

SCHOOL BOARD OF BREVARD COUNTY, FLORIDA

BOARD AGENDA ITEM – January 18, 2022

PROCUREMENT SOLICITATION

RFP 21-488-P-JE - Investment Advisory Services

<input type="checkbox"/> (ITB) Invitation To Bid	<input type="checkbox"/> (ITN) Invitation To Negotiate	<input type="checkbox"/> (PB) Piggyback
<input checked="" type="checkbox"/> (RFP) Request For Proposal	<input type="checkbox"/> (RFQ) Request For Qualifications	<input type="checkbox"/> (SC) State Contract
<input type="checkbox"/> (SS) Sole Source		

REQUESTOR: Financial Services

Legal Review Required: Yes No

Standard Template Used with No Changes: Yes No

Standard Template: Agreement

VENDOR NAME	AMOUNT AWARDED	REQUIRED PRODUCTS/SERVICES
PFM Asset Management LLC	\$106,000.00	Investment Advisory Services
Total-3 yrs	\$318,000.00	

<input type="checkbox"/> Contract Renewal	New Contract Amount	\$318,000.00
<input checked="" type="checkbox"/> Recurring Contract	Previous Contract Amount	\$308,359.00
<input type="checkbox"/> New Contract	Variance	\$9,641.00

PRICE INCREASE / DECREASE EXPLANATION: Successfully negotiated lower rates based on average balance in Investment accounts. Estimated annual value of contract will vary due to the fluctuation of investments on hand.

DISCUSSION: BPS desires to secure a contractual relationship for the purpose of Investment Advisory Services for Brevard County Public Schools.

The services provided include:

- Daily managing investment portfolios based on District Investment policy, state statutes, and bond covenants
- General resource to School Board Staff
- Provide monthly, quarterly, and yearly investment statements and investment strategies and market conditions

The standard agreement template has been used with modifications approved by Legal on December 2, 2021.

CONTRACT TERM:

The initial contract term shall commence January 19, 2022, and continue until January 18, 2025, with an option to renew for one (1) additional two (2) year period.

RECOMMENDATION:

It is the recommendation of Cindy Lesinski, Chief Financial Officer, and Susan Denyer, Director of Accounting Services to approve the attached agreement with PFM Asset Management LLC.

AUTHORITY FOR ACTION:

Florida Administrative Code 6A-1.012



AGREEMENT
By and Between
The School Board of Brevard County, Florida
and
PFM Asset Management LLC

This Agreement ("Agreement") is made by and between The School Board of Brevard County, Florida, a political subdivision of the State of Florida, located at 2700 Judge Fran Jamieson Way, Viera, Florida 32940, more commonly known as Brevard Public Schools (hereinafter referred to as "BPS") and PFM Asset Management LLC whose business address is 3501 Quadrangle Blvd., Suite 270, Orlando, FL 32817 (hereinafter referred to as "Contractor"), each individual referred to as a "Party" and, collectively, the "Parties."

WITNESSETH:

WHEREAS, BPS desires to secure a contractual relationship for the purpose of Investment Advisory Services for Brevard County Public Schools, as outlined in Exhibit "A," Scope of Services ("Services"), and

WHEREAS, these Services have been competitively solicited pursuant to RFP 21-488-P-JE, which has been assigned to the tracking number indicated above by BPS for tracking purposes.

NOW THEREFORE, for good and valuable consideration and the mutual promises contained herein, the Parties agree as follows:

1. **RECITALS**. The above Recitals are true and correct and are incorporated herein.
2. **DEFINITIONS**. The following definitions of terms associated with this Agreement are provided to establish a common understanding between both Parties to this Agreement, as to the intended application, interpretation, and usage of terms in connection with this Agreement.
 - 2.1. **"AGREEMENT"** refers to the executed Agreement by and between BPS and Contractor.
 - 2.2. **"AMENDMENT"** means a written document authorized by the parties to this Agreement which, when executed by both parties, sets forth any changes to that certain scope of services ("Services"), attached hereto as Exhibit "A" and incorporated herein by reference, that contemplates a change in the Services, work, and materials to be provided and performed by Contractor pursuant to this Agreement, sets forth the basis of compensation due to Contractor of, and sets forth the time period and/or schedule for performance and completion thereof.
 - 2.3. **"BPS"** shall mean The School Board of Brevard County, Florida and may be used interchangeably with Brevard Public Schools.
 - 2.4. **"CONFIDENTIALITY"** For purposes hereof, "Confidential Information" shall mean any non-public information of the other party that is designated as confidential, or that the receiving party knew or reasonably should have known was confidential because it derives independent value from not being generally known to the public. Confidential Information shall not include any information which: (a) a party can demonstrate was rightfully in its possession prior to the date of disclosure to it by the other party; (b) at the time of disclosure or later, is published or becomes part of the public domain through no act or failure to act on the part of a party; (c) a party has developed independently without reference to any Confidential Information of the other party; (d) a party can demonstrate such information came into its possession from a third-party who had a bona fide right to make such information available; or (e) is subject to the Florida Public Records Law, Chapter 119, F.S., or any other information required to be disclosed by a valid court order or agency of government.
 - 2.5. **"CONTRACTOR"** means PFM Asset Management LLC, a Party hereto, who is authorized to conduct business in the State of Florida, offering Services hereunder, which has executed this Agreement, and which shall be legally obligated, responsible, and liable for providing and performing any and all of the

Services, work, and materials, including services and/or work of any approved sub-contractors, required under the covenants, terms, and provisions contained in this Agreement and any and all Amendments thereto.

- 2.6. **"FUNDS"** shall mean payment made by BPS to Contractor hereunder.
- 2.7. **"PARTIES"** shall mean the parties entering into this Agreement, BPS and Contractor, respectively; individually, a "Party."
- 2.8. **"SERVICES"** shall mean the services as set forth and required, pursuant to the Agreement and described in further detail in Exhibit "A," and Exhibit "C," attached hereto and incorporated herein by reference.

3. **AMENDMENTS AND MODIFICATIONS.** No Amendments and/or modifications of this Agreement shall be valid unless in writing and signed by each of the Parties.

4. **TERM AND TERMINATION.**

- 4.1. The term of this Agreement will cover the period beginning January 19, 2022, through January 18, 2025, and may be renewed at the end of the term up to one (1) additional two (2) year renewal period. The Agreement term recommendation will be that which is determined to be in the best interest of the School Board. The renewal option shall be exercised at the same or substantial similar terms by mutual written agreement of the Parties.
- 4.2. Contractor shall give BPS written notice of any substantial failure to perform under this Agreement through no fault of Contractor. If BPS fails to correct or diligently pursue cure of such failure within ten (10) business days of receipt of notice, this Agreement may be terminated by Contractor, at its option, upon thirty (30) calendar days' prior written notice to BPS.
- 4.3. This Agreement may be terminated by BPS with or without cause upon thirty (30) days' written notice sent by certified mail to Contractor. In the event of a material breach by Contractor hereunder through no fault of BPS, BPS may, at its option, terminate this Agreement immediately.

5. **PAYMENT.**

- 5.1. BPS agrees to provide funds for the Agreement in the amount as outlined in Exhibit "B," Fee Schedule, which is attached hereto and incorporated herein. In accordance with the Local Government Prompt Payment Act, payments shall be made within forty-five (45) days after BPS's receipt of invoice. BPS shall pay these fees to Contractor for services rendered as outlined in Exhibit "B" which includes all direct charges, indirect charges, and reimbursable expenses, if any. **BPS shall incur no obligation for payment until issuance of a purchase order to Contractor.**
- 5.2. Expenses shall only be incurred as authorized by BPS and as provided for in Section 112.061, F.S.
- 5.3. If the Services are divided into phases, completion of a phase is defined by an appropriate signoff by BPS's and Contractor's project manager that all activities of that phase have been satisfactorily completed according to the project schedule, as agreed upon by both parties attached Exhibit "A". Contractor and BPS will agree upon planned completion dates for each phase and work in good faith to meet the planned schedule. BPS reserves the right throughout each phase to conduct a quality assurance check to ensure accuracy, quality, and delivery of work.
- 5.4. Subject to Contractor's right to cure under Section 4 herein, should the Services not be completed as scheduled, Contractor and BPS will jointly plan a revised completion date for the Services. Failure on the part of Contractor to complete its work in an accurate and quality manner shall be considered a default of this Agreement.
- 5.5. **Final Notice.** The final invoice for payment shall be submitted to BPS no more than forty-five days (45) after the Agreement term ends or the Agreement is terminated. Any payment due under the terms of this Agreement may be withheld until all reports due from Contractor, and necessary adjustments thereto, have been approved by BPS.

6. **AVAILABILITY OF FUNDS.** The obligations of BPS under this Agreement are subject to the availability of funds lawfully appropriated for its purpose by the State of Florida and BPS. BPS shall provide prompt written notice to Contractor of any event of non-appropriation.
7. **TRUTH-IN-NEGOTIATION CERTIFICATE.** If applicable to the Services contained herein, signature of this Agreement by Contractor shall be deemed an acknowledgement and certification by Contractor that the wage rates and costs used to determine the funds provided for in this Agreement are accurate, complete, and current as of the date of this Agreement. The said rates and costs shall be adjusted to exclude any significant sums should BPS determine that the rates and costs were increased due to inaccurate, incomplete, or non-current wage rates or due to inaccurate representations of fees paid to Contractor. BPS shall exercise its rights under this provision within one (1) year following final payment of the funds.
8. **PERSONNEL.**
 - 8.1. All of the Services herein shall be performed by Contractor or under its supervision, and all personnel engaged in performing the Services shall be fully qualified and, if required, authorized or permitted under applicable state and local law to perform such Services.
 - 8.2. **Jessica Lunsford Act (Background Check).**

N/A
 - 8.3. **Key Personnel.** Contractor shall notify BPS as soon as possible, but no later than five (5) working days, after any changes in address or key personnel positions of Contractor. Changes in key personnel may include resignations, approved leaves of absence of six (6) weeks or more, or terminations. Such notification shall be in writing and shall include information related to replacement staff assigned. Contractor agrees to work closely with BPS to ensure that the work and cooperation between the Parties is efficient and mutually productive to both Parties.
 - 8.4. **Background Screening.** To the extent applicable to the Services hereunder, Contractor and all Contractor staff under this Agreement shall meet and comply with all federal, state, county, and city laws, ordinances, rules, and regulations that relate to the background screening process of those applying for work with children, seniors, or the disabled, including those contained in Chapter 408 (Health Care Administration) and Chapter 435 (Employment Screening).
 - 8.5. **Conduct while on BPS Property.** Contractor acknowledges that its employees and agents will behave in an appropriate manner while on the premises of any BPS facility and shall, at all times, conduct themselves in a manner consistent with BPS policies and within the discretion of the premises administrator or designee. It is a breach of this Agreement for any agent or employee of Contractor to behave in a manner which is inconsistent with good conduct or decorum or to behave in any manner that will disrupt the educational program or constitute any level of threat to the safety, health, and well-being of any student or employee of BPS. Contractor agrees to immediately remove any agent or employee if directed to do so by the premises administrator or designee.
9. **FEDERAL AND STATE TAX.**
 - 9.1. BPS is exempt from federal and state taxes for tangible personal property. Contractor shall not be exempted from paying applicable sales tax to the State of Florida and/or the federal government, as the case may be, for the purchase of materials to fulfill contractual obligations with BPS, nor shall Contractor be authorized to use BPS's tax exemption number in securing such materials.
 - 9.2. In the event Contractor is also exempt from federal and state taxes for tangible personal property, it shall promptly submit to BPS an appropriate exemption certificate. BPS will sign an exemption certificate submitted to it by Contractor.
 - 9.3. Contractor shall be responsible for payment of its own FICA and social security benefits with respect to this Agreement.

10. DOCUMENTATION AND REPORTING.

- 10.1. In the performance of this Agreement, Contractor shall maintain books, records, and accounts of all activities in compliance with standard accounting procedures.
- 10.2. **Documentation.** Documentation in connection with the description of the Services as set forth in Exhibit "A" attached hereto shall be provided upon request.
- 10.3. **Reporting.** Contractor shall provide report containing requested data in the requested format in a timely manner as defined by BPS.

11. INSURANCE. At its sole expense, Contractor will provide, before commencement of the Services, and submit to BPS along with this Agreement, a certificate(s) evidencing such insurance coverage to the extent listed in 11.1.1 to 11.5.5 below. The following applies to the insurance requirements below for products or services from contractors when all products, services, or work performed, when totaled together, will result in BPS paying to Contractor \$50,000.00 or more during the fiscal year. The insurance requirements are as follows:

- 11.1. **Insurance listed in 11.1.1 below is required of all contractors.** "The School Board of Brevard County, Florida" shall be named as an additional insured to the insurance policy. If the School Board is not named as an additional insured, then the School Board reserves the right to terminate this Agreement.
- 11.2. **Insurance listed in 11.1.2 below.** All contractors whose work for BPS includes products or services, and the value of these products or services are in excess of \$25,000.00, are required to carry this insurance to the limit listed below.
- 11.3. **Insurance listed in 11.1.3 below.** Any contractor transporting district employees, delivering or transporting district owned equipment or property, or providing services or equipment where a reasonable person would believe that BPS is responsible for the work of the Contractor from portal to portal is required to carry this insurance to the limit listed below.
- 11.4. **Insurance as listed in 11.1.4 below.** All contractors that have one (1) or more employees or that subcontract any portion of their work to another individual or company is required to have workers' compensation insurance to the limits listed below. For contracts of \$50,000.00 or more, no State of Florida, Division of Workers' Compensation, Exemption forms will be accepted. All entities and individuals are required to purchase a commercial workers' compensation insurance policy.
- 11.5. **Insurance as listed in 11.1.5 below.** All contractors providing professional services such as architects, engineers, attorneys, auditors, accountants, etc. are required to have this insurance to the limits listed below.

All Contractors will carry and maintain policies as described in numbers 11.1 to 11.5 above and as checked off in the box to the left of each section 11.1.1 to 11.1.5 below as specifically marked by representatives of the BPS Office of Procurement Services. All required insurance required must be from insurance carriers that have a rating of "A" or better and a financial size category of "VII" or higher according to the A. M. Best Company. Contractor will notify BPS thirty (30) days in advance of any material change in coverage or cancellation. In case of reduction in coverage, material changes, or cancellation, Contractor will provide 30 days prior of written notice to BPS. This is applicable to the procurement and delivery of products, goods, or services furnished to BPS.

- 11.1.1. Commercial General Liability Insurance:**
 - Negligence including Bodily Injury and Property Damage
 - Per Occurrence - \$1,000,000
 - General Aggregate - \$2,000,000

- 11.1.2. Product Liability and/or Completed Operations Insurance:**
 - Negligence Including Bodily Injury and Property Damage - \$1,000,000
 - Products – Completed Operations Aggregate - \$2,000,000

- 11.1.3. **Automobile Liability:**
 - Negligence Including Bodily Injury and Property Damage:
 - Per Claim - \$ 500,000
 - Combined Single Limit (each accident) - \$1,000,000

- 11.1.4. **Workers' Compensation/Employer's Liability:**
 - W.C. Limit Required* - Statutory Limits
 - E.L. Each Accident - \$ 100,000
 - E.L. Disease – Each Employee \$ 100,000
 - E.L. Disease – Policy Limit \$ 500,000

- 11.1.5. **Professional Liability Insurance (Errors and Omissions):**
 - For services, goods, or projects that will exceed \$1,000,000 in value over a year.*
 - Each Claim - \$1,000,000
 - Annual Aggregate - \$2,000,000

 - For services, goods, or projects that will not exceed \$1,000,000 in value over a year.*
 - Each Claim - \$ 250,000
 - Annual Aggregate - \$ 500,000

Professional Liability coverage must be maintained for a two-year period following completion of the Services in this Agreement.

- 11.6. All insurance shall be primary and not contributory to any other insurance carried by The School Board of Brevard County, Florida. This shall also apply to any self-insurance maintained by The School Board of Brevard County, Florida.
 - 11.7. Contractor shall notify BPS's Risk Management Department within thirty (30) days of any material changes or notice of cancellation Contractor received from its insurer on above required insurance.
 - 11.8. Contractor shall provide evidence of all insurance in the form of a Certificate of Insurance (Acord) and specify any deductible or retention applicable to above required insurance.
 - 11.9. Contractor agrees that proof of insurance shall be provided prior to execution of this Agreement and that no Services shall begin until proof of insurance is received by BPS. Receipt of proof of insurance shall not be construed as an approval of Contractor's insurance or a release or waiver of Contractor's obligation to provide insurance required in this Agreement.
 - 11.10. To the extent permitted by law, Contractor's insurance shall contain a waiver of rights to recover from BPS or its insurance.
 - 11.11. Any required insurance that Contractor self-insures or carries retentions in excess of Ten Thousand Dollars (\$10,000.00) shall be pre-approved by BPS's Risk Management Department and referenced in an addendum to this Agreement.
- 12. TIME OF ESSENCE.** Time is of the essence concerning the performance of all terms and conditions of this Agreement.
- 13. STANDARD OF CARE.** In providing Services under this Agreement, Contractor will endeavor to perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Upon notice by BPS, Contractor will correct those Services not meeting such a standard.

14. INDEMNIFICATION.

- 14.1. To the fullest extent permitted by law, CONTRACTOR shall indemnify and hold harmless SCHOOL BOARD, and its employees ("Indemnitees") from and against all claims, liabilities, damages, losses, and costs including, but not limited to, reasonable costs, and attorneys' fees at the pre-trial, trial, and appellate

levels, arising out of, resulting from, or incidental to CONTRACTOR's wrongful performance, whether negligent, reckless, or intentional, under this Agreement of CONTRACTOR or other persons employed or utilized by CONTRACTOR in the performance of this Agreement. The remedy provided to the Indemnitees by this indemnification is in addition to and not in lieu of any other remedy available under this Agreement or otherwise. CONTRACTOR's available insurance under this Agreement, or otherwise, will not diminish or limit this indemnification obligation in any way. The remedy provided to the Indemnitees by this indemnification survives this Agreement. The provisions of this Section specifically survive the termination of this Agreement. The provisions of this Section are intended to require the CONTRACTOR to furnish the greatest amount of indemnification allowed under Florida law. If any indemnification requirement in this Agreement violates any law, the Parties agree the provision requires the greatest level of indemnification by the CONTRACTOR to the Indemnitees allowable under Florida law. CONTRACTOR acknowledges that indemnification by the SCHOOL BOARD may be unenforceable under Florida law and that the SCHOOL BOARD does not waive any legal defense based on the unenforceability of such indemnification position. This indemnification shall not apply to any claims, suits, actions, damages, losses, expenses, and/or a cause of action, arising from BPS's sole negligence or intentional misconduct. The agreement to indemnify, as outlined in this section, includes an obligation for Contractor to indemnify BPS for liability for any negligence on the part of BPS until/unless both Contractor and BPS agree that BPS was solely negligent. If the question of "solely negligent" should arise, a court agreeable to both Parties may be engaged to settle this dispute.

14.2. Nothing in this Agreement shall be deemed to affect the rights, privileges, or be deemed a waiver of, or limitation of, BPS's sovereign immunity protection and limitations of liability pursuant to Section 768.28, F.S. Any indemnity or assumption of liability by BPS hereunder shall be subject to BPS's rights to sovereign immunity and any other limitations of liability provided BPS pursuant to Florida law.

15. SUCCESSORS AND ASSIGNS. BPS and Contractor each binds itself and its partners, successors, executors, administrators, and assigns to the other Party of this Agreement and to the partners, successors, executors, administrators, and assigns of such other Party, in respect to all covenants of this Agreement. Neither BPS nor Contractor shall assign, sublet, convey, or transfer its interest in this Agreement without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of BPS, which may be a party hereto, nor shall it be construed as giving any rights or benefits hereunder to anyone other than BPS and Contractor.

16. GOVERNING LAW AND REMEDIES.

16.1. This Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary arising out of the Agreement will have its venue in Brevard County and the Agreement will be interpreted according to the laws of Florida. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

16.2. If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of a dispute, breach, default, or misrepresentation in connection with any provision of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorney's fees, court costs, and all expenses (including taxes) even if not taxable as court costs (including, without limitation, all such fees, costs, and expenses incident to appeals), incurred in that action or proceeding, in addition to any other relief to which such party or parties may be entitled.

17. CONFLICT OF INTEREST. Contractor represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance of Services required hereunder, as provided for in Section 112.311, F.S. Contractor further represents that no person having any interest shall be employed for said performance of services. Contractor shall promptly notify BPS in writing by certified mail of all potential conflicts of interest for any prospective business association, interest, or other circumstances that may influence or appear to influence Contractor's judgment or quality of Services being provided hereunder. Such written notification shall identify the prospective business association, interest or circumstances and the nature of work that Contractor may undertake. Contractor shall request an opinion by BPS as to whether the association, interest, or circumstance would, in the opinion of BPS, constitute a conflict of interest if entered into by Contractor. BPS agrees to notify Contractor of its opinion by certified mail within thirty (30) calendar days of

receipt of notification by Contractor. If, in the opinion of BPS, the prospective business association, interest, or circumstance would not constitute a conflict of interest by Contractor, BPS shall so state in its response, and Contractor may, at its option, enter into said association, interest, or circumstance and it shall be deemed not a conflict of interest with respect to the Services provided to BPS by Contractor under the terms of this Agreement. If BPS, in its sole discretion, determines that there is a conflict, Contractor shall not enter into or if already entered into, will immediately terminate such arrangement or Agreement with the subject business associate.

18. INDEPENDENT CONTRACTOR RELATIONSHIP.

- 18.1. Contractor is, and shall be, in the performance of all Services and activities under this Agreement, an independent contractor, and not an employee, agent, (except with respect to the purchase and sale of securities in the portfolios managed by Contractor), or servant of BPS. All persons engaged in any of the work or Services performed pursuant to this Agreement shall at all times, and in all places, be subject to Contractor's sole direction, supervision, and control. Contractor shall exercise control over the means and manner in which it and its employees perform the work, and in all respects to Contractor's relationship and the relationship of its employees to BPS shall be that of an independent contractor and not as employees or agents (except as noted above) of BPS. Contractor does not have the power or authority to bind BPS in any promise, agreement, or representation, except as otherwise provided in this Section 18.1.
- 18.2. Except as provided in Section 18.1., nothing contained herein shall be deemed to create an association, partnership, joint venture, or relationship of principal and agent or master and servant among the Parties or any affiliate thereof, or to provide any Party hereto with the right, power, or authority whether expressed or implied, to create any such duty or obligation on behalf of any other Party.

19. **ARREARS.** Contractor shall not pledge BPS's credit or make it a guarantor of payment or surety for any agreement, debt, obligation, judgment, lien, or any form of indebtedness. Contractor further warrants and represents that it has no obligation or indebtedness that would impair its ability to fulfill the terms of this Agreement.

20. CONFIDENTIAL INFORMATION AND DISCLOSURE OF DOCUMENTS.

- 20.1. Contractor shall deliver to BPS for approval and acceptance, and before eligible for final payment of any amounts due, all documents and materials prepared by Contractor for BPS under this Agreement.
- 20.2. All BPS written and oral information not in the public domain or not previously known, and all information and data obtained, developed, or supplied by BPS at its expense will be kept as Confidential Information by Contractor and will not be disclosed to any other party, directly or indirectly, without BPS's prior written consent unless required by law or regulatory or judicial process. All drawings, maps, sketches, and other data developed or purchased under this Agreement or at BPS's expense shall be and remains BPS's property and may be reproduced and reused at the discretion of BPS. As requested, BPS shall comply with the provisions of Chapter 119, F.S.
- 20.3. The Party receiving Confidential Information will not at any time disclose to any person or entity (including, without limitation, any member of the media) or use for its own benefit or the benefit of anyone, Confidential Information of the other Party without the prior written consent of said Party. Neither Party shall be liable for disclosure of Confidential Information if made in response to a valid order of a court, authorized agency of government, or in compliance with Chapter 119, F.S.

21. PUBLIC RECORDS.

- 21.1. **IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE BPS CUSTODIAN OF PUBLIC**

**RECORDS AT (321) 633-1000 ext. 11453,
recordsrequest@brevardschools.org, BREVARD COUNTY PUBLIC
SCHOOLS, RECORDS MANAGEMENT, 2700 Judge Fran Jamieson
Way, Viera, Florida 32940.**

- 21.2. This Agreement is subject to and governed by the laws of the State of Florida, including without limitation Chapter 119, F.S., which generally makes public all records or other writings made by or received by the Parties. Contractor acknowledges its legal obligation to comply with Section 119.0701, F.S. Contractor shall keep and maintain public records, as that phrase is defined in the Florida Public Records Act, which would be required to be kept and maintained by BPS in order to perform the scope of services. Contractor shall comply with all requirements for retaining public records and shall transfer, at no cost to BPS, all public records in the possession of Contractor upon a request for such public records. See Section 119.0701(2)(b)4, F.S., for additional record keeping requirements.
- 21.3. A request to inspect or copy public records relating to BPS's contract for services must be made directly to BPS's Custodian of Public Records. If BPS does not possess the requested records, BPS's Custodian of Public Records shall immediately notify Contractor of the request. Contractor must provide a copy of the records to BPS or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, F.S. If Contractor does not timely comply with BPS's request for records, BPS shall be able to sue for breach of contract and the prevailing party shall be entitled to attorney's fees.
- 21.4. Should Contractor fail to provide the requested public records to BPS within a reasonable time, Contractor understands and acknowledges that it may be subject to penalties under Sections 119.0701(3)(c) and 119.10, F.S.
- 21.5. Contractor shall not disclose public records that are exempt, or confidential and exempt, from public records disclosure unless specifically authorized by law for the duration of this Agreement term and following the completion, expiration, or termination of same if Contractor does not transfer the records to BPS. Upon completion, expiration, or termination of this Agreement, Contractor shall transfer, at no cost to BPS, all public records in its possession or keep and maintain public records required by BPS to perform the services. If Contractor transfers all public records to BPS, Contractor shall destroy any duplicate public records that are exempt, or confidential and exempt, from public records disclosure requirements. If Contractor keeps and maintains public records upon completion, expiration, or termination of this Agreement, Contractor shall meet all applicable requirements for retaining public records and provide requested records to BPS pursuant to the requirements of this Article. All public records stored electronically must be provided to BPS in a format that is compatible with the information technology systems of BPS.
- 22. CONTINGENT FEES.** Contractor warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for Contractor, to solicit or secure this Agreement and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for Contractor, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award or making of this Agreement.
- 23. ACCESS AND AUDITS.** Contractor shall maintain adequate records to justify all charges, expenses, and costs incurred in performing the work for at least seven (7) years after completion of this Agreement. BPS or its duly authorized representatives shall have access during regular business hours to such books, records, and documents as required in this section for the purpose of inspection, audit, excerpts, and transcription during normal business hours, at BPS's cost, upon five (5) days' written notice.
- 24. NON-DISCRIMINATION.** Contractor warrants and represents that all of its employees are treated equally during employment without regard to race, color, religion, sex, age, national origin, sexual orientation, gender identity, or expression, and genetic information or any other category of persons protected pursuant to Florida law.
- 25. SURVIVAL.** All covenants, agreements, representations, and warranties made herein, or otherwise made in writing by any party pursuant hereto, including but not limited to any representations made herein relating to

disclosure or ownership of documents, shall survive the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby. The insurance and indemnity provisions set forth in the Agreement shall survive the termination of the Agreement.

- 26. AUTHORITY.** Contractor hereby represents and warrants that it has and will continue to maintain all licenses and approvals required to conduct its business, and that it will at all times conduct its business activities in a reputable manner.
- 27. COMPLIANCE WITH LAWS.** Contractor agrees it shall comply with all applicable laws, codes, ordinances, permitting, and regulations as well as applicable BPS policies and regulations, rules, and guidelines in connection with the Services to be provided hereunder, including, without limitation, BPS Policy 6460 Vendor Relations. BPS agrees it shall comply with all applicable laws, codes, ordinances, permitting, and regulations in connection with the Services to be provided hereunder.
- 28. SEVERABILITY.** If any terms or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, such term or provision shall be stricken and deemed unenforceable and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.
- 29. NAMES; TRADEMARKS.** Contractor shall acquire no rights under the Agreement to, and shall not use, the name of The School Board of Brevard County, Florida or the name of "Brevard County Schools" or "BPS" either alone or in conjunction with or as part of any other name, word, mark, picture, logo, design, and/or trademark (collectively, "BPS Marks") in any of Contractor's advertising, publicity, or promotion; to express or imply any endorsement by BPS or Brevard County Schools of its Services; or in any other manner (whether or not similar to the uses hereinabove specifically prohibited) without the prior review and written approval by BPS, except as expressly permitted herein. No advertisement, publication, or other use of BPS Marks shall be published or otherwise promulgated by Contractor without BPS's prior inspection and written approval. This clause shall survive the expiration or sooner termination of this Agreement.
- 30. COPYRIGHTS.** Contractor is hereby notified that the federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for federal government purposes: the copyright in any work developed under a grant, subgrant, or contract under a grant or subgrant; and, any rights of copyright to which a grantee, subgrantee, or a Contractor purchases ownership with grant support. Furthermore, the Parties agree that BPS has the right to make copies through in-house printer or other non-commercial means, of any materials, whether in tangible or electronic means or media, that are delivered under the provisions of this Agreement for use within BPS for purposes related to BPS business, operations, the delivery of the educational program, or to comply with the requirements of law, rule, policy, or regulation.
- 31. PROTECTION AND HANDLING OF DATA.**
- 31.1. **Data Confidentiality.** Contractor shall implement appropriate measures designed to ensure the confidentiality and security of Protected Information, protect against any anticipated hazards or threats to the integrity or security of such information, protect against unauthorized access or disclosure of information, and prevent any other action that could result in substantial harm to BPS or an individual identified with the data or information in Contractor's custody.
- 31.2. **Compliance with Laws and BPS Policies and Procedures.** Contractor will not knowingly permit any Contractor's personnel to have access to any BPS facility or any records or data of BPS if the person has been convicted of a crime in connection with (1) a dishonest act, breach of trust, or money laundering, or has agreed to enter into a pretrial diversion or similar program in connection with a prosecution for such offense, as described in Section 19 of the Federal Deposit Insurance Act, 12 U.S.C. §1829(a); or (2) a felony. Contractor must, to the extent permitted by law, conduct a check of public records in all of the employee's states of residence and employment for at least the last five (5) years in order to verify the above. Contractor shall assure that all contracts with subcontractors impose these obligations on the subcontractors and shall monitor the subcontractors' compliance with such obligations.
- 31.3. **FERPA.** To the extent Services provided hereunder pertain to the access to student information, Contractor shall adhere to all standards included in Sections 1002.22 and 1002.221, F.S. (the Protection

of Pupil Privacy Acts), 20 U.S.C. §1232g - the Family Educational Rights and Privacy Act (FERPA), the federal regulations issued pursuant thereto (34 CFR Part 99), and/or any other applicable state or federal law or regulation regarding the confidentiality of student information and records. Further, Contractor, and its officers, employees, agents, and representatives, shall fully indemnify and hold BPS harmless for any violation of this provision including, but not limited to, defending BPS and its officers, employees, agents, and representatives against any complaint, administrative or judicial proceeding, payment of any penalty imposed upon BPS, or payment of any and all costs, damages, judgments, or losses incurred by or imposed upon BPS arising out of the breach of this provision by Contractor, its officers, employees, agents, or representatives, to the extent that the Contractor, or its officers, employees, agents, or representatives, shall either intentionally or negligently violate this provision, Sections 1002.22 and 1002.221, F.S., or other applicable state, local, or federal laws, rules, or regulations. This provision shall survive the termination of or completion of all performance obligations under this Agreement, and shall remain fully binding upon Contractor. A separate Non-Disclosure Agreement may be required.

- 31.4. **HIPAA, CIPA, and GLBA.** Contractor also agrees to comply with all applicable state and federal laws, regulations, and BPS policies including Privacy Rights of Students, Computer Users' Responsibilities, Security of Computing Resources, Security of Data, Privacy of Computing Resources, Health Information Privacy and Accountability Act (HIPAA), Children Internet Protection Act (CIPA), and the Gramm-Leach Bliley Act (GLBA).
- 31.5. **Data Security.** Contractor agrees to protect and maintain the security of data with protection security measures that include maintaining secure environments that are patched and up to date with all appropriate security updates as designated by a relevant authority (e.g. Microsoft notifications, etc.). Likewise, BPS agrees to conform to the following measures to protect and secure data:
- 31.5.1. **Data Transmission.** Contractor agrees that any and all transmission or exchange of system application data with BPS and/or any other parties shall take place via secure means, e.g. HTTPS, FTPS, SFTP, or equivalent.
- 31.5.2. **Data Storage and Backup.** Contractor agrees that any and all BPS data will be stored, processed, and maintained solely on designated servers and that no BPS data at any time will be processed on or transferred to any portable or laptop computing device or any portable storage medium, unless that storage medium is in use as part of Contractor's designated backup and recovery processes. All servers, storage, backups, and network paths utilized in the delivery of the service shall be contained within the states, districts, and territories of the United States unless specifically agreed to in writing by BPS with designated data, security, or signature authority. An appropriate officer with the necessary authority can be identified by BPS for any general or specific case.
- 31.5.3. Contractor agrees to store all BPS backup data stored as part of its backup and recovery processes in encrypted form, using no less than 128 bit key.
- 31.5.4. **Data Re-Use.** Contractor agrees that any and all data exchanged shall be used expressly and solely for the purposes enumerated in this Agreement. Data shall not be distributed, repurposed, or shared across other applications, environments, or business units of Contractor. As required by Federal law, Contractor further agrees that no BPS data of any kind shall be revealed, transmitted, exchanged, or otherwise passed to other contractors or interested parties except on a case-by-case basis as specifically agreed to in writing by an BPS officer with designated data, security, or signature authority.
- 31.6. **End of Agreement Data Handling.** Unless required to be retained by law or regulatory requirements, or internal recordkeeping policy or procedure, Contractor agrees that upon termination of this Agreement it shall return all data to BPS in a useable electronic form, and erase, destroy, and render unreadable all BPS data in its entirety in a manner that prevents its physical reconstruction through the use of commonly available file restoration utilities, and certify in writing that these actions have been completed within thirty (30) days of the termination of this Agreement or within seven (7) days of the request of an agent of BPS, whichever shall come first.

- 31.7. **Data Breach.** Contractor agrees to comply with the State of Florida Database Breach Notification process and all applicable laws, including, but not limited to, Section 501.171, F.S., that require the notification of individuals in the event of unauthorized release of personally identifiable information or other event requiring notification. In the event of a breach of any of Contractor's security obligations or other event requiring notification under applicable law ("Notification Event"), Contractor agrees to notify BPS immediately and assume responsibility for informing all such individuals in accordance with the applicable law and to indemnify, hold harmless, and defend BPS, its board members, employees, and representatives from and against any claims, damages, or other harm related to such Notification Event.
- 31.8. **Mandatory Disclosure of Protected Information.** If Contractor becomes compelled by law or regulation (including securities laws) to disclose any Protected Information, Contractor will provide BPS with prompt written notice (if legally permitted) so that BPS may seek an appropriate protective order or other remedy. If a remedy acceptable to BPS is not obtained by the date that Contractor must comply with the request, Contractor will furnish only that portion of the Protected Information that it is legally required to furnish, and Contractor shall require any recipient of the Protected Information to exercise commercially reasonable efforts to keep the Protected Information confidential.
- 31.9. **Remedies for Disclosure of Confidential Information.** Contractor and BPS acknowledge that unauthorized disclosure or use of the Protected Information may irreparably damage BPS in such a way that adequate compensation could not be obtained from damages in an action at law. Accordingly, the actual or threatened unauthorized disclosure or use of any Protected Information shall give BPS the right to seek injunctive relief restraining such unauthorized disclosure or use, in addition to any other remedy otherwise available (including reasonable attorneys' fees). Contractor hereby waives the posting of a bond with respect to any action for injunctive relief. Contractor further grants BPS the right, but not the obligation, to enforce these provisions in Contractor's name against any of Contractor's employees, officers, board members, owners, representatives, agents, contractors, and subcontractors violating the above provisions.
- 31.10. **Safekeeping and Security.** As part of the Services, Contractor will be responsible for safekeeping all keys, access codes, combinations, access cards, personal identification numbers, passwords, and similar security codes and identifiers issued to Contractor's employees, agents, or subcontractors. Contractor agrees to require its employees to promptly report a lost or stolen access device or information.
- 31.11. **Non-Disclosure.** Contractor is permitted to disclose Confidential Information to its employees, authorized subcontractors, agents, consultants, and auditors on a need to know basis only, provided that all such subcontractors, agents, consultants, and auditors have written confidentiality obligations to Contractor and BPS.
- 31.12. **Request for Additional Protection.** From time to time, BPS may reasonably request that Contractor protect the confidentiality of certain Protected Information in particular ways to ensure that confidentiality is maintained. Contractor has the right to reasonably decline BPS's request.
32. **NON-EXCLUSIVE AGREEMENT.** The Parties understand and agree this Agreement is a non-exclusive agreement and the Parties hereto may participate in other comparable services to and from any other person or entity.
33. **ENTIRETY OF AGREEMENT.** BPS and Contractor agree that this Agreement and any documents made a part thereof, sets forth the entire agreement between the Parties, that there are no promises or understandings other than those stated herein. None of the provisions, terms, and conditions contained in this Agreement may be added to, modified, superseded, or otherwise altered, except by written instrument executed by the Parties hereto. In the event a conflict arises, the Parties shall discuss any such conflict and the priority of controlling documents shall be as follows: this Agreement, the solicitation, any addenda, and Contractor's response to the solicitation. Note that BPS reserves the exclusive right to rectify any conflicts in its sole discretion.
34. **CONFLICTS.** If there is a conflict between this Agreement and any Exhibits and/or Attachments attached, this Agreement governs.

35. CONSTRUCTION OF AGREEMENT. Each Party has participated in negotiating and drafting this Agreement, so if an ambiguity or a question of intent or interpretation arises, this Agreement is to be construed as if the Parties had drafted it jointly, as opposed to being construed against a Party because it was responsible for drafting one or more provisions of this Agreement.

36. OTHER CONDITIONS.

- 36.1. **Legal Authority.** It is understood that those signing this Agreement have the legal authority to enter into binding Agreements.
- 36.2. **Terms and Conditions.** This Agreement contains all the terms and conditions agreed upon by the Parties. Items incorporated by reference are physically attached hereto. No other Agreements, oral or otherwise, regarding the subject matter of this Agreement, shall be deemed to exist or to bind the Parties hereto.
- 36.3. **License and Permits.** Contractor shall obtain and possess throughout the term of this Agreement all licenses and permits required for its operations under Federal, Florida, and local laws and shall comply with all fire, health, and other applicable regulatory codes.
- 36.4. **Location.** All Services shall be performed and located in appropriate settings that are convenient, safe, clean, and well-maintained.
- 36.5. **Access.** BPS agrees to provide full accessibility to property owned or leased by BPS for Contractor's employees to perform Services as agreed upon herein. For software support, BPS agrees to allow for secure, remote access to the system via internet-based tools such as WebEx or PCAnywhere or as outlined and agreed upon herein.
- 36.6. **Covenant Not-to-Hire.** Each Party agrees not to hire or attempt to hire employees of the other Party during the term and for a period of one (1) year after the term (including any renewal term) of this Agreement, without the express written consent of the other Party.
- 36.7. **Public Entity Crime.** Pursuant to Section 287.133, F.S., the following restrictions are placed on the ability of persons convicted of public entity crimes to transact business with BPS: when a person or affiliate has been placed on the convicted vendor list following a conviction for a public entity crime, it may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, F.S., for CATEGORY TWO for a period of thirty-six (36) months following the date of being placed on the convicted contractor list.

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

- 37.1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by a federal department or agency.
- 37.2. Have not, within the preceding five (5) year period, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.
- 37.3. Are not presently indicted or otherwise criminally charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in the preceding paragraph.
- 37.4. Have not within the preceding five (5) year period had one (1) or more public transactions (federal, state, or local) terminated for cause or default.

37.5. Contractor agrees to notify BPS within thirty (30) days after the occurrence of any of the events, actions, debarments, proposals, declarations, exclusions, convictions, judgments, indictments, informations, or terminations as described above, with respect to Contractor or its principals.

38. **NON-WAIVER.** The failure of either Party to exercise or delay in exercising any right, power, or privilege provided for hereunder shall not be deemed a waiver thereof; nor shall any single or partial exercise of any such right, power, or privilege preclude any other or further exercise thereof, or the exercise of any other right, power, or privilege under this Agreement. No Party shall be deemed to have waived a right, power, or privilege provided for herein, unless such waiver is in writing and signed by the waiving Party. Nothing herein is intended to serve as a waiver of sovereign immunity by any agency or political subdivision to which sovereign immunity may be applicable.
39. **FORCE MAJEURE.** Except as otherwise provided herein, none of the Parties shall be obligated to perform, and no Party shall be deemed to be in default of its performance, if prevented by: (a) fire, earthquake, hurricane, wind, flood, act of God, riot, or civil commotion; (b) any law, ordinance, rule, regulation, or order of any public or military authority stemming from the existence of economic or energy controls, hostilities, war, or governmental law and regulation; or (c) labor dispute that results in a strike or work stoppage affecting the performance of this Agreement.
40. **NOTICE.** All formal notices, proposed changes, and determinations between the Parties hereto including, but not limited to, changes to the notification addresses set forth below, shall be in writing and shall be sufficient if mailed by United States mail, postage prepaid, to the parties at the contact information listed below:

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA

Attention: Procurement and Distribution Services
2700 Judge Fran Jamieson Way
Viera, Florida 32940

PFM ASSET MANAGEMENT LLC

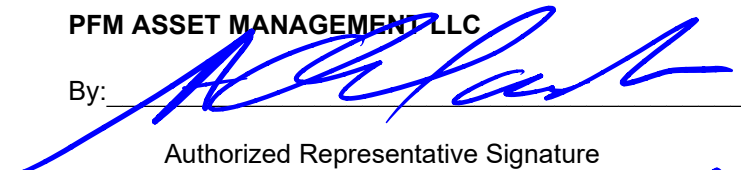
Attention: Steven Alexander, Managing Director
3501 Quadrangle Blvd., Suite 270
Orlando, FL 32817

41. **COUNTERPARTS.** This Agreement may be executed in counterpart copies, including facsimile and electronic mail signatures, each of which shall be deemed to constitute one (1) original document.
42. **E-Verify.** Under Fla. Stat., effective July 1, 2020, Contractor shall use the U.S. Agency of Homeland Security's E-Verify system, <https://e-verify.uscis.gov/emp>, to verify the employment eligibility of all employees hired during the term of this Agreement. Contractor shall also require all subcontractors performing work under this Agreement to use the E-Verify system for any employees they may hire during the term of this Agreement. Contractor must provide evidence of compliance with 448.095, Fla. Stat by January 1, 2021. Evidence may consist of, but is not limited to, providing notice of Contractor's E-Verify number. Failure to comply with this provision is a material breach of the Agreement, and BPS may choose to terminate the Agreement at its sole discretion. Contractor may be liable for all costs associated with BPS securing the same services, inclusive, but not limited to, higher costs for the same services and rebidding costs (if necessary).

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, BPS has made and executed this Agreement and Contractor has made and executed this Agreement on the day and year written below.

PFM ASSET MANAGEMENT LLC

By: 
Authorized Representative Signature

Date: 12/3/2021

Print Name: STEVEN ALEXANDER

Title: Managing Director

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA

By: _____

Date: _____

Misty Belford, Board Chairperson

YEAR	FND	CNTR	PROJECT	FUNC	OBJT	PRG	S	AMOUNT

Send required insurance certificates to the Procurement and Distribution Services Department.
New Contractors: Send all completed Forms to the Procurement and Distribution Services Department.

Contractor Contact Name: Steven Alexander
Email Address: Alexanders@pfmam.com
Phone Number: 407-723-5900

Exhibit "A"

SCOPE OF SERVICES

The scope of services for the investment advisor will include the following along with what's presented in their original submittal, Exhibit "C".

- 1) Manage on a daily basis separate investment portfolio pursuant to the specific, stated investment objectives, District investment policy, state statutes, and bond covenants. Quote and place orders for the purchase and sale of securities with brokers or dealers, communicate settlement information to School Board staff, assist in coordinating security settlement and work in concert with the District's custodian service provider.
- 2) Serve as a general resource to School Board staff for information, advice and training regarding fixed income securities, investments, general economic conditions, and treasury operations.
- 3) Provide monthly and yearly statements and reports on investment activity, earnings, and the value of the investment portfolio. These reports must include a mark-to-market valuation, original cost, sale/maturity/purchase and earnings activity for the period, and industry standard statistical investment information. The investment advisor must maintain accurate reports of investments including notifications of sale and purchase, the diversity of investments, and compliance with applicable investment policies of the School Board, and State of Florida statutes.
- 4) Provide quarterly investment reports including a description of market conditions, investment strategies employed, performance, any suggested changes to investment strategy, and any requirements per the School Board's investment policy.
- 5) **The investment advisor WILL NOT provide custodial services or security safekeeping.**
- 6) The investment advisor and its affiliates will be restricted from selling to SBBC, or buying from SBBC, any securities to or from the investment advisor's own inventory or account. The investment advisor will also be restricted from placing into the SBBC's portfolio any securities for which it, or an affiliate, is the issuer (i.e. CD's, commercial paper, etc.). The investment advisor shall act solely in a fiduciary capacity and shall not receive any fee or compensation based upon the purchase or sale of securities but, rather, the investment advisor will be compensated pursuant to the provision of its contract.

Exhibit "B"**FEEs FOR SERVICES****Negotiated Average Assets Under Management Fees**

Portfolio Value	Assets Under Management	Basis % of Account Value
	First \$50,000,000	0.0651% (6.5 basis points)
All Assets	Next \$25,000,000	0.0558% (5.6 basis points)
	Above \$75,000,000	0.0512% (5.1 basis points)

The above negotiated fee schedule is an annual fee that shall remain fixed throughout the contract term unless changes are agreed upon by both entities in writing. For services proposed by PFM, The School Board of Brevard County, Florida would pay an annual fee, in monthly installments, based on the daily net assets under management according to the schedule above. "Daily net assets" is defined to include the amortized value of securities, accrued interest and cash or any money market fund balance.

Exhibit "C"

Rider 1

43. INVESTMENT ADVISOR PROVISIONS.

43.1. **Services of Contractor.** BPS hereby engages Contractor to serve as investment advisor under the terms of this Agreement with respect to the funds described in this Agreement and such other funds as BPS may from time to time assign by written notice to Contractor (collectively the "Managed Funds"), and Contractor accepts such appointment. In connection therewith, Contractor will provide investment research and supervision of the Managed Funds investments and conduct a continuous program of investment, evaluation and, when appropriate, sale and reinvestment of the Managed Funds assets. Contractor shall continuously monitor investment opportunities and evaluate investments of the Managed Funds. Contractor shall furnish BPS with statistical information and reports with respect to investments of the Managed Funds. Contractor shall place all orders for the purchase, sale, loan or exchange of portfolio securities for BPS's account with brokers or dealers recommended by Contractor and/or BPS, and to that end Contractor is authorized as agent of BPS to give instructions to the custodian designated by BPS (the "Custodian") as to deliveries of securities and payments of cash for the account of BPS. In connection with the selection of such brokers and dealers and the placing of such orders, Contractor is directed to seek for BPS the most favorable execution and price, the determination of which may take into account, subject to any applicable laws, rules and regulations, whether statistical, research and other information or services have been or will be furnished to Contractor by such brokers and dealers. The Custodian shall have custody of cash, assets and securities of BPS. Authorized investments shall include only those investments which are currently authorized by the state investment statutes and the applicable covenants and as supplemented by such other written instructions as may from time to time be provided by BPS to Contractor. Contractor shall be entitled to rely upon BPS's written advice with respect to anticipated drawdowns of Managed Funds. Contractor will observe the instructions of BPS with respect to broker/dealers who are approved to execute transactions involving the Managed Funds and in the absence of such instructions will engage broker/dealers which Contractor reasonably believes to be reputable, qualified and financially sound.

- 43.2 **Pool Compensation.** Assets invested by Contractor under the terms of this Agreement may from time to time be invested in (i) a money market mutual fund managed by Contractor or (ii) a local government investment pool managed by Contractor (either, a “Pool”) or in individual securities. Average daily net assets subject to the fees described in this Agreement shall not take into account any funds invested in the Pool. Expenses of the Pool, including compensation for Contractor and the Pool custodian, are described in the relevant prospectus or information statement and are paid from the Pool.
- 43.3 **Other Compensation.** If and to the extent that BPS shall request Contractor to render services other than those to be rendered by Contractor under this Agreement, such additional services shall be compensated separately on terms to be agreed upon between Contractor and BPS.
- 43.4 **Expenses.** Contractor shall furnish at its own expense all necessary administrative services, office space, equipment, clerical personnel, telephone and other communication facilities, investment advisory facilities, and executive and supervisory personnel for managing the Managed Funds. Except as expressly provided otherwise herein, BPS shall pay all of its own expenses including, without limitation, taxes, commissions, fees and expenses of BPS's independent auditors and legal counsel, if any, brokerage and other expenses connected with the execution of portfolio security transactions, insurance premiums, and fees and expenses of the Custodian.
- 43.5 **Registered Advisor; Duty of Care.** Contractor hereby represents it is a registered investment advisor under the Investment Advisers Act of 1940. Contractor shall immediately notify BPS if at any time during the term of this Agreement it is not so registered or if its registration is suspended. Contractor agrees to perform its duties and responsibilities under this Agreement with reasonable care. The federal securities laws impose liabilities under certain circumstances on persons who act in good faith. Nothing herein shall in any way constitute a waiver or limitation of any rights which BPS may have under any federal securities laws. BPS hereby authorizes Contractor to sign I.R.S. Form W-9 on behalf of BPS and to deliver such form to broker-dealers or others from time to time as required in connection with securities transactions pursuant to this Agreement.

- 43.6 **Contractor's Other Clients.** BPS understands that Contractor performs investment advisory services for various other clients which may include investment companies, commingled trust funds and/or individual portfolios. BPS agrees that Contractor, in the exercise of its professional judgment, may give advice or take action with respect to any of its other clients which may differ from advice given or the timing or nature of action taken with respect to the Managed Funds. Contractor shall not have any obligation to purchase, sell or exchange any security for the Managed Funds solely by reason of the fact that Contractor, its principals, affiliates, or employees may purchase, sell or exchange such security for the account of any other client or for itself or its own accounts.
- 43.7 **Disciplinary Actions.** Contractor shall promptly give notice to BPS if Contractor shall have been found to have violated any state or federal securities law or regulation in any final and unappealable judgment in any criminal action or civil suit in any state or federal court or in any disciplinary proceeding before the Securities and Exchange Commission ("SEC") or any other agency or department of the United States, any registered securities exchange, FINRA, or any regulatory authority of any State based upon the performance of services as an investment advisor.
- 43.8 **Brochure and Brochure Supplement.** Contractor warrants that it has delivered to BPS prior to the execution of this Agreement Contractor's current SEC Form ADV, Part 2A (brochure) and Part 2B (brochure supplement). BPS acknowledges receipt of such brochure and brochure supplement prior to the execution of this Agreement.

