

**PROSPECT HEIGHTS SCHOOL DISTRICT 23**  
**DISTRICT 23 FINANCE COMMITTEE MEETING**  
MONDAY, APRIL 29, 2024  
GRODSKY ADMINISTRATION BUILDING  
700 N SCHOENBECK RD  
PROSPECT HEIGHTS, IL 60070 at 7:00 PM

*Engage ALL students in experiences that inspire EACH to grow as learners, individuals, and community members.*

**AGENDA**

I. Call to Order

II. Discussion Items

A. Financial Reporting to the Committee

Amy will provide an update on the Monthly Revenues & Expenditures

B. FY2025 Bill Payment Resolutions

3

Annually the Board of Education approves this resolution for the purpose of allowing the Business Office to pay bills weekly, rather than once per month, in an effort to provide ample time for review by the Board and facilitate timely payments by the Business Office. A rotation of the individual BOE members is scheduled so that there is one BOE member that is responsible for reviewing the voucher for each week of one month and certifying approval of the voucher on behalf of the BOE. Formal approval is then granted by BOE vote at the annual monthly meeting.

C. Final Review of 2024-25 NSSEO Budget

7

The preliminary review of the NSSEO Budget took place at the April Board meeting. With no additional changes, the current budget shows a reduction in the number of students being served, along with a correlating reduction in tuition costs. The final budget will be up for approval at the May Board meeting.

D. Honeywell 2024-25 Service Agreement Renewal

33

**As discussed at prior committee meetings, we have seen improvements in the levels of services provided to the District by Honeywell. We have asked Honeywell to provide a 1-year service contract, so we can continue to be reflective of their services to the District. Following negotiations, and removal of the 25 old cameras and server, the current proposal reflects a decrease in the amount of \$15,500 for the period from July 1, 2024 - June 30, 2025.**

E. Polish School Rental Agreements - Discussion

We are in the process of finalizing rental agreements with our two Polish Schools and will share an update at our meeting.

F. 2024-25 Workers' Compensation Insurance Pool - Transition from ICRMT to SELF and Resolution to Participate

75

Following several conversations with colleagues, insurance advisors, and a competitive solicitation process, Administration is recommending the transition of our Workers' Compensation Coverages to the School Employees Loss Fund (SELF) for the 2024-25 fiscal year at a cost of \$59,522.

G. 2024-25 Food Service RFP Process

Following notice from CCSD21, the District will begin to plan with ISBE for issuance of an RFP for Food Services. We anticipate the process to take several months and are planning for an early fall solicitation with an award early next Spring, 2025.

III. Adjournment

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**AGENDA**

**DISTRICT ORGANIZATIONAL GOALS**

- **Student Success:** Ensure ALL students are well rounded and emotionally and academically prepared for success in high school.
- **Teaching, Learning, and Innovation:** Encourage a learning environment that emphasizes excellence and retains high quality staff.
- **Family and Community Partnership:** Actively engage and communicate with all families to foster collaborative relationships that benefit student learning and understanding of district priorities.
- **Facilities & Financial Planning:** Advance effective use of resources to support safe, learner ready facilities and to maximize student learning.

## RESOLUTION AUTHORIZING PAYMENT OF BILLS

WHEREAS, it is often necessary or beneficial to pay bills related to the operations of the District prior to a regularly scheduled board meeting; and

WHEREAS, the Board of Education of Prospect Heights School District No. 23 (the "District"), Cook County, Illinois (hereinafter the "Board") desires to establish a process for the timely and efficient payment of bills; and

WHEREAS, the establishment of a bill paying process that enables the District to pay bills prior to regularly scheduled board meetings should also enable the Board to maintain reasonable and adequate oversight.

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of Prospect Heights School District No. 23, Cook County, Illinois as follows:

Section 1. The recitals set forth above are hereby incorporated as though fully set forth herein.

Section 2. The CHIEF SCHOOL BUSINESS OFFICIAL is authorized to pay the following bills pursuant to this Resolution:

- a. Any bill less than \$10,000.00
- b. Any recurring bill including, but not limited to:
  - 1. Utilities
  - 2. Student Transportation
  - 3. Food Service
  - 4. NSSEO
  - 5. Private Tuition Bills
  - 6. Insurance(s)
  - 7. Legal Services
- c. Any bill over \$10,000.00 pursuant to a contractual agreement entered into by the District or resolution as approved by the Board
- d. Any bill for which a finance charge would be incurred if not paid by the posted date
- d. Any curricular expenditure posted as part of the fiscal year budget for which delay would cause disruption to the educational program

- Section 3. The CHIEF SCHOOL BUSINESS OFFICIAL is authorized to pay bills for Summer 2024 Construction Projects via this Resolution Authorizing Payment of Bills, following review and approval by the board member assigned for monthly review. Construction payments will be vouchered separately and reviewed.
- Section 4. Prior to paying any bill, the CHIEF SCHOOL BUSINESS OFFICIAL will provide the board members with a list of the bills proposed for payment not later than the Friday before payment will be issued. Any board member may remove a bill from the proposed payment list prior to 12:00 p.m. on the following Tuesday. Upon removing a bill from the proposed payment list, the board member may seek additional information from the CHIEF SCHOOL BUSINESS OFFICIAL regarding the bill. If the board member's concerns are addressed to the board member's satisfaction, the bill may be returned to the proposed payment list and paid in accordance with the authorizations of this Resolution. Otherwise, the bill will remain unpaid until specific Board approval at the next regularly scheduled board meeting.
- Section 5. Each month, the Board will designate a board member to review the bills proposed to be paid each week of his/her designated month. The designated board member may schedule a time with the CHIEF SCHOOL BUSINESS OFFICIAL not more often than one time per week to review the bills in the District office. The designated board member shall provide specific, written confirmation of his/her approval of the bills to be paid for the week pursuant to this Resolution. Such confirmation shall be provided no later than 12:00 p.m. of the Tuesday on which bills are to be paid in accordance with this Resolution.
- Section 6. The CHIEF SCHOOL BUSINESS OFFICIAL will review all bills and payment checks prior to issuance of the payment.
- Section 7. The bills paid pursuant to the authorizations of this Resolution will be presented to the Board at the next regularly scheduled board meeting after payment is made for the Board's review and formal ratification.
- Section 8. This Resolution shall be in full force and effect upon adoption for Fiscal Year 2025.
- Section 9. This Resolution shall be adopted annually, after review and revision, as necessary, by the Board of Education.

ADOPTED this \_\_\_\_\_ day of May 2024 upon receiving a motion from Member \_\_\_\_\_, and a second of the motion by Member \_\_\_\_\_ followed by a roll call vote recorded as follows:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

BOARD OF EDUCATION OF PROSPECT HEIGHTS  
SCHOOL DISTRICT NO. 23, Cook County, Illinois

\_\_\_\_\_  
President, Board of Education

ATTEST: \_\_\_\_\_  
Secretary, Board of Education

STATE OF ILLINOIS) ) SS  
COUNTY OF COOK )

**CERTIFICATION OF RESOLUTION AND MINUTES**

I, the undersigned, do hereby certify that I am the duly qualified acting Secretary of the Board of Education of Prospect Heights School District 23, Cook County, Illinois (the “Board”), and that as such official I am the keeper of the records and files of the Board.

I do further certify that the foregoing constitutes a full, true and complete copy of a resolution entitled:

**RESOLUTION AUTHORIZING PAYMENT OF BILLS**

as adopted by the Board at its meeting held on the \_\_\_\_ day of May 2024.

I do further certify that the deliberations of the Board on the adoption of said resolution were conducted openly, that the vote on the adoption of said resolution was taken openly, that said meeting was held at a specified time and place convenient to the public, that notice of said meeting was duly given to all of the news media requesting such notice, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the School Code of the State of Illinois, as amended, and that the Board has complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Board in the conduct of said meeting and in the adoption of said resolution.

IN WITNESS WHEREOF, I hereunto affix my official signature, this \_\_\_\_ day of May 2024.

\_\_\_\_\_  
Secretary, Board of Education

## NSSEO BUDGET RESOLUTION

Be it resolved that the Board of Education of District 23 took action on the NSSEO amended 2023-2024 annual budget and the 2024-2025 annual budget at their \_\_\_\_\_ Board Meeting. The result of District 23's action was \_\_\_\_\_ of the NSSEO budgets.  
(approval/disapproval)

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Date

w//budget/FY2425Budget/DistBudRes



# **2024-2025 BUDGET**

## **Financial Information for Prospect Heights School District #23**



# **Northwest Suburban Special Education Organization**

## **Fiscal Year 2024-2025**

### **Budget**

This document is a financial plan for providing special education services as requested by the NSSEO member districts. Districts are billed for those services they receive. The projected district usage and costs are included in this document. These projections are made by both the district and NSSEO staff. District billings will be on actual usage, which could be above or below the costs based on projections. When program vacancies allow, NSSEO will accept non-member district placements if they enhance the educational services/environment.

The NSSEO budget contains the following program budgets:

- Timber Ridge School
- Miner/Kirk Program
- D/HH Program
- Diagnostic and Educational Services Center (DESC)
- D/HH Diagnostics
- D/HH Itinerant
- Outdoor Education
- Vocational Adjustment Counselor (VAC)
- Secondary Transitional Experience Program (STEP)
- NSSEO Administration & Support Services
- Technical Assistance to Districts
- Professional Development
- Technology Central / Programs
- Transportation

### **NSSEO Budget Development Process**

The NSSEO budget is prepared with input from various stakeholder groups including the NSSEO Governing Board of Education, the NSSEO Superintendent, NSSEO Administration, and the NSSEO Finance Advisory Committee. The NSSEO Finance Advisory Committee is comprised of representatives of the NSSEO Board, Member District Administrative Representatives, Member District Business Representatives, and NSSEO Administrative staff. The Committee met three times from January 25, 2024 through March 21, 2024. Members of the NSSEO Finance Advisory Committee represented district needs as well as a comprehensive focus NSSEO's Continuous Improvement Plan.

The budget planning process reflects an ongoing emphasis of the NSSEO Governing Board's role in providing input and approval of the Finance Advisory Committee recommendations. The structured and transparent process is also intended to facilitate dialogue with member districts to insure understanding and provide frequent opportunities for input throughout development of the proposed budget.

### **Financial Overview**

The NSSEO budget for 2024-2025 has been created in accordance with the Illinois Program Accounting Manual. A fund is an accounting entity unto itself, and all the financial transactions for the particular fund are recorded in the accounts of that fund.

The following funds included in the NSSEO budget are as follows:

A. **Education Fund:**

This fund is used for most of the instructional and administrative aspects of the organization's operations. The revenue consists primarily of payments from school districts and state and federal aid.

B. **Transportation Fund:**

This fund accounts for all revenue and expenditures made for student transportation. Revenue is derived primarily from school district payments.

C. **Building Fund:**

This fund is used for expenditures made for repair, maintenance and improvement of NSSEO property. Revenue consists primarily of school district payments.

The funds are further divided into objects. The object represents the service or materials obtained as a result of a specific expenditure. The objects used in NSSEO's budget are as follows:

1. **Salaries** – compensations paid to employees of the joint agreement.
2. **Employee Benefits** – paid by the joint agreement on behalf of its employees. These benefits include board share of IMRF, FICA, Medicare, Teacher Retirement-Local, Teacher Retirement-Federal, Health/Life/Dental Insurance assessment, and Worker's Compensation assessment.
3. **Purchased Services** – amounts paid for personal services rendered to the joint agreement and includes consulting, legal, audit, property, transportation, communication and insurance services.
4. **Supplies** – amounts paid for material items of an expendable nature and include instructional materials, office supplies, gas and electricity.

5. **Capital Outlay** – expenditures for the acquisition of fixed assets or additions to fixed assets. This includes expenditures for land or existing buildings and for improvements to the existing building and grounds. Also included in the object are equipment purchases of \$1,000 and over.
6. **Other Objects** – items including contingency (“contingency” by definition is an amount provided “to address a condition, situation, or set of circumstances involving uncertainty.” Several of the NSSEO program budgets carry small contingencies.), and dues/fees/memberships paid to professional associations and organizations. Also included in Other Objects are transfers. Transfers are defined as “expenditures that are transfers to other NSSEO programs from NSSEO programs for services purchased, for administration fees, or rental in another NSSEO program.”
7. **Non-Capitalized Equipment** – items that would be classified as capital assets except they cost less than the capitalization threshold and are \$500-\$999 per item.

The information included herein is intended to provide background information necessary to understand the components of the 2024-2025 NSSEO budget.

Dr. Meg Schnoor  
Superintendent

Julie Jilek  
Assistant Superintendent,  
Chief School Business Official

## **2024-2025 NSSEO BUDGET INDEX**

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w/budget/indexFY24-25



## **NSSEO 2024-2025 BUDGET SUMMARY**

### **2024-2025 Budget Development Process-**

- The NSSEO Budget is developed based on input from:
  - NSSEO Governing Board
  - District and NSSEO Administration
  - Student, District, Program and Educational Needs

### **Scope of the Finance Advisory Committee-**

- Throughout the budget development process the Finance Advisory Committee will continue to serve in an advisory capacity with the focus on:
  - Analyzing student/program needs
  - Addressing district needs
  - Focusing on fiscal responsibility
  - Providing ongoing communication and updates on the budget process to stakeholders

### **NSSEO Continuous Improvement Plan- Areas of Focus**

- **Student Outcomes**
  - Foster development, ongoing growth and positive outcomes for all students.
- **Social Emotional Learning**
  - Provide a supportive learning environment to promote social emotional learning and growth for all.
- **Student Centered Learning Environment**
  - Provide a supportive professional learning environment to promote growth for all.
- **Transition Services**
  - Develop defined post-secondary plans for students in collaboration with families that include a combination of social, community and/or work experiences.
- **Collaborative Partnerships**
  - Further advance our collaborative partnerships across the educational community to deepen equitable, inclusive practices that influence change and contributes to greater student growth and success in adulthood.

## Enrollment Projections-

- Developed based on input from Districts Administrative and Business Representatives and Program Administrators
- Enrollment Projections in the FY25 Budget have increased by 14 students from FY24 to FY25.

## Staffing Adjustments-

### FY24 Amended Budget to FY25 Budget

- Overall Staffing Increase/Decrease: -3.43 FTE

<u>2024-2025 NSSEO Tuition Based</u>	<u>2023-2024</u>		<u>2024-2025</u>	<u>INC./DEC.</u>
<u>Programs</u>	<u>BUDGET</u>		<u>BUDGET</u>	<u>%</u>
Timber Ridge School	44,938.76	per std	46,576.94	3.65%
Miner/Kirk Program	49,687.60	per std	51,428.95	3.50%
D/HH Program	53,184.17	per std	52,662.77	-0.98%

## Programs and Services Rates-

<u>Non-Member Tuition Rates</u>	<u>2024-2025</u>
Timber Ridge School Non-Member	60,550.23
Timber Ridge Non-Member w/ Add-Ons	72,402.65
Miner/Kirk Program Non-Member	66,838.13
Miner/Kirk Non-Member with Add-Ons	78,690.58

<u>2024-2025 NSSEO Service/Other Programs</u>	<u>2023-2024</u>		<u>2024-2025</u>	<u>INC./DEC.</u>
<u>DESC:</u>	<u>BUDGET</u>		<u>BUDGET</u>	<u>%</u>
OT/PT services to District students	122,575	per FTE	120,902	-1.37%
APE services to District students	82,843	per FTE	78,732	-4.96%
Vision services to District students	96,697	per FTE	91,480	-5.40%
Assistive Technology services to District students	97,120	per FTE	101,873	4.89%
D/HH-Itinerant Program	26.32	per unit	26.35	0.09%
Outdoor Education - based on % of usage in education fund	422,194	total	433,143	2.59%
VAC - costs are split between Districts 211 & 214	75,490	per dist	80,241	6.29%
Technical Assistance to Districts	100,302	per FTE	102,099	1.79%
Central O&M - based on % of usage in education fund	67,838	total	58,191	-14.22%
Technology/Central - based on % of usage in education fund	756,314	total	773,397	2.26%
Technology/Programs - based on % of usage in education fund	79,710	total	83,381	4.61%
Building Fund	300,000	total	300,000	

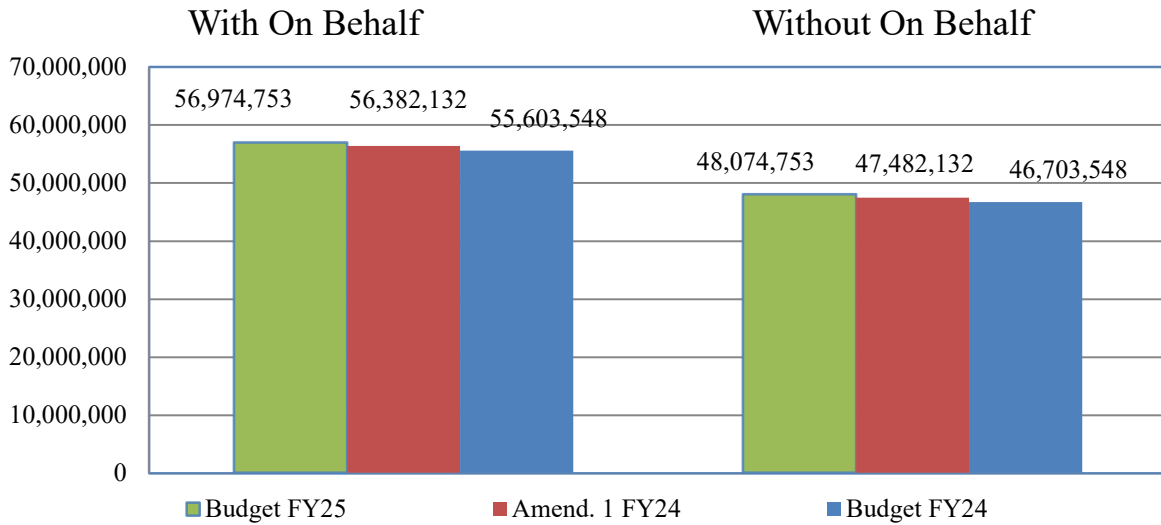
## Budget Revenue/Expenditure Summary:

### Revenue/Expenditures (with On Behalf\*)

Budget FY25	\$ 56,974,753
Amend. 1 FY24	\$ 56,382,132
Budget FY24	\$ 55,603,548

### Revenue/Expenditures (without On Behalf)

Budget FY25	\$ 48,074,753
Amend. 1 FY24	\$ 47,482,132
Budget FY24	\$ 46,703,548



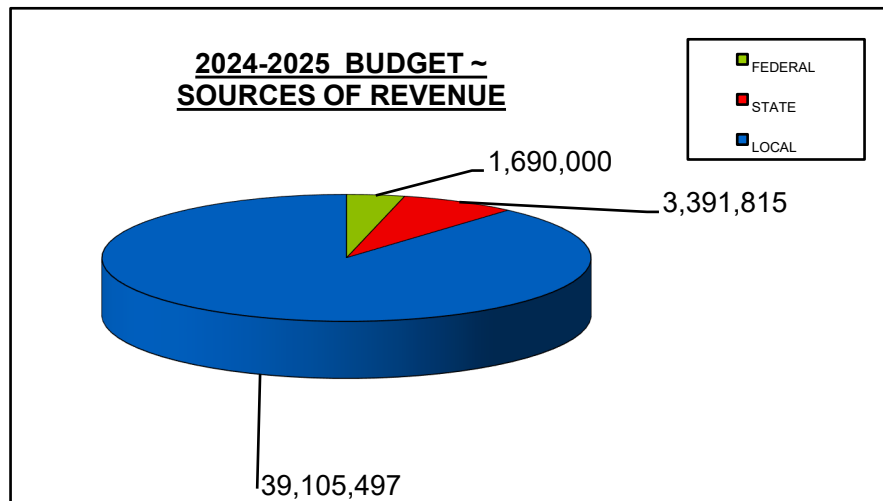
	With On Behalf	Without On Behalf
Amend. 1 to Budget	1.05%	1.25%

# NORTHWEST SUBURBAN SPECIAL EDUCATION ORGANIZATION



## SOURCES OF REVENUE

	<u>FEDERAL</u>	<u>STATE</u>	<u>LOCAL</u>	<u>TOTAL</u>
<b>2023-2024 BUDGET*</b>	1,390,000 3.3%	3,365,565 7.9%	37,930,531 88.9%	42,686,096
<b>2023-2024 AMEND. 1*</b>	1,791,857 4.1%	3,391,815 7.8%	38,449,623 88.1%	43,633,295
<b>2024-2025 BUDGET*</b>	1,690,000 3.8%	3,391,815 7.7%	39,105,497 88.5%	44,187,312



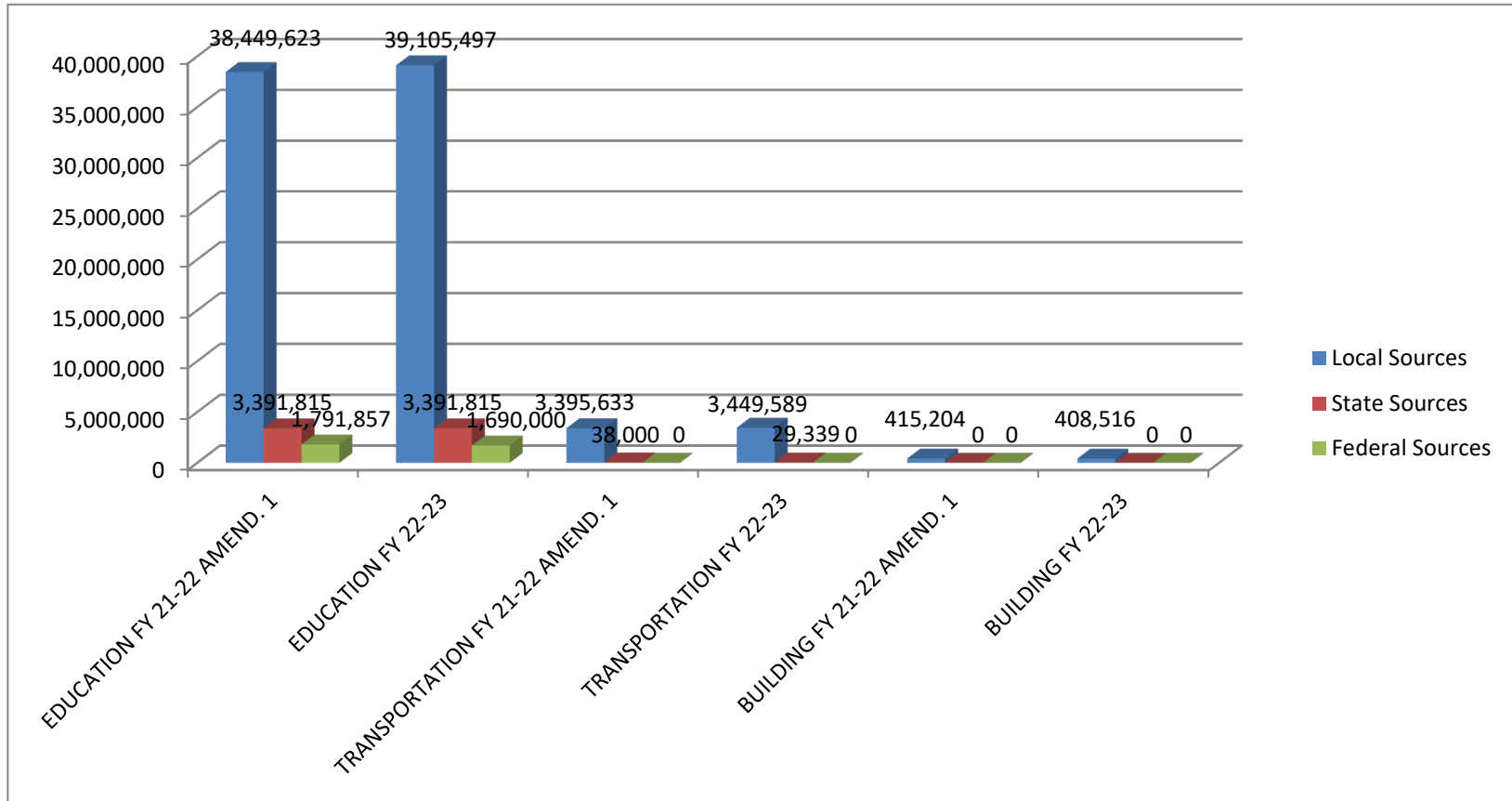
\*Excludes \$8.9 million in On Behalf

## 2024-2025 NSSEO BUDGET REVENUE (FY24 Amend. 1 to FY25)

	FY 23-24 Amend. 1 Education	FY 24-25 Budget Education	FY 23-24 Amend. 1 Transportation	FY 24-25 Budget Transportation	FY 23-24 Amend. 1 Building	FY 24-25 Budget Building	FY 23-24 Amend. 1 Total	FY 24-25 Budget Total
<b>Local Sources:</b>								
District Payments	20,530,802	22,538,982	0	0	300,000	300,000	20,830,802	22,838,982
Non-Member Payments	6,404,817	5,581,757	0	0	85,204	83,516	6,490,021	5,665,273
Transportation Payments	0	0	3,395,633	3,449,589	0	0	3,395,633	3,449,589
Direct Bill Revenue	7,026,940	6,769,729	0	0	0	0	7,026,940	6,769,729
Other Local Revenue	35,533	21,000	0	0	0	0	35,533	21,000
IDEA Funds	1,673,345	1,659,777	0	0	0	0	1,673,345	1,659,777
Building Rent	0	0	0	0	0	0	0	0
ESY Assessment	91,320	91,320	0	0	0	0	91,320	91,320
Program Payments	2,050,515	2,124,345	0	0	0	0	2,050,515	2,124,345
Interest	200,000	100,000	0	0	30,000	25,000	230,000	125,000
Budget Balance	436,351	218,587	0	0	0	0	436,351	218,587
<b>Total Local Sources</b>	<b>38,449,623</b>	<b>39,105,497</b>	<b>3,395,633</b>	<b>3,449,589</b>	<b>415,204</b>	<b>408,516</b>	<b>42,260,460</b>	<b>42,963,602</b>
<b>State Sources:</b>								
Evidence Based Funding	2,401,335	2,401,335	0	0	0	0	2,401,335	2,401,335
State Transp. Claim	0	0	38,000	29,339	0	0	38,000	29,339
Breakfast/Lunch Revenue	0	0	0	0	0	0	0	0
ORS/DHS	990,480	990,480	0	0	0	0	990,480	990,480
<b>Total State Sources</b>	<b>3,391,815</b>	<b>3,391,815</b>	<b>38,000</b>	<b>29,339</b>	<b>0</b>	<b>0</b>	<b>3,429,815</b>	<b>3,421,154</b>
<b>Federal Sources:</b>								
ISRC Grant	650,000	650,000	0	0	0	0	650,000	650,000
Preschool	0	0	0	0	0	0	0	0
Breakfast/Lunch Revenue	0	0	0	0	0	0	0	0
Medicaid	1,141,857	1,040,000	0	0	0	0	1,141,857	1,040,000
<b>Total Federal Sources</b>	<b>1,791,857</b>	<b>1,690,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,791,857</b>	<b>1,690,000</b>
<b>Grand Total*</b>	<b>43,633,295</b>	<b>44,187,312</b>	<b>3,433,633</b>	<b>3,478,928</b>	<b>415,204</b>	<b>408,516</b>	<b>47,482,132</b>	<b>48,074,756</b>

\*Excludes \$8.9 million in On Behalf

## 2024-2025 NSSEO BUDGET REVENUE (FY24 Amend. 1 to FY25)



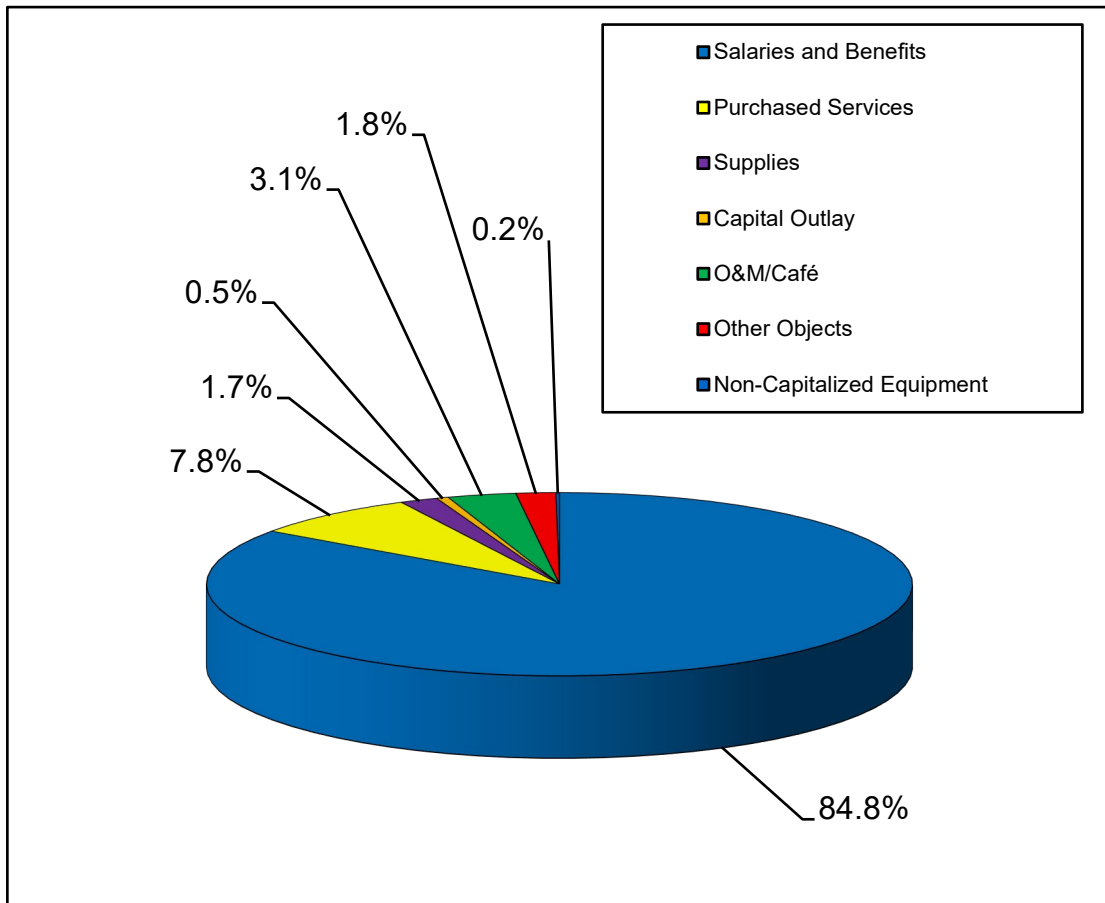


# NSSEO

## 2024-2025 BUDGET SUMMARY

### Education Fund- Allocation of Program Expenses:

Salaries and Benefits	35,649,030	84.8%
Purchased Services	3,273,769	7.8%
Supplies	734,660	1.7%
Capital Outlay	229,779	0.5%
O&M/Café	1,319,591	3.1%
Other Objects	765,149	1.8%
Non-Capitalized Equipment	68,604	0.2%
Subtotal	42,040,582	100.0%
Transfers	2,146,736	
TRS On Behalf	8,900,000	
<b>Total 2024-2025 Education Fund</b>	<b>53,087,318</b>	





# NSSEO

## BUDGET EXPENDITURES SUMMARY 2024-2025

PROGRAM	SALARIES	EMPLOYEE BENEFITS*	PURCHASED SERVICES	SUPPLIES/ MATERIALS	CAPITAL OUTLAY	TRANSFERS/ FLOW-THRU/ DUES/FEES	NON- CAPITALIZED EQUIPMENT	TOTAL
<b>TUITION PROGRAMS:</b>								
TIMBER RIDGE	3,329,084	897,864	113,331	42,700	1,500	738,777	0	5,123,256
MINER SCHOOL	5,365,223	1,664,225	569,410	87,826	20,000	537,938	1,500	8,246,122
KIRK SCHOOL	9,924,084	3,188,918	203,250	77,600	30,000	1,600,459	3,000	15,027,311
D/HH-ELEMENTARY	1,305,793	336,564	79,102	0	0	103,288	0	1,824,747
D/HH-MIDDLE	322,777	83,022	26,240	0	0	25,922	0	457,961
D/HH-HIGH SCHOOL	483,589	118,636	22,712	0	0	37,496	0	662,433
TUITION BUDGET '25	20,730,550	6,289,229	1,014,045	208,126	51,500	3,043,880	4,500	31,341,830
TUITION BUDGET '24	20,002,083	5,956,622	1,013,612	208,126	51,500	2,957,283	4,500	30,193,726
TUITION AMEND. 1 '24	19,898,109	6,109,266	1,614,514	220,645	50,578	2,957,283	4,500	30,854,895
<b>Change in Expenditures Amendment 1 to Budget</b>								<b>486,935</b>
<b>SERVICE/OTHER:</b>								
D.E.S.C.	1,565,075	316,533	49,000	8,478	0	118,995	0	2,058,081
D/HH-DIAGNOSTICS	389,921	102,333	21,000	10,000	0	31,395	0	554,649
D/HH-ITINERANT	863,427	145,517	16,500	0	0	61,527	0	1,086,971
OUTDOOR EDUCATION	416,443	92,176	76,450	59,450	20,000	41,461	0	705,980
VAC/STEP	232,362	75,807	821,610	1,600	0	19,583	0	1,150,962
NSSEO ADMINISTRATION	1,457,021	330,924	578,500	226,000	15,000	108,000	5,000	2,720,445
TECH ASST TO DIST	407,976	70,338	1,000	1,000	0	0	0	480,314
PROF DEVELOPMENT	270,407	47,226	267,210	39,005	0	0	0	623,848
CENTRAL O&M	284,987	63,995	86,800	24,500	4,000	1,000	0	465,282
D/HH-CENTRAL	2,500	325	122,915	11,000	0	176,680	0	313,420
ISRC GRANT	384,850	85,362	153,969	25,819	0	0	0	650,000
TECHNOLOGY/CENTRAL	833,773	189,973	39,600	34,100	50,000	375,000	9,135	1,531,581
TECHNOLOGY/PROGRAMS	0	0	25,170	85,582	89,279	0	49,969	250,000
SRVS/OTHR BUD '25	7,108,742	1,520,509	2,259,724	526,534	178,279	933,641	64,104	12,591,533
SRVS/OTHR BUD '24	6,840,278	1,431,509	2,181,343	539,340	178,279	980,567	64,104	12,215,420
SRVS/OTHR AMEND. 1 '24	6,853,262	1,457,094	2,379,018	560,336	178,279	923,597	64,104	12,415,690
<b>Change in Expenditures Amendment 1 to Budget</b>								<b>175,843</b>
<b>ED FUND RESERVES:</b>								
U/C RESERVE	0	0	0	0	0	20,000	0	20,000
RETIREMENT RESERVE	0	0	0	0	0	9,133,949	0	9,133,949
ED. RES. BUDGET '25	0	0	0	0	0	9,153,949	0	9,153,949
ED. RES. BUDGET '24	0	0	0	0	0	9,176,949	0	9,176,949
ED. RES. AMEND. 1 '24	0	0	0	0	0	9,262,710	0	9,262,710
<b>Change in Expenditures Amendment 1 to Budget</b>								<b>-108,761</b>
<b>TOTAL EDUCATION</b>								
BUDGET 2024-2025	27,839,292	7,809,738	3,273,769	734,660	229,779	13,131,470	68,604	53,087,312
BUDGET 2023-2024	26,842,361	7,388,131	3,194,955	747,466	229,779	13,114,799	68,604	51,586,095
AMEND. 1 2023-2024	26,751,371	7,566,360	3,993,532	780,981	228,857	13,143,590	68,604	52,533,295
<b>Change in Expenditures Amendment 1 to Budget</b>								<b>554,017</b>
<b>TRANSP</b>								
2024-2025	791,646	114,035	2,401,500	143,622	15,000	11,250	1,875	3,478,928
2023-2024	789,782	114,600	2,532,311	142,622	20,000	11,250	1,875	3,612,440
A1 2023-2024	795,055	113,302	2,349,357	142,794	20,000	11,250	1,875	3,433,633
<b>Change in Expenditures Amendment 1 to Budget</b>								<b>45,295</b>



# NSSEO

## BUDGET EXPENDITURES SUMMARY 2024-2025

PROGRAM	SALARIES	EMPLOYEE BENEFITS*	PURCHASED SERVICES	SUPPLIES/ MATERIALS	CAPITAL OUTLAY	TRANSFERS/ FLOW-THRU/ DUES/FEES	NON- CAPITALIZED EQUIPMENT	TOTAL
BLDG FUND 2024-2025	0	0	342,516	13,200	2,800	50,000	0	408,516
BLDG FUND 2023-2024	0	0	339,013	13,200	2,800	50,000	0	405,013
BLDG FUND A1 2023-2024	0	0	349,204	13,200	2,800	50,000	0	415,204
								Change in Expenditures Amendment 1 to Budget
								-6,688
<b>GRAND TOTALS:</b>								
BUDGET 2024-2025	28,630,938	7,923,773	6,017,785	891,482	247,579	13,192,720	70,479	56,974,756
BUDGET 2023-2024	27,632,143	7,502,731	6,066,279	903,288	252,579	13,176,049	70,479	55,603,548
AMEND. 1 2023-2024	27,546,426	7,679,662	6,692,093	936,975	251,657	13,204,840	70,479	56,382,132
								Change in Expenditures Amendment 1 to Budget
								592,624
								% Change in Expenditures Amendment 1 to Budget
								1.05%
<b>GRAND TOTALS LESS ON BEHALF:</b>								
BUDGET 2024-2025	28,630,938	7,923,773	6,017,785	891,482	247,579	4,292,720	70,479	48,074,756
% of Budget	59.6%	16.5%	12.5%	1.9%	0.5%	8.9%	0.1%	100.0%
BUDGET 2023-2024	27,632,143	7,502,731	6,066,279	903,288	252,579	4,276,049	70,479	46,703,548
% of Budget	59.2%	16.1%	13.0%	1.9%	0.5%	9.2%	0.2%	100.0%
AMEND. 1 2023-2024	27,546,426	7,679,662	6,692,093	936,975	251,657	4,304,840	70,479	47,482,132
% of Budget	58.0%	16.2%	14.1%	2.0%	0.5%	9.1%	0.1%	100.0%
								Change in Expenditures Amendment 1 to Budget
								592,624
								% Change in Expenditures Amendment 1 to Budget
								1.23%

\*Employee Benefits include Board Share of IMRF, FICA, Medicare, Teacher Retirement/Local, Teacher Retirement/Federal, Health/Life/Dental Insurance, and Worker's Compensation.


3/13/2024 GM




## 2024-2025 BUDGET ENROLLMENT SUMMARY

### Budget 2023-2024 to Budget 2024-2025

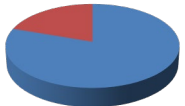
	Budget		Enrollment	
	2023-2024	2024-2025	Inc./Dec.	FY25 %
<b>Timber Ridge</b>				
Member	55.0	57.0	2.0	70%
Non-Member	30.0	25.0	-5.0	30%
	<u>85.0</u>	<u>82.0</u>	<u>-3.0</u>	<u>100%</u>



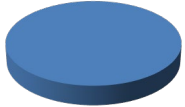
	Budget		Enrollment	
	2023-2024	2024-2025	Inc./Dec.	FY25 %
<b>Miner School</b>				
Member	65.0	82.0	17.0	85%
Non-Member	22.0	15.0	-7.0	15%
	<u>87.0</u>	<u>97.0</u>	<u>10.0</u>	<u>100%</u>



	Budget		Enrollment	
	2023-2024	2024-2025	Inc./Dec.	FY25 %
<b>Kirk School</b>				
Member	136.0	146.0	10.0	80%
Non-Member	45.0	36.0	-9.0	20%
	<u>181.0</u>	<u>182.0</u>	<u>1.0</u>	<u>100%</u>

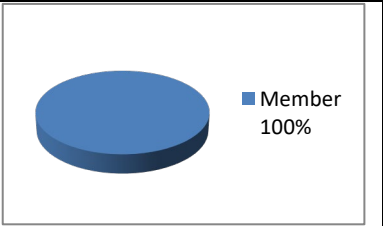


	Budget		Enrollment	
	2023-2024	2024-2025	Inc./Dec.	FY25 %
<b>D/HH-Elementary</b>				
Member	28.0	33.0	5.0	100%
	<u>28.0</u>	<u>33.0</u>	<u>5.0</u>	<u>100%</u>

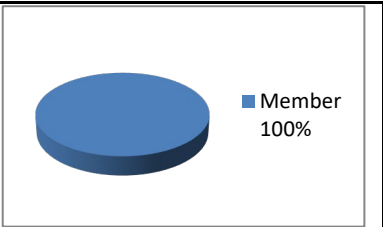


**2024-2025 BUDGET ENROLLMENT SUMMARY**  
Budget 2023-2024 to Budget 2024-2025

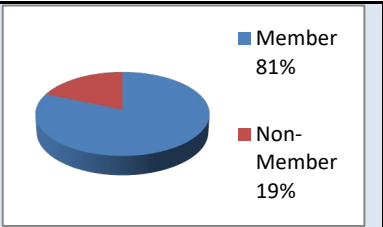
	Budget		Enrollment	
	<u>2023-2024</u>	<u>2024-2025</u>	<u>Inc./Dec.</u>	<u>FY25 %</u>
<b><u>D/HH-Middle</u></b>				
Member	5.0	7.0	2.0	100%
	<u>5.0</u>	<u>7.0</u>	<u>2.0</u>	<u>100%</u>



	Budget		Enrollment	
	<u>2023-2024</u>	<u>2024-2025</u>	<u>Inc./Dec.</u>	<u>FY25 %</u>
<b><u>D/HH-High School</u></b>				
Member	8.0	7.0	-1.0	100%
	<u>8.0</u>	<u>7.0</u>	<u>-1.0</u>	<u>100%</u>



	Budget		Enrollment	
	<u>2023-2024</u>	<u>2024-2025</u>	<u>Inc./Dec.</u>	<u>FY25 %</u>
<b><u>TOTAL</u></b>				
Member	297.0	332.0	35.0	81%
Non-Member	97.0	76.0	-21.0	19%
	<u>394.0</u>	<u>408.0</u>	<u>14.0</u>	<u>100%</u>





## 2024-2025 BUDGET STAFFING SUMMARY

Amend. 1 2023-2024 to Budget 2024-2025

PROGRAM:	BUDGET 2023-2024 STAFF	AMEND. 1 2023-2024 STAFF	BUDGET 2024-2025 STAFF	BUDGET TO BUDGET INC./DEC.
TIMBER RIDGE SCHOOL	53.0500	53.0500	53.0500	0.0000
MINER SCHOOL	60.6500	64.0000	68.0000	4.0000
KIRK SCHOOL	116.8000	116.7000	124.9000	8.2000
D/HH PROGRAM	28.0000	28.0000	29.8000	1.8000
<b>TUITION PROGRAMS</b>	<b>258.5000</b>	<b>261.7500</b>	<b>275.7500</b>	<b>14.0000</b>
DIAG. & EDUC. SRVS. CENTER	17.2100	18.5600	19.1100	0.5500
D/HH-DIAGNOSTICS	5.3000	5.3000	5.1000	-0.2000
D/HH-ITINERANT	10.0500	10.0500	10.5000	0.4500
OUTDOOR EDUCATION	5.0000	6.0000	6.0000	0.0000
OUTDOOR ED.-RESTRICTED	1.0000	0.0000	0.0000	0.0000
VOC. ADJUSTMENT COUNSELOR	4.0000	4.0000	4.0000	0.0000
NSSEO ADMINISTRATION	13.0000	14.0000	14.0000	0.0000
TECHNICAL ASSIST TO DISTRICTS	5.1000	4.8000	5.1000	0.3000
PROFESSIONAL DEVELOPMENT	2.9000	2.9000	2.9000	0.0000
CENTRAL O&M	2.3813	2.4800	2.9500	0.4700
TECHNOLOGY / CENTRAL	10.0000	10.0000	10.0000	0.0000
TIMBER RIDGE O&M	2.5000	2.5000	2.5000	0.0000
KIRK O&M	5.0000	5.0000	5.0000	0.0000
KIRK CAFETERIA	5.0000	5.0000	5.0000	0.0000
TRANSPORTATION	1.4500	1.4500	1.4500	0.0000
TRANSPORTATION-IN HOUSE	3.5000	3.5000	3.5000	0.0000
ISRC	5.8000	5.8000	5.8000	0.0000
<b>OTHER PROGRAMS/SERVICES</b>	<b>99.1913</b>	<b>101.3400</b>	<b>102.9100</b>	<b>1.5700</b>
<b>TOTALS</b>	<b>357.6913</b>	<b>363.0900</b>	<b>378.6600</b>	<b>15.5700</b>
1:1 DIRECT BILL STAFF	139.0000	151.0000	132.0000	-19.0000

Updated 3/18/2024

e/sched2425/Budget Staffing Summary

-3.4300



# NSSEO Funding Formulas

<b><u>NSSEO Tuition Based Programs</u></b>
<b>Programs:</b>
<b>Timber Ridge School</b>
<b>Miner/Kirk Program</b>
<b>D/HH Program</b>
-Based on a projected per student cost
<b><u>NSSEO Service/Other Programs</u></b>
<b>Programs:</b>
<b>DESC Services:</b>
<b>OT/PT services to District students</b>
<b>APE services to District students</b>
<b>Vision services to District students</b>
<b>Assistive Technology services to District students</b>
Based on the average salary, plus benefits, plus administrative add-on, plus travel, telephone, postage, photocopy, materials add-on.
<b>DESC Evaluations</b> - based on actual usage logs kept by DESC evaluation staff
converted to a three tier system.
<b>D/HH-Diagnostics</b> - based on actual usage logs kept by evaluation staff
converted to a four tier system.
<b>D/HH-Itinerant</b> - based on a per unit cost
<b>Outdoor Education</b> - based on % of projected usage in the education fund
<b>VAC</b> - costs are split between Districts 211 & 214
<b>NSSEO Administration</b> - no separate cost to member districts (6% in programs)
<b>Technical Assistance to Districts</b> - based on usage (FTE)
<b>Central O&amp;M</b> - based on % of projected usage in the education fund
<b>D/HH-Central Office</b> - no separate cost to member districts (6% in programs)
<b>Technology/Central</b> - based on % of projected usage in the education fund
<b>Technology/Programs</b> - based on % of projected usage in the education fund
<b><u>NSSEO Reserves</u></b>
<b>Unemployment Reserve</b> - No Assessment in 2024-2025
Based on 50% Historical Usage ('13, '18, '23), 25% AFR Revenue, 25% Usage % in Ed Fund
<b>Retirement Reserve</b> - \$100,000 in 2024-2025
Based on 50% Historical Usage ('13, '18, '23), 25% AFR Revenue, 25% Usage % in Ed Fund
<b>Building Fund</b>
Based on 1/3 Projected Usage in Buildings We Own, 1/3 AFR Revenue, 1/3 Equal Share



## NSSEO Building Fund Plan

The NSSEO Building Fund Plan focuses on both short-term and long-term facility and program needs. The facility plan is developed through an examination of the current status and future initiatives of facilities, through an analysis of facility needs, program initiatives, and the use of work space.

Guiding Principles in the development of the NSSEO Building Fund Plan include:

- Health, safety, and security
- Maintenance and upkeep of facilities
- Integration of program initiatives
- Optimal utilization of facilities
- Environmental Sustainability

The development process of the NSSEO Building Fund Plan included:

- ▶ Examination of the current use of facilities in alignment with program needs and use by all stakeholders.
- ▶ Integration of facility planning with program redesign
- ▶ Collection of current data about the conditions of facilities in order to inform the need for repair, renovations, and new construction.
- ▶ Prioritization of larger, more costly systemic repairs/projects within financial limitations
- ▶ Consideration cost of energy improvements and sustainable construction whenever possible

The following Building Fund Plan highlights the outcomes of the facility plan development process.

Within the Building Fund Plan framework, the District assesses and predicts both the need and timing for maintenance and repairs to facilities, facility redesign, and major renovations. Ongoing review of the Facility Plan provides for refinement and revisions as priorities dictate.

# NSSEO Building Fund Priority Schedule

<b>2024-2025</b>	
<b><u>Timber Ridge</u></b>	
Crack Fill, Sealcoat, Restripe Parking Lot	7,000
Tuck pointing	5,000
General Painting	5,000
Concrete Replacement/Repair	5,000
Mulch for Playground	3,500
Fire Rated Walls to enclose stairwell (Life Safety)	30,000
LED Lighting Replacement	12,500
<b><u>Administration Building</u></b>	
Crack Fill, Sealcoat, Restripe Parking Lot	5,000
Tuck pointing	4,000
General Painting	1,500
Concrete	2,000
Salter Replacement	11,000
<b><u>Kirk School</u></b>	
General Painting	5,000
Drywall Repairs/FRP Paneling	30,000
Tuck Pointing	7,000
Crack Fill, Sealcoat, Restripe Parking Lot	10,000
Concrete Replacement/Repair	25,000
LED Lighting Replacement	25,000
Carpet/Tile Replacement	7,500
Shower Repair/Replacement	5,000
PERC Patio Repair	10,000
<b><u>Sunrise Outdoor Education Center</u></b>	
Asphalt Replacement/Repair/Striping	2,000
Concrete	4,000
Decking Replacement	3,500
Tree Care	2,100
Windows in Craft Lodge	12,500
Fire Rated Walls Under Roof Deck (Life Safety)	7,000
<b><u>District Wide</u></b>	
Projects as Needed	30,000
Matching Portion of COPs Security Grant	111,416
Annual Depreciation on Vehicles	20,000
	<b>408,516</b>
<b>Total</b>	<b>408,516</b>



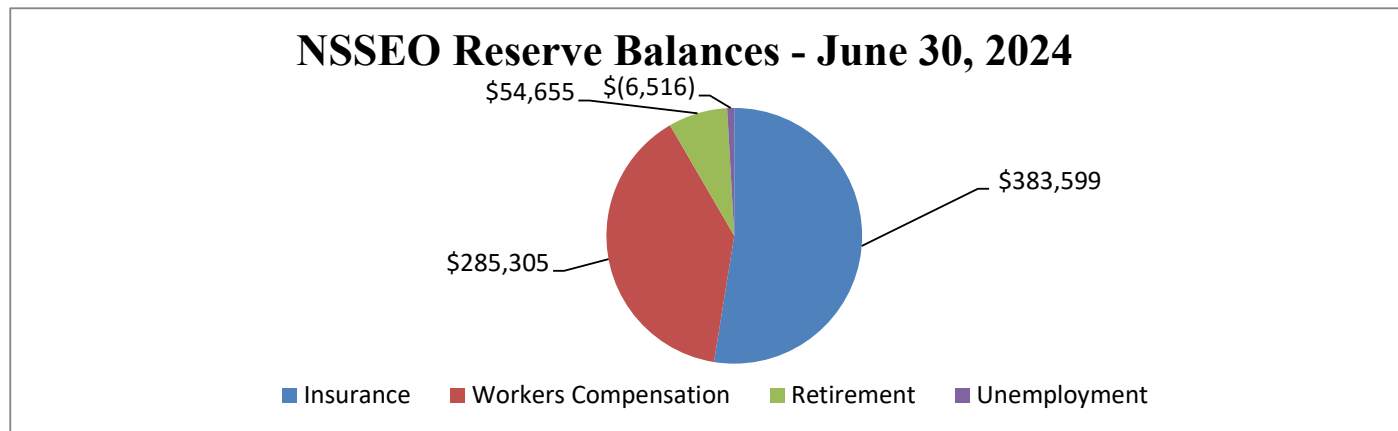
## Reserves

NSSEO currently maintains reserve balances in insurance, workers compensation, unemployment, and retirement accounts. The insurance and workers compensation reserve balances are the result of being previously self-funded through 2008. NSSEO reserves were established through assessments to both member and non-member districts for the purpose of collecting sufficient funds to cover anticipated expenses. NSSEO reserve fund balances are the result of careful budgeting, conservative spending, and actual expenses under budgeted amounts.

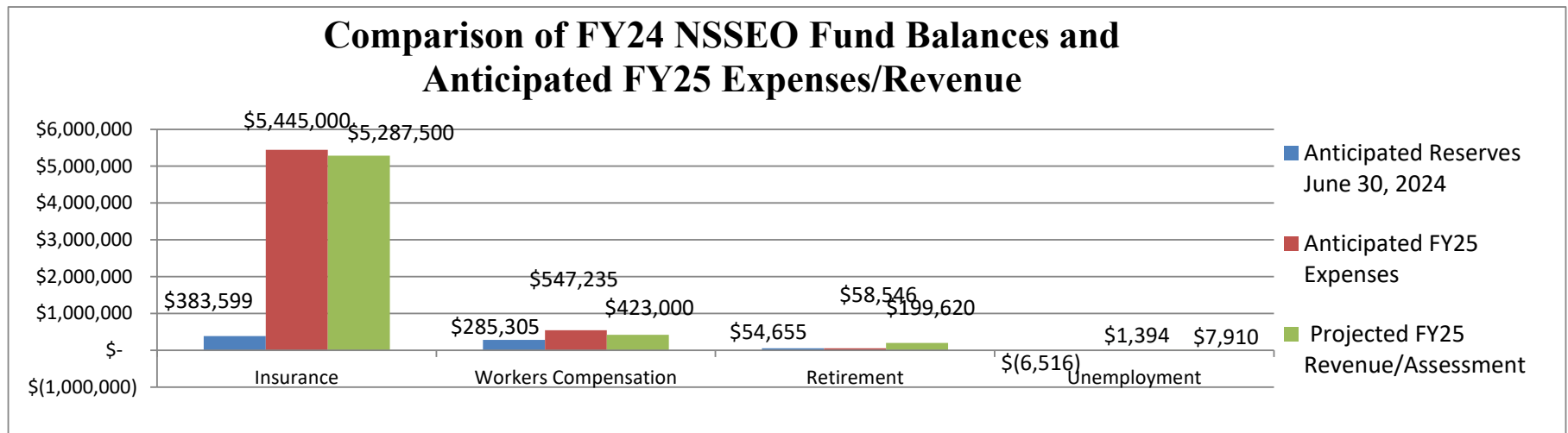
NSSEO has continually focused on spending down reserves to offset costs in the NSSEO budget. This fiscally responsible budget planning approach has resulted in conservative tuition increases and associated assessments (unemployment & retirement).

## Summary of NSSEO Reserves

	<u>Anticipated Reserves</u>	<u>Anticipated FY25</u>	<u>Projected FY25</u>	<u>Anticipated Reserves</u>
	<u>June 30, 2024</u>	<u>Expenses</u>	<u>Revenue/Assessment</u>	<u>June 30, 2025</u>
Insurance	\$ 383,599	\$ 5,445,000	\$ 5,287,500	\$ 226,099
Workers Compensation	\$ 285,305	\$ 547,235	\$ 423,000	\$ 161,070
Retirement	\$ 54,655	\$ 58,546	\$ 199,620	\$ 195,729
Unemployment	\$ (6,516)	\$ 1,394	\$ 7,910	\$ -
	<b>\$ 717,043</b>	<b>\$ 6,052,175</b>	<b>\$ 5,918,030</b>	<b>\$ 582,898</b>



29



**District #23**  
**NSSEO 2024-2025 Budget**

<b>Program</b>	<b>Projected Usage</b>	<b>Cost per Student or Service</b>	<b>District #23 Total</b>
<b>Tuition Programs:</b>			
Timber Ridge School	4.00 students	46,576.94	186,308
Miner School	3.00 students	51,428.95	154,287
D/HH-Elementary	1.00 students	52,662.77	52,663
D/HH-Middle	1.00 students	52,662.77	52,663
<b>Service/Other Programs:</b>			
DESC-Vision Services	0.20 FTE	91,480.00	18,296
DESC- PT Services	0.40 FTE	120,902.00	48,361
D/HH-Itinerant	2,000.00 Units	26.35	52,690
Technical Asst to Dists-Coaches	0.10 FTE	102,099.00	10,210
Outdoor Education			11,423
Central O&M			1,535
Technology/Central			20,397
Technology/Programs			2,199
<b>Direct Bill Staff:</b>			
3.00 Direct Bill 1:1 Aide- Miner School		46,952	140,856
1.00 Direct Bill 1:1 Aide- Timber Ridge School		46,952	46,952
<b>Education Fund Reserves:</b>			
Unemployment Comp.			0
Retirement Reserve			2,637
<b>Education Fund Totals</b>			<b>801,476</b>
<b>Building Fund</b>			<b>17,194</b>
<b>TOTAL DISTRICT #23</b>			<b>818,670</b>
<b>Additional District Costs:</b>			
**DESC-Evaluations:			Estimated Based on Need
Billing based on actual usage. Approx. \$1,200/level 1 evaluation.			
**DESC-Contracted Evaluations			Estimated 1,000
**D/HH-Diagnostics:			Estimated 5,000
Billing based on actual usage. Approx. \$550/level 1 evaluation. Screenings in district \$400/day.			
Please note- Evaluations include tests, observations, travel, IEP meetings, interviews, consultation with staff, comprehensive report, etc.			
ESY- Summer 2023			24,381
IDEA FY2324			56,790
Transportation			205,000

COMPARISON DISTRICT PAYMENTS	DIST. 23	DIST. 23	DIST. 23		DIST. 23	CHANGE IN STUDENTS OR SERVICES FROM AMENDMENT 1
	2023-2024 BUDGET	2023-2024 AMEND. 1	2024-2025 BUDGET	FY25 STDS	DIFF.~ AMEND. 1 VS FY24	
<b>TUITION PROGRAMS:</b>						
Timber Ridge School	224,694	269,633	186,308	4.0	-83,325	-2.0 students
Miner School	149,063	149,063	154,287	3.0	5,224	
<b>Kirk School</b>						
D/HH-Elementary	159,553	106,368	52,663	1.0	-53,705	-1.0 students
D/HH-Middle	0	0	52,663	1.0	52,663	1.0 student
<b>D/HH-High School</b>						
<b>Subtotal Tuition</b>	<b>533,310</b>	<b>525,064</b>	<b>445,921</b>	<b>9.0</b>	<b>-79,143</b>	<b>-2.0 students</b>
<b>SERVICE/OTHER:</b>						
DESC-Educational Srvs	68,369	68,369	66,657		-1,712	
D/HH-Itinerant	31,687	31,687	52,690		21,003	
Outdoor Education	13,309	13,309	11,423		-1,886	
V.A.C.					0	
NSSEO Admin.					0	
Tech Asst to Districts	10,030	10,030	10,210		180	
Central O&M	2,139	2,139	1,535		-604	
Technology/Central	23,842	23,842	20,397		-3,445	
Technology/Programs	2,513	2,513	2,199		-314	
<b>Subtotal Srv/Other</b>	<b>151,889</b>	<b>151,889</b>	<b>165,111</b>		<b>13,222</b>	
<b>DIRECT BILL STAFF/SRVS:</b>						
Direct Bill Staff/Services	139,861	186,480	187,808		1,328	
<b>ED FUND RESERVES:</b>						
U/C Reserve	0	0	0		0	
Retirement Reserve	3,152	3,152	2,637		-515	
<b>Subtotal Ed Reserves</b>	<b>3,152</b>	<b>3,152</b>	<b>2,637</b>		<b>-515</b>	
<b>TOTAL:</b>						
<b>EDUCATION FUND</b>	<b>828,212</b>	<b>866,585</b>	<b>801,477</b>		<b>-65,108</b>	
<b>TOTAL:</b>						
<b>BUILDING FUND</b>	<b>17,729</b>	<b>17,729</b>	<b>17,194</b>		<b>-535</b>	
<b>TOTAL</b>						
	<b>845,941</b>	<b>884,314</b>	<b>818,671</b>		<b>-65,643</b>	



## NSSEO ENROLLMENT 2024-2025 BUDGET

<b>District 23</b>				
Program	Budget 2023-2024	Amend.1 2023-2024	Budget 2024-2025	Diff Amend. 1 to Budget
Timber Ridge School	5.0	6.0	4.0	-2.0
Miner School	3.0	3.0	3.0	0.0
D/HH-Elementary	3.0	2.0	1.0	-1.0
D/HH-Middle	0.0	0.0	1.0	1.0
<b>Total</b>	<b>11.0</b>	<b>11.0</b>	<b>9.0</b>	<b>-2.0</b>



# Building Performance Service Agreement

Honeywell Building Performance  
Services

**Honeywell**

# Honeywell Building Technologies

## Building Performance Service Agreement

Date April 24, 2024

Agreement Number 40099157

**(HONEYWELL)**  
 Honeywell Building Solutions  
 95 E. Algonquin Road  
 Des Plaines, IL 60017

**(CUSTOMER)**  
 Prospect Heights District 23  
 700 N. Schoenbeck Road  
 Prospect Heights, IL 60070

**Service Location Name: Eisenhower, MacArthur, Ross, Sullivan Schools & Admin Building**  
**Service Location Address (the “Site”): Prospect Heights, IL 60070**

**Scope of Work:** HONEYWELL INTERNATIONAL INC., through its Honeywell Building Technologies – Services business unit (sometimes referred to as “HBT”, “Honeywell” or “Honeywell Building Technologies”), shall provide the Services (as defined below) in accordance with the attached Work Scope Document(s) and General Terms and Conditions, which form a part of this Agreement. “Agreement” means this proposal signed by Honeywell and Customer, the General Terms and Conditions attached hereto, and the Work Scope Document(s) attached hereto.

		Foundational	Advanced
<b>HVAC Controls (BMS)</b>	Planned Maintenance Tasking		Yes
	Honeywell Forge Predictive Maintenance		Yes
	Comprehensive		Yes
	Honeywell Software Assurance		Yes
<b>Fire System</b>	Fire Alarm Compliance Inspection & Testing		Yes
	CLSS SaaS License		
	Portable Extinguisher Compliance Inspection		
	Fixed Suppression System Compliance Testing		
	Smoke Relief Compliance Testing		
	Emergency System Compliance Testing		

	Comprehensive Cover		Yes
<b>Security</b>	Comprehensive		<b>Removed</b>
<b>Mechanical</b>			
<b>Energy and Sustainability</b>	Honeywell Forge Energy Optimization		
<b>ICT and Cybersecurity</b>	ICT Nodes PM Tasking		
	Third Party Product Licensing and Support		
	Honeywell Remote Management (HRM)		
	Cybersecurity Assessment -- Essential (CSA)		
	Honeywell Advanced Endpoint Protection (HAES)		
	Secure Configuration and Design		
	Incident Readiness and Advisory		
	Disaster Recovery (DR)		
	Cybersecurity Operational Technology (OT) Monitoring		
	Cybersecurity Threat Monitoring and Response		
<b>Emergency Service</b>	Remote Reactive Response using the Remote Building Operation Center (HBOC)		
<b>Training</b>	EBI Operator and Administrator		

**Price Schedule**

Customer will pay Honeywell the following prices (collectively, the “Price”) for the services contemplated by this Agreement, which prices Customer agrees shall be escalated by an amount determined by Honeywell in its discretion as of each anniversary of the Effective Date by written notice to Customer.

**Contract Term:** will commence on the Effective Date and continue for a period of one, three or five years (the “Contract Term”), based on Contract Term selected. This Agreement will automatically renew in accordance with the terms of the Renewal section below.

Customer \_\_\_\_\_  
(INITIALS)

Honeywell CB

**Contract Term: One (1) year from Effective Date**

**Contract Effective Date: March 31, 2024**

Service	Annual Price
Comprehensive Maintenance – <ul style="list-style-type: none"> <li>• HVAC Automation (EBI Services)</li> <li>• Fire Systems</li> <li>• Security Systems</li> </ul> Forge Digitized Maintenance Honeywell Software Assurance (HSA+) Honeywell Users Group	\$123,817.00
<b>Deduct \$15,500.00 from current contract price</b> <b>New Total Contract Price</b>	 <b>\$108,317.00</b>
Payment Terms	Annual in advance

Customer shall pay the following rates for work associated with Service Cases (as defined in the Honeywell Forge Predictive Maintenance Work Scope Document) (if applicable) and other services for which Honeywell is entitled to additional fees (except to the extent the Agreement expressly states that such work is already included in the Price), which rates Customer agrees shall be escalated by an amount determined by Honeywell in its discretion as of each annual anniversary of the Effective Date by written notice to Customer:

Item	Rate	Unit
Investigation or Other Work During Normal Working Hours	\$270.67	Per hour or part thereof
Investigation or Other Work Outside Normal Working Hours	\$406.00	Per hour or part thereof
Investigation or Other Work during Federal/Public Holidays	\$406.00	Per hour or part thereof

**Renewal:** The Contract Term will automatically be renewed for consecutive terms of one year unless terminated by either party by the delivery of written notice to the other at least sixty (60) days prior to the end of the initial term or such renewal term (as applicable), or unless terminated as provided herein. Through the automatic renewal process, Customer agrees it shall be bound by the updated General Terms and Conditions in effect at the time of such renewal and as periodically updated thereafter by Honeywell. A courtesy copy of the Honeywell updated terms are enclosed for your reference. By signing below you acknowledge the ongoing sufficiency of the consideration herein for any renewal term(s).

**Submitted by HBT:** (signature) \_\_\_\_\_

Name: Geoff Bosse  
Title: Account Executive  
Date: March 15, 2024

**This proposal is valid for 30 days.**

**Acceptance:** This proposal and the pages attached shall become an agreement in accordance with the below General Terms and Conditions and only upon signature below by an authorized representative of Honeywell and Customer.

**Accepted by:**  
**HONEYWELL INTERNATIONAL INC.,**  
**through its Honeywell Building Technologies-**  
**Services business unit**

**Prospect Heights School District 23**

**Signature: By:** \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Signature: By:** \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## **Comprehensive – HVAC Automation Controls Work Scope Document**

**1.1 Scope** - Honeywell will maintain the building automation system hardware and software found in the List of Covered Equipment and List of Covered Software below, to the extent expressly provided in this Comprehensive – HVAC Controls Work Scope Document. As used herein, “Agreement” means the agreement between Honeywell and Customer of which this Work Scope Document is a part, as amended and together with all exhibits, schedules and attachments incorporated into such agreement.

**List of Covered Software (the “Covered Software”):**

Quantity	Software Product Number	Version	Product Description	Location
1	EBI	R600	License #42771	Building and Grounds Office

**List of Covered Equipment (Front End):**

Quantity	Description	Model Number	Location
1	Dell Server		Building and Grounds Office
1	Monitor		Building and Grounds Office
1	Dual Cobox		For Ross/Sullivan & MacArthur Fire Panels
1	Single Cobox		For Eisenhower Fire Panel

**List of Covered Equipment (MacArthur School Automation):**

Quantity	Description	Model Number	Location
1	Plant Controller	CPO-PC-6A	
71	Heat Pump Controllers	CP-SPC	33-Bard Units – 38 Water Furnace Units
6	RTU HP Controllers	CP-SPC	6 Water Furnace Units
1	Geothermal Pump Controller	CP-SPC	Mech Room
1	Lighting Controller	CP-SPC	Electrical Room
1	Exhaust Fan Controller	CP-SPC	Mechanical Room
9	Transformer	5 - PSH100AB10-5 4 - TR100VAC001	School
44	Room Temp Sensors	TR22	School
77	Duct Temp Sensors	C7041B2005	Bard Units, Water Furnace Units, RTUs
71	CO2 Sensors	38 - C7232A1016 33 - Dwyer CDT	Bard Units, Water Furnace Units, RTUs
71	Damper Actuators	33 - M7411C 32 - MS7503A2030	Bard Units, Water Furnace Units, RTUs
77	Occupancy Sensors		Bard Units, Water Furnace Units, RTUs
1	Tower Lights Module, Base, Horn, & LED	TWS-BC, TWS-BP, TWS-A-G, TWS-LLS-G	Geothermal System Pump
2	Current Sensors	Veris – H608	Geothermal System Pump
1	Water Flow Switch		Geothermal System Pump
3	Relays	RIBU1C	Geothermal System Pump
1	Outside Air Sensor	C7041F2006	Geothermal System Pump
2	Temp Sensors – Immersion	C7041D2001	Geothermal System Pump
17	Electric T-Stats (wall)	T6051A1016	Unit heaters
33	Temp/Humidity Sensors	TR23-H	33 Bard Units
33	Relays		De-Humification Control

**List of Covered Equipment (Ross & Sullivan School Automation):**

Quantity	Description	Model Number	Location
2	Plant Controller	CPO-PC-6A	1 – Sullivan, 1-Ross
67	Heat Pump Controllers (rooms)	CP-SPC	16- Sullivan Bards, 18-Sullivan Climate Master 18- Ross Bard, 15 Ross Climate Master Units
6	Heat Pump Controller- Corridors	CP-SPC	2 – Sullivan, Climate Master Units 4 – Ross, Climate Master Units
3	RTU HP Controllers	CP-SPC	Ross Gym, Sullivan Gym, Ross/Sullivan Kitchen
1	Geothermal Pump Controller	CP-SPC	Mech Room
5	Transformer	3 - PSH100AB10-5 2 - TR100VAC001	Schools
63	Temp/Humidity Sensors	TR23-H	16 Sullivan, 18 Ross
73	Duct Temp Sensors	C7041B2005	36 Sullivan, 37 Ross
34	Strap On Temp Senso (Hot Gas)	THTSPC000	16 Sullivan, 18 Ross
73	CO2 Sensors	C7232A1016	36 Sullivan, 37 Ross
70	Damper Actuators	17-MS8103A1030 9-MS7503A2030 3-MS7520A2007 41-Other	34-Sullivan, 36 Ross
73	Occupancy Sensors		36-Sullivan, 37 Ross
18	Current Sensors	VERIS – H608	Geothermal System Pump
34	Current Sensors	H300	2020 De-humification System
1	Flow Meter	Omicon-F1110	Geothermal System Pump
35	Relays	RIBU1C	Geothermal System Pump
63	Relays	RIBU1c	De-Humification Control
1	Outside Air Sensor	C7041F2006	
2	Temp Sensors – Immersion	C7041D2001	Geothermal System Pump
4	Temp Sensors – Strap On	C7041K2005	Geothermal System Pump
13	Electric T-Stats (wall)	T6051A1016	Ross & Sullivan
1	Pressure Differential Switch	PWT100	Geothermal System Pump

**List of Covered Equipment (Eisenhower School Automation):**

Quantity	Description	Model Number	Location
1	Plant Controller	CPO-PC-6A	Eisenhower
32	Heat Pump Controllers (rooms)	CP-SPC	16- Bards, 16 Climate Master
1	Input/Output Module	CPO-IO830A	Eisenhower
4	Transformers	2 - PSH100AB10 2 - TR100VAC001	Eisenhower
32	Temp/Humidity Sensors	TR23-H	16 Bards, 16 Climate Master
2	Strap On Temp Sensor (Hot Gas)	THTSPC000	Eisenhower
31	CO2 Sensors	C7232A1016	16 Bards, 15 Climate Master
32	Damper Actuators	16-MS7503A2030 16-Other	Eisenhower
9	Valves – Hot Water Coil	V5863A3028	8-1 <sup>ST</sup> Floor, 1-2 <sup>nd</sup> Floor
9	Valve Actuators- HW Coils	M6410A3017	8-1 <sup>ST</sup> Floor, 1-2 <sup>nd</sup> Floor
30	Occupancy Sensors		Eisenhower
1	Duct Static Sensor	P7640B1032	Geothermal System Pump
5	Current Sensors	VERIS – H608	Geothermal System Pump
9	Relays	RIBU1C	Geothermal System Pump
38	Relays	RIBU1C	De-Humification Control

1	Outside Air Sensor	C7041F2006	
2	Temp Sensors – Immersion	C7041D2001	Geothermal System Pump
9	Electric T-Stats (wall)	T6051A1016	Unit Heaters
32	Duct Temperature Sensors	C7041B2005 C7770A1006	32 – Eisenhower School

**1.2 Coverage** - Unless noted by exception, maintenance intervals and tasks will be determined by equipment, application, location and Honeywell’s database of maintenance experience, according to Honeywell’s judgment, in its sole discretion. Notwithstanding any other provision of the Agreement, Honeywell does not guarantee that any Services or other work, equipment or materials provided by it will produce any particular results, outcomes or system performance.

After each service call is completed, details from the service report of Honeywell relating to such service call will be made available to Customer.

**1.3 Hardware Support** - Honeywell will perform preventative maintenance services on the Covered Equipment pursuant to Section 1.2 above.

Honeywell will repair or replace serviceable components and parts found on the List of Covered Equipment, which have been found to be defective or have failed for reasons other than negligence by Customer or its representatives or agents or events, conditions or circumstances that constitute “force majeure” events under the Agreement. Replaced components will be new or reconditioned components of compatible design. In Honeywell’s sole discretion, marginal components may also be repaired or replaced. These replacements will be based upon commercial availability of parts and/or components. All exchanged parts shall become the property of Honeywell.

Notwithstanding the foregoing, at initial inspection or thereafter, if any individual component cannot, in the opinion of Honeywell in its sole discretion, be properly repaired or maintained due to obsolescence, lack of commercial availability, and/or excessive wear, tear or deterioration or other reason, Honeywell may remove said component from the List of Covered Equipment, upon thirty (30) days’ written notice. Such removed components will be eliminated from coverage under this Agreement, Honeywell shall have no further obligations relating to any such components, and Honeywell shall adjust the Price accordingly.

**1.4 Software Support** - Honeywell will use commercially reasonable efforts to maintain the present system within the functional limitations of presently installed hardware and/or software included in the List(s) of Covered Equipment and List of Covered Software. This may include providing software patches, revisions and/or bug fixes to standard Honeywell software that may be periodically created by Honeywell to maintain present system operations. Third-party applications and/or software, including, but not limited to, operating system(s), web browsers, local area network (LAN) and computerized maintenance management systems, and any labor, software and/or hardware required to maintain the present applications and/or implement functional enhancements, will in each case be Customer’s responsibility. For the avoidance of doubt, (i) software upgrades are not included in this Agreement and require payment of additional fees determined by Honeywell and (ii) this Work Scope Document does not grant to Customer any license or other right in or to any software or other intellectual property of Honeywell, and any rights of Customer with respect thereto are limited to those expressly set forth in the separate Honeywell software license agreement executed by Customer.

Customer shall be responsible for, and agrees to purchase, any and all hardware, firmware, and/or software that may hereafter be required to improve performance of the software installed on Customer’s system. Honeywell shall not be responsible to provide any upgrades or improvements, functional, operational or otherwise, to any software. For the avoidance of doubt, third party software is excluded under this Agreement and will be provided when and if available and at Customer’s expense.

**1.5 Emergency Service** - Should an emergency with respect to the Covered Equipment or Covered Software arise as reported by Customer to applicable Honeywell personnel, Customer will notify Honeywell and Honeywell personnel will attempt to assess the situation either by phone or remote diagnostics, or both, and Honeywell and Customer will mutually determine the course of action in response to such emergency. If it is determined that a site visit is required, Honeywell personnel will arrive at Customer's site within eight (8) hours and attempt to address the emergency. To the extent the emergency service call requires Honeywell to provide services for equipment, software or any components thereof that are not Covered Equipment or Covered Software or such services otherwise constitute services not expressly required to be provided under this Work Scope Document, Customer will be liable for Honeywell's then-prevailing prices for such services on a time and material basis.

Emergency Service will be provided during the following periods as long as Customer is paying Honeywell for the Services contemplated by this Work Scope Document:

- Continuous Emergency Service:**  
24 hours per day, seven days per week, federal holidays included
- Extended Hours Emergency Service:**  
12 hours per day, five days per week, federal holidays excluded.  
Specified hours: 6:00 a.m. - 6:00 p.m., Monday through Friday.
- Regular Business Hours Emergency Service:**  
8.5 hours per day, five days per week, federal holidays excluded.  
Specified hours: 8:00 a.m. - 4:30 p.m., Monday through Friday.

**1.6 Performance Review** - A review of the Services provided within this Agreement will be performed by Honeywell on an annual basis at Customer's request. Honeywell and Customer will discuss work performed since the last review, answer questions pertaining to Service delivery, and identify potential opportunities to further improve performance of the Covered Equipment.

**1.7 Honeywell Service Portal** – Honeywell will provide Customer access to an Internet-based application that will allow the Customer to securely submit non-emergency service requests online; view status of all service calls, whether scheduled, open or closed; view appointments and task detail of work performed on contracted service calls; and view contract and equipment coverage details (12 month history and this includes only service performed per this Agreement). Functionality enhancements or deletions relating to such application are at the discretion of Honeywell.

**Comprehensive – Fire System Work Scope Document**

**1.1 Scope -** Honeywell will maintain the fire alarm system components and software listed below, to the extent expressly provided in this Comprehensive – Fire/Smoke Alarm Work Scope Document. As used herein, “Agreement” means the agreement between Honeywell and Customer of which this Work Scope Document is a part, as amended and together with all exhibits, schedules and attachments incorporated into such agreement.

**List of Covered Equipment (the “Covered Equipment”):**

<b>Quantity</b>	<b>Description</b>	<b>Model Number</b>	<b>Location</b>
4	XLS140 Fire Alarm Panels	XLS140	Eisenhower, Ross, Sullivan/Admin, MacArthur
4	Annunciator Panels		Eisenhower, Ross, Sullivan/Admin, MacArthur
287	Smoke Detectors	TC806	2-Admin Building 1 <sup>st</sup> floor 39-Eisenhower – Various 12-Eisenhower Room 208,112A, 117, 120, 207, 209, 210 42- Ross – Various 2-Ross room 100, outside room 202 6-Ross Gym 67-Sullivan/Admin 6-Sullivan Gym 87-MacArthur Various 17-MacArthur (4-Little Theater, 9-Gym, 1 Computer Room 110B, 2-storage room 132) 7-Variou Schools
7	Duct Smoke Detectors		1-Admin, 4-Eisenhower, 2-Ross
30	Heat Detectors		1-Eisenhower, 5-Ross, 5 Sullivan/Admin, 19-MacArthur
1	Explosion Proof Heat Detector		Ross
9	Water Flow		6-Eisenhower, 3 Sullivan/Admin
117	Pull Stations		2-Admin Building 1 <sup>st</sup> floor 21 – Various Schools 15-Eisenhower – Various 15- Ross – Various 15-Sullivan School Room 119,121 39-MacArthur Various 10-MacArthur (1-Front Entry, 2-Cafeteria, 1-Cafeteria Hall, 1-Stage 135, 1 Band Room 305, 1 Orchestra Room 307, 1 Art Room 309, 1-Hall Exit Door near Room 311, 1-Home Ec. Lab 315.)
13	Relay/Signal Module	TC810	7-Eisenhower, 1-Ross, 4-Sullivan, 1 MacArthur
9	Control Modules	TC810N1013	3-Admin, 2-Ross, 2-Eisenhower, 2 MacArthur
4	Control Modules	TC810N1013	4-Eisenhower Duct Smokes
20	Fire Door Holders		2-Ross, 2 Sullivan, 6-MacArthur, 10-Variou
4	Sync Modules	MDL	1-Admin, 1-Ross, 1 Eisenhower, 1 MacArthur
12	Power Supply & Batteries	HPF24S8	3-Admin, 2 Ross, 2-Eisenhower, 5-MacArthur
1	Door Holder Power Supply	HP400ULX	MacArthur
103	Horn Strobes		17-Eisenhower, 16-Ross, 17-Sullivan/Admin, 41-MacArthur, 12-Variou
133	Strobes		31-Eisenhower, 38-Ross, 20-Sullivan/Admin, 34-MacArthur, 10-Variou

20	Horn/Strobes (see below for locations)	P2R	1-Admin, 5-Sullivan, 14-MacArthur
75	Strobes (see below for locations)	SR	1-Admin, 22-Sullivan, 2-Ross, 12-Eisenhower, 38-MacArthur

**HORN/STROBE and STROBE LOCATIONS:**

20- Horn/Strobes

- 1 - Sullivan School Entry Area
- 5 – Administration Building
  - 1-Board Room 3-1<sup>st</sup> Floor Offices 1- Lower Level Sink Area
- 14-MacArthur School
  - 3-Courtyard 2-Cafeteria 1-Girls Locker Room 141
  - 1-Boy’s Locker Room 157 1-Band Room 305 1-Art Room 309
  - 1-Home Ec. Lab 315 1-Room 512 1-Hall outside cafeteria
  - 1-Room 601 1-Room 606

75-Strobes

- 1-Administration Building – Lower Level Office
- 22-Sullivan School
  - Room 110 Room 102 Room 102 Room 104 Room 119 Room 121
  - Room 130 Room 132 Room 134 Room 136 Rest Room 137
  - Room 138 Room 145 Room 147 Room 148 Room 149 Room 150
  - Room 151 Room 152 Room 153 Room 154 Room 146
- 2-Ross School
  - Room 201 Room 203
- 12-Eisenhower School
  - Room 101 Room 102 Room 110 Room 301 Room 302 Room 303
  - Room 304 Room 305 Room 307 Room 308 Room 309 Room 310
- 38-MacArthur School
  - Room 103 Room 104 Rest Room 105 Computer Lab Room 110 Storage Area
  - PE Office Room 140 PE Office Rest Room 140 Girls Locker Room 141
  - Boy’s Locker Room 157 Room 200 Room 201 Room 202 Room 204
  - Room 206 PE Office Rest Room 301 PE Office Room 301 2-Band Practice Room 305
  - 2-Orchestra Practice Rooms 307 Room 310 Room 311 Room 402 Room 404
  - Room 406 Room 408 Room 409 Room 413 Science Lab 503
  - Room 506 Room 507 Room 508 Room 509 Room 510 Room 511
  - 2-Small Restroom near room 512 Room 602 Room 605

**1.2 Preventative Maintenance** - Each preventative call will be scheduled by Honeywell and cover the tasks to be performed, the skill levels required, and any special tools or instrumentation required for the tasks, in each case as determined by Honeywell in its sole discretion. Upon completion of each service call, a summary of the tasks completed will be provided to Customer. Notwithstanding any other provision of the Agreement, Honeywell does not guarantee that any Services or other work, equipment or materials provided by it will produce any particular results, outcomes or system performance.

**1.3 Testing** - Honeywell will perform two (2) test(s) per year per initiating device and, at Customer’s request, furnish a written report certifying that such tests have been completed. Honeywell will test the Covered Equipment in accordance with the schedule and tasks outlined in NFPA 72 (1999), Chapter 7 (National Fire Alarm Code) in the United States, using the date of the Agreement’s full execution or renewal (as applicable) as the starting date for determining when each test must be conducted except as described below:

- Customer will perform required testing of water flow devices, fire pump monitoring and valve tamper/supervisory devices;
- Customer will perform required visual inspections of smoke detectors; Honeywell will conduct only required functionality and sensitivity testing of smoke detectors;
- Customer will perform required testing of visual and audible notification appliances.

**1.4 Hardware Support** - Honeywell will perform scheduled maintenance services on the equipment covered under this Agreement as detailed on the List of Covered Equipment, as determined by Honeywell in its sole discretion.

Honeywell will repair or replace serviceable components and parts found on the List of Covered Equipment that have been found to be defective or have failed for reasons other than negligence by Customer or its representatives or agents or events, conditions or circumstances that constitute “force majeure” events under the Agreement. Replaced components will be new or reconditioned components of compatible design. In Honeywell’s sole discretion, marginal components may also be repaired or replaced. These replacements will be based upon commercial availability of parts and/or components. All exchanged parts shall become the property of Honeywell.

Notwithstanding the foregoing, at initial inspection or thereafter, if any individual component cannot, in the opinion of Honeywell in its sole discretion, be properly repaired, due to obsolescence, lack of commercial availability of standard parts, and/or excessive wear, tear or deterioration or other reason, Honeywell may remove said component from the List of Covered Equipment, with thirty (30) days written notice. Such removed components will be eliminated from coverage under this Agreement, Honeywell shall have no further obligations relating to any such components, and Honeywell shall adjust the Price accordingly. On systems that require compliance with Underwriter Laboratory (UL) standards, only Underwriters Laboratory-approved products will be used for component replacement.

**1.5 Software Support** – Honeywell will use commercially reasonable efforts to maintain the present system within the functional limitations of presently installed hardware and/or software included in the List(s) of Covered Equipment and List of Covered Software. This may include providing software patches, revisions and/or bug fixes to standard Honeywell software that may be periodically created by Honeywell to maintain present system operations. Third-party applications and/or software including, but not limited to, operating system(s), web browsers, local area network (LAN) and computerized maintenance management systems and any labor, software and/or hardware required to maintain the present applications and/or implement functional enhancements, will in each case be Customer’s responsibility. For the avoidance of doubt, (i) software upgrades are not included in this Agreement and require payment of additional fees determined by Honeywell and (ii) this Work Scope Document does not grant to Customer any license or other right in or to any software or other intellectual property of Honeywell, and any rights of Customer with respect thereto are limited to those expressly set forth in the separate Honeywell software license agreement executed by Customer.

Customer shall be responsible for and agrees to purchase any and all hardware, firmware, and/or software that may hereafter be required to improve performance of the software installed on Customer’s system. Honeywell shall not be responsible to provide any improvements, functional, operational or otherwise. Third party software is excluded under this Agreement and will be provided when and if available and at Customer’s expense.

**1.6 Emergency Service** – Should an emergency with respect to Covered Equipment or Covered Software arise as reported by Customer to applicable Honeywell personnel, Honeywell personnel will assess the situation either by phone or remote diagnostics, or both, and will attempt to determine the required course of action with Customer. If it is determined that a site visit is required, Honeywell personnel will arrive at Customer site within eight (8) hours and attempt to address the emergency. To the extent the emergency service call requires Honeywell to provide services for equipment, software or any components thereof that are not Covered Equipment or Covered Software or such services otherwise constitute services not expressly required to be provided under this Work Scope Document, Customer will be liable for Honeywell’s then-prevailing prices for such services on a time and material basis.

Emergency Service will be provided during the following periods as long as Customer is paying Honeywell for the Services contemplated by this Work Scope Document:

- Continuous Emergency Service:**  
24 hours per day, seven days per week, federal holidays included
- Extended Hours Emergency Service:**  
12 hours per day, five days per week, federal holidays excluded.  
Specified hours: 6:00 a.m. - 6:00 p.m., Monday through Friday.
- Regular Business Hours Emergency Service:**  
8.5 hours per day, five days per week, federal holidays excluded.  
Specified hours: 8:00 a.m. - 4:30 p.m., Monday through Friday.

- 1.7 Performance Review** - A review of the Services provided under this Agreement will be performed by Honeywell on an annual basis at Customer's request. Honeywell and Customer will discuss work performed since the last review, answer questions pertaining to Service delivery, and identify potential opportunities to further improve performance of the applicable equipment.
- 1.8 Honeywell Service Portal** – Honeywell will provide Customer access to an Internet-based application that will allow the Customer to securely submit non-emergency service requests online; view status of all service calls, whether scheduled, open or closed; view appointments and task detail of work performed on contracted service calls; and view contract and equipment coverage details (12 month history and this includes only service performed per this Agreement). Functionality enhancements or deletions with respect to such application are at the discretion of Honeywell.

### **Comprehensive – Security Work Scope Document**

**1.1 Scope** - Honeywell will maintain the security system hardware and software found in the List of Covered Equipment and List of Covered Software below, to the extent expressly provided in this Work Scope Document. As used herein, “Agreement” means the agreement between Honeywell and Customer of which this Work Scope Document is a part, as amended and together with all exhibits, schedules and attachments incorporated into such agreement.

**List of Covered Equipment – Eisenhower School**

Quantity	Description	Model Number	Location
1	Control Panel (w/ batteries)	ADEMCO Vista 128	Boiler Room
1	Keypads	ADEMCO 6160	Gym Storeroom
1	Inside Sirens		Lower Level Hall
7	Motion Detectors		Hall Room 104, Hall Room 106, West Front, East Front, Ease Stairway, Gym, West Stairway
2	Door Contracts		West Gym Door, West Gym Door
1	HVAC Input Module		
1	Wireless Receiver		
2	Wireless Release Buttons		Administration Area
2	Hardware Panic Buttons		Administration Area

**List of Covered Equipment – Administration, Sullivan and Ross Schools**

Quantity	Description	Model Number	Location
1	Control Panel (w/ batteries)	ADEMCO Vista 128	Admin Building & Grounds Office
4	Keypads	ADEMCO 6160	Admin Entry, Sullivan N. Entry, 2-Ross Entry
4	Expander Modules	ADEMCO 4208U	2-Ross, 2-Sullivan
3	Inside Sirens		1-Ross, 2-Sullivan
18	Motion Detectors		Admin-Business Managers Office, Admin-OFC, Northeast Hall, Outside IMC, NE Hall, North Office Hall, South Office Hall, East/West Hall, 3 <sup>rd</sup> Grade South, 3 <sup>rd</sup> Grand North, Sullivan near classroom 144, Sullivan & Ross Link, Gym North Hall, Gym West Hall, Art Room, Ross near classroom 114, Ross Center Hall, Ross LRC, Ross South Hall, Ross West Hall.
10	Door Contracts		Admin-Business Managers Office, Maintenance Trap Door, South Basement, 2-East/West Basement, North School, IMC, Ross boiler room , Ross LRC SW Door, Ross West Exterior, 2- Ross Gym Storage Doors Rooms 002 & 003.
4	Window Contacts		2-Administration Building, 2—Ross LRC SW
1	HVAC Input Module		
3	Wireless RCVR(door release)		Administration Building, Ross, Sullivan
6	Wireless Release Buttons		2-Admin Building, 2-Ross, 2-Sullivan
6	Hardware Panic Buttons		2-Admin Building, 2-Ross, 2-Sullivan

**List of Covered Equipment – MacArthur School**

Quantity	Description	Model Number	Location
1	Control Panel (w/ batteries)	ADEMCO Vista 128	Boiler Room
2	Keypads	ADEMCO 6160	Boiler Room, Entry
1	Inside Sirens		Outside Little Theater
20	Motion Detectors		Hall Cafeteria, Interior, Hall near Room 413, Hall near Room 500, Hall at Room 409, Hall at Room 310, West LT Lobby, Hall at Staff Room, Marquette Road, Main Entrance, Hall Near Gym & Library, Main Office, Asst. Principle Office, Principle Office, NW Hall, Home Economics SE, Home Economics SW, Tech Lab East, Tech Lab West, Hall Near Room 409
11	Door Contracts		North Gym, South Gym, Boys Locker Room, Band Room, Girls Locker Room, Overhead, Valve Room, Home Economic Room, Tech Lab, Art Room, Orchestra
4	Door Contacts (double)		North East Side, South Side, NW Side, SW Side
1	HVAC Input Module		
1	Wireless Receiver		
2	Wireless Release Buttons		Administration Area
2	Hardware Panic Buttons		Administration Area

**1.2 Preventative Maintenance** - Unless noted by exception, maintenance intervals will be determined by equipment, application, location and Honeywell’s computer database of maintenance experience, as determined by Honeywell in its sole discretion. Notwithstanding any other provision of the Agreement, Honeywell does not guarantee that any Services or other work, equipment or materials provided by it will produce any particular results, outcomes or system performance.

After each service call is completed, details from the service report will be provided to Customer.

**1.3 Testing** – Honeywell will perform one (1) test per year per initiating device], with the scope thereof determined by Honeywell in its sole discretion, and, at Customer’s request, furnish a written report certifying that such tests have been completed.

**1.4 Hardware Support** - Honeywell will perform scheduled maintenance services on the Covered Equipment, as determined by Honeywell in its sole discretion.

Honeywell will repair or replace serviceable components and parts found on the List of Covered Equipment which have been found to be defective or have failed for reasons other than negligence by Customer or its representatives or agents or events, conditions or circumstances that constitute “force majeure” events under the Agreement. Replaced components will be new or reconditioned components of compatible design. In Honeywell’s sole discretion, marginal components may also be repaired or replaced. These replacements will be based upon commercial availability of parts and/or components. All exchanged parts shall become the property of Honeywell.

Notwithstanding the foregoing, at initial inspection or thereafter, if any individual component cannot, in the opinion of Honeywell in its sole discretion, be properly repaired, due to obsolescence, lack of commercial availability of standard parts, and/or excessive wear, tear or deterioration or other reason, Honeywell may remove said component from the List of Covered Equipment, with thirty (30) days written notice. Such removed components will be eliminated from coverage under this Agreement. Honeywell shall have no further obligations relating to any such components and Honeywell shall adjust the Price accordingly.

**1.5 Software Support** - Honeywell will use commercially reasonable efforts to maintain the present system within the functional limitations of presently installed hardware and/or software included in the List of Covered Equipment and List of Covered Software. This may include providing software patches, revisions and/or bug fixes to standard Honeywell software that may be periodically created by Honeywell to maintain present system operations. Third-party applications and/or software including, but not limited to, operating system(s), web browsers, local area network (LAN) and computerized maintenance management systems and any labor, software and/or hardware required to maintain the present applications and/or implement functional enhancements, will in each case be Customer's responsibility. For the avoidance of doubt, (i) software upgrades are not included in this Agreement and require payment of additional fees determined by Honeywell and (ii) this Work Scope Document does not grant to Customer any license or other right in or to any software or other intellectual property of Honeywell, and any rights of Customer with respect thereto are limited to those expressly set forth in the separate Honeywell software license agreement executed by Customer.

Customer shall be solely responsible for and agrees to purchase any and all hardware, firmware, and/or software that may hereafter be required to improve performance of the software installed on Customer's system. Honeywell shall not be responsible to provide any improvements, functional, operational or otherwise. Third party software that adds, enhances or improves functional performance of Customer's system are excluded under this Agreement and will be provided when and if available and at Customer's expense.

**1.6 Emergency Service** - Should an emergency with respect to Covered Equipment or Covered Software arise as reported by Customer to applicable Honeywell personnel, Honeywell personnel will assess the situation either by phone or remote diagnostics, or both, and will attempt to determine the required course of action with Customer. If it is determined that a site visit is required, Honeywell personnel will arrive at Customer's site within eight hours and attempt to address the emergency. To the extent the emergency service call requires Honeywell to provide services for equipment, software or any components thereof that are not Covered Equipment or Covered Software or such services otherwise constitute services not expressly required to be provided under this Work Scope Document, Customer will be liable for Honeywell's then-prevailing standard prices for such services on a time and material basis.

Emergency Service will be provided during the following periods as long as Customer is paying Honeywell for the Services contemplated by this Work Scope Document:

- Continuous Emergency Service:**  
24 hours per day, seven days per week, federal holidays included
- Extended Hours Emergency Service:**  
12 hours per day, five days per week, federal holidays excluded.  
Specified hours: 6:00 a.m. - 6:00 p.m., Monday through Friday.
- Regular Business Hours Emergency Service:**  
8.5 hours per day, five days per week, federal holidays excluded.  
Specified hours: 8:00 a.m. - 4:30 p.m., Monday through Friday.

**1.7 Performance Review** - A review of the Services provided within this Agreement will be performed by Honeywell on an annual basis at Customer's request. Honeywell and Customer will discuss work performed since the last review, answer questions pertaining to Service delivery, and identify potential opportunities to further improve performance of the Covered Equipment.

**1.8 Honeywell Service Portal** – Honeywell will provide Customer access to an Internet-based application that will allow the Customer to securely submit non-emergency service requests online; view status of all service calls, whether scheduled, open or closed; view appointments and task detail of work performed on contracted service calls; and view contract and

equipment coverage details (12 month history and this includes only service performed per this Agreement). Functionality enhancements or deletions are at the discretion of Honeywell.

**Forge Digitized Maintenance – Work Scope Document**

**Scope** - Honeywell will provide the following services enabled by Honeywell Forge Digitized Maintenance to Customer with respect to the building automation system hardware and software set forth in the List of Digitized Maintenance Covered Equipment below, to the extent expressly described in this Work Scope Document. As used herein, “Agreement” means the agreement between Honeywell and Customer of which this Work Scope Document is a part, as amended and together with all exhibits, schedules and attachments incorporated into such agreement.

**List of Building Locations (the “Buildings”)**

Administration Building
Eisenhower School
MacArthur School
Sullivan School
Ross School

**List of Digitized Maintenance Covered Equipment (the “DM Covered Equipment”):**

Quantity	Description	Location
14	Hot Water Systems	3- Eisenhower School 3- MacArthur School 5- Sullivan School 3- Ross School
179	Heat Pumps	35- Eisenhower School 71- MacArthur School 36- Sullivan School 37- Ross School
12	Roof Top Units (RTU)	2- Eisenhower School 6- MacArthur School 3- Sullivan School 1- Administration Building
18	Exhaust Fans	1- Eisenhower School 11- MacArthur School 3- Sullivan School 3- Ross School

**General**

To support monitoring and diagnostics, Honeywell may install additional software on Customer's applicable building automation system(s) (the “BMS System”). Such software will remain the property of Honeywell or its nominated software licensor and shall be removed from the BMS System and returned to Honeywell at Honeywell's request.

Honeywell Forge Digitized Maintenance is designed to identify certain faults or anomalies in the DM Covered Equipment and certain other equipment. Once such faults or anomalies are identified, these are converted to service work orders and are dispatched to service technicians for further investigation of the root causes of the identified fault or anomaly. Such service work orders represent “Service Cases”. Customer and Honeywell will agree upon Honeywell’s performance of such work and Customer will pay Honeywell an extra fee at Honeywell’s hourly rates set forth herein for such work plus the cost of

any materials, subject to Honeywell's then-prevailing markup. Honeywell shall have no obligation to address or respond to emergencies except to the extent expressly provided in the Agreement.

### **Analytics**

Honeywell will establish a connection from the BMS System to Honeywell's cloud and its related HVAC and energy analytics tools. These tools are intended to identify certain faults or anomalies in the operation of Customer's applicable DM Covered Equipment and certain other equipment. Faults or anomalies may be raised as Service Cases as provided above in the section entitled "General".

### **Summary KPI Dashboards**

Honeywell will make available on the Honeywell Forge Portal summary key performance indicators ("KPI") for the Buildings referred to in the List of Buildings, as such KPIs are developed by Honeywell in its sole discretion. The KPIs are available in the following key categories:

- comfort performance
- energy performance (if and to the extent there are electricity meters connected)
- maintenance performance

### **Service Reports**

Honeywell will periodically provide a service report that describes the status of works done and Service Cases initiated or received by Honeywell that are new, active or closed in that particular period. The reporting frequency may be monthly or such other periodic basis as determined by Honeywell, in its sole discretion.

### **Remote Support**

Service Cases, whether raised as a result of analytics, scheduled maintenance activities or otherwise, may be addressed by Honeywell through the use of remote access software. This software is supplied by Honeywell and remains Honeywell's property. Upon Honeywell's request, Customer will enable such remote access for Honeywell through a secure Internet connection maintained by Customer and configured as requested by Honeywell.

### **Certain Additional Terms**

Included in all invoices will be surcharges covering travel expenses, environmental and waste charges.

Scope Changes:

- Maintenance scope changes may occur due to additions to the systems.
- The equipment covered by this Work Scope Document may be reviewed at each annual contract anniversary and at any point changes have occurred and a variation to the Agreement will be made by mutual agreement only.

### **Exclusions**

Notwithstanding any other provision of the Agreement, Honeywell does not guarantee that any Services or other work, equipment or materials provided by it will produce any particular results, outcomes or system performance. Further, without limiting other exclusions, for the avoidance of doubt Honeywell's obligations DO NOT INCLUDE:

- Maintenance of transmission wiring between central and remote equipment and the main electrical supply wiring to the equipment, drains, hand valves (gate/globe), air balancing and the repair or replacement of non-moving parts
- Repair of damage caused by erosion or corrosion due to environmental conditions. If this is requested, it shall be carried out and paid by Customer at Honeywell's applicable standard hourly rates in effect at such time plus other costs incurred
- Tenancy variation requiring a change to the design configuration or air balance of the BMS System, including the relocation or modernization of sensors
- Repairs to electric wiring
- Repairs to valves (except to the extent expressly provided in the Agreement)
- Repairs to cabinet casings
- Repairs to lighting within units
- Malicious damage
- Moving of sensors or field devices

- Tenancy alterations of any type
- Foundations or structural supports
- Building works including painting, patching and making good
- Modernizations
- Repairs to BMS systems or equipment that can no longer reasonably be maintained, as determined by Honeywell in its sole discretion, including, without limitation, when complete replacement thereof is advisable

### **Honeywell Software Assurance (HSA+) – Work Scope Document**

**Scope**

Honeywell will provide the following software-related services with respect to the Covered Software on Covered HSA Equipment (each as defined below) as part of the Honeywell Software Assurance program during the applicable term of the Agreement (as defined below) for which Customer (sometimes referred to as “you” herein) pays for Honeywell Software Assurance, to the extent expressly provided in this Work Scope Document:

- Software upgrades
- Preferred pricing on expansion orders
- EBI, feature packs, software updates, and bug fixes
- Windows update qualification

As used herein, “Agreement” means the agreement between Honeywell and Customer of which this Work Scope Document is a part, as amended and together with all exhibits, schedules and attachments incorporated into such agreement.

**List of Covered HSA Equipment (the “Covered HSA Equipment”):**

Quantity	Description	Model Number	Location
1	Dell Server for EBI		Building & Grounds Office

**List of Covered Software (the “Covered Software”):**

Quantity	License Number	Version	Product Description	Location
1	422771	EBI R600	Building Manager, Life Safety Manager, Security Manager, Vista Intrusion, 6500 points.	Building & Grounds Office

**Terms**

- For software included in the List of Covered Software and originally installed by Honeywell on the Covered HSA Equipment, Honeywell will, on a scheduled basis determined by Honeywell in its sole discretion, (a) evaluate the condition of the software, (b) apply any available updates and upgrades that are applicable to the software (provided, that with respect to third-party software, only after it has been qualified by Honeywell and subject to Customer’s payment of all required fees to such third parties except to the extent otherwise expressly provided herein) and that have not been previously applied, (c) perform a system back-up, and (d) save the back-up files.
- For the same software, Honeywell will apply critical software updates as they become available (provided, that with respect to third-party software only after it has been qualified by Honeywell and subject to Customer’s payment of all required fees to such third parties except to the extent otherwise expressly provided herein). Critical software updates are updates that correct a problem that substantially compromises the overall system operation or security, as determined by Honeywell in its sole discretion.
- Customer shall not install any software on Covered HSA Equipment without Honeywell’s written approval. This Agreement does not include any services on software installed by others, and Honeywell will have no obligations or liabilities whatsoever with respect to any such software.
- The fee set forth in the Agreement for the Honeywell Software Assurance program provided in this Work Scope Document is based upon the existing system’s licensed software features at the time this Work Scope Document becomes effective. This amount remains subject to escalation for, among other reasons, any and all system

expansions that occur during the Agreement term, e.g., by adding readers or interfaces or other software components.

- The first payment on Customer's Honeywell Software Assurance is due at the commencement date of the Agreement; provided, that for new licenses of Honeywell EBI software, the annual payment begins at the start of year two, after the one-year warranty on the newly-installed software expires.
- All of Honeywell's obligations in this Work Scope Document are expressly conditioned on Customer's execution of Honeywell's then-current standard Software License Agreement for the applicable software (to the extent not already executed by Customer with respect to the item in question) and any third party software license agreement that may apply, the terms of each of which software license agreement shall govern and control in the event of a conflict or inconsistency with the terms of the Agreement.
- Except to the extent otherwise expressly provided in pricing schedule to the Agreement, the fees payable by Customer for Honeywell Software Assurance exclude labor and related expenses (e.g., travel, lodging, etc.) and materials, and Customer will pay Honeywell for such labor, expenses and materials relating to this Work Scope Document at Honeywell's then-current prevailing rates on a time and material basis, provided, that labor shall be charged at the specific hourly rate(s) set forth in the pricing schedule to the Agreement (if any), subject to escalation in accordance with the Agreement.
- Notwithstanding any other provision of the Agreement, Honeywell does not guarantee that any Services or other work, equipment or materials provided by it will produce any particular results, outcomes or system performance.

### **Honeywell User Group (HUG) / Training Service Contract**

The Honeywell User Group (HUG) / Training Service Contract provided for one seat (attendee) at the Honeywell User Group event (includes registration fee, training materials, etc.) and Hotel (with tax) for up to 5 nights at the designed conference hotel (or alternate if less expensive). Hotel incidentals, additional meals, companion events, etc. are the customer's responsibility. This event is typically held in Phoenix, Arizona in June. Airfare and/or other transportation to and from event are not included.

## **Honeywell Building Operations Centre (HBOC) Emergency Service**

### **Proposal**

#### **Customer Needs**

When something goes wrong, it's good to have someone to call that can help you out of a bad situation. Honeywell's Emergency Service is that 24/7 support that can be called on when you need an expert's help. Our Technical teams are available 24 hours a day, 365 days a year and are just a phone call away.

Whether it's too hot or too cold in a certain area of your building or an issue with an Air Handling Unit or Chiller, this service will help your site get back up and running as soon as possible. If our Honeywell Building Operation Center cannot resolve the issue, a Field Service Professional will be dispatched to investigate the issue and try to resolve it. If further labor or parts are needed to address the issue, a quote will be provided unless you have the applicable comprehensive contract.

Emergency Service can save the amount of downtime after a fault occurs and if the issue can be resolved by our Honeywell Building Operation Center, then it can also save the time it takes to respond.

#### **Scope Overview**

Subject to the terms of our contract, Honeywell will provide 24/7, 365 days a year emergency services for Prospect Heights SD 23 which will allow you to call or email to report an emergency.

- Where available, Honeywell will investigate using the Honeywell Building Operation Center within 30 minutes of the call being logged by Honeywell.
- If a Field Service Professional is required to be dispatched, they will attend site within 4 hours of the logging of the call.
- The Field Service Professional will spend a maximum of 2 hours attempting to fix the issue; if further time is required, this will be charged at the contracted rate.
- If any parts are required to fix the issue, these will be an additional charge at list price, unless the contract specifies the applicable comprehensive coverage.
- If more time is required to resolve the issue than the allocated 2 hours, a quote will be provided for the additional time unless the contract has the applicable comprehensive coverage.
- Assets covered by the Emergency Service are the same assets as the covered equipment listed within the contract.
- For assets not covered by the contract, Honeywell can respond but this will be subject to additional charges at contracted rates.

- Emergency Service does not cover:
  - Non-emergency related calls or changes to the control system
  - Scheduled maintenance
- Honeywell will provide a standard report following emergency work to provide details of the issue found and the steps taken to resolve it and any further recommendations to the customer.

Please refer to the separate form of Service Agreement for a more detailed description of the scope of service solutions proposed to be provided by Honeywell and the associated terms and conditions.

# General Terms and Conditions

## 1. RELATIONSHIP OF THE PARTIES

**1.1 Honeywell shall perform and execute the provisions of this Agreement at all times as an independent contractor, and none of Honeywell, any subcontractor, nor any of their respective employees, agents, or representatives shall be, represent, act or purport to be deemed for any purpose to be an agent, servant, representative, or employee of Customer, nor shall Honeywell, any subcontractor, nor any of their respective employees, agents, or representatives be treated as an employee of Customer for any purpose, including tax and social security coverage and withholding, or any Customer provided employee benefits. Nothing herein shall create a relationship of joint venture or partnership between Customer and Honeywell, and neither Party shall have the authority to bind or obligate the other in any manner as a result of the relationship created hereby.**

**1.2 Customer acknowledges and agrees that Honeywell may elect to have portions of the Work accomplished through subcontractors but shall remain fully responsible for such subcontractor's performance and compliance with this Agreement. Any subcontractors performing Services shall have any licenses or other accreditations required by Applicable Law and shall either be covered by Honeywell's insurance or maintain their own insurance coverage at least equal to the insurance coverage required of Honeywell under Section 5. Honeywell shall be solely responsible for paying subcontractors and for managing and coordinating their work. No contractual relationship shall exist between Customer and any subcontractor with respect to the Work to be performed pursuant to this Agreement, and no subcontractor is intended to be or shall be deemed a third-party beneficiary of this Agreement.**

## 2. WORKING HOURS

Unless otherwise stated, all labor and services under this Agreement will be performed during typical working hours of 8:00 a.m. - 4:30 p.m. local time Monday through Friday (or applicable typical working hours for the region in which the work is being performed), excluding federal holidays (in regions where applicable) ("Normal Working Hours"). If for any reason Customer requests Honeywell to furnish any labor or services outside of Normal Working Hours, any overtime or additional expenses, such as repairs or material costs not included in this Agreement, will be billed to and paid by Customer.

## 3. TAXES

**3.1 Customer understands that Honeywell's pricing excludes all taxes (including but not limited to, sales, use, excise, value-added, and other similar taxes), tariffs and duties (including amounts imposed upon any products or goods made available under this Agreement or bill of material relating thereto under any law, rule or regulation (collectively "Taxes"). Customer will pay all Taxes resulting from this Agreement or Honeywell's performance under this Agreement, whether imposed, levied, collected, withheld, or assessed now or later. If Honeywell is required to impose, levy, collect, withhold or assess any Taxes on any transaction under this Agreement, then in addition to the Price, Honeywell will invoice Customer for such Taxes unless at the time of execution of this Agreement, Customer furnishes Honeywell with an exemption certificate or other documentation sufficient to verify exemption from the Taxes to the satisfaction of Honeywell. In no event will Honeywell be liable for Taxes paid or payable by Customer. This clause will survive expiration or any termination**

of this Agreement.

**3.2 Tax-Related Cooperation.** Customer agrees to execute any documents and to provide additional reasonable cooperation to Honeywell related to Honeywell tax filings under Internal Revenue Code Section 179D. Honeywell will be designated the sole Section 179D beneficiary.

#### 4. PROPRIETARY INFORMATION

**4.1 Authorized Use.** Customer will:

- (a) use the Confidential Information only for the performance of the Agreement (“Purpose”);
- (b) disclose Confidential Information only to its employees and any subcontractors or third parties (“sub-processors”) required to have Confidential Information for the Purpose and who are legally bound in writing to Customer to protect the Confidential Information in accordance with terms and conditions no less stringent than those imposed under this Agreement;
- (c) protect Confidential Information using the same degree of care, but no less than reasonable care, as Customer uses to protect its own confidential information of a like nature;
- (d) reproduce the restrictive legends of the original on copies it makes; and
- (e) disclose Confidential Information to a third party only if authorized in writing and under conditions required by Honeywell.

Customer is responsible to Honeywell for any violation of the confidentiality obligations by its employees or an authorized third party. Within thirty (30) days of Honeywell’s written request, Customer will return or destroy all Honeywell Confidential Information, including all copies thereof, and will certify to such return or destruction in writing to Honeywell. Unless otherwise specified, Customer’s obligations with respect to the Confidential Information will continue for five (5) years after the date of receipt.

**4.2 Limitations.** Confidential Information will not include any information that:

- (a) was in Customer’s possession and not subject to an obligation of confidentiality before receipt from Honeywell;
- (b) is or becomes legally available in the public domain through no fault of Customer;
- (c) was rightfully received by Customer from a third party who had no obligation of confidentiality, either directly or indirectly, to Honeywell; or
- (d) was independently developed by Customer without use of or reference to Honeywell’s Confidential Information. If Customer is required to disclose Confidential Information by applicable law, statute, regulation, or court order, Customer will:
  - a. give Honeywell prompt written notice of the request and a reasonable opportunity to object to the disclosure and seek a protective order or appropriate remedy; and
  - b. disclose Confidential Information only to the extent required.

**4.3 Breach of Obligation.** Customer agrees that a breach of the confidentiality obligations under this Section will cause irreparable damage for which money damages will not be fully adequate, and Honeywell would be entitled to seek injunctive relief, in addition to any other legal remedies.

**4.4 Standard of Care.** Customer agrees to comply with all applicable law or regulation relating to its use of Personal Data, which shall include, without limitation, requirements that the Customer:

- (a) take appropriate technical and organizational security measures or such measures required by Honeywell to protect Personal Data;
- (b) indemnify Honeywell against all losses, costs, expenses, damages, liabilities, demands, claims, actions, or proceedings which Honeywell may suffer incur arising out of any Security

Breach or other breach of this Section concerning Confidential Information (including by any employee or sub-processor); and  
(c) promptly notify Honeywell about any Security Breach, any request for disclosure of Personal Data by a law enforcement agency (unless otherwise prohibited) or any requests received by individuals to whom Personal Data relates, without responding to such request unless otherwise authorized by Honeywell.

## **5. INSURANCE OBLIGATIONS**

Honeywell shall, at its own expense, carry and maintain in force at all times from the effective date of the Agreement through final completion of the work the following insurance. It is agreed, however, that Honeywell has the right to insure or self-insure any of the insurance coverages listed below:

- (a) Commercial General Liability Insurance to include contractual liability, products/completed operations liability with a combined single limit of USD \$5,000,000 per occurrence. Such policy will be written on an occurrence form basis;
- (b) If automobiles are used in the execution of the Agreement, Automobile Liability Insurance with a minimum combined single limit of USD \$5,000,000 per occurrence. Coverage will include all owned, leased, non-owned and hired vehicles.
- (c) Where applicable, "All Risk" Property Insurance, including Builder's Risk insurance, for physical damage to property which is assumed in the Agreement.
- (d) Workers' Compensation Insurance Coverage A - Statutory limits and Coverage B - Employer's Liability Insurance with limits of USD \$1,000,000 for bodily injury each accident or disease.

Customer shall, at its own expense, carry and maintain in force at all times during the duration of this Agreement its own commercial general liability and property insurance in an amount customary for the size of Customer's business and properties.

All insurance required in this Section 5 will be written by companies with a rating of no less than "A-, XII" by A.M. Best or equivalent rating agency. Either party will endeavor to provide a thirty (30) day notice of cancellation or non-renewal to the other party. In the event that a self-insured program is implemented, Honeywell will provide proof of financial responsibility.

Honeywell will not issue coverage on a per project basis.

## **6. HAZARDOUS SUBSTANCES, MOLD AND UNSAFE WORKING CONDITIONS**

**6.1** Customer has not observed or received notice from any source (formal or informal) of: (a) Hazardous Substances or Mold, either airborne or on or within the walls, floors, ceilings, heating, ventilation and air conditioning systems, plumbing systems, structure, and other components of the Site, or within furniture, fixtures, equipment, containers or pipelines in a Site; or (b) conditions that, to Customer's knowledge, might cause or promote accumulation, concentration, growth or dispersion of Hazardous Substances or Mold on or within such locations.

**6.2** Honeywell is not responsible for determining whether the Covered Equipment or the temperature, humidity and ventilation settings used by Customer, are appropriate for Customer and the Site.

**6.3** If any such materials, situations or conditions, whether disclosed or not, are in fact discovered by Honeywell or others and provide an unsafe condition for the performance of the Services, the discovery of the condition shall constitute a cause beyond Honeywell's reasonable control and Honeywell shall have the right to cease the Services until the area has

been made safe by Customer or Customer's representative, at Customer's expense. Honeywell shall have the right to terminate this Agreement if Customer has not fully remediated the unsafe condition within sixty (60) days of discovery.

**6.4** Customer represents that Customer has not retained Honeywell to discover, inspect, investigate, identify, prevent or remediate Hazardous Substances or Mold or conditions caused by Hazardous Substances or Mold.

**6.5** Customer is responsible for the containment of any and all refrigerant stored on or about the premises. Customer accepts all responsibility for and agrees to indemnify Honeywell against any and all claims, damages, or causes of action that arise out of the storage, consumption, loss and/or disposal of refrigerant, except to the extent Honeywell has brought refrigerant onsite and is directly and solely negligent for its mishandling.

**6.6** Customer will maintain a safe workplace for performance of the Services onsite by Honeywell and will ensure that it has health and safety protocols in place addressing the COVID-19 pandemic as needed, as well as any applicable federal, state and local laws regarding workplace safety. Customer will ensure that its workplace is free of any recognized hazards that are likely to cause death or serious physical harm.

## **7. WARRANTY**

**7.1 LIMITED WARRANTY.** CUSTOMER'S EXCLUSIVE REMEDIES AND HONEYWELL'S SOLE LIABILITY AS TO ANY WARRANTY CLAIM ON ANY PRODUCT SOLD IN CONNECTION WITH THIS AGREEMENT IS AS SET FORTH IN THIS SECTION. SUCH REMEDIES ARE IN LIEU OF ANY OTHER LIABILITY OR OBLIGATION OF HONEYWELL, INCLUDING WITHOUT LIMITATION ANY LIABILITY OR OBLIGATION FOR DAMAGE, LOSS, OR INJURY (WHETHER DIRECT, INDIRECT, EXEMPLARY, SPECIAL, CONSEQUENTIAL, PUNITIVE, OR INCIDENTAL) ARISING OUT OF OR IN CONNECTION WITH THE DELIVERY, USE, OR PERFORMANCE OF THE PRODUCTS OR SERVICES. CREDIT, REPAIR, OR REPLACEMENT (AT HONEYWELL'S OPTION) IS THE SOLE REMEDY PROVIDED HEREUNDER. NO EXTENSION OF THIS WARRANTY WILL BE BINDING UPON HONEYWELL UNLESS SET FORTH IN WRITING AND SIGNED BY A HONEYWELL AUTHORIZED REPRESENTATIVE.

**7.2 Product Warranty Terms.** Subject to compliance with this Section 7, Honeywell will replace or repair any product Honeywell provides under this Agreement that fails within the warranty period of one (1) year because of defective workmanship or materials, except to the extent the failure results from Customer negligence, fire, lightning, water damage, or any other cause beyond the control of Honeywell. This warranty is effective as of the date of Customer acceptance of the product or the date Customer begins beneficial use of the product, whichever occurs first, and shall terminate and expire one (1) year after such effective date. Honeywell's sole obligation, and Customer's sole remedy, under this warranty is repair or replacement, at Honeywell's election, of the applicable defective products within the one (1) year warranty period. All products repaired or replaced, if any, are warranted only for the remaining and unexpired portion of the original one (1) year warranty period.

**7.3 Services Warranty.** Services shall be performed in a professional and workmanlike manner warranted for one (1) year from the date services are performed (the "Service Warranty Period"). Honeywell's obligation and Customer's sole remedy under this warranty is that Honeywell will correct or re-perform defective services or refund fees paid for the services, at Honeywell's sole election, if Customer notifies Honeywell in writing of defective services within the Service Warranty Period. All services re-performed are warranted for the remainder of the original Service Warranty Period.

**7.4 Warranty Exclusions.** THIS WARRANTY IS VOID WITH RESPECT TO ANY PRODUCT OR SERVICE THAT IS:

- (a) software;
- (b) altered or repaired by anyone other than Honeywell's authorized employees or agents;
- (c) installed, used, serviced, or maintained in a manner that fails to conform with Honeywell Product documentation or training;
- (d) lost or damaged, tampered with, or destroyed due to (I) rough or negligent treatment of the Product (including, without limitation, damage during shipment back to Honeywell caused by improper packaging on return); (II) an act of God (including, without limitation, lightning or related voltage surges); or (iii) any other cause not within Honeywell's control, including, without limitation, Customer's failure (or that of its Customers) to apply required or recommended updates or patches to any Software or device in the Product's network environment; and/or
- (e) made and/or provided by a third party.

**7.5 Procedure for Warranty Claim.** If, during the applicable Warranty Period, Customer believes there is a defect in material or workmanship covered by the relevant Product warranty, Customer must immediately discontinue use and notify Honeywell. Customer shall coordinate with Honeywell to facilitate the warranty assessment. Upon receipt of any such Product during the applicable Warranty Period, Honeywell shall, at its expense, (i) examine the product to verify the alleged defect, (ii) in Honeywell's sole discretion, credit Customer or repair or replace any defective Product, including shipment of such replacement or repaired Product back to Customer (at Honeywell's expense). Honeywell will credit Customer for its return shipping costs for any defective Products, but Customer will be responsible for paying any customs or import duties payable upon receipt of any repaired or replacement Products and also paying Honeywell a standard testing charge for any Products not found to be defective.

**7.6 WARRANTY DISCLAIMER.** EXCEPT AS EXPRESSLY PROVIDED IN THIS SECTION, HONEYWELL MAKES NO REPRESENTATIONS OR WARRANTIES, WHETHER WRITTEN, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND HEREBY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE AND ANY AND ALL WARRANTIES REGARDING HAZARDOUS SUBSTANCES OR MOLD. NO EXTENSION OF THIS WARRANTY WILL BE BINDING UPON HONEYWELL UNLESS SET FORTH IN WRITING AND SIGNED BY HONEYWELL'S AUTHORIZED REPRESENTATIVE. WITHOUT LIMITING THE FOREGOING, HONEYWELL MAKES NO REPRESENTATION, WARRANTY OR GUARANTEE AS TO THE EFFICACY OF, OR THE RESULTS OR OUTCOMES THAT MAY BE PRODUCED BY, ANY EQUIPMENT, SOFTWARE OR WORK PROVIDED OR MADE AVAILABLE UNDER THIS AGREEMENT.

Customer acknowledges and agrees that equipment or materials purchased by Customer under this Agreement may contain, be contained in, incorporated into, attached to or packaged together with the products manufactured by a third party. Third party products are generally not covered by this Section and Honeywell makes no representations or warranties regarding any third party products. However, Honeywell shall, at Customer's request, assign to Customer any and all manufacturer's or installer's warranties for equipment or materials not manufactured by Honeywell and provided as part of the Services, to the extent that such third-party warranties are assignable and extend beyond the one (1) year limited warranty set forth in this Section.

## 8. INDEMNITY

Customer agrees to indemnify, defend and hold harmless Honeywell and its officers, directors, employees, Affiliates (as defined below) and agents from and against any and all actions, lawsuits, losses, damages, liabilities, claims, costs and expenses (including, without limitation, reasonable attorneys' fees) caused by, arising out of or relating to Customer's breach or alleged breach of this Agreement or the negligence or willful misconduct (or alleged negligence or willful misconduct) of Customer or any other person under Customer's control or for whom Customer is responsible. WITHOUT LIMITING THE FOREGOING, TO THE FULLEST EXTENT ALLOWED BY LAW, CUSTOMER SHALL INDEMNIFY AND HOLD HONEYWELL AND EACH OTHER INDEMNITEE HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS AND COSTS OF WHATEVER NATURE, INCLUDING BUT NOT LIMITED TO, CONSULTANTS' AND ATTORNEYS' FEES, DAMAGES FOR BODILY INJURY AND PROPERTY DAMAGE, FINES, PENALTIES, CLEANUP COSTS AND COSTS ASSOCIATED WITH DELAY OR WORK STOPPAGE, THAT IN ANY WAY RESULTS FROM OR ARISES UNDER THE BREACH OF THE REPRESENTATIONS AND WARRANTIES OF CUSTOMER IN SECTION 7, THE EXISTENCE OF MOLD OR A HAZARDOUS SUBSTANCE AT A SITE, OR THE OCCURRENCE OR EXISTENCE OF THE SITUATIONS OR CONDITIONS DESCRIBED IN SECTION 6, WHETHER OR NOT CUSTOMER PROVIDES HONEYWELL ADVANCE NOTICE OF THE EXISTENCE OR OCCURRENCE AND REGARDLESS OF WHEN THE HAZARDOUS SUBSTANCE OR OCCURRENCE IS DISCOVERED OR OCCURS. Customer may not enter into any settlement or consent to any judgment without the prior written approval of each indemnitee. This Section 8 shall survive termination or expiration of this Agreement for any reason.

## 9. LIMITATION OF LIABILITY

NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, (I) IN NO EVENT WILL HONEYWELL BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE, EXEMPLARY, STATUTORY, OR INDIRECT DAMAGES, LOSS OF PROFITS, REVENUES, OR USE, OR THE LOSS OR CORRUPTION OF DATA OR UNAUTHORIZED ACCESS TO OR USE OR MISAPPROPRIATION OF DATA BY THIRD PARTIES, EVEN IF INFORMED OF THE POSSIBILITY OF ANY OF THE FOREGOING, AND (II) THE AGGREGATE LIABILITY OF HONEYWELL FOR ANY CLAIMS ARISING OUT OF OR RELATED TO THIS AGREEMENT WILL IN NO CASE EXCEED THE ANNUAL PRICE (AS IDENTIFIED ON THE PRICE SCHEDULE) FOR THE PARTICULAR SERVICE(S) FROM WHICH THE CLAIM ARISES. TO THE EXTENT PERMITTED BY APPLICABLE LAW, THESE LIMITATIONS AND EXCLUSIONS WILL APPLY WHETHER LIABILITY ARISES FROM BREACH OF CONTRACT, INDEMNITY, WARRANTY, TORT, OPERATION OF LAW, OR OTHERWISE.

## 10. EXCUSABLE DELAYS

Honeywell is not liable for damages caused by delay or interruption in Services due to fire, flood, corrosive substances in the air, strike, lockout, disputes with workmen, inability to obtain material or services, commotion, war, acts of God, the presence of Hazardous Substances or Mold, or any other cause beyond Honeywell's reasonable control. Should any part of any system or any equipment be damaged by fire, water, lightning, acts of God, the presence of Hazardous Substances or Mold, third parties or any other cause beyond the control of Honeywell, any repairs or replacement will be paid for by Customer. In the event of any such delay, date of shipment or performance will be extended by a period equal to the time lost by reason of such delay, and Honeywell will be entitled to recover from Customer its reasonable costs, overhead, and profit arising from such delay. Without limiting the foregoing, notwithstanding anything to the contrary, in light of the COVID-19 pandemic, the

effects of which cannot be foreseen, the parties agree that Honeywell shall be entitled to an equitable extension of time to deliver or perform its work and appropriate additional compensation to the extent Honeywell's delivery or performance, or the delivery or performance of its suppliers and/or subcontractors, is in any way delayed, hindered or otherwise affected by the COVID-19 pandemic.

## **11. PATENT INDEMNITY**

**11.1** Subject to the limitation of liability set forth in Section 9 of this Agreement, Honeywell shall, at its expense, defend or, at its option, settle any suit that may be instituted against Customer for alleged infringement of any patents related to any hardware or software manufactured and provided by Honeywell under this Agreement ("the equipment"), provided that (a) such alleged infringement consists only in the use of such equipment by itself and not as part of, or in combination with, any other devices, parts or software not provided by Honeywell hereunder, (b) Customer gives Honeywell immediate notice in writing of any such suit and permits Honeywell, through counsel of its choice, to answer the charge of infringement and defend such suit, and (c) Customer gives Honeywell all needed information, assistance and authority, at Honeywell's expense, to enable Honeywell to defend such suit.

**11.2** If such a suit has occurred, or in Honeywell's opinion is likely to occur, Honeywell may, at its election and expense: (a) obtain for Customer the right to continue using such equipment; (b) replace, correct or modify it so that it is not infringing; or if neither (a) nor (b) is reasonable, in Honeywell's sole judgment, then (c) remove such equipment and grant Customer a credit therefor, as depreciated.

**11.3** In the case of a final award of damages in any such suit, Honeywell will pay such award. Honeywell will not, however, be responsible for any settlement made without its written consent.

**11.4 THIS SECTION 11 STATES HONEYWELL'S TOTAL LIABILITY AND CUSTOMER'S SOLE REMEDY FOR ANY ACTUAL OR ALLEGED INFRINGEMENT OF ANY PATENT BY HONEYWELL RELATING TO THIS AGREEMENT.**

## **12. DISPUTE RESOLUTION**

With the exception of any controversy or claim arising out of or related to the installation, monitoring, and/or maintenance of fire and/or security systems, the Parties agree that any controversy or claim between Honeywell and Customer arising out of or relating to this Agreement, or the breach thereof, will be settled by arbitration in a neutral venue, conducted in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association. Any award rendered by the arbitrator will be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. Any controversy or claim arising out of or related to the installation, monitoring, and/or maintenance of systems associated with security and/or the detection of, and/or reduction of risk of loss associated with fire will be resolved in a court of competent jurisdiction.

## **13. NOTICES**

**Every notice between the parties relating to the performance or administration of this Agreement will be made in writing and, if to Customer, to Customer's authorized representative or, if to Honeywell, to Honeywell's authorized representative.**

All notices required under this Agreement will be deemed received either:

- (a) Two calendar days after mailing by certified mail, return receipt requested and postage prepaid;
- (b) One business day after deposit for next day delivery with a commercial overnight carrier provided the carrier obtains a written verification of receipt from the receiving party; or
- (c) If sent by e-mail, upon receipt of a non-automated response from the receiving party confirming receipt of the notice.

To Honeywell:  
Honeywell Building Solutions  
95 E. Algonquin Rd.  
Des Plaines, IL 60017  
Attn: Field Service Supervisor

To Customer:  
Prospect Heights District 23  
700 N. Schoenbeck Road  
Prospect Heights, IL 60070  
Attn: Director of Operations

For legal notices related to this Agreement send an additional copy to:

To Honeywell Building Solutions  
95 E. Algonquin Rd.  
Des Plaines, IL 60017  
Attn: General Counsel

## 14. COVERAGE

**14.1** Customer agrees to provide Honeywell access to all Covered Equipment. Honeywell will be free to start and stop all primary equipment incidental to the operation of the mechanical, control, automation, and life safety system(s) as arranged with Customer's representative.

**14.2** It is understood that the repair, replacement, and emergency service provisions apply only to the Covered Equipment included in the attached List of Covered Equipment (if any and only to the extent expressly provided in the attached Work Scope Documents). Repair or replacement of non-maintainable parts of the system such as, but not limited to, ductwork, piping, shell and tube (for boilers, evaporators, condensers, and chillers), unit cabinets, boiler refractory material, heat exchangers, insulating material, electrical wiring, hydronic and pneumatic piping, structural supports and other non-moving parts, is not included under this Agreement. Costs to repair or replace such non-maintainable parts will be the sole responsibility of Customer.

**14.3** Honeywell will not reload software, nor make repairs or replacements necessitated by reason of negligence or misuse of equipment by persons other than Honeywell or its employees, or caused by lightning, electrical storm, or other violent weather or by any other cause beyond Honeywell's control. Honeywell will provide such services at Customer's request and at an additional charge.

**14.4** Honeywell may install communication or diagnostic devices and/or software to enhance system operation and support. Upon termination of this Agreement, Honeywell may remove these devices and software and return the system to its original operation. Customer agrees to provide, at its sole expense, connection to the Internet and switched telephone network for such devices and/or software.

**14.5** Honeywell will review the Services delivered under this Agreement on an annual basis, unless otherwise noted.

**14.6** This Agreement assumes that the systems and/or equipment included in the attached List of Covered Equipment are in maintainable condition. If repairs are necessary, in Honeywell's sole judgment, upon inspection or seasonal start-up or otherwise, repair charges will be submitted for approval to Customer. Should these charges be declined, those systems and equipment will be eliminated from coverage under this Agreement and the price adjusted accordingly.

**14.7** In the event that the system or any equipment component thereof is altered, modified, changed or moved, this Agreement may be immediately adjusted or terminated, at Honeywell's sole option. Honeywell is not responsible for any damages resulting from such alterations, modifications, changes, or movement.

**14.8** Honeywell is not responsible for maintaining a supply of, furnishing and/or replacing lost or needed refrigerants not otherwise expressly required under this Agreement. Customer is solely responsible for the cost of material and labor of any such refrigerant not otherwise provided for under this Agreement at current market rates.

**14.9** Maintenance, repairs, and replacement of equipment parts and components are limited to using commercially reasonable efforts to restore to proper working condition. Honeywell is not obligated to provide replacement software, equipment, components, and/or parts that represent a betterment or capital improvement to Customer's system(s) hereunder.

**14.10** Unless otherwise specified, Customer retains all responsibility for maintaining LANs, WANs, leased lines, and/or other communication mediums incidental or essential to the operation of the system(s) or equipment found included in the Covered Equipment.

**14.11** Customer will promptly notify Honeywell of any malfunction in the system(s) or Covered Equipment covered under this Agreement that comes to Customer's attention.

## **15. TERMS OF PAYMENT**

**15.1 Progress Payments.** Honeywell will invoice at least monthly for all materials delivered to the job site or to an off-site storage facility and for all installation, labor, and services performed, both on and off the job site. Customer agrees to pay the full amounts invoiced, less retainage, upon receipt of the invoice at the address specified by the Customer. Invoices to be paid within thirty (30) calendar days of the invoice date.

**15.1** Subject to Honeywell's approval of Customer's credit as applicable, Customer will pay or cause to be paid to Honeywell the full price for the Services as specified above in this Agreement. Honeywell will submit annual invoices to Customer in advance for Services to be performed during the subsequent billing period, and payment shall be due within twenty (20)

days after Customer's receipt of each such invoice. Payments for Services past due more than five (5) days shall accrue interest from the due date to the date of payment at the rate of one and one-half percent (1.5%) per month, compounded monthly, or the highest legal rate then allowed, whichever is lower. Customer will pay all attorney and/or collection fees incurred by Honeywell in collecting any past due amounts.

**15.2 Suspension of work.** If Honeywell, having performed work per Agreement requirements, does not receive payment within thirty (30) calendar days after submission of a Honeywell invoice, Honeywell may suspend work until Customer provides remedy.

**15.3** Payments must be in accordance with the "Remit To" field on each invoice. If Customer makes any unapplied payment and fails to reply to Honeywell's request for instruction on allocation within seven (7) calendar days, Honeywell may set off such unapplied cash amount against any Customer past-due invoice(s) at its sole discretion. An unapplied payment shall mean payment(s) received from Customer without adequate remittance detail to determine what invoice the payment(s) shall be applied to.

**15.4** Disputes as to invoices must be accompanied by detailed supporting information and are deemed waived 15 calendar days following the invoice date. Honeywell reserves the right to correct any inaccurate invoices. Any corrected invoice must be paid by the original invoice payment due date or the issuance date of the corrected invoice, whichever is later.

**15.5** The remedies described in this Section 15 are in addition to those available at law or in equity. Honeywell may re-evaluate Customer's credit standing at any time and modify or withdraw credit. Customer may not set off any invoiced amounts against sums that are due from Honeywell.

## **16. PRICE ADJUSTMENT**

Honeywell may annually adjust the amounts charged to Customer under this Agreement, and Customer will pay to Honeywell such adjusted amounts in accordance with Section 16 and the other applicable provisions of this Agreement. Notwithstanding the annual price adjustment, and without limiting any other provision of this Agreement, Honeywell may, from time to time and in its sole discretion, issue surcharges on this Agreement and/or price increases in order to mitigate and/or recover increased operating costs arising from or related to, but not limited to: (a) foreign currency exchange variation; (b) increased cost of third-party content, labor and materials; (c) impact of duties, tariffs, and other government actions; and (d) any other circumstances that increase Honeywell's costs, including, without limitation, increases in freight, labor, material or component costs, and increased costs due to inflation (collectively, "Economic Surcharges"). [Note this paragraph should be toggled between the OUTSIDE of EMEA Jurisdictions Version (including India) and the FOR EMEA JURISDICTIONS version] [FOR EMEA Version: Honeywell may, from time to time and in its sole discretion, issue surcharges on this Agreement in order to mitigate and/or recover increased operating costs arising from or related to: (a) foreign currency exchange variation; (b) increased cost of third-party content, labor and materials; (c) impact of duties, tariffs, and other government actions; and (d) increases in freight, labor, material or component costs, and increased costs due to inflation (collectively, "Economic Surcharges"). Economic Surcharge shall not exceed 15% from the total Order value. Such Economic Surcharge does not apply if the Agreement is to be delivered upon within four (4) weeks after the Agreement has been concluded.] Honeywell will invoice Customer, through a revised or separate invoice, and Customer agrees to pay for the Economic Surcharges pursuant to the standard payment terms in this Agreement. If a dispute arises with respect to Economic Surcharges, and that dispute remains open for more than fifteen (15) days, Honeywell may, in its sole discretion, withhold performance and future shipments or

combine any other rights and remedies as may be provided under this Agreement or permitted by law until the dispute is resolved. The terms of this Section 16 shall prevail in the event of inconsistency with any other terms in this Agreement. Any Economic Surcharges, as well as the timing, effectiveness, and method of determination thereof, will be separate from and in addition to any changes to pricing that are affected by any other provisions in this Agreement.

## 17. TERMINATION

**17.1** Subject to the next sentence, Customer may terminate this Agreement for cause if Honeywell defaults in the performance of any material term of this Agreement, or fails or neglects to carry forward the Services in accordance with this Agreement, after giving Honeywell written notice of its intent to terminate. If, within thirty (30) days following receipt of such notice, Honeywell fails to cure or perform its obligations, Customer may, by written notice to Honeywell, terminate this Agreement.

**17.2** Honeywell may terminate this Agreement for cause (including, but not limited to, Customer's failure to make payments as agreed herein) after giving Customer written notice of its intent to terminate. If, within thirty (30) days following receipt of such notice, Customer fails to make the payments then due, or otherwise fails to cure or perform its obligations, Honeywell may, by written notice to Customer, terminate this Agreement and recover from Customer payment for Services performed and for losses sustained for materials, tools, construction equipment and machinery, including but not limited to, reasonable overhead, profit and applicable damages.

**17.3 Cancellation.** This Agreement may be canceled at Honeywell's option in the event Honeywell equipment on Customer's premises is destroyed or substantially damaged. Likewise, this Agreement may be canceled at Customer's option in the event Customer's premises are destroyed. In the event of such cancellation, neither party shall be liable for damages or subject to any penalty, except that Customer will remain liable for Services rendered to the date of cancellation.

**17.4 Insolvency.** Either Party may terminate this Agreement by giving written notice to the other Party upon the occurrence of any insolvency or suspension of the other Party's operations or any petition filed or proceeding made by or against the other Party under any state, federal or other applicable law relating to bankruptcy, arrangement, reorganization, receivership, or assignment for the benefit of creditors or other similar proceedings.

## 18. CERTAIN DEFINITIONS

**18.1 "Confidential Information"** means Honeywell information that: (a) is marked as "Confidential" or "Proprietary" at the time of disclosure; (b) is disclosed orally or visually, is identified by Honeywell as confidential information at the time of disclosure, and is designated as confidential in a writing sent to Customer within thirty (30) days after disclosure that summarizes the Confidential Information sufficiently for identification, or (c) is Personal Data.

**18.2 "Covered Equipment"** means the equipment covered by the Services to be performed by Honeywell under this Agreement, and is limited to the equipment expressly listed in each List of Covered Equipment contained in the attached Work Scope Documents.

**18.3 "Hazardous substance"** includes all of the following, whether naturally occurring or manufactured, in quantities, conditions or concentrations that have, are alleged to have, or are believed to have an adverse effect on human health, habitability of a Site, or the

environment: (a) any dangerous, hazardous or toxic pollutant, contaminant, chemical, material or substance defined as hazardous or toxic or as a pollutant or contaminant under state or federal law, and (b) any petroleum product, nuclear fuel or material, carcinogen, asbestos, urea formaldehyde, foamed-in-place insulation, polychlorinated biphenyl (PCBs), and (c) any other chemical or biological material or organism, that has, is alleged to have, or is believed to have an adverse effect on human health, habitability of a Site, or the environment.

**18.4 “Intellectual Property”** means all copyrights, trademarks, trade secrets, patents, utility models and other intellectual property rights recognized in any jurisdiction worldwide, including all applications and registrations.

**18.5 “Mold”** means any type or form of fungus or biological material or agent, including mold, mildew, moisture, yeast and mushrooms, and any mycotoxins, spores, scents, or by-products produced or released by any of the foregoing. This includes any related or any such conditions caused by third parties.

**18.6 “Personal Data”** means any information relating to or unique to an identified or identifiable natural person or which can be used to identify a particular person; an identifiable person is the person who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to his physical, psychological, mental, economic, cultural or social identity.

**18.7 “Services”** means those services and obligations to be undertaken by Honeywell in support of, or to maintain, the Covered Equipment, as expressly provided in the attached Work Scope Document(s), which are incorporated herein.

## 19. COMPLIANCE WITH LAWS

**19.1 General.** Honeywell and Customer will:

(a) Comply with all federal, state, and local laws, ordinances, regulations, and orders applicable to its performance under this Agreement, including, but not limited to, the Fair Labor Standards Act and U.S. export control and sanctions related laws, and regulations including the prohibition of transactions with or employment of U.S. Government designated prohibited parties including: the Denied Persons List, Unverified List, Entity List, Specially Designated Nationals List (OFAC), Debarred List (State Dept.), and Nonproliferation Sanctions.

(b) File all required reports relating to such performance (including, without limitation, tax returns).

(c) Pay all filing fees and federal, state and local taxes applicable to its business as the same shall become due.

(d) Pay all amounts required under the local, state and federal laws governing workers' compensation, disability benefits, unemployment insurance, and other employee benefits.

**19.2 Code of Conduct.** Honeywell will comply with Honeywell's Code of Business Conduct (“Code”) in performing the Work. A copy of the Code may be obtained at <http://www.honeywell.com/sites/honeywell/codeofconduct.htm>.

**19.3 Anti-Corruption.** Customer shall not take any action that would cause itself or Honeywell to be in violation of any U.S. anti-corruption laws or regulations, including without limitations, the U.S. Foreign Corrupt Practices Act.

## 20. SANCTIONS

Customer represents, warrants, agrees that:

Customer is not a "Sanctioned Person," meaning any person or entity : (i) named on the U.S. Department of the Treasury's Office of Foreign Assets Control's ("OFAC") list of "Specially Designated Nationals and Blocked Persons," "Sectoral Sanctions Identifications List" or other economic sanctions lists issued pursuant to a United States governmental authority, the European Union Common Foreign & Security Policy or other governmental authority; (ii) organized under the laws of, ordinarily resident in, or physically located in a jurisdiction that is the subject of sanctions administered by OFAC or the U.S. Department of State (each a "Sanctioned Jurisdiction" and including, at the time of writing, Cuba, Iran, North Korea, Syria, and the Crimea region); or (iii) owned or controlled, directly or indirectly, 50% or more in the aggregate by one or more Sanctioned Persons.

Customer is in compliance with and will continue to comply with all economic sanctions laws administered by OFAC, the U.S. Department of State, the European Union, or the United Kingdom ("Sanctions Laws"). Customer will not involve any Sanctioned Persons or group of Sanctioned Persons in any capacity, directly or indirectly, in any part of this transaction and performance under this transaction. Customer will not take any action that would cause Honeywell to be in violation of Sanctions Laws.

Customer will not sell, export, re-export, divert, or otherwise transfer, any Honeywell products, technology, or software: (i) to any Sanctioned Persons; or (ii) for purposes prohibited by any sanctions program enacted by the U.S Government.

Customer's failure to comply with this provision will be deemed a material breach of the Agreement, and Customer will notify Honeywell immediately if it violates, or reasonably believes that it will violate, any terms of this provision. Customer agrees that Honeywell may take any and all actions required to ensure full compliance with all sanctions laws without Honeywell incurring any liability. Should Honeywell be subjected to any liability as a result of Customer's non-compliance with Sanctions laws, then Customer shall indemnify Honeywell to the extent of such liability.

## 21. CHANGE ORDERS

**21.1** A Change Order is a written order signed by Customer and Honeywell authorizing a change in the Services, schedule or Price.

**21.2** Honeywell may make a written request to Customer to modify this Agreement based on the receipt of, or the discovery of, information that that Honeywell believes will cause a change to the scope, price, schedule, level of performance, or other facet of the Agreement. Honeywell will submit its request to Customer within a reasonable time after receipt of, or the discovery of, information that Honeywell believes will cause a change to the scope, price, schedule, level of performance, or other facet of the Agreement. Honeywell's request will include information necessary to substantiate the effect of the change and any impacts to the Services, including any change in schedule or Price. If Honeywell's request is acceptable to Customer, Customer will issue a Change Order consistent therewith. If Customer and Honeywell cannot agree on the amount of the adjustment in the Price, or the schedule, it shall be determined pursuant to the Dispute Resolution provisions of this Agreement. Any change in the Price or the schedule resulting from such claim shall be authorized by Change Order.

## 22. SOFTWARE LICENSE

All software made available in connection with this Agreement ("Licensed Software") shall be licensed and not sold and subject to all terms of the Software License Agreement (as defined

below). All Software is made available subject to the express condition that the end user of the Software sign and deliver to Honeywell the then-current and applicable version of Honeywell's standard software license agreement, end user license agreement ("EULA"), or a software license agreement otherwise satisfactory to Honeywell in its sole discretion (in each case, the "Software License Agreement"). Customer is responsible for ensuring that all Licensed Software provided to an end user under this Agreement is subject to the Software License Agreement. Notwithstanding any other provision of this Agreement or any other document or instrument, the terms of the Software License Agreement shall govern and supersede any inconsistent or conflicting terms to the extent relating to Software. Payment for any and all Software made available in connection with this Agreement shall be due and payable at the time the end user of the Software executes the Software License Agreement.

### 23. SOFTWARE-AS-A-SERVICE TERMS

**23.1 General.** To the extent the Services made available or provided to Customer under this Agreement include any software applications, online portals or dashboards or other software-as-a-service items or services, including, without limitation, Honeywell Forge, Honeywell Connected Life Safety Services or the Honeywell Vector Occupant Application (each, a "**Honeywell App**"), the terms and conditions applicable to use of each Honeywell App are set forth in this Section 23. A Honeywell App may enable the Customer to view certain dashboards, service case history, service reports, and other documentation provided by Honeywell from time to time. In the event of a conflict between this Section 23 and any other provision of this Agreement or other document or instrument, this Section 23 shall prevail.

**23.2 HSSTs.** "**HSSTs**" means these Software-as-a Service Terms set forth in this Section 23 (the "**HSSTs**"). Each of the Honeywell Apps is a software as a service running in the cloud and on site software and hardware that enables cloud connectivity (the "**SaaS**") and the HSSTs set out the terms and conditions applicable to the use of the SaaS in relation to the Services, including your use of and access to the SaaS.

**23.3 Parties.** "**Honeywell**", "**we**", "**us**" or "**our**" means Honeywell International Inc. and/or Affiliate(s) who execute or assent to this Agreement and/or any related documents or instruments. "**You**" or "**your**" means collectively Customer and any other entities executing or assenting to this Agreement and/or any related documents or instruments. "**Affiliate**" means any entity that controls, is controlled by, or is under common control with, another entity. An entity "controls" another if it owns directly or indirectly a sufficient voting interest to elect a majority of the directors or managing authority or otherwise direct the affairs or management of the entity.

**23.4 Use Rights.** Subject to payment of agreed fees and strict compliance with the terms of access and acceptable use, we shall provide you solely for your internal business purposes: (a) remote access to the SaaS through means we provide (and which may include online portals or interfaces such as https, VPN or API); and (b) a personal, revocable, non-exclusive, non-assignable, non-transferable license to: (i) download, install, and use software we provide solely to operate the SaaS; and (ii) use SaaS documentation as reasonably required in connection with the SaaS (collectively, "**Use Rights**"). You, your employees and any party accessing the SaaS on your behalf ("**Users**") may exercise Use Rights, provided that, you must bind them to the Agreement and are responsible for their compliance with it, any breach by them and their acts and omissions. You may not resell Use Rights or permit third parties (except Affiliates or service providers) to be Users or make copies of the SaaS except as agreed by us in writing. We have no responsibility with respect to actions or inactions of Users.

**23.5 Acceptable Use.** The Use Rights are the only acceptable use of the SaaS. You shall not

use the SaaS for purposes of, or in connection with: (a) reverse engineering, making machine code human readable or creating derivative works or improvements; (b) interfering with its security or operation (including probing, scanning or testing the vulnerability of any security measures or misrepresenting transmission sources); (c) creating, benchmarking or gathering intelligence for a competitive offering; (d); infringing another's IPR; (e) employing it in hazardous environments requiring fail-safe performance where failure could lead directly or indirectly to personal injury or death or property or environmental damage; or (f) any use that would reasonably be expected to cause liability or harm to us or our customers or breach the Agreement. We have the right to monitor usage. We may terminate upon written notice if use is fraudulent, continued use would subject us to third party liability or we cease making the SaaS generally available to third parties. We may suspend Use Rights if we determine that you or Users are violating or may violate the Agreement.

**23.6 Support.** We will use commercially reasonable efforts to maintain the SaaS, repair reproducible defects and make available as a whole 99% of the time 24x7x365 subject to scheduled downtime, routine and emergency maintenance and force majeure. We are not responsible or liable for any issues, problems, unavailability, delay or security incidents arising from or related to: (i) conditions or events reasonably outside of our control; (ii) cyberattack; (iii) the public internet and communications networks; (iv) data, software, hardware, services, telecommunications, infrastructure or networking equipment not provided by us or acts or omissions of third parties you retain; (v) your and Users negligence or failure to use the latest version or follow published documentation; (vi) modifications or alterations not made by us; (v) loss or corruption of data; (vi) unauthorized access via your credentials; or (vii) your failure to use commercially reasonable administrative, physical and technical safeguards to protect your systems or data or follow industry-standard security practices.

**23.7 IP.** All right, title and interest, including all intellectual property rights (including copyrights, trademarks and patents), proprietary rights (including trade secrets and know-how), and moral rights (including rights of authorship and modification) throughout the world ("IPR") in and to the SaaS and all of its derivative works, modifications and improvements, are retained by Honeywell or its licensors and are our confidential information. We shall own all IPR that is: (i) developed by us or our Affiliates by processing or analysis of Input Data (excluding Input Data itself, but including derived data that is sufficiently different from Input Data so that Input Data cannot be identified from analysis or further processing of such derived data); or (ii) generated through support, monitoring or other observation of your and your Users' use of the SaaS. The internal operation and performance of the SaaS is our confidential information. If you provide any suggestions, comments or feedback regarding the SaaS, you hereby assign to us all right, title and interest in and to the same without restriction. You and Users shall not remove, modify or obscure any IPR notices on the SaaS.

**23.8 Security.** We will use commercially reasonable administrative, physical and technical safeguards to protect personal data and Input Data and follow industry-standard security practices. You are solely responsible for costs and liability incurred due to unauthorized use or access through your or Users account credentials or systems.

**23.9 Privacy.** Data about you, users and/or your or their employees, customers, contractors or Affiliates that is recognized under applicable law as "personal data" or equivalent terms ("Personal Data") may be processed in relation to the Agreement, including: (i) data subjects - employees of you and your customers, contractors or Affiliates; and (ii) data categories - name, contact information (e.g. addresses, emails and telephone), IP address, location, images, video and system, facility, device or equipment usage data. If the applicable laws of a jurisdiction recognize the roles of "controller" and "processor" as applied to Personal Data then, as between you and us, you act as controller and we act as processor and shall process

Personal Data on behalf of and in accordance with your documented instructions, the Agreement and applicable laws and only to the extent, and for so long as necessary, to provide, protect, improve or develop the SaaS and/or related services and perform rights and obligations under the Agreement. You authorize us to share Personal Data with sub-processors located in any jurisdiction, provided we use legally enforceable transfer mechanisms and contractually require them to abide by similar terms with regards to processing of Personal Data. We have no liability arising from processing of Personal Data in compliance with the Agreement. You will, at your cost and expense, defend, indemnify and hold harmless us and our Affiliates, sub-contractors and licensors from and against all losses, awards and damages (including attorneys' fees), arising out of claims by third parties related to our possession, processing or use of Personal Data in accordance with the Agreement. We shall refer data subject requests to you and provide reasonable assistance to enable you to: (a) comply with requests; (b) enable security; (c) respond to complaints or inquiries or conduct any impact assessments; and (d) verify compliance with our obligations in this Section (including participating in Personal Data audits), provided you reimburse all reasonably incurred costs. Upon termination we shall delete or anonymize all Personal Data, except if required or permitted by applicable law for compliance, audit or security purposes. If we believe any instruction will violate applicable privacy laws, or if applicable law requires us to process Personal Data relating to data subjects in the European Economic Area ("**EEA**") in a way that is not in compliance with your or users' documented instructions we shall notify you in writing, unless the law prohibits such notification on important grounds of public interest. We shall upon request make available the identity of sub-processors and notify intended addition or replacement and you have 5 business days to object. If you object, we may terminate without penalty on written notice. We shall ensure personnel processing Personal Data of data subjects have committed to confidentiality in relation to such processing. Where transfers of Personal Data require: (y) you authorize us and our Affiliates to act as agent for the limited purpose of binding you as principal, in the capacity of "data exporter", to a Honeywell inter group or Honeywell and service provider data transfer agreement comprising the Standard Contractual Clauses for the transfer of personal data to processors established in third countries adopted by the European Commission ("**SCC**"); and (z) the parties agree that the SCCs ([https://ec.europa.eu/info/law/law-topic/data-protection/data-transfers-outside-eu/model-contracts-transfer-personal-data-third-countries\\_en](https://ec.europa.eu/info/law/law-topic/data-protection/data-transfers-outside-eu/model-contracts-transfer-personal-data-third-countries_en) or more recent website) shall be deemed to have been signed by you or your Affiliates, in the capacity of "data exporter", and by us or our Affiliates, in the capacity of "data importer".

**23.10 Warranty, Disclaimer.** THE SAAS IS PROVIDED WITH NO WARRANTIES OR REPRESENTATIONS OF ANY KIND, WHETHER EXPRESS, IMPLIED OR STATUTORY. TO THE MAXIMUM EXTENT PERMITTED BY LAW, WE EXPRESSLY DISCLAIM ALL WARRANTIES AND REPRESENTATIONS INCLUDING MERCHANTABILITY AND FITNESS FOR PURPOSE. WE DO NOT WARRANT THAT THE SAAS WILL MEET YOUR REQUIREMENTS, OR THAT IT WILL OPERATE WITHOUT INTERRUPTION, OR BE ERROR FREE.

**23.11 Limitation.** WE ARE NOT LIABLE FOR INDIRECT, INCIDENTAL, EXEMPLARY, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS AND REVENUES, IN RELATION TO THE SAAS. OUR CUMULATIVE, AGGREGATE LIABILITY WILL IN RELATION TO THE SAAS BE LIMITED TO DIRECT DAMAGES IN AN AMOUNT EQUAL TO THE GREATER OF: (a) TOTAL AMOUNTS PAID FOR THE SAAS DURING THE 12 MONTHS IMMEDIATELY PRECEDING THE ASSERTION OF ANY CLAIM; AND (b) U.S. \$50,000. ALL CLAIMS THAT A PARTY MAY HAVE SHALL BE AGGREGATED AND MULTIPLE CLAIMS SHALL NOT ENLARGE THE FOREGOING LIMIT. OUR LIABILITY UNDER EVALUATION OR TRIAL RIGHTS IS LIMITED TO U.S. \$1,000.

**23.12 Miscellaneous.** Any descriptions of future product direction or intended updates

(including new or improved features or functions) other than the features and functions deployed as of date of the Agreement are intended for information purposes only and are not binding commitments on us to deliver any material, code or functionality. The development, release and timing of any such updates is at our sole discretion unless agreed otherwise in writing. We reserve the right to charge additional fees for new or improved features or functions. You must comply with all laws and regulations applicable to your use of the SaaS and your rights to use the SaaS is subject to such compliance. The HSSTs take precedence over any other terms in the Agreement to the extent related to the SaaS. Sections 23.7 to 23.12 and those portions of the HSSTs that by their nature should survive, survive termination or expiration of the Agreement.

**23.13 Customer Financial Status.** Customer represents and warrants to Honeywell on a continuing basis that it is in good financial condition and able to pay all bills when due. Customer shall, from time to time furnish any financial statements or additional information as may be requested by Honeywell in order to enable Honeywell to assess Customer's financial condition and creditworthiness. Additionally, Customer authorizes Honeywell to obtain financial information regarding Customer from credit reporting agencies, Customer's banks and suppliers, and other such sources. Honeywell may, in its sole discretion, increase or decrease the amount of credit (if any) that Honeywell has extended to Customer in connection with this Agreement.

#### 24. CYBERSECURITY INCIDENTS

Notwithstanding any other provision of the Agreement, (a) in no event will Honeywell be responsible or liable for protection against, or mitigation of consequences associated with, a Cyber Incident (as defined by the United States Computer Emergency Readiness Team) or other similar cyber-related events and/or attacks that may affect Customer's site or systems, (b) Customer is solely responsible for ensuring that its sites and systems are protected against such a Cyber Incident or other similar cyber-related events and/or attacks including, but not limited to, ensuring that all software is kept up to date, that all cybersecurity products used are compatible with one another and that any patches are correctly and appropriately installed, and (c) all remedial, reinstallation or update works provided by Honeywell, if any, as a result of or related to a Cyber Incident or other similar cyber-related events and/or attacks will be performed subject to additional fees for such work, plus applicable taxes, to be paid by Customer to Honeywell (in addition to fees otherwise due under the Agreement).

#### 25. MISCELLANEOUS PROVISIONS

**25.1 Entire Agreement.** This Agreement contains the entire understanding of the Parties with respect to the subject matter hereof and supersedes any prior agreements and commitments with respect thereto. There are no oral or written understandings, terms, or conditions, and neither Party has relied upon any representations, express or implied, not contained in this Agreement.

**25.2 Amendments.** No change, amendment or modification of this Agreement shall be valid or binding upon the Parties hereto unless such change, amendment or modification shall be in writing and duly executed by both Parties hereto. Any subsequent purchase order or other document unilaterally issued by Customer shall not be binding unless duly executed by both Parties.

**25.3 Joint Effort.** Preparation of this Agreement has been a joint effort of the Parties and the resulting document shall not be construed more severely against one of the Parties than against the other.

**25.4 Captions.** The captions contained in this Agreement are for convenience and reference only and in no way define, describe, extend, or limit the scope of intent of this Agreement or the intent of any provision contained herein.

**25.5 Severability.** The invalidity, illegality, or unenforceability of any provision of this Agreement or the occurrence of any event rendering any portion or provision of this Agreement void, shall in no way affect the validity or enforceability of any other portion or provision of this Agreement. Any void provision shall be deemed severed from this Agreement and the balance of this Agreement shall be construed and enforced as if this Agreement did not contain the portion or provision held to be void. The Parties further agree to reform this Agreement to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this Paragraph shall not prevent this entire Agreement from being void should a provision which is the essence of this Agreement be determined to be void.

**25.6 No Waiver.** Any failure of any Party to enforce any of the provisions of this Agreement or to require compliance with any of its terms at any time during the pendency of this Agreement shall in no way affect the validity of this Agreement, or any part hereof, and shall not be deemed a waiver of the right of such Party thereafter to enforce such provisions or require compliance with such terms.

**25.7 Successors and Assigns.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their successors and permitted assigns.

**25.8 Standards and Codes.** The latest edition or revision of any standards or codes referenced in this Agreement for performance of the Work shall apply, unless otherwise expressly set forth in this Agreement.

**25.9 Survival.** Provisions of this Agreement which by their nature contemplate or govern performance or observance subsequent to the termination or expiration of this Agreement shall survive such termination or expiration; provided, that all warranties and licenses granted by Honeywell to Customer pursuant to this Agreement shall terminate upon Honeywell's termination for Customer's default based on Customer's failure to pay Honeywell in accordance with this Agreement.

**25.10 Governing Law.** This Agreement is governed by the laws of the state of New York, United States of America, without regard to conflicts of law principles. Application of the Uniform Computer Information Transactions Act and United Nations Convention on Contracts for the International Sale of Goods, 1980, and any successor law to either, is specifically excluded. The Parties waive any right to a trial by jury for disputes and submit to the exclusive jurisdiction of the Federal and State courts within the Southern District of New York for resolution of disputes; however, Honeywell may seek an injunction or enforce a judgment against Owner in any jurisdiction. Owner will not bring a legal action more than two (2) years after the cause of action arose unless a shorter period is provided by applicable law.

**25.11 Non-Assignment/Delegation by Customer.** Customer may not assign its rights or delegate its obligations under this Agreement, in whole or in part, without the prior written consent of Honeywell. Honeywell may assign this Agreement or any or all of its rights under this Agreement without Customer's consent.

**25.12 Risk of Loss/Transfer of Title.** Risk of loss or damage to any goods provided under this Agreement (excluding software and services) passes to Customer when Honeywell places the

goods at Customer's disposal at the Honeywell Dock ("Delivery"). Title to goods passes to Customer upon Delivery, but Honeywell retains a security interest in such goods until full payment is received. Honeywell will schedule Delivery (and use commercially reasonable efforts to ship) in accordance with its standard lead time unless Customer's order requests a later delivery date, or Honeywell agrees in writing to an earlier delivery date.

**25.13 Custom Orders.** Special or custom orders ("Custom Orders") for products not listed in Honeywell's standard price list are non-cancelable. In the event of a cancellation of all or part of a Custom Order, Customer will be responsible for the full order.

**26.14 Data Rights.** Customer retains all rights that Customer already holds in data and other information that Customer or persons acting on Customer's behalf input, upload, transfer, or make accessible in relation to, or which is collected from its devices or equipment by, any services provided by Honeywell or its Affiliates under this Agreement ("Input Data"). Customer grants to Honeywell the right to duplicate, analyze, modify and otherwise use Input Data to provide, improve and develop the Offering and related products and services. Customer has sole responsibility for obtaining all consents and permissions (including providing notices to users or third parties) and satisfying all requirements necessary to permit our use of Input Data. Honeywell and its Affiliates may also use Input Data for any other purpose provided it is in an anonymized form that does not identify Customer. Any Customer data contained within Input Data shall only be used or processed in accordance with the data privacy terms of this Agreement (if any) and applicable law. All information, analysis, insights, inventions and algorithms derived from Input Data by Honeywell and/or its Affiliates (but excluding Input Data itself) and any intellectual property rights related thereto, are owned exclusively and solely by Honeywell and its Affiliates and are their proprietary information. Honeywell does not archive Input Data for Customer's future use. This Section 26.14 shall survive termination or expiration of this Agreement.

**26.15 Remote Services.** Customer agrees that Honeywell may provide some or all of the Work remotely using an Internet connection and may install additional software and related communication and/or diagnostic devices on Customer's applicable systems (the "Systems") to enable such connection and/or remote Work. Notwithstanding any other provision of the Agreement, such software and devices will remain the property of Honeywell and shall be removed from the Systems and returned to Honeywell promptly at Honeywell's request. Customer agrees to fully cooperate with Honeywell's installation and commissioning of such software and devices on the Systems. To the extent required by Honeywell, Customer will enable and consents to Internet connectivity between its applicable Systems and Honeywell's applicable computer server(s)/system(s) and/or the Honeywell cloud platform(s) throughout the term of the Agreement. Honeywell and its Affiliates may, in any country in which they or their agents or suppliers conduct business, collect, transmit, receive, process, maintain, and use for the purpose of providing the Work all data obtained in connection with the Agreement. Customer represents and warrants that Customer is the owner of the premises that are the subject of this Agreement or, if not, that the owner of such premises consents to the foregoing and Section 26.15, to the extent such consent is required.



# SELF

School Employees Loss Fund

A **Specialized Insurance & Risk Management Workers' Compensation Program for School Districts in Illinois**

Established 2013

## BENEFITS OF PROGRAM

### Expertise in Industry

Risk management strategies, insurance services, and program personnel all **specialize in school district worker's compensation**. Their combined knowledge brings unique expertise to the program.

### Expertise in Insurance & Risk Management

Backed by the largest public entity program administrator (RPA) in the US. Our **expansive network provides effective resources** for sustainable & competitive programs.

### Unique Pooling Structure

**SELF** is owned and operated by its collective members, with a **collaborative culture** we benefit from leveraging our combined value to create **collective success** (Financing, Risk Sharing, etc.)

### Value Added Services

With the benefits of a pool structure, **SELF** invests in large scale **risk management** services that provides market leading **technology, trainings** and **preventative strategies** specifically focused on workers compensation

## MISSION STATEMENT

### School Employees Loss Fund

**SELF** serves its member districts through a unified cooperative that offers unique worker's compensation value-added services, expert program administration and management; and exceptional insurance provider that offers comprehensive and competitive workers' compensation insurance. With heavy focus on risk management, SELF is fully self-governed, self-funded and self-motivated to minimize losses.

## EXECUTIVE COMMITTEE

#### Board Chair

**Brian Stachacz**  
Lyons Township HSD  
#204

#### Vice Chair

**Steve Wilt**  
Wood Dale SD #7

**Teresa Bishop**

Thornton  
Fractional SD #215

**Brian O'Keeffe**

CUSD #200

**Steve Gress**

Alsip-Hazelgreen  
SD #126

**Mark Bertolozzi**

Des Plaines SD #62

**Fran LaBella**

Flossmoor SD #161

**Cindy Dykas**

Worth SD #17

**James Charleston**

Tinley Park SD  
#148



## VALUE ADDED SERVICES

### Risk Management

**SELF** faces risks by implementing **value-added and loss control services** such as the **SELF Grant Program**. Through program loss experience, we research, develop and implement new risk management initiatives to minimize our members' total cost of risk in workers compensation claims.

### Specialized Education

**SELF** provides **district-specific workers compensation trainings** via GCN to help prepare our member districts and their staff face emerging risks. We are constantly looking for more and better educational materials for our members to ensure all of our members are at the frontier of risk control

### Advanced Claim Control

**SELF** works with our dedicated Third Party Administrator to deliver **unbiased, superior claims management** for our membership. Our dedicated team of adjuster are experts in all specific coverage niches and host **monthly Claims Review Committee Meetings** to resolve claims efficiently

## TESTIMONIALS

"Berkeley was one of the founding members of SELF. Over the years our District has received consistent, quality service. SELF Loss Control services have helped us identify and eliminate hazards, educate our staff on safe work habits and when a claim does happen how to investigate and timely report the incident."

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**Laura Vince**  
Berkeley SD #87

## ADMINISTRATIVE SERVICE TEAM

### **Client Service Manager**

Lillian Wagner  
Lillian\_Wagner@RPAdmin.com  
P: (630) 647-3162

### **Program Director**

James Graff  
James\_Graff@RPAdmin.com  
P: (630) 285-3658

### **Assistant Program Director**

Samuel Ding  
Samuel\_Ding@RPAdmin.com  
P: (617) 678-5360

### **Area Executive Vice President**

Marcus Henthorn  
Marcus\_Henthorn@RPAdmin.com  
P: (515) 441-2555

**RPA**  
RISK PROGRAM ADMINISTRATORS

**agrip**  
ASSOCIATION OF GOVERNMENTAL RISK POOLS

**THE BEST EMPLOYERS FOR DIVERSITY** **Forbes 2021**

**2022 WORLD'S MOST ETHICAL COMPANIES**  
WWW.ETHISPHERE.COM

**BEST PLACES TO WORK**  
2021 for LGBTQ Equality  
100% CORPORATE EQUALITY INDEX

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**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING MEMBERSHIP IN  
THE SCHOOL EMPLOYEES LOSS FUND**

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WHEREAS, Section 10 of Article VII of the Illinois Constitution of 1970 authorizes school districts to contract or otherwise associate among themselves in any manner not prohibited by law; and

WHEREAS, the Illinois Intergovernmental Cooperation Act authorizes school districts to exercise any power or powers, privileges or authority which may be exercised and enjoyed jointly with any other school district or similar entities in the state; and

WHEREAS, the Intergovernmental Cooperation Act, in furtherance of the provisions contained within Article VII, Section 10 of the Constitution authorizes an intergovernmental contract which, among other undertakings, allows public agencies to jointly protect against insurable risks and authorizes each public agency of the contract to utilize its funds to protect, wholly or partially, any public agency member of the contract against liability or loss in a designated insurable area; and

WHEREAS, in the area of worker's compensation, occupational diseases and employer's liability, it is more efficient and effective for school districts to pool the funds of many districts to pay benefits and purchase insurance; and

WHEREAS, there has been created by numerous Illinois school districts and other public educational organizations, an intergovernmental risk management agency known as the School Employees Loss Fund (SELF) and a combined Contract and By-Laws for such agency has been drafted and approved by its members; and

WHEREAS, Prospect Heights School District 23 recognizes that SELF provides effective and efficient worker's compensation/occupational diseases protection and loss control services to its members; and

WHEREAS, the stated purposes, organizational structure and procedural structure contained within the SELF Contract and By-Laws represent positions shared by this public body; and

WHEREAS, the governing board of this public body finds that it is in the best interest of its citizens that it become a member of the School Employees Loss Fund.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF Prospect Heights School District 23, COOK COUNTY, ILLINOIS, as follows:

SECTION 1: That the President and Secretary are hereby authorized to execute the Contract and By-Laws of the SCHOOL EMPLOYEES LOSS FUND (hereinafter "AGENCY"). A copy of the Contract and By-Laws is appended to and made a part of this Resolution as Appendix 1.

SECTION 2: The powers of the AGENCY, unless the Contract and By-Laws be amended, shall be limited to those contained within Appendix 1.

SECTION 3: The obligation of this MEMBER of the AGENCY to fully participate in the AGENCY'S operations shall be effectuated in accordance with Article IV of the Contract and By-Laws.

SECTION 4: Except to the extent of the limited financial contributions to the AGENCY

set forth in Appendix 1, this School District or other governmental entity by its entry as a MEMBER of the AGENCY shall not be held responsible in any way for claims made against any other MEMBER of the AGENCY.

SECTION 5: This Resolution shall be in full force and effect from and after its passage.

PASSED this \_\_\_\_\_ day \_\_\_\_\_, 2024.

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

\_\_\_\_\_  
PRESIDENT

ATTEST:

\_\_\_\_\_  
SECRETARY

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