



New Hope-Solebury School District
Finance Committee Meeting
October 13, 2016
6PM—Upper Elementary School LGI

Per Policy 006.2, all public meetings of the Board of School Directors, including committees, are audio recorded.

Agenda Items

Call to Order

Approve Minutes from September 14, 2016 Meeting

Old Business

- None

New Business

- PFM – New Money Discussion
- Extra Duty Responsibility (EDR) – Review of costs
- 2016 – 2017 Budget
 - Fiscal Dashboard
 - Budget Transfers
- 2017 – 2018 Act 1 Budget Timeline
- Contracts
 - New
 - ADP and Triton Benefits/HR Solutions
- Facility Usage Fees

Public Comment

Adjournment



New Hope-Solebury School District
Finance Committee Meeting Minutes
September 14, 2016
6:00PM— Upper Elementary School Library

Per Policy 006.2, all public meetings of the Board of School Directors, including committees, are audio recorded.

Agenda Items

Attendance:

- **School Board** – Mark Cowell
- **Administration** - Andrew Lechman, Dr. Steve Yanni, Dave Hansel, Kim Keller, Chuck Malone, Ernie Rehr
- **Committee Members** – John O'Hara, Marcus Peckman, Ellen Stiefel, Jim Trammel
- **Public** - Melvin Band, Ed Duffy, John Manoccmeo

Mr. Cowell called the meeting to order at 6:02PM.

The committee approved the minutes from the August 17, 2016 meeting.

Mr. Cowell reminded the committee that per policy 006.2, all committee meetings are now being audio recorded.

Old Business

- None

New Business

- PFM and R.W. Baird – New Money Discussion and current market conditions. – Mr. Lechman introduced Mr. Scott Shearer and Mr. Les Bear to provide an overview of the process for the next issuance of debt for the campus revitalization project. Currently very attractive interest rates in the market for the current refinancing along with the timing for the new money issue. Refinancing approximately \$150,000 counted toward the \$10M bank qualified calendare limit leaving about \$9.85M for this financing to maximize bank qualified benefit which has more favorable interest rates. Structuring as a 20 year wrap around. Not assuming any reimbursement for this project. Will include an authorization for the Board to proceed with this next financing. Further discussion ensued about the need to take the full \$9,850,000 in December since the project began later than originally scheduled. The committee

agreed to move the parameters resolution forward for Board approval at the September Board meeting for the full amount. At the next Finance Committee meeting Mr. Lechman will bring a copy of the current draw schedule along with an analysis of funds available to determine what the prudent amount of funds required for this December borrowing is efficient. To continue to allow for the benefit of bank qualified borrowing additional funds can be taken at any time in the 2017 year as required.

- 2017-2018 Act 1 Budget Timeline – Mr. Lechman provided an overview of the Act 1 Budget Timeline that we recently released and also highlighted the key dates for the approval of the Preliminary Budget. PDE just released the base Act 1 index which is 2.5%. Over the next 2 months the administration will complete its analysis and work on the first draft of the proposed preliminary budget which will be reviewed with the finance committee at the November meeting. The key decision at this meeting will be to determine if we will adopt a resolution to stay within the index or to adopt a resolution for a proposed preliminary budget display and advertising and apply for referendum exceptions beyond the index for increased PSERS and Special Education costs. This decision will determine the motion that will be put before the Board at the November Board meeting for consideration. The final proposed preliminary budget will be reviewed with the Finance Committee at the December meeting. It will then be reviewed with the Board at the December Board meeting for approval and to be made available for public inspection. The January Board meeting will be the final adoption of the Preliminary Budget. The Preliminary Budget just sets the process in motion, it does not in any way tie the Board into a specific tax increase. Changes can and will be made to the budget through to the final budget adoption in June.
- 2015-2016 fiscal dashboard – Mr. Lechman provided an update on the status of the 2015-2016 fiscal year. At this point the numbers are finalized pending any recommended audit entries from our financial audit which is currently underway. These numbers are in line with presentations provided throughout the year. Expenditures exceeded revenues by \$1.3M and fund balance was reduced from \$6.3M to \$5.0M. This was a vast improvement from the budget which anticipated the need for \$2.6M to balance the budget. This was accomplished primarily through a budget freeze enacted in October 2015. The 2016-2017 budget was approved with a \$1.4M gap between expenditures and revenues down from initial projections of \$4.2M. The preliminary projections for 17-18 is a \$1.8M gap which will be addressed during the budget process throughout this year.
- Audit Update – Mr. Lechman provided a brief update on the fiscal audit for the year ended June 30, 2016. The onsite work is currently in process and should be complete in 2-3 weeks. The creation of the audit report and financial statements will be completed by mid-October as the state Annual Financial Report is due by October 31. A presentation of the final audit report will be given to the Finance Committee at either the November or December meeting.

- Breakfast Program Pilot – NHSD is one of a few districts that does not offer a breakfast program and breakfast is the most important meal of the day. The plan is to start a pilot program at the middle school level. Middle school is ideal for a pilot as all middle school students begin their day in the cafeteria before being dismissed to their first period. The plan is to have a grab and go meal option that is contained products so if it is not finished during the breakfast time. It can be saved for later. Discussion around after school snacks, but this would cause a drastic change in the staffing model for the food service department. Also the potential for healthy vending machines was discussed.
- Pitney Bowes Contract – At the last meeting we discussed the need to renew a lease for our mail/postage machine. This motion was tabled for further review of need and for other options. The proposal from Pitney Bowes for a new machine with all maintenance included was \$282 per month or \$3,384 for 5 years. Pitney Bowes provided a quote to extend the life of the current machine for 1 year. This includes the need for costs for maintenance of the machine and postage meter. The quote provided is \$2,613 for 1 year. That will allow appropriate time to determine if mail can be reduced to the point of not needing a mail solution. A preliminary survey was done across the district to assess what is mailed. Last year we mailed 15,000 pieces of mail which included payments and purchase orders to vendors, general school communications, state testing notification and results, course selection confirmations, attendance letters, BMI notifications, free and reduced lunch program letters and communications to parents that don't have email addresses. Many of these are required to be mailed and payments to vendors will require a significant amount of work to determine who will accept electronic payments and if current board policy allows the business office to make payments in this manner.
- EDR Information – Mr. Rehr gave an overview of the plan. Initially the plan is to prioritize this process by starting with athletics and then evolving into activities. We will put into process record keeping to analyze EDR's from a cost perspective, number of students involved, standard meetings so that these statistics can be further analyzed. A request was made to review the stats that will be collected with the finance committee for everyone to agree on the data points to be captured before the collection process begins.

Public Comment

- There was no public comment

Mr. Cowell made the motion to adjourn the meeting at 7:34PM and was seconded by Mrs. Steiff.

Respectfully submitted,

Andrew Lechman
Business Administrator

NHSD Extra Duty Responsibility Cost Analysis

Ran in 15-16	Type	Values		Sum of Total Cost
		Sum of TOTAL Payroll	Sum of All Other Costs	
No	Activity	15,695.00		15,695.00
	Athletics	22,989.00		22,989.00
No Total		38,684.00		38,684.00
Yes	Activity	163,384.34	5,196.00	168,580.34
	Athletics	205,427.23	183,726.00	389,153.23
Yes Total		368,811.58	188,922.00	557,733.58
Grand Total		407,495.58	188,922.00	596,417.58

Type _____ Activity _____

Ran in 15-16	EDR	Values		
		Sum of TOTAL Payroll	Sum of All Other Costs	Sum of Total Cost
No	24 Game	214.00		214.00
	Art Club	2,493.00		2,493.00
	Close-Up	2,484.00		2,484.00
	Flag Football	2,034.00		2,034.00
	Outdoor Club	3,429.00		3,429.00
	SADD	712.00		712.00
	School Store	712.00		712.00
	Science Olympics	268.00		268.00
	Spelling Bee	213.00		213.00
	Spirit Club	640.00		640.00
	Supervised Homework	970.00		970.00
	Ultimate Frisbee	1,526.00		1,526.00
No Total		15,695.00		15,695.00
Yes	4th Grade Chorus Naturals	528.84		528.84
	Art Club	1,157.50		1,157.50
	Band Director	3,149.26		3,149.26
	Blue/Gold & Spirit Club	2,864.04		2,864.04
	Blue/Gold Advisor	1,180.08		1,180.08
	Chess Club	1,113.53		1,113.53
	Choral Director	3,149.26		3,149.26
	Chorus	981.62		981.62
	Class Advisor	16,921.63		16,921.63
	Culminating Project Coordina	9,731.81		9,731.81
	Curriculum Liason	10,196.47		10,196.47
	Debate Team	678.58		678.58
	Director of Musical	3,893.20		3,893.20
	Drama Club	5,638.96		5,638.96
	Dramatics	1,692.28		1,692.28
	Envirothon	739.18		739.18
	FBLA	1,831.32		1,831.32
	Garden Club	806.92		806.92
	GSA Alliance	806.92		806.92
	Homework Club	1,451.04		1,451.04
	Intramurals-4 sessions	4,993.66		4,993.66
	Jazz Ensemble	1,945.41		1,945.41
	Jump Rope	634.61		634.61
	Key Club	4,016.79		4,016.79
	Lion's Tale	2,290.05		2,290.05
	Math Peer Tutoring	1,717.24		1,717.24
	Mathletes	2,025.03		2,025.03
	Mentor	6,062.76		6,062.76
	National Honor Society	1,480.75		1,480.75
	Odyssey of the Mind	1,401.12		1,401.12
	Outdoor Club	2,987.64		2,987.64
	Pianist Musical	825.94		825.94
	Pit Orchestra Musical	4,483.83		4,483.83
	Play Director	2,864.04		2,864.04
	Play MS	2,115.35		2,115.35
	Press Coordinator	1,770.72		1,770.72
	Reading Olympics	1,497.38		1,497.38
	Safety Patrol	705.91		705.91
	School Store	445.65		445.65
	Science Olympics	318.49		318.49
	Ski Club	1,903.82		1,903.82
	Stage Manager	4,253.28		4,253.28
	String Groups	2,004.83		2,004.83
	Student Council	6,220.09		6,220.09
	TAG (Environmental Club)	4,058.39		4,058.39
	Talent Show	1,692.28		1,692.28
	Tech Club	846.14		846.14
	Tech Support	8,675.32		8,675.32
	Title I Coordinator	3,036.36		3,036.36
	Vocal Coach/Musical	2,513.47		2,513.47
	Webmaster	8,708.60		8,708.60
	Yearbook	2,290.05		2,290.05
	Yearbook / Newspaper	1,510.46		1,510.46
	Yearbook Club	2,576.45		2,576.45
	Transportation		5,196.00	5,196.00
Yes Total		163,384.34	5,196.00	168,580.34
Grand Total		179,079.34	5,196.00	184,275.34

Type	Activity		Values		
Ran in 15-16	Level	EDR	Sum of TOTAL Payroll	Sum of All Other Costs	Sum of Total Cost
No	ES	Art Club	469.00		469.00
		Outdoor Club	714.00		714.00
	ES Total		1,183.00		1,183.00
	HS	Art Club	2,024.00		2,024.00
		Close-Up	1,638.00		1,638.00
		Flag Football	2,034.00		2,034.00
		Outdoor Club	2,715.00		2,715.00
		SADD	712.00		712.00
		Spirit Club	640.00		640.00
		Ultimate Frisbee	1,526.00		1,526.00
	HS Total		11,289.00		11,289.00
	MS	24 Game	214.00		214.00
		Close-Up	846.00		846.00
		School Store	712.00		712.00
		Science Olympics	268.00		268.00
		Spelling Bee	213.00		213.00
		Supervised Homework	970.00		970.00
	MS Total		3,223.00		3,223.00
No Total			15,695.00		15,695.00
Yes	District	Curriculum Liason	10,196.47		10,196.47
		Tech Support	8,675.32		8,675.32
		Title I Coordinator	3,036.36		3,036.36
		Transportation		5,196.00	5,196.00
	District Total		21,908.15	5,196.00	27,104.15
	ES	4th Grade Chorus Naturals	528.84		528.84
		Chorus	981.62		981.62
		Dramatics	1,692.28		1,692.28
		Garden Club	806.92		806.92
		Homework Club	1,451.04		1,451.04
		Intramurals-4 sessions	4,993.66		4,993.66
		Jump Rope	634.61		634.61
		Mentor	1,538.00		1,538.00
		Reading Olympics	352.95		352.95
		Safety Patrol	705.91		705.91
		School Store	445.65		445.65
		Student Council	760.58		760.58
		Talent Show	846.14		846.14
		Tech Club	846.14		846.14
		Webmaster	4,354.30		4,354.30
		Yearbook / Newspaper	1,510.46		1,510.46
	ES Total		22,449.09		22,449.09
	HS	Band Director	3,149.26		3,149.26
		Blue/Gold Advisor	1,180.08		1,180.08
		Chess Club	1,113.53		1,113.53
		Choral Director	3,149.26		3,149.26
		Class Advisor	13,872.19		13,872.19
		Culminating Project Coordina	9,731.81		9,731.81
		Debate Team	678.58		678.58
		Director of Musical	3,893.20		3,893.20
		Drama Club	5,638.96		5,638.96
		Envirothon	739.18		739.18
		FBLA	1,831.32		1,831.32
		GSA Alliance	806.92		806.92
		Key Club	4,016.79		4,016.79
		Lion's Taie	2,290.05		2,290.05
		Mathletes	1,159.88		1,159.88
		Mentor	2,032.16		2,032.16
		National Honor Society	1,480.75		1,480.75
		Pianist Musical	825.94		825.94
		Pit Orchestra Musical	1,692.28		1,692.28
		Play Director	2,864.04		2,864.04
		Press Coordinator	1,770.72		1,770.72
		Reading Olympics	381.48		381.48
		Science Olympics	318.49		318.49
		Ski Club	1,903.82		1,903.82
		Stage Manager	3,492.71		3,492.71
		String Groups	2,004.83		2,004.83
		Student Council	4,007.28		4,007.28
		TAG (Environmental Club)	1,895.50		1,895.50
		Vocal Coach/Musical	2,513.47		2,513.47
		Webmaster	2,177.15		2,177.15
		Yearbook	2,290.05		2,290.05
	HS Total		84,901.67		84,901.67
	MS	Art Club	1,157.50		1,157.50
		Blue/Gold & Spirit Club	2,864.04		2,864.04
		Class Advisor	3,049.43		3,049.43
		Jazz Ensemble	1,945.41		1,945.41
		Math Peer Tutoring	1,717.24		1,717.24
		Mathletes	865.16		865.16
		Mentor	2,492.60		2,492.60
		Odyssey of the Mind	1,401.12		1,401.12
		Outdoor Club	2,987.64		2,987.64
		Pit Orchestra Musical	2,791.55		2,791.55
		Play MS	2,115.35		2,115.35
		Reading Olympics	762.95		762.95
		Stage Manager	760.58		760.58
		Student Council	1,452.22		1,452.22
		TAG (Environmental Club)	2,162.89		2,162.89
		Talent Show	846.14		846.14
		Webmaster	2,177.15		2,177.15
		Yearbook Club	2,576.45		2,576.45
	MS Total		34,125.43		34,125.43
Yes Total			163,384.34	5,196.00	168,580.34
Grand Total			179,079.34	5,196.00	184,275.34

Type	Athletics	Values		
Ran in 15-16	EDR	Sum of TOTAL Payroll	Sum of All Other Costs	Sum of Total Cost
No	Basketball - Boys	3,615.00		3,615.00
	Basketball - Girls	3,470.00		3,470.00
	Cheerleading	3,634.00		3,634.00
	Field Hockey	1,541.00		1,541.00
	Football - Intramural	2,034.00		2,034.00
	Intramurals	3,153.00		3,153.00
	Soccer - Boys	1,832.00		1,832.00
	Softball	1,783.00		1,783.00
	Weight Training	1,927.00		1,927.00
No Total		22,989.00		22,989.00
Yes	Athletic Equipment Manager	6,641.97		6,641.97
	Baseball	11,125.99	5,267.00	16,392.99
	Basketball - Boys	15,975.66	6,154.00	22,129.66
	Basketball - Girls	15,975.66	4,968.00	20,943.66
	Cheerleading	10,210.94	2,021.00	12,231.94
	Cross Country	9,139.98	4,050.00	13,189.98
	Field Hockey	11,395.57	1,966.00	13,361.57
	Football	11,098.37	14,084.00	25,182.37
	Golf	3,320.39	4,186.00	7,506.39
	Lacrosse - Boys	7,214.78	1,152.00	8,366.78
	Lacrosse - Girls	6,992.37	2,067.00	9,059.37
	Soccer - Boys	12,364.59	3,897.00	16,261.59
	Soccer - Girls	13,226.89	5,510.00	18,736.89
	Softball	9,333.69	2,610.00	11,943.69
	Tennis - Boys	6,212.96	165.00	6,377.96
	Tennis - Girls	6,470.65	1,065.00	7,535.65
	Track and Field	21,488.65	5,926.00	27,414.65
	Volleyball	13,209.07	3,942.00	17,151.07
	Wrestling	14,029.06	5,831.00	19,860.06
	Athletic Trainer		53,000.00	53,000.00
	Transportation		55,865.00	55,865.00
Yes Total		205,427.23	183,726.00	389,153.23
Grand Total		228,416.23	183,726.00	412,142.23

Type	Athletics		Values		
	Level	EDR	Sum of TOTAL Payroll	Sum of All Other Costs	Sum of Total Cost
Ran in 15-16	No	7th Grade	Field Hockey	1,541.00	1,541.00
			Softball	1,783.00	1,783.00
	7th Grade Total		3,324.00		3,324.00
	Freshman	Basketball - Boys	1,832.00		1,832.00
		Basketball - Girls	1,832.00		1,832.00
		Soccer - Boys	1,832.00		1,832.00
			5,496.00		5,496.00
	Freshman Total				
		HS	Football - Intramural	2,034.00	2,034.00
			Weight Training	1,927.00	1,927.00
	HS Total		3,961.00		3,961.00
	JV	Cheerleading	3,634.00		3,634.00
	JV Total		3,634.00		3,634.00
	MS	Basketball - Boys	1,783.00		1,783.00
		Basketball - Girls	1,638.00		1,638.00
		Intramurals	3,153.00		3,153.00
	MS Total		6,574.00		6,574.00
No Total			22,989.00		22,989.00
Yes	7th Grade	Baseball	1,792.30		1,792.30
		Basketball - Boys	1,946.60		1,946.60
		Basketball - Girls	1,946.60		1,946.60
		Soccer - Boys	1,831.32		1,831.32
		Soccer - Girls	1,831.32		1,831.32
		Track and Field	1,946.60		1,946.60
		Volleyball	1,813.50		1,813.50
	7th Grade Total		13,108.24		13,108.24
	8th Grade	Baseball	2,118.92	1,114.00	3,232.92
		Basketball - Boys	2,118.92	1,150.00	3,268.92
		Basketball - Girls	2,118.92	1,050.00	3,168.92
		Field Hockey	2,004.83	220.00	2,224.83
		Soccer - Boys	2,004.83	330.00	2,334.83
		Softball	2,118.92	309.00	2,427.92
		Track and Field	2,118.92		2,118.92
			14,604.25	4,173.00	18,777.25
	8th Grade Total				
		District	Athletic Equipment Manager	6,641.97	6,641.97
			Athletic Trainer	53,000.00	53,000.00
			Transportation	55,865.00	55,865.00
	District Total		6,641.97	108,865.00	115,506.97
	JV	Baseball	2,805.81		2,805.81
		Basketball - Boys	5,038.82		5,038.82
		Basketball - Girls	5,038.82	3,918.00	8,956.82
		Field Hockey	3,951.43	1,746.00	5,697.43
		Football	4,669.13		4,669.13
		Lacrosse - Boys	2,805.81		2,805.81
		Lacrosse - Girls	2,583.41		2,583.41
		Soccer - Boys	3,951.43		3,951.43
		Soccer - Girls	3,951.43		3,951.43
		Softball	2,805.81	2,301.00	5,106.81
		Tennis - Boys	2,320.95	165.00	2,485.95
		Tennis - Girls	2,578.83	1,065.00	3,643.83
		Track and Field	7,124.46		7,124.46
		Volleyball	3,951.43		3,951.43
		Wrestling	5,038.82		5,038.82
			58,616.37	9,195.00	67,811.37
		MS	1,033.75		1,033.75
		Cross Country	1,586.51	122.00	1,708.51
		Soccer - Girls	2,004.83	216.00	2,220.83
		Volleyball	2,004.83	1,190.00	3,194.83
		Wrestling	2,118.92		2,118.92
	MS Total		8,748.84	1,528.00	10,276.84
	Varsity	Baseball	4,408.96	4,153.00	8,561.96
		Basketball - Boys	6,871.33	5,004.00	11,875.33
		Basketball - Girls	6,871.33		6,871.33
		Cheerleading	9,177.19	2,021.00	11,198.19
		Cross Country	7,553.47	3,928.00	11,481.47
		Field Hockey	5,439.31		5,439.31
		Football	6,429.24	14,084.00	20,513.24
		Golf	3,320.39	4,186.00	7,506.39
		Lacrosse - Boys	4,408.96	1,152.00	5,560.96
		Lacrosse - Girls	4,408.96	2,067.00	6,475.96
		Soccer - Boys	4,577.00	3,567.00	8,144.00
		Soccer - Girls	5,439.31	5,294.00	10,733.31
		Softball	4,408.96		4,408.96
		Tennis - Boys	3,892.01		3,892.01
		Tennis - Girls	3,891.82		3,891.82
		Track and Field	10,298.67	5,926.00	16,224.67
		Volleyball	5,439.31	2,752.00	8,191.31
		Wrestling	6,871.33	5,831.00	12,702.33
	Varsity Total		103,707.56	59,965.00	163,672.56
Yes Total			205,427.23	183,726.00	389,153.23
Grand Total			228,416.23	183,726.00	412,142.23

New Hope - Solebury School District
2016 - 2017 Fiscal Dashboard - Current Projections
September 30, 2016

	14-15 Actual	15-16 Budget	15-16 Unaudited	16-17 Budget	16-17 Projections	16-17 YTD %	Variance To Budget	15-16 Actual to 16-17 Projection
Beginning Uncommitted Fund Balance	6,008,727	5,131,939	5,131,939	4,322,278	4,322,278			
Committed Fund Balance - PSERS	1,200,000	1,200,000	1,200,000	700,000	700,000			
Total Beginning Fund Balance - July 1st	7,208,727	6,331,939	6,331,939	5,022,278	5,022,278			
Revenues								
Local Revenue								
Real Estate Taxes	24,851,205	25,555,657	25,419,912	26,826,194	26,811,451	100%	(14,743)	1,391,539
Delinquent Tax	684,207	600,000	743,248	600,000	600,000	100%	0	(143,248)
Transfer Tax	739,476	760,000	943,076	760,000	760,000	100%	(0)	(183,076)
Earned Income Tax	3,749,239	4,000,000	3,749,681	3,800,000	3,800,000	100%	0	50,319
Other Local Revenue	426,204	325,067	442,132	322,817	341,992	106%	19,175	(100,140)
State Revenue - General	2,784,456	2,748,796	2,751,291	2,794,910	2,794,909	100%	(1)	43,618
State Revenue - Retirement/FICA Subsidy	2,511,491	3,011,700	2,951,515	3,331,452	3,331,452	100%	-	379,937
Federal Revenue	77,853	87,000	88,318	269,515	270,063	100%	548	181,745
Total Revenue	35,824,131	37,088,220	37,089,173	38,704,888	38,709,868	100%	4,980	1,620,695
Expenditures								
Salaries and Wages	17,466,071	18,028,630	18,033,385	18,132,048	18,132,048	100%	-	98,663
Benefits & Taxes	8,151,799	9,910,508	9,874,902	10,703,968	10,703,968	100%	-	829,066
Professional Services	2,120,189	2,621,497	2,043,782	2,224,688	2,224,688	100%	-	180,906
Property Services and Utilities	780,950	814,443	723,598	869,085	869,085	100%	-	145,487
Purchased Services	2,855,465	2,999,716	2,948,775	3,348,823	3,348,823	100%	-	400,048
Supplies, Books, Software and Fuel	940,162	1,240,917	800,642	1,001,978	1,001,978	100%	-	201,336
Equipment	303,525	275,606	127,384	236,771	236,771	100%	-	109,387
Interest, Fees, and Dues	564,565	654,633	669,993	971,913	971,913	100%	-	301,920
Principal and Transfers	3,518,192	3,172,504	3,176,373	2,621,686	2,621,686	100%	-	(554,687)
Total Expenses	36,700,919	39,718,455	38,398,834	40,110,960	40,110,960	100%	-	1,712,126
ACTIVITY FOR YEAR	(876,788)	(2,630,235)	(1,309,661)	(1,406,072)	(1,401,092)		4,980	(91,431)
PROJECTED ENDING UNCOMMITTED FUND BALANCE	5,131,939	3,001,704	4,322,278	2,916,206	2,921,186			
Fund Balance Percentage of Expenditures	13.98%	7.56%	11.26%	7.27%	7.28%			
PROJECTED ENDING COMMITTED FUND BALANCE	1,200,000	700,000	700,000	700,000	700,000			
TOTAL ENDING FUND BALANCE - JUNE 30TH	6,331,939	3,701,704	5,022,278	3,616,206	3,621,186			

Fiscal Dashboard - 2016-2017 Projections Highlights

2015-2016

- These are unaudited figures.

2016-2017

- It is too early in the year to complete projections. Until the January timeframe this will just highlight any key items for the year to date.

Revenue

- Real Estate Taxes - Discount was higher than anticipated

Expenses

- Charter School Students - Ended the 15-16 year with 4 charter school students. Currently have 8.
 - LV Performing Arts CS - 2, PA Virtual Cyber Charter - 1, Bucks County Montessori CS - 1
 - Additional \$80,000 of unplanned expense

New Hope - Solebury School District
2017 - 2018 Fiscal Dashboard - Future Projections
September 30, 2016

	17-18 Budget	Change from 16-17	18-19 Projection	19-20 Projection	20-21 Projection
Beginning Uncommitted Fund Balance	2,916,206		1,252,367	(671,798)	(2,986,988)
Committed Fund Balance - PSERS	700,000		700,000	700,000	700,000
Total Beginning Fund Balance - July 1st	3,616,206		1,952,367	28,202	(2,286,988)
Revenues					
Local Revenue					
Real Estate Taxes	27,536,032	709,838	28,099,312	28,673,857	29,259,894
Delinquent Tax	600,000	0	600,000	600,000	600,000
Transfer Tax	760,000	(0)	760,000	760,000	760,000
Earned Income Tax	3,800,000	0	3,800,000	3,800,000	3,800,000
Other Local Revenue	321,289	(1,528)	321,289	321,289	321,289
State Revenue - General	2,793,452	(1,459)	2,782,651	2,782,651	2,782,651
State Revenue - Retirement/FICA Subsidy	3,615,318	283,866	3,852,224	4,042,139	4,147,328
Federal Revenue	69,515	(200,000)	69,515	69,515	69,515
Total Revenue	39,495,605	790,717	40,284,991	41,049,452	41,740,678
Expenditures					
Salaries and Wages	18,617,949	485,901	18,920,761	19,410,433	19,913,128
Benefits & Taxes	11,436,176	732,208	12,149,079	12,782,210	13,260,945
Professional Services	2,228,352	3,664	2,228,352	2,228,352	2,228,352
Property Services and Utilities	869,085	0	869,085	869,085	869,085
Purchased Services	3,478,546	129,723	3,523,127	3,568,750	3,615,440
Supplies, Books, Software and Fuel	1,001,978	0	1,001,978	1,001,978	1,001,978
Equipment	236,771	0	236,771	236,771	236,771
Interest, Fees, and Dues	1,106,088	134,175	1,184,728	1,126,115	1,056,658
Principal and Transfers	2,184,500	(437,186)	2,095,275	2,140,948	2,210,017
Total Expenses	41,159,444	1,048,484	42,209,156	43,364,641	44,392,373
ACTIVITY FOR YEAR	(1,663,839)		(1,924,165)	(2,315,189)	(2,651,696)
PROJECTED ENDING UNCOMMITTED FUND BALANCE	1,252,367		(671,798)	(2,986,988)	(5,638,683)
Fund Balance Percentage of Expenditures	3.04%		-1.59%	-6.89%	-12.70%
PROJECTED ENDING COMMITTED FUND BALANCE	700,000		700,000	700,000	700,000
TOTAL ENDING FUND BALANCE - JUNE 30TH	1,952,367		28,202	(2,286,988)	(4,938,683)

Assumptions

Revenue

- Act 1 Index - 2.5% in 17-18 and 2.0% beyond
- EIT flat to match trend - Monitoring NJ Tax reciprocity
- State - Education subsidy amount adjusted to reflect current state subsidy amount per 15-16 approved budget
- Retirement/FICA subsidy increase with Expenditure increases

Expenditure

- 17-18 is reflecting all actual salary increases per the current salary schedule - Teachers Contract expiring June 30, 2017
- PSERS Expense adjustment to only calculate PSERS eligible salary - Removed Retiree and Benefits waiver payments
- Charter School payments increased to match current enrollment.
- Beyond 17-18 Salary - Average increase of 3%
 - Average increase of 3%
 - Payroll Benefits - 3% to match salary increase
 - Medical - 6% increase
 - Retirement - Increase based on PSERS schedule
 - Insurance - Increase 3% per year
 - Debt Service - Matches current debt projections

Budget Transfer - Summary Sheet
October 17, 2016 - Board Meeting

Transfer From	Account	Object	Object Description	Amount	Transfer To	Account	Object	Object Description	Amount	Reason
LEARNING SUPPORT-7 & 8 LEARNING SUPPORT-UPPER ES	101241300000000008	390	CONT SERVICE	\$ 10,000.00	HIGH SCHOOL	101100300000000000	562	CHARTER SCHOOL TUITION	\$ 10,000.00	Additional 4 Charter School Students
	101241100000000009	390	CONT SERVICE	\$ 10,000.00	HIGH SCHOOL	101100300000000000	562	CHARTER SCHOOL TUITION	\$ 10,000.00	Additional 4 Charter School Students
ES LRNG SUPP	101241100000000001	390	CONT SERVICE	\$ 10,000.00	HIGH SCHOOL	101100300000000000	562	CHARTER SCHOOL TUITION	\$ 10,000.00	Additional 4 Charter School Students
BUDGETARY RESERVE	105900000000000007	940	BUDGETARY RESERVE	\$ 50,000.00	HIGH SCHOOL	101100300000000000	562	CHARTER SCHOOL TUITION	\$ 50,000.00	Additional 4 Charter School Students
INTERVENTION	102160000000000001	580	TRAVEL	\$ 400.00	INTERVENTION	102160000000000001	640	BOOKS and PERIODICALS	\$ 400.00	Social Workers request for books.

Business Administrator Signature _____ Date _____

Superintendent Signature _____ Date _____

NHSD 2016-2017 Budget Timeline

Proposed Date	Act 1 Deadline	Meeting	Entity	Description	Status
Now - Nov Finance Committee	September 1, 2016			School District Internal work to complete preliminary budget	In Progress
Sep/Oct		Finance Com	Dept of Education	Publish 2017-2018 Act 1 Based Index	Complete
November 9, 2016		Finance Com	School District	Presentation of 2017-2018 Budget Timeline - Through Preliminary Budget	Complete
November 14, 2016	Nov / Dec	Board	School District	First presentation to Finance Committee - Proposed Preliminary Budget	
	December 27, 2016		Dept of Education	Adopt Resolution Authorizing Proposed Preliminary Budget Display and Advertising	
	December 31, 2016		School District	Notification to School Districts of AFR data to use with calculating referendum exceptions	
		Finance Com	Board	Mail homestead notices - BCIU handles for all students in the county	
December 14, 2016				Final Recommendation of Proposed Preliminary Budget	20 days Prior to Preliminary Budget Adoption
December 19, 2016	January 26, 2017	Board	Board	Adopt Proposed Preliminary Budget or Opt Out Resolution	
				Make Preliminary Budget Available for Public Inspection & Post on Website	
December 27, 2016	February 5, 2017	Board	Board	Publish Notice - Intent to Adopt 17-18 Preliminary Budget (<i>Must Advertise at least 10 days before preliminary budget adoption</i>)	
January 11, 2017		Finance Com	School District	Final Recommendation of Preliminary Budget	
January 16, 2017	February 15, 2017	Board	Board	Resolution Adopt Preliminary Budget and Authorizing Referendum Exception and Final Budget Notice	
January 16, 2017	February 15, 2017	Board	Board	Elected Tax Collector Compensation	
January 27, 2017	February 19, 2017		School District	Submit Preliminary Budget / Proposed Tax Rate Increases to PDE	
January 27, 2017	February 23, 2017		School District	Publish and Post Notice of intent to apply for referendum exceptions	
February 10, 2017	March 2, 2017		School District	Request approval for referendum exceptions	
				Deadline to submit primary election referendum question seeking voter approval of tax increase in excess of index to county election officials.	
	March 17, 2017		School District		

Business Office

Review of Payroll Outsourcing

Background: The management of payroll and benefits is a crucial function for any organization. This function comes with many local/state/federal regulations which are constantly changing (ACA Reporting). For a school district this function represents 70% of total expenditures, so it plays an even more critical role. For New Hope-Solebury School District, administration of payroll and benefits is managed by 1 employee. This function has been evaluated closely over the prior 12 months and the following concerns have been identified:

- Single point of failure - Confidential work so no one in the district is cross-trained
- No documented processes or procedures
- Inefficient processes and procedures used to complete daily work
- Lack of capacity - Inability to adapt to changes

As a result, the potential option of outsourcing has been explored for resolving these concerns. In July we had an exploratory meeting with ADP just to begin to understand what an outsourced model would look like.

Goals for outsourcing:

- Eliminate single point of failure for a critical operational function
- Improved payroll and benefits processes, procedures and management of these functions
- Reduced risk of payroll and benefits errors occurring
- ACA reporting and the ability to change as other regulatory changes occur
- No additional costs to the district

What we learned:

- The employer retains accountability for the front end processes and the data used for payroll. So we must retain a part-time employee 20-25 hours per week.
 - Input/maintain employee data (demographic, deductions, benefits, etc)
 - Input/balance employee pay data
 - Verify accuracy of payroll results
- ADP is responsible for the remainder of the processing tasks
- ADP also offers the following solutions included with our base package
 - Electronic Solutions to eliminate paper based processes
 - Timesheets, Act 32, Open Enrollment, Mobile App
 - Compliance – ACA Reporting, FLSA

Cost Analysis:

- Year 1 – Breakeven
 - Includes One-Time setup fees and 6 months of payroll services from a 3rd party vendor
- Year 2 – 4 – Savings of \$15,000 - \$20,000

Contracts: There are two contracts that are being discussed and reviewed

1) ADP

- a. 4 year agreement for an outsourced payroll solution

2) Triton HR Resources

- a. Implementation – Triton will provide the necessary capacity/resources to properly implement and setup the ADP solution. – Cost \$2,500
- b. Payroll Services – Triton will provide 6 months of payroll services through the transition at a cost of \$45.00 per hour for 20-25 hours per week. These costs are factored into the total costs of the project. This serves three key purposes:
 - i. Provide a seamless transition to assure no employees are impacted by this transition.
 - ii. Assure that the implementation was completed properly and processes are working efficiently.
 - iii. Properly train and transition the retained payroll functions back in house to a part time payroll clerk.

Payroll Processing Tasks

In house Staff Responsibilities:

Input/maintain employee data	Quarter-end processing
Input/balance employee pay data	Year-end processing
Verify accuracy of payroll results	Production of W-2's
Process payroll	Prepare/file year end tax reports
Print checks and reports	Quarter and year-end close
Stuff, sort and distribute checks	Prepare new year calendars
Create and send banking files	Update tax tables
Create G/L interface file	Maintain check print s/w
Calculate garnishment	Maintain tax forms, W-2's
Process garnishment payments	Maintain PR reports
Research garnishment inquiries	Apply PR system updates
Prepare/send tax deposits	Test and troubleshoot updates
Prepare/file quarterly tax reports	Order check forms, W-2 forms
Respond to agency tracers	Disaster recovery plans/tests

Payroll Processing Tasks

In house Staff Responsibilities:

Input/maintain employee data
Input/balance employee pay data
Verify accuracy of payroll results

Process payroll
Print checks and reports
Stuff, sort and distribute checks
Create and send banking files
Create G/L interface file
Calculate garnishments
Process garnishment payments
Research garnishment inquiries
Prepare/send tax deposits
Prepare/file quarterly tax reports
Respond to agency tracers

ADP Payroll Responsibilities:

Quarter-end processing
Year-end processing
Production of W-2's
Prepare/file year end tax reports
Quarter and year-end close
Prepare new year calendars
Update tax tables
Maintain check print s/w
Maintain tax forms, W-2's
Maintain PR reports
Apply PR system updates
Test and troubleshoot updates
Order check forms, W-2 forms
Disaster recovery plans/tests



The business
behind business

Investment Summary

New Hope Soleberry School District
180 W Bridge St
New Hope, PA 18938-1392
United States

Today's Date: 10/11/2016
Quote Number: 02-2016-1664179.3

Executive Contact
Andrew Lechman
Business Administrator
alechman@nhsd.org
(215) 862-8185

ADP Sales Associate
Kristin Baltusavich
kristin.baltusavich@adp.com
(215) 283-4144

Control # 1 : Quote based on an estimated 194 pays, paid Bi-Weekly
Payroll, HCM, TIME: \$95.00 Base Fee plus \$9.25 per employee per processing
W2/1099s: \$6.95 per W2/1099

Annual Total Investment:	\$50,475.30
Discount:	\$4,421.56
Annual Investment:	\$46,053.74
One Time Implementation Cost:	\$19,200.00
Discount:	\$13,100.00
Implementation Cost:	\$6,100.00

Promotion:	One Year Free of Service Spread Over 4 Years; Applies to Months 7-9 each year from start date	*Promotion Financial Impact: \$44,705.44
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Expiration Date:	10/19/2016
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*Promotion Financial Impact value is an estimate based on pay count, frequency and modules selected for Core Payroll, HR and Time Software. Actual savings may vary.

SALES ORDER

New Hope Soleberry School District
180 W Bridge St
New Hope, PA 18938-1392
United States

Today's Date: 10/11/2016
Quote Number: 02-2016-1664179.3

Control Start Date: 1/6/2017

Executive Contact
Andrew Lechman
Business Administrator
alechman@nhisd.org
(215) 862-8185

ADP Sales Associate
Kristin Baltusavich
kristin.baltusavich@adp.com
(215) 283-4144

Number of Employees for Payroll processing : 194 on control: New Hope Soleberry School District

Processing Fees	Count	Min	Base	Rate	Bi-Weekly Fee	Annual Totals
Workforce now Solutions* - 9.0%	194		\$95.00	\$9.25	\$1,889.50	\$49,127.00
Essential Plus Payroll						
Tax Filing Service						Employee and Manager Self Service
Payment Services						Access to Mobile Apps
Reports Library and Custom Report Writer						Employee Discount Program
Wage Garnishment Processing						New Hire Reporting
Group Term Life Auto Calculation						General Ledger Solution
One Delivery Location						Online Reports and Pay Statements
Workforce Now HR & Benefits						
ADP Portal with Customized Content						Paid Time Off (PTO) Accruals Engine
Policy Acknowledgement						Multiple Benefit Plan Types
Organization Charting						Flexible Rate Structures
Employee Development Tracking						Notifications & Approvals
Compliance Reporting						Dependent & Beneficiary Tracking
Custom Fields						Employee Open Enrollment
Global HR System of Record:						ACA Measurement Dashboard
- Multiple Language & Currencies						Invoice Auditing
- Country Specific Workflows & Processes						Cobra Event Triggers
- Country Specific Custom Fields & Formatting						
Essential ACA						
Annual 1094c/1095c Filing						Evidence of Benefit Offering Screens & Reporting
Health & Welfare 3rd Party Carrier Connections						
Essential Time						
Time Collection						Rule Based Calculations
PTO Management & Reporting						Scheduling
Request & Approval Workflows						Mobile Access
Paid Time Off Accruals						
Workforce Now Analytics						
Pre-Configured Key Performance						Ability to Customize Additional KPIs
Executive Dashboard						

Billing: Payroll Processing Services, HR and any module bundled into the single per employee per processing fee for payroll, is billed immediately following the client's first payroll processing. The billing count is based on the number of pays submitted during each processing period, therefore total billing may fluctuate.

*Discount <\$170.06> <\$4,421.56>

Subtotal					\$170.00	\$4,421.56
Invoice Details				Unit Fees		
Additional Jurisdiction (if applicable)				2-	\$8.95 per month	

Annual Fees	Count	Min	Base	Rate	Annual Totals
Year End Forms, W2s or 1099s	194			\$6.95	\$1,348.30

Subtotal					\$1,348.30
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Implementation Fees	Count	One Time Fee
Implementation for Workforce Now Solutions	1	\$4,100.00
ACA Historical Hours Import: Client will upload hours history themselves	N/A	N/A

Standard Health & Welfare Carrier Connection Feed Setups	2	\$2,000.00
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Subtotal		\$6,100.00
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Promotion:

One Year Free of Service Spread Over 4 Years; Applies to Months 7-9 each year from start date

Summary

Annual Total of Per Processing Fees	\$44,705.44
Total Annual Fees (Total of all annual fees)	\$1,348.30
Total One-Time Fees (Total of all one-time fees)	\$6,100.00

Start Date Type	Start Date
Payroll	1/6/2017
HR	3/3/2017
Time	1/6/2017

Contact Type	Contact	Phone
HR	Andrew Lechman	(215) 862-8185
Payroll	Andrew Lechman	(215) 862-8185
Time	Andrew Lechman	(215) 862-8185
Executive	Andrew Lechman	(215) 862-8185
Client Security Master	Andrew Lechman	(215) 862-8185
Primary	Andrew Lechman	(215) 862-8185

Control Summary

Control Name	Company Code	Pays
Control 1 New Hope Soleberry School District		194

Client agrees to direct debit of fees for service: Yes

Expiration Date: 10/19/2016

THE ADP SERVICES LISTED ON THIS SALES ORDER ARE PROVIDED AT THE PRICES SET FORTH ON THE ABOVE PAGES AND IN ACCORDANCE WITH ADP'S STANDARD TERMS AND CONDITIONS OF SERVICE ATTACHED TO THIS SALES ORDER. BY SIGNING BELOW YOU ARE ACKNOWLEDGING RECEIPT OF AND AGREEMENT TO SUCH TERMS AND CONDITIONS AND TO THE LISTED PRICES.

ADP, LLC

By:

Name:

Title:

Date:

Client:

By:

Name:

Title:

Date:



MAJOR ACCOUNTS SERVICES - MASTER SERVICES AGREEMENT

10/11/2016

(Effective Date)

ADP, LLC: One ADP Boulevard
Roseland, New Jersey 07068

(referred to herein as "ADP")

CLIENT: New Hope Soleberry School District
180 W Bridge St New Hope, PA 18938-1392, United
States

(referred to herein as "Client")



Attention: Andrew Leclman

ADP and Client agree that ADP shall provide Client with the following services in accordance with the terms and subject to the conditions set forth in this Major Accounts Services Master Services Agreement (the "Agreement").

ANNEX A:	GENERAL TERMS AND CONDITIONS
ANNEX B:	PAYROLL PROCESSING, TAX FILING & PAYMENT SERVICES
ANNEX C:	TIME AND ATTENDANCE SERVICES
ANNEX D:	HR, BENEFITS AND TALENT MANAGEMENT SERVICES
ANNEX E:	ESSENTIAL ACA

BY SIGNING BELOW, CLIENT ACKNOWLEDGES THAT THEY HAVE REVIEWED THE ENTIRE AGREEMENT INCLUDING THE TERMS AND CONDITIONS IN EACH ANNEX CORRESPONDING TO SERVICES PURCHASED PURSUANT TO THE SALES ORDER.

This Agreement includes the Annexes related to the services selected by Client. Each Annex listed above is attached hereto and is incorporated into this Agreement in full by this reference as if set forth in this Agreement in full.

ADP, LLC		CLIENT	
			
(Signature of Authorized Representative)		(Signature of Authorized Representative)	
Kristin Filachek			
(Name - Please Print)		(Name - Please Print)	
MADM	10/11/16		
(Title)	(Date)	(Title)	(Date)

ANNEX A
GENERAL TERMS AND CONDITIONS

All references in this Agreement to "Client" shall refer to Client and its affiliates receiving the Services and ADP Products (defined in section 1A) pursuant hereto. For purposes of this Agreement "affiliate" shall mean any individual, corporation or partnership or any other entity or organization (a "person") that controls, is controlled by or is under common control with Client. For purposes of the preceding definition, "control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person, whether through ownership of voting securities or by contract or otherwise. Unless otherwise specified, any reference in this Annex to a section or other subdivision is a reference to a section or subdivision of this Annex. Any terms defined in this Annex A shall have the same meaning in any other Annex to this Agreement unless otherwise noted.

1. GENERAL TERMS

- A. **Services.** ADP shall provide the services described in each Annex elected by Client under this Agreement or amendment to this Agreement and any other services offered pursuant to this Agreement and that ADP provides to Client at Client's request (the "Services") and such equipment, computer programs, software (other than pre-packaged third-party software), and documentation (the "ADP Products") required for such Services in accordance with sales order(s) between Client and ADP (the "Sales Order(s)"). A general description of the Services, including ADP Workforce Now, ADP's web-based portal which provides a single point of access to ADP online solutions and employee-facing websites and resources related to payroll, HR, benefits, talent, and time and attendance, is found at www.productdescription.majoraccounts.adp.com (which may be modified from time to time provided, however, that any such modifications will not have a material adverse impact on any of the Services Client is receiving). The ADP Products and Services are hosted in the United States and are for use in the United States only, except for the HR and/or Talent modules of ADP Workforce Now (but specifically excluding document cloud services and any other modules/tools that ADP, in its sole discretion, determines shall not be accessible to Client employees located outside the United States), approved for use and access by Client from the countries specified on the Approved Country List listed on www.productdescription.majoraccounts.adp.com or ADP otherwise consents in writing. ADP will provide the Services in a good, diligent and professional manner in accordance with industry standards, utilizing personnel with a level of skill commensurate with the Services to be performed.
- B. **Errors; Review of Data.** All Services provided hereunder will be based upon information provided to ADP by Client or any person who is authorized by Client to use, access or receive the Services. Client will promptly review all documents and reports produced by ADP and provided or made available to Client in connection with the Services and promptly notify ADP of any error, omission, or discrepancy with Client's records. ADP will promptly correct such error, omission or discrepancy and, if such error, omission or discrepancy was caused by ADP, then such correction will be done at no additional charge to Client. To help prevent employee fraud, ADP recommends that Client has someone other than its designated payroll contact, promptly and thoroughly review Client's disbursement reports to enable Client to spot and correct errors and inconsistencies.
- C. **Records.** ADP does not serve as Client's record keeper and Client will be responsible for retaining copies of all documentation received from or provided to ADP in connection with the Services to the extent required by Client or applicable law.
- D. **Use of ADP Products and Services.** ADP Products and Services include confidential and proprietary information. Client shall use the ADP Products and Services only for its internal business purposes. Client shall not provide, directly or indirectly, any of the ADP Products or Services or any portion thereof to any other party. Client shall not provide service bureau or other data processing services that make use of the ADP Products or Services or any part thereof without the express written consent of ADP. Client shall be responsible for the use of the Services by its affiliates, employees, plan participants and any other persons authorized by Client to access or use the Services in accordance with the terms of this Agreement. Client is responsible for the accuracy and completeness of all information and materials provided by Client, its agents or employees, regardless of form ("Client Content").
- E. **Compliance.**
- i. **Applicable Laws.** Each party will comply with applicable laws and regulations that affect its business generally, including any applicable anti-bribery, export control and data protection laws and rules and regulations promulgated by the United States Department of Treasury, Office of Foreign Assets Control ("OFAC") regarding export controls and trade with prohibited parties. For clarity, Client represents that Personal Information (as defined section 7C of this Annex A) transferred by Client or at Client's direction to ADP has been collected in accordance with applicable privacy laws, and ADP agrees that it shall only process the Personal Information as needed to perform the Services, or as required or permitted by law.
 - ii. **Design of the Services.** ADP will design the Services, including the functions and processes applicable to the performance of the Services, to assist the Client in complying with its legal and regulatory requirements applicable to the Services, and ADP will be responsible for the accuracy of such design. Client and not ADP will be responsible for (i) how it uses the Services to comply with its legal and regulatory requirements and (ii) the consequences of any instructions that it gives or fails to give to ADP, including as part of the implementation of the Services, provided ADP follows such instructions. Services do not include any legal, financial, regulatory, benefits, accounting or tax advice.
 - iii. **Online Statements.** If Client instructs ADP to provide online pay statements, Forms W2, or Forms 1099 without physical copies thereof, Client will be exclusively responsible for determining if and to what extent Client's use of online pay statements, Forms W2 or Forms 1099 satisfies Client's obligations under applicable laws and the consequences resulting from such determinations.
- F. **Links to Third-Party Sites.** Certain ADP Products or Services may be accessed by Client and its authorized employees and plan participants through the Internet at a website provided by ADP or on behalf of ADP, including those hosted by ADP on behalf of Client (a "Site"). Links to and from the Site to other third-party sites do not constitute an endorsement by ADP or any of its subsidiaries or affiliates of such third-party sites or the acceptance of responsibility for the content on such sites. Client's business dealings with any third-party advertiser found on the Site(s) are solely between Client and such advertiser and ADP shall not be responsible or liable for any loss or damage of any sort incurred as the result of any such dealings or as the result of the presence of such advertisers on ADP Workforce Now.

- G. **Transmission of Data.** In the event that Client elects to use an application programming interface ("API") to provide, or requests that ADP provide any Client Content or employee or plan participant information to any third party or to any non-U.S. Client location, Client represents that it has acquired any consents or provided any notices required to transfer such content or information and that such transfer does not violate any applicable international, federal, state or local laws and/or regulations. Additionally, ADP shall not be responsible for any services or data provided by any such third party.
2. **FEES, PAYMENTS, AND TAXES**
- A. **Fees.** Client shall pay ADP for the ADP Products and Services at the rates specified in the Sales Order (assuming no changes in requirements, specifications, volumes or quantities) for the first six (6) months after the Effective Date, or if there is a Price Agreement for certain ADP Products or Services, for the term set forth therein (the "Initial Period"). Client shall pay ADP for the ADP Products and Services added by Client after the Effective Date at ADP's then prevailing prices for such ADP Products and Services. Subject to any Price Agreement, ADP may increase prices for the ADP Products and Services at any time after the Initial Period upon at least thirty (30) days prior written notice to Client if such change is part of a general price change by ADP to its clients for affected items.
- B. **Billing.** Commencement of billing for Services shall be set forth in the respective Annexes governing the Services. Client will pay all invoices in full within thirty (30) days of the invoice date. Client shall reimburse ADP for any expenses incurred, including interest and reasonable attorney fees, in collecting amounts due ADP hereunder that are not under good faith dispute by Client. Fees for implementation services, if any, shall be billed upon go live of the respective Service(s); provided, however, in the event this Agreement or any Services(s) is terminated after the commencement but prior to the completion of such implementation, ADP will invoice, and Client will pay, for any implementation services and expenses incurred by ADP until such date of termination (a minimum of 30% of quoted implementation fees), not to exceed the implementation fees quoted on the Sales Order.
- C. **Taxes.** Client shall be responsible for payment of all taxes (excluding those on ADP's net income) relating to the provision of ADP Products and Services, except to the extent a valid tax exemption certificate or other written documentation acceptable to ADP to evidence Client's tax exemption status is provided by Client to ADP prior to the delivery of Services.
3. **WARRANTIES AND DISCLAIMER**
- A. **Warranties.** Each party warrants that (i) it has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby and (ii) this Agreement has been duly and validly executed and delivered and constitutes the valid and binding agreement of the parties, enforceable in accordance with its terms.
- B. **DISCLAIMER.** EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, ALL EQUIPMENT PROVIDED BY ADP OR ITS SUPPLIERS IS PROVIDED "AS IS" AND ADP AND ITS LICENSORS EXPRESSLY DISCLAIM ANY WARRANTY, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INTERRUPTION OF USE, AND FREEDOM FROM PROGRAM ERRORS, VIRUSES OR ANY OTHER MALICIOUS CODE WITH RESPECT TO THE SERVICES, THE ADP PRODUCTS, ANY CUSTOM PROGRAMS CREATED BY ADP OR ANY THIRD-PARTY SOFTWARE DELIVERED BY ADP. ADP AND ITS LICENSORS FURTHER DISCLAIM ANY WARRANTY THAT THE RESULTS OBTAINED THROUGH THE USE OF THE SERVICES, THE ADP PRODUCTS, ANY CUSTOM PROGRAMS CREATED BY ADP OR ANY THIRD-PARTY SOFTWARE DELIVERED BY ADP WILL MEET CLIENT'S NEEDS.
4. **INTELLECTUAL PROPERTY**
- A. **Client IP Rights.** Except for the rights expressly granted to ADP in this Agreement, all rights, title and interests in and to Client Content, including all Intellectual Property Rights (as hereinafter defined) inherent therein and pertaining thereto, are owned exclusively by Client or its licensors. Client hereby grants to ADP for the term of this Agreement a non-exclusive, worldwide, non-transferable, royalty-free license to use, edit, modify, adapt, translate, exhibit, publish, reproduce, copy and display the Client Content for the sole purpose of performing the Services; provided Client has the right to pre-approve the use by ADP of any Client trademarks or service marks. For the purposes of this Agreement, "Intellectual Property Rights" means all rights, title and interest to or in patent, copyright, trademark, service mark, trade secret, business or trade name, know-how and rights of a similar or corresponding character.
- B. **ADP IP Rights.** Except for the rights expressly granted to Client in this Agreement, all rights, title and interest in and to the Services, including all Intellectual Property Rights inherent therein and pertaining thereto, are owned exclusively by ADP or its licensors. ADP grants to Client for the term of this Agreement a personal, non-exclusive, non-transferable, royalty-free license to use and access the ADP Products or Services in accordance with the terms of this Agreement. The ADP Products or Services do not include any Client-specific customizations unless otherwise agreed in writing by the parties. Client will not obscure, alter or remove any copyright, trademark, service mark or proprietary rights notices on any materials provided by ADP in connection with the Services, and will not copy, decompile, recompile, disassemble, reverse engineer, or make or distribute any other form of, or any derivative work from, such ADP materials.
- C. **Ownership of Reports.** Client will retain ownership of the content of reports and other materials that include Client Content produced and delivered by ADP as a part of the Services, provided that ADP will be the owner of the format of such reports. To the extent any such reports or other materials incorporate any ADP proprietary information, ADP (i) retains sole ownership of such proprietary information and (ii) provides the Client a fully paid up, irrevocable, perpetual, royalty-free license to access and use same for its internal business purposes without the right to create derivative works (other than derivative works to be used solely for its internal business purposes) or to further distribute any of the foregoing rights except to its affiliates, employees, plan participants and any other persons authorized by Client to access or use the Services.
- D. **ADP Indemnity.** Subject to the remainder of this Section 4D, ADP shall defend Client in any suit or cause of action, and indemnify and hold Client harmless against any damages payable to any third party in any such suit or cause of action, alleging that the ADP Products as used in accordance with this Agreement infringe any U.S. patent, copyright, trade secret or other proprietary right of any third party. The foregoing obligations of ADP are subject to the following requirements: Client shall take all reasonable steps to mitigate any potential damages which may result; Client shall promptly notify ADP of any and all such suits and causes of action; ADP controls any negotiations or defense of such suits and causes of action; and Client assists as reasonably required by ADP. The foregoing obligations of ADP do not apply to the extent that the infringing ADP Product or portions or components thereof or modifications thereto were not

supplied or directed by ADP, or were combined with other products, processes or materials not supplied or directed by ADP (where the alleged infringements relates to such combination).

5. NONDISCLOSURE

All Confidential Information (defined below) disclosed hereunder will remain the exclusive and confidential property of the disclosing party. The receiving party will not disclose the Confidential Information of the disclosing party and will use at least the same degree of care, discretion and diligence in protecting the Confidential Information of the disclosing party as it uses with respect to its own confidential information, but in no case less than reasonable care. The receiving party will limit access to Confidential Information to its affiliates, employees and authorized representatives with a need to know and will instruct them to keep such information confidential. Notwithstanding the foregoing, the receiving party may disclose Confidential Information of the disclosing party (a) to the extent necessary to comply with any law, rule, regulation or ruling applicable to it, (b) as appropriate and with prior notice where practicable, to respond to any summons or subpoena or in connection with any litigation, (c) relating to a specific employee, to the extent such employee has consented to its release, and/or (d) in order to provide the Services under this Agreement. Upon the request of the disclosing party, the receiving party will return or destroy all Confidential Information of the disclosing party that is in its possession. Notwithstanding the foregoing, (x) ADP may retain information for regulatory purposes or in back-up files, provided that ADP's confidentiality obligations hereunder continue to apply; (y) ADP may use the Client's and its employees' and participants' information for purposes other than the performance of the Services but only in an aggregated, anonymized form, such that neither Client nor its employees or participants may be identified, and Client will have no ownership interest in such aggregated, anonymized data. For purposes of this Section, "Confidential Information" shall mean: all information of a confidential or proprietary nature, including pricing and pricing related information and all personally identifiable payroll and employee-level data, provided by the disclosing party to the receiving party for use in connection with ADP Products or Services, or both, but does not include (i) information that is already known by the receiving party, (ii) information that becomes generally available to the public other than as a result of disclosure by the receiving party in violation of this Agreement, and (iii) information that becomes known to the receiving party from a source other than the disclosing party on a non-confidential basis. The obligations of ADP set forth in this Section 5 shall not apply to any suggestions and feedback for product or service improvement, correction, or modification provided by Client in connection with any present or future ADP product or service, and, accordingly, neither ADP nor any of its clients or business partners shall have any obligation or liability to Client with respect to any use or disclosure of such information.

6. LIMIT ON LIABILITY

- A. **Limit on Monetary Damages.** Notwithstanding anything to the contrary contained in this Agreement, ADP's aggregate liability under this Agreement during any calendar year for damages (monetary or otherwise) under any circumstances for claims of any type or character made by Client or any third party arising from or related to ADP Products or Services, will be limited to the lesser of (i) the amount of actual damages incurred by Client or (ii) the average monthly charges for three (3) months for the affected ADP Products or Services during such calendar year. ADP will issue Client a credit(s) equal to the applicable amount and any such credit(s) will be applied against subsequent fees owed by Client. The foregoing limit on liability shall not apply to (i) ADP's willful, criminal or fraudulent misconduct; (ii) the infringement indemnity set forth in Section 4D; (iii) loss or misdirection of Client funds in possession or control of ADP due to ADP's error or omission; and (iv) in connection with the Tax Filing Services as provided in Section 1 of Annex B, (a) interest charges imposed by an applicable tax authority on Client for the failure by ADP to pay funds to the extent and for the period that such funds were held by ADP and (b) all tax penalties, in each case resulting from ADP's error or omission in the performance of such Services. The provisions of Section 6A(iv) shall only apply if (x) Client permits ADP to act on Client's behalf in any communications and negotiations with the applicable taxing authority that is seeking to impose any such penalties or interest and (y) Client assists ADP as reasonably required by ADP.
- B. **No Consequential Damages.** NEITHER ADP NOR CLIENT WILL BE RESPONSIBLE FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR OTHER SIMILAR DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY LOST PROFITS OR DAMAGES FOR BUSINESS INTERRUPTION OR, LOSS OF INFORMATION) THAT THE OTHER PARTY MAY INCUR OR EXPERIENCE IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES OR ADP PRODUCTS, HOWEVER CAUSED AND UNDER WHATEVER THEORY OF LIABILITY, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7. SECURITY AND CONTROLS

- A. **Service Organization Control Reports.** Following completion of implementation of any applicable Services, ADP will, at Client's request and at no charge, provide Client with copies of any routine Service Organization Control 1 reports ("SOC 1 Reports") (or any successor reports thereto) directly related to the core ADP Products utilized to provide the Services provided hereunder for Client and already released to ADP by the public accounting firm producing the report. SOC 1 Reports are ADP Confidential Information and Client will not distribute or allow any third party (other than its independent auditors) to use any such report without the prior written consent of ADP. Client will instruct its independent auditors or other approved third parties to keep such report confidential and Client will remain liable for any unauthorized disclosure of such report by its independent auditors or other approved third parties.
- B. **Business Continuity; Disaster Recovery.** ADP maintains a commercially reasonable business continuity and disaster recovery plan and will follow such plan.
- C. **Data Security.** ADP has an established information security program containing appropriate administrative, technical and physical measures to protect Client data (including any Personal Information therein) against accidental or unlawful destruction, alteration, unauthorized disclosure or access consistent with applicable laws and data processing industry standards. For purposes of this Agreement, "Personal Information" means information relating to an identified or identifiable natural person. An identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to such person's physical, physiological, mental, economic, cultural or social identity. In the event ADP suspects any unauthorized access to, or use of, the Services, ADP may suspend access to the Services to the extent ADP deems necessary to preserve the security of the Client's data.
- D. **Data Security Incident Notification.** If ADP becomes aware of a security breach (as defined in any applicable law) or any other event that compromises the security, confidentiality or integrity of Client's Personal Information (an "Incident"), ADP will take appropriate

actions to contain, investigate and mitigate the Incident. In the event that applicable law requires notification to individuals and others of such an Incident, ADP will take additional mitigation steps including providing assistance with the drafting and mailing of such notifications. ADP and Client shall mutually agree on the content and timing of any such notifications, in good faith and as needed to meet applicable legal requirements.

8. TERM AND TERMINATION; DEFAULT BY CLIENT; REMEDIES UPON DEFAULT

- A. **Termination/Suspension.** Subject to the terms of any Price Agreement and except as set forth in any other Annex herein, entered into by ADP and Client, ADP may upon at least ninety (90) days prior written notice or Client may upon at least sixty (60) days prior written notice, terminate this Agreement or any Service(s) provided hereunder without cause. In the event Client does not provide ADP with the proper notice as set forth in the previous sentence (or as set forth in any Annex herein), Client shall pay ADP for any fees for Services that would have been incurred by Client during such notice period (calculated based on an average of the prior six months of invoices for such terminated Services, or shorter period of time if there has been less than six months of invoices). Either party may also suspend performance and/or terminate this Agreement immediately upon written notice at any time if: (i) the other party is in material breach of any material warranty, term, condition or covenant of this Agreement and fails to cure that breach within thirty (30) days after written notice thereof; (ii) the other party ceases business operations; or (iii) the other party becomes insolvent, generally stops paying its debts as they become due or seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding, or if any such proceeding is instituted against the other (and not dismissed within ninety (90) days after commencement of one of the foregoing events). ADP may also suspend performance immediately without prior notice in the event Client, its employee(s) or any other third party (i) includes in any Site any Client Content which is obscene, offensive, inappropriate, threatening, or malicious; which violates any applicable law or regulation or any contract, privacy or other third party right; or which otherwise exposes ADP to civil or criminal liability or (ii) wrongfully uses or accesses the ADP Products or any other systems of ADP used in the performance of its obligations under this Agreement. ADP may also immediately terminate this Agreement or the Services if Client has violated or, if conducting business with Client, a payee of Client, or Client subsidiary is in violation of, any of the rules or regulations promulgated by OFAC.
- B. **Termination/Suspension of Payment Services.** Without limiting the foregoing, the parties agree that any Services that involve electronic or check payments being made by ADP to third parties on Client's behalf and at its direction (collectively, "Payment Services") involve a credit risk to ADP. Payment Services may be immediately suspended or terminated by ADP without prior notice if (i) ADP has not received timely funds from Client; (ii) a bank notifies ADP that it is no longer willing to originate debits from Client's account(s) and/or credits for Client's behalf for any reason; (iii) the authorization to debit Client's account is terminated or ADP reasonably believes that there is or has been fraudulent activity on the account; (iv) ADP reasonably determines that Client no longer meets ADP's credit/financial eligibility requirements for such Services; (v) Client has any material adverse change in its financial condition; (vi) Client's violation of any applicable operating rules of the National Automated Clearing House Association ("NACHA") or (vii) with respect to the ADP Wage Payments Card Services, the Issuing Bank (as defined in Annex J) cancels the Cards issued on behalf of Client. ADP shall not be required to provide such Payment Services if ADP reasonably determines that Client presents an undue credit risk to ADP or in the event of any other termination right. If Payment Services are not terminated despite the occurrence of any of the events described above, ADP may require Client to pay its outstanding and all future third-party payment amounts covered by Payment Services and/or ADP's fees and charges for Payment Services to ADP (x) by bank or certified check, (y) by wire transfer of immediately available funds, and/or (z) in advance of the then current schedule, as a condition to receiving further Payment Services.
- C. **Post-Termination.** If use of any ADP Products or Services is or may be terminated by ADP pursuant to Section 8A and 8B, ADP shall be entitled to allocate any funds remitted or otherwise made available by Client to ADP in such priorities as ADP (in its sole discretion) deems appropriate (including reimbursing ADP for payments made by ADP hereunder on Client's behalf to a third party). If any ADP Products or Services are terminated by either party hereto, Client will immediately (i) become solely responsible for all of its third-party payment obligations covered by such ADP Products or Services then or thereafter due; (ii) reimburse ADP for all payments made by ADP hereunder on Client's behalf to any third party; and (iii) pay any and all fees and charges invoiced by ADP to Client relating to the ADP Products or Services. Any license or right to access the ADP Products shall automatically terminate upon ADP ceasing to provide Client with the related Services. At any time prior to the actual termination date, Client may download Client's information or reports available to it in conjunction with all of the Services provided to Client by ADP. Upon termination of this Agreement, Client may order from ADP any data extraction offered by ADP, at the then prevailing hourly time and materials rate.

9. MISCELLANEOUS

- A. **Inducement; Entire Agreement; Modification.** Client has not been induced to enter into this Agreement by any representation or warranty not set forth in this Agreement. This Agreement contains the entire agreement of the parties with respect to its subject matter and supersedes and overrides all prior agreements on the same subject matter, and shall govern all disclosures and exchanges of Confidential Information made by the parties previously hereto. This Agreement shall not be modified except by a writing signed by ADP and Client.
- B. **Third-Party Beneficiaries.** Except as expressly provided herein or in an applicable exhibit, annex, appendix or schedule by express reference to this Section 9B, nothing in this Agreement creates, or will be deemed to create, third party beneficiaries of or under this Agreement. Client agrees that ADP's obligations in this Agreement are to Client only, and ADP has no obligation to any third party (including, without limitation, Client's personnel, directors, officers, employees, users and any administrative authorities).
- C. **Force Majeure.** Any party hereto will be excused from performance under this Agreement for any period of time that the party is prevented from performing its obligations hereunder as a result of an act of God, war, utility or communication failures, or other cause beyond the party's reasonable control. Both parties will use reasonable efforts to mitigate the effect of a force majeure event.
- D. **Non-Hire.** During the term of this Agreement and for the twelve (12) months thereafter, neither Client nor the ADP regions providing the Services, shall knowingly solicit or hire for employment or as a consultant, any employee or former employee of the other party who has been actively involved in the subject matter of this Agreement.

- E. **Waiver.** The failure of either party at any time to enforce any right or remedy available to it under this Agreement with respect to any breach or failure by the other party shall not be construed to be a waiver of such right or remedy with respect to any other breach or failure by the other party.
- F. **Headings.** The headings used in this Agreement are for reference only and do not define, limit, or otherwise affect the meaning of any provisions hereof.
- G. **Severability.** If any of the provisions of this Agreement shall be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Agreement, but rather the entire Agreement shall be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of Client and ADP shall be construed and enforced accordingly.
- H. **Relationship of the Parties.** The parties hereto expressly understand and agree that each party is an independent contractor in the performance of each and every part of this Agreement, is solely responsible for all of its employees and agents and its labor costs and expenses arising in connection therewith.
- I. **Governing Law.** This Agreement is governed by the laws of the State of New York without giving effect to its conflict of law provisions.
- J. **Additional Documentation.** In order for ADP to perform the Services, it may be necessary for Client to execute and deliver additional documents (such as reporting agent authorization, client account agreement, limited powers of attorney, etc.) and Client agrees to execute and deliver such additional documents.
- K. **Regulatory Notice.** No state or federal agency monitors or assumes any responsibility for the financial solvency of third-party tax filers.
- L. **Use of Agents.** ADP may designate any agent or subcontractor to perform such tasks and functions to complete any services covered under this Agreement. However, nothing in the preceding sentence shall relieve ADP from responsibility for performance of its duties under the terms of this Agreement.
- M. **Conflicts Clause.** In the event of a conflict between the terms of this Agreement and any additional terms, the terms of this Agreement shall control, unless an Addendum to this Agreement is executed simultaneously herewith or subsequently hereto, in which case the terms of such Addendum shall control.
- N. **Counterparts.** This Agreement may be signed in two or more counterparts by original, .pdf (or similar format for scanned copies of documents) or facsimile signature, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- O. **Assignment.** Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party. However, ADP may assign its rights and obligations under this Agreement to a commonly controlled affiliate of ADP without the prior written notice or consent of Client in order for such affiliate to perform any or all of the Services, provided that ADP will remain responsible for the performance of such Services.
- P. **Notices.** All notices required to be sent or given under this Agreement, including any notices of termination in accordance with Section 8 herein, shall be in writing and shall be delivered or sent by recognized courier or registered or certified mail, return receipt requested, to Client at the address indicated on the face hereof and to ADP, General Counsel - Major Accounts, One ADP Boulevard, Roseland, NJ 07068, or to such other addresses as the parties shall specify by notice given pursuant hereto.
- Q. **Survival.** Those provisions which by their content are intended to, or by their nature would, survive the performance, termination, or expiration of this Agreement, shall survive termination or expiration of this Agreement.

ANNEX B

PAYROLL PROCESSING, TAX FILING & PAYMENT SERVICES

1. **Payroll Processing, Tax Filing & Payment Services.** ADP will process payroll for Client's employees and payees, deliver pay checks and related reports to Client, process direct deposits to those employees electing such service, remit payroll taxes on Client's behalf to those federal, state, and most local taxing jurisdictions designated by Client (not including the filing or depositing of excise, sales, use, corporate, or similar taxes), and file related tax returns (such as remitting of payroll taxes and filing of related tax returns, the "Tax Filing Services"). For an additional fee, ADP will also process calendar year-end Forms W-2 for Client's employees and Forms 1099-MISC for payments to individuals that provide services to Client as independent contractors. Client shall be liable for, and shall indemnify ADP against, any loss, liability, claim, damage or exposure arising from or in connection with any fraudulent or criminal acts of Client's employees or payees.
2. **Billing.** Payroll processing services and any other ADP Products and/or Services bundled into the pricing for the payroll processing services are billed immediately following Client's first payroll processing. The billing count is based on the number of pays submitted during each payroll processing period, therefore total billing may fluctuate.
3. **Funding.** If Client is receiving Payment Services (as defined in Section 8B of Annex A), Client shall have sufficient funds in Client's account within the deadline established by ADP to satisfy Client's third-party payment obligations in their entirety. A mandatory credit check will be performed prior to the provision of any Payment Services. ADP may commingle Client's impounded funds with other clients', ADP's or ADP-administered funds of a similar type. **ALL AMOUNTS EARNED ON SUCH FUNDS WHILE HELD BY ADP WILL BE FOR THE SOLE ACCOUNT OF ADP.**
4. **Debits.** Client shall be liable for debits properly initiated by ADP hereunder. Client unconditionally promises to pay to ADP the amount of any unfunded payroll file (including any debit returned to ADP because of insufficient or uncollected funds or for any other reason), plus any associated bank fees or penalties, upon demand and interest on the unfunded payroll amount at the rate of 1.5% per month (or the maximum allowed by law, if less). Also, if any debit to an employee's or other payee's account reversing or correcting a previously submitted credit(s) is returned for any reason, Client unconditionally promises to cooperate with ADP and pay the amount of such debit upon demand and interest thereon. Client agrees to cooperate with ADP and any other parties involved in processing any transactions hereunder to recover funds credited to any employee as a result of an error made by ADP or another party processing a transaction on behalf of ADP.
5. **Full Service Direct Deposit (FSDD).** Prior to the first credit to the account of any employee or other individual under FSDD services, Client shall obtain and retain a signed authorization from such employee or individual authorizing the initiation of credits to such party's account and debits of such account to recover funds credited to such account in error.
6. **ADPCheck™.** Client shall not distribute any ADPChecks to payees prior to the check date. If Client distributes any ADPChecks prior to the check date, ADP may impose an early cashing fee against Client. If Client desires to stop payment on any ADPCheck, Client shall provide ADP with a stop payment request in such form required by ADP. ADP shall then place a stop payment order with ADP's bank within twenty-four (24) hours of ADP's receipt of such stop payment request. Client shall not request ADP to stop payment on any ADPCheck that represents funds to which the applicable payee is rightfully entitled. Client agrees to indemnify, defend, and hold harmless ADP and its affiliates and their successors and assigns from and against any liability whatsoever for stopping payment on any ADPCheck requested by Client and from and against all actions, suits, losses, claims, damages, charges, and expenses of every nature and character, including attorney fees, in any claims or suits arising by reason of stopping payment on said check, including claims made by a "holder in due course" of such check.
7. **Important Tax Information (IRS Disclosure).** Notwithstanding Client's engagement of ADP to provide ADP Tax Filing Services, Client is responsible for the timely filing of payroll tax returns and the timely payment of payroll taxes for its employees. The Internal Revenue Service recommends that employers enroll in the U.S. Treasury Department's Electronic Federal Tax Payment System (EFTPS) to monitor their accounts and ensure that timely tax payments are being made for them. Online enrollment in EFTPS is available at www.eftps.gov; an enrollment form may also be obtained by calling (800) 555-4477. State tax authorities generally offer similar means to verify tax payments. Client may contact appropriate state offices directly for details.
8. **State Unemployment Insurance Management.** Subject to Section 9C of Annex A, Client's compliance with its obligations in Sections A and B herein, and any delays caused by third parties (e.g., postal service, agency system and broker delays) and events beyond ADP's reasonable control, ADP will deliver the State Unemployment Insurance Management Services ("SUI Management Services") within the time periods established by the relevant unemployment compensation agencies.
 - A. **Provision of Information; Contesting Claims.** Client will on an ongoing basis provide ADP and not prevent ADP from furnishing all information necessary for ADP to perform the SUI Management Services within the timeframes established or specified by ADP. The foregoing information includes without limitation the claimants' names, relevant dates, wage and separation information, state-specific required information, and other documentation to support responses to unemployment compensation agencies.
 - B. **Transfer of Data.** Client may transfer the information described in Section A to ADP via: (i) on-line connection between ADP and Client's computer system, or (ii) inbound data transmissions from Client to ADP. Client will provide the data using mutually acceptable communications protocols and delivery methods. Client will promptly notify ADP in writing if Client wishes to modify the communication protocol or delivery method.
 - C. Client acknowledges that ADP is not providing storage or record keeping of Client records as part of the SUI Management Services, and that if the SUI Management Services are terminated, ADP may, in conformity with Section 5 of Annex A, dispose of all such records. If the SUI Management Services are terminated, any access Client has to ADP websites containing Client's data will expire and Client will be responsible for downloading and gathering all relevant data prior to expiration of any such access that may have been granted.

ANNEX C TIME AND ATTENDANCE SERVICES

1. **Time and Attendance Products.** ADP agrees to provide Client with the data collection devices (e.g. Timeclock, HandPunch, etc.) (the "Timeclock Equipment"), time and attendance module or application, and related services (collectively, the "Time Products") described in the Sales Order. For the hosted Enhanced Time (also known as Enterprise eTIME) product only, additional license terms are available at www.adp.com/timlicenseterms. ADP Enhanced and Essential Time products are available for use in a limited number of countries outside the United States, although certain restrictions and requirements may apply.
2. **Billing for Services.** If Client is purchasing Essential Time Services and the pricing for such ADP Products and Services is not bundled with Client's pricing for Payroll Processing services, if any, billing for such ADP Products and Services will begin on the earlier of (i) the date that ADP Products and Services are available for use by Client in a production environment OR (ii) ninety (90) days from the Effective Date. If Client is purchasing Enhanced Time (also known as Enterprise eTIME) services billing will begin on the earlier of (i) the date that ADP Products and Services are available for use by Client in a production environment OR (ii) one hundred forty (140) days from the Effective Date. If the Services Client is purchasing pursuant to this Annex C is bundled with payroll processing services, then billing for such services shall commence in accordance with the terms of Section 2 of Annex B.
3. **Installation.** Client shall provide and install all power, wiring and cabling required for the installation of any Timeclock Equipment. Client shall also pay an installation and setup fee for each unit of Timeclock Equipment if such equipment is installed on Client's premises by ADP.
4. **Use of Timeclock Equipment and Right to Inspect.** Regarding Timeclock Equipment provided on a subscription basis only, Client shall not make any alterations or attach any device not provided by ADP to the Timeclock Equipment, nor shall Client remove the Timeclock Equipment from the place of original installation without ADP's prior consent. Upon reasonable written notice to Client, ADP shall have the right to enter Client's premises to inspect the Timeclock Equipment during normal business hours. Title to the Timeclock Equipment shall at all times remain in ADP unless Client has chosen the purchase option and has paid ADP in full the purchase price. Except if so purchased and paid for by Client, the Timeclock Equipment is and at all times shall remain, a separate item of personal property notwithstanding its attachment to other Timeclock Equipment or real property.
5. **Return of Timeclock Equipment.** Upon termination or cancellation of this Agreement, Client shall, at its expense, return the Timeclock Equipment to ADP in accordance with ADP's instructions. The Timeclock Equipment shall be returned in as good condition as received by Client, normal wear and tear excepted. In the event the Timeclock Equipment is not returned within ninety (90) days, Client agrees to purchase it at the prevailing manufacturer's suggested retail price. If timely payment for the Timeclock Equipment is not made by Client, ADP shall have the right to take immediate possession of such equipment. The terms of this Section 5 shall not apply if prior to the time of such termination or cancellation Client already purchased and paid for the Timeclock Equipment in full.
6. **Warranty.** ADP warrants to Client that the Timeclock Equipment shall be free from defects in material and workmanship at the date such Timeclock Equipment is shipped and for ninety (90) days thereafter. ADP's sole obligation in case of any breach of any warranty contained herein shall be to repair or replace, at ADP's option, any defective items. The foregoing is the extent of ADP's liability with respect to all claims related to Timeclock Equipment, including without limitation, contract and negligence claims and shall constitute Client's sole remedy.
7. **Maintenance Fees.** Maintenance services for the Timeclock Equipment (set forth below in Section 8) apply automatically to Timeclock Equipment obtained under the subscription option (and any charges therefore are already included in the monthly time and attendance subscription fees). The costs for maintenance services for Timeclock Equipment under the purchase option are not included in the purchase price for such equipment; a separate annual maintenance fee applies. Client, under the purchase option, may terminate its receipt of maintenance services by providing written notice to ADP no less than thirty (30) days prior to the end of the then current annual coverage period. ADP is not required to rebate to Client any maintenance fees relating to a current or prior coverage period. (NOTE: If Client selects the purchase option but opts not to receive (or terminates) maintenance services hereunder by executing a waiver of maintenance services, any such services provided by ADP at Client's request will be subject to ADP's then current charges for such services.) No Timeclock Equipment maintenance is done at the Client site. Client shall bear all delivery/shipping costs and all risk of loss during shipment/delivery of Timeclock Equipment relating to maintenance services.
8. **Maintenance Services.** ADP will maintain the Timeclock Equipment to be free from defects in material and workmanship as follows: Any parts found to be defective (except as specifically excluded below) shall be replaced or repaired, at ADP's or its designee's option, without charge for parts or labor, provided that the Timeclock Equipment has been properly installed and maintained by Client and provided that such equipment has been used in accordance with this Agreement and any online or shrink-wrap terms or license, or other accompanying documentation including, but not limited to, Client's Sales Order provided by ADP or its designee and has not been subject to abuse or tampering. The foregoing repairs and replacements may be made only by ADP or its designee, and will be made only after ADP or its designee is notified of a problem, receives delivery from Client of the Timeclock Equipment at issue and determines that it results from defective materials or workmanship. Notwithstanding the foregoing, ADP may deliver a temporary replacement item for Client's use while such determination is being made with respect to the Timeclock Equipment in question. Repairs and replacements required as a result of any of the following shall not be included in the foregoing maintenance services and shall be charged at ADP's then current rates: (i) damage, defects, or malfunctions resulting from misuse, accident, neglect, tampering, unusual physical, or electrical stress, or causes other than normal or intended use; (ii) failure of Client to provide and maintain a suitable installation environment; (iii) any alterations made to or any devices not provided by ADP attached to the Timeclock Equipment; and (iv) malfunctions resulting from use of badges or supplies not approved by ADP.
9. **Upgrades.** In order to keep the Time Products current, ADP may from time to time perform maintenance fixes and other upgrades to the Time Products Client is then receiving. ADP will perform these upgrades on Client's behalf for all hosted products. For non-hosted products, Client will be required to install the upgrade provided by ADP in accordance with the written notice provided to Client.

ANNEX D HR, BENEFITS AND TALENT MANAGEMENT SERVICES

1. **Billing for Services.** If Client is purchasing HR, Benefits or Talent Management Services and the pricing for such Services is not bundled with Client's pricing for payroll processing services, billing for such Services will begin on the earlier of (i) the date that the services are available for use by Client in a production environment OR (ii) ninety (90) days after the Effective Date. The billing count for HR, Benefits or Talent Management Services and the pricing for such Services is not bundled with Client's pricing for payroll processing services is based on all unique lives in the database paid in the previous calendar month. If the Services Client is purchasing pursuant to this Annex D are bundled with payroll processing services, then billing for such Services shall commence in accordance with the terms of Section 2 of Annex B.
2. **Initial Setup Services.** Client shall promptly deliver to ADP the Client Content required by ADP to perform initial setup services. Such information and materials shall be in an electronic file format acceptable to ADP.
3. **Additional Configuration.** After completion of initial setup services, any subsequent changes Client requests to the configuration of the Client Content in the HR and/or Benefits module will be charged at ADP's then current benefits maintenance fees.
4. **ADP Carrier Connection[®].** If Client is receiving the Benefits products and services and elects the ADP Carrier Connection service, ADP, or its authorized agent(s), will electronically transmit employee data, including employee benefits enrollment data, to Client's carriers or other third parties authorized by Client, and Client authorizes ADP and its authorized agent(s), to provide such transmission on Client's behalf. Additionally, commencement of the Carrier Connection service is subject to Client completing the configuration setup of Client Content and the format of such transmission to the designated carriers. ADP's ability to transmit Client's employee benefits enrollment data is subject to the provision by the designated carriers of a current functional interface between the benefits module and the designated carriers' systems. ADP will not be obligated to transmit Client's data to the designated carriers if at any time Client's designated carriers fail to provide the proper interface as described above. If Client requires the development of any special interfaces in order to transmit such data to the designated carriers, all work performed by ADP to create such interfaces will be at ADP's then current fees for such services. Client is responsible for promptly reviewing all records of carrier transmissions and other reports prepared by ADP for validity and accuracy according to Client's records, and Client will notify ADP of any discrepancies promptly after receipt thereof. In the event of an error or omission in the Carrier Connection services caused by ADP, ADP will correct such error or omission, provided that Client promptly advises ADP of such error or omission. Client shall remain responsible for transmission of all enrollment/disenrollment data to Client's carriers other third parties authorized by Client until ADP confirms that carrier connection implementation is complete. Additional setup fees will apply when Client elects to add new carrier connections. This includes reconfiguration of existing carrier connections and additional elections requested after connection set up (initial implementation) of the Services. Any changes in Client's benefit providers that require the establishment of a new carrier connection or the modification of an existing carrier connection shall be considered a new carrier connection.
5. **Talent Management Services.** Talent Management Services includes Performance, Recruitment and Compensation Management products and services. If Talent Management Services are purchased, the following additional provisions will apply.
 - A. **Hiring Practices.** Client represents and warrants that it will use Talent Management Services for its own hiring and/or HR management purposes only. Client acknowledges and agrees that ADP will not be deemed to be involved in any hiring decisions or evaluation of candidates in connection with the recruitment services, or with any compensation decisions in connection with the compensation management services.
 - B. **Customized Content.** Client understands and agrees that to the extent it chooses to customize any content or documents made available to job candidates through Talent Management Services, including but not limited to job descriptions, online application instructions and questions, Client is responsible for the content of any such customization. Client acknowledges that any content provided by the Talent Management Services may not be suitable for all situations or in all locations. Client should review applicable laws in the jurisdictions in which Client operates and should consult with its own legal counsel prior to utilizing the services.
 - C. **Sensitive Data.** If Client implements the Talent Management Services to collect any sensitive data elements (or special categories of data), Client shall comply with any additional requirements for the processing of these data elements, and it shall be responsible for respecting all individual rights of access, correction or deletion and for responding to any individual or regulatory inquiries.

ANNEX E Essential ACA

1. **Description.** ADP will provide the Essential ACA solution specified in the Sales Order (and any applicable service specification) (collectively, the "Essential ACA") to Client in accordance with the terms of this Agreement. Essential ACA is a technology and software solution to assist Client in managing compliance needs related to the Affordable Care Act (ACA), including eligibility calculations and affordability determinations, preparation and electronic filing of Forms 1094-C and 1095-C forms, access to evidence of benefit offering information and benefit offering audit reports. Client must use ADP Workforce Now payroll, HR and benefits services in order to purchase and implement Essential ACA. For those clients that purchase Essential ACA within the 2016 order window (as communicated by ADP to Client based on client status, Workforce Now version and benefits module status as of Effective Date), Essential ACA will commence for the 2016 filing period. If Client purchases Essential ACA after the close of the 2016 order window, Essential ACA will commence in calendar year 2017 (and will not include any filings for the 2016 filing period). For the avoidance of doubt, all Forms filed by ADP with the IRS on behalf of Client will be filed electronically; any Forms sent to Client for its employees by ADP shall be sent in paper form, and, if Client has ADP's iPay functionality, ADP will also make Forms accessible to Client employees electronically. It will then be Client's responsibility to distribute the Forms directly to its employees.
2. **Billing for Services.** If Client is purchasing Essential ACA Services and the pricing for such Services is not bundled with Client's pricing for payroll processing services, billing for such Services will begin on the earlier of (i) the date that the services are available for use by Client in a production environment OR (ii) ninety (90) days from the Effective Date. If the Services Client is purchasing pursuant to this Annex E are bundled with payroll processing services, then billing for such Services shall commence in accordance with the terms of Section 2 of Annex B.
3. **Delivery of Client Content.** Client shall promptly deliver to ADP the Client Content as required by ADP in an electronic file format specified by and accessible to ADP and will include any materials relating to Client and necessary for incorporation in the Essential ACA solution, including, but not limited to, any Human Resources, Payroll, Time and Labor, Benefits, Form I-9, and/or financial data.
4. **Client ACA Liaison.** Prior to the commencement of ADP's provision of the Essential ACA solution, Client shall designate in writing to ADP the name of one person who shall serve as ADP's principal designated contact for the Essential ACA solution (the "Client ACA Liaison"). Client hereby represents and warrants to ADP that the Client ACA Liaison has, and shall at all times have, the requisite authority to transmit information, directions and instructions on behalf of Client. The Client ACA Liaison also shall be deemed to have authority to issue, execute, grant, or provide any approvals (other than amendments to this Agreement), requests, notices, or other communications required or permitted under this Agreement or requested by ADP in connection with the Essential ACA solution. Client shall designate an alternate Client ACA Liaison in the event the principal Client ACA Liaison is not available.
5. **Client Instructions.** In the event ADP shall have any questions relating to a particular set of facts or Client directions, then ADP shall request clarification from the Client ACA Liaison. The Client ACA Liaison shall have the responsibility to obtain answers to any such questions or objections and ADP shall be entitled to rely upon such answers and to follow any directions communicated by the Client ACA Liaison. Client authorizes ADP to release employee-related data to third party vendors of Client as are designated by Client from time to time. ADP shall be under no duty to question the measures taken or directions provided by Client pursuant to any section of this Annex E.
6. **Disclaimer.** NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN OR IN THE SCOPE OF SERVICES, CLIENT EXPRESSLY ACKNOWLEDGES THAT ADP IS NOT THE "ADMINISTRATOR" OR "PLAN ADMINISTRATOR" AS DEFINED IN SECTION 3(16)(A) OF ERISA AND SECTION 414(g) OF THE INTERNAL REVENUE CODE, RESPECTIVELY, NOR IS ADP A "FIDUCIARY" WITHIN THE MEANING OF ERISA SECTION 3(21). ADP SHALL NOT EXERCISE ANY DISCRETIONARY AUTHORITY OR DISCRETIONARY CONTROL RESPECTING MANAGEMENT OF ANY BENEFIT PLANS SPONSORED OR OFFERED BY CLIENT. ADP HAS NO DISCRETIONARY AUTHORITY OR DISCRETIONARY RESPONSIBILITY IN THE ADMINISTRATION OF THE CLIENT'S BENEFIT PLAN(S).
7. **Implementation Services.** ADP will assist Client in implementing the Essential ACA solution for the benefit of and in conjunction with Client in accordance with the provisions of Sections 7 and 8 below. ADP will use commercially reasonable efforts to complete the implementation services in a timely manner.
8. **Conversion of Data; Required Timeline.** Client shall provide to ADP, such applicable Client files, databases and other information (the "Client Files") as is necessary to permit the Essential ACA solution to be performed. Client must provide the Client Files to ADP by November 1st of the year preceding the year in which the preparation and electronic filing of the Forms will be provided. For purposes of clarification and example, in order for ADP to perform the preparation and electronic filing of the Forms in January of the current filing year, Client must provide the Client Files in accordance with the terms and conditions of this Annex, and such Client Files must be accepted and converted by ADP by December 9 of the previous year. Client assumes the responsibility for the Client Files to be transmitted to ADP, including, but not limited to, their condition, content, format, usability or correctness. Client shall perform all Client Files refinement, purification and reformatting in order for the Essential ACA solution to be performed by ADP. With Client's pre-approval, ADP shall be compensated on a time and expense basis at ADP's standard rates in effect at such time in the event ADP is required to perform any such refinement, purification or reformatting. Client will cooperate with ADP and provide ADP with all necessary information and assistance required in order for ADP to successfully convert the Client Files. Client understands and agrees that if Client fails to provide the Client Files in order for such Client Files to be accepted and successfully converted by November 1st in any given year, ADP will not provide the preparation and electronic filing of the Forms for that year and Client will not be eligible for credit of any fees paid for the Essential ACA solution for that year. Client is responsible for the accuracy of all Client Files and will review for accuracy the preview of the Forms prior to filing. In the event that a Form 1094-C or 1095-C needs to be refiled due to an inaccuracy in the Client Files, Client will be billed for such refile. The obligations described in this Section 7 shall apply to ongoing provision of Client Files to ADP by Client.

9. **Project Lead.** Client will designate a project lead for the implementation of the Essential ACA solution and will promptly notify ADP of the name, telephone number and email address of such person. The Client project lead will be deemed to have authority to issue, execute, grant, or provide any approvals, requests, notices, or other communications required under this Annex E or requested by the other party in connection with the implementation of the Essential ACA solution. The project lead will bring appropriate personnel/skillsets to the project as needed.
10. **Licensed Entity.** Notwithstanding the use in this Annex E of the word "ADP", in the event that ADP determines that all or a portion of the Essential ACA solution may be subject to licensing or other regulatory requirements, such services shall be performed solely by such wholly owned subsidiary of Automatic Data Processing, Inc. as shall be designated by ADP or such licensed third party as determined by ADP.

ADDENDUM
to
MAJOR ACCOUNT SERVICES – MASTER SERVICES AGREEMENT
between
ADP, LLC
and
NEW HOPE-SOLEBURY SCHOOL DISTRICT

This Addendum, made as of the ____ day of _____, 2016 by and between ADP, LLC ("ADP") with its principal office at One ADP Boulevard, Roseland, New Jersey 07068 and NEW-HOPE SOLEBURY SCHOOL DISTRICT, having a principal place of business at 180 West Bridge Street, New Hope, PA 18938 (Client"), contains changes, modifications, revisions and additions to the Major Account Services – Master Services Agreement dated of even date herewith between ADP and Client (the "Agreement").

In consideration of the mutual covenants contained in the Agreement and in this Addendum, and for other good and valuable consideration, notwithstanding anything to the contrary in the Agreement, ADP and Client agree as follows:

1. Section 9I of ANNEX A – GENERAL TERMS AND CONDITIONS of the Agreement, entitled "Governing Law", is hereby amended by deleting "New York" and replacing it with "Pennsylvania".

All other terms and conditions of the Agreement shall remain in full force and effect. In the event of any conflict between the terms and conditions of this Addendum and the terms and conditions of the Agreement, this Addendum shall prevail. The terms defined in the Agreement and used in this Addendum shall have the same respective meanings as set forth in the Agreement, unless clearly otherwise defined in this Addendum.

IN WITNESS WHEREOF, this Addendum to the Agreement is hereby executed by an authorized representative of each party hereto as of the date first above written.

ADP, LLC

NEW HOPE-SOLEBURY SCHOOL DISTRICT

By: _____

Name: _____

Title: Service Center DVP**

By: _____

Name: _____

Title: _____

**** NOTE: ONLY THE SERVICE CENTER DVP OR DESIGNATED FINANCIAL EXECUTIVE OF THE AFFECTED REGION IS AUTHORIZED TO EXECUTE THIS ADDENDUM ON BEHALF OF ADP.**



TRITON SERVICE AGENCY CONTRACT

This Service Agency Agreement (this "Contract") is made effective as of _____, by and between New Hope-Solebury School District, and Triton Benefits & HR Solutions, of 1460 Route 9 North, Woodbridge, New Jersey 07095.

- **DESCRIPTION OF SERVICES – Implementation Support.** Beginning on _____, Triton Benefits & HR Solutions will begin its Implementation Support Services to NHSD and supply a qualified Triton HR Staff Member and dedicated support team ("Triton Resources") for the position with the skills and educational background described as follows (collectively, the "Services"): Implementation Support Services consisting of ADP WFN 2.0 to 10.0 knowledge and ADP Time and Attendance systems. All project management in connection with Triton's Implementation Support will be tracked and updated using the Basecamp Portal (project management). The following represents the day to day services which may be conducted on-site or remotely:
 - Payroll Analysis kick off meeting with Client
 - Payroll Interview with ADP
 - Portal Configuration
 - Security
 - Workflow
 - Validation Tables
 - Earning and Deduction Set-up
 - Data Conversion from prior system or payroll provider
 - Quality Control from prior system or payroll provider
 - If applicable – Performance and Recruiting Template Configuration
 - Benefits Set-up (including Carrier Connection)
 - ACA and Measurability Set-up
 - Reporting Set-up
 - PTO Set-up
 - GL Set-up
 - Time and Attendance (TBD)
 - Doc Cloud Set-up (if applicable)
 - Onsite Training
 - Payroll Processing (go live date)
 - Payroll Review (delivery date)

- **Please note: the set-up, training or assistance with the implementation/training of any ADP upgrades and enhancements (to be negotiated separately and not part of the above fee)*
- **DESCRIPTION OF SERVICES. – Payroll Support.** Beginning on _____, Triton Benefits & HR Solutions will begin its Payroll Support Services to New Hope-Solebury School District and supply a qualified Triton HR Staff Member and dedicated support team ("Triton Resources") for the position with the skills and educational background described as follows (collectively, the "Services"): Payroll Support Services consisting of ADP WFN 2.0 to 10.0 knowledge and ADP Time and Attendance systems. The following represents the day to day services which may be conducted on-site or remotely:
 - Payroll processing & tax management using ADP Technology
 - New hire changes and employee maintenance that will be submitted using Citrix Share File on a dedicated and secured site
 - Update employee records (address changes, pay rate changes, filing status/exemption changes, enter/update direct deposit info)
 - Terminate employees within system
 - Wage garnishments using ADP (child support payments, tax levy's, etc.)
 - Manual checks
 - Import time and attendance batches into payroll system from time and attendance system
 - Communicate all exceptions with Client Liaison for decisions
 - Pre-process payroll
 - Client Approval
 - Payroll submission
 - Run payroll reports
 - Create custom reports
 - Void checks
 - Enter disability payments/third party sick pay
 - Reset employee / administrator passwords
 - Coordinate the setup of earnings codes, deduction codes, and tax jurisdictions
 - Update payroll cycle and check dates
 - W-2 preparation and submission
 - Payroll Helpdesk – Including employee email correspondence
 - ACA support including 1094C and 1095C
 - Year End Bonus Processing

2. PAYMENT FOR SERVICES.

a. For services provided by Triton HR under this Contract, Triton HR has two pricing options:

Selected Service:

- Implementation Services: Fixed at \$2,500 (estimated time-line 4 to 6 weeks)
- Payroll Support Services: Flat Fee at \$45 per hour (hours will be between 20 to 25 hours per week – Non-Pay Processing week may be less hours and on the Pay-Processing week may be more hours but we anticipate the total pay-period to be an estimated 20-25 hours). Triton will provide a trained resource employed by Triton HR and the necessary support and back-up staff when necessary for a period of 6 months. In the event the resource needs to be replaced, Triton will provide a trained replacement that would be approved by both parties.

a. Transfer Fee: Client is not permitted to offer any employment to Triton HR Resources that are being provided to Client unless expressly written and consented by Triton HR.

b. Invoices will be submitted to client by Triton HR on a monthly basis, with payment initiated by ACH in which Triton HR will expedite within *30 business days* of receipt of invoice.

c. Triton Hr may require initial retainer or deposit.

Optional Service:

- Client may contract Triton Hr for recruitment and screening purpose of finding qualified permanent Payroll Administration candidates for a fee of \$2500. Client will be involved in interviewing candidates screened by Triton Hr for final review and decision.
- Client may contract Triton Hr for additional support to "Train the clients Payroll Administrator" for a flat fee of \$45 per hour.
- Once client has hired a Payroll Administrator and training is complete. Client may contract Triton Hr for remote support.

**Please note: the set-up, training or assistance with the implementation/training of any ADP upgrades and enhancements (to be negotiated separately and not part of the above fee)*

3. SERVICE PROVIDER'S REPRESENTATIONS. Triton HR represents and warrants that Triton HR and its supplied workers have the right to perform the services under and pursuant to this Contract without violation of obligations to others, and that Triton HR and its supplied workers have the right to disclose to NHSD all information transmitted to NHSD in the performance of services under and pursuant to this Contract and Triton HR agrees that any information submitted to NHSD, whether patentable or not, may be used fully and freely by NHSD.

4. TERM/TERMINATION. The initial agreement is for 6 months and requires a 30 day prior cancelation letter should the Client choose not to renew. If notification is not received, the agreement will auto renew itself for additional one year terms. This Contract may be terminated by either party upon 7 days written notice to the other party after the initial agreement period. Triton would be entitled to receive the full Implementation fee should a termination occur by Client prior to the end of the initial period.

5. **RELATIONSHIP OF PARTIES.** It is understood by the parties that Triton HR is an independent contractor with respect to NHSD, and not an employee of NHSD. NHSD will not provide fringe benefits, including health insurance benefits, paid vacation, or any other employee benefit, for the benefit of Triton HR.

6. **CONFIDENTIALITY.** Triton HR will not at any time or in any manner, either directly or indirectly, use for the personal benefit of Triton HR, or divulge, disclose, or communicate in any manner any information that is proprietary to NHSD. Triton HR will protect such information and treat it as strictly confidential. This provision shall continue to be effective after the termination of this Contract. Upon termination of this Contract, Triton HR will return to NHSD all records, notes, documentation and other items that were used, created, or controlled by Triton HR during the term of this Contract.

7. **INJURIES.** Triton HR acknowledges Triton HR's obligation to obtain appropriate insurance coverage for the benefit of Triton HR (and Triton HR's employees, if any). Triton HR waives any rights to recovery from NHSD for any injuries that Triton HR (and/or Triton HR's employees) may sustain while performing services under this Contract and that are a result of the negligence of Triton HR or Triton HR's employees.

8. **ENTIRE AGREEMENT.** This Contract contains the entire agreement of the parties, and there are no other promises or conditions in any other agreement whether oral or written.

9. **SEVERABILITY.** If any provision of this Contract shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Contract is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

10. **APPLICABLE LAW.** This Contract shall be governed by the laws of the State of New Jersey.

11. **SIGNATURES.** This Contract shall be signed on behalf of NHSD by _____, and on behalf of Triton HR by Steve Rosenthal, President.

New Hope-Solebury School District:

By: _____

Services Provider:

Triton Benefits & HR Services

By: _____

Steve Rosenthal

President

FACILITIES USE COMPARISON

Cost--Non-Profits	Athletic Field	Auditorium	Cafeteria	HS Gym	Classroom	UES/LGI	Parking Lot
Suggested increase	\$50/hr	\$700 plus \$140/hr	\$430 plus \$70/hr	\$485 plus \$80/hr	\$25/hr	\$430 plus \$70/hr	\$275
NHSD	TBD	\$640 plus \$ 125/hr	390 plus \$62.50/hr	440 plus \$75/hr	Not available	\$390 + \$62.50	\$250
Abington	No Charge	\$1,265	\$450	\$1,265	\$303	\$450	No Charge
Council Rock	\$10	\$100	\$25	\$20	\$5	\$25	No Charge
Norristown	\$175	\$190	\$125	\$125	\$50	\$125	No Charge
Pottstown	NA	\$550	\$175	\$550	\$35	\$75	No Charge
Quakertown	NA	\$350	\$230	\$430	\$130	\$380	NO Charge
Upper Perkiomen	\$150 plus \$50/hr	\$100	\$100	\$100	\$25	\$25	No Charge
Wissahickon	\$50/hour	No Charge	No Charge	No Charge	No charge	No charge	No Charge
Cost-For Profit							
Cost-For Profit	Athletic Field	Auditorium	Cafeteria	HS Gym	Classroom	UES/LGI	Parking Lot
Suggested increase	\$100/hr	\$1530 plus \$275	\$700 plus \$140/hr	\$815 plus \$165/hr	\$50/hr	\$645 plus \$150/hr	\$550
NHSD	TBD	\$1390 plus \$250/hr	\$640 plus \$125/hr	\$740 plus \$150/hr	Not available	Not available	\$500
Abington	No Charge	\$1,635	\$598	\$1,635	\$376	\$598	No Charge
Council Rock	No Charge	\$500	\$100	\$100	Not available	\$100	No Charge
Norristown	\$350	\$125	\$125	\$250	\$100	\$125	No Charge
Pottstown	No Charge	\$1,000	\$400	\$1,000	\$75	\$150	No Charge
Quakertown	No Charge	\$1,000	\$1,150	\$1,700	\$650	\$650	No Charge
Upper Perkiomen	\$150 plus \$50/hr	\$200	\$200	\$200	\$50	\$50	No Charge
Wissahickon	\$100/hr	\$3,000	\$1,000	\$1,000	\$300	\$400	No Charge
Current additional charges:			Proposed additional charges:				
	Custodian-	\$35/hr		Custodian-	\$50/hr		
	Sound & Lighting-	\$50/hr		Sound & Lighting-	\$75/hr		
	Security-	\$50/hr		Security-	\$55/hr		

Description	Budget		Standard		Differential		Overtime		Present rate	Suggested new rate
	Hourly Rate	Annual Hours	16-17 Salary	Rate Plus		Rate Plus		Hourly Rate	Rate Plus	
				Hourly Rate	(FICA/PSE RS)	Hourly Rate	(FICA/PSE S)			
CUSTODIAL SERVICES	20.53	2,080	42,703	20.53	28.27	20.83	28.68	30.80	42.40	
CUSTODIAL SERVICES	21.83	2,080	45,408	21.83	30.06	22.13	30.47	32.75	45.08	
CUSTODIAL SERVICES	22.98	2,080	47,799	22.98	31.64	23.28	32.05	34.47	47.46	
CUSTODIAL SERVICES	18.45	2,080	38,368	18.45	25.40	18.75	25.81	27.67	38.09	
CUSTODIAL SERVICES	20.53	2,080	42,707	20.53	28.27	20.83	28.68	30.80	42.40	
CUSTODIAL SERVICES	20.53	2,080	42,707	20.53	28.27	20.83	28.68	30.80	42.40	
CUSTODIAL SERVICES	20.53	2,080	42,707	20.53	28.27	20.83	28.68	30.80	42.40	
CUSTODIAL SERVICES	20.53	2,080	42,707	20.53	28.27	20.83	28.68	30.80	42.40	
CUSTODIAL SERVICES	19.30	2,080	40,145	19.30	26.57	19.60	26.99	28.95	39.86	
CUSTODIAL SERVICES	20.53	2,080	42,708	20.53	28.27	20.83	28.68	30.80	42.40	
CUSTODIAL SERVICES	20.53	2,080	42,707	20.53	28.27	20.83	28.68	30.80	42.40	
CUSTODIAL SERVICES	19.71	2,080	40,998	19.71	27.14	20.01	27.55	29.57	40.71	
CUSTODIAL SERVICES	19.71	2,080	40,998	19.71	27.14	20.01	27.55	29.57	40.71	
CUSTODIAL SERVICES	19.71	2,080	40,998	19.71	27.14	20.01	27.55	29.57	40.71	
CUSTODIAL SERVICES	20.82	2,080	43,302	20.82	28.66	21.12	29.08	31.23	42.99	
CUSTODIAL SERVICES	20.53	2,080	42,707	20.53	28.27	20.83	28.68	30.80	42.40	
Custodial Average Rates	20.42	2,080	42,479	20.42	28.12	20.72	28.53	30.63	42.18	\$35/hr \$50/hr
SAFETY & SECURITY	26.50	1,152	30,528	26.50	36.49	26.80	36.90	39.75	54.73	
SAFETY & SECURITY	26.50	1,152	30,528	26.50	36.49	26.80	36.90	39.75	54.73	
Safety & Security Average	26.50	1,152	30,528	26.50	36.49	26.80	36.90	39.75	54.73	\$50/hr \$55/hr
Sound / Lighting Tech	32.28	2,080	67,144	32.28	44.44	32.58	44.86	48.42	66.67	\$50/hr \$75/hr

NEW HOPE-SOLEBURY SCHOOL DISTRICT Facility Use Fees

Attachment "A"

Revised March 25, 2008

FACILITY	New Hope-Solebury COMMUNITY GROUPS ^{3,4,5,6} Single Use-No Admission Fee	New Hope-Solebury COMMUNITY GROUPS ^{3,4,5,6} Single Use - Charges Admission	ALL OTHER GROUPS ^{4,5,6}
Classroom	No Facility Usage Fee Charged ¹	Not Available	Not Available
Library	Not Available	Not Available	Not Available
Cafeteria	No Facility Usage Fee Charged ¹	\$390 Fee (+ \$62.50 per hour over 4 hrs) ¹	\$640 Fee (+ \$125.00 per hour over 4 hrs) ¹
Kitchen	No Facility Usage Fee Charged ¹	Usage Charge to be negotiated	Not Available
High School Gym	No Facility Usage Fee Charged ¹	\$440 Fee (+\$75.00 per hour over 4 hrs) ¹	\$740 Fee (+\$150.00 per hour over 4 hrs) ¹
Middle School Gym	No Facility Usage Fee Charged ¹	\$340 Fee (+\$50.00 per hour over 4 hrs) ¹	\$540 Fee (+\$100.00 per hour over 4 hrs) ¹
Upper Elementary School Gym	No Facility Usage Fee Charged ¹	\$340 Fee (+\$50.00 per hour over 4 hrs) ¹	\$400 Fee (+\$100.00 per hour over 4 hrs) ¹
Upper Elementary School Cafeteria	No Facility Usage Fee Charged ¹	\$390 Fee (+\$62.50 per hour over 4 hrs) ¹	Not Available
Upper Elementary School LGI	No Facility Usage Fee Charged ¹	\$390 Fee (+\$62.50 per hour over 4 hrs) ¹	Not Available
Lower Elementary Cafeteria	No Facility Usage Fee Charged ¹	\$390 Fee (+\$62.50 per hour over 4 hrs) ¹	Not Available
Lower Elementary School LGI	No Facility Usage Fee Charged ¹	\$390 Fee (+\$62.50 per hour over 4 hrs) ¹	Not Available
Athletic Fields	No Facility Usage Fee Charged ¹	Usage Charge to be negotiated	Usage Charge to be negotiated
Parking Lots	No Facility Usage Fee Charged ¹	\$250 Fee per Lot	\$500 Fee per Lot
Auditorium	No Facility Usage Fee Charged ^{1,2}	\$640 Fee (+\$125.00 per hour over 4 hrs) ^{1,2}	\$1,390 Fee (+\$250.00 per hour over 4 hrs) ^{1,2}

¹When custodians are needed a custodial fee of \$35.00 per hour per custodian will be charged after the 4 hour minimum. Holidays and weekends will be billed at double time.

²When a sound and lighting person is needed, there is a \$50.00 per hour charge for a sound and lighting person (4 hour minimum).

³Community groups are organizations located within New Hope-Solebury School District which are not a private enterprise. Must provide proof of non-profit status.

⁴The School District may require additional staff, at user's cost, for security and other reasons depending on the size and nature of the event.

⁵Insurance of at least \$1,000,000 per occurrence, \$3,000,000 total, is required of all groups. New Hope-Solebury School District must be named as an additional insured.

⁶Multiple/Extended use fees will be negotiated with the district office.