

Food Service Agreement Contract

THIS AGREEMENT is made and entered into between Food Service Director, Debby Hall, and Legacy Charter School, Inc.

WHEREAS the Food Service Director agrees to oversee the food service department at Legacy.

- The Food Service Director will provide standardized recipes that have been analyzed to meet the standards of USDA.
- Will provide analyzed menus that will meet the standards of USDA
- Will provide production sheets and task sheets
- Will attend the yearly bid meetings to procure all items that are to be used in the following school year.

Will keep all records of nutritionals, CN labels and menus that the State Department requires for a review. Will make all accounts and records pertaining to the Program available to representatives of the U.S. Department of Agriculture (USDA) for audit or administrative review at a reasonable time and place.

- Will do all of the renewal application packet for the State Department every year, which includes the following:
 - Setting the lunch prices for students and adults using the PLE tool provided by the State Department.
 - Sending out the public release to the Press.
 - Making sure all of our food service policies, are up to date. (Wellness, charging, smart snacks, etc.)
 - Completing the Non-program Food Revenue Tool
 - Assisting in the completion of free and reduced forms
- Will complete the amended budget and projected Budget
- Will keep an eye on that budget and numbers being served.
- Will support any issues the kitchen managers have and will help with the hiring of all employees.
- Will check on the kitchen to make sure everything is being taken care of in an environment that is warm, clean and nurturing for the students at Legacy Charter School.
- Will do whatever needs to be done to insure that the food service department is running at its peak at all times.
- For the services above Legacy agrees to pay the Food Service Director (Debby Hall) \$5000.00 per school year until either party terminates the contract with 30 day written notice.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the dates indicated below:

Debby Hall

Debby Hall / Director of Food Service
Signature/Title

1/30/2019
Date

Legacy Charter School

[Signature]
Signature/Title

1-31-19
Date

Audits
Taxes
Special Services



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Payette, Idaho 83661
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January 15, 2018

Legacy Public Charter School
1123 12th Ave Rd, #225
Nampa, ID 83686

RE: *FY18, FY19, & FY20 Independent Audits*

We are pleased to confirm our understanding of the services we are to provide Legacy Public Charter School (the School) for the years ended June 30, 2018, 2019, and 2020. We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the School as of and for the years ended June 30, 2018, 2019, and 2020. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), to supplement the School's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, and historical context. As part of our engagement, we will apply certain limited procedures to the School's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. As in prior years, management's discussion & analysis (MD&A) will be excluded. If supplementary information other than RSI accompanies the basic financial statements, we will subject it to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements. Provisions described in this engagement letter relating to a Single Audit, the Uniform Guidance, or the schedule of expenditures of federal awards only apply when the School is subject to a Single Audit.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to above when considered in relation to the financial statements as a whole. The objective also includes reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of the accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the governing board of the School. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the single audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and

detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the School's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the OMB *Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the School's major programs. The purpose of these procedures will be to express an opinion on the School's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist with preparing the financial statements, schedule of expenditures of federal awards, and related notes of the School in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on the information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

Management Responsibilities

Management is responsible for (a) designing, implementing, and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (b) following laws and regulations; (c) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (d) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the School involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud, affecting the School received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified

including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan and make them ready for our review.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with

preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Prices, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form (when applicable) that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to the School; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Quest CPAs PLLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Legislative Services Office or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Quest CPAs PLLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by Legislative Services Office. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audits in May and to issue our reports no later than September 30th. Kurt R. Folke or Daniel T. Coleman will be the engagement partner and will be responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

We agree that our prices for these services will not exceed:

<u>Service</u>	<u>Description</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
Financial Audit	<i>Financial audit required by Idaho Code</i>	\$5,750	\$6,000	\$6,250
Form 990 Prep	<i>Preparation of Form 990 which is required by IRS to maintain tax-exempt status</i>	\$750	\$800	\$850
Additional Services	<i>Additional services - only if needed/requested - see Appendix A</i>			

Our invoices will be rendered each month as work progresses and are payable on presentation. The above prices are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new price estimate before we incur the additional costs.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign one copy and return it to us.

Very truly yours,

Quest CPAs PLLC

RESPONSE:

This letter correctly sets forth the understanding of the School.

Management signature: 

Title: Clerk Date: 2-15-18

Governance signature*: 

Title: Chairman Date: Feb 15, 2018

**If the governing body has delegated this responsibility to management, the governance signature is not required.*

APPENDIX A – ADDITIONAL SERVICES

The following additional services are available as needed. Please contact us if you think your School will be needing assistance with any of them.

<u>Service</u>	<u>Description</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
Single Audit	<i>Additional compliance audit needed if the School spends over \$750K in federal funds</i>	\$1,500	\$1,575	\$1,650
<p>Bond, loan, capital lease <u>issuances, refinances, or refundings</u> and related accounting, financial reporting, and auditing (AFRA). Price is only charged during the initial year of the bond, loan, and capital lease issuance/refinance/refunding.</p>				
AFRA for new bond, loan, & capital lease <u>issuances</u>	<i>For new bond, loan, and capital lease <u>issuances</u>, providing assistance with proper accounting (i.e. preparing appropriate journal entries, using correct funds), financial reporting (i.e. note disclosures, amortization tables, and changes in LT debt tables), and auditing.</i>	\$750	\$800	\$850
AFRA for bond & loan <u>refinances</u>	<i>For bond, loan, and capital lease <u>refinances</u>, providing assistance with proper accounting (i.e. preparing appropriate journal entries), financial reporting (i.e. note disclosures, amortization tables, and changes in LT debt tables), and auditing.</i>	\$750	\$800	\$850
AFRA for bond <u>advance refundings</u> - (these are the most common and complex refundings)	<i>For bond <u>advance refundings</u>, providing assistance with proper accounting (i.e. preparing appropriate journal entries), financial reporting (i.e. note disclosures, amortization tables, and changes in LT debt tables), and auditing.</i>	\$1,500	\$1,550	\$1,600
AFRA for bond <u>current refundings</u> - (these are the less common and simpler refundings)	<i>For bond <u>current refundings</u>, providing assistance with proper accounting (i.e. preparing appropriate journal entries), financial reporting (i.e. note disclosures, amortization tables, and changes in LT debt tables), and auditing.</i>	\$750	\$800	\$850

APPENDIX A – ADDITIONAL SERVICES

The following additional services are available as needed. Please contact us if you think your School will be needing assistance with any of them.

<u>Service</u>	<u>Description</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>
AFRA for GASB 75 OPEB (only if school implements this GASB)	For <u>GASB 75 OPEB</u> , providing assistance with proper accounting (i.e. preparing appropriate journal entries), financial reporting (i.e. note disclosures and RSI), and auditing.	\$1,500	\$1,550	\$1,600

The following additional services, if needed, are billed at our standard hourly rate of \$150 / hour. Note: Email/phone questions from clients are still very welcome and free of charge.

Assistance with preparing yearend accrual entries	Assistance with preparing yearend accrual entries to ensure books are recorded in accordance with generally accepted accounting principles and therefore are ready to audit. <u>Note:</u> Minor adjustments (up to 5) are provided free of charge and instructions on how to prepare accrual adjustments (so business managers can do this themselves) is provided free of charge.	Billed at standard hourly rates	Billed at standard hourly rates	Billed at standard hourly rates
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Written responses for technical inquiries regarding GASBs or consent disclosures for bond issuances to third parties (i.e. S&P, bond underwriters)	Written responses for technical inquiries regarding GASBs (i.e. 68/75) to third parties (S&P) or consent disclosures for bond issuances for third parties (underwriters) all require documentation and procedures on part of the auditor. <u>Note:</u> Email and phone questions from clients are still very welcome and free of charge.	Billed at standard hourly rates	Billed at standard hourly rates	Billed at standard hourly rates
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Other school finance services	We provide a variety of other school finance related services including accounting and financial training (board, business manager, school), agreed-upon procedures (for detailed matters outside the scope of the regular audits), networking / mentoring, etc. - some services are charged and some are not - depending on the service and time expended.	Billed at standard hourly rates	Billed at standard hourly rates	Billed at standard hourly rates
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CONSULTATION, INTERPRETATION AND GUIDANCE SERVICES AGREEMENT
(Forms 1094/1095 Reporting Only Agreement)

THIS SERVICES AGREEMENT (“Agreement”) is entered by and between LEGACY PUBLIC CHARTER SCHOOL, INC. (“**DISTRICT**”) whose address is 4015 S. Legacy Way, Nampa, ID, 83686 and Eligibility Tracking Calculators, LLC (“**ETC**” or “**CONTRACTOR**”), whose address is 14607 San Pedro Ave., Suite 155; San Antonio, Texas 78232.

WHEREAS, **ETC** is a Direct District HR Input System and Consultative Company designed to use District’s direct input of objective payroll data (defined as payroll information used to run employee paychecks) and offer/acceptance/waiver benefit information provided by **DISTRICT** to analyze data and determine appropriate 1095-B/C codes to populate the 1095-B/C Forms and to determine who is not eligible to be provided a 1095-B/C form; and

WHEREAS **ETC** desires to become a consultant of **DISTRICT** so that **ETC** can perform interpretation, guidance identification/tracking services to assist **DISTRICT** in its required reporting to the Internal Revenue Service and provision of information to applicable persons in accordance with the *Forms 1094-B/C* and *1095-B/C* pursuant to healthcare reform laws under the Affordable Care Act (collectively “Forms”).

NOW, THEREFORE, in consideration of the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **DISTRICT** and **ETC** agree as follows:

1. Relationship and Term

- 1.01** Term of this contractual relationship is calendar year since the data contained on the *Forms 1094-B/C* and *1095-B/C* must be collected and reported based on a calendar year. The term of this Agreement is January 1, 2017 to December 31, 2019. Effective date of this Agreement is the last date of signature by the Executing Parties. **ETC**’s work shall continue until the filing date with the IRS and beyond if corrections are required by IRS. For corrections, additional charges may apply dependent on the required corrections and the basis for the need for the corrections. District may terminate this Agreement prior to the termination date with 30 days’ written notice. If District terminates this Agreement before December 31, **ETC** is relieved from preparing and providing all *Forms 1094-B/C* and *1095-B/C* for employees and from filing the *Forms 1094-B/C* and *1095-B/C* through the AIR System (electronic system through which *Forms 1094-B/C* and *1095-B/C* are to be filed). **ETC** shall only terminate this Agreement early if District fails to provide the necessary data so that **ETC** can prepare the *Forms 1094-B/C* and *1095-B/C* and fails to provide this data within the deadlines agreed to by the Parties during implementation. Otherwise, Agreement shall be automatically renewed with the same material terms. Should material terms of Agreement be negotiated, amended or changed, **ETC** shall provide **DISTRICT** with the proposed Amended Agreement for consideration.
- 1.02** It is expressly understood that **ETC** and **DISTRICT** are independent entities and neither is employed by the other. **DISTRICT** in no way controls the manner, method or means of **ETC**’s work and **ETC** provides all the tools necessary for services to be rendered for **DISTRICT**. **ETC** has been retained by **DISTRICT** for a specific term to perform services beyond **District**’s expertise. Both Parties are responsible for their own tax obligations and insurance obligations.
- 1.03** It is expressly understood that **ETC**’s responsibilities are limited to using District’s direct input of objective payroll data (defined as payroll information used to run employee paychecks) provided by **DISTRICT** and **District**’s benefit information, including, if applicable, **DISTRICT** determinations as to appropriate Indicator Codes for the Forms so that **ETC** can provide interpretation and guidance regarding the completion of these Forms, in accordance with the most current IRS instructions of *Forms*

1094(B/C) and 1095(B/C), final IRS regulations issued in accordance with Code Sections 6055 and/or 6056, and other IRS guidance related to **District's** reporting obligations under Code Sections 6055 and/or 6056. ETC assumes **NO LIABILITY** in **District's** ACA compliance efforts beyond reporting as required for the *Forms 1094-B/C* and *1095-B/C*.

- 1.04 It is expressly understood that it is **District's** sole responsibility to determine if the reporting referenced herein is to be completed using the *Forms 1094-B* and *1095-B* **or** *Forms 1094-C* and *1095-C*.

2 ETC's Responsibilities

- 2.01 ETC shall prepare **District's** *Forms 1094/1095(B/C)* as well as provide interpretation and guidance regarding the completion of these Forms, in accordance with the most current IRS instructions of *Forms 1094(B/C)* and *1095(B/C)*, final IRS regulations issued in accordance with Code Sections 6055 and/or 6056, and other IRS guidance related to **District's** reporting obligations under Code Sections 6055 and/or 6056. ETC staff will provide in-depth interpretation and strategy sessions specific to any changes in the Affordable Care Act or related regulations that would impact District's obligations as an applicable large employer under Code Section 4980H and/or DISTRICT'S reporting obligations under Code Section 6055 and/or 6056.

- 2.02 **Tax Obligations.** ETC shall be responsible for its own tax obligations and understands that in accordance with this Independent Contractor Relationship with **DISTRICT**, neither party is an employee of the other and that **DISTRICT** assumes no responsibility or obligations in withholding any amounts to be paid to **ETC** for work performed. Although the Parties do not believe that ETC's services are subject to sales tax, should sales tax be assessed, **DISTRICT** understands that the sales tax is **District's** responsibility.

- 2.03 **Ownership of Proprietary and Confidential Material.** ETC agrees and understands that **District's** payroll data and other internal **DISTRICT** information provided or made available to **ETC** may be sensitive and confidential. Therefore, **ETC** agrees to hold this information forever in confidence and only to share this information with **DISTRICT** appointed representatives as instructed by **DISTRICT**.

2.04 DUTY OF DEFENSE AND INDEMNITY.

IF DISTRICT PROVIDES ETC WITH ACCURATE DATA TO COMPLETE DISTRICT'S FORMS 1094-B/C AND 1095-B/C REPORTING OBLIGATIONS AND PROVIDES ALL FINAL ACCURATE DATA NO LATER THAN AGREED UPON DEADLINES, ETC SHALL DEFEND, INDEMNIFY, AND HOLD DISTRICT HARMLESS FROM ANY CLAIMS OR DAMAGES RELATED TO DISTRICT'S FORM 1094-B/C AND 1095-B/C REPORTING OBLIGATIONS, WHICH RESULTED FROM ETC'S NEGLIGENCE IN THE PERFORMANCE OF ITS DUTIES IN ACCORDANCE WITH THIS AGREEMENT. THE SCOPE OF ETC'S DUTY OF DEFENSE AND INDEMNITY IS LIMITED TO DISTRICT'S FORMS 1094-B/C AND 1095-B/C REPORTING OBLIGATIONS ONLY, AND DOES NOT INCLUDE ANY CLAIMS OR DAMAGES THAT MAY SEPARATELY RESULT UNDER ERISA, THE INTERNAL REVENUE CODE, OR OTHER FEDERAL OR STATE LAWS RELATING TO DISTRICT'S ADMINISTRATIVE OF ITS GROUP HEALTH PLAN(S) AND/OR CAFETERIA PLAN(S).

- 2.05 **Beyond the Scope of the Agreement for Services.** ETC has not been retained and shall not provide state and/or tax consultation/advice (beyond that which is specifically identified with respect to the preparation and provision of the *Forms 1094-B/C* and *1095-B/C*), ERISA compliance, wage and hour compliance, human resource compliance, privacy laws or any other regulatory, legal or statutory rules and regulations as it relates to handling **District's** business affairs, including, but not limited to, employee management and operations.

3. District's Obligations

- 3.01 Release of Information.** DISTRICT agrees to provide ETC with accurate information necessary in the format prescribed herein for ETC to prepare District's Forms 1094-C/1095-C. If all the objective payroll data and benefits data cannot be provided or cannot be provided via Excel or CSV, additional charges may be applied but only after agreed to by DISTRICT.
- 3.02 Authoritative Transmittal.** If ETC is to file the Authoritative Transmittal for the Forms 1094-C/1095-C, DISTRICT must provide ETC all Control Group information for all entities. Determination of whether a control group exists is the sole responsibility of the DISTRICT.
- 3.03** Data needed from DISTRICT to provide year end reporting through Forms 1094-C/1095-C, in addition to payroll and benefits elections throughout the year, includes: 1) Employee Required Contribution amount(s) for the calendar year; 2) determination of whether the Medical Health & Welfare Plan meets Minimum Value and/or is Minimum Essential Coverage; and 3) if self-insured, all covered individuals enrolled in the plan with TIN and/or date of birth ("DOB"). It is District's responsibility to follow the TIN Solicitation Process to use the DOB in lieu of the SSN for covered individuals. As of December 1, 2016, the instructions regarding the TIN Solicitation Process can be found in IRS Publication 1586, which is available here: <https://www.irs.gov/pub/irs-pdf/p1586.pdf>.¹ If and when the IRS Proposed Rules regarding the TIN Solicitation Process are finalized, it is District's responsibility to follow those rules. All final information must be submitted to ETC no later than agreed upon dates during implementation. This information shall **only** be considered provided timely if ETC agrees to accept this data in writing during the implementation of District's account.
- 3.03 Eligibility Determination and Plan Designs.** Regardless of the Measurement Method(s) used by District (Monthly Measurement Method or Look-Back Method or a combination of these methods), DISTRICT understands and acknowledges by his/her signature below that ETC will follow District's instructions with respect to persons eligible to be offered benefits and the proper codes to be reported on the 1095-C Form for each employee. However, ETC has not been retained to assist in determining 4980H full time/part time status for benefits, and has not been retained to assist in ensuring District's compliance with any other aspect related to District's administration of its employee health and welfare plan(s), cafeteria plan(s) and/or Section 125, or any other employee benefit plans in place.
- 3.03 Ownership of Proprietary and Confidential Material.** During the term of this Agreement, ETC may disclose to DISTRICT confidential information and trade secrets proprietary to ETC, including, but not limited to, systems, methods of operation, marketing and advertising procedures, internal procedures, programs and forms. DISTRICT acknowledges and agrees that all such information is confidential and is the exclusive property of ETC. DISTRICT covenants and agrees that it shall not disclose to anyone directly or indirectly during the term of this Agreement or at any time thereafter, any such confidential information, nor shall it use any such confidential information nor cause such confidential information to be used for any purpose other than during District's work with ETC.
- 3.04** DISTRICT shall pay ETC in accordance with the terms agreed to and set forth in the attached Exhibit A. Payments not paid via ACH are due net 20 days.
- 3.05 Payment upon Termination of Relationship.** Upon termination of this Agreement, DISTRICT agrees to pay ETC amounts earned prior to termination of this Agreement.
- 4. Miscellaneous**
- 4.01 Amendments.** This Agreement may only be amended by written agreement by either party and only enforceable after countersigned by other party.


- 4.02 Severability.** In the event any provision of this Agreement becomes unenforceable or void, such shall not invalidate any other provision of this Agreement.
- 4.03 Assignability.** No assignment of this Agreement of the rights and obligations hereunder will be valid without the written consent of the non-assigning party.
- 4.04 Entire Agreement.** This Agreement constitutes the entire agreement of the parties and supersedes any prior understandings or oral or written agreements between **DISTRICT** and **ETC** on the matter contained herein.
- 4.05 Governing Law.** This Agreement is being executed and delivered and is intended to be performed in the State of Texas, County of Bexar, and the laws of Texas shall govern the validity, construction, enforcement and interpretation of this Agreement.
- 4.06 Captions.** The captions contained herein are for reference purposes only and do not affect the meaning of this Agreement.

DISTRICT and **ETC** have acknowledged their understanding of and are in agreement to the mutual promise written above by executing this Agreement.

AGREED:

By: Alicia J. Haff, JD
Eligibility Tracking Calculators, LLC

Executed: **August 16, 2017**

By: BART MCKNIGHT / CHAIRMAN Executed: 
Printed Name, Title Signature

Date Executed (and Effective Date of Contract): 8-17-17

ETC TRACKING, EXHIBIT A

SERVICES PROVIDED AND FEE SCHEDULE for LEGACY PUBLIC CHARTER SCHOOL, INC.
The information contained below is a summary of the description of services for which fees are charged. These Services are described more detail in the Services Agreement to which this Exhibit is an attachment and made part of the Services Agreement. To the extent any terms and conditions in this Exhibit conflict with the Services Agreement, the Services Agreement controls.

1. ONE-TIME SET UP FEE

\$0.00

Company Creation and Shell Set up on ETC server;
Implementation Support in gathering payroll & benefits information;
Creation of *Form 1095-C (or 1095-B if applicable)* Departments & assignments of initial indicator codes;
Set up payroll schedule and customize monthly reporting summary;
Process contracts and set up accounting to terms;
Creation of a Business Associate Agreement between companies;
Discussions and consulting regarding current healthcare strategy if desired;
Measurement Period/Stability Period Set up based on District determinations of appropriate measurement methods and periods;

2. ONE-TIME TECHNOLOGY FEE

\$0.00

ETC will create a computer processor around **District's** payroll and benefits templates approved by ETC;
Creation of XML Manifest;
Creation of XML Error reports.

3. REPORTING CONSULTING SUPPORT

Collect necessary data to prepare *1095 Series ACA Forms* for filing with the US Department of Treasury;
Consult with District regarding ACA obligations and proper Indicator codes for *1095-C Forms*;
Prepare *Forms 1095-C* for affected employees (method of delivery to be determined by District; any postage/handling charges are additional fees);
Strategy Sessions with ACA consultant to prepare and plan for changes to ACA that impact District's obligations under Code Sections 4980H, 6055, and/or 6056;
In depth newsletters and summaries provided by The Law Offices of Alicia J Haff; and
Marketplace/IRS Appeals Support. All appeals notices must be submitted to appeals@eligibilitytrackingcalculators.com in a timely manner.

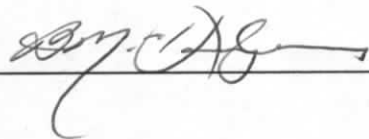
\$12.60 PEPY (Paid by Trust)

4. YEAR END DELIVERY – POSTAGE

\$1.65 Per Form

ETC will deliver via USPS the 1095-C forms to each employee's address provided during the year end process. Tracking will be provided for each piece to the last postal address. ETC will upload to the District portal an electronic version of the 1095-C forms sorted in USPS zip code order.

District Signature: _____



Printed Name: _____

BART MCKNIGHT

Date: _____

8-17-17

ETC TRACKING, EXHIBIT B

LEGACY PUBLIC CHARTER SCHOOL, INC. must provide ETC with data in a specific format as follows:

- Excel or CSV format;
- Organized or able to be organized via payroll period (not via individual employee with totals);
- Cells are not to be merged and must be sortable for proper mapping by ETC (i.e. no subtotals, no totals, no subcategories breaking up the data);
- Current Address information for each employee; and
- Employee Name broken out by First and Last;
- Identification Number (SSN or TIN) for every employee; and
- Benefits information (effective date(s), decision(s), employee required contribution amounts, termination of benefits).

For your convenience, attached are several templates to use (Payroll, Address and Benefits). Either complete these templates in their entirety or you may submit your own template/files for ETC's review. If ETC cannot use the data provided in the template(s) provided, we shall work with you to find a solution to extract this information. However, additional charges may apply if ETC must manipulate such data to extract for reporting purposes. Any additional fees shall be agreed to by the Parties prior to any work performed.

I understand that ETC will work to assist **DISTRICT** in creating the ETC file template for up to 1 hour at no charge. For hours beyond this, **DISTRICT** will be invoiced \$95.00 per hour on the first invoice following **DISTRICT** approval of additional hours of consultation.



District Signature

8-17-17

Date

Bart McKnight, Chair person

LEGACY PUBLIC CHARTER SCHOOL, INC. NAME

Managed Internet Access Agreement

THIS AGREEMENT is made and entered into by and between **TEK-HUT, INC.**, an Idaho corporation ("Tek-Hut") and Legacy Charter School District #478 ("Customer").

RECITALS

WHEREAS, Tek-Hut is in the business of providing Managed Internet Access ("Internet Service"); and

WHEREAS, Customer desires to enter into an agreement whereby Tek-Hut will provide to Customer Internet Service.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the parties, for themselves, their successors and assigns, do hereby agree as follows:


1. Scope of the Work. Tek-Hut shall provide 100 Mbps Dedicated Internet Service with managed firewall.
2. Contract Price. Customer agrees to pay to Tek-Hut the sum of \$950 per month for a period of 36 months, for a total contract price of \$34,200 ("Contract Price").
3. Term of Contract. The term of this contract shall be for a period of 36 months, commencing on the 1 day of July, 2017, and continuing until the 30th day of June, 2020. Upon expiration of the Term, this Agreement shall be automatically renewed for an additional (3) 36 month periods of time on the terms and conditions identical to those defined in this agreement unless terminated by not less than (3) months prior written notice given by either Party to the other.
4. Termination. Customer understands and agrees that Tek-Hut has and will continue to incur certain costs and/or expenses related to the Internet Service to be provided to it by Tek-Hut pursuant to this Agreement, even should the Customer discontinue use of said Internet Service or elect to terminate this Agreement prior to its expiration. Therefore, in the event Customer elects to terminate this Agreement prior to June 30th, 2020, it agrees to pay to Tek-Hut the sum of 100% of the balance of the Contract Price due and owing pursuant to paragraph 3 above at the time of termination.
5. Charges Not Applicable to Customer. Tek-Hut agrees not to charge Customer for setup fees, network traffic monitoring, and/or outage notification.
6. Responsibility of Tek-Hut. In addition to the responsibilities of Tek-Hut as identified herein, Tek-Hut shall provide:
 - a. Managed Firewall / Public IP Addresses;
 - b. Monitoring of Customer's network traffic;
 - c. Customer notification of outages;

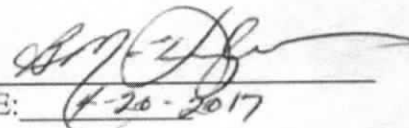
7. Responsibility of Customer. In addition to Customer responsibilities identified herein, the Customer shall provide or be responsible for:
 - a. any equipment or hardware necessary to utilize the Internet Service, as well as any costs, charges or fees associated therewith;
 - b. any equipment and/or labor necessary for the configuration of the equipment and hardware necessary to utilize the Internet Service, as well as any costs, charges or fees associated therewith; and
8. Outages. Tek-Hut shall not be responsible for any cost and/or expenses incurred by the Customer as a result of an outage or failure of the Internet Service to be provided by Tek-Hut.
9. Binding Effect. The provisions of this contract shall be binding upon and inure to the benefit of the heirs, successors, personal representatives, and assigns of the parties hereto.
10. Attorney's Fees. If a suit, action or proceeding is instituted to enforce any of the terms of this contract, the prevailing party shall be entitled to recover all costs and attorney's fees from the non-prevailing party.
11. Venue. The venue of any action arising out of the execution or breach of this contract shall be in the District Court of Twin Falls County, Idaho.
12. Additional Bandwidth. Additional bandwidth available in 50M increments at \$150 per month.
13. Non-appropriation clause. Customer may terminate agreement prior to contracted date without termination charge, if customer has exhausted all funds legally available for all due payments under the agreement;

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

"TEK-HUT"
TEK-HUT, INC.

"CUSTOMER"
Legacy Charter School District #478

By: 
DATE: 4/20/17

By: 
DATE: 4-20-2017

Schedule B1

This Schedule B1 is part of that Managed Internet Access Agreement (the "**Agreement**") between Tek-Hut, Inc. ("**Tek-Hut**") and Legacy Charter School District #478 ("**End User**"). Capitalized terms not defined herein shall have the meaning given to such terms in the Agreement.

Tek-Hut Managed Firewall Terms and Conditions

These Managed Firewall Terms and Conditions (this "**Firewall Agreement**") set forth the entire Tek-Hut Managed Firewall Service offering (with the Firewall (as defined below), the "**Firewall Services**") and govern the provision of Firewall Services to the person or entity which subscribes for the Firewall Services ("**End User**"). Tek-Hut reserves the right to make enhancements to the Firewall Services and shall advise End User of any additional features.

Firewall Services Description

A firewall ("**Firewall**") is a combination, in whole or in part, of hardware and software which is intended to limit the exposure of a computer or computer network against unauthorized access from outside by providing a single point of entry and a passive defense system at that point of entry by providing controlled access. The Firewall Services are designed to provide network and resources access control and manage the public access points to a computer network. Firewall technology in itself is not foolproof and no firewall technology provides an absolute deterrent or barrier to unauthorized entry.

Tek-Hut's Firewall Services provide a pre-configured rule set policy that trusts all internal traffic, but blocks all externally initiated traffic. This policy is known as "Trust Inside." In this scenario, it is assumed that the most significant threats will come from outside the End User's enterprise network, and the emphasis of the policy will be keeping outsiders from getting in. This type of stance is implemented by defining a Firewall rule set that permits all connections which are initiated from the inside of the End User's network, but blocks connections initiated from the outside of the End User's network.

Installation, Configuration, Administration and URL Blocking

Before installation, End User must complete and return the configuration form provided to End User by Tek-Hut. Tek-Hut will configure the Firewall in accordance with End User's configuration submission. End User is responsible for confirming that the Firewall is configured in accordance with End User's preferences prior to and after activation of the Firewall Services.

End User shall not tamper with, modify, make error corrections, or otherwise alter any Firewall hardware or software nor permit any third-parties, other than Tek-Hut, to do the same.

Tek-Hut will configure End User's Firewall with a default policy for URL blocking which is

intended to comply with the Children's Internet Protection Act ("CIPA"). If End User makes, or requests Tek-Hut to make, any changes to the Firewall or the Firewall Services, including but not limited to the URL blocking policies, End User shall be solely responsible for making sure such changes are CIPA compliant. Tek-Hut shall not be liable for any damages, costs, or fees (including, but not limited to any loss of funding provided to End User) as a result of or associated with any changes made to the Firewall or the Firewall Services by, or at the request of, End User.

After installation and upon request by End User, Tek-Hut will administer the Firewall Services (e.g., add or delete user accounts, modify Firewall rules, update network configuration).

Monitoring

Tek-Hut monitors the CPU utilization of End User's Firewall 24 hours per day, seven days per week.

Reports

End User will be able to generate custom reports from the Firewall.

Configuration Backups

Tek-Hut shall maintain a backup of End User's Firewall configuration.

Option Packages

The following option packages are available for purchase by End User:

1. Full Unified Threat Management. This option package is not e-rate eligible.
 - a. **Unified threat management** (UTM) is a comprehensive firewall that includes network firewalling, network intrusion prevention and gateway antivirus (AV), gateway anti-spam, VPN, load balancing, and data leak prevention.
2. Redundant Failover Firewall. This option package is not e-rate eligible
 - a. This version includes a managed backup firewall for a separate internet connection with fail over between locations.

Service Term Commitment

Each order for Firewall Services term is subject to the associated Managed Internet Access Agreement.

End User Obligations

End User shall comply with all obligations set forth herein and all obligations set forth in any vendor and/or Tek-Hut specific license terms and conditions related to the Firewall and/or the

Firewall Services. End User acknowledges its responsibility to comply with the terms and conditions of such license agreements and assumes all liability for compliance with such terms, including but not limited to: (a) informing all of End User's end-users of the terms of such license agreements; (b) monitoring use of the Firewall to ensure compliance with the terms thereof; and (c) maintaining the distribution and security of any user identification and/or passwords necessary to access any Firewall Services and/or the Firewall. Tek-Hut disclaims all liability to vendors for breaches of such license agreements by End User.

To the extent not covered by any license agreements, End User agrees not to reverse engineer, de-compile, disassemble, translate, modify, alter or change the Firewall Services, the Firewall, or any component of either, or otherwise obtain or attempt to obtain any technology (including encryption technology) or source code for any hardware or software that may be provided with the Firewall Services or Firewall. End User acknowledges that the hardware and software provided under this Firewall Agreement or utilized with the Firewall Services provided under this Firewall Agreement may be subject to third party license terms, and/or U.S. export laws and regulations and that any transfer (whether directly or by products incorporating the technology) must be authorized under those laws and regulations. End User agrees not to copy, sell, assign, transfer, sublicense, export or distribute any hardware, software, documentation or other materials that Tek-Hut may provide related to the Firewall Services. Title to such software, and all related technical know-how and intellectual property rights therein are and shall remain the exclusive property of Tek-Hut and/or its suppliers and vendors. End User shall not take any action to jeopardize, limit or interfere in any manner with Tek-Hut and its suppliers' and vendors' ownership of and rights with respect to any licensed software.

End User acknowledges that it is not relying on any representations or warranties made by a manufacturer except for those warranties expressly made in a software end user license agreement (if applicable to End User). It is End User's obligation to remove the Firewall upon termination or expiration of the Firewall Services and return the Firewall to Tek-Hut in accordance with instructions provided by Tek-Hut.

Export Compliance

End User acknowledges that the export, import, and use of certain hardware, software, and technical data provided hereunder is regulated by the United States and other governments and agrees to comply with all applicable laws and regulations, including the U.S. Export Administration Act, the regulations implemented thereunder by the Department of Commerce, and any other applicable laws or regulations. End User represents and warrants that it is a U.S. citizen or permanent resident, a governmental agency, authority or body of a U.S. state government or political subdivision, or a corporation organized under the laws of one or more of the United States of America, that End User is not procuring the Firewall Services on behalf of a foreign national, and that End User is not subject to a U.S. government order suspending, revoking or denying export privileges.

Support and Maintenance

Tek-Hut Customer Service is available to End User for technical support Monday through Friday from 7:00 a.m. (Mountain Standard Time) to 6:00 p.m. (Mountain Standard Time) (such days and hours referred to herein as “Normal Business Hours”). Tek-Hut shall provide End User with an emergency number for after-hours support; however, any after service requests received through after-hours support shall be treated as being received on the next business day.

Tek-Hut assigns priority levels to distinguish and prioritize the severity levels of service requests, as follows:

- | <u>Priority</u> | <u>Definition</u> |
|-----------------|---|
| 1 | Emergency – the Firewall is not operating or is operating in a manner which affects Internet access or has resulted in a disruption in Internet service. |
| 2 | All other service requests, such as when the Firewall is operational but requires administrative work or End User has requested a modification of existing rules or policies. |

Tek-Hut shall provide an initial response to service requests received during Normal Business Hours based upon the priority level assigned in the following manner:

<u>Priority Level</u>	<u>Initial Response Time</u>
1	Thirty (30) minutes
2	Forty Eight Hours

For service requests received outside of Normal Business Hours, Tek Hut shall provide an initial response time based on the table above, as if the service request is received on the next business day following receipt of the request.

For all problems that are not resolved within the intervals allotted for each request type, the chart below identifies the order and intervals for internal management notification.

Severity Level	Team Leader	Manager	Director	Vice President
Priority 1	2 Hours	4 Hours	8 Hours	24 Hours
Priority 2	3 Business Days	5 Business Days	6 Business Days	7 Business Days

Tek-Hut remotely installs firewall patches, bug fixes, and software upgrades when approved for general distribution to End User’s Firewall. In the event of a Firewall failure, Tek-Hut may either dispatch a technician to repair the Firewall at End User’s site or replace the Firewall with one of comparable or better functionality, as follows: (a) if a Firewall failure is discovered during Tek-Hut’s normal business hours, Tek-Hut will make commercially reasonable efforts to

ship a replacement Firewall or component thereof to End User by the close of that business day; and (b) if the Firewall failure is discovered outside Tek-Hut's normal business hours, Tek-Hut will make commercially reasonable efforts to ship a replacement Firewall or component thereof to End User by the end of the next business day.

Unless expressly authorized to do so by Tek-Hut, End User shall not tamper with the Firewall hardware or software, modify its configuration or try to directly access it in any way. End User agrees not to hack or disrupt the Firewall Services or to make any use of the Firewall Services that is inconsistent with its intended purpose or to attempt to do so.

End User shall be responsible for all costs associated with any of the following:

1. End User damages or breaks the Firewall; or
2. End User takes any action which causes the Firewall to operate incorrectly or requires Tek-Hut to service the Firewall.

Ownership and Risk of Loss

Tek-Hut shall retain title to and/or ownership of the Firewall hardware and software provided to End User. The End User will bear all costs associated with loss of, theft of, casualty to or damage to the Firewall hardware, from the time it is installed until the time (if any) when it is returned to Tek-Hut pursuant to this Firewall Agreement and has been received by Tek-Hut.

Firewall Disclaimer

Tek-Hut's Firewall Services solution is designed to prevent outsiders from gaining access to private corporate information and is intended to provide an effective method of monitoring and limiting access. However, the service is characterized as "best efforts" based on the customer-defined policies. It may not prevent some instances of dedicated attackers from breaking their way in, or an employee from gaining unauthorized access to the Internet or to confidential information stored on End User's network.

End User should ensure that any confidential or valuable corporate data is not accessible via the Internet. Tek-Hut shall not be liable for any losses or damage to End User's business or data that arise as a result of Tek-Hut's Firewall Services not preventing unauthorized access. The Tek-Hut Firewall Services are intended to provide a high standard of protection and service; however, no system can claim to be completely secured.

Indemnification

END USER AGREES TO DEFEND, INDEMNIFY, AND HOLD TEK-HUT, ITS OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES AND AGENTS AND ANY OTHER SERVICE PROVIDER WHO FURNISHES PRODUCTS AND/OR SERVICES TO END USER IN CONNECTION WITH THIS FIREWALL AGREEMENT OR THE FIREWALL SERVICES, HARMLESS FROM ANY AND ALL CLAIMS, LOSSES, DAMAGES, FINES, PENALTIES,

COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS FEES) BY, OR ON BEHALF OF, END USER OR ANY THIRD PARTY OR USER OF END USER'S FIREWALL SERVICES, RELATING TO OR ARISING OUT OF THE FIREWALL SERVICES, OR THEIR INSTALLATION, OR THIS FIREWALL AGREEMENT. THIS PARAGRAPH SHALL SURVIVE TERMINATION OF THIS FIREWALL AGREEMENT.

END USER AGREES THAT TEK-HUT SHOULD NOT BE RESPONSIBLE FOR ANY THIRD PARTY CLAIMS AGAINST TEK-HUT THAT ARISE FROM END USER'S USE OF THE FIREWALL SERVICES. FURTHER, END USER AGREES TO REIMBURSE TEK-HUT FOR ALL COSTS AND EXPENSES RELATED TO THE DEFENSE OF ANY SUCH CLAIMS, INCLUDING REASONABLE ATTORNEYS' FEES, UNLESS SUCH CLAIMS ARE BASED ON TEK-HUT'S WILLFUL OR INTENTIONAL MISCONDUCT. THIS PROVISION WILL SURVIVE THE TERMINATION OF THIS FIREWALL AGREEMENT.

Limitations of Liability

BY ENROLLING IN, ACTIVATING, USING OR PAYING FOR THE FIREWALL SERVICES, END USER AGREES THAT IT HAS READ THIS FIREWALL AGREEMENT AND UNDERSTANDS THE LIMITATIONS OF THE FIREWALL SERVICES DESCRIBED HEREIN.

THE FIREWALL SERVICES AND THE FIREWALL ARE PROVIDED AS IS. TEK-HUT'S LIABILITY TO END USER ON ACCOUNT OF ANY ACT OR OMISSION OF TEK-HUT RELATED TO THIS FIREWALL AGREEMENT SHALL BE LIMITED TO ACTUAL DAMAGE TO REAL OR TANGIBLE PERSONAL PROPERTY, OR BODILY INJURY OR DEATH PROXIMATELY CAUSED BY TEK-HUT'S WILFUL OR INTENTIONAL MISCONDUCT. END USER WILL NOT BE ENTITLED TO ANY OTHER DAMAGES, INCLUDING INDIRECT OR CONSEQUENTIAL DAMAGES, REGARDLESS OF THE FORM OF ACTION. TEK-HUT AND ITS EMPLOYEES, AGENTS, CONTRACTORS AND REPRESENTATIVES WILL HAVE NO LIABILITY WHATSOEVER FOR ANY UNAUTHORIZED ACCESS, DAMAGES OR MODIFICATIONS TO, OR LOSS OR DESTRUCTION OF, ANY OF END USER'S SOFTWARE, FILES, DATA OR PERIPHERALS OR FOR COPYRIGHT, TRADEMARK, PATENT, TRADE SECRET OR OTHER INTELLECTUAL PROPERTY INFRINGEMENT.

TEK-HUT SHALL NOT HAVE ANY LIABILITY FOR FAILING TO BLOCK ACCESS TO ANY INTERNET SITES OR URL'S ADDED BY, OR AT THE REQUEST OF, END USER.

Tek-Hut shall not be liable for any delay or failure to provide the Firewall Service caused by any of the following:

1. Act or omission of an underlying carrier, service provider, vendor or other third party;
2. Equipment, network or facility failure;
3. Equipment, network or facility upgrade or modification;
4. Force majeure events such as (but not limited to) acts of god; strikes; fire; war; riot; government actions;
5. Equipment, network or facility shortage;
6. Equipment or facility relocation;
7. Service, equipment, network or facility failure caused by the loss of power to End User;
8. Outage of End User's Internet service provider or broadband service provider;
9. Any act or omission of End User or any person using the Firewall Service or Firewall hardware provided to End User; or
10. Any other cause that is beyond Tek-Hut's control, including without limitation a failure of or defect in any hardware, the failure of an incoming or outgoing communication, or the inability of communications to be connected or completed.

Further, Tek-Hut shall not be liable to End User or others for any damages arising from the content of any data transmission, communication or message transmitted to or received by End User (whether read or unread, solicited or unsolicited), or losses resulting from any goods or service purchased or messages received or transactions entered into through the Firewall Service.

In no event shall Tek-Hut's liability under this Firewall Agreement exceed the amount paid by End User for Firewall Services in the (1) month period immediately preceding the event giving rise to the claim.

Disclaimer of Damages

EXCEPT AS PROVIDED ABOVE, IN NO EVENT SHALL TEK-HUT, ITS OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES OR AGENTS OR ANY OTHER SERVICE PROVIDER WHO FURNISHES PRODUCTS OR SERVICES TO END USER IN CONNECTION WITH THIS FIREWALL AGREEMENT OR THE FIREWALL SERVICES BE LIABLE FOR ANY DIRECT, INCIDENTAL, INDIRECT, SPECIAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES, OR FOR ANY OTHER DAMAGES. THE DISCLAIMER AND LIMITATIONS SET FORTH HEREIN APPLY TO CLAIMS FOUNDED IN BREACH OF CONTRACT, BREACH OF WARRANTY, PRODUCT LIABILITY, TORT AND ANY AND ALL OTHER THEORIES OF LIABILITY AND APPLY WHETHER OR NOT TEK-HUT WAS INFORMED OF THE LIKELIHOOD OF ANY PARTICULAR TYPE OF DAMAGES.

TEK-HUT'S ENTIRE LIABILITY AND END USER'S SOLE AND EXCLUSIVE REMEDIES

REGARDING FIREWALL SERVICES AND THE FIREWALL ARE TO HAVE TEK-HUT REPAIR OR REPLACE ANY TEK-HUT-PROVIDED FIREWALL IF IT IS DEFECTIVE. IF REPAIR OR REPLACEMENT OF THE TEK-HUT-PROVIDED FIREWALL SYSTEM IS NOT REASONABLY PRACTICABLE, EITHER PARTY WILL HAVE THE RIGHT TO TERMINATE THE FIREWALL SERVICE UPON 10 DAYS WRITTEN NOTICE TO THE OTHER PARTY. END USER ACKNOWLEDGES AND AGREES THAT (A) THE FIREWALL AND THE FIREWALL SERVICES CONSTITUTE ONLY ONE COMPONENT OF END USER'S OVERALL SECURITY PROGRAM AND ARE NOT A COMPREHENSIVE SECURITY SOLUTION; (B) THERE IS NO GUARANTEE THAT THE FIREWALL OR THE FIREWALL SERVICES WILL BE UNINTERRUPTED OR ERROR-FREE, THAT NETWORKS OR SYSTEMS CONNECTED TO THE FIREWALL OR SUPPORTED BY THE FIREWALL SERVICES WILL BE SECURE, OR THAT THE FIREWALL AND/OR FIREWALL SERVICES WILL MEET END USER'S REQUIREMENTS; (C) THERE IS NO GUARANTEE THAT ANY COMMUNICATIONS SENT BY MEANS OF THE FIREWALL OR THE FIREWALL SERVICES WILL BE PRIVATE; (D) THERE IS NO GUARANTEE THAT ANY AVAILABLE CONTENT OR URL BLOCKING SOFTWARE WILL BLOCK ALL SITES NOT DESIRED BY END USER OR THAT SUCH SOFTWARE WILL NOT BLOCK ANY SITES THAT ARE DESIRED BY END USER; AND (E) ANY AVAILABLE CONTENT OR URL BLOCKING SOFTWARE IS USED AT END USER'S SOLE RISK AND DISCRETION.

Acts Beyond Tek-Hut's Control

Neither End User nor Tek-Hut will be responsible to the other for any delay, failure in performance, loss or damage due to fire, explosion, power blackout, earthquake, volcanic action, flood, the weather elements, strike, embargo, labor disputes, civil or military authority, war, acts of God, acts or omissions of carriers or suppliers, acts of regulatory or governmental agencies, or other causes beyond Tek-Hut's reasonable control, except that End User must pay for any Firewall Services used.

Representations and Warranties of End User

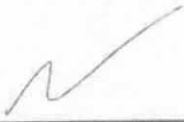
End User agrees, represents and warrants that:

1. It has full power and authority (including full corporate or governmental power and authority) to execute and deliver this Firewall Agreement and to perform its obligations hereunder; and
2. It has carefully reviewed the Firewall Agreement, and that its use of the Firewall Services rendered hereunder shall be designed, installed, furnished and in all respects provided and maintained in conformance and compliance with applicable federal, state and local laws, administrative and regulatory requirements and any other authorities having jurisdiction over the subject matter of this Firewall Agreement and it shall be responsible for applying for, obtaining and maintaining all registrations and certifications which may be required by such authorities.

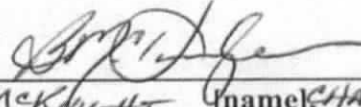
End User understands that, should it request or make any changes to its Firewall, VPN or Firewall Services, that such changes may result in a lower level of security and may allow unsecured access to its network. In the event of any such change, End User acknowledges and agrees that it shall assume all risks and liabilities associated with or resulting from any such changes.

TEK-HUT, INC.

End User: Legacy Charter School District

By: 

Nate Bondelid, President

By: 
Brent McKnight [name], CHAIR [title]

DATE: 4/20/17

DATE: 4-20-2017