97	22,761.33	27
3496	Impact Fees		334,263.00	127,055.00	334,263.00	0.00	100
	*		22,465,188.30	22,231,175.17	22,450,138.04	15,050.26	100

SCHOOL DISTRICT OF INDIAN RIVER COUNTY
 REVENUE STATUS SUMMARY
 SEPTEMBER 30, 2014

FND FUNC	- 400 DESCRIPTION	SPECIAL REVENUE	ESTIMATED REVENUE	CURRENT REVENUE SEPTEMBER 2014	YTD REVENUE COLLECTED	UNCOLLECTED REVENUE	PERCENT COLLECTED
3201	VOCATIONAL EDUCATION ACTS		162,779.25	11,210.42	21,695.75	141,083.50	13
3214	ARRA Race to the Top		645,940.51	5,429.00	115,398.13	530,542.38	18
3225	Teacher/PRINCIPAL TRAIN/RECRUI		732,233.63	49,330.97	130,743.26	601,490.37	18
3230	EDUCATION FOR THE HANDICAPPED		4,336,022.99	375,780.90	662,135.51	3,673,887.48	15
3240	ECIA, CHAPTER 1		5,462,018.13	276,673.97	548,875.99	4,913,142.14	10
3251	ADULT BASIC EDUCATION		163,730.54	16,476.26	30,807.10	132,923.44	19
3261	SCHOOL LUNCH REIMBURSEMENT		4,164,074.20	475,676.74	693,209.00	3,470,865.20	17
3262	SCHOOL BREAKFAST REIMBURSEMENT		1,259,011.00	136,551.20	197,294.79	1,061,716.21	16
3263	AFTER SCHOOL SNACKS-FED REIMB		243,540.00	28,977.16	38,084.90	205,455.10	16
3265	USDA DONATED COMMODITIES		243,234.30	0.00	0.00	243,234.30	0
3267	SUMMER FEEDING PROGRAM		250,000.00	0.00	84,041.06	165,958.94	34
3268	FRESH FRUIT AND VEGETABLE PRG		236,150.00	0.00	0.00	236,150.00	0
3280	Federal Through Local		48,745.00	0.00	0.00	48,745.00	0
3290	OTHER FEDERAL THROUGH STATE		38,804.38	509.48	16,437.74	22,366.64	42
3293	EMERGENCY IMMIGRANT EDUC. PROG		198,314.36	10,052.38	15,480.76	182,833.60	8
3337	SCHOOL BREAKFAST SUPPLEMENT		52,734.00	0.00	0.00	52,734.00	0
3338	SCHOOL LUNCH SUPPLEMENT		63,749.00	0.00	0.00	63,749.00	0
3431	INTEREST ON INVESTMENTS		1,800.00	296.15	1,036.66	763.34	58
3451	STUDENT LUNCHESES		681,619.00	60,463.73	91,861.62	589,757.38	13
3452	STUDENT BREAKFASTS		77,783.40	5,541.35	8,391.80	69,391.60	11
3453	ADULT BREAKFASTS/LUNCHESES		63,531.00	4,178.00	5,804.50	57,726.50	9
3454	STUDENT A LA CARTE		707,076.00	71,003.56	99,121.21	607,954.79	14
3455	Student Snacks (Revised Redbk)		30,240.00	0.00	0.00	30,240.00	0
3456	MEALS ON WHEELS-OTH FOOD SALES		322,000.00	26,711.91	79,668.44	242,331.56	25
3457	CATERING AND OTHER FOOD SALES		4,200.00	136.55	411.97	3,788.03	10
3495	OTHER MISC LOCAL SOURCES		0.00	500.00	3,176.23	3,176.23-	0
	*		20,189,330.69	1,555,499.73	2,843,676.42	17,345,654.27	14

SCHOOL DISTRICT OF INDIAN RIVER COUNTY
 REVENUE STATUS SUMMARY
 SEPTEMBER 30, 2014

FND FUNC	- 700 DESCRIPTION	INTERNAL SERVICE FUN	ESTIMATED REVENUE	CURRENT REVENUE SEPTEMBER 2014	YTD REVENUE COLLECTED	UNCOLLECTED REVENUE	PERCENT COLLECTED
3199	MISCELLANEOUS FEDERAL DIRECT		783,936.00	21,553.52	46,805.01	737,130.99	6
3431	INTEREST ON INVESTMENTS		10,000.00	956.40	3,318.78	6,681.22	33
3483	PREMIUM REVENUE-VISION INS		103,000.00	8,505.05	24,904.29	78,095.71	24
3484	PREMIUM REVENUE-HEALTH INS		14,948,350.00	1,238,506.23	3,676,780.12	11,271,569.88	25
3485	PREMIUM REVENUE-DENTAL		1,400,000.00	92,831.77	276,369.52	1,123,630.48	20
3486	PREMIUM REVENUE-LIFE INSURANCE		550,000.00	34,866.84	104,377.82	445,622.18	19
3487	PREMIUM REVENUE-DISABILITY INS		275,000.00	20,012.16	61,109.21	213,890.79	22
3488	CONTRIBUTIONS-FLEXIBLE SPENDIN		225,000.00	17,807.94	54,515.21	170,484.79	24
	*		18,295,286.00	1,435,039.91	4,248,179.96	14,047,106.04	23

SCHOOL DISTRICT OF INDIAN RIVER COUNTY
 REVENUE STATUS SUMMARY
 SEPTEMBER 30, 2014

FND FUNC	- 800 DESCRIPTION	AGENCY	ESTIMATED REVENUE	CURRENT REVENUE SEPTEMBER 2014	YTD REVENUE COLLECTED	UNCOLLECTED REVENUE	PERCENT COLLECTED
3431	INTEREST ON INVESTMENTS		0.00	2.60	7.98	7.98-	0
	*		0.00	2.60	7.98	7.98-	0

SCHOOL DISTRICT OF INDIAN RIVER COUNTY
 REVENUE STATUS SUMMARY
 SEPTEMBER 30, 2014

FND FUNC	- 900 DESCRIPTION	ENTERPRISE FUNDS	ESTIMATED REVENUE	CURRENT REVENUE SEPTEMBER 2014	YTD REVENUE COLLECTED	UNCOLLECTED REVENUE	PERCENT COLLECTED
3431	INTEREST ON INVESTMENTS		700.00	96.90	306.15	393.85	44
3473	SCHOOL AGE CHILD CARE FEES		719,900.00	71,339.72	201,885.94	518,014.06	28
	*		720,600.00	71,436.62	202,192.09	518,407.91	28

SCHOOL DISTRICT OF INDIAN RIVER COUNTY
 REVENUE STATUS SUMMARY
 SEPTEMBER 30, 2014

FND FUNC	DESCRIPTION	ESTIMATED REVENUE	CURRENT REVENUE SEPTEMBER 2014	YTD REVENUE COLLECTED	UNCOLLECTED REVENUE	PERCENT COLLECTED
=====	=====	=====	=====	=====	=====	=====
REQUEST 005	TOTAL	215,178,512.53	28,911,571.72	41,006,869.00	174,171,643.53	19

ACCOUNT TITLE	ACCT CODE	TOTAL	SALARIES 100	EMPLOYEE BENEFITS 200	PURCHASED SERVICES 300	ENERGY SERVICES 400	MATERIALS SUPPLIES 500	CAPITAL OUTLAY 600	OTHER EXPENSE 700	ALL OTHER OBJECTS
INSTRUCTION SERVICE 5000										
APPROPRIATION		91264038.21	53178250.12	12908334.32	16671922.85	4305.00	6364798.15	772114.76	1364313.01	.00
EXPENDITURE		13398313.52	6560768.96	1636050.21	3725997.03	271.29	1226857.11	129635.20	118733.72	.00
ENCUMBRANCE		2773289.16	.00	.00	844655.40	.00	1620974.20	76034.56	231625.00	.00
BALANCE		75092435.53	46617481.16	11272284.11	12101270.42	4033.71	3516966.84	566445.00	1013954.29	.00
PUPIL PERSONNEL SER 6100										
APPROPRIATION		3732031.89	2898339.64	762110.18	29600.35	3861.00	25696.38	1249.99	11174.35	.00
EXPENDITURE		542680.22	418109.79	104919.77	4947.22	517.45	8861.72	153.59	5170.68	.00
ENCUMBRANCE		17920.36	.00	.00	13561.76	.00	3712.55	646.05	.00	.00
BALANCE		3171431.31	2480229.85	657190.41	11091.37	3343.55	13122.11	450.35	6003.67	.00
INST MEDIA SERVICES 6200										
APPROPRIATION		1971024.77	1398556.87	394942.49	6418.26	.00	16769.53	151451.60	2886.02	.00
EXPENDITURE		233722.71	174602.40	47740.90	779.01	.00	1719.59	5760.12	3120.69	.00
ENCUMBRANCE		25207.10	.00	.00	3693.77	.00	3643.21	17870.12	.00	.00
BALANCE		1712094.96	1223954.47	347201.59	1945.48	.00	11406.73	127821.36	234.67-	.00
INST & CURR DEV 6300										
APPROPRIATION		2980958.58	2384975.89	549409.79	15554.25	.00	24845.65	6173.00	.00	.00
EXPENDITURE		495297.24	393285.50	98603.78	1584.70	.00	1426.22	397.04	.00	.00
ENCUMBRANCE		8657.77	.00	.00	2955.34	.00	5702.43	.00	.00	.00
BALANCE		2477003.57	1991690.39	450806.01	11014.21	.00	17717.00	5775.96	.00	.00
INST STAFF TRAINING 6400										
APPROPRIATION		1400051.87	915117.12	224364.80	150097.67	.00	6277.21	7410.00	96785.07	.00
EXPENDITURE		188838.69	115803.69	26001.82	26118.80	.00	2628.38	.00	18286.00	.00
ENCUMBRANCE		8629.63	.00	.00	8629.63	.00	.00	.00	.00	.00
BALANCE		1202583.55	799313.43	198362.98	115349.24	.00	3648.83	7410.00	78499.07	.00
INSTR RELATED TECH 6500										
APPROPRIATION		2281451.55	487223.00	129859.42	739997.66	1744.30	980.00	921647.17	.00	.00
EXPENDITURE		527527.98	137729.58	33611.20	302338.63	.00	.00	53848.57	.00	.00
ENCUMBRANCE		1152680.00	.00	.00	425122.04	.00	420.60	727137.36	.00	.00
BALANCE		601243.57	349493.42	96248.22	12536.99	1744.30	559.40	140661.24	.00	.00
BOARD OF EDUCATION 7100										
APPROPRIATION		1042527.30	206036.00	336650.63	456313.10	.00	394.84	450.00	42682.73	.00
EXPENDITURE		313891.92	51508.92	26942.37	117948.34	.00	.00	.00	117492.29	.00
ENCUMBRANCE		294062.25	.00	.00	294033.52	.00	28.73	.00	.00	.00
BALANCE		434573.13	154527.08	309708.26	44331.24	.00	366.11	450.00	74809.56-	.00

ACCOUNT TITLE	ACCT CODE	TOTAL	SALARIES 100	EMPLOYEE BENEFITS 200	PURCHASED SERVICES 300	ENERGY SERVICES 400	MATERIALS SUPPLIES 500	CAPITAL OUTLAY 600	OTHER EXPENSE 700	ALL OTHER OBJECTS

GEN ADMINISTRATION	7200									
APPROPRIATION		408602.96	279387.13	86874.05	17600.01	.00	7176.78	264.99	17300.00	.00
EXPENDITURE		136396.21	70316.03	21409.32	5833.47	.00	443.39	.00	38394.00	.00
ENCUMBRANCE		9811.00	.00	.00	8960.97	.00	144.01	211.02	495.00	.00

BALANCE		262395.75	209071.10	65464.73	2805.57	.00	6589.38	53.97	21589.00-	.00

SCH ADMINISTRATION	7300									
APPROPRIATION		8207871.35	6188816.81	1621056.63	92731.16	600.00	161057.63	122424.86	21184.26	.00
EXPENDITURE		1684095.65	1280046.66	322555.21	11669.37	166.28	15672.51	50312.64	3672.98	.00
ENCUMBRANCE		51116.72	.00	.00	36886.27	.00	7916.44	5844.01	470.00	.00

BALANCE		6472658.98	4908770.15	1298501.42	44175.52	433.72	137468.68	66268.21	17041.28	.00

FAC ACQ & CONST	7400									
APPROPRIATION		1354835.69	455535.00	104388.29	17008.29	8000.00	3750.00	766154.11	.00	.00
EXPENDITURE		323085.81	113883.78	26522.24	12337.62	2089.18	727.65	167525.34	.00	.00
ENCUMBRANCE		167332.48	.00	.00	3699.32	.00	500.00	163133.16	.00	.00

BALANCE		864417.40	341651.22	77866.05	971.35	5910.82	2522.35	435495.61	.00	.00

FISCAL SERVICES	7500									
APPROPRIATION		1187212.53	828953.00	228518.45	115731.08	.00	3010.01	199.99	10800.00	.00
EXPENDITURE		299190.72	207519.60	55708.80	30449.87	.00	544.58	199.99	4767.88	.00
ENCUMBRANCE		23124.21	.00	.00	23124.21	.00	.00	.00	.00	.00

BALANCE		864897.60	621433.40	172809.65	62157.00	.00	2465.43	.00	6032.12	.00

FOOD SERVICE	7600									
APPROPRIATION		.00	.00	.00	.00	.00	.00	.00	.00	.00
EXPENDITURE		.00	.00	.00	.00	.00	.00	.00	.00	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00

BALANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00

CENTRAL SERVICES	7700									
APPROPRIATION		2236371.29	1406405.42	363116.71	366983.65	9430.00	58559.46	11589.40	20286.65	.00
EXPENDITURE		480393.65	324768.85	89597.69	46873.68	2524.93	13147.94	380.56	3100.00	.00
ENCUMBRANCE		177071.80	.00	.00	164778.64	.00	7958.72	4334.44	.00	.00

BALANCE		1578905.84	1081636.57	273519.02	155331.33	6905.07	37452.80	6874.40	17186.65	.00

TRANSPORTATION SER	7800									
APPROPRIATION		4945292.07	2856315.73	891351.12	321696.25	692214.76	182568.83	505.00	640.38	.00
EXPENDITURE		789323.90	454558.24	134824.47	40206.62	95539.25	36849.79	148.80	27196.73	.00
ENCUMBRANCE		183388.93	.00	.00	33935.66	114594.46	34541.31	317.50	.00	.00

BALANCE		3972579.24	2401757.49	756526.65	247553.97	482081.05	111177.73	38.70	26556.35-	.00

ACCOUNT TITLE	ACCT CODE	TOTAL	SALARIES 100	EMPLOYEE BENEFITS 200	PURCHASED SERVICES 300	ENERGY SERVICES 400	MATERIALS SUPPLIES 500	CAPITAL OUTLAY 600	OTHER EXPENSE 700	ALL OTHER OBJECTS
OPERATION SERVICES 7900										
APPROPRIATION		12677594.04	3198728.15	990383.83	3215021.21	4859066.00	388934.46	6622.02	18838.37	.00
EXPENDITURE		3636770.34	775834.21	232599.50	1636221.74	913521.37	77659.57	933.95	.00	.00
ENCUMBRANCE		763538.03	.00	.00	629587.41	9303.29	124037.31	610.02	.00	.00
BALANCE		8277285.67	2422893.94	757784.33	949212.06	3936241.34	187237.58	5078.05	18838.37	.00
MAINTENANCE SERVICE 8100										
APPROPRIATION		2985546.53	1900926.90	498180.05	345571.44	47154.01	173870.33	19843.80	.00	.00
EXPENDITURE		793664.43	467517.00	123455.90	129991.73	23252.12	44102.08	5345.60	.00	.00
ENCUMBRANCE		294496.41	.00	.00	167225.52	2425.01	112416.54	12429.34	.00	.00
BALANCE		1897385.69	1433409.90	374724.15	48354.19	21476.88	17351.71	2068.86	.00	.00
ADMIN TECH SERVICES 8200										
APPROPRIATION		7824356.22	1629471.50	394241.27	780588.24	1330.85	2077.32	5016547.04	100.00	.00
EXPENDITURE		1771541.53	390563.16	92738.85	701436.06	1047.46	42.59	585713.41	.00	.00
ENCUMBRANCE		194583.30	.00	.00	58382.23	.00	118.30	136082.77	.00	.00
BALANCE		5858231.39	1238908.34	301502.42	20769.95	283.39	1916.43	4294750.86	100.00	.00
COMMUNITY SERVICES 9100										
APPROPRIATION		.00	.00	.00	.00	.00	.00	.00	.00	.00
EXPENDITURE		.00	.00	.00	.00	.00	.00	.00	.00	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
*SUB TOTAL										
APPROPRIATION		146499766.85	80213038.28	20483782.03	23342835.47	5627705.92	7420766.58	7804647.73	1606990.84	.00
EXPENDITURE		25614734.52	11936816.37	3073282.03	6794733.89	1038929.33	1430683.12	1000354.81	339934.97	.00
ENCUMBRANCE		6144909.15	.00	.00	2719231.69	126322.76	1922114.35	1144650.35	232590.00	.00
BALANCE		114740123.18	68276221.91	17410500.00	13828869.89	4462453.83	4067969.11	5659642.57	1034465.87	.00
DEBT SERVICES 9200										
APPROPRIATION		35000.00	.00	.00	.00	.00	.00	.00	35000.00	.00
EXPENDITURE		.00	.00	.00	.00	.00	.00	.00	.00	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		35000.00	.00	.00	.00	.00	.00	.00	35000.00	.00
*SUB TOTAL										
APPROPRIATION		35000.00	.00	.00	.00	.00	.00	.00	35000.00	.00
EXPENDITURE		.00	.00	.00	.00	.00	.00	.00	.00	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		35000.00	.00	.00	.00	.00	.00	.00	35000.00	.00

ACCOUNT TITLE	ACCT CODE	TOTAL	SALARIES 100	EMPLOYEE BENEFITS 200	PURCHASED SERVICES 300	ENERGY SERVICES 400	MATERIALS SUPPLIES 500	CAPITAL OUTLAY 600	OTHER EXPENSE 700	ALL OTHER OBJECTS
GRAND TOTAL FOR FUND										
APPROPRIATION		146534766.85	80213038.28	20483782.03	23342835.47	5627705.92	7420766.58	7804647.73	1641990.84	.00
EXPENDITURE		25614734.52	11936816.37	3073282.03	6794733.89	1038929.33	1430683.12	1000354.81	339934.97	.00
ENCUMBRANCE		6144909.15	.00	.00	2719231.69	126322.76	1922114.35	1144650.35	232590.00	.00
BALANCE		114775123.18	68276221.91	17410500.00	13828869.89	4462453.83	4067969.11	5659642.57	1069465.87	.00

ACCOUNT TITLE	ACCT CODE	TOTAL	SALARIES 100	EMPLOYEE BENEFITS 200	PURCHASED SERVICES 300	ENERGY SERVICES 400	MATERIALS SUPPLIES 500	CAPITAL OUTLAY 600	OTHER EXPENSE 700	ALL OTHER OBJECTS
DEBT SERVICES	9200									
APPROPRIATION		11294627.67	.00	.00	.00	.00	.00	.00	11294627.67	.00
EXPENDITURE		914.38	.00	.00	.00	.00	.00	.00	914.38	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		11293713.29	.00	.00	.00	.00	.00	.00	11293713.29	.00
*SUB TOTAL										
APPROPRIATION		11294627.67	.00	.00	.00	.00	.00	.00	11294627.67	.00
EXPENDITURE		914.38	.00	.00	.00	.00	.00	.00	914.38	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		11293713.29	.00	.00	.00	.00	.00	.00	11293713.29	.00
GRAND TOTAL FOR FUND										
APPROPRIATION		11294627.67	.00	.00	.00	.00	.00	.00	11294627.67	.00
EXPENDITURE		914.38	.00	.00	.00	.00	.00	.00	914.38	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		11293713.29	.00	.00	.00	.00	.00	.00	11293713.29	.00

ACCOUNT TITLE	ACCT CODE	TOTAL	SALARIES 100	EMPLOYEE BENEFITS 200	PURCHASED SERVICES 300	ENERGY SERVICES 400	MATERIALS SUPPLIES 500	CAPITAL OUTLAY 600	OTHER EXPENSE 700	ALL OTHER OBJECTS
FAC ACQ & CONST	7400									
APPROPRIATION		26233250.14	.00	.00	.00	.00	.00	26233250.14	.00	.00
EXPENDITURE		3000713.45	.00	.00	.00	.00	.00	3000713.45	.00	.00
ENCUMBRANCE		7589934.78	.00	.00	.00	.00	.00	7589934.78	.00	.00
BALANCE		15642601.91	.00	.00	.00	.00	.00	15642601.91	.00	.00
*SUB TOTAL										
APPROPRIATION		26233250.14	.00	.00	.00	.00	.00	26233250.14	.00	.00
EXPENDITURE		3000713.45	.00	.00	.00	.00	.00	3000713.45	.00	.00
ENCUMBRANCE		7589934.78	.00	.00	.00	.00	.00	7589934.78	.00	.00
BALANCE		15642601.91	.00	.00	.00	.00	.00	15642601.91	.00	.00
9700 - 9790										
APPROPRIATION		15665294.51	.00	.00	.00	.00	.00	.00	.00	5665294.51
EXPENDITURE		203118.00	.00	.00	.00	.00	.00	.00	.00	203118.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		15462176.51	.00	.00	.00	.00	.00	.00	.00	5462176.51
*SUB TOTAL										
APPROPRIATION		15665294.51	.00	.00	.00	.00	.00	.00	.00	5665294.51
EXPENDITURE		203118.00	.00	.00	.00	.00	.00	.00	.00	203118.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		15462176.51	.00	.00	.00	.00	.00	.00	.00	5462176.51
GRAND TOTAL FOR FUND										
APPROPRIATION		41898544.65	.00	.00	.00	.00	.00	26233250.14	.00	5665294.51
EXPENDITURE		3203831.45	.00	.00	.00	.00	.00	3000713.45	.00	203118.00
ENCUMBRANCE		7589934.78	.00	.00	.00	.00	.00	7589934.78	.00	.00
BALANCE		31104778.42	.00	.00	.00	.00	.00	15642601.91	.00	5462176.51

ACCOUNT TITLE	ACCT CODE	TOTAL	SALARIES 100	EMPLOYEE BENEFITS 200	PURCHASED SERVICES 300	ENERGY SERVICES 400	MATERIALS SUPPLIES 500	CAPITAL OUTLAY 600	OTHER EXPENSE 700	ALL OTHER OBJECTS
INSTRUCTION SERVICE 5000										
APPROPRIATION		6600642.30	4344332.27	1246886.61	235052.40	.00	280809.49	445459.53	48102.00	.00
EXPENDITURE		783014.93	417423.34	117826.38	7544.13	.00	109933.10	126841.38	3446.60	.00
ENCUMBRANCE		131952.79	.00	.00	31141.00	.00	66987.51	33824.28	.00	.00
BALANCE		5685674.58	3926908.93	1129060.23	196367.27	.00	103888.88	284793.87	44655.40	.00
PUPIL PERSONNEL SER 6100										
APPROPRIATION		1032783.45	711421.59	183083.15	22097.87	.00	112174.84	.00	4006.00	.00
EXPENDITURE		129595.89	87978.84	21567.43	385.10	.00	19284.52	.00	380.00	.00
ENCUMBRANCE		3016.14	.00	.00	2594.90	.00	421.24	.00	.00	.00
BALANCE		900171.42	623442.75	161515.72	19117.87	.00	92469.08	.00	3626.00	.00
INST & CURR DEV 6300										
APPROPRIATION		2138769.24	1633035.10	412170.88	59763.26	.00	.00	30800.00	3000.00	.00
EXPENDITURE		331256.28	249308.04	55727.01	11411.27	.00	.00	14740.96	69.00	.00
ENCUMBRANCE		20789.08	.00	.00	20610.08	.00	.00	179.00	.00	.00
BALANCE		1786723.88	1383727.06	356443.87	27741.91	.00	.00	15880.04	2931.00	.00
INST STAFF TRAINING 6400										
APPROPRIATION		1214167.35	407797.37	78384.14	503767.04	.00	73656.27	6202.00	144360.53	.00
EXPENDITURE		214282.22	62684.75	11082.12	117616.86	.00	9893.49	.00	13005.00	.00
ENCUMBRANCE		51880.49	.00	.00	49880.51	.00	1999.98	.00	.00	.00
BALANCE		948004.64	345112.62	67302.02	336269.67	.00	61762.80	6202.00	131355.53	.00
GEN ADMINISTRATION 7200										
APPROPRIATION		474885.28	.00	.00	.00	.00	.00	.00	474885.28	.00
EXPENDITURE		58957.43	.00	.00	.00	.00	.00	.00	58957.43	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		415927.85	.00	.00	.00	.00	.00	.00	415927.85	.00
SCH ADMINISTRATION 7300										
APPROPRIATION		61957.00	44355.00	17602.00	.00	.00	.00	.00	.00	.00
EXPENDITURE		9078.80	6702.36	2376.44	.00	.00	.00	.00	.00	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		52878.20	37652.64	15225.56	.00	.00	.00	.00	.00	.00
FOOD SERVICE 7600										
APPROPRIATION		8595118.55	2681261.70	1014317.53	149057.91	310389.36	3916987.69	211522.95	311581.41	.00
EXPENDITURE		1223256.42	384281.25	119841.52	34693.19	59030.35	554447.51	17279.35	53683.25	.00
ENCUMBRANCE		2524850.16	.00	.00	54172.03	20248.06	2450430.07	.00	.00	.00
BALANCE		4847011.97	2296980.45	894476.01	60192.69	231110.95	912110.11	194243.60	257898.16	.00

ACCOUNT TITLE	ACCT CODE	TOTAL	SALARIES 100	EMPLOYEE BENEFITS 200	PURCHASED SERVICES 300	ENERGY SERVICES 400	MATERIALS SUPPLIES 500	CAPITAL OUTLAY 600	OTHER EXPENSE 700	ALL OTHER OBJECTS
CENTRAL SERVICES 7700										
APPROPRIATION		38750.00	.00	.00	38750.00	.00	.00	.00	.00	.00
EXPENDITURE		.00	.00	.00	.00	.00	.00	.00	.00	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		38750.00	.00	.00	38750.00	.00	.00	.00	.00	.00
TRANSPORTATION SER 7800										
APPROPRIATION		174059.84	.00	.00	.00	.00	.00	.00	174059.84	.00
EXPENDITURE		177.00	.00	.00	.00	.00	.00	.00	177.00	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		173882.84	.00	.00	.00	.00	.00	.00	173882.84	.00
ADMIN TECH SERVICES 8200										
APPROPRIATION		15000.00	.00	.00	15000.00	.00	.00	.00	.00	.00
EXPENDITURE		.00	.00	.00	.00	.00	.00	.00	.00	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		15000.00	.00	.00	15000.00	.00	.00	.00	.00	.00
COMMUNITY SERVICES 9100										
APPROPRIATION		37574.33	26436.39	7272.18	.00	.00	3865.76	.00	.00	.00
EXPENDITURE		20996.37	14921.76	2444.28	.00	.00	3630.33	.00	.00	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		16577.96	11514.63	4827.90	.00	.00	235.43	.00	.00	.00
*SUB TOTAL										
APPROPRIATION		20383707.34	9848639.42	2959716.49	1023488.48	310389.36	4387494.05	693984.48	1159995.06	.00
EXPENDITURE		2770615.34	1223300.34	330865.18	171650.55	59030.35	697188.95	158861.69	129718.28	.00
ENCUMBRANCE		2732488.66	.00	.00	158398.52	20248.06	2519838.80	34003.28	.00	.00
BALANCE		14880603.34	8625339.08	2628851.31	693439.41	231110.95	1170466.30	501119.51	1030276.78	.00
GRAND TOTAL FOR FUND										
APPROPRIATION		20383707.34	9848639.42	2959716.49	1023488.48	310389.36	4387494.05	693984.48	1159995.06	.00
EXPENDITURE		2770615.34	1223300.34	330865.18	171650.55	59030.35	697188.95	158861.69	129718.28	.00
ENCUMBRANCE		2732488.66	.00	.00	158398.52	20248.06	2519838.80	34003.28	.00	.00
BALANCE		14880603.34	8625339.08	2628851.31	693439.41	231110.95	1170466.30	501119.51	1030276.78	.00

ACCOUNT TITLE	ACCT CODE	TOTAL	SALARIES 100	EMPLOYEE BENEFITS 200	PURCHASED SERVICES 300	ENERGY SERVICES 400	MATERIALS SUPPLIES 500	CAPITAL OUTLAY 600	OTHER EXPENSE 700	ALL OTHER OBJECTS
FAC ACQ & CONST 7400										
APPROPRIATION		141660.00	.00	.00	.00	.00	.00	141660.00	.00	.00
EXPENDITURE		115338.00	.00	.00	.00	.00	.00	115338.00	.00	.00
ENCUMBRANCE		15942.00	.00	.00	.00	.00	.00	15942.00	.00	.00
BALANCE		10380.00	.00	.00	.00	.00	.00	10380.00	.00	.00
FISCAL SERVICES 7500										
APPROPRIATION		82253.81	66411.00	15842.81	.00	.00	.00	.00	.00	.00
EXPENDITURE		20523.18	16602.78	3920.40	.00	.00	.00	.00	.00	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		61730.63	49808.22	11922.41	.00	.00	.00	.00	.00	.00
CENTRAL SERVICES 7700										
APPROPRIATION		19348066.19	44456.01	2794019.18	1447483.28	1800.00	4500.00	46878.72	15008929.00	.00
EXPENDITURE		2258178.65	11114.04	571082.41	244119.74	316.22	2284.38	.00	1429261.86	.00
ENCUMBRANCE		2129.18	.00	.00	301.18	.00	.00	1828.00	.00	.00
BALANCE		17087758.36	33341.97	2222936.77	1203062.36	1483.78	2215.62	45050.72	13579667.14	.00
OPERATION SERVICES 7900										
APPROPRIATION		.00	.00	.00	.00	.00	.00	.00	.00	.00
EXPENDITURE		.00	.00	.00	.00	.00	.00	.00	.00	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
MAINTENANCE SERVICE 8100										
APPROPRIATION		.00	.00	.00	.00	.00	.00	.00	.00	.00
EXPENDITURE		.00	.00	.00	.00	.00	.00	.00	.00	.00
ENCUMBRANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
BALANCE		.00	.00	.00	.00	.00	.00	.00	.00	.00
*SUB TOTAL										
APPROPRIATION		19571980.00	110867.01	2809861.99	1447483.28	1800.00	4500.00	188538.72	15008929.00	.00
EXPENDITURE		2394039.83	27716.82	575002.81	244119.74	316.22	2284.38	115338.00	1429261.86	.00
ENCUMBRANCE		18071.18	.00	.00	301.18	.00	.00	17770.00	.00	.00
BALANCE		17159868.99	83150.19	2234859.18	1203062.36	1483.78	2215.62	55430.72	13579667.14	.00
GRAND TOTAL FOR FUND										
APPROPRIATION		19571980.00	110867.01	2809861.99	1447483.28	1800.00	4500.00	188538.72	15008929.00	.00
EXPENDITURE		2394039.83	27716.82	575002.81	244119.74	316.22	2284.38	115338.00	1429261.86	.00
ENCUMBRANCE		18071.18	.00	.00	301.18	.00	.00	17770.00	.00	.00
BALANCE		17159868.99	83150.19	2234859.18	1203062.36	1483.78	2215.62	55430.72	13579667.14	.00

ACCOUNT TITLE	ACCT CODE	TOTAL	SALARIES 100	EMPLOYEE BENEFITS 200	PURCHASED SERVICES 300	ENERGY SERVICES 400	MATERIALS SUPPLIES 500	CAPITAL OUTLAY 600	OTHER EXPENSE 700	ALL OTHER OBJECTS
COMMUNITY SERVICES	9100									
APPROPRIATION		750084.90	496976.21	93958.69	56000.00	.00	69500.00	33500.00	150.00	.00
EXPENDITURE		152515.10	97716.75	17296.46	19840.81	.00	17561.08	.00	100.00	.00
ENCUMBRANCE		10605.17	.00	.00	4055.13	.00	5740.04	810.00	.00	.00
BALANCE		586964.63	399259.46	76662.23	32104.06	.00	46198.88	32690.00	50.00	.00
*SUB TOTAL										
APPROPRIATION		750084.90	496976.21	93958.69	56000.00	.00	69500.00	33500.00	150.00	.00
EXPENDITURE		152515.10	97716.75	17296.46	19840.81	.00	17561.08	.00	100.00	.00
ENCUMBRANCE		10605.17	.00	.00	4055.13	.00	5740.04	810.00	.00	.00
BALANCE		586964.63	399259.46	76662.23	32104.06	.00	46198.88	32690.00	50.00	.00
GRAND TOTAL FOR FUND										
APPROPRIATION		750084.90	496976.21	93958.69	56000.00	.00	69500.00	33500.00	150.00	.00
EXPENDITURE		152515.10	97716.75	17296.46	19840.81	.00	17561.08	.00	100.00	.00
ENCUMBRANCE		10605.17	.00	.00	4055.13	.00	5740.04	810.00	.00	.00
BALANCE		586964.63	399259.46	76662.23	32104.06	.00	46198.88	32690.00	50.00	.00

* * * END OF IRBD410 REPORT * * *

FND - 300 CAPITAL PROJECTS		PRD-00 BEGINNING			PRD-03 SEPTEMBER 2014	
TY PRJ		BUDGET	COMMITTED	ENCUMBERED	EXPENDED	AVAILABLE
B	TRANSFERS	15,665,294.51	0.00	0.00	203,118.00	15,462,176.51
B 001	Safety to Health	2,662,033.00	0.00	440,357.13	313,291.09	1,908,384.78
B 002	ADA COMPLIANCE	57,000.00	0.00	0.00	6,065.00	50,935.00
B 003	ENVIRONMENTAL COMPLIANCE	5,323.44	0.00	3,894.00	0.00	1,429.44
B 004	AIR CONDITIONING	766,425.39	2,232.27	146,255.08	83,489.65	534,448.39
B 005	ROOFING	534,320.21	0.00	5,398.65	17,765.56	511,156.00
B 007	WALKWAYS AND SIDEWALKS	35,698.00	0.00	0.00	327.00	35,371.00
B 008	ELECTRICAL	176,877.23	5,000.00	54,269.34	27,673.46	89,934.43
B 009	SITE IMPROVEMENTS	235,117.76	453.26	52,822.96	41,682.99	140,158.55
B 010	BUILDING RENOVATIONS	128,642.12	1,599.00	47,884.17	6,493.00	72,665.95
B 012	TECHNOLOGY	786,915.87	10,490.41	1,785.00	3,339.05	771,301.41
B 013	MOTOR VEHICLES	850,549.47	0.00	0.00	3,840.00	846,709.47
B 016	PLUMBING & WATER PROJECTS	36,144.23	5,423.16	16,550.80	4,215.00	9,955.27
B 018	PAVING	10,000.00	0.00	2,400.00	0.00	7,600.00
B 021	TECHNOLOGY TRANS.VIDEO/COMMUN.	85,124.37	0.00	25,000.00	0.00	60,124.37
B 023	PAINTING SERVICES	5,000.00	0.00	0.00	0.00	5,000.00
B 024	MISC EQUIPMENT	567,819.12	0.00	69,629.90	55,291.12	442,898.10
B 029	SEBASTIAN RIVER HIGH ADDITION	8,000.00	0.00	2,551.50	5,005.00	443.50
B 032	DRAINAGE	5,000.00	0.00	0.00	0.00	5,000.00
B 033	WINDOWS & DOORS	19,225.37	750.00	12,738.23	1,611.18	4,125.96
B 034	CUSTODIAL/GROUNDS EQUIPMENT	50,000.00	5,981.60	12,058.70	3,349.35	28,610.35
B 036	CONSULTING	28,779.91	0.00	11,000.00	2,000.00	15,779.91
B 037	GLENDALE HARDCOURT	2,471.25	0.00	1,147.50	0.00	1,323.75
B 044	GYM/BAND/PE	136,278.29	0.00	39,753.50	400.00	96,124.79
B 048	PORTABLE LEASING & FF&E	2,236,260.76	5,200.00	505,794.42	587,266.32	1,138,000.02
B 050	DODGERTOWN CAFETERIA RENOVATIO	0.00	0.00	0.00	0.00	0.00
B 052	LAND PURCHASES	0.00	0.00	0.00	0.00	0.00
B 060	SRMS Locker Room Renovation	0.00	0.00	0.00	0.00	0.00
B 067	Storm Grove Middle School	0.00	0.00	0.00	0.00	0.00
B 068	Beachland -- Expansion	302,907.00	0.00	0.00	0.00	302,907.00
B 069	Upgrade TV Production Studio	0.00	0.00	0.00	0.00	0.00
B 072	PLAYGROUNDS	1,037,792.01	0.00	455,782.54	557,984.23	24,025.24
B 100	OTHER DISTRICTWIDE PROJECTS	0.00	0.00	0.00	0.00	0.00
B 401	District Office Lease	45,000.00	0.00	30,000.00	15,000.00	0.00
B 402	Administration Facility	7,030,238.74	0.00	426,758.90	86,434.93	6,517,044.91
B 403	Support Services Complex	0.00	0.00	0.00	0.00	0.00
B 404	Fellsmere Cafe Expan & Class A	594,164.71	0.00	495,555.05	86,725.37	11,884.29
B 405	Traffic Improvement Projects	0.00	0.00	0.00	0.00	0.00
B 406	TCE Additional Classrooms	204,093.11	0.00	91,314.34	79,349.69	33,429.08
B 407	Vero Beach El Replacement	21,700.00	0.00	2,675.00	19,025.00	0.00
B 408	Energy Management Projects	0.00	0.00	0.00	0.00	0.00
B 411	Renovate Thompson for Osceola	989.33	0.00	981.00	0.00	8.33
B 412	Rehabilitate Oslo Middle Schl	290,360.38	0.00	99,978.63	84,383.54	105,998.21
B 413	Vero Beach HS/FLC/PAC HVAC	0.00	0.00	0.00	0.00	0.00
B 414	Performing Arts Allocation	70,000.00	0.00	14,710.00	13,068.04	42,221.96
B 415	Gifford Middle School Chillers	17,913.50	0.00	0.00	0.00	17,913.50
B 416	Gifford M.Kalwell Revitalizatn	136,520.79	0.00	3,040.00	4,560.00	128,920.79
B 417	SRHS Lights EMS	0.00	0.00	0.00	0.00	0.00
B 418	Citrus Mechanical Rehab.	3,449.40	0.00	3,449.40	0.00	0.00
B 419	SMS TES	77,718.20	0.00	0.00	71,971.20	5,747.00
B 420	Highlands Mechanical Rehab.	43,115.98	0.00	13,133.00	0.00	29,982.98

FND - 300 CAPITAL PROJECTS		PRD-00 BEGINNING			PRD-03 SEPTEMBER 2014	
TY PRJ		BUDGET	COMMITTED	ENCUMBERED	EXPENDED	AVAILABLE
B 421	Floor replacement to tile DW	286,456.71	0.00	105,710.36	180,746.35	0.00
B 422	Rosewood PPU Road Improvements	249,434.48	0.00	9,532.33	184,573.15	55,329.00
B 423	VBHS Firedoors	0.00	0.00	0.00	0.00	0.00
B 425	VBHS Citrus Bowl Field Rehab	1,952.01	0.00	1,952.01	0.00	0.00
B 426	VBHS FLC Soccer/Lacorsse Flds	4,538.65	0.00	4,538.65	0.00	0.00
B 427	TCE Firewall	0.00	0.00	0.00	0.00	0.00
B 428	Data Air for IT Room	0.00	0.00	0.00	0.00	0.00
B 429	Citrus Additional Classrooms	5,550,707.95	0.00	4,320,532.69	448,787.18	781,388.08
B 430	Glendale FAFCO Tank Replacemnt	0.00	0.00	0.00	0.00	0.00
B 431	Districtwide Chiller Replacemt	710,191.40	0.00	59,000.00	5,000.00	646,191.40
B 432	VBHS Building IV Repairs	125,000.00	0.00	0.00	0.00	125,000.00
	*	41,898,544.65	37,129.70	7,589,934.78	3,203,831.45	31,067,648.72

BUDGET STATUS SUMMARY
BUDGET AND EXPENDITURE REPORT-CAPITAL PROJECTS

TY PRJ	BUDGET	COMMITTED	ENCUMBERED	EXPENDED	AVAILABLE
REQUEST 091 TOTAL	41,898,544.65	37,129.70	7,589,934.78	3,203,831.45	31,067,648.72

FND - 420 SPECIAL REVENUE - OTHER - 420		PRD-00 BEGINNING			PRD-03 SEPTEMBER 2014		
TY PRJ		BUDGET	COMMITTED	ENCUMBERED	EXPENDED	AVAILABLE	% REM
B 101	Title I Part C Migrant 2014/15	57778.00	23303.29	2384.44	3868.05	28222.22	48.85
B 102	Title I Part C Migrant 2013/14	48462.43	0.00	0.00	1990.80	46471.63	95.89
B 105	Title I Part A Basic 2014-2015	5145874.98	1935745.11	60261.80	457306.42	2692561.65	52.32
B 106	Title I Part A Basic 2013-2014	69872.72	0.00	0.00	69872.72	0.00	.00
B 111	Title II FY15 Teacher Training	690851.00	171493.68	8159.65	89360.63	421837.04	61.06
B 112	Title II FY14 Teacher Training	41382.63	0.00	0.00	41382.63	0.00	.00
B 134	Title I School Imp Init FY14	15838.00	0.00	0.00	15838.00	0.00	.00
B 135	Title I School Imp Init FY 15	124192.00	78995.82	0.00	0.00	45196.18	36.39
B 151	Title III Part A Eng Lang 2015	198369.44	83674.79	997.89	15535.84	98160.92	49.48
B 152	Title III Part A Eng Lang 2014	55.08-	0.00	0.00	55.08-	0.00	.00
B 179	21st Century Com Lg Cent 14/15	0.00	0.00	0.00	5788.68	5788.68-	.00
B 180	21st Century Com Lg Cntr 14	38804.38	0.00	0.00	16437.74	22366.64	57.64
B 201	IDEA Part B Pre K 2014-2015	109723.00	60147.00	0.00	14491.43	35084.57	31.98
B 206	IDEA Part B 2013-2014	79710.94	0.00	0.00	79710.94	0.00	.00
B 207	IDEA Part B 2014-2015	4095589.00	2500173.58	33265.59	566058.46	996091.37	24.32
B 301	Adult Education FY 14/15	161885.00	90656.74	256.11	28961.56	42010.59	25.95
B 302	Adult Education FY 13/14	1845.54	0.00	0.00	1845.54	0.00	.00
B 309	Carl Perkins Secondary FY 15	157851.00	84840.87	8723.43	16767.50	47519.20	30.10
B 310	Carl Perkins Sec Voc Ed FY14	4928.25	0.00	0.00	4928.25	0.00	.00
	*	11042903.23	5029030.88	114048.91	1430090.11	4469733.33	40.48

FND - 421 Special Revenue -Other-Fed Dir		PRD-00 BEGINNING			PRD-03 SEPTEMBER 2014		
TY PRJ		BUDGET	COMMITTED	ENCUMBERED	EXPENDED	AVAILABLE	% REM
B 203	SEDNET ALLOCATION	20386.00	0.00	12838.00	0.00	7548.00	37.03
B 315	Carl Perkins Post Sec FY14/15	28359.00	0.00	0.00	0.00	28359.00	100.00
	*	48745.00	0.00	12838.00	0.00	35907.00	73.66

FND - 422 Special Revenue - Other - Reim		PRD-00 BEGINNING			PRD-03 SEPTEMBER 2014		
TY PRJ		BUDGET	COMMITTED	ENCUMBERED	EXPENDED	AVAILABLE	% REM
B 114	PROJECT10 CONNECT MINI GRANT	1000.05	0.00	0.00	1000.05	0.00	.00
B 205	UDL THROUGH TECHNOLOGY 14/15	50000.00	0.00	36913.38	870.63	12215.99	24.43
	*	51000.05	0.00	36913.38	1870.68	12215.99	23.95

FND - 434 Special Rev Race To The Top		PRD-00 BEGINNING			PRD-03	SEPTEMBER 2014	
TY PRJ		BUDGET	COMMITTED	ENCUMBERED	EXPENDED	AVAILABLE	% REM
B 434	Race To The Top 2010 - 2014	613741.49	34695.40	43838.21	115398.13	419809.75	68.40
B 439	RTTT-FL Stand. PD Act. Project	32199.02	0.00	0.00	0.00	32199.02	100.00
	*	645940.51	34695.40	43838.21	115398.13	452008.77	69.98

TY PRJ	BUDGET	COMMITTED	ENCUMBERED	EXPENDED	AVAILABLE	% REM
REQUEST 093 TOTAL	11788588.79	5063726.28	207638.50	1547358.92	4969865.09	42.16

Imagine South Vero (5006)
Indian River County, Florida
Statement of Revenue, Expenditures, and Changes in Fund Balance (Unaudited)
For Quarter ending September 30th & Year Ending Jun 30th, 2015

FTE Projected 890
FTE Actual 907

102% Percent of Projected

	Account Number	General Fund				Special Revenue			
		Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget
Revenues									
FEDERAL SOURCES									
Federal direct	3100	\$ -	\$ -	\$ -	%	\$ 31,232.43	\$ 31,232.43	\$ 147,306.00	21%
Federal through state and local	3200								
STATE SOURCES									
FEFP	3310	1,492,882.78	1,492,882.78	5,728,943.00	26%				
Capital outlay	3397				%				
Class size reduction	3355				%				
School recognition	3361				%				
Other state revenue	33XX	12,813.50	12,813.50	12,813.50	100%				
LOCAL SOURCES									
Interest	3430				%				
Local capital improvement tax	3413				%				
Other local revenue	34XX	159,104.76	159,104.76	622,690.00	26%				
Total Revenues		1,664,801.04	1,664,801.04	6,364,446.50	26%	31,232.43	31,232.43	147,306.00	21%
Expenditures									
Current Expenditures									
Instruction	5000	527,111.49	527,111.49	3,143,876.00	17%				
Instructional support services	6000	13,833.61	13,833.61	89,151.00	16%				
Board	7100	11,188.00	11,188.00	14,700.00	76%				
School administration	7300	308,588.82	308,588.82	1,276,383.00	24%				
Facilities and acquisition	7400	277,829.12	277,829.12	1,067,541.00	26%				
Fiscal services	7500	-	-	-	%				
Food services	7600	23,854.75	23,854.75	127,013.00	19%	\$ 31,232.43	\$ 31,232.43	\$ 147,306.00	21%
Central services	7700	3,439.74	3,439.74	15,486.00	22%				
Pupil transportation services	7800	-	-	-	%				
Operation of plant	7900	79,848.41	79,848.41	293,555.00	27%				
Maintenance of plant	8100	13,995.41	13,995.41	64,000.00	22%				
Administrative technology services	8200	-	-	-	%				
Community services	9100	31,550.57	31,550.57	133,520.00	24%				
Debt service	9200	-	-	-	%				
Total Expenditures		1,291,239.92	1,291,239.92	6,225,225.00	21%	31,232.43	31,232.43	147,306.00	21%
Excess (Deficiency) of Revenues Over Expenditures		373,561.12	373,561.12	139,221.50	268%	-	-	-	
Other Financing Sources (Uses)									
Transfers in	3600								
Transfers out	9700								
Total Other Financing Sources (Uses)		-	-	-	%	-	-	-	
Net Change in Fund Balances		373,561.12	373,561.12	139,221.50	268%	-	-	-	
Fund balances, beginning		834,184.00	834,184.00	834,184.00	100%	96,322.00	96,322.00	96,322.00	100%
Adjustments to beginning fund balance									
Fund Balances, Beginning as Restated		834,184.00	834,184.00	834,184.00	100%	96,322.00	96,322.00	96,322.00	100%
Fund Balances, Ending		\$ 1,207,745.12	\$ 1,207,745.12	\$ 973,405.50	124%	\$ 96,322.00	\$ 96,322.00	\$ 96,322.00	100%

Capital Outlay				Total Governmental Funds			
Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget
				\$ 31,232.43	\$ 31,232.43	\$ 147,306.00	21%
				-	-	-	
\$ 76,495.00	\$ 76,495.00	\$ 370,659.00	21%	1,492,882.78	1,492,882.78	5,728,943.00	26%
				76,495.00	76,495.00	370,659.00	21%
				-	-	-	
				12,813.50	12,813.50	12,813.50	100%
				-	-	-	
				159,104.76	159,104.76	622,690.00	26%
76,495.00	76,495.00	370,659.00	21%	1,772,528.47	1,772,528.47	6,882,411.50	26%
				527,111.49	527,111.49	3,143,876.00	17%
				13,833.61	13,833.61	89,151.00	16%
				11,188.00	11,188.00	14,700.00	76%
				308,588.82	308,588.82	1,276,383.00	24%
\$ 76,495.00	\$ 76,495.00	\$ 370,659.00	21%	354,324.12	354,324.12	1,438,200.00	25%
				-	-	-	
				55,087.18	55,087.18	274,319.00	20%
				3,439.74	3,439.74	15,486.00	22%
				-	-	-	
				79,848.41	79,848.41	293,555.00	27%
				13,995.41	13,995.41	64,000.00	22%
				-	-	-	
				31,550.57	31,550.57	133,520.00	24%
				-	-	-	
76,495.00	76,495.00	370,659.00	21%	1,398,967.35	1,398,967.35	6,743,190.00	21%
				373,561.12	373,561.12	139,221.50	268%
				-	-	-	
				-	-	-	
				-	-	-	
				373,561.12	373,561.12	139,221.50	268%
				930,506.00	930,506.00	930,506.00	100%
				-	-	-	
				930,506.00	930,506.00	930,506.00	100%
\$ -	\$ -	\$ -	%	\$ 1,304,067.12	\$ 1,304,067.12	\$ 1,069,727.50	122%

**Imagine South Vero (5006)
Indian River County, Florida
Balance Sheet (Unaudited)
September 30th, 2014**

ASSETS	Accounts	General Fund	Special Revenue Fund	Debt Service	Capital Outlay	Total Governmental Funds
Cash and cash equivalents	1110	\$ 1,315,051.75	\$ -	\$ -	\$ -	\$ 1,315,051.75
Investments	1160					-
Grant receivables	1130	\$ 18,895.30				18,895.30
Other current assets	12XX	\$ 31,752.08				31,752.08
Deposits	1210	\$ 71,677.50				71,677.50
Due from other funds	1140	\$ 25,471.00				25,471.00
Other long-term assets	1400	\$ 164,483.47				164,483.47
Total Assets		\$ 1,627,331.10	\$ -	\$ -	\$ -	\$ 1,627,331.10
LIABILITIES AND FUND BALANCE						
Liabilities						
Accounts payable	2120	\$ 17,327.51	\$ -	\$ -	\$ -	\$ 17,327.51
Salaries, benefits, and payroll taxes payable	2110, 2170, 2330	\$ 115,208.00				115,208.00
Deferred revenue	2410	\$ -				-
Notes/bonds payable	2180, 2250, 2310, 2320					-
Lease payable	2315					-
Other liabilities	21XX, 22XX, 23XX	\$ 190,728.47				190,728.47
Total Liabilities		\$ 323,263.98	-	-	-	\$ 323,263.98
Fund Balance						
Nonspendable	2710					-
Restricted	2720	96,322.00				96,322.00
Committed	2730					-
Assigned	2740	200,000.00				200,000.00
Unassigned	2750	1,007,745.12				1,007,745.12
Total Fund Balance		\$ 1,304,067.12	-	-	-	\$ 1,304,067.12
TOTAL LIABILITIES AND FUND BALANCE		\$ 1,627,331.10	\$ -	\$ -	\$ -	\$ 1,627,331.10
Variance		\$ -				\$ -

Indian River Charter School, Inc. with MSID Number 5001
 Indian River County, Florida
 Balance Sheet (Unaudited)
9/30/2014

10-31-14

	<u>Accounts</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	1110	\$ 1,178,646.48	\$ -	\$ -	\$ 350,957.48	\$ 1,529,603.96
Investments	1160					-
Grant receivables	1130	\$ 12,500.00			\$ 25,628.00	38,128.00
Other current assets	1200	\$ 64,135.06				64,135.06
Deposits	1210					-
Due from other funds	1140	\$ 372,027.02				372,027.02
Other long-term assets	1400	\$ -				-
Total Assets		<u>\$ 1,627,308.56</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 376,585.48</u>	<u>\$ 2,003,894.04</u>
LIABILITIES AND FUND BALANCE						
Liabilities						
Accounts payable	2120	\$ (4,303.19)	\$ -	\$ -	\$ 2,558.46	\$ (1,744.73)
Salaries, benefits, and payroll taxes payable	2110, 2170, 2330	\$ 3,915.10				\$ 3,915.10
Other current liabilities	2160				\$ 372,027.02	\$ 372,027.02
Deferred revenue	2413	\$ -				\$ -
Notes/bonds payable	2180, 2250, 2310, 2320				\$ -	\$ -
Lease payable	2315					-
Other liabilities	21XX, 22XX, 23XX					-
Total Liabilities		<u>(388.09)</u>	<u>-</u>	<u>-</u>	<u>374,585.48</u>	<u>374,197.39</u>
Fund Balance						
Nonspendable	2710	\$ 64,135.06			\$ -	\$ 64,135.06
Restricted	2720				\$ 2,000.00	\$ 2,000.00
Committed	2730					\$ -
Assigned	2740					\$ -
Unassigned	2750	\$ 1,563,561.59				\$ 1,563,561.59
Total Fund Balance		<u>1,627,696.65</u>	<u>-</u>	<u>-</u>	<u>2,000.00</u>	<u>1,629,696.65</u>
TOTAL LIABILITIES AND FUND BALANCE		<u>\$ 1,627,308.56</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 376,585.48</u>	<u>\$ 2,003,894.04</u>

5/13/14

Indian River Charter School, Inc. with MSID Number 5001
 Indian River County, Florida
 Statement of Revenue, Expenditures, and Changes in Fund Balance (Unaudited)
 For Quarter Ended 09/30/2014 and For the Year Ending 6/30/2015

FTE Projected
 FTE Actual

615
 615

100% Percent of Projected

	Account Number	General Fund				Special Revenue			
		Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget
Revenues									
Federal direct	3100								
Federal through state and local	3200								
STATE SOURCES									
FEFP	3310	931,545.61	931,545.61	3,765,006.00	25%				
Capital outlay	3397								
Class size reduction	3355								
School recognition	3361								
Other state revenue	3312	9,994.53	9,994.53	-					
LOCAL SOURCES									
Interest	3430	1,213.45	1,213.45						
Local capital improvement tax	3413								
Other local revenue	3400	511,689.49	511,689.49	637,790.25	80%				
Total Revenues		1,454,443.08	1,454,443.08	4,402,796.25	33%	-	-	-	
Expenditures									
Current Expenditures									
Instruction	5000	503,898.81	503,898.81	2,738,694.08	18%				
Instructional support services	6000	76,977.55	76,977.55	356,542.98	22%				
Board	7100								
School administration	7300	158,300.04	158,300.04	578,603.42	27%				
Facilities and acquisition	7400								
Fiscal services	7500								
Food services	7600	-	-	10,000.00	0%				
Central services	7700	8,887.63	8,887.63	49,978.15	18%				
Pupil transportation services	7800	-	-	5,000.00	0%				
Operation of plant	7900	127,198.95	127,198.95	532,164.49	24%				
Maintenance of plant	8100	3,357.00	3,357.00	21,000.00	16%				
Administrative technology services	8200	27,447.79	27,447.79	110,813.13	25%				
Community services	9100								
Debt service	9200								
Total Expenditures		906,067.77	906,067.77	4,402,796.25	21%	-	-	-	
Excess (Deficiency) of Revenues Over Expenditures		548,375.31	548,375.31	-		-	-	-	
Other Financing Sources (Uses)									
Transfers in	3600								
Transfers out	9700	(38,627.14)	(38,627.14)						
Total Other Financing Sources (Uses)		(38,627.14)	(38,627.14)	-		-	-	-	
Net Change in Fund Balances		509,748.17	509,748.17	-		-	-	-	
Fund balances, beginning		1,117,948.48	1,117,948.00	1,117,948.00	100%				
Adjustments to beginning fund balance									
Fund Balances, Beginning as Restated		1,117,948.48	1,117,948.00	1,117,948.00	100%	-	-	-	
Fund Balances, Ending		\$ 1,627,696.65	\$ 1,627,696.17	\$ 1,117,948.00	146%	\$ -	\$ -	\$ -	%

8/13-31/14

Indian River Charter School, Inc. with MSID Number 5001
 Indian River County, Florida
 Statement of Revenue, Expenditures, and Changes in Fund Balance (Unaudited)
 For Quarter Ended 09/30/2014 and For the Year Ending 6/30/2015

State

FTE Projected 615
 FTE Actual 615

	Account Number	Debt Service				Capital Outlay			
		Month/ Quarter		% of YTD Actual to Annual Budget	Month/ Quarter		% of YTD Actual to Annual Budget		
		Actual	YTD Actual		Actual	YTD Actual			
Revenues									
	3100								
	3200								
STATE SOURCES									
	3310								
	3397				76,960.00	76,960.00	307,996.00	25%	
	3355								
	3361								
	3312								
LOCAL SOURCES									
	3430				106.32	106.32	429.00	25%	
	3413								
	3400								
Total Revenues		-	-	-	77,066.32	77,066.32	308,425.00	25%	
Expenditures									
Current Expenditures									
	5000								
	6000								
	7100								
	7300								
	7400				115,693.46	115,693.46	307,996.00	38%	
	7500								
	7600								
	7700								
	7800								
	7900								
	8100								
	8200								
	9100								
	9200								
Total Expenditures		-	-	-	115,693.46	115,693.46	307,996.00	38%	
Excess (Deficiency) of Revenues Over Expenditures		-	-	-	(38,627.14)	(38,627.14)	429.00	-9004%	
Other Financing Sources (Uses)									
	3600				38,627.14	38,627.14			
	9700								
Total Other Financing Sources (Uses)		-	-	-	38,627.14	38,627.14	-		
Net Change in Fund Balances					-	-	429.00	0%	
Fund balances, beginning		2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	100%	
Adjustments to beginning fund balance									
Fund Balances, Beginning as Restated		-	-	-	2,000.00	2,000.00	2,000.00	100%	
Fund Balances, Ending		\$ -	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00	\$ 2,429.00	82%	

8/10/21/14

Indian River Charter School, Inc. with MSID Number 5001
 Indian River County, Florida
 Statement of Revenue, Expenditures, and Changes in Fund Balance (Unaudited)
 For Quarter Ended 09/30/2014 and For the Year Ending 6/30/2015

		State				
	FTE Projected	615				
	FTE Actual	615				
Total Governmental Funds						
		Account Number	Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget
Revenues						
		3100				
		3200				
	STATE SOURCES					
	FEFP	3310	931,545.61	931,545.61	3,765,006.00	25%
	Capital outlay	3397	76,960.00	76,960.00	307,996.00	25%
	Class size reduction	3355				
	School recognition	3361				
	Other state revenue	3312	9,994.53	9,994.53	-	
	LOCAL SOURCES					
	Interest	3430	1,319.77	1,319.77	429.00	308%
	Local capital improvement tax	3413				
	Other local revenue	3400	511,689.49	511,689.49	637,790.25	80%
	Total Revenues		1,531,509.40	1,531,509.40	4,711,221.25	33%
Expenditures						
Current Expenditures						
	Instruction	5000	503,898.81	503,898.81	2,738,694.08	18%
	Instructional support services	6000	76,977.55	76,977.55	356,542.98	22%
	Board	7100	-	-	-	
	School administration	7300	158,300.04	158,300.04	578,603.42	27%
	Facilities and acquisition	7400	115,693.46	115,693.46	307,996.00	38%
	Fiscal services	7500	-	-	-	
	Food services	7600	-	-	10,000.00	0%
	Central services	7700	8,887.63	8,887.63	49,978.15	18%
	Pupil transportation services	7800	-	-	5,000.00	0%
	Operation of plant	7900	127,198.95	127,198.95	532,164.49	24%
	Maintenance of plant	8100	3,357.00	3,357.00	21,000.00	16%
	Administrative technology services	8200	27,447.79	27,447.79	110,813.13	25%
	Community services	9100	-	-	-	
	Debt service	9200	-	-	-	
	Total Expenditures		1,021,761.23	1,021,761.23	4,710,792.25	22%
	Excess (Deficiency) of Revenues Over Expenditures		509,748.17	509,748.17	429.00	118822%
Other Financing Sources (Uses)						
	Transfers in	3600	38,627.14	38,627.14	-	
	Transfers out	9700	(38,627.14)	(38,627.14)	-	
	Total Other Financing Sources (Uses)		-	-	-	
	Net Change in Fund Balances		509,748.17	509,748.17	429.00	118822%
	Fund balances, beginning		1,119,948.48	1,119,948.00	1,119,948.00	100%
	Adjustments to beginning fund balance		-	-	-	
	Fund Balances, Beginning as Restated		1,119,948.48	1,119,948.00	1,119,948.00	100%
	Fund Balances, Ending		\$ 1,629,696.65	\$ 1,629,696.17	\$ 1,120,377.00	145%

COPY

NORTH COUNTY CHARTER SCHOOL, INC.

**Financial Statements
with
Independent Accountants' Compilation Report**

September 30, 2014



KMETZ NUTTALL ELWELL GRAHAM, PLLC
Certified Public Accountants

Independent Accountants' Compilation Report

To the Board of Directors
North County Charter School, Inc.
Vero Beach, Florida

We have compiled the accompanying balance sheet of North County Charter School, Inc. as of September 30, 2014, and the related statement of revenue, expenditures, and changes in fund balance for one month and the period then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the School's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

A handwritten signature in cursive script that reads "Kmetz, Nuttall, Elwell, Graham".

Kmetz, Nuttall, Elwell, Graham, PLLC
Certified Public Accountants

October 14, 2014

2800 Ocean Drive Vero Beach, Florida 32963 T: 772.231.6902 F: 772.231.4099

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Michael L. Kmetz, CPA, PFS Scott A. Nuttall, CPA, CFP Brian J. Elwell, CPA Patrick K. Graham, CPA, MA Aurelius J. (Reese) Brackins, CPA
Teresa M. LaSota, CPA David P. Reisinger, CPA James F. McGuigan, Jr., CPA Sherri Kolodziejczak, CPA, CGMA

(North County Charter School, Inc.) with MSID Number (5003)
Indian River County, Florida
Balance Sheet (Unaudited)
September 30, 2014

	<u>Accounts</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	1110	\$ 602,543.60	\$ -	\$ -	\$ -	\$ 602,543.60
Investments	1160					-
Grant receivables	1130					-
Other current assets	12XX					-
Deposits	1210					-
Due from other funds	1140	18,806.22			4,965.88	23,772.10
Due from local sources	1145	-				-
Other long-term assets	1400					-
Total Assets		<u>\$ 621,349.82</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,965.88</u>	<u>\$ 626,315.70</u>
LIABILITIES AND FUND BALANCE						
Liabilities						
Accounts payable	2120	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries, benefits, and payroll taxes payable	2110, 2170, 2330					-
Deferred revenue	2410					-
Notes/bonds payable	2180, 2250, 2310, 2320					-
Lease payable	2315					-
Other liabilities	21XX, 22XX, 23XX		23,772.10		-	23,772.10
Total Liabilities		<u>-</u>	<u>23,772.10</u>	<u>-</u>	<u>-</u>	<u>23,772.10</u>
Fund Balance						
Nonspendable	2710					-
Restricted	2720		(23,772.10)		4,965.88	(18,806.22)
Committed	2730					-
Assigned	2740					-
Unassigned	2750	621,349.82	-	-	-	621,349.82
Total Fund Balance		<u>621,349.82</u>	<u>(23,772.10)</u>	<u>-</u>	<u>4,965.88</u>	<u>602,543.60</u>
TOTAL LIABILITIES AND FUND BALANCE		<u>\$ 621,349.82</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,965.88</u>	<u>\$ 626,315.70</u>

See independent accountant's compilaton report.

(North County Charter School, Inc.) with MSID Number (5003)
Indian River County, Florida
Statement of Revenue, Expenditures, and Changes in Fund Balance (Unaudited)
For Month Ended September 30, 2014

	FTE Projected	26% Percent of Projected							
	FTE Actual								
	1842571								
	475080.51								
		General Fund				Special Revenue			
Account Number	Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	
Revenues									
FEDERAL SOURCES									
Federal direct	3100	\$ -	\$ -	\$ -	%	\$ -	\$ -	\$ -	%
Federal through state and local	3200								
STATE SOURCES									
FEFP	3310	161074.96	475080.51	1842571	26%				
Capital outlay	3397								
Class size reduction	3355								
School recognition	3361			25600	0%				
Other state revenue	33XX	2023.56	2023.56						
LOCAL SOURCES									
Interest	3430								
Local capital improvement tax	3413								
Other local revenue	34XX	8,495.33	19,028.29	108,548.00	18%	5,363.44	5,394.44	100,000.00	5%
Total Revenues		171,593.85	496,132.36	1,976,719.00	25%	5,363.44	5,394.44	100,000.00	5%
Expenditures									
Current Expenditures									
Instruction	5000	87,020.66	191,393.96	1,023,562.00	19%				
Instructional support services	6000	-	700.00	1,315.00	53%				
Board	7100	-	1,435.42	3,800.00	38%				
School administration	7300	19,587.64	52,774.88	258,887.00	20%				
Facilities and acquisition	7400	-	-	4,100.00	0%				
Fiscal services	7500	8,725.00	9,375.00	12,680.00	74%				
Food services	7600					14,808.50	29,166.54	118,521.00	25%
Central services	7700								
Pupil transportation services	7800	-	-	24,784.00	0%				
Operation of plant	7900	42,667.71	66,026.85	139,358.00	47%				
Maintenance of plant	8100	474.96	2,632.21	2,716.00	97%				
Administrative technology services	8200								
Community services	9100								
Debt service	9200	21,504.47	86,263.66	324,642.00	27%				
Total Expenditures		179,980.44	410,601.98	1,795,844.00	23%	14,808.50	29,166.54	118,521.00	25%
Excess (Deficiency) of Revenues Over Expenditures		(8,386.59)	85,530.38	180,875.00	47%	(9,445.06)	(23,772.10)	(18,521.00)	128%
Other Financing Sources (Uses)									
Transfers in	3600								
Loan proceeds	3700								
Transfers out	9700								
Total Other Financing Sources (Uses)		-	-	-		-	-	-	
Net Change in Fund Balances		(8,386.59)	85,530.38	180,875.00	47%	(9,445.06)	(23,772.10)	(18,521.00)	128%
Fund balances, beginning			535,819.44						
Adjustments to beginning fund balance									
Fund Balances, Beginning as Restated		-	535,819.44	-		-	-	-	
Fund Balance, Ending		\$ (8,386.59)	\$ 621,349.82	\$ 180,875.00	344%	\$ (9,445.06)	\$ 48,521.00	\$ 118,521.00	128%

(North County Charter School, Inc.) with MSID Number (5003)
Indian River County, Florida
Balance Sheet (Unaudited)
September 30, 2014

	<u>Accounts</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	1110	\$ 602,543.60	\$ -	\$ -	\$ -	\$ 602,543.60
Investments	1160					-
Grant receivables	1130					-
Other current assets	12XX					-
Deposits	1210					-
Due from other funds	1140	18,806.22			4,965.88	23,772.10
Due from local sources	1145	-				-
Other long-term assets	1400					-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets		<u>\$ 621,349.82</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,965.88</u>	<u>\$ 626,315.70</u>
LIABILITIES AND FUND BALANCE						
Liabilities						
Accounts payable	2120	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries, benefits, and payroll taxes payable	2110, 2170, 2330					-
Deferred revenue	2410					-
Notes/bonds payable	2180, 2250, 2310, 2320					-
Lease payable	2315					-
Other liabilities	21XX, 22XX, 23XX		23,772.10		-	23,772.10
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities		<u>-</u>	<u>23,772.10</u>	<u>-</u>	<u>-</u>	<u>23,772.10</u>
Fund Balance						
Nonspendable	2710					-
Restricted	2720		(23,772.10)		4,965.88	(18,806.22)
Committed	2730					-
Assigned	2740					-
Unassigned	2750	621,349.82	-	-	-	621,349.82
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balance		<u>621,349.82</u>	<u>(23,772.10)</u>	<u>-</u>	<u>4,965.88</u>	<u>602,543.60</u>
TOTAL LIABILITIES AND FUND BALANCE		<u><u>\$ 621,349.82</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,965.88</u></u>	<u><u>\$ 626,315.70</u></u>

See independent accountant's compilaton report.

(North County Charter School, Inc.) with MSID Number (5003)
Indian River County, Florida
Statement of Revenue, Expenditures, and Changes in Fund Balance (Unaudited)
For Month Ended September 30, 2014

	FTE Projected	26% Percent of Projected							
	FTE Actual								
	1842571								
	475080.51								
		General Fund				Special Revenue			
Account Number	Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	
Revenues									
FEDERAL SOURCES									
Federal direct	3100	\$ -	\$ -	\$ -	%	\$ -	\$ -	\$ -	%
Federal through state and local	3200								
STATE SOURCES									
FEFP	3310	161074.96	475080.51	1842571	26%				
Capital outlay	3397								
Class size reduction	3355								
School recognition	3361			25600	0%				
Other state revenue	33XX	2023.56	2023.56						
LOCAL SOURCES									
Interest	3430								
Local capital improvement tax	3413								
Other local revenue	34XX	8,495.33	19,028.29	108,548.00	18%	5,363.44	5,394.44	100,000.00	5%
Total Revenues		171,593.85	496,132.36	1,976,719.00	25%	5,363.44	5,394.44	100,000.00	5%
Expenditures									
Current Expenditures									
Instruction	5000	87,020.66	191,393.96	1,023,562.00	19%				
Instructional support services	6000	-	700.00	1,315.00	53%				
Board	7100	-	1,435.42	3,800.00	38%				
School administration	7300	19,587.64	52,774.88	258,887.00	20%				
Facilities and acquisition	7400	-	-	4,100.00	0%				
Fiscal services	7500	8,725.00	9,375.00	12,680.00	74%				
Food services	7600					14,808.50	29,166.54	118,521.00	25%
Central services	7700								
Pupil transportation services	7800	-	-	24,784.00	0%				
Operation of plant	7900	42,667.71	66,026.85	139,358.00	47%				
Maintenance of plant	8100	474.96	2,632.21	2,716.00	97%				
Administrative technology services	8200								
Community services	9100								
Debt service	9200	21,504.47	86,263.66	324,642.00	27%				
Total Expenditures		179,980.44	410,601.98	1,795,844.00	23%	14,808.50	29,166.54	118,521.00	25%
Excess (Deficiency) of Revenues Over Expenditures		(8,386.59)	85,530.38	180,875.00	47%	(9,445.06)	(23,772.10)	(18,521.00)	128%
Other Financing Sources (Uses)									
Transfers in	3600								
Loan proceeds	3700								
Transfers out	9700								
Total Other Financing Sources (Uses)		-	-	-		-	-	-	
Net Change in Fund Balances		(8,386.59)	85,530.38	180,875.00	47%	(9,445.06)	(23,772.10)	(18,521.00)	128%
Fund balances, beginning			535,819.44						
Adjustments to beginning fund balance									
Fund Balances, Beginning as Restated		-	535,819.44	-		-	-	-	
Fund Balance, Ending		\$ (8,386.59)	\$ 621,349.82	\$ 180,875.00	344%	\$ (9,445.06)	\$ 48,521.00	\$ 118,521.00	128%

St. Peter's Academy with MSID Number 5002
 Indian River County, Florida
 Balance Sheet (Unaudited)
 Quarterly 9/30/2014

	Accounts	General Fund	Special Revenue Fund	Debt Service	Capital Outlay	Total Governmental Funds
ASSETS						
Cash and cash equivalents	1110	\$ 98,636.87	\$ 5,719.32	\$ -	5,279.44	\$ 109,635.63
Investments	1160					-
Grant receivables	1130					-
Other current assets	12XX	25,404.33			3,305.00	28,709.33
Deposits	1210					-
Due from other funds	1140	3,305.00				3,305.00
Other long-term assets	1400					-
Total Assets		<u>\$ 127,346.20</u>	<u>\$ 5,719.32</u>	<u>\$ -</u>	<u>\$ 8,584.44</u>	<u>\$ 141,649.96</u>
LIABILITIES AND FUND BALANCE						
Liabilities						
Accounts payable	2120	\$ 9,053.37	\$ -	\$ -	\$ 3,305.00	\$ 12,358.37
Salaries, benefits, and payroll taxes payable	2110, 2170, 2330	10,656.80				10,656.80
Deferred revenue	2410					-
Notes/bonds payable	2180, 2250, 2310, 2320					-
Lease payable	2315					-
Other liabilities	21XX, 22XX, 23XX					-
Total Liabilities		<u>19,710.17</u>	<u>-</u>	<u>-</u>	<u>3,305.00</u>	<u>23,015.17</u>
Fund Balance						
Nonspendable	2710					-
Restricted	2720					-
Committed	2730					-
Assigned	2740					-
Unassigned	2750	107,636.03	5,719.32		5,279.44	118,634.79
Total Fund Balance		<u>107,636.03</u>	<u>5,719.32</u>	<u>-</u>	<u>5,279.44</u>	<u>118,634.79</u>
TOTAL LIABILITIES AND FUND BALANCE		<u>\$ 127,346.20</u>	<u>\$ 5,719.32</u>	<u>\$ -</u>	<u>\$ 8,584.44</u>	<u>\$ 141,649.96</u>

Amended  12/3/14

St. Peter's Academy with MSID Number 5002
Indian River County, Florida
Statement of Revenue, Expenditures, and Changes in Fund Balance (Unaudited)
For Quarter Ended and For the Year Ending September 30, 2014

	FTE Projected FTE Actual	150		0% Percent of Projected					
		General Fund				Special Revenue			
Account Number	Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	
Revenues									
FEDERAL SOURCES									
Federal direct	3100	\$ -	\$ -	\$ -	%	\$ 8,449.66	\$ 8,449.66	\$ 72,000.00	12%
Federal through state and local	3200					16,879.67	16,879.67	102,500.00	16%
STATE SOURCES									
FEFP	3310	234,037.70	234,037.70	825,000.00	28%				
Capital outlay	3397								
Class size reduction	3355								
School recognition	3361								
Other state revenue VPK	33XX	101.32	101.32	67,000.00	0%				
LOCAL SOURCES									
Interest	3430								
Local capital improvement tax	3413								
Other local revenue	34XX	245.04	245.04	35,000.00	1%			1,600.00	0%
Total Revenues		234,384.06	234,384.06	927,000.00	25%	25,329.33	25,329.33	176,100.00	14%
Expenditures									
Current Expenditures									
Instruction	5000	130,882.91	130,882.91	563,437.00	23%	11,556.96	11,556.96	78,900.00	15%
Instructional support services	6000								
Board	7100								
School administration	7300	44,871.23	44,871.23	174,228.00	26%				
Facilities and acquisition	7400								
Fiscal services	7500	8,250.00	8,250.00	10,000.00	83%				
Food services	7600					21,912.05	21,912.05	88,468.00	25%
Central services	7700								
Pupil transportation services	7800	10,641.24	10,641.24	42,697.00	25%				
Operation of plant	7900	34,513.69	34,513.69	104,900.00	33%				
Maintenance of plant	8100								
Administrative technology services	8200								
Community services	9100								
Debt service	9200								
Total Expenditures		229,159.07	229,159.07	895,262.00	26%	33,469.01	33,469.01	167,368.00	20%
Excess (Deficiency) of Revenues Over Expenditures		5,224.99	5,224.99	31,738.00	16%	(8,139.68)	(8,139.68)	8,732.00	-93%
Other Financing Sources (Uses)									
Proceeds from Loans	3600	(6,315.93)	(6,315.93)						
Transfers in	3600								
Transfers out	9700								
Total Other Financing Sources (Uses)		(6,315.93)	(6,315.93)	-		-	-	-	
Net Change in Fund Balances		(1,090.94)	(1,090.94)	31,738.00	-3%	(8,139.68)	(8,139.68)	8,732.00	-93%
Fund balances, beginning		108,726.97	108,726.97	229,038.95	47%	13,859.00	13,859.00	8,232.00	168%
Adjustments to beginning fund balance									
Fund Balances, Beginning as Restated		108,726.97	108,726.97	229,038.95	47%	13,859.00	13,859.00	8,232.00	168%
Fund Balances, Ending		\$ 107,636.03	\$ 107,636.03	\$ 260,776.95	41%	\$ 5,719.32	\$ 5,719.32	\$ 16,964.00	34%

Debt Service				Capital Outlay				Total Governmental Funds			
Month/ Quarter			% of YTD	Month/ Quarter			% of YTD	Month/ Quarter			% of YTD
Actual	YTD Actual	Annual Budget	Actual to Annual Budget	Actual	YTD Actual	Annual Budget	Actual to Annual Budget	Actual	YTD Actual	Annual Budget	Actual to Annual Budget
\$ -	\$ -	\$ -	%	\$ -	\$ -	\$ -	%	\$ 8,449.66	\$ 8,449.66	\$ 72,000.00	12%
								16,879.67	16,879.67	102,500.00	16%
				9,925.00	9,925.00	50,500.00	20%	234,037.70	234,037.70	825,000.00	28%
								9,925.00	9,925.00	50,500.00	20%
								-	-	-	
								101.32	101.32	67,000.00	0%
								-	-	-	
								245.04	245.04	36,600.00	1%
				9,925.00	9,925.00	50,500.00	20%	269,638.39	269,638.39	1,153,600.00	23%
								142,439.87	142,439.87	642,337.00	22%
								-	-	-	
								44,871.23	44,871.23	174,228.00	26%
								-	-	-	
								8,250.00	8,250.00	10,000.00	83%
								21,912.05	21,912.05	88,468.00	25%
								-	-	-	
								10,641.24	10,641.24	42,697.00	25%
								34,513.69	34,513.69	104,900.00	33%
								-	-	-	
				4,645.56	4,645.56	44,000.00	11%	4,645.56	4,645.56	44,000.00	11%
				4,645.56	4,645.56	44,000.00	11%	267,273.64	267,273.64	1,106,630.00	24%
				5,279.44	5,279.44	6,500.00	81%	2,364.75	2,364.75	46,970.00	5%
								(6,315.93)	(6,315.93)	-	
								-	-	-	
				5,279.44	5,279.44	6,500.00	81%	(3,951.18)	(3,951.18)	46,970.00	-8%
								122,585.97	122,585.97	237,270.95	52%
								-	-	-	
								122,585.97	122,585.97	237,270.95	52%
\$ -	\$ -	\$ -	%	\$ 5,279.44	\$ 5,279.44	\$ 6,500.00	81%	\$ 118,634.79	\$ 118,634.79	\$ 284,240.95	42%

SEBASTIAN CHARTER JUNIOR HIGH, INC.

**Financial Statements
with
Independent Accountants' Compilation Report**

September 30, 2014



Independent Accountants' Compilation Report

To the Board of Directors
Sebastian Charter Junior High, Inc.
Sebastian, Florida

We have compiled the accompanying balance sheet of Sebastian Charter Junior High, Inc. as of September 30, 2014, and the related statement of revenue, expenditures, and changes in fund balance for the first quarter and the period then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the School's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Kmetz, Nuttall, Elwell, Graham, PLLC
Certified Public Accountants

November 3, 2014

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(Sebastian Charter Junior High, Inc.) with MSID Number (5005)
Indian River County, Florida
Balance Sheet (Unaudited)
September 30, 2014

	<u>Accounts</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service</u>	<u>Capital Outlay</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and cash equivalents	1110	\$ 79,290.24	\$ -	\$ -	\$ 38,140.88	\$ 117,431.12
Investments	1160					-
Grant receivables	1130					-
Other current assets	12XX					-
Deposits	1210					-
Due from other funds	1140	89,863.04				89,863.04
Other long-term assets	1400					-
Total Assets		<u>\$ 169,153.28</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,140.88</u>	<u>\$ 207,294.16</u>
LIABILITIES AND FUND BALANCE						
Liabilities						
Accounts payable	2120	\$ 8,157.33	\$ -	\$ -	\$ -	\$ 8,157.33
Salaries, benefits, and payroll taxes payable	2110, 2170, 2330	(658.07)				(658.07)
Deferred revenue	2410					-
Notes/bonds payable	2180, 2250, 2310, 2320					-
Lease payable	2315					-
Other liabilities	21XX, 22XX, 23XX	-		3,075.24	86,787.80	89,863.04
Total Liabilities		<u>7,499.26</u>	<u>-</u>	<u>3,075.24</u>	<u>86,787.80</u>	<u>97,362.30</u>
Fund Balance						
Nonspendable	2710					-
Restricted	2720			(3,075.24)	(48,646.92)	(51,722.16)
Committed	2730					-
Assigned	2740					-
Unassigned	2750	161,654.02			-	161,654.02
Total Fund Balance		<u>161,654.02</u>	<u>-</u>	<u>(3,075.24)</u>	<u>(48,646.92)</u>	<u>109,931.86</u>
TOTAL LIABILITIES AND FUND BALANCE		<u>\$ 169,153.28</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,140.88</u>	<u>\$ 207,294.16</u>

See independent accountant's compilaton report.

(Sebastian Charter Junior High, Inc.) with MSID Number 5005)
Indian River County, Florida
Statement of Revenue, Expenditures, and Changes in Fund Balance (Unaudited)
For Quarter Ended September 30, 2014

	FTE Projected	25% Percent of Projected							
	FTE Actual	General Fund		Special Revenue					
	1482810.5								
	370,900.79								
	Account Number	Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget	Month/ Quarter Actual	YTD Actual	Annual Budget	% of YTD Actual to Annual Budget
Revenues									
FEDERAL SOURCES									
Federal direct	3100	\$ -	\$ -	\$ -	%	\$ -	\$ -	\$ -	%
Federal through state and local	3200	5465.02	5465.02	18000	30%				
STATE SOURCES									
FEFP	3310	370900.79	370,900.79	1482810.5	25%				
Capital outlay	3397								
Class size reduction	3355								
School recognition	3361								
Other state revenue	33XX								
LOCAL SOURCES									
Interest	3430								
Local capital improvement tax	3413								
Other local revenue	34XX	11,748.71	11,748.71	62,100.00	19%				
Total Revenues		388,114.52	388,114.52	1,562,910.50	25%				
Expenditures									
Current Expenditures									
Instruction	5000	215,628.84	215,628.84	915,809.07	24%	3,075.24	3,075.24		
Instructional support services	6000	702.00	702.00	213.00	330%				
Board	7100	557.50	557.50	2,545.00	22%				
School administration	7300	69,608.49	69,608.49	274,042.65	25%				
Facilities and acquisition	7400	-	-	100.00	0%				
Fiscal services	7500	2,624.00	2,624.00	18,576.00	14%				
Food services	7600								
Central services	7700								
Pupil transportation services	7800	(579.00)	(579.00)	40,500.00	-1%				
Operation of plant	7900	26,917.12	26,917.12	104,092.70	26%				
Maintenance of plant	8100	6,638.73	6,638.73	6,000.00	111%				
Administrative technology services	8200								
Community services	9100								
Debt service	9200	-	-						
Total Expenditures		322,097.68	322,097.68	1,361,878.42	24%	3,075.24	3,075.24	-	
Excess (Deficiency) of Revenues Over Expenditures		66,016.84	66,016.84	201,032.08	33%	(3,075.24)	(3,075.24)	-	
Other Financing Sources (Uses)									
Transfers in	3600								
Loan proceeds	3700								
Transfers out	9700								
Total Other Financing Sources (Uses)		-	-	-		-	-	-	
Net Change in Fund Balances		66,016.84	66,016.84	201,032.08	33%	(3,075.24)	(3,075.24)	-	
Fund balances, beginning			95,637.18						
Adjustments to beginning fund balance									
Fund Balances, Beginning as Restated		-	95,637.18	-		-	-	-	
Fund Balances, Ending		\$ 66,016.84	\$ 161,654.02	\$ 201,032.08	80%	\$ (3,075.24)	\$ (3,075.24)	\$ -	%

Debt Service				Capital Outlay				Total Governmental Funds			
Month/ Quarter			% of YTD	Month/ Quarter			% of YTD	Month/ Quarter			% of YTD
Actual	YTD Actual	Annual Budget	Actual to Annual Budget	Actual	YTD Actual	Annual Budget	Actual to Annual Budget	Actual	YTD Actual	Annual Budget	Actual to Annual Budget
\$ -	\$ -	\$ -	%	\$ -	\$ -	\$ -	%	\$ -	\$ -	\$ -	%
						0		5,465.02	5,465.02	18,000.00	30%
				12666	12,666.00	91443.17	14%	370,900.79	370,900.79	1,482,810.50	25%
								12,666.00	12,666.00	91,443.17	14%
								-	-	-	
								-	-	-	
				0.30	0.30	-		0.30	0.30	-	
								-	-	-	
								11,748.71	11,748.71	62,100.00	19%
				12,666.30	12,666.30	91,443.17	14%	400,780.82	400,780.82	1,654,353.67	24%
								218,704.08	218,704.08	915,809.07	24%
								702.00	702.00	213.00	330%
								557.50	557.50	2,545.00	22%
								69,608.49	69,608.49	274,042.65	25%
								-	-	100.00	0%
								2,624.00	2,624.00	18,576.00	14%
								-	-	-	
								(579.00)	(579.00)	40,500.00	-1%
								26,917.12	26,917.12	104,092.70	26%
								6,638.73	6,638.73	6,000.00	111%
								-	-	-	
				61,313.22	61,313.22	245,252.88	25%	61,313.22	61,313.22	245,252.88	25%
				61,313.22	61,313.22	245,252.88	25%	386,486.14	386,486.14	1,607,131.30	24%
				(48,646.92)	(48,646.92)	(153,809.71)	32%	14,294.68	14,294.68	47,222.37	30%
								-	-	-	
								-	-	-	
								-	-	-	
				(48,646.92)	(48,646.92)	(153,809.71)	32%	14,294.68	14,294.68	47,222.37	30%
								-	95,637.18	-	
									95,637.18	-	
\$ -	\$ -	\$ -	%	\$ (48,646.92)	\$ (48,646.92)	\$ (153,809.71)	32%	\$ 14,294.68	\$ 109,931.86	\$ 47,222.37	233%

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