

Governing Board Agenda
WASHINGTON ELEMENTARY SCHOOL DISTRICT
GOVERNING BOARD AGENDA FOR
REGULAR MEETING AND EXECUTIVE SESSION

DATE: January 23, 2014

TIME: Regular Meeting 7:00 p.m. – Board Room
Executive Session to follow Regular Meeting

PLACE: Administrative Center, 4650 West Sweetwater Avenue, Glendale, AZ 85304-1505

CONSISTENT WITH THE REQUIREMENTS SET FORTH IN ARS 38-431.02,
NOTICES OF THIS PUBLIC MEETING HAVE BEEN APPROPRIATELY POSTED.

A copy of the completed agenda with names and details, including available support documents, may be obtained during regular business hours at the Washington Elementary School District Superintendent's Office at 4650 West Sweetwater Avenue, Glendale, AZ 85304-1505.

I. REGULAR MEETING

- A. Call to Order and Roll Call
- B. Moment of Silence and Meditation
- C. Pledge of Allegiance
- D. Adoption of the Regular Meeting Agenda

Motion _____ Second _____ Vote _____

- E. Approval of the Minutes

1-5

It is recommended that the Governing Board approve the Minutes of the January 9, 2014 Regular Meeting and Executive Session (all Governing Board members were present).

Motion _____ Second _____ Vote _____

- F. Current Events and Acknowledgments: Governing Board and Superintendent

- G. Special Recognition

- Special recognition of Invest in Education, a Political Action Committee (PAC): Co-Chairs Sandy Mendez-Benson and Pat MacArthur; Treasurer Sherry Dudek; Team Leaders Natalie Veidmark and Tevis Madison.
- Special recognition of Past Governing Board President, Chris Maza.

- H. Public Participation**

- Members of the public may address the Governing Board during this portion of the agenda in regard to non-agenda items (not to exceed three (3) minutes at chair's discretion. If interpretation services are used, the time shall not exceed six (6) minutes, including interpretation.)
- Additionally, or instead of, members of the public may address the Governing Board during a specific item that is on the agenda (not to exceed three (3) minutes at chair's discretion. If interpretation services are used, the time shall not exceed six (6) minutes, including interpretation.)

- I. It is recommended that the Governing Board approve the Consent Agenda.

Motion _____ Second _____ Vote _____

II. CONSENT AGENDA

- *A. Approval/Ratification of Vouchers 6
The Vice President of the Board reviews all vouchers prior to the meeting of the Board. Vouchers represent orders for payment of materials, equipment, salaries and services.
- *B. Personnel Items 7-10
Personnel items include resignations, terminations, requests for retirement or leave, recommendations for employment and position changes.
- *C. Public Gifts and Donations (The Value of Donated Items is Determined by the Donor) 11-12
1. Cactus Wren Little League donated the repair/remodel of the dugout bench with a value of approximately \$500.00 for the benefit of students at Cactus Wren Elementary School.
 2. Johnson International, Inc. donated a check in the amount of \$1,000.00 to be used for the benefit of students in the after-school PAC Program at Desert View Elementary School.
 3. General Mills Box Tops for Education donated a check in the amount of \$593.50 to be used for the benefit of students at Moon Mountain Elementary School.
 4. General Mills Box Tops for Education donated a check in the amount of \$545.00 to be used to purchase library books for Mountain Sky Junior High School.
 5. Alex Lowy donated a check in the amount of \$1,000.00 to be used for wrestling and other sports programs at Mountain Sky Junior High School.
 6. Phoenix First Christian Church donated food boxes with a value of \$7,500.00 for families of 21st Century students at Sunnyslope School.
 7. Donors Choose.org donated ukulele stations with an approximate value of \$800.00 for the benefit of music students at Sunset Elementary School.
 8. Orangewood Parent/Teacher Association donated a check in the amount of \$555.00 to be used for transportation for 6th grade field trips at Orangewood School.
 9. Stacy Alyse Wieser a check in the amount of \$1,000.00 to be used for the athletic programs at Orangewood School.
 10. Safeway Foundation donated a check in the amount of \$1,100.00 to be used for students and their families at Sweetwater School.
 11. Kroger/Fry's Food Stores donated a check in the amount of \$828.29 to be used for the benefit of students at Tumbleweed Elementary School.
 12. Delta Dental (through the Arizona Science Center) donated a check in the amount of \$300.00 to be used for tabletop activities for Family Fun Night at Cactus Wren Elementary School.
 13. The Mr. Holland's Opus Foundation donated musical instruments with an approximate value of \$20,062.00 for the benefit of music students at Richard E. Miller Elementary School.
 14. WorldatWork donated backpacks filled with school supplies with an approximate value of \$300.00 for the benefit of McKinney-Vento students.

II. CONSENT AGENDA (continued)

- *D. Out-of-County/State Field Trips 13-20
1. Angela Clipper, Sweetwater School, submitted an out-of-county/state field trip to the Arizona Renaissance Festival, Gold Canyon, AZ, March 4, 2014, for 6th grade students at a cost of \$916.50.
 2. Patricia Rich, Abraham Lincoln Traditional School, submitted an out-of-county/state field trip to Out of Africa, Camp Verde, AZ, February 13, 2014, for 7th and 8th grade students at a cost of \$4,290.07.
- *E. Acceptance of the John C. Lincoln Health Foundation Grant in the Amount of \$3,789.00 21
- *F. Teacher Evaluation System Verification – Statement of Assurance 22-23
- *G. Agreement with Arizona State University for Student Field Placement – Speech Pathologists 24-27

III. ACTION / DISCUSSION ITEM

- A. To Consider and, if Deemed Acceptable, Adopt a Resolution Authorizing Execution of the Equipment Lease/Purchase Agreement and Acquisition Fund and Account Control Agreement for the Lease Purchase of Certain Energy Conservation Measures within the District, and Delegating to the Governing Board President, District Superintendent, and the Business Services Director of the District the Authority to Approve and Complete Such Documents (Cathy Thompson) 28-74

Motion _____ Second _____ Vote _____

IV. INFORMATION / DISCUSSION ITEMS

- A. Student Travel Update (Maggie Westhoff and the Student Travel Study Team) 75-82
- B. Technology Update (Chris Lieurance and Sue Snyder) 83-104

V. FUTURE AGENDA ITEMS

VI. CALL FOR EXECUTIVE SESSION

Call for Executive Session: Pursuant to A.R.S. §38-431.03 – A.5

It is recommended that the Governing Board establish an Executive Session to be held immediately during a recess in the Regular Meeting for:

- A.5 – Discussions or consultations with the designated representative of the public body in order to consider its position and instruct its representatives regarding negotiations with employee organizations regarding the salaries, salary schedule, or compensation paid in the form of fringe benefits of employees of the public body – specifically regarding the 2014 Interest-based Negotiation (IBN) process.

Motion _____ Second _____ Vote _____

VII. RECESSING OF REGULAR MEETING FOR EXECUTIVE SESSION

VIII. EXECUTIVE SESSION – GENERAL FUNCTION

A. Call to Order and Roll Call

B. Confidentiality Statement

All persons present are hereby reminded that it is unlawful to disclose or otherwise divulge to any person who is not now present, other than a current member of the Board, anything that has transpired or has been discussed during this executive session. To do so is a violation of ARS 38-431.03 unless pursuant to a specific statutory exception.

C. Discussion under A.R.S. §38-431.03 – A.5

- A.5 – Discussions or consultations with the designated representative of the public body in order to consider its position and instruct its representatives regarding negotiations with employee organizations regarding the salaries, salary schedule, or compensation paid in the form of fringe benefits of employees of the public body – specifically regarding the 2014 Interest-based Negotiation (IBN) process.

IX. RECONVENING OF REGULAR MEETING

X. ADJOURNMENT

Motion _____ Second _____ Vote _____

NOTES: As a matter of information to the audience, five days prior to any Governing Board Meeting, Board Members receive the agenda along with the extensive background material which they study individually before action is taken at the meeting. Routine matters will be asterisked and approved as consent agenda items. Any member of the Governing Board may remove items from the consent agenda.

Persons with a disability may request a reasonable accommodation by contacting 602-347-2802. Requests should be made at least 24 hours prior to the scheduled meeting in order to allow time to arrange for the accommodation.

(*) Items marked with an asterisk (*) are designated as Consent Agenda Items. This implies that the items will be considered without discussion. Consent Agenda items may be removed for discussion and debate by any member of the Governing Board by notifying the Board President or the Superintendent twenty-four (24) hours before regular Board meeting or by a majority of the Governing Board members present at the Board Meeting.

(**) Members of the public who wish to address the Board during Public Participation or on an item which is on the agenda may be granted permission to do so by completing a PUBLIC PARTICIPATION SPEAKER COMMENT form and giving it to the Board's Secretary PRIOR TO THE BEGINNING OF THE MEETING. Those who have asked to speak will be called upon to address the Board at the appropriate time. If interpreter services are needed, please contact Angela Perrone at 602-347-2609 at least 24 hours prior to the scheduled Board Meeting in order to allow sufficient time to arrange for an interpreter to be available.

(**) During open session, the Board shall not hear personal complaints against school personnel or any other person connected with the District. Policy KE is provided by the Board for disposition of legitimate complaints including those involving individuals.

(**) The Board may listen but cannot enter into discussion on any item not on the agenda. Depending upon the number of requests to speak to the Board, time limitations may be imposed in order to facilitate accomplishing the business of the District in a timely manner.

GOVERNING BOARD MINUTES: REGULAR MEETING AND EXECUTIVE SESSION

2013-2014

January 9, 2014

Administrative Center
Governing Board Room
4650 West Sweetwater Avenue
Glendale, AZ 85304-1505

I. REGULAR MEETING – GENERAL FUNCTION**A. Call to Order and Roll Call**

Mr. Maza called the meeting to order at 7:01 p.m. Governing Board members constituting a quorum were present: Mr. Chris Maza, Mr. Bill Adams, Ms. Clorinda Graziano, Mr. Aaron Jahneke, and Mrs. Tee Lambert.

B. Organization of the Board

Mr. Maza called for nominations for the position of President of the Washington Elementary School District Governing Board. Mr. Adams nominated Mrs. Tee Lambert as Governing Board President. Mrs. Lambert accepted the nomination and stated her reasons for desiring the position. There were no other nominations. A roll call vote was requested. Mrs. Lambert was elected Governing Board President by a 5-0 vote.

5-0 AYE

Mrs. Lambert called for nominations for the position of Governing Board Vice President. Mr. Jahneke nominated Mr. Bill Adams as Governing Board Vice President. Mr. Adams accepted the nomination and stated his reasons for desiring the position. There were no other nominations. A roll call vote was requested. Mr. Adams was elected Governing Board Vice President by a 5-0 vote.

5-0 AYE**C. Moment of Silence and Meditation**

Mrs. Lambert called for a moment of silence and meditation.

D. Pledge of Allegiance

Mrs. Lambert led the Pledge of Allegiance.

E. Adoption of the Regular Meeting Agenda

A motion was made by Mr. Maza that the Governing Board adopt the Regular Meeting Agenda. The motion was seconded by Mr. Jahneke. The motion carried.

UNANIMOUS**F. Approval of the Minutes**

A motion was made by Ms. Graziano that the Governing Board approve the Minutes of the December 6, 2013 Special Meeting. The motion was seconded by Mr. Adams. The motion carried.

UNANIMOUS**G. Approval of the Minutes**

A motion was made by Mr. Jahneke that the Governing Board approve the Minutes of the December 12, 2013 Regular Meeting and Executive Session. The motion was seconded by Mr. Maza. The motion carried.

UNANIMOUS**H. Current Events: Governing Board and Superintendent**

Mr. Adams shared that he enjoyed visiting Moon Mountain Elementary School, Principal Sue Brown, and her wonderful staff.

Mr. Maza welcomed the District staff back for the new year. Mr. Maza stated it had been his pleasure to serve as Governing Board President the past three years and

January 9, 2014

thanked his fellow Board members, Dr. Cook, and her staff for their support. Mr. Maza thanked Governing Board Administrative Assistant, Joyce Shiota, for her diligence and efforts.

Mr. Jahneke stated he had enjoyed serving as Vice President the past three years and thanked the staff who prepared the vouchers for his review.

Board members and Dr. Cook congratulated Mrs. Lambert and Mr. Adams for their new posts as Governing Board President and Vice President, respectively. Mr. Maza and Mr. Jahneke were thanked for their service as Governing Board President and Vice President, respectively, for the past three years.

Dr. Cook provided Governing Board members with the North Mountain Redevelopment Area Plan prepared by the City of Phoenix Planning and Development Department (for information only).

I. Special Recognition

Dr. Cook acknowledged special recognition of teachers who have achieved National Board Certification (NBC), the most prestigious credential a teacher can earn. Dr. Cook introduced Dr. Maggie Westhoff who congratulated the candidates who received National Board Certification: Kristin Roberts, Mountain View School; Jessica Looper, Mountain View School; Karen Mull, Mountain Sky Junior High School; Susan Duncan, Manzanita Elementary School; and Becky Wright, Manzanita Elementary School. The candidates received a sterling silver NBC pin and acknowledged the family members, friends, and school staff members who were in attendance to support and congratulate them.

J. Public Participation

There was no public participation.

K. Approval of the Consent Agenda

UNANIMOUS

Ms. Graziano requested that Item *II.D. – Out-of-County/State Field Trip be pulled from the Consent Agenda for separate consideration.

A motion was made by Mr. Maza that the Governing Board approve the remaining Consent Agenda items. The motion was seconded by Ms. Graziano. The motion carried.

II. CONSENT AGENDA

***A. Approval/Ratification of Vouchers**

UNANIMOUS

Approved and ratified the vouchers as presented.

***B. Personnel Items**

UNANIMOUS

Approved the personnel items as presented.

***C. Public Gifts and Donations**

UNANIMOUS

Approved the public gifts and donations as presented.

1. Phoenix Writers Club donated a check in the amount of \$300.00 to be used towards the purchase of materials for the PencilPals program at Mountain View School.
2. Safeway Foundation donated a check in the amount of \$700.00 to be used for families in need for the holidays at Sweetwater School.

January 9, 2014

3. S.P.I.C.E. donated a check in the amount of \$2,033.00 to be used for the funding of a music competition field trip for the benefit of students at Mountain Sky Junior High School.

***D. Out-of-County/State Field Trip**

UNANIMOUS

1. Diana Polanski, Desert Foothills Junior High School, Mountain Sky Junior High School, and Palo Verde Middle School, submitted an out-of-county/state field trip to Show Low High School, Show Low, AZ, February 22, 2014, for 7th and 8th grade choral and orchestra students at a cost of \$2,118.84.

A motion was made by Ms. Graziano that the Governing Board approve the out-of-county/state field trip request as presented. The motion was seconded by Mr. Adams. The motion carried.

Ms. Graziano thanked the school orchestra teachers, Diana Polanski, Samantha Hart, and Michael Glynn for their time and efforts in planning the trip to the AMEA Elementary School and Junior High All-State festivals. Ms. Graziano appreciated that the teachers volunteered their time on a Saturday to take the students to the festivals.

***E. Out-of-State Travel**

UNANIMOUS

1. Joel Hanania, School Psychologist, to attend the 22nd Annual Butters-Kaplan West Coast Neuropsychology Conference, March 20-23, 2014, in San Diego, CA, at no cost to the District.

***F. Affiliation Agreement with Arizona State University**

UNANIMOUS

***G. Agreement with the City of Phoenix to Extend a Temporary Construction Easement Associated with the Northwest Extension of the Light Rail**

UNANIMOUS

***H. Acceptance of the US Airways Grant in the Amount of \$500.00**

III. ACTION / DISCUSSION ITEM

A. Permission to Pursue Employee Phased Retirement Program

UNANIMOUS

Dr. Cook advised the Board that the Interest-Based Negotiations (IBN) team had in the past recommended an employee phased retirement program. The IBN team offered a recommendation for the 2014-2015 school year in an effort to assist employees with making decisions about phased retirement. Dr. Cook introduced Mr. Justin Wing who reviewed the IBN team's interest-based process for the recommendation.

Mr. Wing advised the Board that smartschoolsplus, inc. must offer employee health benefits effective with the 2014-2015 school year in order to comply with the Affordable Care Act. Mr. Wing stated that the company had not finalized the health insurance plan it will offer and its related costs. Therefore, smartschoolsplus, inc. had not yet prepared a contract for the District.

Mr. Wing presumed that because of the company's increased operational costs, the resulting savings to the District could diminish relative to prior years. Mr. Wing advised the Board that the 2013-2014 phased retirement program provided an approximate \$450,000.00 savings for the District. Mr. Wing stated that the savings for the District for 2014-2015 could be approximately \$325,000.00-\$450,000.00, depending on the number of participants electing insurance through smartschoolsplus, inc. (assuming that the number of participants is the same as in the 2013-2014 school year).

January 9, 2014

Ms. Graziano asked if the healthcare cost would increase for the retired employees using smartschoolsplus, inc. Mr. Wing responded that several healthcare options were available to retired employees and costs would vary, e.g., ASRS insurance, Cobra insurance through the District, smartschoolsplus, inc. insurance, or an individual healthcare policy.

A motion was made by Mr. Maza that the Governing Board authorize WESD to pursue an employee phased retirement with smartschoolsplus, inc. for the 2014-2015 school year in accordance with current WESD phased retirement guidelines. The motion was seconded by Mr. Jahneke. The motion carried.

Mr. Maza asked Mr. Wing if he had a recent event to report. Mr. Wing replied that he was the Vice President elect for the Arizona School Personnel Administrator Association (ASPAA). Mr. Maza congratulated Mr. Wing on his elected post.

IV. FUTURE AGENDA ITEMS

There were no future agenda items.

V. GOVERNING BOARD AND SUPERINTENDENT ACKNOWLEDGMENTS

There were no acknowledgments.

VI. CALL FOR EXECUTIVE SESSION

UNANIMOUS

Call for Executive Session: Pursuant to A.R.S. §38-431.03 – A.5

It was recommended that the Governing Board establish an Executive Session to be held immediately during a recess in the Regular Meeting for:

- A.5 - Discussions or consultations with the designated representative of the public body in order to consider its position and instruct its representatives regarding negotiations with employee organizations regarding the salaries, salary schedule, or compensation paid in the form of fringe benefits of employees of the public body – specifically regarding the 2012 Interest-based Negotiation (IBN) process.

A motion was made by Mr. Adams to call for an Executive Session. The motion was seconded by Mr. Maza. The motion carried.

VII. RECESSING OF REGULAR MEETING FOR EXECUTIVE SESSION

VIII. EXECUTIVE SESSION – GENERAL FUNCTION

A. Call to Order and Roll Call

B. Confidentiality Statement

All persons present are hereby reminded that it is unlawful to disclose or otherwise divulge to any person who is not now present, other than a current member of the Board, anything that has transpired or has been discussed during this executive session. To do so is a violation of ARS §38-431.03 unless pursuant to a specific statutory exception.

C. Discussion under A.R.S. §38-431.03 – A.5

- A.5 – Discussions or consultations with the designated representative of the public body in order to consider its position and instruct its representatives regarding negotiations with employee organizations regarding the salaries, salary schedule, or compensation paid in the form of fringe benefits of employees of the public body – specifically regarding the 2012 Interest-based Negotiation (IBN) process.

January 9, 2014

IX. RECONVENING OF REGULAR MEETING

X. ADJOURNMENT

A motion was made by Mr. Maza to adjourn the Regular Meeting at 8:24 p.m. The motion **UNANIMOUS** was seconded by Ms. Graziano. The motion carried.

SIGNING OF DOCUMENTS

Documents were signed as tendered by the Governing Board Secretary

BOARD SECRETARY

DATE

BOARD OFFICIAL

DATE

January 9, 2014

WASHINGTON ELEMENTARY SCHOOL DISTRICT No. 6

TO:	Governing Board	<u> X </u>	Action
		<u> </u>	Discussion
FROM:	Dr. Susan J. Cook, Superintendent	<u> </u>	Information
		<u> </u>	1st Reading
DATE:	January 23, 2014		
AGENDA ITEM:	<u>*Approval/Ratification of Vouchers</u>		
INITIATED BY:	Elizabeth Martinez, Accounting Manager	SUBMITTED BY:	David Velazquez, Director of Finance
PRESENTER AT GOVERNING BOARD MEETING:	<u>Cathy Thompson, Director of Business Services</u>		
GOVERNING BOARD POLICY REFERENCE OR STATUTORY CITATION:	<u>BBA, DK and A.R.S. §15-321</u>		

SUPPORTING DATA

Funding Source: Various
Budgeted: Yes

The Vice President of the Board reviews all vouchers prior to the meeting of the Board. Vouchers represent orders for payment of salaries, materials, equipment, and services. Documentation for warrants is available for inspection from the Finance Department located at the District Administrative Center.

APPROVE/RATIFY FY13/14 PAYROLL VOUCHERS (warrants for services and materials, payroll expense):

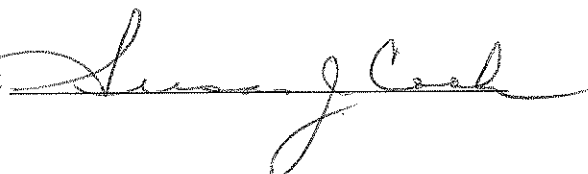
12/27/13	2,822,988.47
01/10/14	2,518,027.70
Totals:	<u>5,341,016.17</u>

APPROVE/RATIFY FY 13/14 EXPENSE VOUCHERS (warrants for services and materials, payroll expense):

12/13/13	1,561.76
12/18/13	5,231,349.97
12/20/13	479,950.52
12/23/13	4,502,436.42
01/08/14	500,484.40
Totals:	<u>10,715,783.07</u>

SUMMARY AND RECOMMENDATION

It is recommended that the Governing Board approve and ratify the payroll and expense vouchers as presented.

Superintendent 

Board Action	Motion	Second	Aye	Nay	Abstain
Adams					
Graziano					
Jahneke					
Lambert					
Maza					

Agenda Item *II.A.

WASHINGTON ELEMENTARY SCHOOL DISTRICT No. 6

TO:	Governing Board	<u> X </u>	Action
		<u> </u>	Discussion
FROM:	Dr. Susan J. Cook, Superintendent	<u> </u>	Information
		<u> </u>	1st Reading
DATE:	January 23, 2014		
AGENDA ITEM:	<u>*Personnel Items</u>		
INITIATED BY:	<u>Justin Wing, Director of Human Resources</u>	SUBMITTED BY:	<u>Justin Wing, Director of Human Resources</u>
PRESENTER AT GOVERNING BOARD MEETING:	<u>Justin Wing, Director of Human Resources</u>		
GOVERNING BOARD POLICY REFERENCE OR STATUTORY CITATION:	<u>BBA</u>		

SUPPORTING DATA

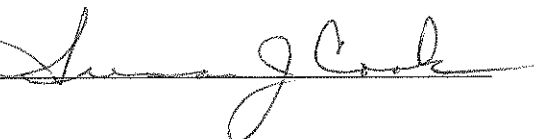
Funding Source: Various
Budgeted: Yes

The attached personnel actions are presented for approval.

SUMMARY AND RECOMMENDATION

It is recommended that the Governing Board approve the personnel items as presented.

Superintendent



Board Action	Motion	Second	Aye	Nay	Abstain
Adams					
Graziano					
Jahneke					
Lambert					
Maza					

Agenda Item *II.B.

PERSONNEL ACTION RECOMMENDED**January 23, 2014****I. RESIGNATIONS, RETIREMENTS, EXCESSES, AND LEAVES OF ABSENCE****A. ADMINISTRATIVE**

LAST NAME	FIRST	POSITION	LOCATION	ACTION	YEARS OF SERVICE	EFFECTIVE DATE
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B. CERTIFIED

LAST NAME	FIRST	POSITION	LOCATION	ACTION	YEARS OF SERVICE	EFFECTIVE DATE
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Bruso	Emily	Teacher-Band/Orchestra	Alta Vista, Arroyo, Cactus Wren	Resignation from Leave of Absence	5	12/12/2013
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Johnson	Melissa	Teacher-2nd Grade	Roadrunner	Resignation	7	2/7/2014
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C. FULL-TIME CLASSIFIED

LAST NAME	FIRST	POSITION	LOCATION	ACTION	YEARS OF SERVICE	EFFECTIVE DATE
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Esparza	Anthony	Night Custodian	Royal Palm	Resignation	8 mo.	12/20/2013
Garcia	Jacob	Custodian	Sunburst	Resignation	5 mo.	12/20/2013
Gonzales	Maria	Translator	Translation	Resignation	3	1/17/2014
Johns	Kevin	Night Custodian	Orangewood	Resignation	6.5	1/8/2014
Marden	Terry	Facilities Manager	Sunnyslope	Resignation	4	1/10/2014
Mejia Valladares	Jose	Night Custodian	Sahuaro	Resignation	2	1/17/2014
Serna	Colton	Custodian	Chaparral	Resignation	2 mo.	1/10/2014
Wolf	Cynthia	Social Worker	Arroyo	Resignation	1	1/6/2014

D. PART-TIME CLASSIFIED

LAST NAME	FIRST	POSITION	LOCATION	ACTION	YEARS OF SERVICE	EFFECTIVE DATE
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Blaire	Annie	Paraprofessional	Sunset	Resignation	8	12/11/2013
Farison	Mary	Special Ed. Assistant	Lookout Mountain	Leave of Absence		1/28/2014

Gaines Jr.	Steven	Paraprofessional	Maryland	Termination	4 mo.	12/13/2013
Garcia	Celina	Food Service Helper	Mountain View	Termination	1 mo.	12/18/2013
Hernandez	Alma	Monitor	Chaparral	Resignation	2 mo.	11/13/2013
Hernandez	Veronica	Food Service Helper	John Jacobs	Resignation	5 mo.	1/9/2014
Holmes-Porter	LaPrenda	Bus Driver	Transportation	Resignation	3 mo.	12/12/2013
Matheka	Solomon	Special Ed. Assistant	Shaw Butte	Resignation	6 mo.	1/22/2014
Nicolas	Christina	Paraprofessional	Sunnyslope	Resignation	1.5	12/4/2013
Posillico	Salvatore	Paraprofessional	Arroyo	Resignation	2	12/19/2013
Sanchez	Sabatina	Paraprofessional	Manzanita	Resignation	3 mo.	12/19/2013
See	Kimberly	KidSpace Assistant	Abraham Lincoln	Resignation	1 mo.	12/19/2013
Spivey	Lakyn	Paraprofessional	Moon Mountain	Resignation	1 mo.	1/10/2014
Weber	Holly	Paraprofessional	Mountain View	Resignation	1.5	12/19/2013
Wutz	Rigo	Crossing Guard/Monitor	Maryland	Termination	3 mo.	12/19/2013

PERSONNEL ACTION RECOMMENDED
January 23, 2014

II. EMPLOYMENT**A. ADMINISTRATIVE**

LAST NAME	FIRST	POSITION	(E)XISTING OR (N)EW	LOCATION
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B. CERTIFIED

LAST NAME	FIRST	POSITION	(E)XISTING OR (N)EW	LOCATION
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Bembenek	Alexandra	Teacher-2nd Grade	N	Lakeview	Balance of Year
Bentzel	Jill	Teacher-Mathematics	E	Sweetwater	Balance of Year
Dickson	Kelli	Teacher-4th Grade	N	Manzanita	Balance of Year
Haney	Alexandrea	Teacher-4th Grade	E	Ocotillo	Balance of Year
Karas	Jessica	Teacher-Kindergarten	N	Richard Miller	Balance of Year
Lopez	AmyLee	Teacher-5th Grade	E	Roadrunner	Balance of Year
Melgoza	Mayra	Teacher-6th Grade	E	Shaw Butte	Balance of Year
Nazzarini	Maci	Teacher-1st Grade	E	Roadrunner	Balance of Year
O'Brien	Brittany	Teacher-3rd Grade	N	Chaparral	Balance of Year
Quigg	Mallory	Teacher-Autism	E	Royal Palm	Balance of Year
Reedy	Kaleb	Teacher-6th Grade	E	Lakeview	Balance of Year
Rodriguez	Alexis	Teacher-1st Grade	N	Desert View	Balance of Year
Senter	Lawita	Teacher-Kindergarten	N	Desert View	Balance of Year
Taylor	Ryan	Teacher-4th Grade	E	Lakeview	Balance of Year
Webb	Charlene	Teacher-Kindergarten	E	Ocotillo	Balance of Year
White	Mary-Catherine	Teacher-2nd Grade	E	Mountain View	Balance of Year
Whiting	Jenna	Teacher-3rd Grade	E	Acacia	Balance of Year
Youngblood	Casey	Teacher-Language Arts	E	Palo Verde	Balance of Year

PERSONNEL ACTION RECOMMENDED**January 23, 2014****C. FULL-TIME CLASSIFIED**

LAST NAME	FIRST	POSITION	(E)XISTING OR (N)EW	LOCATION
Lucio	Juan	Lead Assistant	E	Special Services
O'Neil	Michael	Facilities Manager	E	Sahuaro
Rivero	Rafael	Night Custodian	E	Lookout Mountain

D. PART-TIME CLASSIFIED

LAST NAME	FIRST	POSITION	(E)XISTING OR (N)EW	LOCATION
Bates	Lindsey	Teacher Assistant	E	Sunburst
Brown	Jessica	Food Service Helper	E	Food Service
Elston	Elva	Monitor	E	Chaparral
Castaldo	Andrea	Bus Driver	E	Transportation
Dodgen	Donald	Bus Driver	E	Transportation
Garner	Shannon	Food Service Clerk	E	Food Service
Kamps	Chelsea	KidSpace Assistant	E	Alta Vista
Moon	Nicole	Bus Driver	E	Transportation
Robledo	Alma	Food Service Helper	E	Food Service
Vaughn	Adam	Bus Driver	E	Transportation
Wiltbank	Ashley	Bus Assistant	E	Transportation

WASHINGTON ELEMENTARY SCHOOL DISTRICT No. 6

TO: Governing Board X Action
 FROM: Dr. Susan J. Cook, Superintendent Discussion
 DATE: January 23, 2014 Information
 AGENDA ITEM: *Public Gifts and Donations (The Value of Donated Items is Determined by the Donor) 1st Reading

INITIATED BY: Dr. Susan J. Cook, Superintendent SUBMITTED BY: Dr. Susan J. Cook, Superintendent

PRESENTER AT GOVERNING BOARD MEETING: Dr. Susan J. Cook, Superintendent

GOVERNING BOARD POLICY REFERENCE OR STATUTORY CITATION: BBA and A.R.S. §15-341

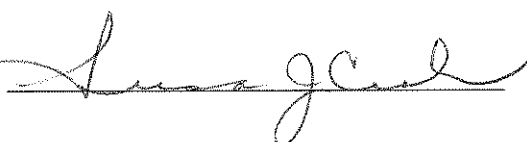
SUPPORTING DATA

Funding Source: Donations
 Budgeted: N/A

1. Cactus Wren Little League donated the repair/remodel of the dugout bench with a value of approximately \$500.00 for the benefit of students at Cactus Wren Elementary School.
2. Johnson International, Inc. donated a check in the amount of \$1,000.00 to be used for the benefit of students in the after-school PAC Program at Desert View Elementary School.
3. General Mills Box Tops for Education donated a check in the amount of \$593.50 to be used for the benefit of students at Moon Mountain Elementary School.
4. General Mills Box Tops for Education donated a check in the amount of \$545.00 to be used to purchase library books for Mountain Sky Junior High School.
5. Alex Lowy donated a check in the amount of \$1,000.00 to be used for wrestling and other sports programs at Mountain Sky Junior High School.
6. Phoenix First Christian Church donated food boxes with an approximate value of \$7,500.00 for families of 21st Century students at Sunnyslope School.
7. Donors Choose.org donated ukulele stations with an approximate value of \$800.00 for the benefit of music students at Sunset Elementary School.

SUMMARY AND RECOMMENDATION

It is recommended that the Governing Board approve the gifts and donations as presented.

Superintendent 

Board Action	Motion	Second	Aye	Nay	Abstain
Adams					
Graziano					
Jahneke					
Lambert					
Maza					

Agenda Item *I.L.C.

***Public Gifts and Donations (The Value of Donated Items is Determined by the Donor)**

January 23, 2014

Page 2

8. Orangewood Parent/Teacher Association donated a check in the amount of \$555.00 to be used for transportation for 6th grade field trips at Orangewood School.
9. Stacy Alyse Wieser donated a check in the amount of \$1,000.00 to be used for the athletic programs at Orangewood School.
10. Safeway Foundation donated a check in the amount of \$1,100.00 to be used for students and their families at Sweetwater School.
11. Kroger/Fry's Food Stores donated a check in the amount of \$828.29 to be used for the benefit of students at Tumbleweed Elementary School.
12. Delta Dental (through the Arizona Science Center) donated a check in the amount of \$300.00 to be used for tabletop activities for Family Fun Night at Cactus Wren Elementary School.
13. The Mr. Holland's Opus Foundation donated musical instruments with an approximate value of \$20,062.00 for the benefit of music students at Richard E. Miller Elementary School.
14. WorldatWork donated backpacks filled with school supplies with an approximate value of \$300.00 for the benefit of McKinney-Vento students.

WASHINGTON ELEMENTARY SCHOOL DISTRICT No. 6

TO: Governing Board X Action
 Discussion
FROM: Dr. Susan J. Cook, Superintendent Information
 1st Reading
DATE: January 23, 2014
AGENDA ITEM: *Out-of-County/State Field Trips
INITIATED BY: Schools and Departments as Presented SUBMITTED BY: Administrative Services,
Curriculum, Accounting and
Purchasing Departments
PRESENTER AT GOVERNING BOARD MEETING: Field Trip Sponsor
GOVERNING BOARD POLICY REFERENCE OR STATUTORY CITATION: BBA, IJOA and A.R.S. §15-341

SUPPORTING DATA

Funding Source: See Attached
Budgeted: N/A

1. Angela Clipper, Sweetwater School, submitted an out-of-county/state field trip to the Arizona Renaissance Festival, Gold Canyon, AZ, March 4, 2014, for 6th grade students at a cost of \$916.50.
2. Patricia Rich, Abraham Lincoln Traditional School, submitted an out-of-county/state field trip to Out of Africa, Camp Verde, AZ, February 13, 2014, for 7th and 8th grade students at a cost of \$\$4,290.07.

SUMMARY AND RECOMMENDATION

It is recommended that the Governing Board approve the out-of-county/state field trip requests as presented.

Superintendent 

Board Action	Motion	Second	Aye	Nay	Abstain
Adams					
Graziano					
Jahneke					
Lambert					
Maza					

Agenda Item *II.D.

Request for Out-of-County/State Field Trip

Date of Governing Board Agenda Item: 1/23/2014

School: Sweetwater Departure Date: 3/4/2014 Return Date: 3/4/2014
 Destination of Field Trip: Arizona Renaissance Festival, Gold Canyon, AZ
 # of Student Participants: 45 Grade Level(s): 6 # of Chaperones (1:8): 6
 Cell Phone Number of Person Attending Trip: 602-751-7645 # of Additional Chaperones Needed (Over 1:8): 0
 Person Requesting Trip/Contact at Board: Angela Clipper # of Additional Adults - paying their own way: 0
 Meeting:

Summary of Event/Purpose:

Students will be attending the AZ Renaissance Faire as a celebration of their completion of a unit in Writing, Science and Social Studies covering culture and traditions from numerous time periods including the Renaissance Ages.

Educational Use:

Students will each complete and present a research project from research to oral presentation including a research paper, PowerPoint presentation, and display board with props. Students will complete a novel study. The Renaissance Faire organization has provided lesson plans for math, technology, social studies, reading, science and writing. In addition, resources for music and art to be included are available and will be passed on to the appropriate teachers. Students will have researched the following from the era: careers, architecture, culture, traditions, arts, music, writing, and more.

SS Concept 1: The World in Spatial Terms

PO 3. Interpret maps, charts, and geographic databases using geographic information.

PO 4. Locate physical and human features (e.g., significant waterways, mountain ranges, cities, countries) in the United States and in regions of the world on a map.

Concept 1: Research Skills for History

PO 1. Construct charts, graphs, and narratives using historical data.

PO 2. Interpret historical data displayed in graphs, tables, and charts.

PO 3. Construct timelines of the historical era being studied (e.g., presidents/world leaders, key events, people).

PO 4. Formulate questions that can be answered by historical study and research.

PO 5. Describe the difference between primary and secondary sources.

PO 6. Determine the credibility and bias of primary and secondary

Reading:

3. Describe how a particular story's or drama's plot unfolds in a series of episodes as well as how the characters respond or change as the plot moves toward a resolution. (6.RL.3)

5. Analyze how a particular sentence, chapter, scene, or stanza fits into the overall structure of a text and contributes to the development of the theme, setting, or plot. (6.RL.5)

9. Compare and contrast texts in different forms or genres (e.g., stories and poems; historical novels and fantasy stories) in terms of their approaches to similar themes and topics. (6.RL.9)

10. By the end of the year, read and comprehend literature, including stories, dramas, and poems, in the grades 6-8 text complexity band proficiently, with scaffolding as needed at the high end of the range. (6.RL.10)

Itinerary:

Date	Departure Site	Departure Time	Arrival Site	Arrival Time	Mode of Transportation	Phone Number for Hotel / Event Location
3/4/2014	Sweetwater School, Glendale, AZ	7:45 AM	Renaissance Festival, Gold Canyon, AZ	8:30 AM	WESD School Bus	602-751-7645
3/4/2014	Renaissance Festival, Gold Canyon, AZ	1:45 PM	Sweetwater School, Glendale, AZ	2:30 PM	WESD School BUs	602-751-7645

All overnight trips (only those trips that have sleeping arrangements, not turn-around trips) are required by Governing Board policy to submit an overnight chaperone plan.

Overnight Chaperone Plan Attached: No

Principal Signature:

Luanne Herman

1/8/2014

Additional Information

Please indicate the process your school used to provide this opportunity to students who are unable to provide their own funds, if students are funding the trip:

We have tax credit money available for students unable to pay for the own admission.

Acknowledgment that no eligible student will be denied the field trip due to financial hardship: Yes

Accommodations for students with special circumstances are needed: No

If yes, what accommodations are needed:

Acknowledgment that no eligible student will be denied the field trip due to special education/health needs: Yes

Is this the entire grade level: Yes

If no, how many students are in the grade level? 0

Is this a club or after-school class? No

What are the student eligibility requirements to participate in this trip?

Passing all classes with a "C" or higher. No major behavior issues in the four weeks prior to the field trip.

What are the arrangements for students not participating in this trip?

They will be placed in the 3-5 grade classrooms.

Chaperones:

Will substitutes be used for certified staff chaperoning the trip? No

If no, what are the arrangements for class coverage?

Ms. Miller's 5th graders will be divided into small groups and placed in classrooms.

Name	Certified/Non-Certified/Parent	Class Coverage Needed	Chaperone(Additional adults paying own way are not considered chaperones.)
Angela Clipper	Certified	No	Yes
Jennifer Stallman	Certified	No	Yes
Julie Nowlin	Non-certified	No	Yes
Sam Dains	Parent	No	Yes
Crystal Doncaster	Parent	No	Yes
Elizabeth Montoya	Parent	No	Yes

Academic Services Signature: Natalie McWhorter 1/9/2014

Administrative Services Signature: Lyn Bailey 1/13/2014

Out-of-County/State Field Trip Cost Sheet

IMPORTANT - MUST CHECK ONE																													
All out-of-state field trips MUST use District approved (contracted) travel agent. Quote should include all lodging, transportation, entry fees, travel agent fee, and food. Exception would be food individually purchased outside of quote or sack meals.	All out-of-county field trips must use District approved (contracted) charter buses if not using District owned buses.																												
This is an out-of-state field trip and travel agent quote is attached: No	This is an out-of-county field trip and charter bus quote is attached: No This is an out-of-county field trip using District buses: Yes																												
<table style="width: 100%; border: none;"> <tr><td style="width: 10%;">\$</td><td>Travel Agent Quote</td></tr> <tr><td>\$</td><td>Travel Insurance (optional)</td></tr> <tr><td>\$</td><td>Substitute</td></tr> <tr><td>\$</td><td>Food</td></tr> <tr><td>\$</td><td>Other</td></tr> <tr><td>\$</td><td>Total Cost of Trip</td></tr> </table>	\$	Travel Agent Quote	\$	Travel Insurance (optional)	\$	Substitute	\$	Food	\$	Other	\$	Total Cost of Trip	<table style="width: 100%; border: none;"> <tr><td style="width: 10%;">\$ 0.00</td><td>Lodging</td></tr> <tr><td>\$ 225.00</td><td>Food:</td></tr> <tr><td>\$ 311.50</td><td>Transportation: District Buses</td></tr> <tr><td>\$ 380.00</td><td>Registration/Entry Fees</td></tr> <tr><td>\$ 0.00</td><td>Travel Insurance (optional)</td></tr> <tr><td>\$ 0.00</td><td>Other:</td></tr> <tr><td>\$ 0.00</td><td>Substitute Funding Source:</td></tr> <tr><td>\$ 916.50</td><td>Total Cost of Trip</td></tr> </table>	\$ 0.00	Lodging	\$ 225.00	Food:	\$ 311.50	Transportation: District Buses	\$ 380.00	Registration/Entry Fees	\$ 0.00	Travel Insurance (optional)	\$ 0.00	Other:	\$ 0.00	Substitute Funding Source:	\$ 916.50	Total Cost of Trip
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\$ 0.00	Substitute Funding Source:																												
\$ 916.50	Total Cost of Trip																												
Totals are estimates only, based on number of anticipated students/adults and are subject to change.																													

45 # Students Participating

of Chaperones: 6

(approved ratio of 1:8 or lower ratio due to special circumstances is included in per student cost)

Additional Adults (paying own way): 0 Payment should be made and deposited to the school's field trip auxiliary account.

TOTAL PER STUDENT COST: \$20.37

FIELD TRIP POSSIBLE FUNDING SOURCES (check all that apply):

X - Auxiliary Operations (Fund 525 - fee based)

X - Gifts & Donations (Fund 530 - donation based)

- PTA/PTO

X - Student Activities (Fund 850 - fundraising based)

X - Tax Credit (Fund 526 - donation based)

Finance Signature		
This expenditure was reviewed for compliance with designated and/or qualifying funding sources.	Elizabeth Martinez	1/9/2014

Purchasing Signature		
This expenditure was reviewed for compliance with applicable procurement laws and regulations.	Howard Kropp	1/9/2014

Transportation Signature		
This trip has been reviewed and approved for the use of District transportation.	Pam Randall	1/9/2014

Request for Out-of-County/State Field Trip

Date of Governing Board Agenda Item: 1/23/2014

School: Abraham Lincoln Departure Date: 2/13/2014 Return Date: 2/13/2014
 Destination of Field Trip: Out of Africa, Camp Verde, AZ
 # of Student Participants: 107 Grade Level(s): 7-8 # of Chaperones (1:8): 13
 Cell Phone Number of Person Attending Trip: 602-920-5699 # of Additional Chaperones Needed (Over 1:8): 9
 Person Requesting Trip/Contact at Board: Patricia Rich # of Additional Adults - paying their own way: 0
 Meeting:

Summary of Event/Purpose:

The students will participate in an outdoor education program that focuses on WESD approved Science Curriculum. Students will be researching a specific animal to learn about their behavior, diet, adaptation to their environment and highlight differences between manmade environment and the animal's natural environment. Students will also understand biological evolution and the diversity of life, and the concept of extinction and its importance in biological evolution (e.g., when the environment changes, the adaptive characteristics of some species are insufficient to allow their survival; extinction is common; most of the species that have lived on the Earth no longer exist). They will also be using the writing process to submit a final research paper.

Educational Use:

Objective: The Students will be researching a specific animal to learn about their behavior, diet, adaptation to their environment and highlight differences between manmade environment and the animal's natural environment. Understands biological evolution and the diversity of life. Understands the concept of extinction and its importance in biological evolution (e.g., when the environment changes, the adaptive characteristics of some species are insufficient to allow their survival; extinction is common; most of the species that have lived on the Earth no longer exist).

Standard 4 -Concept 4: Diversity, Adaptation, and Behavior

Identify structural and behavioral adaptations.

Performance Objective: 1. Explain how an organism's behavior allows it to survive in an environment.

Performance Objective: 2. Explain how organisms obtain and use resources to develop and thrive in niches
 • predator/prey relationships

Writing Standards; 7/8 W.7 Research to Build and Present Knowledge

Objective: The students will conduct a short research project by gathering relevant information from multiple sources including; print, technology sources and observation.

Itinerary:

Date	Departure Site	Departure Time	Arrival Site	Arrival Time	Mode of Transportation	Phone Number for Hotel / Event Location
2/13/2014	Abraham Lincoln, Phoenix, AZ	8:00 AM	Out of Africa, Camp Verde, AZ	9:45 AM	Coach Buses	928-567-2842
2/13/2014	Out of Africa, Camp Verde, AZ	3:00 PM	Abraham Lincoln, Phoenix, AZ	4:45 PM	Coach Buses	928-567-2842

All overnight trips (only those trips that have sleeping arrangements, not turn-around trips) are required by Governing Board policy to submit an overnight chaperone plan.

Overnight Chaperone Plan Attached: No

Principal Signature:

Tara Mayole

9/18/2013

Additional Information

Please indicate the process your school used to provide this opportunity to students who are unable to provide their own funds, if students are funding the trip:

We are using Tax Credit funds to fund the trip for all of the students and the charter buses.

Acknowledgment that no eligible student will be denied the field trip due to financial hardship: Yes

Accommodations for students with special circumstances are needed: Yes

If yes, what accommodations are needed:

Students who are asthmatic or diabetic will have their medication carried by teacher/chaperone and administered as needed.

Acknowledgment that no eligible student will be denied the field trip due to special education/health needs: Yes

Is this the entire grade level: Yes

If no, how many students are in the grade level? 0

Is this a club or after-school class? No

What are the student eligibility requirements to participate in this trip?

No suspensions for bullying or intentional aggressive and/or harmful behavior towards another which will be determined by principal and student services specialist.

What are the arrangements for students not participating in this trip?

They will stay in a classroom with a certified teacher and complete research paper.

Chaperones:

Will substitutes be used for certified staff chaperoning the trip? No

If no, what are the arrangements for class coverage?

One teacher is staying behind for any children who don't meet the behavior requirements to attend trip. No substitute is needed.

Name	Certified/Non-Certified/Parent	Class Coverage Needed	Chaperone(Additional adults paying own way are not considered chaperones.)
Victor Semenjuk	Certified	No	Yes
Mike Walton	Certified	No	Yes
Patricia Rich	Certified	No	Yes
Stephanie Grace	Certified	No	Yes
Parents TBA (15)	Parent	No	Yes
Staff TBA (3)	Non-certified	No	Yes

Academic Services Signature:

Natalie McWhorter

9/23/2013

Administrative Services Signature:

Lyn Bailey

9/30/2013

Out-of-County/State Field Trip Cost Sheet

IMPORTANT - MUST CHECK ONE																															
All out-of-state field trips MUST use District approved (contracted) travel agent. Quote should include all lodging, transportation, entry fees, travel agent fee, and food. Exception would be food individually purchased outside of quote or sack meals.	All out-of-county field trips must use District approved (contracted) charter buses if not using District owned buses.																														
This is an out-of-state field trip and travel agent quote is attached: No	This is an out-of-county field trip and charter bus quote is attached: Yes This is an out-of-county field trip using District buses: No																														
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\$ 0.00	Substitute	Funding Source:																													
\$ 4,290.07	Total Cost of Trip																														
Totals are estimates only, based on number of anticipated students/adults and are subject to change.																															

107 # Students Participating

of Chaperones: 22

(approved ratio of 1:8 or lower ratio due to special circumstances is included in per student cost)

Additional Adults (paying own way): 0 Payment should be made and deposited to the school's field trip auxiliary account.

TOTAL PER STUDENT COST: \$40.09

FIELD TRIP POSSIBLE FUNDING SOURCES (check all that apply):

X - Auxiliary Operations (Fund 525 - fee based)

- Gifts & Donations (Fund 530 - donation based)

X - PTA/PTO

- Student Activities (Fund 850 - fundraising based)

X - Tax Credit (Fund 526 - donation based)

Finance Signature		
This expenditure was reviewed for compliance with designated and/or qualifying funding sources.	Elizabeth Martinez	9/23/2013

Purchasing Signature		
This expenditure was reviewed for compliance with applicable procurement laws and regulations.	Howard Kropp	9/23/2013

Confirmation

Page 1

Divine Transportation In Phoenix
1243 S. 7th Street
Phoenix AZ 85034
Phone: 602-340-0018
FAX: 602-340-0055
Dispatch: 602-526-8880
www.divinecharter.com

Customer No: 3114
Contact: Tara
Phone: 602-896-6300
FAX:
E-Mail: tara.mayole@wesdschools.org
Order Number: **108227**
Order Date: 9/16/2013
PO Number:
Group: Out Of Africa 2 Buses
Sales Associate Karin

Report produced by driveware

Abraham Lincoln Traditional School
Tara Mayole
10444 N. 39th Ave
Phoenix AZ 85051

Deposit Required:
Deposit Due on:
Balance Due on:

Pickup	Destination	Amount	Misc. Charges	Total
Thursday 2/13/2014 Spot: 07:45AM Depart: 08:00AM Abraham Lincoln Traditional Sc 10444 N. 39th ave phoenix az 85051 Vehicle Type: 54 PAX ADA Number of Passengers: 56 112 pax wait & return - price does not include driver gratuity and may be given directly to driver or added onto invoice .	Out of Africa 3505 Camp Verde Bridgeport HWY Camp Verde AZ	\$800.00		\$800.00
Thursday 2/13/2014 Spot: 07:45AM Depart: 08:00AM Abraham Lincoln Traditional Sc 10444 N. 39th ave phoenix az 85051 Vehicle Type: 56 Passenger Number of Passengers: 56 112 pax wait & return - price does not include driver gratuity and may be given directly to driver or added onto invoice .	Out of Africa 3505 Camp Verde Bridgeport HWY Camp Verde AZ	\$800.00		\$800.00
Total:				\$1,600.00
Amount Paid:				
Balance Due:				\$1,600.00

WASHINGTON ELEMENTARY SCHOOL DISTRICT No. 6

TO: Governing Board X Action
 FROM: Dr. Susan J. Cook, Superintendent Discussion
 DATE: January 23, 2014 Information
 AGENDA ITEM: *Acceptance of the John C. Lincoln Health Foundation Grant in the Amount of \$3,789.00 1st Reading

INITIATED BY: Kathleen McKeever, Director of Academic Support Programs SUBMITTED BY: Kathleen McKeever, Director of Academic Support Programs

PRESENTER AT GOVERNING BOARD MEETING: Kathleen McKeever, Director of Academic Support Programs

GOVERNING BOARD POLICY REFERENCE OR STATUTORY CITATION: DDA

SUPPORTING DATA

Funding Source: Grants
 Budgeted: Yes

In accordance with Board policy, the Governing Board is advised that the following grants have been received in support of Washington Elementary School District students, parents, and staff.

Funder	Location	Amount	Purpose
John C. Lincoln Health Foundation	Sunnyslope Elementary (N)	\$3,789.00	Student of the Month

(N) New (N)* New application for an existing grant (R) Renewal

SUMMARY AND RECOMMENDATION

It is recommended that the Governing Board approve the acceptance of the John C. Lincoln Health Foundation Grant in the amount of \$3,789.00 and authorize the Superintendent to execute all necessary documents.

Superintendent 

Board Action	Motion	Second	Aye	Nay	Abstain
Adams					
Graziano					
Jahneke					
Lambert					
Maza					

Agenda Item *I.I.E.

WASHINGTON ELEMENTARY SCHOOL DISTRICT No. 6

TO: Governing Board X Action
 Discussion
FROM: Dr. Susan J. Cook, Superintendent Information
 1st Reading
DATE: January 23, 2014
AGENDA ITEM: *Teacher Evaluation System Verification – Statement of Assurance
INITIATED BY: Dr. Susan J. Cook, Superintendent SUBMITTED BY: Dr. Susan J. Cook, Superintendent
PRESENTER AT GOVERNING BOARD MEETING: Dr. Susan J. Cook, Superintendent
GOVERNING BOARD POLICY REFERENCE OR STATUTORY CITATION: A.R.S. § 15-952.A.3

SUPPORTING DATA

Funding Source: N/A
Budgeted: N/A

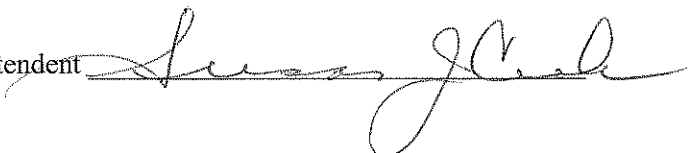
Each year the District must submit evidence to the State Board of Education that the evaluation system originally approved by the State Board of Education continues to meet all requirements set forth in A.R.S. § 15-537.

The attached Statement of Assurance form will be used as the basis for submitting an aggregated list of participating districts to the State Board of Education at its regularly scheduled meeting in February 2014. Districts will be notified after March 1, 2014 of the State Board of Education's decision. The State Board of Education's approval will signify that participating districts may continue the 1.25% budget level initially approved by the State Legislature.

SUMMARY AND RECOMMENDATION

It is recommended the Governing Board approve the Teacher Evaluation System Verification – Statement of Assurance.

Superintendent



Board Action	Motion	Second	Aye	Nay	Abstain
Adams					
Graziano					
Jahneke					
Lambert					
Maza					

Agenda Item *II.F.



State of Arizona
Department of Education

STATEMENT OF ASSURANCE

TEACHER EVALUATION SYSTEM STATUS – (FY 2014-2015)

A.R.S. §15-952.A & A.R.S. §15-537

SCHOOL DISTRICT: _____

Directions: Each statement below needs to be checked and the statement signed by the district Governing Board President or designee. Statements must be submitted to the Arizona Department of Education by February 1, 2014.

_____ The district system is in compliance with A.R.S. §15-537.

_____ Monies have, or will be expended solely for teacher compensation as specified in A.R.S. §15-952, Paragraph C.

PRINT: _____
(Governing Board President or designee)

SIGNATURE: _____ DATE: _____

RETURN TO:

Submit through ALEAT



1535 West Jefferson Street, Phoenix, Arizona 85007 • (602) 542-4361 • www.azed.gov

WASHINGTON ELEMENTARY SCHOOL DISTRICT No. 6

TO: Governing Board X Action
FROM: Dr. Susan J. Cook, Superintendent Discussion
DATE: January 23, 2014 Information
AGENDA ITEM: *Agreement with Arizona State University for Student Field Placement – Speech Pathologists 1st Reading

INITIATED BY: Dr. Craig Carter, Director of Special Services SUBMITTED BY: Dr. Craig Carter, Director of Special Services

PRESENTER AT GOVERNING BOARD MEETING: Dr. Craig Carter, Director of Special Services

GOVERNING BOARD POLICY REFERENCE OR STATUTORY CITATION: BBA

SUPPORTING DATA

Funding Source: N/A
Budgeted: N/A


The purpose of this Agreement is to permit university students attending Arizona State University to receive their speech therapy fieldwork experience within the Washington Elementary School District pursuant to the terms of the enclosed affiliation agreement. Providing fieldwork experience for university students is advantageous to the District as it creates a relationship that may evolve into an employment opportunity in the hard-to-fill position of speech pathologist. The District currently employs 64.7 FTE comprised of 37 Speech Language Pathologists, 18 Speech Language Therapists, 16 Speech Language Assistants, and 1 Audiologist.

The Agreement provides that the university students who are placed will be required to comply with all District Policies, Regulations and procedures, including the fingerprinting and background review.

The Agreement has been reviewed by District Legal Counsel.

SUMMARY AND RECOMMENDATION

It is recommended that the Governing Board approve the Agreement with Arizona State University for speech pathologist student field placement in Washington Elementary School District and authorize the Superintendent to execute all necessary documents.

Superintendent 

Board Action	Motion	Second	Aye	Nay	Abstain
Adams					
Graziano					
Jahneke					
Lambert					
Maza					

Agenda Item *II.G.



STUDENT PLACEMENT AGREEMENT

This Student Placement Agreement ("Agreement") is entered into between the **ARIZONA BOARD OF REGENTS** for and on behalf of **ARIZONA STATE UNIVERSITY** (the "University") and the "Facility" as of the "Effective Date."

UNIVERSITY:

By: _____

Printed: _____

Title: _____

FACILITY: Washington Elementary School
District

By: _____

Printed: _____

Title: _____

Effective Date: February 1, 2014

1. DURATION

The duration, or term, of this Agreement shall be for the designated number of years and months as agreed upon below, not to exceed five (5) years, commencing on the Effective Date. This Agreement may be renewed by written agreement of the parties. The parties may revise or modify this Agreement only by a written amendment signed by both parties.

Number of Years: 5

2. GENERAL TERMS

2.1. The purpose of this Agreement is to establish a relationship between the University and the Facility to enable an educational experience for students at Facility's site that may qualify for University academic credit as determined by University.

2.2. The University and the Facility will agree on a schedule for student participation at the Facility.

2.3. The student's participation should complement the service and educational activities of the Facility. The student will be under the supervision of a Facility employee.

2.4. Each student is expected to perform with high standards at all times and comply with all written policies and regulations of the appropriate department of the Facility.

2.5. Either the Facility or the University may require withdrawal or dismissal from participation at the Facility of any student whose performance record or conduct does not justify continuance.

2.6. Neither the University nor the Facility is obligated to provide for the student's transportation to and from the Facility or for health insurance for the student.

2.7. A meeting or telephone conference between representatives of the University and the Facility will occur at least once each semester to evaluate the educational program and review this Agreement.

2.8. Statements of performance objectives for this educational experience will be the joint responsibility of

2. GENERAL TERMS

University and Facility personnel.

2.9. Each student must adhere to the Facility's established dress and performance standards.

3. FACILITY'S OBLIGATIONS

3.1. Facility agrees to appoint an Educational Coordinator who is responsible for the educational activities and supervision of University students participating under this Agreement.

3.2. The Facility agrees to submit to the University an evaluation of each student's progress. The format for the evaluation is established by the University in consultation with the Facility.

3.3. The Facility is responsible for the acts and omissions of its employees and agents and must maintain adequate insurance (which may include a bona fide self-insurance program) to cover any liability arising from the acts and omissions of the Facility's employees and agents. The Facility is not responsible for maintaining insurance to cover liability arising from the acts and omissions of the employees and agents of the University. University students are not deemed to be employees of Facility by virtue of this Agreement.

3.4. Nothing in this Agreement is intended to modify, impair, destroy, or otherwise affect any common law, or statutory right to indemnity, or contribution that the University may have against the Facility by reason of any act or omission of the Facility or the Facility's employees and agents.

4. UNIVERSITY'S OBLIGATIONS

4.1. The University will provide an administrative framework, including designating a University faculty or other representatives to coordinate scheduling, provide course information and objectives, and assist in advising students.

4.2. The University will be responsible for developing and carrying out procedures for student selection and admission.

4.3. The University is responsible for the acts and omissions of its employees and agents and maintains insurance coverage through the State of Arizona's Risk Management Division self-insurance program to cover liabilities arising from the acts and omissions of the University's employees, students, and agents participating under this Agreement. The University is not responsible for maintaining insurance coverage for liability arising from the acts and omissions of the Facility's employees and agents.

5. STATE OF ARIZONA PROVISIONS

5.1. **Nondiscrimination.** The parties agree to comply with all applicable state and federal laws, rules, regulations, and executive orders governing equal employment opportunity, immigration, and nondiscrimination, including the Americans with Disabilities Act.

5.2. **Conflict of Interest.** ASU's participation in this Agreement is subject to Section 38-511 of the Arizona Revised Statutes which provides that this Agreement may be cancelled if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of University is, at any time while this Agreement, or any extension thereof, is in effect, an employee or agent of the other party to this Agreement in any capacity or a consultant to any other party with respect to the subject matter of this Agreement.

5.3. **Notice of Arbitration Statutes.** Pursuant to Arizona Revised Statutes Section 12-1518, the parties acknowledge and agree that they will be required to make use of mandatory arbitration of any legal action that is filed in the Arizona superior court concerning a controversy arising out of this Agreement if required by

5. STATE OF ARIZONA PROVISIONS

Section 12-133 of the Arizona Revised Statutes.

5.4. Failure of Legislature to appropriate. If University's performance under this Agreement depends upon the appropriation of funds by the Arizona Legislature, and if the Legislature fails to appropriate the funds necessary for performance, then University may provide written notice of this to Facility and cancel this Agreement without further obligation of University. Appropriation is a legislative act and is beyond the control of University.

5.5. Student Educational Records. The University and Facility recognize that student educational records are protected by the federal Family Educational Rights and Privacy Act (FERPA) (20 U.S.C. § 1232g). FERPA permits disclosure of student "educational records" to "school officials" that have a "legitimate educational interest" in the information. (For definitions of quoted terms, see ASU Policy SSM 107-01: Release of Student Information.) The federal Family Compliance Office has recognized that institutions can designate other entities, including vendors and consultants, as "other school officials." Designated representatives of Facility will be designated as "other school officials" for purposes of this Agreement. No designated representative of the Facility shall disclose student educational records it receives under this agreement to any third party, except with the prior written consent of the student or as permitted by law. Any disclosures made by the Facility will comply with the University's definition of "legitimate educational interest." Facility agrees and warrants that it shall use student educational records solely to accomplish its obligations under this agreement and solely in a manner and for purposes consistent with the terms and conditions of this agreement and University policies and procedures. Facility agrees and warrants that it shall not make any disclosures of student educational records without prior notice to and consent from the University. If any designated representative discloses or misuses any educational record, the University and/or Facility will take appropriate action against the designated representative that is similar to action ASU would take against one of its employees who disclosed or misused the educational records of its students.

5.6. Representations Regarding Relationship and Use of University Marks. Except as otherwise agreed in writing, Facility acknowledges that its relationship with University is limited to the student internship or placement program contemplated herein. Facility shall not make any representations stating or implying that the parties engage in broader transactions or that University is otherwise associated with Facility without first obtaining express written permission from University. In addition, Facility shall not use any trade name, trademark, service mark, logo, domain name, and any other distinctive brand feature owned or used by University without prior written authorization by University.

6. MISCELLANEOUS

6.1. Neither party shall have the right to assign this Agreement without the prior written consent of the other party.

6.2. This Agreement constitutes the entire agreement and understanding of the parties with respect to its subject matter. No prior or contemporaneous agreement or understanding will be effective. This Agreement shall be governed by the laws of Arizona, the courts of which state shall have jurisdiction over its subject matter.

6.3. The individual signing on behalf of Facility hereby represents and warrants that s/he is duly authorized to execute and deliver this Agreement on behalf of Facility and that this Agreement is binding upon Facility in accordance with its terms.

6.4. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

WASHINGTON ELEMENTARY SCHOOL DISTRICT No. 6

TO: Governing Board X Action
X Discussion
FROM: Dr. Susan J. Cook, Superintendent Information
1st Reading
DATE: January 23, 2014

AGENDA ITEM: To Consider and, if Deemed Acceptable, Adopt a Resolution Authorizing Execution of the Equipment Lease/Purchase Agreement and Acquisition Fund and Account Control Agreement for the Lease Purchase of Certain Energy Conservation Measures within the District, and Delegating to the Governing Board President, District Superintendent, and the Business Services Director of the District the Authority to Approve and Complete Such Documents

INITIATED BY: Cathy Thompson, Director of Business Services SUBMITTED BY: Cathy Thompson, Director of Business Services

PRESENTER AT GOVERNING BOARD MEETING: Cathy Thompson, Director of Business Services

GOVERNING BOARD POLICY REFERENCE OR STATUTORY CITATION: A.R.S. 15-213.01

SUPPORTING DATA

Funding Source: M&O
Budgeted: Yes

Energy savings performance contracts (ESPCs) allow school districts to accomplish energy savings projects without up-front capital costs and without allocating bond dollars or other capital funds for them. The Washington Elementary School District (WESD) has been involved in a year-long process to perform due diligence regarding performance contracting, to identify a provider, to review campuses and services to include in a performance contract, and to recommend a way to procure these services.

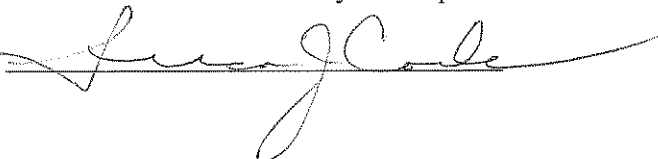
On December 12, 2013 the Governing Board gave authorization to complete contracts with Midstate Energy to install and maintain energy savings devices for air conditioning, lighting and water in several WESD schools. These contracts guarantee a minimum savings each year, and the District will pay for the capital lease payments from these savings. If guaranteed savings are not reached, Midstate Energy will pay the difference per statute.

On January 10, 2014 Midstate submitted proposals for financing this project. After careful review of all proposals, Zion's First National Bank is being recommended as a financing solution. The total cost of the equipment and installation to be financed is \$5,864,900.00. The capital lease will be for a period of fifteen years with payments of \$260,828.00 due twice each year. Total cost of financing is \$1,959,928.00. The draft Equipment Lease/Purchase Agreement includes as exhibits the Acquisition Fund and Account Control Agreement.

SUMMARY AND RECOMMENDATION

It is recommended that the Governing Board adopt a resolution authorizing the execution of the Equipment Lease/Purchase Agreement and Acquisition Fund and Account Control Agreement with Zion's First National Bank for the lease purchase of energy conservation measures within the District, and delegating to the Governing Board President, District Superintendent, and the Business Services Director of the District the authority to complete such documents.

Superintendent



Board Action	Motion	Second	Aye	Nay	Abstain
Adams					
Graziano					
Jahneke					
Lambert					
Maza					

Agenda Item III.A.

RESOLUTION

RESOLUTION APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A TAX-EXEMPT EQUIPMENT LEASE-PURCHASE AGREEMENT, AN ACQUISITION FUND AND ACCOUNT CONTROL AGREEMENT AND RELATED DOCUMENTS FOR THE LEASE PURCHASE OF CERTAIN ENERGY CONSERVATION MEASURES WITHIN THE DISTRICT WITH AMOUNTS TO BE PAID BY THE DISTRICT UNDER SUCH LEASE PURCHASE TO FINANCE SUCH MEASURES; DELEGATING THE AUTHORITY TO APPROVE CERTAIN MATTERS WITH RESPECT TO THE TAX-EXEMPT LEASE-PURCHASE AGREEMENT AND THE ACQUISITION FUND AND ACCOUNT CONTROL AGREEMENT; AUTHORIZING THE APPOINTMENT OF AN ESCROW AGENT; DELEGATING THE AUTHORITY TO APPROVE, EXECUTE AND DELIVER THE TAX-EXEMPT LEASE-PURCHASE AGREEMENT, AN ACQUISITION FUND AND ACCOUNT CONTROL AGREEMENT AND RELATED DOCUMENTS; AND RATIFYING ALL ACTIONS TAKEN OR TO BE TAKEN TO FURTHER THIS RESOLUTION.

WHEREAS, the Governing Board (the "*Board*") of Washington Elementary School District No. 6 of Maricopa County, Arizona (the "*District*") previously approved an Installation Agreement and a Guaranteed Savings Agreement for Energy Savings Improvement Project (collectively, the "*Midstate Agreement*"), each with Midstate Energy, L.L.C. (the "*Contractor*") pursuant to A.R.S. Section 15-213.01 and other relevant provisions of Arizona law in which the Contractor will design, install and service various energy conservation measures to reduce the District's energy cost as described in a Resolution adopted by the Board on December 12, 2013 (the "*Project*"), which Project shall be validated by an independent third-party licensed, registered professional engineer (the "*Third-Party Engineer*") on behalf of the District; and

WHEREAS, the Contractor will guarantee the cost savings of the Project through the expected life of the Project and the cost savings shall be validated by the Third-Party Engineer on behalf of the District; and

WHEREAS, the Board received an offer from Zions First National Bank (the "*Lessor*") to enter into a Tax-Exempt Equipment Lease-Purchase Agreement (the "*Lease-Purchase Agreement*") between the District and the Lessor to finance the Project, and an Acquisition Fund and Account Control Agreement (the "*Acquisition Fund Agreement*") between the District and Zions First National Bank (the "*Escrow Agent*") to administer the proceeds of the Lease-Purchase Agreement; and

WHEREAS, within and by the parameters set forth in this resolution the Board shall authorize the execution and delivery of the Lease-Purchase Agreement and the Acquisition Fund and Account Control Agreement;

NOW, THEREFORE, IT IS RESOLVED BY THE GOVERNING BOARD OF WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6 OF MARICOPA COUNTY, ARIZONA, AS FOLLOWS:

Section 1. Authorization of Financing. This Board hereby authorizes the District to enter into the Lease-Purchase Agreement with the Lessor. The Lease-Purchase Agreement shall be executed and delivered in an aggregate principal amount of not to exceed \$5,864,900, shall mature no later than February 1, 2029, and shall bear interest at a tax-exempt rate not to exceed 3.95%.

Section 2. Subject to Annual Appropriation. Payments pursuant to the Lease-Purchase Agreement will not constitute a general obligation or debt of the District, the State of Arizona or any political subdivision thereof for which the District, the State of Arizona or any political subdivision thereof will be obligated to levy or pledge any form of *ad valorem* taxation; nor does the obligation to make lease payments under the Lease-Purchase Agreement constitute a general obligation or debt of the District, the State of Arizona or any political subdivision thereof within the meaning of the Constitution of the State of Arizona, statutes thereof or otherwise. The Lease-Purchase Agreement and the obligation to make lease payments are subject to the annual approval and appropriation by the Governing Board of the District and may be payable from other available funds or sources of the District upon the determination, at the time of execution and delivery of the Lease-Purchase Agreement, by the Superintendent.

The Board hereby delegates to the Superintendent and the Business Services Director of the District the authority to finalize the terms and lease payments set forth in the Lease-Purchase Agreement and make the determination that such lease payments paid by the District represent the fair rental value of such leased property.

Section 3. Use of Proceeds. The net proceeds of the Lease-Purchase Agreement, after payment of the expenses of execution and delivery, shall be held by the Escrow Agent and used to pay the Contractor or its designee against invoices presented to the District or the Escrow Agent.

Section 4. Execution of Lease-Purchase Agreement and Acquisition Fund and Account Control Agreement. The forms of the Lease-Purchase Agreement and Acquisition Fund and Account Control Agreement as presented to this Board are hereby approved and the President or any member of this Board is authorized to execute and deliver the Lease-Purchase Agreement and Acquisition Fund and Account Control Agreement on behalf of the District. The forms of such documents may be modified to meet the requirements and conditions of the Lessor, as approved by the Superintendent or Business Services Director of the District. The Superintendent or the Business Services Director of the District is authorized to complete the Lease-Purchase Agreement and Acquisition Fund and Account Control Agreement, including any attachments thereto. The execution and delivery of the Lease-Purchase Agreement and Acquisition Fund and Account Control Agreement by the President or any member of the Board shall be conclusive evidence of such completion and approval of the Lease-Purchase Agreement and Acquisition Fund and Account Control Agreement.

Section 5. Resolution a Contract. This resolution shall not be repealed while the Lease-Purchase Agreement is unpaid.

Section 6. Ratification of Actions. All actions of the officers and agents of the District which conform to the purposes and intent of this resolution and which further the actions contemplated by this resolution whether heretofore or hereafter taken are hereby ratified, confirmed and approved. The proper officers and agents of the District are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the District as may be necessary to carry out the terms and intent of this resolution.

Section 7. Severability. If any section, paragraph, subdivision, sentence, clause or phrase of this resolution is for any reason held to be illegal, invalid or unenforceable, such decision shall not affect the validity of the remaining portions of this resolution. The Board hereby declares that it would have adopted this resolution and each and every other section, paragraph, subdivision, sentence, clause or phrase hereof and authorized the execution and delivery of the Lease-Purchase Agreement pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this resolution may be held illegal, invalid or unenforceable.

PASSED, ADOPTED AND APPROVED by the Governing Board of Washington Elementary School District No. 6 of Maricopa County, Arizona, on January 23, 2014.

President, Governing Board

EQUIPMENT LEASE/PURCHASE AGREEMENT

This Equipment Lease/Purchase Agreement (the "*Agreement*") dated _____, 2014, and entered into between Zions First National Bank, a national banking association ("*Lessor*"), and Washington Elementary School District No. 6 of Maricopa County, Arizona, a body corporate and politic existing under the laws of the State of Arizona ("*Lessee*").

WITNESSETH:

WHEREAS, Lessee desires to lease and acquire from Lessor certain Equipment (as such term is defined herein), subject to the terms and conditions hereof;

WHEREAS, Lessee is authorized under the constitution and laws of the State to enter into this Agreement for the purposes set forth herein;

WHEREAS, Lessee has entered into an Installation Agreement and a Guaranteed Savings Agreement for Energy Savings Project, each dated February ____, 2014 (collectively, the "*Midstate Agreement*"), between Lessee and Midstate Energy, L.L.C., for the design, acquisition, construction and installation of the Equipment to be owned and operated by Lessee for the rehabilitation or repair of its public school facilities; and

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"*Acquisition Amount*" means \$5,864,900. The Acquisition Amount is the amount represented by Lessee to be sufficient, together with proceeds from Lessee if any, to acquire the Equipment and to pay Delivery Costs.

"*Acquisition Fund*" means the fund established and held by the Acquisition Fund Custodian pursuant to the Acquisition Fund Agreement, if any.

"*Acquisition Fund Agreement*" means the Acquisition Fund and Account Control Agreement in form and substance acceptable to and executed by Lessee, Lessor and the Acquisition Fund Custodian, pursuant to which an Acquisition Fund is established and administered.

"*Acquisition Fund Custodian*" means the Acquisition Fund Custodian identified in the Acquisition Fund Agreement, and its successors and assigns.

"*Acquisition Period*" means the period ending five (5) business days prior to February 6, 2015.

"Agreement" means this Equipment Lease/Purchase Agreement, including the exhibits hereto, together with any amendments and modifications to the Agreement pursuant to Section 13.04.

"Code" means the Internal Revenue Code of 1986, as amended. Each reference to a Section of the Code herein shall be deemed to include the United States Treasury Regulations proposed or in effect thereunder.

"Commencement Date" means the date when Lessee's obligation to pay rent commences hereunder, which shall be the date on which the Acquisition Amount is deposited with the Acquisition Fund Custodian.

"Contract Rate" means the rate identified as such in the Lease Payment Schedule.

"Delivery Costs" means the costs incurred in connection with the execution and delivery of this Agreement and the Acquisition Fund Agreement, including placement agent fees, Lessor's origination fee, counsel fees, fees and expenses of Acquisition Fund Custodian, similar costs, fees and expenses.

"Equipment" means the property listed in the Equipment Schedule and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to Section 8.01 or Article V. Whenever reference is made in this Agreement to Equipment, such reference shall be deemed to include all such replacements, repairs, restorations, modifications and improvements of or to such Equipment.

"Equipment Costs" means the total cost of the Equipment, including capitalized interest during the Acquisition Period and other related costs such as freight, installation and taxes, and capitalizable costs.

"Equipment Schedule" means the equipment schedule attached hereto as Exhibit A and made a part hereof.

"Event of Default" means an Event of Default described in Section 12.01.

"Lease Payment Schedule" means the Lease Payment Schedule attached hereto as Exhibit B and made a part hereof.

"Lease Term" means the Original Term and all Renewal Terms, with a final Renewal Term ending on February 1, 2029.

"Lessee" means the entity referred to as Lessee in the first paragraph of this Agreement.

"Lessor" means (a) the entity referred to as Lessor in the first paragraph of this Agreement or (b) any assignee or transferee of any right, title or interest of Lessor in and to this Agreement, including the Equipment, the Rental Payments and other amounts due hereunder, pursuant to Section 11.01, or the Acquisition Fund, but does not include any entity solely by reason of that entity retaining or assuming any obligation of Lessor to perform hereunder.

"Material Adverse Change" means any change in Lessee's creditworthiness that could have a material adverse effect on (i) the financial condition or operations of Lessee, or (ii) Lessee's ability to perform its obligations under this Agreement.

"Original Term" means the period from the Commencement Date until the end of the fiscal year of Lessee in effect at such Commencement Date.

"Prepayment Price" means the amount provided in the Lease Payment Schedule.

"Renewal Terms" means the renewal terms of this Agreement, each having a duration of one year and a term coextensive with Lessee's fiscal year.

"Rental Payments" means the basic rental payments payable by Lessee hereunder pursuant to Section 4.01, consisting of a principal component and an interest component.

"State" means the State of Arizona.

"Taxable Rate" means an interest rate equal to the Contract Rate plus a rate sufficient such that the total interest to be paid on any payment date would, after such interest was reduced by the amount of any Federal, state or local income tax (including any interest, penalties or additions to tax) actually imposed thereon, equal the amount of interest otherwise due to Lessor.

"Vendor" means Midstate Energy, L.L.C., the manufacturer, installer or supplier of the Equipment or any other person as well as the agents or dealers of the manufacturer, installer or supplier with whom Lessor arranged Lessee's acquisition, installation, maintenance and/or servicing of the Equipment.

"Vendor Agreement" means any contract entered into by Lessee and any Vendor for the acquisition, installation, maintenance and/or servicing of the Equipment, including the Midstate Agreement.

ARTICLE II

Section 2.01. Representations and Covenants of Lessee. Lessee represents, covenants and warrants for the benefit of Lessor on the date hereof as follows:

(a) Lessee is a political subdivision of the State within the meaning of Section 103(c) of the Code, duly organized and existing under the constitution and laws of the State, with full power and authority to enter into this Agreement and the transactions contemplated hereby and to perform all of its obligations hereunder.

(b) Lessee has duly authorized the execution and delivery of this Agreement and the Acquisition Fund Agreement by proper action of its governing body at a meeting duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Agreement and the Acquisition Fund Agreement.

(c) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the date hereof.

(d) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.

(e) Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Equipment. Lessee has also complied with all applicable open public meeting and notice laws and requirements with respect to the meeting at which the Lessee's execution of this Lease was authorized.

(f) During the Lease Term, the Equipment will be used by Lessee only for the purpose of performing essential governmental or proprietary functions of Lessee consistent with the permissible scope of Lessee's authority. Lessee does not intend to sell or otherwise dispose of the Equipment or any interest therein prior to the last Rental Payment (including all Renewal Terms) scheduled to be paid hereunder.

(g) Lessee has kept, and throughout the Lease Term shall keep, its books and records in accordance with generally accepted accounting principles and practices consistently applied, and shall deliver to Lessor (i) annual audited financial statements (including (1) a balance sheet, (2) statement of revenues, expenses and changes in fund balances for budget and actual, (3) statement of cash flows, and (4) footnotes, schedules and attachments to the financial statements) within 210 days of its fiscal year end, (ii) such other financial statements and information as Lessor may reasonably request, and (iii) upon Lessor's request, its annual budget for any prior or current fiscal year or the following fiscal. The financial statements described in subsection (g) shall be accompanied by an unqualified opinion of Lessee's auditor. Credit information relating to Lessee may be disseminated among Lessor and any of its affiliates and any of their respective successors and assigns.

(h) Lessee has an immediate need for the Equipment and expects to make immediate use of the Equipment. Lessee's need for the Equipment is not temporary and Lessee does not expect the need for any item of the Equipment to diminish during the Lease Term.

(i) The payment of the Rental Payments or any portion thereof is not directly or indirectly (x) secured by any interest in property used or to be used in any activity carried on by any person other than a state or local governmental unit or payments in respect of such property; or (y) on a present value basis, derived from payments (whether or not to Lessee) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit. Lessee shall not permit the Federal government to guarantee any Rental Payments. The Equipment will not be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit. No portion of the Acquisition Amount will be used, directly or indirectly, to make or finance loans to any person other than Lessee. Lessee has not entered into any management or other service contract with respect to the use and operation of the Equipment.

(j) There is no pending litigation, tax claim, proceeding or dispute that may adversely affect Lessee's financial condition or impairs its ability to perform its obligations under this

Agreement or the Acquisition Fund Agreement. Lessee will, at its expense, maintain its legal existence in good standing and do any further act and execute, acknowledge, deliver, file, register and record any further documents Lessor may reasonably request in order to protect Lessor's first priority security interest in the Equipment and the Acquisition Fund and Lessor's rights and benefits under this Agreement and the Acquisition Fund Agreement.

(k) Lessee is the fee owner of the real estate where the Equipment is and will be located and has good and marketable title thereto, and there exists no mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on or with respect to such real estate.

(l) No lease, rental agreement, lease-purchase agreement, payment agreement or contract for purchase to which Lessee has been a party at any time has been terminated by Lessee as a result of insufficient funds being appropriated in any fiscal year. No event has occurred which would constitute an event of default under any debt, revenue bond or obligation which Lessee has issued during the past ten (10) years.

(m) The stated full Lease Term of this Agreement does not exceed the "expected life of the energy cost savings measures" prescribed by A.R.S. Section 15-213.01 for the Equipment financed or refinanced under this Agreement.

Section 2.02 Representations and Covenants of Lessor. Lessor represents, covenants and warrants for the benefit of Lessee on the date hereof as follows:

(a) Lessor is in good standing pursuant to the laws of the State of Arizona and is authorized to transact business in the State of Arizona.

(b) To its knowledge, Lessor possesses all requisite authority, power, licenses, permits and franchises to conduct all business contemplated in this Agreement and to observe and perform its covenants, agreements and obligations pursuant to this Agreement.

(c) To the extent applicable, pursuant to the provisions of the Section 41-4401 of the Arizona Revised Statutes, and in accordance with federal law and Lessor's practice, Lessor hereby warrants and certifies that Lessor complies with the Immigration Reform and Control Act of 1986 and employment with the Lessor is contingent on the successful completion of the I-9 verification process and the E-Verify requirements of Section 23-214(A) of the Arizona Revised Statutes. Lessor's breach of the above-described warranty and certification is a material breach of this Agreement and may result in the termination of this Agreement by Lessee. Lessor does not knowingly employ any individuals in the United States who are not legally authorized to work in the United States. For associate confidentiality reasons, Lessor generally does not disclose the personnel records of its associates to third parties, including I-9 or e-Verify documentation. However, if there are concerns about an individual's eligibility to perform work in connection with this Agreement, please contact Lessor in accordance with Section 13.01 of this Agreement and Lessor will investigate and respond to these concerns.

ARTICLE III

Section 3.01. Lease of Equipment. Subject to the terms of this Agreement, Lessor agrees to provide the Acquisition Amount to acquire the Equipment. Lessor hereby demises, leases, transfers and lets to Lessee, and Lessee hereby acquires, rents and leases from Lessor, the Equipment. The Lease Term may be continued, solely at the option of Lessee, at the end of the Original Term or any Renewal Term for the next succeeding Renewal Term up to the maximum Lease Term as set forth in the Lease Payment Schedule. At the end of the Original Term and at the end of each Renewal Term until the maximum Lease Term has been completed, Lessee shall be deemed to have exercised its option to continue this Agreement for the next Renewal Term unless Lessee shall have terminated this Agreement pursuant to Section 3.03 or Section 10.01. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the Lease Payment Schedule.

Section 3.02. Continuation of Lease Term. Lessee intends, subject to Section 3.03, to continue the Lease Term through the Original Term and all Renewal Terms. Lessee affirms that sufficient funds are available for the current fiscal year, and Lessee reasonably believes that an amount sufficient to make all Rental Payments during the entire Lease Term can be obtained from legally available funds of Lessee. Lessee further intends to do all things lawfully within its power to obtain and maintain funds sufficient and available to discharge its obligation to make Rental Payments due hereunder, including making provision for such payments to the extent necessary in each budget or appropriation request submitted and adopted in accordance with applicable provisions of law, to have such portion of the budget or appropriation request approved and to exhaust all available reviews and appeals in the event such portion of the budget or appropriation request is not approved.

Section 3.03. Nonappropriation. Lessee is obligated only to pay such Rental Payments as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's then current fiscal year. Should Lessee fail to budget, appropriate or otherwise make available funds to pay Rental Payments following the then current Original Term or Renewal Term, this Agreement shall be deemed terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver notice to Lessor of such termination promptly after any decision to non-appropriate is made, but failure to give such notice shall not extend the term beyond such Original Term or Renewal Term. If this Agreement is terminated in accordance with this Section, Lessee agrees to cease use of the Equipment and peaceably remove and deliver at Lessee's expense the Equipment to Lessor at the location(s) to be specified by Lessor.

Section 3.04. Conditions to Lessor's Performance.

(a) As a prerequisite to the performance by Lessor of any of its obligations under this Agreement, Lessee shall deliver to Lessor the following:

(i) An Acquisition Fund Agreement in the form set forth in Exhibit I hereto, satisfactory to Lessor and executed by Lessee and the Acquisition Fund Custodian;

(ii) A certified copy of the minutes of the meeting of the Governing Board of the District on January 23, 2014, authorizing the execution and delivery of this Agreement and the Acquisition Fund Agreement and performance by Lessee of its obligations pursuant to this Agreement and the Acquisition Fund Agreement;

(iii) A Certificate executed by the Clerk or Secretary or other comparable officer of Lessee, in substantially the form attached hereto as Exhibit C, completed to the satisfaction of Lessor;

(iv) An opinion of counsel to Lessee in substantially the form attached hereto as Exhibit D and otherwise satisfactory to Lessor;

(v) Evidence of insurance as required by Section 7.02 hereof;

(vi) All documents, including financing statements, affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate at that time pursuant to Section 6.02;

(vii) A waiver or waivers of interest in the Equipment, satisfactory to Lessor, from any mortgagee or any other party having an interest in the real estate on which the Equipment will be located and/or landlord of the real estate on which the Equipment will be located;

(viii) A copy of a fully completed and executed Form 8038-G;

(ix) A certified copy of any Surety Bond satisfying the conditions set forth in Section 7.04, or, at Lessor's sole discretion, such Surety Bonds may be provided after the Commencement Date, provided however, that no "Disbursement Request" pursuant to the Acquisition Fund Agreement shall be authorized by Lessor until such Surety Bonds satisfying the conditions set forth in Section 7.04 have been delivered to Lessor; and

(x) Such other items reasonably required by Lessor.

(b) In addition, the performance by Lessor of any of its obligations under this Agreement and the Acquisition Fund Agreement shall be subject to: (i) no Material Adverse Change in the financial condition of Lessee since the date of this Agreement, and (ii) no Event of Default having occurred and continuing.

(c) Subject to satisfaction of the foregoing, Lessor will deposit the Acquisition Amount with the Acquisition Fund Custodian.

ARTICLE IV

Section 4.01. Rental Payments. Subject to Section 3.03, Lessee shall promptly pay Rental Payments, in lawful money of the United States of America, to Lessor on the dates and in such amounts as provided in the Lease Payment Schedule. Interest on the Acquisition Amount shall begin to accrue as of the Commencement Date. Lessee shall pay Lessor a charge on any

Rental Payment not paid on the date such payment is due at a rate equal to the Contract Rate plus 5% per annum or the maximum amount permitted by law, whichever is less, from such date.

Section 4.02. Interest and Principal Components. A portion of each Rental Payment is paid as, and represents payment of, interest, and the balance of each Rental Payment is paid as, and represents payment of, principal as more fully detailed on the Lease Payment Schedule.

Section 4.03. Rental Payments to Constitute a Current Expense of Lessee. Lessor and Lessee understand and intend that the obligation of Lessee to pay Rental Payments shall constitute a current expense of Lessee payable solely from its general fund or other funds that are legally available for that purpose and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or moneys of Lessee.

Section 4.04. Rental Payments to be Unconditional. Except as provided in Section 3.03, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained in this Agreement shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including without limitation any failure of the Equipment, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation or unforeseen circumstances, or failure of any Vendor to deliver any Equipment or otherwise perform any of its obligations.

Section 4.05. Tax Covenants.

(a) Lessee agrees that it will not take any action that would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for federal income tax purposes, nor will it omit to take or cause to be taken, in timely manner, any action, which omission would cause the interest component of Rental Payments to be or to become ineligible for the exclusion from gross income of the owner or owners thereof for federal income tax purposes.

(b) In the event that Lessee does not spend sufficient moneys in the Acquisition Fund within six (6) months after the date the deposit is made pursuant to Section 3.04(c), Lessee will, if required by Section 148(f) of the Code to pay rebate: (i) establish a Rebate Account and deposit the Rebate Amount (as defined in Section 1.148-3(b) of the Federal Income Tax Regulations) not less frequently than once per year after the Commencement Date; and (ii) rebate to the United States, not less frequently than once every five (5) years after the Commencement Date, an amount equal to at least 90% of the Rebate Amount and within 60 days after payment of all Rental Payments or the Prepayment Price as provided in Section 10.01(a) hereof, 100% of the Rebate Amount, as required by the Code and any regulations promulgated thereunder. Lessee shall determine the Rebate Amount, if any, at least every year and upon payment of all Rental Payments or the Prepayment Price and shall maintain such determination, together with any supporting documentation required to calculate the Rebate Amount, until six (6) years after the date of the final payment of the Rental Payments or the Prepayment Price.

Section 4.06. Event of Taxability. Upon the occurrence of an Event of Taxability, the interest component of Rental Payments and any charge on Rental Payments or other amounts payable based on the Contract Rate shall have accrued and be payable at the Taxable Rate retroactive to the date as of which the interest component is determined by the Internal Revenue Service to be includible in the gross income of the owner or owners thereof for federal income tax purposes, and Lessee will pay such additional amount as will result in the owner receiving the interest component at the Taxable Rate.

For purposes of this Section, "*Event of Taxability*" means a determination that the interest component is includible for federal income tax purposes in the gross income of the owner thereof due to Lessee's action or failure to take any action.

Section 4.07. Mandatory Prepayment. Any funds not applied to Equipment Costs and remaining in the Acquisition Fund on the earlier of (a) the expiration of the Acquisition Period and (b) the date on which Lessee executes an Acceptance Certificate (in the form attached hereto as Exhibit E), shall be applied by Lessor on any Rental Payment date to all or a portion of the Rental Payment due and owing in the succeeding twelve (12) months and any remaining amounts shall be applied by Lessor as prepayment to the remaining principal balance owing hereunder in the inverse order of Rental Payment dates.

ARTICLE V

Section 5.01. Delivery, Installation and Acceptance of Equipment.

(a) Lessee shall order the Equipment, cause the Equipment to be delivered, installed and inspected at the location specified in the Equipment Schedule and pay any and all delivery and installation costs and other Equipment Costs in connection therewith. Lessee shall conduct such inspection and/or testing of the Equipment as it deems necessary and appropriate in order to determine the Equipment's capability and functionality in order to accept such Equipment. When the Equipment has been delivered, installed, inspected and is operating in a manner consistent with the manufacturer's intended use, Lessee shall promptly and finally accept for all purposes such Equipment and evidence said acceptance by executing and delivering to Lessor an "Acceptance Certificate" in the form attached hereto as Exhibit E.

(b) Lessee shall deliver to Lessor original invoices (and proof of payment of such invoices) and bills of sale (if title to such Equipment has passed to Lessee) relating to each item of Equipment accepted by Lessee.

Section 5.02. Quiet Enjoyment of Equipment. So long as Lessee is not in default hereunder, neither Lessor nor any entity claiming by, through or under Lessor, shall interfere with Lessee's quiet use and enjoyment of the Equipment during the Lease Term.

Section 5.03. Location; Inspection. Once installed, no item of the Equipment will be moved or relocated from the location specified for it in the Equipment Schedule without Lessor's prior written consent, which consent shall not be unreasonably withheld. Lessor shall have the right at all reasonable times during regular business hours to enter into and upon the property where the Equipment is located for the purpose of inspecting the Equipment.

Section 5.04. Use and Maintenance of the Equipment. Lessee shall not install, use, operate or maintain the Equipment (or cause the Equipment to be installed, used, operated or maintained) improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated hereby. Lessee shall provide all permits and licenses, if any, necessary for the installation and operation of the Equipment. In addition, Lessee agrees to comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative, or judicial body; *provided* that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest (including the reversionary interest) of Lessor in and to the Equipment or its interest or rights hereunder.

Lessee agrees that it will maintain, preserve, and keep the Equipment in good repair and working order, in a condition comparable to that recommended by the manufacturer. Lessor shall have no responsibility to maintain, repair or make improvements or additions to the Equipment. In all cases, Lessee agrees to pay any costs necessary for the manufacturer to re-certify the Equipment as eligible for manufacturer's maintenance upon the return of the Equipment to Lessor as provided for herein.

Lessee shall not alter any item of Equipment or install any accessory, equipment or device on an item of Equipment if that would impair any applicable warranty, the originally intended function or the value of that Equipment. All repairs, parts, accessories, equipment and devices furnished, affixed to or installed on any Equipment, excluding temporary replacements, shall thereupon become subject to the security interest of Lessor.

ARTICLE VI

Section 6.01. Title to the Equipment. During the Lease Term, and so long as Lessee is not in default under Article XII hereof, all right, title and interest in and to each item of the Equipment shall be vested in Lessee immediately upon its acceptance of each item of Equipment, subject to the terms and conditions hereof. Lessee shall at all times protect and defend, at its own cost and expense, its title in and to the Equipment from and against all claims, liens and legal processes of its creditors, and keep all Equipment free and clear of all such claims, liens and processes. Upon the occurrence of an Event of Default or upon termination of this Agreement pursuant to Section 3.03 hereof, full and unencumbered legal title to the Equipment shall, at Lessor's option, pass to Lessor, and Lessee shall have no further interest therein. In addition, upon the occurrence of such an Event of Default or such termination, Lessee shall execute and deliver to Lessor such documents as Lessor may request to evidence the passage of such legal title to Lessor and the termination of Lessee's interest therein, and upon request by Lessor shall deliver possession of the Equipment to Lessor in accordance with Section 12.02. Upon payment of all amounts due and owing under this Agreement in accordance with Section 10.01 (including upon payment of all Rental Payments and other amounts payable under this Agreement), Lessor's security interest or other interest in the Equipment shall terminate, and Lessor shall execute and deliver to Lessee such documents as Lessee may request to evidence the termination of Lessor's security interest in the Equipment. During the Lease Term, Lessor will not claim ownership of the Equipment for the purposes of any tax credits, benefits or deductions with respect to the Equipment.

Section 6.02. Security Interest. As additional security for the payment and performance of all of Lessee's obligations hereunder, Lessee hereby grants to Lessor a first priority security interest constituting a first lien on (a) the Equipment, (b) moneys and investments held from time to time in the Acquisition Fund and (c) any and all proceeds of any of the foregoing. Lessee authorizes Lessor to file (and Lessee agrees to execute, if applicable) such notices of assignment, chattel mortgages, financing statements and other documents, in form satisfactory to Lessor, which Lessor deems necessary or appropriate to establish and maintain Lessor's security interest in the Equipment, the Acquisition Fund and the proceeds thereof, including, without limitation, such financing statements with respect to personal property and fixtures under Article 9 of the Uniform Commercial Code of the State.

Section 6.03. Personal Property, No Encumbrances. Lessee agrees that the Equipment is deemed to be and will remain personal property, and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon. Lessee shall not create, incur, assume or permit to exist any mortgage, pledge, lien, security interest, charge or other encumbrance of any nature whatsoever on any of the real estate where the Equipment is or will be located or enter into any agreement to sell or assign or enter into any sale/leaseback arrangement of such real estate without the prior written consent of Lessor; provided, that if Lessor or its assigns is furnished with a waiver of interest in the Equipment acceptable to Lessor or its assigns in its discretion from any party taking an interest in any such real estate prior to such interest taking effect, such consent shall not be unreasonably withheld.

ARTICLE VII

Section 7.01. Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee shall keep the Equipment free of all levies, liens, and encumbrances except those created by this Agreement. The parties to this Agreement contemplate that the Equipment will be used for a governmental or proprietary purpose of Lessee and that the Equipment will therefore be exempt from all property taxes. If the use, possession or acquisition of any Equipment is nevertheless determined to be subject to taxation, Lessee shall pay when due all taxes and governmental charges lawfully assessed or levied against or with respect to such Equipment. Lessee shall pay all utility and other charges incurred in the use and maintenance of the Equipment. Lessee shall pay such taxes or charges as the same may become due; *provided* that, with respect to any such taxes or charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as accrue during the Lease Term.

Section 7.02. Insurance. Lessee maintains casualty insurance, liability insurance, and worker's compensation coverage with the Arizona Risk Retention Trust in the coverage amounts specified in the Insurance Certificate attached hereto as Exhibit F. Such insurance coverage shall contain an endorsement naming Lessor, its affiliates, successors and assigns, as their interests may appear, as an additional insured and loss payee, in so far as the Equipment is concerned. Lessee shall not cancel or modify such insurance or in any way that would affect the interests of Lessor without first giving written notice thereof to Lessor at least thirty (30) days in advance of such cancellation or modification *provided, however*, that any such cancellation or modification

shall be subject to the approval of the Lessor, which approval shall not be unreasonably withheld.

Section 7.03. Risk of Loss. Whether or not covered by insurance or self-insurance, Lessee hereby assumes all risk of loss of, or damage to and liability related to injury or damage to any persons or property arising from the Equipment from any cause whatsoever, and no such loss of or damage to or liability arising from the Equipment shall relieve Lessee of the obligation to make the Rental Payments or to perform any other obligation under this Agreement. Whether or not covered by insurance or self-insurance, Lessee hereby agrees to reimburse Lessor (to the fullest extent permitted by applicable law, but only from legally available funds) for any and all liabilities, obligations, losses, costs, claims, taxes or damages suffered or incurred by Lessor, regardless of the cause thereof and all expenses incurred in connection therewith (including, without limitation, counsel fees and expenses, and penalties connected therewith imposed on interest received) arising out of or as a result of (a) entering into of this Agreement or any of the transactions contemplated hereby, (b) the ordering, acquisition, ownership use, operation, condition, purchase, delivery, acceptance, rejection, storage or return of any item of the Equipment, (c) any accident in connection with the operation, use, condition, possession, storage or return of any item of the Equipment resulting in damage to property or injury to or death to any person, and/or (d) the breach of any covenant of Lessee under or in connection with this Agreement or any material misrepresentation provided by Lessee under or in connection with this Agreement. The provisions of this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason.

Section 7.04. Surety Bonds; Lessee to Pursue Remedies Against Contractors and Sub-Contractors and Their Sureties. Lessee shall secure from each Vendor directly employed by Lessee in connection with the acquisition, construction, installation, improvement or equipping of the Equipment, a payment and performance bond ("Surety Bond") executed by a surety company authorized to do business in the State, having a financial strength rating by A.M. Best Company of "A-" or better, and otherwise satisfactory to Lessor and naming Lessor as a co-obligee in a sum equal to the entire amount to become payable under each Vendor Agreement. Each bond shall be conditioned on the completion of the work in accordance with the plans and specifications for the Equipment and upon payment of all claims of subcontractors and suppliers. Lessee shall cause the surety company to add Lessor as a co-obligee on each Surety Bond, and shall deliver a certified copy of each Surety Bond to Lessor promptly upon receipt thereof by Lessee. Any proceeds from a Surety Bond shall be applied first to amounts due Lessor under this Agreement, and any remaining amounts shall be payable to Lessee.

In the event of a material default of any Vendor under any Vendor Agreement in connection with the acquisition, construction, maintenance and/or servicing of the Equipment or in the event of a material breach of warranty with respect to any material workmanship or performance guaranty with respect to the Equipment, Lessee will promptly proceed to exhaust its remedies against the Vendor in default. Lessee shall advise Lessor of the steps it intends to take in connection with any such default. Any amounts received by Lessee in respect of damages, refunds and adjustments or otherwise in connection with the foregoing shall be paid to Lessor and applied against Lessee's obligations hereunder.

Section 7.05. Advances. In the event Lessee shall fail to keep the Equipment in good repair and working order or to maintain insurance as required under this Agreement, Lessor may, but shall be under no obligation to, maintain and repair the Equipment and pay the cost thereof or to obtain and maintain insurance for purposes of this Agreement. All amounts so advanced by Lessor shall constitute additional rent for the then current Original Term or Renewal Term and Lessee covenants and agrees to pay such amounts so advanced by Lessor with interest thereon from the due date until paid at a rate equal to the Contract Rate plus 5% per annum or the maximum amount permitted by law, whichever is less.

ARTICLE VIII

Section 8.01. Damage, Destruction and Condemnation. If, prior to the termination of the Lease Term, (a) the Equipment or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (b) title to, or the temporary use of, the Equipment or any part thereof shall be taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, (i) Lessee and Lessor will cause the Net Proceeds of any insurance claim or condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Equipment and any balance of the Net Proceeds remaining after such work has been completed shall be paid to Lessee or (ii) Lessee shall exercise its option to prepay the obligations hereunder in accordance with Section 10.01(b).

If Lessee elects to replace any item of the Equipment (the "*Replaced Equipment*") pursuant to this Section, the replacement equipment (the "*Replacement Equipment*") shall be new or of a quality, type, utility and condition at least as good as the Replaced Equipment, shall be of equal or greater value than the Replaced Equipment and shall provide at least the same level of energy and/or operational savings expected in the aggregate from the Replaced Equipment prior to such casualty, destruction or condemnation. Lessee shall grant to Lessor a first priority security interest in any such Replacement Equipment. Lessee shall represent, warrant and covenant to Lessor that each item of Replacement Equipment is free and clear of all claims, liens, security interests and encumbrances, excepting only those liens created by or through Lessor, and shall provide to Lessor any and all documents as Lessor may reasonably request in connection with the replacement, including, but not limited to, documentation in form and substance satisfactory to Lessor evidencing Lessor's security interest in the Replacement Equipment. Lessor and Lessee hereby acknowledge and agree that any Replacement Equipment acquired pursuant to this paragraph shall constitute "Equipment" for purposes of this Agreement. Lessee shall complete the documentation of Replacement Equipment on or before the next Rental Payment date after the occurrence of a casualty event, or be required to exercise its option to prepay the obligations hereunder with respect to equipment in accordance with Section 10.01(b).

For purposes of this Article, the term "*Net Proceeds*" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award or sale under threat of condemnation after deducting all expenses, including attorneys' fees, incurred in the collection thereof.

Section 8.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in Section 8.01, Lessee shall either (a) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) pay or cause to be paid to Lessor the amount of the then applicable Prepayment Price for the Equipment, and, upon such payment, the Lease Term shall terminate and Lessor's security interest in the Equipment shall terminate as provided in Section 6.01 hereof. The amount of the Net Proceeds, if any, remaining after completing such repair, restoration, modification or improvement or after paying the applicable Prepayment Price for such Equipment shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article IV.

ARTICLE IX

Section 9.01. Disclaimer of Warranties. Lessor makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for particular purpose or fitness for use of the Equipment, or any other warranty or representation, express or implied, with respect thereto and, as to Lessor, Lessee's acquisition of the Equipment shall be on an "as is" basis. In no event shall Lessor be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Agreement, the Equipment or the existence, furnishing, functioning or Lessee's use of any item, product or service provided for in this Agreement.

Section 9.02 Vendor's Agreements; Warranties. Lessee covenants that it shall not in any material respect amend, modify, rescind or alter any Vendor Agreement without the prior written consent of Lessor. Lessor hereby irrevocably appoints Lessee its agent and attorney-in-fact during the Lease Term, so long as Lessee shall not be in default under this Agreement, to assert from time to time whatever claims and rights (including without limitation warranties) relating to the Equipment that Lessor may have against Vendor. Lessee's sole remedy for the breach of such warranty, indemnification or representation shall be against the applicable Vendor of the Equipment, and not against Lessor. Any such matter shall not have any effect whatsoever on the rights and obligations of Lessor hereunder, including the right to receive full and timely Rental Payments. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties relating to the Equipment.

ARTICLE X

Section 10.01. Prepayment Option. Lessee shall have the option to prepay or satisfy all its obligations hereunder, at the following times and upon the following terms:

(a) From and after the date specified (if any) in the Lease Payment Schedule (the "*Prepayment Option Commencement Date*"), on the Rental Payment dates specified in the Lease Payment Schedule, upon not less than 30 days prior written notice, and upon payment in full of the Rental Payments then due and all other amounts then owing hereunder plus the then

applicable Prepayment Price, which may include a prepayment premium on the unpaid balance as set forth in the Lease Payment Schedule; or

(b) In the event of substantial damage to or destruction or condemnation of substantially all of the Equipment, on the day specified in Lessee's notice to Lessor of its exercise of the prepayment option (which shall be the earlier of the next Rental Payment date or 90 days after the casualty event) upon payment in full to Lessor of the Rental Payment then due plus the then applicable Prepayment Price (or, in the event such prepayment occurs on a date other than a Rental Payment date, the sum of (i) the Prepayment Price relating to the Rental Payment immediately prior to the date of such prepayment plus (ii) accrued interest on the Outstanding Balance relating to the Rental Payment immediately prior to the date of such prepayment, plus all other amounts then owing hereunder); or

(c) Upon the expiration of the Lease Term, upon payment in full of all Rental Payments then due and all other amounts then owing hereunder to Lessor.

After payment of the applicable Prepayment Price and all other amounts owing hereunder, Lessor's security interests in and to such Equipment will be terminated and Lessee will own the Equipment free and clear of Lessor's security interest in the Equipment.

ARTICLE XI

Section 11.01. Assignment by Lessor.

(a) Lessor's right, title and interest in and to this Agreement, the Rental Payments and any other amounts payable by Lessee hereunder, the Acquisition Fund Agreement, its security interest in the Equipment and Acquisition Fund, and all proceeds therefrom may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Lessor, without the necessity of obtaining the consent of Lessee; *provided*, that any such assignment, transfer or conveyance to a trustee for the benefit of owners of certificates of participation shall be made in a manner that conforms to any applicable State law. Nothing in this Section 11.01 shall be construed, however, to prevent Lessor from executing any such assignment, transfer or conveyance that does not involve funding through the use of certificates of participation within the meaning of applicable State law, including any such assignment, transfer or conveyance as part of a multiple asset pool to a partnership or trust; *provided* such certificates are sold only on a private placement basis (and not pursuant to any "public offering") to a purchaser(s) who represents that (i) such purchaser has sufficient knowledge and experience in financial and business matters to be able to evaluate the risks and merits of the investment, (ii) such purchaser understands that neither this Agreement nor certificates will be registered under the Securities Act of 1933, (iii) such purchaser is either an "accredited investor" within the meaning of Regulation D under the Securities Act of 1933, or a qualified institutional buyer within the meaning of Rule 144A, and (iv) it is the intention of such purchaser to acquire such certificates (A) for investment for its own account or (B) for resale in a transaction exempt from registration under the Securities Act of 1933; *provided further*, that in any event, Lessee shall not be required to make Rental Payments, to send notices or to otherwise deal with respect to matters arising under this Agreement with or to more than one individual or entity.

(b) Unless to an affiliate controlling, controlled by or under common control with Lessor, no assignment, transfer or conveyance permitted by this Section 11.01 shall be effective until Lessee shall have received a written notice of assignment that discloses the name and address of each such assignee; *provided*, that if such assignment is made to a bank or trust company as trustee or paying agent for owners of certificates of participation, trust certificates or partnership interests with respect to the Rental Payments payable under this Agreement, it shall thereafter be sufficient that Lessee receives notice of the name and address of the bank or trust company as trustee or paying agent. During the Lease Term, Lessee shall keep, or cause to be kept, a complete and accurate record of all such assignments in form necessary to comply with Section 149 of the Code. Lessee shall retain all such notices as a register of all assignees and shall make all payments to the assignee or assignees designated in such register. Lessee shall not have the right to and shall not assert against any assignee any claim, counterclaim or other right Lessee may have against Lessor or the Vendor. Assignments in part may include without limitation assignment of all of Lessor's security interest in and to the Equipment and all rights in, to and under this Agreement related to such Equipment, and all of Lessor's security interest in and to the Acquisition Fund, or all rights in, to and under the Acquisition Fund Agreement.

(c) If Lessor notifies Lessee of its intent to assign this Agreement, Lessee agrees that it shall execute and deliver to Lessor a Notice and Acknowledgement of Assignment substantially in the form of Exhibit H attached hereto within five (5) business days after its receipt of such request.

Section 11.02. Assignment and Subleasing by Lessee. None of Lessee's right, title, and interest in, to and under this Agreement or any portion of the Equipment or the Acquisition Fund Agreement or the Acquisition Fund may be assigned, encumbered or subleased by Lessee for any reason, and any purported assignment, encumbrance or sublease without Lessor's prior written consent shall be null and void.

ARTICLE XII

Section 12.01. Events of Default Defined. Any of the following events shall constitute an "Event of Default" under this Agreement:

(a) Failure by Lessee to (i) pay any Rental Payment or other payment required to be paid under this Agreement within 10 days after the date when due as specified herein or (ii) maintain insurance as required herein;

(b) Failure by Lessee to observe and perform any covenant, condition or agreement contained in this Agreement on its part to be observed or performed, other than as referred to in subparagraph (a) above, for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; *provided* that, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(c) Any statement, representation or warranty made by Lessee in or pursuant to this Agreement or its execution, delivery or performance shall prove to have been false, incorrect, misleading, or breached in any material respect on the date when made;

(d) Any default occurs under any other agreement for borrowing money, lease financing of property or otherwise receiving credit under which Lessee is an obligor, if such default (i) arises under any other agreement for borrowing money, lease financing of property or provision of credit provided by Lessor or any affiliate of Lessor, or (ii) arises under any obligation under which there is outstanding, owing or committed an aggregated amount in excess of \$100,000.00;

(e) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization, moratorium or insolvency proceeding; or

(f) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator for Lessee or of all or a substantial part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 30 consecutive days.

Section 12.02. Remedies on Default. Whenever any Event of Default exists, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to Lessee, Lessor may declare all Rental Payments payable by Lessee and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term to be due;

(b) With or without terminating the Lease Term, Lessor may enter the premises where the Equipment is located and retake possession of such Equipment or require Lessee at Lessee's expense to promptly return any or all of such Equipment to the possession of Lessor at such place within the United States as Lessor shall specify, and sell or lease such Equipment or, for the account of Lessee, sublease such Equipment, continuing to hold Lessee liable, but solely from legally available funds, for the difference between (i) the Rental Payments payable by Lessee and other amounts hereunder or the Equipment that are payable by Lessee to the end of the then current Original Term or Renewal Term, as the case may be, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Lessor in exercising its remedies hereunder, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer's and attorney's fees), subject, however, to the provisions of Section 3.03. The exercise of any such

remedies respecting any such Event of Default shall not relieve Lessee of any other liabilities hereunder or the Equipment;

(c) Lessor may terminate the Acquisition Fund Agreement and apply any proceeds in the Acquisition Fund to the Rental Payments due hereunder; and

(d) Lessor may take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Agreement or the Acquisition Fund Agreement or as a secured party in any or all of the Equipment or the Acquisition Fund.

Section 12.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice other than such notice as may be required in this Article.

ARTICLE XIII

Section 13.01. Notices. All notices, certificates or other communications under this Agreement shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, or delivered by overnight courier, or sent by facsimile transmission (with electronic confirmation) to the parties hereto at the addresses immediately after the signatures to this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party) and to any assignee at its address as it appears on the registration books maintained by Lessee.

Section 13.02. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.03. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 13.04. Amendments, Changes and Modifications. This Agreement may only be amended by Lessor and Lessee in writing.

Section 13.05. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13.06. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 13.07. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 13.08 Transactional Conflicts of Interest. As required by the provisions of the Section 38-511 of the Arizona Revised Statutes, notice is hereby given that Lessee may, within three (3) years of the execution hereof, cancel this Agreement without penalty or further obligations, if any person significantly involved in initiating, negotiation, securing, drafting or creating this Agreement on behalf of the Lessee is, at any time while this Agreement or any extension of this Agreement is in effect, an employee or agent of the Lessor or a consultant to the Lessor with respect to the subject matter of this Agreement. The cancellation shall be effective when written notice from the Lessee is received by the Lessor unless the notice specifies a later time. As of the date of this Agreement, Lessee represents that no person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of Lessee is an employee, agent or consultant to Lessor.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Lessor and Lessee have caused this Agreement to be executed in their names by their duly authorized representatives as of the date first above written.

LESSOR:

Zions First National Bank
1119 W. Southern Ave.
Mesa, AZ 85210
Attention: Lee Davis,
Managing Director
Fax No.: (480) 827-2176

LESSEE:

Washington Elementary School District No. 6
of Maricopa County, Arizona
4650 W. Sweetwater Avenue
Glendale, AZ 85304
Attn: Cathy Thompson,
Business Services Director
Fax: (602) 347-2737

By: _____
Name: Lee Davis, Managing Director

By: _____
Tee Lambert, Board President

Attest:

By: _____
Joyce Shiota,
Administrative Assistant to Governing Board

List of Exhibits

- Exhibit A -- Equipment Schedule
- Exhibit B -- Form of Lease Payment Schedule
- Exhibit C -- Form of Incumbency and Authorization Certificate
- Exhibit D -- Form of Opinion of Counsel Form
- Exhibit E -- Form of Acceptance Certificate
- Exhibit F -- Insurance Certificate
- Exhibit G -- [Reserved]
- Exhibit H -- Form of Notice and Acknowledgement of Assignment
- Exhibit I -- Form of Acquisition Fund and Account Control Agreement

EXHIBIT A
EQUIPMENT SCHEDULE
[To Be Inserted]

EXHIBIT B
LEASE PAYMENT SCHEDULE

<u>Payment Date</u>	<u>Payment Amount</u>	<u>Interest Portion</u>	<u>Principal Portion</u>
08/01/2014	\$260,827.62	\$112,614.23	\$148,213.39
02/01/2015	260,827.61	112,904.56	147,923.05
08/01/2015	260,827.61	109,983.08	150,844.53
02/01/2016	260,827.61	107,003.90	153,823.71
08/01/2016	260,827.61	103,965.88	156,861.73
02/01/2017	260,827.61	100,867.86	159,959.75
08/01/2017	260,827.62	97,708.66	163,118.96
02/01/2018	260,827.62	94,487.06	166,340.56
08/01/2018	260,827.61	91,201.83	169,625.78
02/01/2019	260,827.61	87,851.72	172,975.89
08/01/2019	260,827.61	84,843.45	176,392.16
02/01/2020	260,827.61	80,951.70	179,875.91
08/01/2020	260,827.62	77,399.16	183,428.46
02/01/2021	260,827.61	73,776.44	187,051.17
08/01/2021	260,827.61	70,082.18	190,745.43
02/01/2022	260,827.61	66,314.96	194,512.65
08/01/2022	260,827.62	62,473.34	198,354.28
02/01/2023	260,827.62	58,555.84	202,271.78
08/01/2023	260,827.61	54,560.97	206,266.64
02/01/2024	260,827.61	50,487.20	210,340.41
08/01/2024	260,827.61	46,332.98	214,494.63
02/01/2025	260,827.61	42,096.71	218,730.90
08/01/2025	260,827.62	37,776.78	223,050.84
02/01/2026	260,827.61	33,371.52	227,456.09
08/01/2026	260,827.62	28,879.27	231,948.35
02/01/2027	260,827.62	24,298.29	236,529.33
08/01/2027	260,827.61	19,626.83	241,200.78
02/01/2028	260,827.62	14,863.12	245,964.50
08/01/2028	260,827.62	10,005.32	250,822.30
02/01/2029	260,827.62	5,051.58	255,776.04
08/01/2029	-0-	-0-	-0-
TOTAL	\$7,824,828.42	\$1,959,928.42	\$5,864,900.00

Contract Rate. The Contract Rate is 3.95% per annum.

Prepayment Option Commencement Date. For purposes of Section 10.01 of the Agreement, the Prepayment Purchase Option Commencement Date begins February 6, 2014 at the applicable Prepayment Price.

LESSOR:
Zions First National Bank

LESSEE:
Washington Elementary School District No. 6
of Maricopa County, Arizona

By: _____
Lee Davis, Managing Director

By: _____
Tee Lambert, Board President

EXHIBIT C

FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE

The undersigned, a duly elected or appointed and acting Administrative Assistant to the Governing Board of the Washington Elementary School District No. 6 of Maricopa County, Arizona ("*Lessee*") certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of Lessee (the "Officials") in the capacity set forth opposite their respective names below and that the facsimile signatures are true and correct as of the date hereof;

B. The Officials are duly authorized, on behalf of Lessee, to negotiate, execute and deliver the Equipment Lease/Purchase Agreement, dated February 6, 2014, by and between Lessee and Zions First National Bank, a national banking association ("*Lessor*"), the Acquisition Fund and Account Control Agreement, dated February 6, 2014, among Lessee, Zions First National Bank, a national banking association, as Acquisition Fund Custodian, and Lessor, and all documents related thereto and delivered in connection therewith (collectively, the "*Agreements*"), and these Agreements are each the binding and authorized agreements of Lessee, enforceable in all respects in accordance with their respective terms.

<u>Name of Official</u>	<u>Title</u>	<u>Signature</u>
Tee Lambert	Board President	_____
Susie Cook	Superintendent	_____
Cathy Thompson	Business Services Director	_____

Dated: _____

By _____

Joyce Shiota, Administrative
Assistant to the Governing Board

(The signer of this Certificate cannot be listed above as authorized to execute these Agreements.)

EXHIBIT D

FORM OF OPINION OF COUNSEL TO LESSEE

February 6, 2013

Cathy Thompson
Washington Elementary School District No. 6
4650 W. Sweetwater Avenue
Glendale, AZ 85304

Zions First National Bank
1119 West Southern Avenue
Mesa, AZ 85210
Attention: Lee Davis, Managing Director

Re: Washington Elementary School District No. 6 of Maricopa County, Arizona
Equipment Lease/Purchase Agreement with Zions First National Bank

Dear Cathy and Lee:

We are furnishing this opinion in connection with the Equipment Lease/Purchase Agreement between Zions First National Bank, a national banking association ("Lessor") and Washington Elementary School District No. 6 of Maricopa County, Arizona ("Lessee").

In connection with this opinion, we have examined such matters of law as we deemed necessary and the following documents (collectively, the "Lessee Documents"):

(a) An executed copy of the Equipment Lease/Purchase Agreement by and between Lessor and Lessee, dated February 6, 2014 (the "Lease");

(b) An executed copy of the adopted Resolution by the Governing Board of Lessee on January 23, 2014, authorizing the execution, delivery and performance of the Lease and related documents by Lessee (the "Resolution"); and

(c) An executed counterpart of the Acquisition Fund and Account Control Agreement, dated February 6, 2014 (the "*Acquisition Fund Agreement*"), among Lessor, Lessee, and Deutsche Bank Trust Company Americas, a New York banking corporation, as Acquisition Fund Custodian;

(d) Executed counterparts of the Installation Agreement and the Guaranteed Savings Agreement for Energy Savings Improvement Project, each dated February ____, 2014, between the Lessee and Midstate Energy, L.L.C.;

(e) An executed copy of the Closing Certificate, Certificate as to Arbitrage, and Certificate of Board Members, dated February 6, 2014, including the Resolution, Minutes and Agenda attached to the District Closing Certificate and Arbitrage, relating to Lessee's adoption of the Resolution and compliance with Arizona Open Meeting Laws in connection with the meeting at which the Resolution was adopted (the "Certificate").

As to matters of fact, we have relied solely on our actual knowledge, on the Resolution and the Certificate, and on representations of the Executive Director of Finance and Auxiliary Services of the Lessee, Mike Barragan, with respect to the appropriation of moneys.

In rendering this opinion, we have assumed, without inquiry:

(a) The authenticity of all documents submitted to us as certified copies of the originals, and the conformity of such copies to the originals as they are finally executed and delivered by Lessee and Lessor;

(b) That the Lease has been or will be duly authorized, executed and delivered by Lessor;

(c) That the Lease constitutes a valid, legal and binding obligation of Lessor enforceable against Lessor in accordance with its terms; and

(d) That the Lease accurately describes and contains the mutual understandings of the parties, and that there are not oral or written statements or agreements that modify, amend or vary, or purport to modify, amend or vary, any of the terms thereof.

Based upon the foregoing, and subject to all the assumptions, qualifications and limitations set forth herein, we are of the opinion that:

1. Lessee is a school district and political subdivision duly organized and existing under the laws of the State of Arizona.

2. Lessee is authorized and has power under applicable law to enter into the Lessee Documents and to carry out its obligations thereunder and the transactions contemplated thereby.

3. The Lessee Documents have been duly authorized, approved, executed and delivered by and on behalf of Lessee. The Lessee Documents are legal, valid and binding obligations of Lessee enforceable in accordance with their respective terms.

4. The authorization, approval and execution of the Lessee Documents by Lessee and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all applicable open meeting, public bidding and all other laws, rules and regulations of the United States of America and the State of Arizona including, without limitation, Section 15-213.01 of the Arizona Revised Statutes.

5. The execution of the Lease and the appropriation of moneys to pay the payments coming due thereunder do not result in the violation of any constitutional provision or statutory laws of the State of Arizona.

6. Based solely on the Certificate, there is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Lessee Documents, or the security interest of Lessor or its assigns, as the case may be, in the Equipment, the Acquisition Fund (each as defined in the Lease) or other collateral thereunder.

7. The portion of rental payments designated as and constituting interest paid by Lessee and received by Lessor is excluded from Lessor's gross income for federal income tax purposes under Section 103 of the Code and is exempt from State of Arizona personal income taxes; and such

interest is not a specific item of tax preference or other collateral for purposes of the federal individual or corporate alternative minimum taxes.

All of the opinions set forth above are also subject to the following qualifications, limitations and exceptions:

(a) The opinions expressed herein are limited to matters governed by the laws of the United States of America and the State of Arizona.

(b) The opinions expressed herein are based upon the law in effect on the date hereof, and we assume no obligation to revise or supplement them if the law is changed by legislative action, judicial decision or otherwise.

(c) All of the opinions in this letter are subject to (i) all applicable bankruptcy, reorganization, insolvency, fraudulent conveyance, moratorium and other similar laws; (ii) the qualification that certain waivers, restrictions and remedies provided for in the Lease, including without limitation certain indemnification obligations imposed on a school district, may be wholly or partially unenforceable against a school district or under Arizona law; and (iii) limitations affecting rights or the enforceability of remedies imposed by public policy and equitable principles as applied by the courts.

The foregoing opinion is solely for your benefit in connection with the Lease. It may not be relied on by anyone other than you or any assignees or successors of Lessor, and may not be shown, quoted or delivered to any other person or entity without our express prior written consent.

Very truly yours,

James T. Giel
For the Firm

JTG:akr

EXHIBIT E

FORM OF ACCEPTANCE CERTIFICATE

Zions First National Bank
1119 West Southern Avenue
Mesa, AZ 85210
Attn: Lee Davis, Managing Director

Re: Equipment Lease/Purchase Agreement, dated February 6, 2014, between
Zions First National Bank, as Lessor, and Washington Elementary School District
No. 6 of Maricopa County, Arizona, as Lessee

Ladies and Gentlemen:

In accordance with the Equipment Lease/Purchase Agreement (the "*Agreement*"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

1. All of the Equipment (as such term is defined in the Agreement) has been delivered, installed, is operating in a manner consistent with the manufacturer's intended use and finally accepted for all purposes on the date hereof.

2. Lessee has conducted such inspection and/or testing of the Equipment as it deems necessary and appropriate in order to determine the Equipment's capability and functionality in order to accept such Equipment and hereby acknowledges that it accepts the Equipment for all purposes.

3. Lessee is currently maintaining the insurance coverage required by Section 7.02 of the Agreement.

4. Lessee hereby reaffirms that the representations, warranties and covenants contained in the Agreement are true and correct as of the date hereof.

5. No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.

Date: _____

LESSEE:
Washington Elementary School District No. 6
of Maricopa County, Arizona

By: _____
Name: _____
Title: _____

EXHIBIT F

INSURANCE CERTIFICATE

(TO BE ATTACHED)

EXHIBIT G

[RESERVED]

EXHIBIT H

FORM OF NOTICE AND ACKNOWLEDGMENT OF ASSIGNMENT

Dated: _____

ZIONS FIRST NATIONAL BANK ("*Assignor*") hereby gives notice that it has assigned and sold to _____ ("*Assignee*") all of Assignor's right, title and interest in, to and under the Equipment Lease/Purchase Agreement, dated February 6, 2014 (the "*Agreement*"), between Assignor and the Washington Elementary School District No. 6 of Maricopa County, Arizona ("*Lessee*"), together with all exhibits, schedules, addenda and attachments related thereto, and all certifications and other documents delivered in connection therewith, the Rental Payments and other amounts due under the Agreement, all of Assignor's right, title and interest in the Equipment (as defined in the Agreement), and all of Assignor's right, title and interest in, to and under the Acquisition Fund and Account Control Agreement, dated February 6, 2014 (the "*Acquisition Fund Agreement*"), by and among Zions First National Bank, a national banking association, as acquisition fund custodian, the Lessee, and Assignor, together with the Acquisition Fund related thereto (collectively, the "*Assigned Property*").

1. In accordance with the terms of the Agreement, Lessee hereby consents to and acknowledges the effect of the assignment of the Assigned Property and absolutely and unconditionally agrees to deliver to Assignee all Rental Payments and other amounts coming due under the Agreement in accordance with the terms thereof on and after the date of this Acknowledgement.

2. Lessee hereby agrees that: (i) Assignee shall have all the rights of Lessor under the Agreement and all related documents, including, but not limited to, the rights to issue or receive all notices and reports, to give all consents or agreements to modifications thereto, to receive title to the Equipment in accordance with the terms of the Agreement, to declare a default and to exercise all remedies thereunder; and (ii) except as provided in Section 3.03 of the Agreement, the obligations of Lessee to make Rental Payments and to perform and observe the other covenants and agreements contained in the Agreement shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense.

3. Lessee agrees that, as of the date of this Notice and Acknowledgement of Assignment (this "*Acknowledgement*"), the following information about the Agreement is true, accurate and complete:

Number of Rental Payments Remaining	_____
Amount of Each Rental Payment	See Lease Payment Schedule
Total Amount of Rents Remaining	\$ _____
Frequency of Rental Payments	_____
Next Rental Payment Due	_____
Funds Remaining in Acquisition Fund	\$ _____

4. The Agreement remains in full force and effect, has not been amended and no non-appropriation or Event of Default described therein (or event which with the passage of time or the giving of notice or both would constitute a default) has occurred.

5. Any inquiries of Lessee related to the Agreement and any requests for disbursements from the Acquisition Fund, if applicable, and all Rental Payments and other amounts coming due pursuant to the Agreement on and after the date of this Acknowledgement should be remitted to Assignee at the following address (or such other address as provided to Lessee in writing from time to time by Assignee):

Attn: _____
Title: _____

ACKNOWLEDGED AND AGREED:

LESSEE:
WASHINGTON ELEMENTARY SCHOOL DISTRICT
NO. 6 OF MARICOPA COUNTY, ARIZONA

By: _____
Name: _____
Title: _____

ASSIGNOR:
ZIONS FIRST NATIONAL BANK

By: _____
Name: _____
Title: _____

EXHIBIT I

FORM OF ACQUISITION FUND AND ACCOUNT CONTROL AGREEMENT

This Acquisition Fund and Account Control Agreement (this "Agreement"), dated February 6, 2014, by and among Zions First National Bank, a national banking association (hereinafter referred to as "Lessor"), Washington Elementary School District No. 6 of Maricopa County, Arizona, a political subdivision of the State of Arizona (hereinafter referred to as "Lessee") and Zions First National Bank, a national banking association (hereinafter referred to as "Acquisition Fund Custodian").

Reference is made to that certain Equipment Lease/Purchase Agreement, dated February 6, 2014, between Lessor and Lessee (hereinafter referred to as the "Lease"), covering the acquisition and lease of certain Equipment described therein (the "Equipment"). It is a requirement of the Lease that the Acquisition Amount be deposited with the Acquisition Fund Custodian hereunder for the purpose of providing a mechanism for the application of such amounts to the payment of Equipment Costs.

The parties agree as follows:

1. Creation of Acquisition Fund.

(a) There is hereby created a special trust fund to be known as the "Washington Elementary School District No. 6 of Maricopa County, Arizona Acquisition Fund" (the "Acquisition Fund") to be held in trust by the Acquisition Fund Custodian for the purposes stated herein, for the benefit of Lessor and Lessee, to be held, disbursed and returned in accordance with the terms hereof. On the date hereof, from proceeds of the Agreement, Lessor has caused the amount of \$5,864,900.00 to be transferred to Acquisition Fund Custodian for deposit into the Acquisition Fund.

(b) The Acquisition Fund Custodian shall invest and reinvest moneys on deposit in the Acquisition Fund in Qualified Investments in accordance with written instructions received from Lessee. Lessee shall be solely responsible for ascertaining that all proposed investments and reinvestments are Qualified Investments and that they comply with federal, state and local laws, regulations and ordinances governing investment of such funds and for providing appropriate notice to the Acquisition Fund Custodian for the reinvestment of any maturing investment. Accordingly, neither the Acquisition Fund Custodian nor Lessor shall be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to the investment or reinvestment of all or any portion of the moneys on deposit in the Acquisition Fund, and Lessee agrees to and does hereby release the Acquisition Fund Custodian and Lessor from any such liability, cost, expenses, loss or claim. Interest on the Acquisition Fund shall become part of the Acquisition Fund, and gains and losses on the investment of the moneys on deposit in the Acquisition Fund shall be borne by the Acquisition Fund. The Acquisition Fund Custodian shall have no discretion whatsoever with respect to the management, disposition or investment of the Acquisition Fund and is not a trustee or a fiduciary to Lessee. The Acquisition Fund Custodian shall not be responsible for any market decline in the value of the Acquisition Fund and has no obligation to notify Lessor and Lessee of any such

decline or take any action with respect to the Acquisition Fund, except upon specific written instructions stated herein. For purposes of this agreement, "Qualified Investments" means any investments which meet the requirements of Arizona Revised Statutes Section 35-323; *provided, however*, that each such investment shall be insured at all times by United States federal deposit insurance (currently limited to \$250,000) and the investment shall never be placed in an off-shore account.

(c) Lessee covenants that all investments of amounts deposited in the Acquisition Fund or other fund containing gross proceeds of the Lease will be acquired, disposed of and valued at the fair market value thereof. Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Internal Revenue Code of 1986, as amended (the "*Code*") will be valued at their present value. Terms used in this subsection (c) shall have the meanings given them in the applicable provisions of the Code.

(d) Unless the Acquisition Fund is earlier terminated in accordance with the provisions of paragraph (e) below, amounts in the Acquisition Fund shall be disbursed by the Acquisition Fund Custodian in payment of amounts described in Section 2 hereof upon receipt of written authorization(s) from Lessor, as is more fully described in Section 2 hereof. If the amounts in the Acquisition Fund are insufficient to pay such amounts, Lessee shall provide any balance of the funds needed to complete the acquisition of the Equipment. Any moneys remaining in the Acquisition Fund on or after the earlier of (i) the expiration of the Acquisition Period and (ii) the date on which Lessee executes an Acceptance Certificate shall be applied as provided in Section 4 hereof.

(e) The Acquisition Fund shall be terminated at the earliest of (i) the final distribution of amounts in the Acquisition Fund, or (ii) written notice given by Lessor of the occurrence of a default or termination of the Lease due to non-appropriation.

(f) The Acquisition Fund Custodian may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Acquisition Fund Custodian shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Acquisition Fund Custodian, and for the disposition of the same in accordance herewith. In the event conflicting instructions as to the disposition of all or any portion of the Acquisition Fund are at any time given by Lessor and Lessee, the Acquisition Fund Custodian shall abide by the instructions or entitlement orders given by Lessor without consent of the Lessee.

(g) Unless the Acquisition Fund Custodian is guilty of gross negligence or willful misconduct with regard to its duties hereunder, Lessee agrees to and does hereby release and indemnify the Acquisition Fund Custodian and hold it harmless from any and all claims, liabilities, losses, actions, suits or proceedings at law or in equity, or any other expense, fees or charges of any character or nature, which it may incur or with which it may be threatened by reason of its acting as Acquisition Fund Custodian under this Agreement; and in connection

therewith, does to the extent permitted by law indemnify the Acquisition Fund Custodian against any and all expenses; including reasonable attorneys' fees and the cost of defending any action, suit or proceeding or resisting any claim.

(h) If Lessee and Lessor shall be in disagreement about the interpretation of the Lease, or about the rights and obligations, or the propriety of any action contemplated by the Acquisition Fund Custodian hereunder, the Acquisition Fund Custodian may, but shall not be required to, file an appropriate civil action to resolve the disagreement. The Acquisition Fund Custodian shall be reimbursed by Lessee for all costs, including reasonable attorneys' fees, in connection with such civil action, and shall be fully protected in suspending all or part of its activities under the Lease until a final judgment in such action is received.

(i) The Acquisition Fund Custodian may consult with counsel of its own choice and shall have full and complete authorization and protection with the opinion of such counsel. The Acquisition Fund Custodian shall otherwise not be liable for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct.

(j) Lessee shall reimburse the Acquisition Fund Custodian for all reasonable costs and expenses, including those of the Acquisition Fund Custodian's attorneys, agents and employees incurred for extraordinary administration of the Acquisition Fund and the performance of the Acquisition Fund Custodian's powers and duties hereunder in connection with any Event of Default under the Lease, or in connection with any dispute between Lessor and Lessee concerning the Acquisition Fund.

(k) The Acquisition Fund custodian or any successor may at any time resign by giving mailed notice to Lessee and Lessor of its intention to resign and of the proposed date of resignation (the "Effective Date"), which shall be a date not less than 90 days after such notice is delivered to an express carrier, charges prepaid, unless an earlier resignation date and the appointment of a successor shall have been approved by the Lessee and Lessor. After the Effective Date, the Acquisition Fund Custodian shall be under no further obligation except to hold the Acquisition Fund in accordance with the terms of this Agreement, pending receipt of written instructions from Lessor regarding further disposition of the Acquisition Fund.

(l) The Acquisition Fund Custodian shall have no responsibilities, obligations or duties other than those expressly set forth in this Agreement and no fiduciary or implied duties, responsibilities or obligations shall be read into this Agreement.

2. Acquisition of Property.

(a) Acquisition Contracts. Lessee will arrange for, supervise and provide for, or cause to be supervised and provided for, the acquisition of the Equipment, with moneys available in the Acquisition Fund. Lessee represents the estimated costs of the Equipment are within the funds estimated to be available therefor, and Lessor makes no warranty or representation with respect thereto. Lessor shall have no liability under any of the acquisition or construction contracts. Lessee shall obtain all necessary permits and approvals, if any, for the

acquisition, equipping and installation of the Equipment, and the operation and maintenance thereof.

(b) Authorized Acquisition Fund Disbursements. Disbursements from the Acquisition Fund shall be made for the purpose of paying (including the reimbursement to Lessee for advances from its own funds to accomplish the purposes hereinafter described) the Equipment Costs.

(c) Requisition Procedure. No disbursement from the Acquisition Fund shall be made unless and until Lessor has approved such requisition. Prior to disbursement from the Acquisition Fund there shall be filed with the Acquisition Fund Custodian a requisition for such payment in the form of Disbursement Request attached hereto as Schedule 1, stating each amount to be paid and the name of the person, firm or corporation to whom payment thereof is due. Each such requisition shall be signed by an authorized representative of Lessee (an "Authorized Representative") and by Lessor, and shall be subject to the following:

1. Delivery to Lessor of an executed Disbursement Request in the form attached hereto as Schedule 1 certifying that:

(i)(A) an obligation in the stated amount has been incurred by Lessee, and that the same is a proper charge against the Acquisition Fund for costs relating to the Equipment identified in the Lease, and has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof); (B) the Equipment relating to such obligation has been delivered, installed, is operating in a manner consistent with the manufacturer's intended use and has been inspected and finally accepted for all purposes by Lessee, and (C) Lessee has conducted such inspection and/or testing of the Equipment relating to such obligation as it deems necessary and appropriate in order to determine the Equipment's capability and functionality in order to accept such Equipment; (ii) the Authorized Representative has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made; (iii) such requisition contains no item representing payment on account, or any retained percentages which Lessee is, at the date of such certificate, entitled to retain (except to the extent such amounts represent a reimbursement to Lessee); (iv) the Equipment is insured in accordance with the Lease; (v) no Event of Default (nor any event which, with notice or lapse of time or both, would become an Event of Default) has occurred and is continuing and (vi) the representations, warranties and covenants of Lessee set forth in the Lease are true and correct as of the date hereof.

2. Delivery to Lessor invoices (and proofs of payment of such invoices, if Lessee seeks reimbursement) and bills of sale (if title to such Equipment has passed to Lessee) therefor as required by Section 3.04 of the Lease and any additional documentation reasonably requested by Lessor; and

3. The disbursement shall occur during the Acquisition Period.

3. Deposit to Acquisition Fund. Upon satisfaction of the conditions specified in Section 3.04 of the Lease, Lessor will cause the Acquisition Amount of \$5,864,900.00 to be deposited into the Acquisition Fund. Lessee agrees to pay any costs with respect to the Equipment in excess of amounts available therefor in the Acquisition Fund; provided, however, that any amount required for either such purpose shall be payable solely from moneys that are legally available to Lessee for such purpose.

4. Excessive Acquisition Fund. Any funds remaining in the Acquisition Fund on or after the earlier of (a) the expiration of the Acquisition Period and (b) the date on which Lessee executes an Acceptance Certificate, or upon a termination of the Acquisition Fund as otherwise provided herein, shall be applied by the Acquisition Fund Custodian to amounts owed under the Lease in accordance with Section 4.07 of the Lease.

5. Security Interest. The Acquisition Fund Custodian and Lessee acknowledge and agree that the Acquisition Fund and all proceeds thereof are being held by Acquisition Fund Custodian for disbursement or return as set forth herein. Lessee hereby grants to Lessor a first priority perfected security interest in the Acquisition Fund and all proceeds thereof, and all investments made with any amounts in the Acquisition Fund. If the Acquisition Fund or any part thereof, is converted to investments as set forth in this agreement, such investments shall be made in the name of Acquisition Fund Custodian and the Acquisition Fund Custodian hereby agrees to hold such investments as bailee for Lessor so that Lessor is deemed to have possession of such investments for the purpose of perfecting its security interest.

6. Control of Acquisition Fund. In order to perfect Lessor's security interest by means of control in (i) the Acquisition Fund established hereunder, (ii) all securities entitlements, investment property and other financial assets now or hereafter credited to the Acquisition Fund, (iii) all of Lessee's rights in respect of the Acquisition Fund, such securities entitlements, investment property and other financial assets, and (iv) all products, proceeds and revenues of and from any of the foregoing personal property (collectively, the "Collateral"), Lessor, Lessee and Acquisition Fund Custodian further agree as follows:

(a) All terms used in this Section 6 which are defined in the Commercial Code of the state of Arizona ("Commercial Code") but are not otherwise defined herein shall have the meanings assigned to such terms in the Commercial Code, as in effect on the date of this Agreement.

(b) Acquisition Fund Custodian will comply with all entitlement orders originated by Lessor with respect to the Collateral, or any portion of the Collateral, without further consent by Lessee.

(c) Acquisition Fund Custodian hereby represents and warrants (a) that the records of Acquisition Fund Custodian show that Lessee is the sole owner of the Collateral, (b) that Acquisition Fund Custodian has not been served with any notice of levy or received any notice of any security interest in or other claim to the Collateral, or any portion of the Collateral, other than Lessor's claim pursuant to this Agreement, and (c) that Acquisition Fund Custodian is

not presently obligated to accept any entitlement order from any person with respect to the Collateral, except for entitlement orders that Acquisition Fund Custodian is obligated to accept from Lessor under this Agreement and entitlement orders that Acquisition Fund Custodian, subject to the provisions of paragraph (e) below, is obligated to accept from Lessee.

(d) Without the prior written consent of Lessor, Acquisition Fund Custodian will not enter into any agreement by which Acquisition Fund Custodian agrees to comply with any entitlement order of any person other than Lessor or, subject to the provisions of paragraph (e) below, Lessee, with respect to any portion or all of the Collateral. Acquisition Fund Custodian shall promptly notify Lessor if any person requests Acquisition Fund Custodian to enter into any such agreement or otherwise asserts or seeks to assert a lien, encumbrance or adverse claim against any portion or all of the Collateral.

(e) Except as otherwise provided in this paragraph (e) and subject to Section 1(b) hereof, Acquisition Fund Custodian may allow Lessee to effect sales, trades, transfers and exchanges of Collateral within the Acquisition Fund, but will not, without the prior written consent of Lessor, allow Lessee to withdraw any Collateral from the Acquisition Fund. Acquisition Fund Custodian acknowledges that Lessor reserves the right, by delivery of written notice to Acquisition Fund Custodian, to prohibit Lessee from effecting any withdrawals (including withdrawals of ordinary cash dividends and interest income), sales, trades, transfers or exchanges of any Collateral held in the Acquisition Fund. Further, Acquisition Fund Custodian hereby agrees to comply with any and all written instructions delivered by Lessor to Acquisition Fund Custodian (once it has had a reasonable opportunity to comply therewith) and has no obligation to, and will not, investigate the reason for any action taken by Lessor, the amount of any obligations of Lessee to Lessor, the validity of any of Lessor's claims against or agreements with Lessee, the existence of any defaults under such agreements, or any other matter.

(f) Lessee hereby irrevocably authorizes Acquisition Fund Custodian to comply with all instructions and entitlement orders delivered by Lessor to Acquisition Fund Custodian.

(g) Acquisition Fund Custodian will not attempt to assert control, and does not claim and will not accept any security or other interest in, any part of the Collateral, and Acquisition Fund Custodian will not exercise, enforce or attempt to enforce any right of setoff against the Collateral, or otherwise charge or deduct from the Collateral any amount whatsoever.

(h) Acquisition Fund Custodian and Lessee hereby agree that any property held in the Acquisition Fund shall be treated as a financial asset under such section of the Commercial Code as corresponds with Section 8-102 of the Uniform Commercial Code, notwithstanding any contrary provision of any other agreement to which Acquisition Fund Custodian may be a party.

(i) Acquisition Fund Custodian is hereby authorized and instructed, and hereby agrees, to send to Lessor at its address set forth in Section 7 below, concurrently with the sending thereof to Lessee, duplicate copies of any and all monthly Acquisition Fund statements or reports issued or sent to Lessee with respect to the Acquisition Fund.

7. Information Required Under USA PATRIOT ACT. The parties acknowledge that in order to help the United States government fight the funding of terrorism and money laundering activities, pursuant to Federal regulations that became effective on October 1, 2003 (Section 326 of the USA PATRIOT Act) all financial institutions are required to obtain, verify, record and update information that identifies each person establishing a relationship or opening an account. The parties to this Agreement agree that they will provide to the Acquisition Fund Custodian such information as it may request, from time to time, in order for the Acquisition Fund Custodian to satisfy the requirements of the USA PATRIOT Act, including but not limited to the name, address, tax identification number and other information that will allow it to identify the individual or entity who is establishing the relationship or opening the account and may also ask for formation documents such as articles of incorporation or other identifying documents to be provided.

8. Miscellaneous.

(a) As required by the provisions of Arizona Revised Statutes Section 38-511, as amended, notice is hereby given that Lessee may, within three (3) years of the execution hereof, cancel this Agreement without penalty or further obligations, if any person significantly involved in initiating, negotiation, securing, drafting or creating this Agreement on behalf of Lessee is, at any time while this Agreement or any extension of this Agreement is in effect, an employee or agent of Acquisition Fund Custodian or a consultant to Acquisition Fund Custodian with respect to the subject matter of this Agreement. The cancellation shall be effective when written notice from Lessee is received by Acquisition Fund Custodian unless the notice specifies a later time.

(b) Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease. This agreement may not be amended except in writing signed by all parties hereto. This agreement may be executed in one or more counterparts, each of which shall be deemed to be an original instrument and each shall have the force and effect of an original and all of which together constitute, and shall be deemed to constitute, one and the same instrument. Notices hereunder shall be made in writing and shall be deemed to have been duly given when personally delivered or when deposited in the mail, first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below:

If to Lessor: Zions First National Bank
1119 West Southern Avenue
Mesa, AZ 85210
Attn: Lee Davis, Managing Director
Fax: (480) 827-2176

If to Lessee: Washington Elementary School District No. 6 of Maricopa County, AZ
4650 W. Sweetwater Avenue
Glendale, AZ 85304
Attention: Cathy Thompson, Business Services Director
Fax: (602) 347-2737

If to Acquisition Fund Custodian: Zions First National Bank
a national banking association
Corporate Trust Department
6001 N. 24th Street
Phoenix, AZ 85016
Attn: Gregory G. Cross, Vice President & Manager
Phone: (602) 212-5403
Fax: (602) 955-0473

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

In Witness Whereof, the parties have executed this Acquisition Fund and Account Control Agreement as of the date first above written.

Zions First National Bank, as Lessor,

Washington Elementary School District No. 6
of Maricopa County, Arizona, as Lessee

By: _____
Lee Davis, Managing Director

By: _____
Tee Lambert, President

Zions First National Bank,
as Acquisition Fund Custodian

By: _____
Gregory Cross, Vice President and
Manager

By: _____
Name: _____
Title: _____

SCHEDULE 1

TO THE ACQUISITION FUND AND ACCOUNT CONTROL AGREEMENT

FORM OF DISBURSEMENT REQUEST

Re: Equipment Lease/Purchase Agreement, dated February 6, 2014 (the "*Lease*"), between Zions First National Bank, as Lessor, and Washington Elementary School District No. 6 of Maricopa County, Arizona, as Lessee (Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Lease.)

In accordance with the terms of the Acquisition Fund and Account Control Agreement, dated February 6, 2014 (the "*Acquisition Fund and Account Control Agreement*") by and among Zions First National Bank, a national banking association ("*Lessor*"), Washington Elementary School District No. 6 of Maricopa County, Arizona ("*Lessee*") and Zions First National Bank, a national banking association (the "*Acquisition Fund Custodian*"), the undersigned hereby requests the Acquisition Fund Custodian pay the following persons the following amounts from the Acquisition Fund created under the Acquisition Fund and Account Control Agreement for the following purposes:

PAYEE'S NAME AND ADDRESS	INVOICE NUMBER	DOLLAR AMOUNT	PURPOSE

The undersigned hereby certifies as follows:

(i) The date on which Equipment Acceptance occurred with respect to the portion of the Equipment for which disbursement is hereby requested is _____, and such portion of Equipment is hereby accepted by Lessee for all purposes of the Lease.

(ii) An obligation in the stated amount has been incurred by Lessee, and the same is a proper charge against the Acquisition Fund for costs relating to the Equipment identified in the Lease, and has not been paid (or has been paid by Lessee and Lessee requests reimbursement thereof), and the Equipment relating to such obligation has been delivered, installed, is operating in a manner consistent with the manufacturer's intended use and has been inspected and finally accepted for all purposes by Lessee. Lessee has conducted such inspection and/or testing of the Equipment relating to such obligation as

it deems necessary and appropriate in order to determine the Equipment's capability and functionality in order to accept such Equipment. Attached hereto is the original invoice with respect to such obligation.

(iii) The undersigned, as Authorized Representative, has no notice of any vendor's, mechanic's or other liens or rights to liens, chattel mortgages, conditional sales contracts or security interest which should be satisfied or discharged before such payment is made.

(iv) This requisition contains no item representing payment on account, or any retained percentages which Lessee is, at the date hereof, entitled to retain (except to the extent such amounts represent a reimbursement to Lessee).

(v) The Equipment is insured in accordance with the Lease.

(vi) No Event of Default, and no event which with notice or lapse of time, or both, would become an Event of Default, under the Lease has occurred and is continuing at the date hereof.

(vii) The disbursement shall occur during the Acquisition Period.

(viii) No Material Adverse Change in Lessee's financial condition shall have occurred since the date of the execution of the Lease.

(ix) The representations, warranties and covenants of Lessee set forth in the Lease are true and correct as of the date hereof.

Dated: _____

Washington Elementary School District No. 6
of Maricopa County, Arizona

By: _____
Authorized Representative

Disbursement of funds from the Acquisition
Fund in accordance with the foregoing
Disbursement Request hereby is authorized

Zions First National Bank,
as Lessor under the Lease

By: _____
Name: _____
Title: _____

WASHINGTON ELEMENTARY SCHOOL DISTRICT No. 6

TO: Governing Board
FROM: Dr. Susan J. Cook, Superintendent
DATE: January 23, 2014
AGENDA ITEM: Student Travel Update
INITIATED BY: Clorinda Graziano, Governing Board Member
SUBMITTED BY: Maggie Westhoff, Director of Professional Development
PRESENTER AT GOVERNING BOARD MEETING: Maggie Westhoff, Director of Professional Development and Members of the Student Travel Study Team
GOVERNING BOARD POLICY REFERENCE OR STATUTORY CITATION: BBA

SUPPORTING DATA

Funding Source: N/A
Budgeted: N/A

Student out-of-county and out-of-state travel has been the focus of multiple study teams, dating back to 2004. Previous areas addressed included procedures, forms, approval processes and procurement, which have all been reviewed, edited, and implemented over the past ten years. For the past year, the Planning and Steering Council's sub-committee for student travel has revisited the current protocol that requires all out-of-state student travel to utilize a travel agency vendor. The following report provides a final update of their tasks to date and offers a recommendation and steps for future out-of-state student travel related activities.

History

Although Washington Elementary School District students travel beyond their local school, city, and state boundaries for learning and performance activities, this long-time honored and supported tradition can be a complex and time consuming process for staff. Currently there is a requirement that all out-of-state student travel sponsors must utilize a travel agency vendor to assist staff with the act of planning, implementing, and meeting the fiscal costs of the designated student travel.

Over the course of multiple meetings, the team developed the story pertaining to the required use of a travel agency vendor for out-of-state student travel. The members brainstormed and reached consensus on the following interests that were considered when discussing their final recommendation/s:

SUMMARY AND RECOMMENDATION

No action required.

Superintendent



Board Action	Motion	Second	Aye	Nay	Abstain
Adams					
Graziano					
Jahneke					
Lambert					
Maza					

Agenda Item IV.A.

- Student and staff safety
- Cost effectiveness
- Systemic standardization of processes
- Travel vendor effectiveness and accountability
- Process effectiveness pertaining to time and procedural sequence
- Emergency liability, procedures, and resolutions
- Legalities and compliance with all laws and mandates

In February, 2013, the study team looped out to the 45 users (teachers) who had conducted out-of-state student travel between 2010 and Spring of 2013. A Travel Study Team Interim Report was provided to the Governing Board by Dr. Maggie Westhoff on February 14, 2013.

Current Status

The Student Out-of-State study team continued to meet through April, 2013. The tasks accomplished included analysis of the information gathered during the looping out process, clarifying the details of the services offered through the travel agency vendor, discussion of the advantages and benefits of continuing the protocol requiring a travel agency vendor versus the cost and risks related to out-of-state student travel, reaching consensus on a recommendation and planning future training timelines and packages for staff planning student travel.

Forty-five staff members, who have participated in out-of-state field trips, were contacted in the looping out process. A major theme from the data reinforced the previous recommendation that training be designed about student travel processes, guidelines, clarification of travel agency vendor role and services, and timelines for any staff member considering planning out-of-state student travel.

The Director of Purchasing, Howard Kropp, provided the study team a detailed review of the services provided to staff by the travel agency vendor. After discussing the information provided, the study team felt the information provided reinforced the need for the design of a checklist of what is required of a staff member and what is required of the travel agency vendor in conducting student out-of-state travel. This checklist, along with procedures and “potential scenarios”, need to be embedded into the training for staff planning student travel.

The final step before reaching consensus on a recommendation was the discussion of advantages, benefits, risks, and costs of the use or non-use of a travel agency vendor for out-of-state student travel. The Director of Business Services, Cathy Thompson, reviewed the procurement rules, definition of sole source, the auditors’ instructions stating that student activity funds were not exempt from procurement rules, history of previous travel situations exceeding the caps on the financial expenditures to the most frequent and expensive venues, and scenarios of difficulties that occurred previously without the use of a travel agency vendor, such as payments with warrants/checks, timeliness of deposits and payments, and previous scenarios of risk, transportation, and loss of funds due to cancellations or paperwork without proper authorization.

After discussing all aspects of out-of-state student travel related to procurement, funding, processes, timelines, and unforeseen risk situations, and referencing the list of interests agreed upon previously, the student team reached consensus to continue the protocol requiring the use of a travel agency vendor for all out-of-state student travel. The second consensus recommendation was to design and require training for staff members interested in planning student travel. A sub-committee composed of members from the student team agreed to work over the summer to design a draft training package to be reviewed by the student team in the fall.

In the fall of 2013, the sub-committee designing the training package met with various key personnel to review the draft handbook, timeline, and flow chart. Also, in October, the Student Out-of-State Travel Study Team was informed that the Auditor General would be informing school districts of a change in the bid limits, and that the study team would need to meet when the changes were finalized. The new information potentially could impact the study team's previous consensus decision and change the training content designed by the sub-committee.

In December of 2013, Cathy Thompson and Howard Krupp met with the Student Out-of-State Study Team to review the final procurement amounts and the impact on student out-of-state travel. The procurement limits were increased, and although it would assist some smaller, less frequently used venues, the two biggest and most frequently utilized venues (CIMI, and Disneyland) still fell outside of the new procurement rules. The study team discussed the new information, reviewed their previous consensus recommendation, and again reached consensus on the continuation of the protocol that requires the use of a travel agency vendor for student out-of-state travel. The study team felt strongly that the benefits and safety of WESD students outweighed the costs associated with the use of a travel agency vendor.

Next steps for the study team are to finalize the training materials, design the training models, and inform staff of the required training for planning out-of-state student travel. This training will be offered two times yearly and will be delivered by members of the study team and WESD District staff. The study team would also like to monitor the effectiveness of the procedures, timelines and use of the travel agency vendor through the use of an exit evaluation by staff after the completion of the student out-of-state travel.

Student Out-of-State Field Trip Study Team

A sub-committee of the Planning and
Steering Council

Governing Board Update
February 14, 2013

**Purpose: to review the requirement that a
travel agency vendor must be utilized for all
student out-of-state travel**

History

- ▶ Student out-of-state travel is a time-honored tradition and various travel related issues have been addressed over the past 10 years.
- ▶ A study team composed of teachers, program coaches, Director of Curriculum, Director of Purchasing, Director of Business Services, Administrator for Professional Development, and the Assistant Superintendent for Administrative Services met multiple times and utilized the Interest-Based Decision-Making Process.

History Continued...

The study team told story and identified the following interests:

- Student and Staff safety
- Cost effectiveness
- Systemic standardization of processes
- Travel vendor effectiveness and accountability
- Process effectiveness pertaining to time and procedural sequence
- Emergency liability, procedures, and resolutions
- Legalities and compliance with all laws and mandates

History Continued...

- Information was gathered from:
 - Principals
 - Teachers who have traveled with students over the past three years
 - Planning and Steering Council
 - Administrative Team Members
- Interim Governing Board Report was delivered on February 14, 2013 summarizing the study teams work to date.

Current Status...

The study team completed the following:

- Analyzed feedback gathered
- Brainstormed benefits, risks, costs based on feedback and aligned to the Interests identified by the study team
- Designed drafts of a staff student travel manual and timeline and procedure flow chart for easy reference
- Revised the current Student Travel Checklist

Revisited Consensus Decision...

- In October 2013, the Auditor General informed school districts of a change in the bid limits.
- In December 2013, the study team met and reviewed the new procurement rules.
- After discussion and revisiting the interests utilized in reaching the study team's first recommendation, the team re-confirmed the original consensus recommendation to continue the protocol requiring the use of a travel agency vendor for out-of-state student travel.
- The study team believes that the safety of WESD students outweighs the cost of a travel agency vendor.

Final Recommendations...

- **Continue the protocol requiring the use of a travel agency vendor for all student out-of-state travel**
- **Staff attend required training prior to beginning the planning process for student out-of-state travel.**

Next Steps...

- **Finalize the training materials, timeline, and checklist delineating responsibilities of the vendor and the staff.**
- **Inform staff about the requirement of attendance to the training prior to submitting a travel request to the Governing Board.**
- **Develop an exit survey to monitor the effectiveness of the procedures, timelines and use of the travel agency vendor after the completion of a student out-of-state travel.**

Any Questions?

WASHINGTON ELEMENTARY SCHOOL DISTRICT No. 6

TO: Governing Board

FROM: Dr. Susan J. Cook, Superintendent

DATE: January 23, 2014

AGENDA ITEM: Technology Update

INITIATED BY: Dr. Susan J. Cook, Superintendent

SUBMITTED BY: Dr. Susan J. Cook, Superintendent

PRESENTER AT GOVERNING BOARD MEETING: Chris Lieurance, Director of Management Information Services, and Sue Snyder, Director of Organizational Development

GOVERNING BOARD POLICY REFERENCE OR STATUTORY CITATION: BBA

SUPPORTING DATA

Funding Source: N/A
Budgeted: N/A

Washington Elementary School District currently faces a myriad of technology challenges, all of which could have been addressed if capital override funding had been approved by voters. In light of the failed November 2013 capital override election, however, the District must seek alternate means of resolving its most critical technology issues, albeit more expensive and less efficient. A group of WESD administrators met during early December 2013 to prioritize existing needs and to suggest possible options and funding sources to meet those needs.

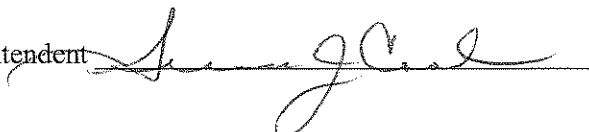
The resulting options, listed below, will be presented to the Governing Board as part of an information update:

- Maintaining the status quo
- Upgrading teacher and school office desktop computers
- Reducing bandwidth costs and increasing bandwidth
- Acquiring network infrastructure via lease or lease/purchase agreement
- Implementing standards for peripheral technology equipment at the school level, and providing guidance to schools in acquiring such equipment using unrestricted capital funds
- As funding becomes available, replacing school intercom and sound systems based on prioritized needs

SUMMARY AND RECOMMENDATION

No action required.

Superintendent



Board Action	Motion	Second	Aye	Nay	Abstain
Adams					
Graziano					
Jahneke					
Lambert					
Maza					

Agenda Item IV.B.

Although no recommendations will be made at this time, when additional information becomes available, items will be brought back to the Governing Board, as appropriate.

Director of Management Information Systems Chris Lieurance will be available to respond to questions.

WESD Technology Update

I. Identify the issue from the perspective of involved stakeholders.

Issue:

On June 13, 2013, Washington Elementary School District (WESD) Governing Board members called for a capital override election to take place on November 5, 2013. A successful election outcome would have enabled WESD to address significant District-wide technology needs that had been identified by Technology Committee members during the spring of 2011 and readily acknowledged by Override Task Force members during the subsequent two years. Given, however, that the November 2013 ballot measure failed, WESD must seek alternate means of resolving its most critical technology challenges. Clearly, though, the District will not be able to meet many, many of the identified needs that could have been satisfied through the application of capital override funds.

Involved Stakeholders:

Superintendent Dr. Susie Cook convened a group of District administrators on December 2, 2013 and charged them with prioritizing WESD's technology needs, identifying funding sources to apply toward meeting the most urgent needs and considering future opportunities to address technology concerns. The following personnel were in attendance:

- Superintendent Dr. Susie Cook
- Assistant Superintendent for Administrative Services Dr. Lyn Bailey
- Assistant Superintendent for Academic Services Janet Sullivan
- Director of Business Services Cathy Thompson
- Director of Management Information Systems (MIS) Chris Lieurance
- Technology Coordinator Mike Cannon
- Director of Organizational Development Sue Snyder

II. Identify the options or alternatives that address the issue, including an option to maintain the status quo, utilizing the efficient and sufficient use of research and data. For each option, identify advantages and disadvantages.

Research/Data:

The aforementioned group identified improving, rather than replacing, current technology as the District's greatest priority, with a focus on upgrading fixed teacher and school office computers. WESD may use one of three methods to identify a computer hardware vendor to supply equipment for that purpose: state contract, hard bid or request for proposals (RFP). The group's additional discussion touched on the following topics:

- *Capital Override*
Funds generated by a successful capital override would have supported the most efficient and cost-effective means of addressing WESD's technology needs. Alternate approaches will be more expensive.
- *Messaging*
In communicating information to staff, parents and community members regarding potential technology upgrades, WESD must clarify that only the most essential needs would be addressed, and they would be addressed in the most cost-effective manner possible. These proposed stop-gap measures would not negate the technology needs that could have been met via capital override funding.
- *Network Infrastructure*
Current District infrastructure is 80 percent utilized, and it can support the upgrading of fixed teacher and school office computers. In the future, however, the processing speed gained via the upgrades will decline if bandwidth is not increased. This will be particularly true when students are required to take the PARCC exam online. Leasing infrastructure equipment (switches, servers, routers, etc.) or entering into a lease/purchase agreement could prove fiscally responsible. This particularly holds true for wireless infrastructure, the standards for which change frequently.
- *PARCC Exam*
During the 2014-2015 school year, students will be permitted to take a paper and pencil version of the PARCC exam. Subsequently, when students are required to take the exam online, it will be necessary for the District to make network changes to accommodate increased bandwidth.
- *Bandwidth*
WESD may be able to reduce its annual bandwidth costs by replacing key network infrastructure. Additionally, the District could purchase additional bandwidth and continue to utilize E-rate.
- *SMART Boards*
WESD would need to acquire 500 to 600 additional SMART Boards in order to equip every classroom in the District; available capital funds are not nearly sufficient to pursue this acquisition. As needed, MIS technicians are replacing circuit boards on current SMART Boards. Projector replacements are an ongoing concern. Technicians are able to clean projectors and replace bulbs; however, if a machine is beyond repair, the school must use its allocated unrestricted capital to replace it.

An Alta Vista classroom is currently piloting the use of a 65-inch interactive television that functions as a SMART Board alternative and requires no projector. Although its up-front cost is significantly higher than that of a SMART Board/projector, the television's total cost of ownership may be less. District technology personnel will continue to explore alternatives to SMART Boards/projectors that may be more economical.

- *Schools' Use of Unrestricted Capital for Technology; Standardization*
Many schools have requested additional document cameras for their classrooms. The cameras cannot function without a projector, and for safety considerations, projectors must be mounted. It is critical that each school prioritize options for spending its existing unrestricted capital allocation. In order to standardize the options, the District will offer packages, e.g.,
 - If no SMART Board in classroom, purchase a document camera, a pull-down screen and a projector, mounted with a single speaker, for approximately \$2,400.00
 - If SMART Board in classroom (with working projector), purchase a document camera for approximately \$150.00

A cost sheet of peripheral technology equipment options that meet District standardization parameters will be distributed to principals. (*Please refer to **Attachment B** for details.*) Sites will be asked to assess their current equipment, determine their additional equipment needs, identify funding resources and submit purchase orders for next year. Even if a school's PTA/PTO provides funding for technology, the standardization parameters will apply.

- *Math Adoption*
WESD is currently reviewing mathematics instructional materials for possible inclusion in a math adoption recommendation. The recommendation will be presented to the Governing Board in spring 2014. It may be prudent for the District to further reduce the funding that was originally budgeted for the adoption and to reallocate funds to unrestricted capital. The increased unrestricted capital could enable principals to meet more of their schools' capital needs and possibly even order additional SMART Boards or document cameras/projectors.
- *Wireless Handheld Computing Devices for Students*
Implementing one-to-one computing for students in grades three through eight and providing a station of wireless handheld computing devices for each kindergarten through second grade classroom was a major objective of WESD's recent capital override plan. In light of the failed election, such systemic implementation is impossible. Nevertheless, the District continues to pursue options that might, even on a limited basis, put devices into students' hands and provide WiFi capability in schools.
- *School Sound Systems and Intercom Systems*
Replacing failing sound and intercom systems at schools is an important future consideration. Operational intercom systems are particularly critical given related safety implications. WESD may consider pursuing funding to replace failing intercom systems via Arizona School Facilities Board grants. The District may also use savings from existing bond projects to purchase necessary sound and intercom systems and, in the future, include such system replacements in bond project plans.

Options:

Based on the topics they discussed, the team of District administrators who met in December 2013 identified the following as possible options for addressing WESD's most urgent technology needs:

- Option A: Maintain the status quo.

Advantages	Disadvantages
	Loss of instructional time; teachers spend 35-40 minutes taking attendance due to slow computers
	Microsoft no longer supporting Windows XP
	Inability to run current versions of instructional and operational software
	Inability to meet assessment standards
	Significant expense and frequency of maintenance

- Option B: Upgrade teacher and school office desktop computers, adding 3 gigabytes of RAM and replacing the hard drive per computer.

Advantages	Disadvantages
Could be done with current infrastructure	Expense to District
Users would experience immediate increase in processing speed	Some current software may not run, e.g., GradeBook Pro; however, Synergy has gradebook function
Would enable upgrade to Windows 7	Even if computers are upgraded, will still have some failing, unfixable computers that will have to be replaced
Should enable upgrade to new versions of Microsoft Office	

- Option C: Replace key network infrastructure in order to reduce annual bandwidth costs, and purchase additional bandwidth; continue utilization of E-rate.

Advantages	Disadvantages
Proactive approach; even though current infrastructure is only 80% utilized, future implementation of PARCC online testing will require increased bandwidth. Additionally, increased bandwidth would enable upgraded computers to continue to run most efficiently	Need for increased bandwidth is not immediate; for 2014-2015 school year, students are able to take PARCC via pencil/paper
Following initial capital investment, would realize M&O savings each year	Would require initial capital investment for purchase of key network infrastructure
	E-rate application due end of March 2014

- Option D: Acquire network infrastructure equipment via lease or lease/purchase agreement.

Advantages	Disadvantages
Although debt would be incurred, would not be inconsistent with current Governing Board debt policy, and would not impact taxpayers	Would be incurring debt
Ability to acquire more equipment up front, while spreading payments over period of usage	Could be more costly in the long run
By matching technology lifecycle to terms of the lease, could enable equipment to be updated more frequently	

- Option E: Following standardization parameters, have schools use their unrestricted capital allocation to address their prioritized capital needs; possibly increase available unrestricted capital funds by limiting funds for upcoming District math adoption.

Advantages	Disadvantages
Could enable some schools to acquire additional SMART Boards and document cameras	A piecemeal approach to providing more classrooms with SMART Boards and document cameras
Would promote technology standardization throughout the District	Possible reduction of math adoption funds
	Would have to ensure that schools' greatest capital needs are satisfied prior to their purchase of additional technology equipment

- Option F: Explore the following funding sources to enable replacement of failing sound and/or intercom systems: savings from existing bond projects; inclusion of systems replacements in future bond project plans; Arizona School Facilities Board grants.

Advantages	Disadvantages
Could replace the most severely failing school sound and intercom systems	A piecemeal approach to upgrading sound and intercom systems throughout the District
Would address important safety concern	

III. Prepare a cost-benefit analysis/cost assessment of each option.

- Option A: Maintain the status quo.

Cost: Ostensibly, there is no cost associated with this option; however, there are likely consequences that could adversely impact the District:

- Increased frequency and severity of equipment failures
- Increased equipment maintenance needs and costs
- Progressively slower computer processing times
- Continued and expanded inability to load software updates

- Overall reduction in operational productivity and efficiency
 - Overall reduction in instructional effectiveness and opportunities
 - Increasingly greater challenge for teachers to align instruction with state technology standards
 - Reduced ability to adequately provide students with technology skills/concepts they will be expected to apply in high school
 - Possible reduction in ADM as parents seek more state-of-the-art learning opportunities for their children
 - Possible inability to comply with mandate for Arizona College and Career Ready online assessments
 - Possible penalties for inability to meet federal and state online reporting requirements
 - Possible negative impact on employee recruitment and retention
- Option B: Upgrade teacher and school office desktop computers, adding 3 gigabytes of RAM and replacing the hard drive per computer.

Cost: ⇒ **\$354,600.00** (estimated)

- Option C: Replace key network infrastructure in order to reduce annual bandwidth costs, and purchase additional bandwidth; continue utilization of E-rate.

Cost: ⇒ **\$375,000.00** (estimated) one-time, up-front capital investment to replace key network infrastructure
 ⇒ **\$394,376.88** (estimated) annual M&O utility *savings realized* by replacing key network infrastructure and *maintaining* current bandwidth
 ⇒ **\$256,964.88** (estimated) annual M&O utility *savings realized* by replacing key network infrastructure and *doubling* current bandwidth

(Please refer to *Attachment A* for further details.)

- Option D: Acquire network infrastructure equipment via lease or lease/purchase agreement.

Cost: ⇒ **\$3,750,281.20** (estimated) total amount to be leased
 ⇒ **\$1,250,093.61** (estimated) annual payment on no-interest, *36-month* lease
 ⇒ **\$ 750,056.24** (estimated) annual payment on no-interest, *60-month* lease
 (Note: Financing incentive discounts of \$108,170.00 and \$212,192.00 may apply to 36-month lease and 60-month lease, respectively.)

- Option E: Following standardization parameters, have schools use their unrestricted capital allocation to address their prioritized capital needs; possibly increase available unrestricted capital funds by limiting funds for upcoming District math adoption.

Cost: Please refer to *Attachment B* for estimated cost sheet that will be provided to schools.

- Option F: Explore the following funding sources to enable replacement of failing sound and/or intercom systems: savings from existing bond projects; inclusion of systems replacements in future bond project plans; Arizona School Facilities Board grants.

Cost: ⇒ **\$120,000.00** (estimated) cost per school intercom system; as funding is available, intercom systems to be replaced based on prioritized list of need. Currently, four schools have failing systems/urgent need for replacement.

 ⇒ **\$ 20,000.00** (estimated) cost per school sound system; as funding is available, sound systems to be replaced based on prioritized list of need. Currently, one school has a nonfunctional system; one has a poor, unreliable system; eleven schools have systems in poor condition; and two schools have systems in fair condition.

IV. Seek stakeholder feedback when relevant and/or necessary.

Pending direction from the Governing Board, consider seeking feedback from school leaders, department heads, instructional staff, parents and community members prior to developing a formal recommendation.

V. Use conclusion(s) to develop a rationale and prepare recommendation(s) to present to the Governing Board for action.

Conclusions:

- WESD has critical technology needs that, if not addressed promptly, will have a deleterious impact on student instruction as well as District operations.
- Given the failure of the November 2013 capital override election, WESD must identify other means of resolving its most urgent technology challenges.
- The greatest priority is to improve current technology, and upgrading fixed teacher and school office computers is the most important, cost-effective and beneficial first step.
- Leasing technology infrastructure equipment is a possible alternative to purchasing needed equipment.

Recommendation:

This is an information item only; no recommendation will be made at this time. When additional information becomes available, items will brought back to the Governing Board, as appropriate.

WESD Yearly Telecommunications and Data Lines

Current M&O Utilities \$68,650.74 per month \$823,808.88 per year

Estimated Pricing for Same Service Under Reconfiguration

Estimated Totals \$35,786.00 per month \$429,432.00 per year

Upfront Estimated Capital Investment \$375,000.00 one time

Yearly Estimated M&O Utility Savings \$394,376.88 yearly savings

Estimated Pricing for Double Bandwidth Under Reconfiguration

Estimated Totals \$47,237.00 per month \$566,844.00 per year

Upfront Estimated Capital Investment \$375,000.00 one time

Yearly Estimated M&O Utility Savings \$256,964.88 yearly savings

WESD Classroom Projection Options

Mounted Projector with Single Speaker - \$2123.61

Mounted Projector with Voice Amplification System - \$3029.16

Pull Down Screen - \$116.77

Mounted 60inch Television with Single Speaker - \$2736.89

Mounted 60inch Television with Voice Amplification System - \$3592.10

Mounted 70inch Television with Single Speaker - \$3626.29

Mounted 70inch Television with Voice Amplification System - \$4481.50

Mounted **Interactive** 60inch Television with Single Speaker - \$6217.38

Mounted **Interactive** 60inch Television with Voice Amplification System - \$7072.59

Mounted **Interactive** 70inch Television with Single Speaker - \$7030.38

Mounted **Interactive** 70inch Television with Voice Amplification System - \$7885.59

Ziggi Document Camera with 32 Foot USB Cable - \$144.51

TV Tuner Box (rooms without DVD/VCR) - \$50.00

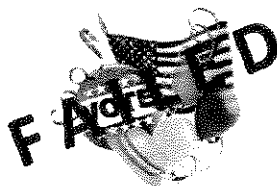
Contact MIS Janice (5255) for Official Quote

WESD Technology Update

Governing Board Presentation
January 23, 2014

ISSUE

In light of its failed November 2013
capital override election, how should
WESD address its most dire technology
challenges?



INVOLVED STAKEHOLDERS

- Superintendent Dr. Susie Cook
- Asst. Superintendent Dr. Lyn Bailey
- Asst. Superintendent Janet Sullivan
- Director of Bus. Serv. Cathy Thompson
- Director of MIS Chris Lieurance
- Technology Coordinator Mike Cannon
- Director of Org. Dev. Sue Snyder



RESEARCH/DATA

Key Discussion Points

- **Direction**
 - Greatest priority is to improve, rather than replace, current technology
 - Initial focus to be on upgrading fixed teacher and school office computers
- **Capital Override**
 - Would have been most efficient and cost-effective means of addressing technology needs
 - Alternate approaches more expensive
- **Messaging**
 - Only most essential needs to be addressed
 - Most cost-effective approaches to be utilized
 - Technology needs identified for capital override not negated



Key Discussion Points (continued)

- **Network Infrastructure**
 - Currently 80% utilized; can support upgrading of fixed teacher and school office computers
 - Processing speeds to decline in future if bandwidth not increased
 - Leasing of infrastructure a possibility
- **PARCC Exam**
 - Paper/pencil version okay during 2014-2015 school year
 - Online exam to require increased bandwidth
- **Bandwidth**
 - Could reduce annual bandwidth costs by replacing key network infrastructure
 - Could purchase additional bandwidth
 - Continue to utilize E-rate funding
- **SMART Boards**
 - Available capital funds inadequate to equip every classroom
 - Maintaining current SMART Boards, projectors and seeking alternate options



Key Discussion Points (continued)

- **Use of Unrestricted Capital for Technology**
 - Schools use to replace projectors beyond repair
 - Schools' requests for additional document cameras
 - Standardization for peripheral technology equipment
- **Math Adoption**
 - Possible reduction in funding allocation for math adoption materials
 - Consider reallocating some funds to unrestricted capital
- **Wireless Handheld Computing Devices for Students**
 - Along with wireless Internet access, was important part of capital override plan
 - WESD continuing to pursue options that may allow very limited implementation
- **School Sound Systems and Intercom Systems**
 - Replacement of failing sound, intercom systems an important future consideration
 - Possible funding sources: bond money/AZ School Facilities Board grants

OPTIONS and COSTS

- Option A: *Maintain the status quo.*

Advantages	Disadvantages
	<ol style="list-style-type: none"> 1. Loss of instructional time 2. Windows XP no longer supported 3. Inability to run some instructional and operational software 4. Inability to meet assessment standards 5. Maintenance expense and frequency

Estimated Costs of Option A:

No immediate costs, but likely to result in adverse consequences, including

- increased frequency, severity of equipment failures
- reduced operational, instructional efficacy
- increased state, federal compliance issues
- negative impact on recruitment, retention of students, staff

Questions?
Feedback?

OPTIONS and COSTS

- **Option B:** Upgrade teacher and school office desktop computers, adding 3 gigabytes of RAM and replacing the hard drive per computer.

Advantages	Disadvantages
<ol style="list-style-type: none"> 1. Could be done with current infrastructure 2. Immediate increase in processing speed for users 3. Would enable upgrade to Windows 7 4. Should enable upgrade to new versions of Microsoft Office 	<ol style="list-style-type: none"> 1. Expense to District 2. Some current software may not run 3. Even if computers are upgraded, will still have some unfixable computers that will have to be replaced

Estimated Costs of Option B:

⇒ **\$354,600.00 Total**

Questions?
Feedback?

OPTIONS and COSTS

- **Option C:** *Replace key network infrastructure in order to reduce annual bandwidth costs, and purchase additional bandwidth; continue utilization of E-rate.*

Advantages	Disadvantages
<ol style="list-style-type: none"> 1. Proactive approach 2. Following initial capital investment, would realize M&O savings each year 	<ol style="list-style-type: none"> 1. Need for increased bandwidth not immediate 2. Would require initial capital investment to purchase key network infrastructure 3. E-rate application due end of March 2014

Estimated Costs of Option C:

- ⇒ **\$375,000.00** one-time capital expense to replace key network infrastructure
- ⇒ **\$394,376.88** annual M&O *SAVINGS* realized by replacing key network infrastructure and maintaining current bandwidth
- ⇒ **\$256,964.88** annual M&O *SAVINGS* realized by replacing key network infrastructure and doubling current bandwidth

Questions?
Feedback?

OPTIONS and COSTS

- **Option D:** *Acquire network infrastructure equipment via lease or lease/purchase agreement.*

Advantages	Disadvantages
<ol style="list-style-type: none"> 1. Ability to acquire more equipment up front while spreading payments over period of usage 2. Could enable more frequent updating of equipment 	<ol style="list-style-type: none"> 1. Would be incurring debt 2. Could be more costly in the long run

Estimated Costs of Option D:

- ⇒ \$3,750,281.20 total amount to be leased
- ⇒ \$1,250,093.61 annual payment on no-interest, 36-month lease
- ⇒ \$ 750,056.24 annual payment on no-interest, 60-month lease

Questions?
Feedback?

OPTIONS and COSTS

- **Option E:** *Following standardization parameters, have schools use their unrestricted capital allocation to address their prioritized capital needs; possibly increase available capital funds by limiting funds for upcoming math adoption.*

Advantages	Disadvantages
<ol style="list-style-type: none"> 1. Could enable some schools to acquire additional SMART Boards and document cameras 2. Would promote technology standardization throughout the District 	<ol style="list-style-type: none"> 1. A piecemeal approach to providing more classrooms with SMART Boards and document cameras 2. Possible reduction of math adoption funds 3. Would have to ensure that schools' greatest capital needs are satisfied prior to their purchase of additional technology equipment

Estimated Costs of Option E:

Various, depending on individual school needs and available unrestricted capital

Questions?
Feedback?

OPTIONS and COSTS

- **Option F:** *Explore the following funding sources to enable replacement of failing sound and/or intercom systems: savings from existing bond projects; inclusion of systems replacements in future bond project plans; AZ School Facilities Board grants.*

Advantages	Disadvantages
<ol style="list-style-type: none"> 1. Could replace the most severely failing school sound and intercom systems 2. Would address important safety concerns 	<ol style="list-style-type: none"> 1. A piecemeal approach to upgrading sound and intercom systems throughout the District

Estimated Costs of Option F:

- ⇒ **\$120,000.00** cost per school intercom system; as funding is available, replace based on prioritized need
- ⇒ **\$ 20,000.00** cost per school sound system; as funding is available, replace based on prioritized need

Questions?
Feedback?

STAKEHOLDER FEEDBACK

Pending direction from Governing Board, consider seeking feedback from the following stakeholders prior to developing a formal recommendation:

- school leaders
- department heads
- instructional staff
- parents
- community members



CONCLUSIONS

- WESD has critical technology needs that, if not addressed expediently, will negatively impact both student instruction and District operations.
- Given the failure of the recent capital override election, WESD must identify other approaches to resolve its most urgent technology challenges.
- The #1 priority is to improve current technology, and upgrading fixed teacher and school office computers is the most important, beneficial and cost-effective first step.
- Leasing, rather than purchasing, technology infrastructure equipment, may be a viable option to consider.

RECOMMENDATION

This is an information item only; no recommendation will be made at this time.