

Board of Education Business Meeting

Tuesday, October 8, 2024 6:00 PM

D300 Central Office - Anne B Miller Boardroom, 2550 Harnish Drive, Algonquin, IL 60102

1. Call to Order

1.1. Roll Call

2. Closed Session, 6:00pm-6:30pm

2.1. Motion to go into closed session for the purpose of discussing: 1. The appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body 2(c)(1); 2. Litigation 2(c)(11); 3. Student disciplinary cases 2(c)(9); and 4. Security procedures, school building safety and security, and the use of personnel to respond to an actual, a threatened or a reasonably potential danger to the safety of employees, students, staff, the public or public property 2(c)(8).

2.2. Motion to suspend closed session

3. Reconvene in Open Session at 6:30pm

3.1. Roll Call

4. Pledge of Allegiance, Lake in the Hills Elementary

5. Approval of the Agenda

6. Recognition

6.1. Fall Academic Recognitions - Jacobs High School

7. **Public Participation: Members of the public, especially residents of District 300, are welcome to contribute during public participation. To do so, you must sign up electronically via a computer located in the Central Office lobby between 6:00-6:30pm, or the start of the open meeting; be 18 years old or older or have a parent/legal guardian present with you, give your full name and respectfully state your comments, and you are not permitted to mention the names of specific staff members or students. The Board will not respond in this forum but will thoughtfully consider your statements.**

8. Board Announcements

8.1. Good News

9. Superintendent Report

9.1. Adopt-a-Board Member

9.2. School Improvement Plans

10. Board Discussion

10.1. Board Committee Reports

10.2. Board Discussion

11. Items for Discussion

11.1. Board Meeting Minutes

11.2. Disposal Report

11.3. Copier Paper Bid

11.4. Architectural Contract

11.5. Science Supplies Contract (Extension)

11.6. Budget Calendar/Designee Resolution

11.7. School Maintenance Project Grant Program

11.8. Technology Services Project

11.9. Parent Group Recognition

11.10. Open Enrollment Service (Renewal)

11.11. Freedom of Information Act Report

12. Consent Items

12.1. Approval of Bills Payable

12.2. Approval of Human Resources Report

13. Roll Call Action Items

13.1. Student Discipline Case #1

13.2. Student Discipline Case #2

13.3. Employee Discipline Case #1

14. Closed Session

14.1. Motion to go into closed session for the purpose of discussing: 1. The appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body 2(c)(1); 2. Litigation 2(c)(11); 3. Student disciplinary cases 2(c)(9); and 4. Security procedures, school building

safety and security, and the use of personnel to respond to an actual, a threatened or a reasonably potential danger to the safety of employees, students, staff, the public or public property 2(c)(8).

14.2. Motion to adjourn closed session and return to open session

15. Reconvene in Open Session

15.1. Roll Call

16. Adjournment

**Community Unit School District 300 Monthly
Fixed Asset Disposals
10/01/2024**

Date Submitted	Location	Type	Manufacturer / Publisher	Model/Title	Serial #	Tag	Reason for Disposal	Method of Disposal
9/3/2024	PVES	The PLC Toolkit	Professional Learning Corporation	N/A	N/A	N/A	Obsolete	Recycle
9/3/2024	GES	Tricycles	Silver Rider	Angeles	N/A	N/A	Broken	Metal Recycle
9/4/2024	HMS	90 weeded obsolete professional materials	various	N/A	various	various	Obsolete	Recycle
9/9/2024	HHS	Ice machine	Scottsman	CO63005A-32A	08071320015371	N/A	Broken	Metal Recycle
9/10/2024	AMS	480 weeded obsolete book room novels	various	N/A	various	various	Obsolete	Recycle
9/10/2024	PVES	5 drawer file cabinet	HON	N/A	N/A	010946	Broken	Metal Recycle
9/11/2024	Transportation	Mini Lift	N/A	N/A	N/A	103299	Obsolete	Metal Recycle
9/12/2024	LES	tall 4 drawer wide file cabinet	Hon	N/A	N/A	012015	Damaged	Metal Recycle
9/12/2024	LES	Teacher desk	N/A	N/A	N/A	N/A	Broken	Metal Recycle
9/12/2024	DMS	45 weeded book room novel titles and associated copies	various	N/A	various	various	Obsolete	Recycle
9/13/2024	CMS	545 weeded book room novel titles and associated copies	various	N/A	various	various	Obsolete	Recycle
9/17/2024	HMS	Two books carts no longer needed	N/A	N/A	various	various	Damaged	Metal Recycle
9/19/2024	JHS	Various obsolete textbooks and French materials	various	N/A	various	various	Obsolete	Recycle
9/19/2024	DMS	57 weeded obsolete novel titles and associated copies	various	N/A	various	various	Obsolete	Recycle
9/24/2024	JHS	3 Double Basses	Shen	N/A	N/A	N/A	Broken	Refuse
9/27/2024	Admin	Portable Monitor	ViewSonic	VS18172	WMM213723596	T116617	Broken	Tech Recycle
9/19/2024	JHS	Projector	NEC	M323x	5x00045RA	T39329	Broken	Tech Recycle
9/19/2024	JHS	Projector	NEC	M323x	5x00049RA	T39328	Broken	Tech Recycle
9/19/2024	JHS	Projector	NEC	M323x	5x00063ra	T39339	Broken	Tech Recycle
9/19/2024	JHS	Projector	Epson	Powerlite 98H	VTAK5403582	T65989	Broken	Tech Recycle
9/19/2024	JHS	Projector	NEC	M333XS	6400170RC	T54206	Broken	Tech Recycle
9/19/2024	JHS	Projector	NEC	M333XS	5z00127ra	T39708	Broken	Tech Recycle
9/19/2024	JHS	Projector	NEC	UM330X	4900062FC	T34193	Broken	Tech Recycle
9/19/2024	JHS	Asus Chromebook	Asus	C202S	H4NXCX02R81617E	T58019	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook	Asus	C202S	G4NXCX006711155	T43087	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook	Asus	C202S	G3NXCX01139712B	T51969	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook	Asus	C202S	G3NXCX00N202119	T51773	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook	Asus	C202S	G4NXC01030615F	T42480	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook	Asus	C202S	GNXCX01E47313B	T45220	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook	Asus	C202S	G3NXCX00N193110	T49134	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook	Asus	C202S	G3NXCX01E34413A	T42181	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook	Asus	C202S	G4NXCX009973154	T46788	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook	Asus	C202S	H3NXCX00593510F	T55518	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook	Asus	C202S	G4NXCX010649156	T42595	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook	Asus	C202S	G4NXCX01970115A	T44552	Obsolete	Tech Recycle
9/19/2024	JHS	Monitor	Capture	LPL-17w01	CJC00050UBBR	N/A	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook Charger	Asus	N/A	N/A	T76629	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook Charger	Asus	N/A	N/A	T71638	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook Charger	Asus	N/A	N/A	T81427	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook Charger	Asus	N/A	N/A	T81327	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook Charger	Asus	N/A	N/A	T68125	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook Charger	Asus	N/A	N/A	T76735	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook Charger	Asus	N/A	N/A	T81940	Obsolete	Tech Recycle
9/19/2024	JHS	Asus Chromebook Charger	Asus	N/A	N/A	T81639	Obsolete	Tech Recycle
9/19/2024	JHS	MISC BOX 1	N/A	N/A	N/A	N/A	Obsolete	Tech Recycle
9/19/2024	NES	Logitech Eyeball Camera	Logitech	V-U0029	2025LZ58MSH8	T103535	Broken	Tech Recycle
9/19/2024	JHS	CB charger	Vivacity	45W charger	20190312689	T98836	Broken	Tech Recycle
9/19/2024	JHS	Projector	Dell	5100MP	TW-ON8278-S0082-69c-0045	T001652	Obsolete	Tech Recycle
9/19/2024	JHS	Printer	HP	HP LaserJet 4250n	N/A	T003677	Broken	Tech Recycle
9/19/2024	JHS	3m Overhead Projector	3M	N/A	T002600051894L	N/A	Broken	Tech Recycle
9/3/2024	DCHS	Laptop	Lenovo	L480	1s20LTS24V00PF1NP01Q	T88839	Broken	Tech Recycle
9/3/2024	DCHS	Projector lamp	NEC	NP30LP	01160308 240600091	N/A	Broken	Tech Recycle
9/9/2024	DCHS	Laptop	Lenovo	L490	1s20Q6S2NS00PF25HCZP	T101527	Broken	Tech Recycle
9/10/2024	GVES	Document Camera	Aver	AverVision U50	4010217032306	T60756	Broken	Tech Recycle
9/10/2024	GVES	Printer	Brother	DCP-L2550DW	U64966B8N581997	T65857	Broken	Tech Recycle
9/10/2024	GVES	CD Player	Califone	CD-102	30011000114646	N/A	Broken	Tech Recycle

9/10/2024	GVES	CD Player	Califone	CD-102	30011000114596	N/A	Broken	Tech Recycle
9/10/2024	GVES	CD Player	Califone	CD-102	30011000114612	N/A	Broken	Tech Recycle
9/10/2024	GVES	CD Player	Califone	CD-102	30011000125436	N/A	Broken	Tech Recycle
9/10/2024	GVES	CD Player	Califone	CD-102	30011000125451	N/A	Broken	Tech Recycle
9/10/2024	GVES	CD Player	Califone	CD-102	30011000125345	N/A	Broken	Tech Recycle
9/10/2024	GVES	CD Player	Califone	CD-102	30011000115007	N/A	Broken	Tech Recycle
9/11/2024	DCHS	Laptop	Lenovo	L480	1s20LT324V00PF1JW9TZ	T89607	Broken	Tech Recycle
9/11/2024	DCHS	Projector	NEC	NP-M333XS	5Z00131RA	T39707	Broken	Tech Recycle
9/13/2024	DCHS	Smartboard controller	Smart Technologies	38-00202-22-A0	T1147000003184	N/A	Broken	Tech Recycle
9/16/2024	AMS	Phone	Mitel	5340e IP Phone	1WEFW14391D9	N/A	Broken	Tech Recycle
9/17/2024	DCHS	Projector lamp	NEC	NP30LP	01160308 240200112	N/A	Broken	Tech Recycle
9/17/2024	DCHS	Laptop	Lenovo	L490	1s20Q6S2NS00PF25HF2V	T101558	Broken	Tech Recycle
9/13/2024	CMS	tablet	Apple	ipad air	DLXN43CJFK10	T0034017	Obsolete	Tech Recycle
9/13/2024	CMS	tablet	Apple	ipad mini	F9FN7132FP84	T0012526	Obsolete	Tech Recycle
9/13/2024	CMS	tablet	Apple	ipad air	DMPMD65XFK10	T0012799	Obsolete	Tech Recycle
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9/13/2024	CMS	tablet	Apple	ipad 4	DMPMQFR4F182	T33586	Obsolete	Tech Recycle
9/13/2024	CMS	tablet	Apple	ipad 4	DMPMQFLNF182	T0033780	Obsolete	Tech Recycle
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9/13/2024	CMS	tablet	Apple	ipad air	DMQPJ2DVFK10	T37653	Obsolete	Tech Recycle
9/3/2024	CO	Laptop	Lenovo	L480	PF-1S7DD1	T89670	Obsolete	Tech Recycle
9/3/2024	CO	Laptop	Lenovo	L480	PF-1NS8M9	T89304	Obsolete	Tech Recycle
9/3/2024	CO	Laptop	Lenovo	L480	PF-1318Y2	T89707	Obsolete	Tech Recycle
9/3/2024	CO	Laptop	Lenovo	L480	PF-1S7B90	T89676	Obsolete	Tech Recycle

9/3/2024	CO	Laptop	Lenovo	L480	PF-1NPEXJ	T89076	Obsolete	Tech Recycle
9/3/2024	CO	Laptop	Lenovo	L480	PF-1NS6MJ	T89126	Obsolete	Tech Recycle
9/3/2024	CO	Laptop	Lenovo	L480	PF-1NQ0Z8	T89074	Obsolete	Tech Recycle
9/5/2024	CO	Portable Monitor	AOC	156LM00005	KSYG7JA000901	T106192	Broken	Tech Recycle
9/5/2024	CO	Charger	HP	N/A	N/A	T149898	Broken	Tech Recycle
9/5/2024	CO	Slide Dock	Lenovo	40AJ	M5H0T2DK	N/A	Broken	Tech Recycle
9/5/2024	CO	Laptop	Lenovo	L480	PF-1NPJ6D	T89145	Broken	Tech Recycle
9/5/2024	CO	Laptop	Lenovo	L480	PF-1NPEX2	T89217	Obsolete	Tech Recycle
9/5/2024	CO	Laptop	Lenovo	L480	PF-1NS6PQ	T89082	Obsolete	Tech Recycle
9/5/2024	CO	Laptop	Lenovo	L480	PF-1613DK	T65380	Obsolete	Tech Recycle
9/5/2024	CO	Cell Phone	Apple	iPhone 6s	FFMTPU64HFLR	T55446	Obsolete	Tech Recycle
9/5/2024	CO	Laptop	Lenovo	T480s	PC-0XY2DU	T79797	Obsolete	Tech Recycle
9/5/2024	CO	Laptop	Lenovo	T480s	PC-131ZC6	T89345	Obsolete	Tech Recycle
9/5/2024	CO	Laptop	Lenovo	L480	PF-1NPEVZ	T89198	Obsolete	Tech Recycle
9/5/2024	CO	Laptop	Lenovo	T480s	N/A	T89344	Obsolete	Tech Recycle
9/5/2024	CO	Laptop	Lenovo	L480	PF-1NPPMB	T89020	Obsolete	Tech Recycle
9/5/2024	CO	Laptop	Lenovo	T490	N/A	T89944	Obsolete	Tech Recycle
9/5/2024	CO	Keyboard	Logitech	Y-R0059	N/A	N/A	Broken	Tech Recycle
9/5/2024	CO	Laptop	Lenovo	T480s	N/A	T89553	Obsolete	Tech Recycle
9/5/2024	CO	Laptop	Lenovo	T480s	N/A	T79799	Obsolete	Tech Recycle
9/5/2024	CO	Laptop	Lenovo	T480s	N/A	T65475	Obsolete	Tech Recycle
9/5/2024	CO	iPad	Apple	N/A	N/A	T15809	Broken	Tech Recycle
9/5/2024	CO	Hotspot	T-Mobile	T9 Franklin	N/A	T163695	Obsolete	Tech Recycle
9/5/2024	CO	Hotspot	T-Mobile	T9 Franklin	N/A	T163708	Obsolete	Tech Recycle
9/10/2024	CO	Hotspot	T-Mobile	T9 Franklin	N/A	T163063	Obsolete	Tech Recycle
9/10/2024	CO	Cell Phone	Apple	iPhone 8	FFNZPWQAJC6C	T67123	Obsolete	Tech Recycle
9/10/2024	CO	Cell Phone	Apple	iPhone 8	FFRZP2LQJC6C	T67112	Obsolete	Tech Recycle
9/10/2024	CO	Cell Phone	Apple	iPhone 8	FFMZQ9MJJC6C	N/A	Obsolete	Tech Recycle
9/10/2024	CO	Cell Phone	Apple	iPhone X	N/A	T54636	Obsolete	Tech Recycle
9/10/2024	CO	Cell Phone	Apple	iPhone 6s	N/A	T67064	Obsolete	Tech Recycle
9/10/2024	CO	Cell Phone	Apple	iPhone 6	F17PPX28G5MC	T55140	Obsolete	Tech Recycle
9/10/2024	CO	Cell Phone	Verizon	Gz One c811	N/A	N/A	Obsolete	Tech Recycle
9/10/2024	CO	Cell Phone	Verizon	Motorola Droid Mini	N/A	N/A	Obsolete	Tech Recycle
9/13/2024	CO	Acess Point	Cisco	MR18	Q2GD-F3CT-FU7F	T37281	Obsolete	Tech Recycle
9/19/2024	CO	Portable Monitor	AOC	156LM00005	GQPL6HA178575	T114032	Broken	Tech Recycle
9/24/2024	CO	Hotspot	T-Mobile	T9 Franklin	N/A	T163011	Obsolete	Tech Recycle
9/24/2024	CO	Hotspot	T-Mobile	T9 Franklin	N/A	T163050	Obsolete	Tech Recycle
9/24/2024	CO	Hotspot	T-Mobile	T9 Franklin	N/A	T163035	Obsolete	Tech Recycle

*Supporting documentation available in the Purchasing Department.

Diane C. White
Diane C. White, Director of Purchasing

10/1/2024
Date



DISTRICT 300

COMMUNITY UNIT SCHOOL DISTRICT NO. 300 BOARD of EDUCATION MEMO

DATE: October 8, 2024

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Diane White, Director of Purchasing

Presented at the following Board Meetings	
Board Operations Committee	10/8/2024
Policy/Legislative	
School Utilization	
BOE 1 st Reading	10/8/2024
BOE 2 nd Reading	10/22/2024

SUBJECT: Contract Pricing for Copy Paper Bid

Background

Bid documents for the annual district-wide copy paper (virgin and recycled) contract pricing for just-in-time delivery were released on Tuesday, September 3, 2024. The bid requested delivered unit pricing for three months with the possibility of three three-month contract extensions. Bids were due on Tuesday, September 24, 2024, at 11:00 a.m. The solicitation for bids was made via BidNet. Thirteen vendors downloaded bid information, and five vendors provided bids.

The contract term is December 1, 2024, through February 28, 2025.

Administrative Recommendation

Murnane Paper Company, Elmhurst, IL, awarded contract pricing for the purchase of copy paper based on the historical FY24 purchase of the product for an estimated amount of \$38,605.40 for a 3-month term.

Fiscal Impact

The total estimated award amount is \$38,605.40. Copy paper is funded by Building/Department budgets.

The new contract term has a 28.38% percent decrease in cost from last year.

COMMUNITY UNIT SCHOOL DISTRICT 300
COPIER PAPER DISTRICT WIDE - BID
Tuesday, September 24, 2024 11:00AM - Virtual

COMPANY	GRAND TOTAL*	References Sample Bid Response Form A Bid Response Form B Certifications Vendor App. W-9								Comments
		Y	Y	Y	Y	Y	Y	Y	Y	
Garvey's Office Products	\$39,589.77	Y	Y	Y	Y	Y	Y	Y	Y	
Head to Heels	\$113,766.19	Y	N	Y	Y	N	N	Y		Disqualified due to required sample not provided
JMF Internation Group, Inc.										
Lakesahore Learning Materials, LLC										
Liberty Paper										
Midland Paper	\$38,291.45	Y	N	Y	Y	Y	N	Y		Disqualified due to required sample not provided
Murnane Paper Company	\$38,605.40	Y	Y	Y	Y	Y	Y	Y		
Paper101										
Quill LLC										
School Specialty LLC										
School Wholesale Supplies LLC										
Staples										
Veritiv	\$40,340.40	Y	Y	Y	Y	Y	Y	Y		

Administration Recommends

Murnane Paper Company, Elmhurst, IL - for multipurpose paper for a 3 month contract with the possibility of three three-month extensions. Award Total - \$38,605.40.

D300 Item Number	D300 Item Description	D300 UOM	Estimated Annual Purchase Qty	Estimated Quarterly Purchase Qty	Garvey's Office Supply		Veritiv		Murnane Paper Company		Head to Heels		Midland Paper	
15-0020	PAPER, XEROGRAPHIC BLUE20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 11, 10 RM/CASE	CASE	15	4	48.90	\$195.60	51.5	\$206.00	\$49.00	\$196.00	128.76	\$515.04	51.90	\$207.60
15-0025	PAPER, XEROGRAPHIC, CANARY20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 11, 10 RM/CASE	CASE	13	4	48.90	\$195.60	51.5	\$206.00	\$49.00	\$196.00	124.19	\$496.76	51.90	\$207.60
15-0030	PAPER XEROGRAPHIC, GOLDENROD20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 11, 10 RM/CASE	CASE	7	2	48.90	\$97.80	51.5	\$103.00	\$49.00	\$98.00	129.38	\$258.76	51.90	\$103.80
15-0035	PAPER XEROGRAPHIC, GREEN20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 11, 10 RM/CASE	CASE	9	2	48.90	\$97.80	51.5	\$103.00	\$49.00	\$98.00	127.29	\$254.58	51.90	\$103.80
15-0040	PAPER, XEROGRAPHIC, PINK20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 11, 10 RM/CASE	CASE	15	4	48.90	\$195.60	51.5	\$206.00	\$49.00	\$196.00	124.45	\$497.80	51.90	\$207.60
15-0045	PAPER, XEROGRAPHIC, WHITE20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 11, 10 RM/CASE	CASE	35	9	34.90	\$314.10	36.45	\$328.05	\$33.20	\$298.80	104.28	\$938.52	33.30	\$299.70
15-0046	PAPER, XERO, WHITE RYCL-30% PCW20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 11, 10 RM/CASE	CASE	5	1	39.99	\$39.99	64.85	\$64.85	\$37.20	\$37.20	104.59	\$104.59	35.35	\$35.35
15-0050	PAPER, XEROGRAPHIC BLUE20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 14,10 RM/CASE	CASE	5	1	79.15	\$79.15	85.45	\$85.45	\$69.00	\$69.00	284.61	\$284.61	93.00	\$93.00
15-0055	PAPER, XEROGRAPHIC, CANARY20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 14,10 RM/CASE	CASE	5	1	79.15	\$79.15	85.45	\$85.45	\$69.00	\$69.00	285.41	\$285.41	93.00	\$93.00
15-0060	PAPER, XEROGRAPHIC GOLDENROD20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 14,10 RM/CASE	CASE	5	1	0.00	\$0.00		\$0.00	\$69.00	\$69.00	343.46	\$343.46	93.00	\$93.00
15-0065	PAPER, XEROGRAPHIC GREEN20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 14,10 RM/CASE	CASE	5	1	79.15	\$79.15	85.45	\$85.45	\$69.00	\$69.00	322.34	\$322.34	93.00	\$93.00
15-0070	PAPER, XEROGRAPHIC, PINK20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 14,10 RM/CASE	CASE	5	1	0.00	\$0.00	85.45	\$85.45	\$69.00	\$69.00	198.98	\$198.98	93.00	\$93.00
15-0075	PAPER, XEROGRAPHIC, WHITE20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 14,10 RM/CASE	CASE	5	1	54.60	\$54.60	63.55	\$63.55	\$53.00	\$53.00	136.47	\$136.47	44.00	\$44.00
15-0080	PAPER, XEROGRAPHIC, CANARY20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 11 X 17, 5 RM/CASE	CASE	5	1	62.96	\$62.96	67.45	\$67.45	\$59.00	\$59.00	223.33	\$223.33	78.00	\$78.00
15-0085	PAPER, XEROGRAPHIC, BLUE20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 11 X 17, 5 RM/CASE	CASE	5	1	62.96	\$62.96	67.45	\$67.45	\$59.00	\$59.00	209.54	\$209.54	78.00	\$78.00
15-0090	PAPER, XEROGRAPHIC, GOLDENROD20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 11 X 17, 5 RM/CASE	CASE	5	1	0.00	\$0.00	67.45	\$67.45	\$59.00	\$59.00	241.79	\$241.79	78.00	\$78.00
15-0095	PAPER, XEROGRAPHIC GREEN20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 11 X 17, 5 RM/CASE	CASE	5	1	62.96	\$62.96	67.45	\$67.45	\$59.00	\$59.00	191	\$191.00	78.00	\$78.00
15-0100	PAPER, XEROGRAPHIC, PINK20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 11 X 17, 5 RM/CASE	CASE	5	1	0.00	\$0.00	67.45	\$67.45	\$59.00	\$59.00	223.33	\$223.33	78.00	\$78.00
15-0105	PAPER, XEROGRAPHIC, WHITE20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 11 X 17, 5 RM/CASE	CASE	5	1	44.05	\$44.05	48.25	\$48.25	\$41.40	\$41.40	115.86	\$115.86	35.50	\$35.50
15-0110	PAPER, XEROGRAPHIC, FIREBALL20 LB. 8 1/2 X 14,10 RM/CASEFUSCHIA 8 1/2X11 24 LB 10 RM/CS	CASE	5	1	118.20	\$118.20	62.35	\$62.35	\$108.40	\$108.40	207.83	\$207.83	116.50	\$116.50
15-0115	PAPER, XEROGRAPHIC, COSMIC20 LB. 8 1/2 X 14,10 RM/CASEORANGE 8 1/2X11 24 LB 10 RM/CS	CASE	5	1	118.20	\$118.20	62.35	\$62.35	\$108.40	\$108.40	223.39	\$223.39	116.50	\$116.50
15-0120	PAPER, XEROGRAPHIC, LUMINOUS20 LB. 8 1/2 X 14,10 RM/CASELIME 8 1/2X11 24 LB 10 RM/CS	CASE	5	1	0.00	\$0.00	62.35	\$62.35	\$108.40	\$108.40	0	\$0.00	116.50	\$116.50
15-0125	PAPER, XEROGRAPHIC, TERRESTRIAL 20 LB. 8 1/2 X 14,10 RM/CASETEAL 8 1/2X11 24 LB 10 RM/CS	CASE	5	1	118.20	\$118.20		\$0.00	\$108.40	\$108.40	194.35	\$194.35	116.50	\$116.50
15-0130	PAPER, XEROGRAPHIC, PLANETARY20 LB. 8 1/2 X 14,10 RM/CASEPURPLE 8 1/2X11 24 LB 10 RM/CS	CASE	5	1	118.20	\$118.20		\$0.00	\$108.40	\$108.40	210.18	\$210.18	116.50	\$116.50
15-0132	PAPER, XEROGRAPHIC, SOLAR20 LB. 8 1/2 X 14,10 RM/CASEYELLOW 8 1/2X11 24 LB 10 RM/CS	CASE	5	1	118.20	\$118.20	62.35	\$62.35	\$108.40	\$108.40	221.3	\$221.30	116.50	\$116.50
15-0133	PAPER, XEROGRAPHIC, LUNAR 20 LB. 8 1/2 X 14,10 RM/CASEBLUE 8 1/2 X 11, 24 LB. 10 RM/CS	CASE	5	1	118.20	\$118.20	62.35	\$62.35	\$108.40	\$108.40	221.3	\$221.30	116.50	\$116.50
15-0134	PAPER, XEROGRAPHIC, GAMMA 20 LB. 8 1/2 X 14,10 RM/CASEGRN 8 1/2 X11, 24 LB 10 RM/CS	CASE	5	1	118.20	\$118.20		\$0.00	\$108.40	\$108.40	221.3	\$221.30	116.50	\$116.50
15-0135	PAPER, XEROGRAPHIC, GALAXY20 LB. 8 1/2 X 14,10 RM/CASEGOLD 8 1/2X11, 24 LB 10 RM/CS	CASE	5	1	118.20	\$118.20		\$0.00	\$108.40	\$108.40	183.89	\$183.89	116.50	\$116.50
15-0136	PAPER, XEROGRAPHIC, PULSAR20 LB. 8 1/2 X 14,10 RM/CASEPINK 8 1/2X11 24 LB 10 RM/CS	CASE	5	1	118.20	\$118.20		\$0.00	\$108.40	\$108.40	221.3	\$221.30	116.50	\$116.50
15-0137	PAPER, XEROGRAPHIC,WHITE 3-HOL20 LB. 8 1/2 X 14,10 RM/CASEPUNCH 8 1/2X11 20 LB 10 RM/CS	CASE	40	10	36.49	\$364.90	48.25	\$482.50	\$42.30	\$423.00	120.9	\$1,209.00	34.50	\$345.00
15-0138	PAPER, XEROGRAPHIC, BRITE20 LB. 8 1/2 X 14,10 RM/CASEFUSCHIA 8 1/2X11 20 LB 10 RM/CS	CASE	5	1	0.00	\$0.00	62.35	\$62.35	\$93.20	\$93.20	0	\$0.00	116.50	\$116.50
15-0139	PAPER, XEROGRAPHIC, BRITE20 LB. 8 1/2 X 14,10 RM/CASEORANGE 8 1/2X11 20 LB 10 RM/CS	CASE	5	1	0.00	\$0.00	62.35	\$62.35	\$93.20	\$93.20	198.95	\$198.95	99.00	\$99.00
15-0145	PAPER, XEROGRAPHIC, BRITE20 LB. 8 1/2 X 14,10 RM/CASELIME 8 1/2X11 20 LB 10 RM/CS	CASE	5	1	0.00	\$0.00	62.35	\$62.35	\$93.20	\$93.20	0	\$0.00	99.00	\$99.00
15-0150	PAPER, XEROGRAPHIC, BRITE20 LB. 8 1/2 X 14,10 RM/CASETEAL 8 1/2X11 20 LB 10 RM/CS	CASE	5	1	0.00	\$0.00		\$0.00	\$93.20	\$93.20	0	\$0.00	99.00	\$99.00
15-0155	PAPER, XEROGRAPHIC, BRITE20 LB. 8 1/2 X 14,10 RM/CASEPURPLE 8 1/2X11 20 LB 10 RM/CS	CASE	5	1	0.00	\$0.00		\$0.00	\$93.20	\$93.20	197.64	\$197.64	99.00	\$99.00
15-0160	PAPER, XEROGRAPHIC, BRITE20 LB. 8 1/2 X 14,10 RM/CASEYELLOW 8 1/2X11 20 LB 10 RM/CS	CASE	5	1	0.00	\$0.00	62.35	\$62.35	\$93.20	\$93.20	195.54	\$195.54	99.00	\$99.00
15-0165	PAPER, XEROGRAPHIC, BRITE20 LB. 8 1/2 X 14,10 RM/CASEBLUE 8 1/2 X 11, 20 LB. 10 RM/CS	CASE	5	1	0.00	\$0.00	62.35	\$62.35	\$93.20	\$93.20	198.25	\$198.25	99.00	\$99.00
15-0170	PAPER, XEROGRAPHIC, BRITE20 LB. 8 1/2 X 14,10 RM/CASEGRN 8 1/2 X11, 20 LB 10 RM/CS	CASE	5	1	0.00	\$0.00	62.35	\$62.35	\$93.20	\$93.20	197.64	\$197.64	99.00	\$99.00
15-0175	PAPER, XEROGRAPHIC, BRITE20 LB. 8 1/2 X 14,10 RM/CASEGOLD 8 1/2X11, 20 LB 10 RM/CS	CASE	5	1	0.00	\$0.00		\$0.00	\$93.20	\$93.20	0	\$0.00	99.00	\$99.00
15-0180	PAPER, XEROGRAPHIC, BRITE20 LB. 8 1/2 X 14,10 RM/CASEPINK 8 1/2X11 20 LB 10 RM/CS	CASE	5	1	0.00	\$0.00		\$0.00	\$93.20	\$93.20	197.64	\$197.64	99.00	\$99.00
15-0185	PAPER, XEROGRAPHIC, WHITE20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 11, 40 CS/PALET	PALL	101	25	1,396.00	\$34,900.00	1388	\$34,700.00	\$1,312.00	\$32,800.00	4034.43	\$100,860.75	1292.00	\$32,300.00
15-0190	PAPER, XERO, WHITE RYCL-30% PCW20 LB. 8 1/2 X 14,10 RM/CASE20 LB. 8 1/2 X 11, 40 CS/PALET	PALL	5	1	1,599.60	\$1,599.60	2464.3	\$2,464.30	\$1,512.00	\$1,512.00	2763.77	\$2,763.77	1374.00	\$1,374.00
GRAND TOTALS						\$39,589.77		\$40,340.40		\$38,605.40		\$113,766.19		\$38,291.45

Bid - Contract Pricing for Copy Paper			
Timeline - 9/3/24			
ACTION	DATE	TIME	LOCATION
Establish Timeline	Tuesday, 9/3/24		Purchasing
Specifications Released	Tuesday, 9/3/24	4:00 PM CT	BidNet
Legal Ad	Wednesday, 9/4/24		Daily Herald
Pre-Bid Meeting	Tuesday, 9/10/24	10:00 AM CT	Google Meet
Q&A Deadline	Tuesday, 9/17/24	12 Noon CT	BidNet
Bid Opening	Tuesday, 9/24/24	11:00 AM CT	Google Meet
Evaluation Period	Tuesday, 9/24/24 - Friday, 9/27/24		Purchasing
Info to CFO	Friday, 9/27/24		Jennifer Porter
BFC Committee Meeting	Tuesday, 10/8/24		Administration
Workshop and BOE Meeting/Appr	Tuesday, 10/22/24		Administration
Contracts Released to Vendors	Wednesday, 10/23/24		Purchasing



DISTRICT 300

COMMUNITY UNIT SCHOOL DISTRICT NO. 300 BOARD of EDUCATION MEMO

DATE: October 8, 2024

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Jonathan Mickle,
Director of Facilities

Presented at the following Board Meetings	
Board Operations Committee	10/8/2024
Policy/Legislative	
School Utilization	
BOE 1 st Reading	10/8/2024
BOE 2 nd Reading	10/22/2024

SUBJECT: Architectural Contract

Background

To address continuing growth in the district, we would like to engage with Dewberry Architects to develop the schematic design for a 6-8 classroom addition at Parkview Elementary School. Projections show the building surpassing maximum capacity by the start of the 2026 school year. Enrollment is projected to increase by 26%, reaching approximately 683 students by 2033, compared to the current enrollment of 542. This would allow the district to develop comprehensive cost estimates for this work and prepare us if we need to execute these additions in a short turnaround should the projected growth estimates occur.

Six to Eight Classroom Addition to Parkview Elementary School

The estimated cost for these services is to produce multiple design options, an estimated cost of \$109,650.

Administrative Recommendation

The administration recommends approving the schematic design only. The Capital Projects Fund will pay for this service.

TASK ORDER

The Parties to this Task Order are:

DEWBERRY:		Client:	
Dewberry Architects Inc.		Community Unit School District #300	
Points of Contact for this Task Order			
Name:	Brian Kerner, Project Manager	Name:	Jennifer Porter
Email:	bkerner@dewberry.com	Email:	Jennifer.Porter@D300.Org
Phone:	847.841.0586	Phone:	847.551.8314

Task Order #		Job #		Date	2024-09-03
Master Agreement #	50109001	Master Agreement Date	4/28/2020		
Project	Parkview Elementary School – Addition				
Brief Description of Services					

Dewberry will provide the following services consistent with the terms of the Master Services Agreement.

This task order will consist of the design and production of Schematic Design Documents for the Parkview Elementary School Addition.

Dewberry will provide three (3) Schematic Design Option for the addition and present a written narrative and floor/site plans for each option.

Scope of Work includes:

- On-Site visit to determine existing conditions.
- Review Facility Master Plan.
- Three meetings with CUSD 300 Administration to review program requirements.
- Develop program of existing and new space requirements.
- Coordination with TEM to determine areas of hazardous materials.
- Coordination with Civil Engineer to determine set back, parking and drop off layout, develop hard surface play areas, review stormwater detention requirements, review Village of Carpentersville building & zoning requirements.
- Coordination with Landscape Architect to determine landscaping requirements at building additions and any required playground equipment.
- Coordination with Structural Engineer to review soil exploration report (if available) and develop narrative for foundation and building structure design.
- Coordination with Mechanical, Plumbing, Electrical Engineers, and Technology Designer to review MEP systems to be utilized in the addition and review existing equipment replacement. A narrative of these systems with both the Facility Assessment scope of work identified in the Elara district master plant/facility assessment AND the (3) design options for the additions/renovations scope.
- Assist with providing information to Lamp Inc. so they can develop a cost estimate for each option.
- Make final presentation of the three options with a written narrative to CUSD 300.

Fee Breakdown:

The fee within the Master Service Agreement is based on a percentage of the final bid results with associated fees. The Schematic Design Phase is 15% of the overall AE Fee. In lieu of not having bid results, Dewberry will provide Schematic Design services listed above for a fixed fee of \$109,650.00. After the final design has been approved, contract document developed and the final bid resultants tabulated, Dewberry will credit amounts paid toward the Schematic Design fee contained in the final calculated AE fee.

Exclusions:

- LEED services.
- Furniture & signage selection and procurements.
- Soil Borings and Geotechnical Report.
- Site Survey / Boundary Survey.
- Environmental Studies and Surveys.
- Report of Probable Construction Cost estimate and estimated total Project Cost, this is provided by the Construction Manager.

Task Order Type and Amount:

☒ Basic Service Fixed Fee	\$ <u>109,650.00</u>	☐ Additional Services	NTE \$ <u>N/A</u>
☐ Fixed Unit Rate	NTE \$ <u>N/A</u>	☐ Cost Plus Fee	NTE \$ <u>N/A</u>

Period of Performance:

- ☒ Dewberry will complete the Basic & Additional Services per the following:
- Schematic Design Phase October – December 2024

All terms and conditions of the Master Agreement, unless specifically modified herein, govern this Task Order.

The parties hereto have, through duly authorized officials, executed this Task Order which constitutes the entire understanding and agreement between the parties with respect to the subject matter hereof and supersedes all prior representations, proposals, statements, negotiations and understandings, whether written or oral, and it shall not be varied except by a written instrument of subsequent date, duly executed by authorized representatives of the parties.

DEWBERRY ARCHITECTS INC.		COMMUNITY UNIT SCHOOL DISTRICT #300	
By:		By:	
Name:	Douglas A. Pfeiffer	Name:	Jennifer Porter
Title:	Principal, Business Unit Manager	Title:	Chief of Staff/CSBO
Date:	10/2/2024	Date:	



DISTRICT 300

COMMUNITY UNIT SCHOOL DISTRICT NO. 300 BOARD of EDUCATION MEMO

DATE: October 8, 2024

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Diane C. White,
Director of Purchasing

Presented at the following Board Meetings	
Board Operations Committee	10/8/2024
Policy/Legislative	
School Utilization	
BOE 1 st Reading	10/8/2024
BOE 2 nd Reading	10/22/2024

SUBJECT: Contract Pricing Extension for Science Supplies

Background

The administration is recommending a contract extension for science supplies to be awarded to VWR International LLC. The contract extension term will be November 1, 2024, through October 31, 2025.

The Science Supply bid is comprised of District 300 standardized products for elementary, middle, and high school supplies. Each site purchases these items on an as-needed basis to fulfill the needs of the science instructional curriculum.

Original Bid specifications were released on Monday, June 26, 2023, and bids opened on Wednesday, July 19, 2023. Twenty-three vendors downloaded specifications from BidNet. Four bidders responded. Additionally, two formal No-Bids were received. We are recommending an award based on vendor bid document submittal by category. Items listed as No-Bid are not being awarded at this time.

Administrative Recommendation

The administration recommends that we award by category contract pricing from:

VWR International LLC, Rochester, NY: We have awarded contract pricing for Science Supplies in the estimated amount of **\$72,954.59**.

Fiscal Impact

Science Supplies will be purchased through the building budget supply account.



DISTRICT 300

Community Unit School District 300

2605 BUNKER HILL DRIVE

ALGONQUIN, IL 60102

Diane C. White, Director of Purchasing

PHONE: 847-551-8460 · FAX 847-551-8463

September 10, 2024

Mr. Nate Ripple
VWR International LLC
6800 Cintas Blvd.
Greenville, WI 54942

Via Email: nate.ripple@avantorsciences.com

BID – Science Supplies Contract Pricing - First Extension Offer

Dear Mr. Ripple,

On October 24, 2023, The Board of Education originally approved a contract with VWR International LLC for the Science Supplies Contract Pricing Bid. The contract included the possibility of two one-year extensions. District 300 would like to exercise the first contract extension based on the July 14, 2023 response submitted by your firm. The extension will run from November 1, 2024 to October 31, 2025. District 300 acknowledges price increases for 51 items, the discontinuation of 11 items with replacements proposed for 3 of them which can be seen on the following page. Total percent change including all originally awarded items was calculated to be 1.90%, which falls below CPI.

If your firm agrees to the pricing as shown below, the administration will recommend your contract extension to the Board of Education for review by the finance committee on Tuesday, October 8, 2024 and award by the board on Tuesday, October 22, 2024.

The favor of a response is requested by Friday, September 13, 2024.

Sincerely,

Diane White

2024-09-10

8375D43E716D9000E8DBCF95C76EBD7 contractworks
Diane C White, Director of Purchasing

Acceptance to hold submitted pricing:

Nate Ripple

2024-09-10

7C8C5DA9BDE1831D18031D12BAC6D011

contractworks.

Service Provider

Item #	Product Name	Old Price	New Price
470166-544	Spectrovis spectrophotometer	449	475.29
470330-650	Vernier LabQuest 3	399	413.99
470001-060	PIGS	201.99	215.21
470325-010	SHEEP BRAINS	18.67	25.58
470302-170	POTASSIUM IODIDE, 100 G LAB	31	33.86
470302-176	Potassium Iodide	29.17	34
470302-178	POTASSIUM IODINE REAGENT	7.64	10.03
470302-068	POTASSIUM CARBONATE, LAB GRADE	13.44	13.68
470301-452	Maganese Dioxide .5 KG	7.82	9.11
470301-588	LITHIUM CHLORIDE REAGENT, 500G	69.44	81.66
470301-700	IRON METAL FILINGS 500 G	6.93	13.75
470301-256	HYDROCHLORIC ACID	60.03	99.9
470191-150	BEAKERS, LOW FORM, 250 ML	1.42	4.2
470301-380	Iron (III) Chloride 500g	27.08	31.41
470301-356	Iron III Chloride	8.86	9.88
470301-378	IRON 3 CHLORIDE	9.93	12.38
470301-142	Dextrose, Anhydrous (500g)	11.78	12.71
470225-778	COPPER NITRATE SOLUTIONS	2.57	2.98
470300-804	COPPER II CHLORIDE, ANHYDROUS	8.86	9.11
470300-558	CALCIUM CHLORIDE ANHYROUS	16.42	17.4
76447-036	FLINN HOT PLATE 7" X 7"	287.71	365.83
470145-566	PLASTIC SPOONS	1.1	1.98
470300-216	AMMONIUM HYDROXIDE, REAGENT	38.97	40.78
470019-788	Labeling Tape	7.29	7.75
470002-888	Student Dissection Kit	8.88	8.99
470024-750	Nutrient Agar, 453g	66.96	73.21
470020-206	TEX MAGNET APPL 2 SLV	16.14	23.45
470313-486	Petri Dish- 10/PK	4.65	4.92
470001-414	Owl Pellets Large	45.92	66.99
470024-208	Tool Identification Kit	246.03	247.48
470190-642	KIT DNA FINGERPRINTING DNA DEP	153.42	179.83
470001-526	GRASSFROG 3-31/2 PLAIN 10/PK	27.16	27.96
470001-236	PLAIN EARTHWORM 8-10IN 10PK	8	8.76
470149-780	BRUSH FINGERPRINT FIBERGLASS 6	13.56	18.78
470220-758	GRASSFROG SFWY PLAIN 4"-5" V	7.46	7.6
470301-044	ETHANOL 70% LABORATORY GRADE	20.91	23.47
470204-582	Glass Disposal Container	22.33	25.06
470016-796	Conductivity Tester	25.47	27.83
470174-106	BEAN RED, SEED, 4 OUNCES	2.36	2.65
470163-416	dialysis tubing 30m/100'	48.61	49
470206-304	BAGS, RECLOSABLE, PKG/ 50	11.32	13.5
470300-232	AMMONIUM NITRATE, LAB GRADE	26.94	29.49
470026-098	LIMESTONE SAMPLES OOLITIC	6.49	6.59
470103-720	LIMESTONE FINEGRAINED	5.33	5.39
470026-074	LIMESTONE SAMPLES COQUINA	5.42	7.64

470026-116	MARBLE SAMPLES	6.39	6.48	
470046-224	SAF-T MEASURING TAPES	2.17	2.54	
470355-952	DUCT TAPE	2.76	2.08	Replacing Item #47022
470206-304	BAGS, RECLOSABLE, PKG/ 50	11.32	13.5	
470174-106	BEAN RED, SEED, 4 OUNCES	2.36	2.65	
470149-829	PAPER, CREPE	1.6	1.73	
470149-676	FASTENER, BRASS	2.02	2.24	
470351-396	CLAY, MODELING	2.65	2.18	Replacing item #47023
470352-846	WOOD, BLOCK	3.21	1.31	Replacing item #47008
470007-516	FIBER OPTICS KIT			DISCONTINUED
470304-940	BALLOON, ROUND			DISCONTINUED
470093-350	TAPE, PACKING			DISCONTINUED
470328-338	SUGAR, CUBE			DISCONTINUED
470158-918	CLOTH, TOWEL			DISCONTINUED
470304-940	BALLOON, ROUND			DISCONTINUED
470001-436	STARFISH PLAIN 6-8" VAC PK/10			DISCONTINUED
470213-300	SCIENCE BEHIND BALLISTICS-FIRE			DISCONTINUED



DISTRICT 300

Community Unit School District 300

2605 BUNKER HILL DRIVE

ALGONQUIN, IL 60102

Diane C. White, Director of Purchasing

PHONE: 847-551-8460 · FAX 847-551-8463

March 14, 2024

Mr. Mark Tringali
VWR International LLC
6800 Cintas Blvd.
Greenville, WI 54942

Email: mark.tringali@avantorsciences.com

Bid - Science Supplies Contract Pricing - Award

Dear Mr. Tringali,

Congratulations! District 300 has awarded the contract for the Bid - Science Supplies Contract Pricing to VWR International LLC. The Board of Education approved this contract at the regularly scheduled meeting on October 24, 2024. The Science Supply Contract is set to be in effect from November 1, 2023 to October 31, 2024. Science supplies will be purchased through the building budget supply account with an estimated total expenditure of \$72,954.59.

Please sign this letter via Contract Works by Monday, March 22, 2024. Please submit your Certificate of Insurance naming District 300 as additional insured as soon as possible to bids.purchasing@d300.org if not done already.

Diane White

2024-03-15

8375D43E716D90C09E2DBCBD5C76FBD7 contractworks

ADMINISTRATOR (Signature)

Diane C. White, Director of Purchasing

Mark Tringali, VWR International LLC

2024-03-15

B7E04C41FF65C9FFD0FF7601E06BC348 contractworks

CONTRACTOR (Signature)

Mark Tringali, VWR International LLC Administrator

Printed name and title)

If you have any further questions regarding this contract, please feel free to contact me at (847) 551-8460.

Sincerely,

Diane C. White

Diane C. White, Director of Purchasing



COMMUNITY UNIT SCHOOL DISTRICT NO. 300 BOARD of EDUCATION MEMO

DATE: October 10, 2023

TO: Dr. Susan Harkin, Superintendent
Board of Education

FROM: Diane C. White,
Director of Purchasing

Presented at the following Board Meetings	
Board Operations Committee	10/10/2023
Policy/Legislative	
School Utilization	
BOE 1 st Reading	10/10/2023
BOE 2 nd Reading	10/24/2023

SUBJECT: Approval of Science Supply Bid Contract Pricing

Background

The Science Supply bid encompasses a selection of District 300 standardized products designed for elementary, middle, and high school supplies. These products are procured on an as-needed basis by individual sites to meet the requirements of the science instructional curriculum.

The bid specifications were made public on Monday, June 26, 2023. Subsequently, bids were reviewed on Wednesday, July 19, 2023. Out of the twenty-three vendors who accessed the specifications on BidNet, only four submitted bids, while two formal No Bids were received. The Science Supply contract is set to be in effect from November 1, 2023, to October 31, 2024. The award recommendation is based on the vendor bid document submissions categorized accordingly. It's important to note that items listed as No Bid will not be awarded at this time.

Administrative Recommendation

Administration recommends awarding contract pricing by category to VWR International LLC, Rochester, NY.

Fiscal Impact

Science Supplies will be purchased through the building budget supply account with an estimated total expenditure of \$72,954.59.

**COMMUNITY UNIT SCHOOL DIST
SCIENCE SUPPLIES-DISTRICT WIDE
WEDNESDAY, JULY 19, 2023 11:00 A.M.**

COMPANY	Vendor App	W-9	Certifications	References	Addendum 1	Addendum 2	Signed Part A	Signed Part B	Punchout	Catalog Discount	Comments
Accelerate Learning											
Head to Heels											
Anatomical Worldwide	Y	Y	Y	Y	Y	Y	Y	Y	Y	2.50%	TIPS 230301, 210301; not all certs were signed
Carolina Biological											
EAI Education											
ExploreLearning											
Fischer Scientific	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Omnia; Disqualified due to bid exceptions
Flinn Scientific Inc	Y	Y	Y	Y	Y	Y	Y	Y	N	N	Buyboard, TIPS, SUCC; Disqualified due to bid exceptions
Garinger											
Kendall Hunt Publishing											
Lakeshore Learning Materials											
Mercedes Medical											
Nasco Education											
Nikon Instruments Inc.											
Pacific Star											
PASCO scientific											
Peoples Education											
Pitsco Education											
Savvas Learning Company LLC											
School Specialty LLC											No Bid
Thermo Electron North America LLC											
Unipak											No Bid
VWR International LLC	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	E&I, Buyboard and TIPS

Recommendation:

VWR International LLC, Rochester, NY: Award contract pricing for Science Supplies in the estimated amount of **\$72,954.59.**

INSTRUCTIONS: Please fill in columns E, F and G . Please use column I for vendor comments. ALL bids must be completed in the Excel spreadsheet provided.										Vendor Name: Anatomical Worldwide Complete Address: 8047 Monticello Ave. Chicago, IL 60076 Phone: 800-422-1134 Fax: 312-789-4210 E-Mail: sales@anatomywarehouse.com Contact Person: Brittany Snow				Vendor Name: Fisher Scientific Company LLC Complete Address: 4500 Tumberry Dr. Hanover Park, IL 60133 Phone: 800-955-1177 Fax: 800-955-0740 E-Mail: fsc.bids@thermofisher.com Contact Person: Tommy Kowalski				Vendor Name: Flinn Scientific, Inc. Complete Address: 770 N. Raddant Rd. Batavia, IL 60510 Phone: 1-800-452-1261 Fax: 1-866-452-1436 E-Mail: businessdesk@flinnsci.com Contact Person: Sally Lovell				Vendor Name: PACIFIC STAR CORPORATION Complete Address: 4350 South Wayside Drive #106 Houston, TX 77087 Phone: 713-527-0889 Fax: 713-481-8423 E-Mail: CUSTOMER@PSTAR.COM Contact Person: LUISIANA INDRAMATI				Vendor Name: VWR International LLC Complete Address: 5100 West Henriette Rd - PO Box 929 Rochester, NY 14692-9012 Phone: 800-962-2660 Fax: 800-635-8439 E-Mail: wards@vwr.com Contact Person: Kathy Rein or Customer Service			
Ward Item Number	Description	Ward UOM	Estimated Purchase Amount	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments						
			51												6pk			PRECISION MOULDED POLYMERS LTD A-M6080/6	470016-940	PK	\$10.73								
470016-940	Mini Bulb Holder	PK	250				\$0.00					\$0.00		A-M6080/6	5/pk	\$18.57	\$947.20					\$547.23							
470188-750	Piezoelectric Buzz	PK	7				\$0.00			EA		\$0.00		PB16241P	50/pk	\$20.03	\$5,008.25	JA ASSOCIATES PB16241P	470188-750	PK	\$12.92								
470225-202	Knife Switch Single Pole 1 Throw - https://www.fisher	CA	10				\$0.00		323687		\$3.41	\$23.87			Each	\$316.53	\$2,215.68	VWR International 470225-202	470225-202	CS	\$83.36		Case = 50 pieces						
470229-474	Grade 3 - NGSS	EA	7				\$0.00					\$0.00		NG5503	Each	\$67.26	\$672.64	Kid discover NGSS03					Discovery Kits are no longer available from VWR/Wards						
470229-502	Grade K - NGSS	EA	6				\$0.00					\$0.00		97805456574	Each	\$306.48	\$2,145.33	97805456574 19					Discovery Kits are no longer available from VWR/Wards						
470229-510	Grade 2 - NGSS	EA	9				\$0.00					\$0.00		97805456574	Each	\$321.43	\$1,928.55	97805456574 40					Discovery Kits are no longer available from VWR/Wards						
470229-520	Grade 5 - NGSS	EA	8				\$0.00					\$0.00		97805456574	Each	\$396.18	\$3,565.58	97805456574 95					Discovery Kits are no longer available from VWR/Wards						
470229-950	Grade 4 - NGSS	EA	8				\$0.00					\$0.00		97805456574	Each	\$388.70	\$3,109.60	97805456574 71					Discovery Kits are no longer available from VWR/Wards						
470231-342	Grade 1 - NGSS	EA	3				\$0.00					\$0.00		97805456574	50/pk	\$313.95	\$2,511.60	97805456574 64					Discovery Kits are no longer available from VWR/Wards						
AKRP2923300	CUP, PLASTIC CLEAR	PK	3				\$0.00					\$0.00		9QCD	Each	\$24.75	\$74.24	Skywill Far East Industries 9QCD	470162-902	PK	\$11.23		Pack = 50 units						
ITGR251363	STARCH, CORN	EA	24				\$0.00					\$0.00		251363	6/pk	\$6.04	\$18.11	ALDON CORP SE 251363					New Part Number 470336-578 - now 16 oz, not web visible						
MAB132-765-000	LIGHT, PEN	PK	3				\$0.00					\$0.00		32-765-000	Each	\$31.21	\$749.06	HEALTH SMART SE 32-765-000	470021-598	EA	\$3.04								
MANT66182	CORK, FLAT	EA	12				\$0.00			CS		\$0.00		Josh Frogs	Each	\$17.07	\$51.20	Josh Frogs	470040-134	EA	\$0.79								
QLSEV1000-50	BEAKER, 50ML	EA	12				\$0.00		S02291A	CS	\$22.45	\$269.40	Corning™ Reusable Polypropylene 250pk - https://www.fisher.com/stockinginfo/ducts/toothpicks-wooden-roundS		Each	\$6.73	\$80.73	VWR 10754-946	470191-198	EA	\$3.96		\$2.37						
QLSEV1000-250	BEAKER, 250ML	EA	11				\$0.00		S02291D	EA	\$23.61	\$263.32			Each	\$13.97	\$167.67	VWR 10754-952	470191-150	EA	\$4.20		\$47.52						
RGLDR820(2718)	TOOTHPLICKS, WOODEN-ROUND	BX					\$0.00		S24554		\$5.06	\$0.00			800/pk			REGIONAL DISTRIBUTORS, INC. 2718	470226-594	PK	\$3.35		Pack = 800 toothpicks						
SIMAS13677_U	CUBES, WOOD	PK	17				\$0.00					\$0.00		2718		\$7.45	\$81.97	LEARNING RESOURCES SE LER0136	470221-399	PK	\$11.07		Pack = 102 units						
UNIUTHMPB1-PK1	THERMOMETER	EA	20				\$0.00					\$0.00		LER0136	102/pk	32.3955	\$550.72	United Scientific THMPB1	470222-098	EA	\$11.63		Pack = 15 units						
														THMPB1	15/pk	\$12.94	\$258.75					\$232.60							

[illegible]

WACP470040-066	STRAWS, INDV	PK	8				\$0.00					\$0.00						500pk				DIXIE FOOD SERVICE JW74	470040-066	PK	\$3.40		Pack = 100
			3															Each	\$16.89	\$135.15		INDUSTRIAL SUPPORT INC. 470040-594	470040-594	EA	\$7.72	\$27.20	Straws
WACP470040-594	CLOTH, COTTON	EA	7				\$0.00					\$0.00						100pk	\$20.32	\$60.96		HUNTER CO INC SE 470149-954	470040-823	PK	\$3.64		Pack = 100
WACP470040-823	CHIPS, BINGO	PK	2				\$0.00					\$0.00						Each	\$9.17	\$64.16		GAME PARTS GZGC/IN	470041-118	EA	\$2.16	\$25.48	Chips
WACP470041-118	FEATHER, GOOSE	EA	1				\$0.00					\$0.00						100pk	\$5.28	\$10.56		REGIONAL DISTRIBUTORS INC. 16999	470042-690	EA	\$3.60	\$4.32	
WACP470042-690	SKEWER BAMBOO	EA	3				\$0.00					\$0.00						Each	\$7.34	\$7.34		INDUSTRIAL SUPPORT INC. 467002	470042-642	EA	\$7.20	\$3.60	
WACP470042-642	FABRIC, NYLON	EA	3				\$0.00					\$0.00						Each	\$15.48	\$46.44		AMERICAN ART CLAY COMPANY INC. 90051B	470045-770	EA	\$9.38	\$21.60	
WACP470045-770	CLAY, RED	EA	5				\$0.00					\$0.00						100kit	\$10.35	\$31.05		Skywill Far East Industries	470046-624	EA	\$5.28	\$28.14	Each = 100
WACP470046-624	CUBE, GRAM	EA	6				\$0.00					\$0.00						50kit	\$10.56	\$52.79		Skywill Far East Industries 6020	470046-712	EA	\$6.00	\$26.40	Cubes
WACP470046-712	CUBE, CONNECT	EA	9				\$0.00					\$0.00						Each	\$14.44	\$86.66		PLASTIC BOTTLES INC. 369	470049-614	EA	\$1.17	\$36.00	Each = 50
WACP470049-614	LID, PLASTIC	EA	4				\$0.00					\$0.00						50pk	\$2.83	\$25.46		REGIONAL DISTRIBUTORS INC. 16941	470049-636	EA	\$4.28	\$17.12	Plates
WACP470049-636	PAPER, PLATE	EA	1				\$0.00					\$0.00						50pk	\$7.85	\$31.42		IMAGEN GRAPHPR1CM PK50	470049-668	EA	\$4.58	\$4.58	
WACP470049-668	PAPER, GRAPH	EA	5				\$0.00					\$0.00															Discontinued
WACP470049-954	LID, METAL	EA	23				\$0.00					\$0.00						1/pk	\$0.00	\$0.00		CROSMAN SEED CORPORATION	470049-962	PK	\$1.25	\$0.00	WACP470049
WACP470049-962	SEED, PEA	PK	6				\$0.00					\$0.00						Each	\$5.28	\$121.41		INDUSTRIAL SUPPORT INC. 2032600	470049-966	EA	\$5.40	\$28.75	Pack = 30gm; approx 180 seeds
WACP470049-966	CARPET PIECES	EA	5				\$0.00					\$0.00						roll of 190	\$10.34	\$62.03		MASTERDAT 4 OL HOLD 2 1982-0007	470057-792	EA	\$5.66	\$32.40	
WACP470057-792	YARN, ACRYLIC	EA	1				\$0.00					\$0.00						Each	\$18.94	\$94.70		ALDON CORP SE FF0400-30ML	470057-798	EA	\$2.71	\$28.30	
WACP470057-798	COLORING, FOOD	EA	1				\$0.00					\$0.00						1 pack	\$4.75	\$4.75		TONAWANDA MANUFACTURING 21965-10	470057-848	PK	\$10.00	\$10.00	Pack = 6
WACP470057-848	BLOCK, WOOD	PK	40				\$0.00					\$0.00						Each	\$25.96	\$25.96		INDUSTRIAL SUPPORT INC. 2726400	470089-228	EA	\$2.50	\$100.00	Blocks
WACP470089-228	CLOTH, FELT	EA	3				\$0.00					\$0.00						Each	\$13.56	\$542.34		EATON OFFICE SUPPLY PT-SCIE1	470089-240	EA	\$1.36	\$4.08	
WACP470089-240	TUBE, CARDBOARD	EA	1				\$0.00					\$0.00						6/pk	\$3.24	\$9.73		TONAWANDA MANUFACTURING 2803600	470092-418	EA	\$3.21	\$3.21	
WACP470089-604	WOOD, BLOCK	EA	48				\$0.00					\$0.00						Each	\$11.21	\$11.21		BUCKEYE CORRUGATED INC. PT-SCIE5	470092-442	EA	\$1.68	\$80.64	
WACP470092-418	TUBE, CARDBOARD	EA	5				\$0.00					\$0.00						1 pack	\$3.13	\$150.14		Avantor 2961100	470092-482	EA	\$5.00	\$25.00	
WACP470092-442	SOIL, SANDY	EA	21				\$0.00					\$0.00						25/pk	\$11.66	\$58.31		Skywill Far East Industries 19755	470092-662	EA	\$3.16	\$167.79	Pack = 25
WACP470092-482	CUP, PAPER	PK	9				\$0.00					\$0.00						1 pack	\$16.38	\$343.90		Avantor 2937500				\$167.79	Pieces
WACP470092-662	GRAVEL, PEBBLE	EA					\$0.00					\$0.00								\$8.73	\$78.56					\$28.44	

4/20

WACP470150-654	NEEDLES, META	PK	9				\$0.00					\$0.00					072094	6/pk	\$20.39	\$183.51	NOTIONS MARKETING 072094	470150-654	EA	\$2.31	\$20.79	
WACP470150-658	SWAB, COTTON	EA	1				\$0.00					\$0.00					USC00051	30/pk	\$5.58	\$5.58	Avantor USC00051	470150-658	EA	\$2.10	\$2.10	
WACP470151-582	TOWEL TERRY C	EA	1				\$0.00					\$0.00					VIS1720	Each	\$2.09	\$2.09	INDUSTRIAL SUPPORT INC. VIS1720	470151-582	EA	\$0.98	\$0.98	
WACP470151-640	PENCIL, HEX	EA	3				\$0.00					\$0.00					UNV55400	12/pk	\$1.66	\$1.66	UNIVERSAL OFFICE UNV55400	470151-640	EA	\$0.39	\$0.39	
WACP470158-918	CLOTH, TOWEL	EA	3				\$0.00					\$0.00					2450BATH	Each	\$37.16	\$111.47	BUFFALO HOTEL SUPPLY CO., INC. 2450BATH	470158-918	EA	\$17.85	\$53.55	
WACP470162-806	CLOTH, POLYEST	EA	17				\$0.00					\$0.00					2990948	Each	\$9.25	\$27.74	INDUSTRIAL SUPPORT INC. 2990948	470162-806	EA	\$4.80	\$14.40	
WACP470174-014	FOIL ALUMINUM	EA	5				\$0.00					\$0.00					470174-014	Each	\$4.75	\$80.74	ALDON CORP SE 470174-014	470174-014	EA	\$2.12	\$36.04	
WACP470174-068	SUGAR, CUBE	EA	2				\$0.00					\$0.00					DMN400536	Each	\$9.20	\$46.00	W B MASON CO INC. MO DMN400536	470328-338	EA	\$4.91	\$24.55	
WACP470174-074	SUGAR	EA	5				\$0.00					\$0.00						1 pack	\$0.00	\$0.00		470174-106	EA	\$3.38	\$5.42	New Part Number 470313-200 Granulated 20oz (566 G)- not web visible
WACP470174-106	SEED, KIDNEY BE	EA	3				\$0.00					\$0.00					KIDNEYBEAN	Each	\$9.55	\$47.73	INDUSTRIAL SUPPORT INC. KIDNEYBEAN 1LB	470174-106	EA	\$3.38	\$16.90	
WACP470174-128	OIL, VEGETABLE	EA	5				\$0.00					\$0.00					VV0020-1L	Each	\$44.74	\$134.21	ALDON CORP SE VV0020-1L	470330-772	EA	\$4.80	\$14.40	
WACP470174-136	SALT, NON-IODI	EA	3				\$0.00					\$0.00					S1247-500GM	Each	\$110.63	\$553.15	SPECTRUM CHEMICAL MFG CORP S1247-500GM	470324-147	EA	\$1.64	\$8.20	
WACP470174-140	SODA, BAKING	EA	23				\$0.00					\$0.00					S50270-2.5KG	Each	\$23.56	\$70.69	ALDON CORP SE S50270-2.5KG	470174-140	EA	\$3.00	\$9.00	
WACP470174-144	YEAST	EA	1				\$0.00					\$0.00					75860-348	Each	\$45.00	\$1,034.99	Azer Scientific 75860-348	470303-060	EA	\$9.59	\$220.57	
WACP470174-154	PEPPER, COARSE	EA	15				\$0.00					\$0.00					242305	Each	\$4.65	\$4.65	ALDON CORP SE 242305	470335-460	EA	\$3.10	\$3.10	New Part Number 470335-460 - not web visible
WACP470175-451	SPOON, PLASTIC	PK	18				\$0.00					\$0.00					470175-451	48/pk	\$12.25	\$183.71	Ward 470175-451	470145-566	PK	\$1.98	\$29.70	New Part Number 470145-566 - Now 24/PK
WACP470175-476	FORK, PLASTIC	PK	2				\$0.00					\$0.00					00047	24/pk	\$3.00	\$54.03	Skywill Far East Industries 00047	470175-476	PK	\$1.74	\$31.32	Available While Supplies Last - Pack = 24 Forks
WACP470175-852	DOWEL, WOOD	EA	13				\$0.00					\$0.00					2195480	Each	\$1.21	\$2.42	TONAWANDA MANUFACTURING 2195480	470175-852	EA	\$0.70	\$1.40	
WACP470177-852	SANDPAPER ME	EA	37				\$0.00					\$0.00					22101120	Each	\$1.83	\$23.77	Avantor 22101120	470177-852	EA	\$0.79	\$10.27	
WACP470188-564	PAN, FOIL	EA	3				\$0.00					\$0.00					21635	Each	\$3.59	\$132.76	REGIONAL DISTRIBUTORS, INC. 21635	470188-564	EA	\$2.18	\$80.66	
WACP470190-792	CLOTH, WOOL	EA	3				\$0.00					\$0.00					2742300	Each	\$14.17	\$42.50	INDUSTRIAL SUPPORT INC. 2742300	470190-792	EA	\$8.21	\$24.63	
WACP470206-304	BAG PLASTIC ZIP	EA	18				\$0.00					\$0.00					0867-000004	100/pk	\$40.97	\$122.92	MACO BAG CORPORATION 0867-000004	470206-304	EA	\$21.32	\$63.96	Each = 100 Bags
WACP470206-328	COMB, PLASTIC	EA					\$0.00					\$0.00					2500	Each	\$0.30	\$5.38	AMERICAN COMB CORP. 2500	470206-328	EA	\$0.13	\$2.34	

[illegible]

WACP470218-650	CAR PULL BACK	EA	3				\$0.00					\$0.00								470218-650	12/pk	\$25.07	\$75.21	Ward	470218-650	EA	\$8.36	\$25.08	Each = 12 Cars	
WACP470222-068	CUP, CLEAR	PK	32				\$0.00					\$0.00								470222-068	50/pk	\$21.19	\$254.33	Ward	470222-068	PK	\$10.92	\$131.04	Pack = 50 cups	
WACP470224-014	TAPE MASKING	EA	1				\$0.00					\$0.00								470224-014	Each	\$8.20	\$262.38	Ward	470224-014	EA	\$2.35	\$75.20	New Part Number 470304-890 - Nova 3/PK	
WACP470225-186	BALL, TENNIS	EA	2				\$0.00					\$0.00								603097US	3/pk	\$7.38	\$7.38	BUFFALO BEARINGS INC.	470304-890	PK	\$3.84	\$3.84		
WACP470226-610	CUP, CLEAR	PK	10				\$0.00					\$0.00								3896	50/pk	\$22.63	\$45.26	REGIONAL DISTRIBUTORS, INC. 3896	470226-610	PK	\$10.81	\$21.62		
WACP470228-256	TAPE, DUCT	EA	2				\$0.00					\$0.00								470228-256	Each	\$22.63	\$45.26	EATON OFFICE SUPPLY	470228-256	EA	\$2.76	\$27.60		
WACP470231-986	DICE PLAYING	EA	1				\$0.00					\$0.00								470231-986	10/pk	\$4.40	\$8.81	Ward	470231-986	EA	\$1.60	\$3.20	Each = 10 Dice	
WACP470237-936	TRUCK PICKUP P	EA	2				\$0.00					\$0.00								470237-936	Each	\$14.58	\$14.58	Ward	470237-936	EA	\$5.41	\$5.41		
WACP470303-492	WAX PAPER	EA	1				\$0.00					\$0.00								470303-492	Each	\$8.54	\$17.09	Ward	470303-492	EA	\$3.32	\$6.64		
WACP470304-064	TAPE, DOUBLE S	EA	15				\$0.00					\$0.00								1289275	Each	\$27.49	\$27.49	SHURTAPE 1289275	470304-064	EA	\$3.00	\$3.00		
WACP470309-016	CARDSTOCK LET	EA	3				\$0.00					\$0.00										\$0.00	\$0.00		470309-016	EA	\$15.00	\$225.00	Each = 250 Sheets	
WACP470310-560	TROWEL	EA	3				\$0.00					\$0.00								228400	Each	\$7.34	\$22.01	BOSTWICK-BRAUN COMPANY 228400	470310-560	EA	\$3.00	\$9.00		
WARD470003-366	FEATHER	PK	27				\$0.00					\$0.00								470003-366	1 pack	\$3.76	\$11.28	Avantor	470003-366	PK	\$2.11	\$6.33	Pack = 6 Feathers	
WARD470014-926	STICK, CRAFT	PK	3				\$0.00					\$0.00								470014-926	30/pk	\$6.37	\$172.02	Avantor	470014-926	PK	\$3.66	\$98.82	Pack = 30 Sticks	
WARD470050-124	ELODEA, DENSA	PK	5				\$0.00					\$0.00								470183-752	6/pk	\$11.37	\$34.12	Avantor	470183-752	EA	\$16.89	\$50.67	Coupon for 12	
WARD470089-252	CPN LIVE CRICKET	EA	3				\$0.00					\$0.00								470183-794	12/pk	\$38.07	\$190.33	VWR	470183-794	EA	\$11.29	\$56.45	Coupon for 30	
WARD470092-232	EARTHWORM	PK	20	A-109717	pkg/100	\$97.01	\$291.03	Earthworm 7-10", Plain				#VALUE!								470001-428	100/pk	\$76.19	\$226.56	Avantor	470001-428	EA	\$33.36	\$100.08	Coupon for 50	
WARD470095-250	BALLOON, ROUND	EA	6				\$0.00					\$0.00								3L14104428	24/pk	\$5.23	\$104.65	FUN EXPRESS 3L14104428	470095-250	EA	\$1.59	\$31.80	Each = 9 Balloons	
WARD470151-288	DISH, PETRI	EA	4				\$0.00					\$0.00								470151-288	6/pk	\$6.13	\$36.78	VWR	470151-288	EA	\$3.57	\$21.42	Each = 6 Dishes	
WARD470160-076	SPECIMEN, SCOR	EA	3				\$0.00					\$0.00								470226-210	Each	\$5.51	\$22.03	470226-210	470226-210	EA	\$3.60	\$14.40		
WARD470180-668	CRICKET FOOD	EA					\$0.00					\$0.00										\$0.00	\$17.83	\$53.46	ARMSTRONG CRICKET FARM 470180-668			\$0.00		Part Number WARD470180-668 has been discontinued
Carolina Biological Item Number	Description	CB UOM	Estimated Purchase Amount	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments		
162102	ELODEA (EGERIA)	EA	1				\$0.00		807488ND	PK	\$18.05	\$0.00	ELODEA PK OF 25 - https://www.fishersci.com/shop/pre				#VALUE!		162102	25/pk	\$29.50	\$59.00	Carolina Biological	470180-036	PK	\$12.60	\$25.20			
700190	BLOOD TYPING	EA	1				\$0.00					\$0.00					\$0.00		700190	Each	\$119.30	\$119.30	Carolina Biological	470190-604	KT	\$129.99	\$129.99	Offer Wards Brand Kit		
861267	ETHANOL 70% L	EA	1				\$0.00					\$0.00					\$0.00		861267	Each	\$33.07	\$33.07	Carolina Biological	470301-044	EA	\$20.91	\$20.91	\$20.91		
Flinn Item Number	Description	Flinn UOM	Estimated Purchase Amount	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments		
AP4653	Battery Holder, C	EA	1				\$0.00		524573	EA	\$0.70	\$0.00		AP4653	EA	\$2.42	#VALUE!		BH-111T	Each	\$6.07	\$364.32	Skywell Far East Industries	470004-686	EA	\$0.52	\$31.20			
AP2083	Stop-N-Go Light	EA	2				\$0.00			EA		\$0.00		AP2083	EA	\$20.85	\$0.00		AP2083	Each	\$35.97	\$35.97	Flinn AP2083	470188-960	EA	\$3.22	\$0.00			
AP4292	Cylinders, Polyp	EA	1				\$0.00		08-572F	EA	\$36.71	\$0.00		AP4292	EA	\$14.46	\$0.00		470188-960	Each	\$16.46	\$32.91	VWR	470188-960	EA	\$3.22	\$6.44			
AP4867	Water to Grape	EA	1				\$0.00			EA		\$0.00		AP4867	EA	\$27.19	\$0.00		AP4867	Each	\$45.16	\$45.16	Flinn AP4867				\$0.00			
AP6858	Blinking Holiday	EA	2				\$0.00			PK		\$0.00		AP6858	EA	\$24.57	\$0.00		AP6858	Each	\$40.81	\$40.81	Flinn AP6858	470161-320	EA	\$3.93	\$0.00			
AP8417	Bottle, Wide Mo	EA	1				\$0.00		531096	EA	\$21.81	\$0.00	sold 6/pk - https://www.fisherasci.com/shop/products	AP8417	EA	\$6.08	#VALUE!		AP8417	Each	\$11.66	\$23.32	Flinn AP8417				\$7.86			
AP8979	Bottle, Wide Mo	EA	1				\$0.00			EA		\$0.00		AP8979	EA	\$40.29	\$0.00		AP8979	Each	\$66.93	\$66.93	Flinn AP8979				\$0.00			
AP9953	Polypropastic Labw	EA	1				\$0.00			EA		\$0.00		AP9953	EA	\$39.62	\$0.00		AP9953	Each	\$65.81	\$65.81	Flinn AP9953				\$0.00			
\$10,578.49																														

INSTRUCTIONS: Please fill in columns E, F and G. Please use column I for vendor comments.

ALL bids must be completed in the Excel spreadsheet provided.

Vendor Name				Vendor Name				Vendor Name				Vendor Name				Vendor Name				Vendor Name			
Fisher Scientific Company, LLC				Firm Scientific, Inc.				PACIFIC STAR CORPORATION				VWR International LLC				VWR International LLC				VWR International LLC			
Complete 4500 Turnberry Dr				270 N. Radcliff Rd				4350 South Weyate Drive #106				5100 West Hammett Rd - P.O. Box 505				5100 West Hammett Rd - P.O. Box 505				5100 West Hammett Rd - P.O. Box 505			
Houston, TX 77057				Houston, TX 77057				Houston, TX 77057				Houston, TX 77057				Houston, TX 77057				Houston, TX 77057			
Phone: 800-422-1134				Phone: 1-800-452-1261				Phone: 713-507-0889				Phone: 800-462-2850				Phone: 800-462-2850				Phone: 800-462-2850			
Fax: 281-788-4210				Fax: 1-800-452-1430				Fax: 713-481-8423				Fax: 800-432-6430				Fax: 800-432-6430				Fax: 800-432-6430			
E-Mail: fishersales@fisher.com				E-Mail: info@firmscientific.com				E-Mail: customerservice@vwr.com				E-Mail: customerservice@vwr.com				E-Mail: customerservice@vwr.com				E-Mail: customerservice@vwr.com			
Contact Person: Brittany Snow				Contact Person: Billy Lovell				Contact Person: LUISIANA INDRAMATI				Contact Person: Kathy Rain or Customer Service				Contact Person: Kathy Rain or Customer Service				Contact Person: Kathy Rain or Customer Service			
Fry Item Number	Description	Fry UOM	Estimated Purchase Amount	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments
532842	BALL-CLATCH CATCH CHEMISTRY	EA	1				\$0.00					\$0.00		SR-1424	10PK	\$16.77	\$16.77	AMERICAN EDUCATION AL PROD 501-424				\$0.00	
532297	BULB-REPLACEMENT 1.5V PK/10	EA	4				\$0.00					\$0.00		PH1014A	10PK	\$7.87	\$31.48	ELCO PH1014A				\$0.00	
563603	SOCKET LAMP MINI PACK OF 15	EA	3				\$0.00					\$0.00		563603	Each	\$26.02	\$50.05	Fry Scientific 563603				\$0.00	
573834	INSULATING LOOP-NICHROME EA	EA	1				\$0.00					\$0.00		573834	Each	\$6.59	\$19.77	Fry Scientific 573834				\$0.00	
573825	CHEM POTASSIUM NITRATE CRYST B	EA	1				\$0.00					\$0.00		573825	Each	\$20.61	\$20.61	AMERICAN EDUCATION AL PROD 501-424				\$0.00	
580410	CHEM STRONTIUM NITRATE 5G 500G	EA	8				\$0.00					\$0.00		580410	Each	\$24.19	\$24.19	AMERICAN EDUCATION AL PROD 501-424				\$0.00	
097359	GRASSHOPPER SHAW PLAIN 4" 3" V	EA	4	A-110703	each	\$7.31	\$56.48	Grasshopper Lab Shaw Plg	097359	PK	\$12.29	\$15.36		097359	10PK	\$24.19	\$24.19	AMERICAN EDUCATION AL PROD 501-424				\$0.00	
587258	EARTHWORK LUMBRICUS PLAIN LG	EA	1	A-109716	each	\$11.21	\$11.21	Earthworm 7-10" Plg	587258	PK	\$8.23	\$32.92		587258	10PK	\$24.19	\$24.19	AMERICAN EDUCATION AL PROD 501-424				\$0.00	
5302325	MEGAPLEX PUPILCAM WITH 50X EY	EA	1				\$0.00					\$0.00		5302325	Each	\$22.22	\$52.22	AMERICAN EDUCATION AL PROD 501-424				\$0.00	
1480079	FINGERPRINT POWDER HPS 500G	EA	1				\$0.00					\$0.00		1480079	Each	\$22.22	\$52.22	AMERICAN EDUCATION AL PROD 501-424				\$0.00	
1480083	BRUSH FINGERPRINT FIBERGLASS 6	EA	1				\$0.00					\$0.00		1480083	Each	\$22.22	\$52.22	AMERICAN EDUCATION AL PROD 501-424				\$0.00	
1480561	NEWTONS CRADLE PLASTIC	EA	1				\$0.00					\$0.00		1480561	Each	\$22.22	\$52.22	AMERICAN EDUCATION AL PROD 501-424				\$0.00	
1483607	SLIDES MICRO SLIDES PLAS INSC	EA	1				\$0.00					\$0.00		1483607	Each	\$22.22	\$52.22	AMERICAN EDUCATION AL PROD 501-424				\$0.00	
1515116	CHEM STARCH SOL 5.0 PERCENT 50	EA	1				\$0.00					\$0.00		1515116	Each	\$22.22	\$52.22	AMERICAN EDUCATION AL PROD 501-424				\$0.00	
1524273	SLIDES PREPARED SET OF 72	EA	1				\$0.00					\$0.00		1524273	Each	\$22.22	\$52.22	AMERICAN EDUCATION AL PROD 501-424				\$0.00	
159-3311	SUNNY ORIGINAL METAL	EA	1				\$0.00					\$0.00		159-3311	Each	\$22.22	\$52.22	AMERICAN EDUCATION AL PROD 501-424				\$0.00	
159-7421	SLIDES PREPARED SET 1	EA	1				\$0.00					\$0.00		159-7421	Each	\$22.22	\$52.22	AMERICAN EDUCATION AL PROD 501-424				\$0.00	
Carolina Biological Item Number	Description	CB UOM	Estimated Purchase Amount	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments
227426	Carolina's perfect solution	EA	120				\$0.00					\$0.00		227426	Each	\$21.74	\$2,608.80	Carolina 227426				\$0.00	
	BROMOPHENDOL BLUE, 0.04% AQUEOUS	EA	1				\$0.00					\$0.00		8047392-2	Each	\$47.60	\$47.60	WVR 8047392-2				\$0.00	
	CORNING PETRI DISHES, 100 X 15	EA	20				\$0.00					\$0.00		3360-10180	Each	\$5.99	\$11.98	Corning 3360-10180				\$0.00	
	DISSECTING NEEDLE, PLASTIC/HAN	EA	1				\$0.00					\$0.00		470151-804	Each	\$3.69	\$3.69	WVR 470151-804				\$0.00	
	DISSECTING SCISSORS, STAINLESS	EA	2				\$0.00					\$0.00		470151-804	Each	\$3.69	\$3.69	WVR 470151-804				\$0.00	
	EARTHWORKS	EA	200	A-109716	pkg10	\$11.21	\$2,242.00	Earthworm 7-10" Plg	587258	EA	\$8.23	\$1,646.00		470001-428	Each	\$17.24	\$3,448.00	WVR 470001-428				\$0.00	
	FROGS	EA	1	A-101474	each	\$81.05	\$81.05	Frog 5-10" Plg	031941	EA	\$8.39	\$8.39		470151-804	Each	\$3.69	\$3.69	WVR 470151-804				\$0.00	
Firm Item Number	Description	Firm UOM	Estimated Purchase Amount	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments
A0111	ALKA SELTZER TABLETS	EA	4				\$0.00					\$0.00		A0111	EA	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
400-1400	ALKA SELTZER TABLETS	EA	1				\$0.00					\$0.00		400-1400	EA	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
427802	DIGITAL VELOCITY SPEED GUN	EA	2				\$0.00					\$0.00		427802	EA	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
APR563	PERIODIC TABLE, SIMP WALL CH	EA	1				\$0.00					\$0.00		APR563	EA	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
Fisher Item Number	Description	Fisher UOM	Estimated Purchase Amount	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments
58-319-78	LUGOSI'S DODINE SOLUTION 500ML	EA	2				\$0.00					\$0.00		58-319-78	EA	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
5459-100	ISOPROPYL ALCOHOL 70% VV 500ML	EA	1				\$0.00					\$0.00		5459-100	EA	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
501407	DENSITY FLOW MODEL	EA	1				\$0.00					\$0.00		501407	EA	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
5074690	PHOTOZOA BASIC SET 3/PK	SET	1				\$0.00					\$0.00		5074690	SET	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
5074870	GLODEX PK OF 12	PK	10				\$0.00					\$0.00		5074870	PK	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
5106548	PLAIN EARTHWORK 8-10M 10PK	PK	5	A-109716	each	\$11.21	\$56.05	Earthworm 7-10" Plg	5106548	PK	\$8.23	\$41.15		470001-428	Each	\$17.24	\$86.20	WVR 470001-428				\$0.00	
513943	MICROSCOPE GLASS SLIDE 50 PACK	PK	10				\$0.00					\$0.00		513943	PK	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
51001	GRASSHOPPER 3-1/2" PLAIN 10PK	PK	1	A-110231	each	\$30.47	\$30.47	Grasshopper 3-1/2" Plg	51001	PK	\$8.23	\$82.30		470001-428	Each	\$17.24	\$86.20	WVR 470001-428				\$0.00	
5152548	PLASTIC COVER SLIPS 100/PK	PK	1				\$0.00					\$0.00		5152548	PK	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
515667	AIR POLLUTION KIT	EA	1				\$0.00					\$0.00		515667	EA	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
5203363	URI INDICATOR SOLUTION 100ML	EA	1				\$0.00					\$0.00		5203363	EA	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
521468	PHENOL/THALLEN SOL 100ML 0.5%	EA	2				\$0.00					\$0.00		521468	EA	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
521469	PHENYL SALICYLATE 100G	EA	1				\$0.00					\$0.00		521469	EA	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
525880	SODIUM HYDROXIDE SOL 2M 500ML	EA	2				\$0.00					\$0.00		525880	EA	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
531701	DISPENSING BOTTLE PE 30ML 12/PK	PK	1				\$0.00					\$0.00		531701	PK	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
547322	POUCH GLOVE LG MDWGOT 100PK	PK	35				\$0.00					\$0.00		547322	PK	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
547305	LENS PAPER 4X6 IN BOOK 128/PK	PK	2				\$0.00					\$0.00		547305	PK	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
567121	DENSITY FLOW MODEL	EA	1				\$0.00					\$0.00		567121	EA	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	
567631	CLEAVICATOR-MINERALS	EA	1				\$0.00					\$0.00		567631	EA	\$10.74	\$42.96	Alka Seltzer 470151-804				\$0.00	

\$4,050.48

INSTRUCTIONS: Please fill in columns E, F, and G. Please use column I for vendor comments.										Vendor Name: Agencal Worldwide 1001 Westfield Ave. Sturtevant, IL 60076 Phone: 800-922-1154 Fax: 815-788-4215 E-Mail: info@agencal.com Contact Person: Emily Jones										Vendor Name: Fisher Scientific Company LLC 1001 Westfield Ave. Sturtevant, IL 60076 Phone: 800-922-1154 Fax: 815-788-4215 E-Mail: info@fisher.com Contact Person: Emily Jones										Vendor Name: First Scientific, Inc. 120 N. Bedford St. Sturtevant, IL 60076 Phone: 800-922-1154 Fax: 815-788-4215 E-Mail: info@firstsci.com Contact Person: Emily Jones										Vendor Name: PACIFIC STAR CORPORATION 1200 South Western Blvd. #100 Rockaway, NY 14880-8012 Phone: 716-547-0888 Fax: 716-547-0888 E-Mail: info@pacificstar.com Contact Person: JESSICA BURKMAN										Vendor Name: VWR International LLC 1200 South Western Blvd. #100 Rockaway, NY 14880-8012 Phone: 800-852-2660 Fax: 800-338-8899 E-Mail: info@vwr.com Contact Person: Emily Jones or Customer Service									
Item Number	Description	Unit	Estimated Purchase Amount	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments	Vendor Item Number	Vendor UOM	Unit Price	Extended Price	Vendor Comments																										
470003-02	470003-02 KIT ONE FINGERPRINTING DNA DFO	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470010-20	470010-20 HARDY DNA TRANSFER BLOOD-BOO	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470016-90	470016-90 Inflatable Mannequin- Male	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470016-90	470016-90 Inflatable Mannequin- Female	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470016-90	470016-90 FORENSIC DISSECTOR FOAM & 3.5 INCH	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470020-20	470020-20 CARDS PRINT BACKING LATENT PR	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470021-01	470021-01 CRIME SCENE LAYERS	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470024-02	470024-02 Soil Identification Kit	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470024-10	470024-10 BOTTLE WASHES FORENSIC GLASS AN	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470024-10	470024-10 LIGHTNING POWDER LIQUID GLOE	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470041-14	470041-14 LICOLOPUS 0.1G	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470046-22	470046-22 SAT-1 MEASURING TAPE	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470147-10	470147-10 Ballistics Flare/Shot 20PK	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470150-40	470150-40 APPLICATION STICKLE 100000 PK	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470172-10	470172-10 Forensic Blood Collection Tube	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470003-17	470003-17 PLASTIC WALIS WITH LIDS	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470007-05	470007-05 STRAIGHT FORCEPS	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470016-82	470016-82 PLASTIC CALIPERS	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470024-10	470024-10 PRESUMPTIVE BLOOD TEST STRIPS	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470024-10	470024-10 SCENIC BEHIND MALICIOUS FBI	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
470024-10	470024-10 SCENIC MANIFEST	EA	\$0.00				\$0.00					\$0.00					\$0.00																																										
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AS1047	SCAPE STUDENT QUALITY	EA	30		\$0.00		301088	EA	3	1.24	\$0.00	RECOVERED POLYPROPYLENE TUBING 1/2" ID 10' L	AB1047	EA	\$3.08	#VALUE!	144330	Each	6.1335	\$189.41	COURTES RECY	470005-452	EA	\$1.01	\$26.10	
AB1133	ENVIRONMENTAL POLLUTION - STUDIO	EA	1		\$0.00		461006	EA	5	48.41	\$48.41	RECOVERED POLYPROPYLENE TUBING 1/2" ID 10' L	AB1133	EA	\$61.44	#VALUE!			0	\$0.00		470033-432	EA	\$48.61	\$97.22	
AB1232	drains tubing 3/8x100'	EA	2		\$0.00		9226450	EA	5	67.86	\$0.00	RECOVERED POLYPROPYLENE TUBING 1/2" ID 10' L	AB1232	EA	\$68.86	#VALUE!	0000109-100	Each	78.13	\$156.26	ALCON CORP S	470033-432	EA		\$97.22	
AB1432	BEAN HED, SEED, & COUNCE	EA	3		\$0.00						\$0.00	AB1432	EA			ITEM IS DISCONT	470176-106	Each	94.33	\$188.66	INDUSTRIAL SC	470033-432	EA	\$2.34	\$7.02	Note: 1 pound
AB1470	RADIIH RED, SEED, & COUNCE	EA	3		\$0.00						\$0.00	AB1470	EA	\$4.14	\$0.00		470111-164	200pk	10.787	\$5.39	COXMAN INC	470033-432	EA	\$2.79	\$8.37	
AB1470	PLASTIC PETRI DISHES	EA	3		\$0.00		922686	PK	5	3.34	\$6.68	PETRI DISHES 100MM DIA 15MM H	AB1470	EA	\$7.20	#VALUE!	AB1470	200pk	3.8	\$77.40	Flow AP1470	470033-432	EA	\$1.44	\$4.32	
AP1107	PH TEST STRIPS	EA	4		\$0.00						\$0.00	AP1107	EA	\$2.03	\$0.00		AP1107		3.887	\$15.55	Flow AP107	470033-432	EA	\$1.72	\$6.88	
AP10115	ABRILL STREAM CONTAMINATION	EA	1		\$0.00						\$0.00	AP10115	EA	\$56.56	\$0.00				0	\$0.00		470033-432	EA	\$1.08	\$3.24	
AP10605	OVER THE GLASS SAFETY GLASSES	EA	10		\$0.00		541441	EA	5	5.43	\$10.86	SAFETY GLASSES OVER THE GLASS SAFETY GLASSES	AP10605	EA	\$8.04	#VALUE!	0000109-100	Each	8.0955	\$8.04	SAFETY GLASS	470033-432	EA	\$1.72	\$5.16	
AP11107	HYDRON L-12 PH TEST PAPER	EA	10		\$0.00		990004	EA	5	2.13	\$0.00	HYDRON L-12 PH TEST PAPER	AP11107	EA	\$2.03	#VALUE!	055-112	Each	3.381	\$33.81	Micro Essential	470033-432	EA	\$1.72	\$5.16	
AP11110	THEMOMETER	EA	7		\$0.00		990004	EA	5	2.13	\$0.00	THEMOMETER 1/2" DIA 10" L	AP11110	EA	\$8.10	#VALUE!	AP11110	Each	15.325	\$153.25	Flow AP1110	470033-432	EA	\$1.67	\$11.69	
AP1265	Water Filter	EA	2		\$0.00		933018A	EA	5	4.75	\$9.50	WATER FILTER 1/2" DIA 10" L	AP1265	EA	\$18.68	#VALUE!	AP1265	Each	32.213	\$64.43	Flow AP1265	470033-432	EA	\$15.91	\$47.73	
AP1278	DISHES WEIGHING 1.5G, 500PK	PK	3		\$0.00						\$0.00	AP1278	PK	\$4.00	\$0.00	H51400W	500pk	49.588	\$198.35	Healthway Sci	470033-432	EA	\$2.81	\$8.43		
AP1278	DISHES WEIGHING 1.5G, 500PK	EA	3		\$0.00						\$0.00	AP1278	EA	\$2.23	\$0.00	AP1278	500pk	92.805	\$27.24	Healthway Sci	470033-432	EA	\$2.81	\$8.43		
AP1291	PLASTIC SYRINGES 20 ML	EA	3		\$0.00						\$0.00	AP1291	EA	\$2.03	\$0.00	AP1291	Each	46.59	\$13.98	Flow AP1291	470033-432	EA	\$2.81	\$8.43		
AP1296	ELECTROLYTE SOLUTION, 400ML	EA	3		\$0.00						\$0.00	AP1296	EA	\$2.03	\$0.00	AP1296	Each	13.21	\$39.63	Flow AP1296	470033-432	EA	\$2.81	\$8.43		
AP1300	Buffer Set for pH Meter Cello	EA	2		\$0.00		911719	EA	5	18.73	\$18.73	Buffer Set for pH Meter Cello	AP1300	EA	\$3.96	#VALUE!	CC-471	Each	39.885	\$79.77	MACRO ESSENT	470033-432	EA	\$3.38	\$10.14	
AP1334	HYDROGEN GAS SPECTRUM TUBE	EA	3		\$0.00		930004	EA	5	16.36	\$0.00	HYDROGEN GAS SPECTRUM TUBE	AP1334	EA	\$45.50	#VALUE!	470014-474	Each	52.380	\$261.90	VWR Instrum	470033-432	EA	\$1.0		
AP1336	CRYPTON SPECTRUM TUBE	EA	3		\$0.00		930004	EA	5	16.36	\$0.00	CRYPTON SPECTRUM TUBE	AP1336	EA	\$43.73	#VALUE!	470014-474	Each	52.385	\$261.90	VWR Instrum	470033-432	EA	\$1.0		
AP1341	SPONGES, CELLULOSE	EA	5		\$0.00						\$0.00	AP1341	EA	\$2.48	\$0.00	2963490		5.695	\$56.95	SCIENTIFIC	470033-432	EA	\$1.50	\$4.50	Only 1 Unit 25ml	
AP1368	One size latex 1/2"	EA	1		\$0.00						\$0.00	AP1368	EA	\$12.14	\$0.00	99097-915	Each	38.7205	\$38.73	Junior 8007-915	470033-432	EA	\$1.0			
AP1446	PLASTIC PIPETTES	EA	3		\$0.00						\$0.00	AP1446	EA	\$26.51	\$26.51	10756-244	500pk	9426.745	\$4626.74	Junior 10756-244	470033-432	EA	\$2.38	\$7.14		
AP1442	BOTTLES, DROPPING CLEAR, SQUARE	EA	12		\$0.00		922687	PK	5	10.22	\$20.44	PETRI DISHES 100MM DIA 15MM H	AP1442	EA	\$4.71	#VALUE!	406-3-GR	Each	8.610	\$56.30	G.S.C. INTERNA	470033-432	EA	\$2.50	\$7.50	
AP1446	HYDRON TEST PAPER & VIAL	EA	5		\$0.00		922687	PK	5	10.22	\$20.44	HYDRON TEST PAPER & VIAL	AP1446	EA	\$3.20	#VALUE!	1658	Each	8.611	\$17.22	Micro Essential	470033-432	EA	\$1.04	\$3.12	
AP1493	CONDUCTIVITY METER	EA	5		\$0.00		940112	EA	5	31.13	\$0.00	CONDUCTIVITY METER	AP1493	EA	\$33.03	#VALUE!	AP1493	Each	55.315	\$77.97	Flow AP1493	470033-432	EA	\$1.0		
AP1501	ABRAHAM 4" x 12" ROLL	PK	3		\$0.00		931440	EA	5	24.86	\$0.00	ABRAHAM 4" x 12" ROLL	AP1501	PK	\$26.96	#VALUE!	PA996	Each	27.125	\$81.38	HEMS COMPOS	470033-432	EA	\$0.94	\$2.82	
AP1516	BIRAL PIPE, GRADUATED, 500PK	PK	3		\$0.00		922687	PK	5	15.81	\$0.00	BIRAL PIPE, GRADUATED, 500PK	AP1516	PK	\$32.40	#VALUE!	PTP-02	500pk	41.9635	\$125.86	G & SCIENTIF	470033-432	EA	\$3.31	\$9.93	
AP1517	BIRAL TYPE PRINT MICRO TIP	EA	1		\$0.00		922687	PK	5	11.44	\$11.44	BIRAL TYPE PRINT MICRO TIP	AP1517	EA	\$4.71	#VALUE!	470025-500	500pk	49.7815	\$49.78	VWR Instrum	470033-432	EA	\$6.81	\$20.43	
AP1727	reaction strip & vial	EA	100		\$0.00						\$0.00	AP1727	EA	\$8.61	\$8.61	AP1724	Each	1.715	\$17.15	Flow AP1724	470033-432	EA	\$1.0			
AP1727	COTTON SWABS	EA	2		\$0.00						\$0.00	AP1727	EA	\$6.24	\$12.48	3700pk		3700pk		3700pk		470033-432	EA	\$1.72	\$5.16	
AP1777	Glass Analytix KA	EA	6		\$0.00		922682	EA	5	117.25	\$270.30	RECOVERED POLYPROPYLENE TUBING 1/2" ID 10' L	AP1777	EA	\$6.20	#VALUE!	47004-236	Each	29.935	\$11.67	Junior 47004-236	470033-432	EA	\$1.50	\$4.50	
AP1810	GLASS ANALYTIX KA	EA	5		\$0.00						\$0.00	AP1810	EA	\$6.81	\$0.00	UNW7451	Each	1.9465	\$19.47	Universal UNW	470033-432	EA	\$1.50	\$4.50		
AP1850	GLASS STIRRING RODS	EA	3		\$0.00						\$0.00	AP1850	EA	\$1.25	\$0.00	W05-18-000	Each	1.215	\$12.15	United States	470033-432	EA	\$2.21	\$6.63		
AP1957	SUNNY	EA	4		\$0.00		980101	EA	5	8.79	\$0.00	RECOVERED POLYPROPYLENE TUBING 1/2" ID 10' L	AP1957	EA	\$1.67	#VALUE!	Flow AP1957	Each	18.4	\$73.60	Flow AP1957	470033-432	EA	\$2.94	\$8.82	
AP2222	STOPPERS, SOLID SIZE #1	EA	3		\$0.00		922686	PK	5	4.46	\$4.46	STOPPERS, SOLID SIZE #1	AP2222	EA	\$1.47	#VALUE!	AP2222	Each	24.815	\$24.82	Flow AP2222	470033-432	EA	\$1.54	\$4.62	Flow = 1 Pound
AP2222	STOPPERS, SOLID SIZE #1	EA	1		\$0.00		922686	PK	5	4.46	\$4.46	STOPPERS, SOLID SIZE #1	AP2222	EA	\$1.47	#VALUE!	AP2222	Each	24.815	\$24.82	Flow AP2222	470033-432	EA	\$1.54	\$4.62	Flow = 1 Pound
AP2238	ROBBERS STOPPERS 1.5 HOLE	EA	1		\$0.00		922686	PK	5	5.16	\$5.16	ROBBERS STOPPERS 1.5 HOLE	AP2238	EA	\$1.83	#VALUE!	AP2238	Each	23.8625	\$23.86	Flow AP2238	470033-432	EA	\$1.54	\$4.62	Flow = 1 Pound
AP2306	STOPPERS, 1 HOLE, SIZE # 6	EA	1		\$0.00		922686	PK	5	5.19	\$5.19	STOPPERS, 1 HOLE, SIZE # 6	AP2306	EA	\$1.83	#VALUE!	AP2306	Each	23.8165	\$23.82	Flow AP2306	470033-432	EA	\$1.54	\$4.62	Flow = 1 Pound
AP2307	STOPPERS, 1 HOLE, SIZE # 7	EA	1		\$0.00		922686	PK	5	5.19	\$5.19	STOPPERS, 1 HOLE, SIZE # 7	AP2307	EA	\$1.47	#VALUE!	AP2307	Each	24.815	\$24.82	Flow AP2307	470033-432	EA	\$1.54	\$4.62	Flow = 1 Pound
AP3113	FILTER PAPER REFINED 15CM	EA	2		\$0.00						\$0.00	AP3113	EA	\$8.00	\$0.00	AP3113	Each	16.974	\$33.95	Flow AP3113	470033-432	EA	\$1.34	\$4.02	Flow = 100 Pounds	
AP3807	LINK REPLACEMENT FOR AP3106	EA	30		\$0.00						\$0.00	AP3807	EA	\$4.58	\$137.79	Flow AP3807	Each	8.7975	\$263.37	Flow AP3807	470033-432	EA	\$1.34	\$4.02	Flow = 100 Pounds	
AP3817	HEADINGS, REPLENISH COB	EA	10		\$0.00						\$0.00	AP3817	EA	\$1.54	\$0.00	AP3817	Each	26.166	\$26.17	Flow AP3817	470033-432	EA	\$1.34	\$4.02	Flow = 100 Pounds	
AP4290	Plastic Graduate Cylinders	EA	4		\$0.00		981744	PK	5	24.35	\$0.00	RECOVERED POLYPROPYLENE TUBING 1/2" ID 10' L	AP4290	EA	\$7.50	\$0.00	47001-6870	Each	8.1655	\$81.66	VWR Instrum	470033-432	EA	\$1.25	\$3.75	
AP4417	PLASTIC TEST TUBE BACKS	EA	6		\$0.00		980101	EA	5	2.24	\$11.24	PLASTIC TEST TUBE BACKS	AP4417	EA	\$1.30	#VALUE!	18327-0000	Each	15.8355	\$39.60	Flow AP18327	470033-432	EA	\$0.92	\$2.76	
AP4444	WOODSTOCKS	EA	3		\$0.00						\$0.00	AP4444	EA	\$1.25	\$0.00	W05-18-000	Each	1.215	\$12.15	United States	470033-432	EA	\$1.48	\$4.44		
AP4451	SPUNTS, WOOD 100/200	PK	1		\$0.00						\$0.00	AP4451	PK	\$7.20	\$0.00	W05-18-000	500pk	9.127	\$9.13	PRECISION LAB	470033-432	EA	\$4.32	\$12.96	Only 1 Unit 25ml	
AP4536	PLASTIC 230 MLARS W/IDS	EA	5		\$0.00						\$0.00	AP4536	EA	\$2.20	\$0.00	ITEM IS DISCONT						470033-432	EA	\$0.00		
AP4546	TRAY, DROPPING, BOTTLE, SQUARE	EA	2		\$0.00						\$0.00	AP4546	EA	\$10.58	\$21.16	AP4546	Each	18.7235	\$37.45	Flow AP4546	470033-432	EA	\$1.34	\$4.02		
AP4602	METAL ELECTRODE SET	EA	1		\$0.00		922686	EA	5	23.72	\$0.00	RECOVERED POLYPROPYLENE TUBING 1/2" ID 10' L	AP4602	EA	\$9.60	\$9.60	AP4602	Each	17.075	\$17.08	Flow AP4602	470033-432	EA	\$1.0		
AP4603	MASTON Set Battery	EA	30		\$0.00		922687	PK	5	6.53	\$0.00	RECOVERED POLYPROPYLENE TUBING 1/2" ID 10' L	AP4603	EA	\$10.65	#VALUE!	470033-436	Each	15.755	\$15.76	VWR Instrum	470033-432	EA	\$1.0		
AP4644	Mirror and Lens Support kit	EA	3		\$0.00		922687	PK	5	2.85	\$0.00	RECOVERED POLYPROPYLENE TUBING 1/2" ID 10' L	AP4644	EA	\$5.65	#VALUE!	M00001	Each	7.9935	\$7.99	United States	470033-432	EA	\$1.0		
AP4646	LENS DOUBLE CONVEX	EA	4		\$0.00		922686	EA	5	1.98	\$0.00	LENS DOUBLE CONVEX	AP4646	EA	\$4.25	#VALUE!	AP4707-098	Each	7.7955	\$30.77	Flow AP4709	470033-432	EA	\$0.79	\$2.37	
AP4653	Battery holder for D-cell bat	EA	340		\$0.00						\$0.00	AP4653	EA	\$0.70	\$0.00	AP4653	Each	6.077	\$2.06	Flow AP4653	470033-432	EA	\$0.52	\$1.56		
AP4704	SCREEN	EA	10		\$0.00						\$0.00	AP4704	EA	\$6.00	\$0.00	ITEM IS DISCONT						470033-432	EA	\$0.52	\$1.56	
AP4750	STOPPERS AND ABRASION POLYPROPYLENE	EA	2		\$0.00						\$0.00	AP4750	EA	\$6.00	\$0.00	AP4750	Each	8.801	\$17.60	Flow AP4750	470033-432					

AP0005	AP0005	AP0005	EA	4			\$0.00		\$0.00	AP0005	EA	\$2.07	\$0.00	PS-7310	263a	3.4350	\$13.96	Shawell For Test	470045-5460	EA	\$1.00		Peak = 24	2000s
AP0006	AP0006	AP0006	EA	1			\$0.00		\$0.00	AP0006	EA	\$6.00	\$2.00	AP0006						EA	\$1.00			
AP0007	AP0007	AP0007	EA	1			\$0.00		\$0.00	AP0007	EA	\$10.00	\$10.00	AP0007						EA	\$1.00			
AP0008	AP0008	AP0008	EA	7			\$0.00		\$0.00	AP0008	EA	\$200.00	\$200.00	AP0008						EA	\$15.00			
AP0009	AP0009	AP0009	EA	1			\$0.00		\$0.00	AP0009	EA	\$10.00	\$10.00	AP0009						EA	\$1.00			
AP0010	AP0010	AP0010	EA	1			\$0.00		\$0.00	AP0010	EA	\$10.00	\$10.00	AP0010						EA	\$1.00			
AP0011	AP0011	AP0011	EA	1			\$0.00		\$0.00	AP0011	EA	\$10.00	\$10.00	AP0011						EA	\$1.00			
AP0012	AP0012	AP0012	EA	1			\$0.00		\$0.00	AP0012	EA	\$10.00	\$10.00	AP0012						EA	\$1.00			
AP0013	AP0013	AP0013	EA	1			\$0.00		\$0.00	AP0013	EA	\$10.00	\$10.00	AP0013						EA	\$1.00			
AP0014	AP0014	AP0014	EA	1			\$0.00		\$0.00	AP0014	EA	\$10.00	\$10.00	AP0014						EA	\$1.00			
AP0015	AP0015	AP0015	EA	1			\$0.00		\$0.00	AP0015	EA	\$10.00	\$10.00	AP0015						EA	\$1.00			
AP0016	AP0016	AP0016	EA	1			\$0.00		\$0.00	AP0016	EA	\$10.00	\$10.00	AP0016						EA	\$1.00			
AP0017	AP0017	AP0017	EA	1			\$0.00		\$0.00	AP0017	EA	\$10.00	\$10.00	AP0017						EA	\$1.00			
AP0018	AP0018	AP0018	EA	1			\$0.00		\$0.00	AP0018	EA	\$10.00	\$10.00	AP0018						EA	\$1.00			
AP0019	AP0019	AP0019	EA	1			\$0.00		\$0.00	AP0019	EA	\$10.00	\$10.00	AP0019						EA	\$1.00			
AP0020	AP0020	AP0020	EA	1			\$0.00		\$0.00	AP0020	EA	\$10.00	\$10.00	AP0020						EA	\$1.00			
AP0021	AP0021	AP0021	EA	1			\$0.00		\$0.00	AP0021	EA	\$10.00	\$10.00	AP0021						EA	\$1.00			
AP0022	AP0022	AP0022	EA	1			\$0.00		\$0.00	AP0022	EA	\$10.00	\$10.00	AP0022						EA	\$1.00			
AP0023	AP0023	AP0023	EA	1			\$0.00		\$0.00	AP0023	EA	\$10.00	\$10.00	AP0023						EA	\$1.00			
AP0024	AP0024	AP0024	EA	1			\$0.00		\$0.00	AP0024	EA	\$10.00	\$10.00	AP0024						EA	\$1.00			
AP0025	AP0025	AP0025	EA	1			\$0.00		\$0.00	AP0025	EA	\$10.00	\$10.00	AP0025						EA	\$1.00			
AP0026	AP0026	AP0026	EA	1			\$0.00		\$0.00	AP0026	EA	\$10.00	\$10.00	AP0026						EA	\$1.00			
AP0027	AP0027	AP0027	EA	1			\$0.00		\$0.00	AP0027	EA	\$10.00	\$10.00	AP0027						EA	\$1.00			
AP0028	AP0028	AP0028	EA	1			\$0.00		\$0.00	AP0028	EA	\$10.00	\$10.00	AP0028						EA	\$1.00			
AP0029	AP0029	AP0029	EA	1			\$0.00		\$0.00	AP0029	EA	\$10.00	\$10.00	AP0029						EA	\$1.00			
AP0030	AP0030	AP0030	EA	1			\$0.00		\$0.00	AP0030	EA	\$10.00	\$10.00	AP0030						EA	\$1.00			
AP0031	AP0031	AP0031	EA	1			\$0.00		\$0.00	AP0031	EA	\$10.00	\$10.00	AP0031						EA	\$1.00			
AP0032	AP0032	AP0032	EA	1			\$0.00		\$0.00	AP0032	EA	\$10.00	\$10.00	AP0032						EA	\$1.00			
AP0033	AP0033	AP0033	EA	1			\$0.00		\$0.00	AP0033	EA	\$10.00	\$10.00	AP0033						EA	\$1.00			
AP0034	AP0034	AP0034	EA	1			\$0.00		\$0.00	AP0034	EA	\$10.00	\$10.00	AP0034						EA	\$1.00			
AP0035	AP0035	AP0035	EA	1			\$0.00		\$0.00	AP0035	EA	\$10.00	\$10.00	AP0035						EA	\$1.00			
AP0036	AP0036	AP0036	EA	1			\$0.00		\$0.00	AP0036	EA	\$10.00	\$10.00	AP0036						EA	\$1.00			
AP0037	AP0037	AP0037	EA	1			\$0.00		\$0.00	AP0037	EA	\$10.00	\$10.00	AP0037						EA	\$1.00			
AP0038	AP0038	AP0038	EA	1			\$0.00		\$0.00	AP0038	EA	\$10.00	\$10.00	AP0038						EA	\$1.00			
AP0039	AP0039	AP0039	EA	1			\$0.00		\$0.00	AP0039	EA	\$10.00	\$10.00	AP0039						EA	\$1.00			
AP0040	AP0040	AP0040	EA	1			\$0.00		\$0.00	AP0040	EA	\$10.00	\$10.00	AP0040						EA	\$1.00			
AP0041	AP0041	AP0041	EA	1			\$0.00		\$0.00	AP0041	EA	\$10.00	\$10.00	AP0041						EA	\$1.00			
AP0042	AP0042	AP0042	EA	1			\$0.00		\$0.00	AP0042	EA	\$10.00	\$10.00	AP0042						EA	\$1.00			
AP0043	AP0043	AP0043	EA	1			\$0.00		\$0.00	AP0043	EA	\$10.00	\$10.00	AP0043						EA	\$1.00			
AP0044	AP0044	AP0044	EA	1			\$0.00		\$0.00	AP0044	EA	\$10.00	\$10.00	AP0044						EA	\$1.00			
AP0045	AP0045	AP0045	EA	1			\$0.00		\$0.00	AP0045	EA	\$10.00	\$10.00	AP0045						EA	\$1.00			
AP0046	AP0046	AP0046	EA	1			\$0.00		\$0.00	AP0046	EA	\$10.00	\$10.00	AP0046						EA	\$1.00			
AP0047	AP0047	AP0047	EA	1			\$0.00		\$0.00	AP0047	EA	\$10.00	\$10.00	AP0047						EA	\$1.00			
AP0048	AP0048	AP0048	EA	1			\$0.00		\$0.00	AP0048	EA	\$10.00	\$10.00	AP0048						EA	\$1.00			
AP0049	AP0049	AP0049	EA	1			\$0.00		\$0.00	AP0049	EA	\$10.00	\$10.00	AP0049						EA	\$1.00			
AP0050	AP0050	AP0050	EA	1			\$0.00		\$0.00	AP0050	EA	\$10.00	\$10.00	AP0050						EA	\$1.00			
AP0051	AP0051	AP0051	EA	1			\$0.00		\$0.00	AP0051	EA	\$10.00	\$10.00	AP0051						EA	\$1.00			
AP0052	AP0052	AP0052	EA	1			\$0.00		\$0.00	AP0052	EA	\$10.00	\$10.00	AP0052						EA	\$1.00			
AP0053	AP0053	AP0053	EA	1			\$0.00		\$0.00	AP0053	EA	\$10.00	\$10.00	AP0053						EA	\$1.00			
AP0054	AP0054	AP0054	EA	1			\$0.00		\$0.00	AP0054	EA	\$10.00	\$10.00	AP0054						EA	\$1.00			
AP0055	AP0055	AP0055	EA	1			\$0.00		\$0.00	AP0055	EA	\$10.00	\$10.00	AP0055						EA	\$1.00			
AP0056	AP0056	AP0056	EA	1			\$0.00		\$0.00	AP0056	EA	\$10.00	\$10.00	AP0056						EA	\$1.00			
AP0057	AP0057	AP0057	EA	1			\$0.00		\$0.00	AP0057	EA	\$10.00	\$10.00	AP0057						EA	\$1.00			
AP0058	AP0058	AP0058	EA	1			\$0.00		\$0.00	AP0058	EA	\$10.00	\$10.00	AP0058						EA	\$1.00			
AP0059	AP0059	AP0059	EA	1			\$0.00		\$0.00	AP0059	EA	\$10.00	\$10.00	AP0059						EA	\$1.00			
AP0060	AP0060	AP0060	EA	1			\$0.00		\$0.00	AP0060	EA	\$10.00	\$10.00	AP0060						EA	\$1.00			
AP0061	AP0061	AP0061	EA	1			\$0.00		\$0.00	AP0061	EA	\$10.00	\$10.00	AP0061						EA	\$1.00			
AP0062	AP0062	AP0062	EA	1			\$0.00		\$0.00	AP0062	EA	\$10.00	\$10.00	AP0062						EA	\$1.00			
AP0063	AP0063	AP0063	EA	1			\$0.00		\$0.00	AP0063	EA	\$10.00	\$10.00	AP0063						EA	\$1.00			
AP0064	AP0064	AP0064	EA	1			\$0.00		\$0.00	AP0064	EA	\$10.00	\$10.00	AP0064						EA	\$1.00			
AP0065	AP0065	AP0065	EA	1			\$0.00		\$0.00	AP0065	EA	\$10.00	\$10.00	AP0065						EA	\$1.00			
AP0066	AP0066	AP0066	EA	1			\$0.00		\$0.00	AP0066	EA	\$10.00	\$10.00	AP0066						EA	\$1.00			
AP0067	AP0067	AP0067	EA	1			\$0.00		\$0.00	AP0067	EA	\$10.00	\$10.00	AP0067						EA	\$1.00			
AP0068	AP0068	AP0068	EA	1			\$0.00		\$0.00	AP0068	EA	\$10.00	\$10.00	AP0068						EA	\$1.00			
AP0069	AP0069	AP0069	EA	1			\$0.00		\$0.00	AP0069	EA	\$10.00	\$10.00	AP0069						EA	\$1.00			
AP0070	AP0070	AP0070	EA	1			\$0.00		\$0.00	AP0070	EA	\$10.00	\$10.00	AP0070						EA	\$1.00			
AP0071	AP0071	AP0071	EA	1			\$0.00		\$0.00	AP0071	EA	\$10.00	\$10.00	AP0071						EA	\$1.00			
AP0072	AP0072	AP0072	EA	1			\$0.00		\$0.00	AP0072	EA	\$10.00	\$10.00	AP0072						EA	\$1.00			
AP0073	AP0073	AP0073	EA	1			\$0.00		\$0.00	AP0073	EA	\$10.00	\$10.00	AP0073						EA	\$1.00			
AP0074	AP0074	AP0074	EA	1			\$0.00		\$0.00	AP0074	EA	\$10.00	\$10.00	AP0074						EA	\$1.00			
AP0075	AP0075	AP0075	EA	1			\$0.00		\$0.00	AP0075	EA	\$10.00	\$10.00	AP0075						EA	\$1.00			
AP0076	AP0076	AP0076	EA	1			\$0.00		\$0.00	AP0076	EA	\$10.00	\$10.00	AP0076						EA	\$1.00			
AP0077	AP0077	AP0077	EA	1			\$0.00		\$0.00	AP0077	EA	\$10.00	\$10.00	AP0077						EA	\$1.00			



5100 West Henrietta Road
Rochester, NY 14586



Community Unit School District #300
Attn: Diane White / Director of Purchasing
2605 Bunker Hill Rd.
Algonquin, IL 20102

July 14, 2023

Re: Bid: Contract Pricing for Science Supplies

Thank you for allowing us to participate in the current Bid. We value the long-standing relationship we have had and we look forward to continuing that into the future.

The Ward's Science and Sargent Welch brands comprise the Science Education Segment of VWR International, LLC. **The following documents provide our combined response to your request, and we are confident it will meet the needs of the district.** Together, these brands share a common purpose: *Helping science teachers inspire students to explore the world.*

Product information can be found on one of our 3 websites:

www.sargentwelch.com www.wardsci.com www.us.vwr.com

Should you have any questions about our response, or the information contained within, please do not hesitate to contact us.

To receive bid pricing please reference quote # 8032172368

Terms – Net 30 days

Prices Valid: Until 08/31/2024

FOB Destination: Free Standard Ground Shipping – Customer requested overnight shipments are excluded from free shipping.

Please send all your orders to 5100 W. Henrietta Rd, PO Box 92912, Rochester, NY 14692-9012

Account Manager: Joe Simmons, phone 630-386-3149; joe.simmons@avantorsciences.com

Best Regards:

Kathy Rein

Bid Specialist

630-425-1177

kathy.rein@avantorsciences.com



5100 West Henrietta Road
Rochester, NY 14586



Community Unit School District #300
Attn: Diane White / Director of Purchasing
2605 Bunker Hill Rd.
Algonquin, IL 20102

July 14, 2023

**Proposal- Pricing sheet (Non-bid items – Balance of line offering)
Included in todays Bid "Contract Pricing for Science Supplies"**

Community Unit School District #300 is on the VWR E&I Contract # CNR-01459;
therefore, you receive discounts based on the included Contract General Discount
Schedule that is attached under separate cover.

Also included are the following:

Sargent Welch Discount Offering included in the E&I General Discount Schedule

Wards Science Discount Offering included in the E&I General Discount Schedule

E&I Freight Terms: FOB Destination (Free Shipping) including NO Hazardous or
Live Shipping. Additional shipping may be charged for Air Shipping of Temperature
Sensitive Materials, TBD based on item.

Note: Annual catalog/price updates occur in January of every new year.

Kathy Rein
Bid Specialist
630-425-1177
kathy.rein@avantorsciences.com

**Community Unit School District # 300
Purchasing Department
2605 Bunker Hill Drive
Algonquin, IL 60102
847-551-8460 - PHONE
847-551- 8463- FAX**

June 26, 2023

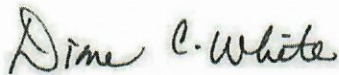
Dear Vendor:

The Board of Education of Community Unit School District No. 300 (the "District") invites you to submit a sealed bid for:

Contract Pricing for Science Supplies

Electronic, sealed bids will be received until -10:00 AM CT, Wednesday, July 19, 2023 via BidNet at which time they will be publicly opened and read.

It is the intention of the Board of Education to award the bid at the Tuesday, August 22, 2023 regular meeting. The Board of Education may make such investigations as deemed necessary to determine the ability of the bidder to perform the work, and the bidder shall furnish to the District all such information for this purpose as the District may request. The District reserves the right to reject any or all bids if the evidence submitted by, or investigation of, such bidder(s) fails to satisfy the District that such bidder(s) is properly qualified to carry out the obligations of the contract and to complete work contemplated therein. District further reserves the right to waive any minor irregularities or minor defects in the bids, which do not affect the price nor constitute some type of substitution for a designated item, and to accept the bid, which is in the best interest of the District. Conditional bids will not be accepted. Strikeouts or addition of conditions or provisions or insertion of substitutes shall be reason for rejecting a bid without any specification of reason for the rejection. Any request for information shall be made to Diane C. White, Director of Purchasing, but the response may not be used as a condition to any bid being submitted.



Sincerely,
Diane C. White
Director of Purchasing

PUBLIC NOTICE

NOTICE TO BIDDERS

The Board of Education of Community Unit School District No. 300 is accepting sealed bids for:

Contract Pricing for Science Supplies

Sealed bids will be accepted until **11:00AM CT, Wednesday, July 19, 2023** via BidNet.

A public bid opening will be held virtually, via Google Meet. Meeting information will be supplied to potential suppliers via Bidnet notification.

Instruction to Bidders

Bids may be submitted via Bidnet, District 300's online bid submittal service.

A non-mandatory document review pre-bid meeting will be held virtually on Wednesday, July 5, 2023 at 11:00 AM CT. See Bidnet solicitation for virtual meeting link.

Bid specifications will be available on Monday, June 26, 2023 after 4:00 PM. To obtain bid specifications, please visit - www.d300.org/Purchasing - Click on Vendor Registration or Login. This Link will direct you to the District 300 BidNet website.

Questions regarding this legal ad should be directed to:

Community Unit School District #300
Diane C. White / Director of Purchasing
2605 Bunker Hill Dr.
Algonquin, IL 20102
847-5551-8460
bids.purchasing@d300.org

The Board of Education of Community Unit School District 300 reserves the right to reject any and all proposals or waive any bid irregularities.

Science Supplies - District Wide			
Timeline 6/22/23			
ACTION	DATE	TIME	LOCATION
Establish Timeline	Thursday, 6/22/23		Purchasing Office
Specifications Review by Dir. Of Science	Friday, 6/23/23		Admin Office
Specifications Finalized and Released	Monday, 6/26/23	4:00PM	Bidnet
Legal Ad	Tuesday, 6/27/23		Daily Herald
Pre-Bid Meeting	Wednesday, 7/5/23	11:00AM	Virtual Via Google Meet
Q&A Deadline	Wednesday, 7/12/23	Noon	Bidnet
Bid Opening	Wednesday, 7/19/23	11:00AM	Virtual Via Google Meet
Evaluation Period	Thursday, 11/4/21 - Monday, 11/15/21		Purchasing Office
To CFO	Friday, 7/28/23		Jennifer Porter
BFC Committee Meeting	Tuesday, 8/8/23		Admin Office
Workshop/BOE Meeting	Tuesday, 8/22/23		Admin Office
Contract Execution	Wednesday, 8/23/23		Purchasing Office

Instructions to Bidders

1. GENERAL

- a. Bid shall be signed and with the title of the Bid, and date and time of opening. Unsigned Bids will be rejected.
- b. All Bids shall be made on this form.
- c. Unsigned or late Bids will not be considered or accepted.
- d. The District is not subject to Federal Excise Tax or Illinois Sales or Retailers Occupational Tax. Bids should not include sales or excise tax.
- e. Prices quoted shall include all charges for packing, transportation and delivery to the locations designated on the Bid and installation if called for in the proposal specifications.
- f. Correspondence shall be addressed to the Director of Purchasing.
- g. Bids are available for inspection in the purchasing office by appointment after the award of orders.
- h. Oral, telephonic, telegraphic or facsimile transmitted Bids will not be accepted.
- i. Bid shall be submitted electronically to BidNet. District 300 is utilizing BidNet to post Invitations to Bid (IFB), Request for Proposals (RFP), and Request for Quotes (RFQ) documents. There is no charge to register. Follow the registration path and select the "Limited Access" option. District 300 will notify you via email through BidNet when there are matching solicitations and addenda.
 - i. For Vendor Registration or login: Click here: [Click here](#)
 - ii. For Vendor Registration Help Document: [Click here](#)
 - iii. For Electronic Bid Submission (EBS) Guide [Click here](#)

Pre-Bid/RFP Meetings and Openings will be conducted via virtual meetings. Meeting links will be provided in the IFB/RFP/RFQ documents. Onsite meeting may be recommended depending on the project.

2. ERRORS AND OMISSIONS

All bids shall be submitted with each space properly completed. The special attention of bidders is directed to the policy that no claim for relief because of errors or omissions in the bidding will be considered, and bidders will be held strictly to the bids as submitted. Should a bidder find any claimed discrepancies in, or omissions from, any of the documents, or be in doubt as to their meanings, bidder shall advise the purchasing official first orally, followed by written (FAX or letter) with specification of the claimed problems which must be received during regular working hours at least 10 days before the date set for bid opening so that a written notification can be prepared by any purchasing official, who will issue the necessary clarifications to all prospective bidders by means of addenda.

3. FIRM BID

All bids will be considered to be firm for a period of sixty (60) days from the date established for the opening of bids.

4. WITHDRAWAL OF BIDS

Bids may be withdrawn by letter, or telegram, or fax received by the district or in person prior to the time and date established for the opening of bids.

5. INVESTIGATION OF BIDDERS

- a. The purchasing official will make such investigation as is necessary to determine the ability of the bidder to fulfill bid requirements. The bidder shall furnish such information as may be requested and shall be prepared to show completed installations of equipment, types of service or supplies similar to those included in the bid.
- b. The Board of Education reserves the right to reject any bid if it is determined that the bidder is not properly qualified to carry out the obligations of the contract. The Board of Education reserves the right to reject any or all bids, to waive irregularities and to accept that bid which is considered to be in the best interest of the District. Any such decision shall be considered final. All items bid shall be new unless otherwise specified in the requirements.

6. VENDOR APPLICATION AND W-9 FORM

The District requires that a current Vendor Application and W-9 form be included with your sealed bid. These forms can be found on the District website – www.d300.org. Go to Support Services - Purchasing Links to download the vendor application and W-9 form.

7. Compliance with the Illinois Prevailing Wage Act

It shall be mandatory upon the bidder and upon any subcontractor thereof to pay all laborers, workmen, and mechanics employed by them not less than the general prevailing rate of wages as found by the District or Department of Labor for each craft or type of worker or mechanic needed to execute the contract and the general prevailing rate for legal holiday and overtime work as ascertained by the Illinois Department of Labor. The prevailing wage rates are revised by the Department of Labor periodically and are available on its website. The bidder shall comply with all provisions of the Illinois Prevailing Wage Act, 820 ILCS 130/0.01 *et seq.*, applicable to the work. Payment of any bidder shall not be processed without receipt of certified employee records required by 820 ILCS 130/5.

The Illinois Department of Labor publishes the prevailing wage rates on its website at -

<https://www2.illinois.gov/idol/Laws-Rules/CONMED/pages/2018-rates.aspx>

The Illinois Department of Labor revises the prevailing wage rates and the Contractor/subcontractor has an obligation to check the Departments website for revisions.

8. SIGNATURE CONSTITUTES ACCEPTANCE

The signing of these bid forms shall be construed as acceptance of all provisions contained herein.

9. CONTRACTS

The successful bidder will be required to enter into a contract incorporating the terms and conditions of this bid.

10. EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this Contract (whether or not federal funds are involved) the bidder agrees as follows:

- a. The bidder will not unlawfully discriminate against any employee or applicant for employment because of age, race, creed, color, sex, religion, ancestry, marital status, handicap, military status, unfavorable discharge from military service or national origin, as those terms are contained in the Illinois Human Rights Act (775ILCS 5/1-10 *et. seq.*, hereinafter "unlawful discrimination"). The bidder will take affirmative action to ensure the applicants are employed, and that employees are treated equally during employment, without unlawful discrimination. Such action shall include but not be limited

to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The bidder agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

- b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the bidder, state that all qualified applicants will receive consideration for employment without unlawful discrimination.

11. COMPLETION DELIVERY TIME

If delivery time will exceed thirty (30) days after receipt of a purchase order, bidders state the delivery time by each respective item. All prices must be quoted FOB. Destination. Shipments shall become property of consignee after delivery and acceptance. Regardless of statements to the contrary, payment terms will begin no sooner than the date of delivery of goods.

12. EVALUATIONS

The District reserves the right to reject any and all bids, to waive any technicalities in the bidding and to award each item to a different bidder or all items to a single bidder unless otherwise noted on bid request, and to determine whether in the opinion of the District: (1) an early delivery date is entitled to more consideration than price, (2) an earlier delivery date is to be disregarded because of the reputation of the bidder for not meeting delivery dates, (3) a bidder is not a responsible bidder and should be disregarded. The District will authorize the release of purchase orders upon acceptance of bids. In the event of pricing errors, the unit count(s) listed will prevail and be considered accurate.

13. EXAMINATION OF DOCUMENTS AND SITE

Before submitting a bid for work on any project, each bidder shall carefully examine the project site and the contract documents, fully inform itself of existing conditions and limitations of the project sites, rely entirely upon their own judgment in making the bid, and include in its own bid all sums sufficient to provide all work required by the contract documents. After opening of bids, no additional allowance will be made for changes in project scope and/or price due to work, which would have been apparent, by examination of the documents and sites. By submitting a bid, each bidder shall be held to represent that bidder has made the examination in complete detail and has determined beyond doubt that the documents and existing conditions are sufficient, adequate and satisfactory for completion of the work.

14. PERFORMANCE: LABOR AND MATERIAL PAYMENT BONDS (IS NOT REQUIRED OF THIS PROJECT)

Within ten days after the date of the Notice of Award, the successful contractor shall enter into a formal contract with the District and shall provide a Performance Bond and a Labor and Material Payment Bond, each in the full amount of the contract. Each bond shall be in accordance with AIA. Document A31 1. The contractor shall pay the cost of premiums for said bonds. The bonds shall be signed and sealed by an authorized representative of the bonding company and authorized officer or representative of the contractor, and a certificate of the authority of those signing the bonds, if not officers, shall be attached thereto.

The Performance Bond and the Labor and Material Payment Bond shall guarantee the performance of the duties placed on the contractor by the Prevailing Wage Act, as well as all other duties undertaken pursuant to the contract with the District, and shall indemnify the District from any liability or loss resulting to the District from any failure of the contractor fully to perform each or all of said duties.

The Performance Bond and the Labor and Material Payment Bond herein provided shall be placed with a Surety company or companies having a policy holder's rating not lower than "A" and a financial rating not lower than "AAA" in Best's Insurance Guide (current edition).

15. BID SECURITY (IS NOT REQUIRED OF THIS PROJECT)

A Bid Bond or certified check made payable to the District in the amount of ten percent (10%) of the bid shall accompany each bid as a guarantee that the bidder, if awarded the contract, will furnish the required Performance Bond and Labor and Material Payment bonds, execute the contract and proceed with the work. Upon failure to do so, the bidder shall forfeit the check or the district shall be entitled to the principal amount of bid bonds as liquidated damages. No mistakes or errors on the part of the bidder shall excuse the bidder or entitle bidder to a return of the check or bid bond. No bidder may withdraw a bid for a period of 60 days after the date of opening thereof.

The bid bonds or checks will, with the exception of those of the three lowest bidders, be returned within seven days after the opening of bids and the remaining checks or bid bonds will be returned when the contract is executed and all required bonds have been provided.

16. SERVICE POINTS

Building Name	Address	Delivery Hours	Bell Times	Liftgate Required Y/N
Algonquin Lakes Elementary (847)532-7500	1401 Compton Drive Algonquin, IL 60102	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Algonquin Middle School (847)532-7100	520 Longwood Drive Algonquin, IL 60102	7:00AM - 3:00PM	8:55AM - 3:40PM	Y
Carpentersville Middle School (224)484-2100	100 Cleveland Avenue Carpentersville, IL 60110	7:00AM - 3:00PM	8:55AM - 3:40PM	Y
deLacey Family Education Center (224)484-2300	50 Cleveland Avenue Carpentersville, IL 60110	7:00AM - 3:00PM	AM: 8:45 - 11:15 PM: 12:30-3:00	Y
Dundee-Crown High School (224)484-5000	1500 Kings Road Carpentersville, IL 60110	7:00AM - 3:00PM	7:30AM - 2:58PM	N
Dundee Highlands Elementary (224)484-4700	407 South Fifth Street West Dundee, IL 60118	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Dundee Middle School (224)484-4500	4200 W. Main Street West Dundee, IL 60118	7:00AM - 3:00PM	8:55AM - 3:40PM	Y
Eastview Elementary (847)532-7400	540 Longwood Drive Algonquin, IL 60102	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Gilberts Elementary (224)484-5900	729 Paperbark Lane Gilberts, IL 60136	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Golfview Elementary (224)484-2800	124 Golfview Lane Carpentersville, IL 60110	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Hampshire Elementary (847)792-3400	321 Terwilliger Avenue Hampshire, IL 60140	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Hampshire Middle School (847)792-3200	560 South State Street Hampshire, IL 60140	7:00AM - 3:00PM	8:55AM - 3:40PM	Y
Hampshire High School (847)792-3500	1600 E. Big Timber Road Hampshire, IL 60140	7:00AM - 3:00PM	7:30AM - 2:58PM	N
Jacobs High School (847)532-6100	2601 Bunker Hill Drive Algonquin, IL 60102	7:00AM - 3:00PM	7:30AM - 2:58PM	Y
Lake in the Hills Elementary (847)532-6900	519 Willow Street Lake in the Hills, IL 60156	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Lakewood School (224)484-2600	1651 Ravine Lane Carpentersville, IL 60110	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Liberty Elementary (224)484-4800	6500 Miller Road Carpentersville, IL 60110	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Lincoln Prairie Elementary (847)532-6600	500 W. Harvest Gate Lake in the Hills, IL 60156	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Meadowdale Elementary (224)484-2900	14 Ash Street Carpentersville, IL 60110	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Neubert Elementary School (847)532-6800	1100 Huntington Drive Algonquin, IL 60102	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Oak Ridge School (224)484-5800	300 Cleveland Avenue Carpentersville, IL 60110	7:00AM - 3:00PM	7:45 AM - 1:40PM	Y
Parkview Elementary (224)484-2500	122 Carpenter Blvd. Carpentersville, IL 60110	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Perry Elementary (224)484-5600	251 Amarillo Drive Carpentersville, IL 60110	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Sleepy Hollow Elementary (224)484-4900	898 Glen Oak Drive Sleepy Hollow, IL 60118	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Westfield Community School (847)532-7600	2100 Sleepy Hollow Road Algonquin, IL 60102	7:00AM - 3:00PM	8:00AM & 8:55AM 2:15PM & 3:40PM	Y
Wright Elementary (847)683-5700	1500 Ketchum Road Hampshire, IL 60140	7:00AM - 3:00PM	8:00AM - 2:15PM	Y
Bldgs. & Grounds Prof. Develop. Center - Bunker Hill (847)532-6700	2605 Bunker Hill Drive Algonquin, IL 60102	7:00AM - 3:00PM	N/A	Y
Big Timber Elementary School (847)552-6600	1400 Ridgcrest Drive Hampshire, IL 60140	7:00AM - 3:00PM	8:00AM - 2:15PM	Y

17. WARRANTY

The bidder shall warrant the work services, and/or products to be free of defects in material and workmanship for a period of 1 years. This warranty shall obligate the contractor to repair or replace the products at no additional charge to the District.

18. INSURANCE (REQUIRED)

The contractor shall provide and maintain insurance in the amounts outlined below with companies acceptable to the District:

MINIMUM INSURANCE REQUIREMENTS

General Liability	General Aggregate	\$2,000,000
	Products-Comp/OP Agg	2,000,000
	Personal Injury	1,000,000
	Each Occurrence	1,000,000
	Fire Damage (Any one fire)	50,000
	Medical Exp. (Any one person)	5,000
Excess Liability	Each Occurrence	2,000,000
	Aggregate	2,000,000
Automobile Liability	Bodily Injury (each occ)	1,000,000
	Property Damage (each occ)	1,000,000
Worker's Compensation	Statutory Limits	
	Each Accident	500,000
	Disease-Policy Limit	500,000
	Disease-Each employee	500,000

All such insurance shall not be cancelable without thirty (30) days prior written notice being given to the District.

With respect to the insurance required herein, the contractor shall provide such insurance naming the District, the Board of Education and its members individually, and its employees and agents as **additional named insured**. The contractor shall also purchase and maintain such insurance as will protect the District from and against all claims, damages, loss and expenses, including attorney's fees arising out of or resulting from the performance of the work, provided that any such claim, damage, loss or expense, (1) is attributable to bodily injury to or destruction of tangible property (other than the work itself), including the loss of use resulting there from, and (2) is caused in whole or in part by a negligent act or omission of the contractor, subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts they may be liable, regardless of whether or not it is caused in part by a party to whom insurance is afforded pursuant to this paragraph.

It is MANDATORY within ten (10) days after the bid award, that the Certificate(s) of Insurance shall be submitted to the insurance agent for the District.

19. TOTAL PRICE FOR ALL ITEMS BID

A total bid dollar amount, regardless of whether or not the bidder is bidding all items, must be entered in the appropriate section of the bid form before signing and submitting the bid.

20. HOLD HARMLESS AND INDEMNIFICATION

The contractor shall assume all liability for, and shall protect, defend, indemnify and hold harmless, the Board of Education, its members individually, officers, employees, servants and agents, from and against all claims, actions suits, judgments, costs, losses, expenses and liabilities of whatsoever kind or nature including reasonable legal fees incurred by owner arising out of:

A. Any infringement (actual or claimed) of any patents, copyrights or trade names by reason of any work performed or to be performed by the contractor under this contract or by reason of anything to be supplied by the contractor pursuant to this contract.

B. Bodily injury, including death, to any person or persons (including contractor's officers, employees, agents and servants) or damage to or destruction of any property, including the loss of use thereof:

-Caused in whole or in part by an act, error or omissions by the contractor or any subcontractor or anyone directly or indirectly employed by any of them regardless of whether or not it is caused in part by a party to be indemnified hereunder.

-Arising directly or indirectly out of the presence of any person in or about any part of the project site or the streets, sidewalks and property adjacent thereto.

-Arising directly or indirectly out of the use, misuse or failure of any machinery or equipment used directly or indirectly in the performance of this contract.

21. DAMAGE TO PROPERTY

In the event the bidder damages the District's property, the bidder shall, at the bidder's sole cost, restore the property or any surrounding area. Such restoration shall be to a condition at least equivalent to the condition of the affected area immediately before the destruction or damage. If the bidder does not repair such damage within 14 days after receiving written notice from the District, or such lesser time if the District determines the damage creates an emergency situation, the District may repair the damage and the bidder shall reimburse the District for the costs the District incurs within 14 days after the District provides a written invoice to the bidder.

22. LATE BIDS

Bids received after the time specified in the Invitation to Bid will not be opened or considered. The method of transmittal of the bid is at the bidder's risk of untimely receipt by the Board of Education. The use of Board of Education equipment for transmission of bids is prohibited.

23. RECYCLED PRODUCTS

The District supports national and local efforts for recycling. Bidders are encouraged to offer recycled supplies and materials as bid alternatives. Notations are to be included as to the percentage of recycled products in each item.

24. PAYMENT

Payment to be made within 45 days after the project completion.

Does your company accept ACH payments?

Does your company accept credit cards?

Does your company allow discounts for early payments?

Discounts examples –

2% 10 days net 30

1% 20 days net 30

25. MANUALS

The successful bidder shall supply, at no cost to the District, a detailed service manual, parts list, and list of service locations.

26. CONTRACT DURATION

One-year contract **9/1/23 through 8/31/24**, with the possibility of two (2), one (1) year extensions upon favorable recommendation from administration.

The District will be using CPI-U (Consumer Price Index – Urban) to determine the rate of increase/decrease. Vendor price increase/decrease notifications **MUST** be submitted in writing to the D300 Purchasing Office within 30 days of the December published CPI-U. Price increases/decreases will become effective on 9/1/24.

27. PERSONNEL

If any person employed on the work site were, in the opinion of the District project manager, intemperate, disorderly, incompetent, willfully negligent or dishonest on the performance of his/her duties, he or she shall be directed by the contractor to cease work and vacate the job site immediately.

28. SEXUAL HARASSMENT

775 ILCS 5/2-105, Human Rights Act Requirement – Written Sexual Harassment Policies contained as follows: Bidder shall have written sexual harassment policies that shall include, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under State law; (iii) a description of sexual harassment, utilizing examples; (iv) the vendor's internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Department and the Commission; (vi) directions on how to contact the Department and Commission; and (vii) protection against retaliation as provided by Section 6-101 of this Act. A copy of the policies shall be provided to the Department upon request.

29. QUALIFICATIONS

Vendor must be an authorized dealer and installer of products vendor is bidding on. Vendor must supply a list of references of like products and installations. Reference sheet is attached.

30. FINANCIAL STABILITY.

The District may require, upon request, evidence as to the financial stability of the contractor. Upon request, the contractor shall provide the following information to the District within 48 hours:

- a. The name of any owner or co-owner, equity of each co-owner or corporate offices of the entity submitting the bid, and the name, address, and business telephone number of each such person.
- b. The last financial statement and balance sheet of the bidder, including a specification in detail of all loans outstanding, or a copy of the last certified annual audit.

31. COMPLIANCE WITH LAWS

Successful bidder shall at all times observe and comply with all laws, ordinances, regulations and codes of the federal, state, county and other local government agencies, which may in any manner affect the performance of the contract and in particular any such laws pertaining to safety.

32. GOVERNING LAW

The terms of this quote shall be governed and construed in accordance with the laws of the State of Illinois. If any provision hereof shall be held to contravene any applicable law, such provision shall be deemed reformed to the extent of conforming to said law, and in all other respects the terms hereof shall remain in full force and effect.

33. BID

The signing of the submittal form shall be construed as acceptance of all provisions contained herein. All bids shall be submitted with each space properly completed. Any explanation or statement which the bidder wishes to make must be placed in the same envelope with the bid. Unless the bidder so indicates, it is understood that the bidder has submitted the bid in strict accordance with the specification requirements. The Bidder acknowledges that any variation from the specifications will be grounds for the District to reject the quote, although the District may accept the quote with the verification if, in its sole discretion, it determines that such bid is in the District's best interest. All quotes shall be deemed final, conclusive and irrevocable. No claim for relief because of errors or omissions in the bidding will be considered, and bidders will be held strictly to the bids as submitted. Should a bidder find any discrepancies in, or omissions from any of the documents, or be in doubt as to their meanings, the bidder shall submit questions as provided in this document. Bidders must satisfy themselves upon examination of these specifications, as to the intent of the specifications. After the submission of the bid, no complaint or claim that there was any misunderstanding in regard to items listed for bidding will be entertained from a bidder.

34. BIDDER'S AGREEMENT

The bidder hereby declares understanding, agreement, and certification of compliance to provide the services, work, and/or products to the District, at the prices quoted, in accordance with all terms and conditions, requirements, and specifications contained in these documents, and any issued amendments. The contractor further agrees that the language of this document shall govern in the event of a conflict with (1) the bidder's bid or (2) any subsequent purchase order between the bidder and the District. The bidder should, as a matter of clarity and assurance, also sign and submit all amendment(s) issued by the District related to this work. The bidder further agrees that upon receipt of an authorized purchase order or when an authorized official of the District countersigns this document, a binding contract shall exist between the bidder and the District. This document combined with amendments, the bidder's bid, the required submittals, and the purchase order, if any, shall comprise the binding contract.

35. CANCELLATION

The District reserves the right to cancel this contract at any time for reasons of unsatisfactory services.

36. ADDITIONAL INFORMATION

Contact Diane C. White, Director of Purchasing, (847) 551-8460, between the hours of 8:00AM and 4:30PM, or by email – bids.purchasing@d300.org

REFERENCES

LIST BELOW (4) SCHOOL DISTRICTS OR OTHER ORGANIZATIONS FOR WHICH YOU HAVE PROVIDED COMPARABLE GOODS.

1. ORGANIZATION: (see attached)

ADDRESS: _____

CITY, STATE, and ZIP CODE: _____

TELEPHONE NUMBER/EMAIL: _____

CONTACT PERSON: _____

DATE OF SERVICES: _____

DOLLAR AMOUNT OF THE JOB: _____

2. ORGANIZATION: _____

ADDRESS: _____

CITY, STATE, and ZIP CODE: _____

TELEPHONE NUMBER/EMAIL: _____

CONTACT PERSON: _____

DATE OF SERVICES: _____

DOLLAR AMOUNT OF THE JOB: _____

REFERENCES (CONT.)

3. ORGANIZATION: _____
ADDRESS: _____
CITY, STATE, and ZIP CODE: _____
TELEPHONE NUMBER/EMAIL: _____
CONTACT PERSON: _____
DATE OF SERVICES: _____
DOLLAR AMOUNT OF THE JOB: _____

4. ORGANIZATION: _____
ADDRESS: _____
CITY, STATE, and ZIP CODE: _____
TELEPHONE NUMBER/EMAIL: _____
CONTACT PERSON: _____
DATE OF SERVICES: _____
DOLLAR AMOUNT OF THE JOB: _____

OFFEROR'S NAME: Kathy Rein
SIGNATURE: Kathy Rein
DATE: 7-14-2023



5100 West Henrietta Road
Rochester, NY 14586

BUSINESS REFERENCES:

1. Fort Zumwalt School District
Jessica (Jesse) Vomund
Purchasing Department
840 Lonestar Drive
O'Fallon, MO 63366
Phone: 636.474.8435
Email: jvomund@fz.k12.mo.us
2. Naperville North High School
Suzyn Price
899 N Mill St.
Naperville, IL 60563
Phone: 630-420-6584
Email: smprice@naperville203.org
3. Francis Howell North High School
Stephen Kelly
2549 Hackmann Road
St. Charles, MO 63303
Phone: 636-851-5028
Email: stephen.kelly@fhdschools.org
4. Metea Valley High School
Hope Conway
1801 N Eola Road
Aurora, IL 60502
Phone: 630-375-5900
Email: hope_conway@ipsd.org

5. Niles West High School

Susan Arcus

5701 Oakton St.

Skokie, IL 60077

Phone: 847-626-2784

susarc@d219.org

6. Waubonsie Valley High School

Heidi Mendel

2590 Ogden Ave.

Aurora, IL 60504

630-375-3326

heidi_mendel@ipsd.org

CERTIFICATE OF BIDDER ELIGIBILITY

720 ILCS 5/33E-11 requires that all contractors bidding for public agencies in the State of Illinois certify that they are not barred from bidding on public contracts for bid rigging or bid rotation.

The following certification must be signed and submitted with bidder's bid proposal. FAILURE TO DO SO MAY RESULT IN DISQUALIFICATION OF THE BIDDER.

VWR International LLC, as part of its bid for the Science Supplies work for Community Unit School District #300, Carpentersville, Illinois, of Cook, DeKalb, Kane, and McHenry Counties, Illinois certifies that said contractor is not barred from bidding on the aforementioned contract as a result of a violation of either 720 ILCS 5/33E-3 or 720 ILCS 5/33-E4.

CERTIFICATE OF COMPLIANCE WITH ILLINOIS DRUG-FREE WORKPLACE ACT

VWR International LLC, having 25 or more employees, does hereby certify pursuant to section 3 of the *Illinois Drug-Free Workplace Act* (30 ILCS 580/3) that it shall provide a drug-free workplace for all employees engaged in the performance of work under the contract by complying with the requirements of the *Illinois Drug-Free Workplace Act* and, further certifies that it is not ineligible for award of this contract by reason of debarment for a violation of the *Illinois Drug-Free Workplace Act*.

Firm: VWR International LLC

By: Kathy Rein
(Signature)

Kathy Rein Bid Specialist
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 14th day of July, 2023.

Felix Modesto
NOTARY PUBLIC



**CERTIFICATE REGARDING
SEXUAL HARASSMENT POLICY**

VWR International LLC, does hereby certify pursuant to Section 2-105 of the *Illinois Human Rights Act* (775 ILCS 5/2-105) that it has a written sexual harassment policy that includes, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under State law; (iii) a description of sexual harassment, utilizing examples; (iv) an internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Department of Human Rights and Human Rights Commission; (vi) directions on how to contact the Department of Human Rights and Human Rights Commission; and (vii) protection against retaliation.

**CERTIFICATE REGARDING
EQUAL EMPLOYMENT OPPORTUNITY**

VWR International LLC, does hereby certify pursuant to Section 2-105 of the *Illinois Human Rights Act* (775 ILCS 5/2-105) that it has a written equal employment opportunity policy that is in compliance with all terms and conditions of the Equal Employment Opportunity provisions of the *Illinois Human Rights Act*.

Firm: VWR International LLC

By: Kathy Rein
(Signature)

Kathy Rein Bid Specialist
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 14th day of July, 2023.

Felix Modesto
NOTARY PUBLIC



**CERTIFICATE REGARDING
EMPLOYMENT OF ILLINOIS WORKERS ON PUBLIC WORKS**

VWR International LLC agrees if at the time the Agreement is executed, or if during the term of the Agreement, there is excessive unemployment in Illinois as defined in the Employment of Illinois Workers on Public Works Act, 30 ILCS 570/0/01 et seq., as two consecutive months of unemployment exceeding 5%, then VWR International LLC agrees to employ Illinois laborers in accordance with the Employment of Illinois Workers on Public Works Act. An "Illinois laborer" is defined as any person who has resided in Illinois for at least thirty (30) days and intends to become or remain an Illinois resident.

NON-COLLUSION AFFIDAVIT

AFFIDAVIT: "I (we) hereby certify and affirm that my (our) proposal was prepared independently for this project and that it contains no fees or amounts other than that for the legitimate execution of this work as specified and that it includes no understanding or agreements in restraint of trade."

The following affidavit must be signed and submitted with bidder's bid proposal. FAILURE TO DO SO MAY RESULT IN DISQUALIFICATION OF THE BIDDER.

VWR International LLC, as part of its bid for the Science Supplies work for Community Unit School District #300, Carpentersville, Illinois certifies that said Contractor is not barred from bidding on the aforementioned contract as a result of a violation of the above Non-Collusion Affidavit.

Firm: VWR International LLC

By: Kathy Rein
(Signature)

Kathy Rein Bid Specialist
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 14th day of July, 2023.

Felix Modesto
NOTARY PUBLIC



**CERTIFICATE REGARDING
COMMUNITY UNIT SCHOOL DISTRICT 300
VENDOR/CONTRACTOR CONFLICT OF INTEREST**

VWR International LLC, does hereby certify that they have read and fully understand the Vendor/Contractor Conflict of Interest Board Policy as stated below:

Anyone violating this provision could be subject to having their contract terminated at the sole discretion of the Board of Education.

Board Policy -

Vendor/Contractor Conflict of Interest

Any vendor or contractor doing \$5,000 - \$25,000 in business with the District within a fiscal year shall not contribute to any political campaign that directly affects the District while doing business for the District or for a period of two years after completion of business with the District. Further, the District will not enter into significant business with a vendor or contractor that has contributed to a political campaign that directly affects the District within two years prior to commencing business. Any vendor or contractor that participates and is awarded a contract through the competitive bidding process is exempt from this policy.

LEGAL REF.: 105 ILCS 5/10-20.19c, 5/10-20.21, 510-22.34c, and 5/19b-1 et seq.
820 ILCS 130/0.01 et seq.

CROSS REF: 2:100 (Board Member Conflict of Interest), 4:70 (Resource Conservation) 4:150 (Facility Management and Building Programs)

ADOPTED: February 10, 2003

Firm: VWR International LLC

By: Kathy Rein
(Signature)

Kathy Rein Bid Specialist
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 14th day of July, 2023.

Felix Modesto
NOTARY PUBLIC



CRIMINAL BACKGROUND INVESTIGATIONS

Contractor hereby represents, warrants, and certifies that no officer or director thereof has any knowledge that any employee thereof has been convicted of committing or attempting to commit "Criminal Code of 1961," 720 ILCS, Sections 5/11-6 (Indecent solicitation of a child), 5/11-9 (Public indecency), 5/11-14 (Prostitution), 5/11-15 (Soliciting for a prostitute), 5/11-15.1 (Soliciting for a juvenile prostitute), 5/11-19 (Pimping), 5/11-19.1 (Juvenile pimping), 5/11-19.2 (Exploitation of a child), 5/11-20 (Obscenity), 5/11-20.1 (Sexual assault), 5/12-14 (Aggravated criminal sexual assault), 5/12-15 (Criminal sexual abuse), and 5/12-16 (Aggravated criminal sexual abuse), and/or those offenses defined in the "Cannabis Control Act," 720 ILCS, 550/1 et seq. (except the "Illinois Controlled Substances Act," 720 ILCS 570/100 et seq., any of the offenses that would subject a certificated employee to suspension or revocation pursuant to Section 21-23a of the School Code or anyone found to be the perpetrator of sexual or physical abuse of any minor under 18 years of age pursuant to proceedings under Article II of the Juvenile Court Act of 1987 and/or any offense committed or attempted in any other state or against the laws of the United States, which if committed or attempted in this State, would have been punishable as one or more of the foregoing offenses.

Contractor further agrees that it shall not employ any person who have or may have direct, daily contact with the pupils of any school in the district, and for whom a criminal background investigation has not been conducted pursuant hereto, and further represents and agrees that all applicants for any such employment shall furnish with their applications the attached written "Authorization for Criminal Background Information" form authorizing the Board of Education to request a criminal background investigation of said applicant pursuant to Section 5/10-21.9 of the School Code of Illinois and to receive criminal history record information pursuant thereto to determine if the applicant has been convicted of committing or attempting to commit any of the criminal or drug offenses enumerated above. Contractor further agrees to submit with said authorization payment for any costs and expenses associated with the criminal background investigation.

Contractor further represents, warrants, and certifies that no applicant for employment with respect to whom the criminal investigation reveals any conviction for committing and/or attempting to commit any of the above enumerated offenses, shall be employed thereby in any position that involves or may involve contact with the students of the school district.

This certification is executed on the date hereinafter indicated by the designated contractor by its duly authorized officer.

By: *[Signature]*

Title: *Bid Specialist*

Dated: *7/14/2023*

SUBSCRIBED and SWORN TO before me
This *14th* day of *July*, 2023.

[Signature]
NOTARY PUBLIC



AUTHORIZATION FOR CRIMINAL BACKGROUND INVESTIGATION

The undersigned hereby authorizes the Board of Education of Community Unit School District 300, Carpentersville, Illinois to request a criminal background investigation from the Illinois State Police, pursuant to Section 5/10-21.9 of the School Code of Illinois, 105 ILCS 5/10-21.9 and to receive criminal history record information pursuant thereto.

Kathy Rein

(Printed or Typed Name of Applicant Employee)

Kathy Rein

Signature of Applicant or Employee

Dated: 07/14/2023



COMMUNITY UNIT SCHOOL DISTRICT 300
PURCHASING DEPARTMENT
2605 Bunker Hill Drive
Algonquin, IL 60102
847-551-8300
Fax: 847-551-8463

VENDOR APPLICATION FORM
(SUBJECT TO LOCAL LAWS)

Fill in all spaces. Insert "NA" in blocks not applicable.
Type all entries

APPLICATION DATE

REVISION DATE

DATE: 07/14/2023

COMPANY

VWR International LLC

*including wards
science & Sargent Welch*

HOW LONG IN PRESENT BUSINESS?

+150 years

ADDRESS

CITY

STATE

ZIP

5100 W. Henrietta Rd - PO Box 92912

Rochester

NY

14692-9012

CONTACT PERSON/REPRESENTATIVE

FAX NUMBER

PHONE AND EXTENSION

Joe Simmons, account manager

()

(630) 386-3149

TYPE OF ORGANIZATION (Check Applicable)

☐

INDIVIDUAL

☐

PARTNERSHIP

☒

CORPORATION

LLC

IF INCORPORATED INDICATE IN WHICH STATE

Delaware

YEARS ESTABLISHED:

DO YOU ACCEPT PURCHASE ORDERS? YES ☒ NO ☐

DO YOU ACCEPT CREDIT CARDS? YES ☒ NO ☐

CATEGORY (Check below the category which applies to the applicant)

☐

(A) MANUFACTURER OR PRODUCER

☐

(C) RETAILER

☒

(E) DISTRIBUTOR

☐

(B) WHOLESALE

☐

(D) MANUFACTURER'S AGENT

☐

(F) SERVICE ESTABLISHMENT

NAMES OF OFFICERS, MEMBERS OR OWNERS OF CONCERN, PARTNERSHIP, ETC.

(A) PRESIDENT

(see attached)

(B) VICE PRESIDENT

(C) SECRETARY

(D) TREASURER

(E) OWNERS, PARTNERS, OR STOCKHOLDERS

TAXPAYER'S I.D. NO.

FEIN 91-1319190

or

S.S. No. _____

INSURANCE INFORMATION (Check Applicable)

LIABILITY INSURANCE: \$2,000,000 ☐ \$2,500,000 ☐ \$5,000,000 ☐ OTHER ☐

Workers' Compensation: State Minimum ☐ Greater than Minimum ☐

Required that CUSD be named as an Additional Insured ☒ INSURANCE CO. see attached

BONDING INFORMATION

(Check each area in which you have been bonded and the latest date of bonding)

N/A

Perf. Bond / ☐
Mo. Year

Payment Bond (Labor and Materials) / ☐
Mo. Year

Builder's Risk / ☐
Mo. Year

PERSONS AUTHORIZED TO SIGN QUOTES, PROPOSALS, BIDS AND CONTRACTS:

NAME

OFFICIAL CAPACITY

(see attached)

Average number of employees
(including affiliates) for four
preceding calendar quarters.

12,000 globally

Average annual sales for
preceding three fiscal years:

\$7 B globally

Floor Space (Square Feet)

Manufacturing

Warehouse

N/A

N/A

MINORITY/WOMEN BUSINESS ENTERPRISE (Check One) See Definitions Below N/A ☐ MBE ☐ MBE/WBE ☐ WBE ☐ PBE	FOR USE BY CONTRACT COMPLIANCE ONLY: BY: _____ DATE: _____ ☐ C ☐ NC
MINORITY GROUP MEMBERSHIP (Check One) See Definitions Below NOTE: DO NOT COMPLETE THIS SECTION UNLESS YOU HAVE CHECKED ONE OF THE BOXES IN THE MINORITY/WOMEN BUSINESS ENTERPRISE SECTION ABOVE. ☐ AFRICAN AMERICAN OR BLACK ☐ HISPANIC AMERICAN ☐ NATIVE AMERICAN ☐ ASIAN-PACIFIC AMERICAN	
CERTIFICATION DATE ISSUED: _____ EXPIRATION: _____	

MINORITY AND WOMEN OWNED BUSINESS ENTERPRISE DEFINITIONS

MINORITY BUSINESS ENTERPRISE ("MBE") means a certified participating business at least 51 percent (51%) of which is owned and controlled by one or more members or one or more minority groups, or in the case of a publicly held corporation, 51 percent (51%) of the stock is owned by one or more members of one or more minority groups and whose daily business operations are controlled by one or more such individuals.

WOMEN'S BUSINESS ENTERPRISE ("WBE") means a certified participating business at least 51 percent (51%) of which is owned by one or more women, or in the case of a publicly held corporation, 51 percent (51%) of the stock of which is owned by one or more women and whose daily operations are controlled by one or more such individuals. Determination of whether a business is at least 51 percent (51%) owned by a woman or women shall be made without regard to community property laws.

BUSINESS OWNED AND OPERATED BY A PERSON WITH A DISABILITY ("PBE") means a business concern of which at least 51 percent (51%) is owned by one or more persons with a disability, or in the case of the corporation, one in which at least 51 per centum of the stock is owned by one or more persons with a disability or by a not for profit agency for the disabled organized pursuant to Section 501 of the Internal Revenue Code 1954; and the management and daily business operations of which are controlled by one or more of the persons with a disability who own it.

MINORITY GROUP MEMBER is an individual who is one of the following:

AFRICAN AMERICAN OR BLACK (persons with origins in any of the Black racial groups of Africa);

HISPANIC AMERICAN (persons of Spanish culture with origins in Puerto Rico, Mexico, Cuba, South or Central America, Spain, Portugal or the Caribbean Islands regardless of race);

NATIVE AMERICAN (American Indian)

ASIAN-PACIFIC AMERICAN (persons with origins from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, Taiwan, or the Indian subcontinent).

IF YOU HAVE EVER DONE BUSINESS WITH THE SCHOOL DISTRICT UNDER ANOTHER NAME, PLEASE INDICATE NAME OR NAMES.

Wards Science and Sargent Welch

Give names, complete addresses, buyer's names and phone numbers of four of your customers. (Please include Federal, State or City Governments).

ORGANIZATION	ADDRESS, STATE, ZIP	BUYER	PHONE NUMBER
1. (See attached)			
2.			
3.			
4.			

Bank References

NAME OF BANK	ADDRESS, STATE, ZIP	CONTACT PERSON	PHONE NUMBER
(See attached)			

I certify that the information supplied herein (including all pages attached) is correct and that neither the applicant nor any person (or concern) in any connection with the applicant as a principal or officer, so far as is known, is not debarred or otherwise declared ineligible by any public agency from furnishing materials, supplies or services to any agency thereof.

SIGNATURE OF PERSON AUTHORIZED TO SIGN THIS APPLICATION
NAME AND TITLE OF PERSON SIGNING (Please type or print)

PERSONS OR BUSINESSES INTERESTED IN BEING ADDED TO THE BIDDER'S LIST MUST FILE THIS APPLICATION WITH THE PURCHASING DEPARTMENT.

AFTER PLACEMENT ON THE BIDDERS' LIST, A VENDOR'S FAILURE TO RESPOND TO INVITATIONS FOR BIDS WILL BE UNDERSTOOD BY THE SCHOOL DISTRICT TO INDICATE LACK OF INTEREST AND SHALL RESULT IN THE REMOVAL OF THE VENDOR'S NAME FROM THE BIDDERS' LIST FOR THE ITEMS CONCERNED.

NOTE: ANY CHANGES TO INFORMATION SUBMITTED (ADDRESSES, AUTHORIZED PERSONNEL, ETC.,) WILL REQUIRE A REVISED COPY OF THIS FORM. ADDITIONAL FORMS MAY BE OBTAINED BY CONTACTING THE PURCHASING DEPARTMENT AT THE ADDRESS SHOWN ON THE FRONT OF THIS FORM.

USE BY COMMUNITY UNIT SCHOOL DISTRICT 300 ONLY

VENDOR I.D. NUMBER	APPROVED BY	DATE	W9
			COMM LIST Page 24 of 45



VWR INTERNATIONAL, LLC

Board of Managers and Officers:

Name	Title	Address
Frederick Vanderhaegen	President	Lerzenstrasse 16/18 CH-8953 Dietikon
Steven Eck	Board of Managers; Vice President	100 Matsonford Road, Radnor, PA 19087 USA
Martin A. Goldman	Board of Managers; Vice President, Tax	100 Matsonford Road, Radnor, PA 19087 USA
Scott K. Baker	Secretary	100 Matsonford Road, Radnor, PA 19087 USA
Stacy Broad	Assistant Secretary	100 Matsonford Road, Radnor, PA 19087

Ownership:

VWR International, LLC, a Delaware limited liability company, is wholly owned by entities directly or indirectly controlled by Avantor, Inc., a Delaware corporation ("Avantor"). Avantor is a publicly traded company with its common stock listed on the New York Stock Exchange under the ticker symbol "AVTR". No single shareholder owns more than 20% of Avantor's common stock. For information on Avantor, please see Avantor's Annual Report on Form 10-K and subsequent filings at www.sec.gov.



CERTIFICATE OF LIABILITY INSURANCE

Page 1 of 1

DATE (MM/DD/YYYY)
07/14/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Willis Towers Watson Northeast, Inc. c/o 26 Century Blvd P.O. Box 305191 Nashville, TN 372305191 USA	CONTACT NAME: Willis Towers Watson Certificate Center	
	PHONE (A/C No. Ext): 1-877-945-7378 FAX (A/C No): 1-888-467-2378	
	E-MAIL ADDRESS: certificates@willis.com	
INSURED VWR International, LLC 100 Matsonford Road Building 1, Suite 200 Radnor, PA 19087	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: ACE American Insurance Company	22667
	INSURER B: ACE Property & Casualty Insurance Company	20699
	INSURER C: Indemnity Insurance Company of North America	43575
	INSURER D: ACE Fire Underwriters Insurance Company	20702
	INSURER E:	
	INSURER F:	

COVERAGES**CERTIFICATE NUMBER:** W29630639**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

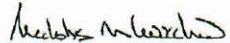
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY	Y		XSL G47311160	04/15/2023	04/15/2024	EACH OCCURRENCE \$ 1,750,000
	☐ CLAIMS-MADE ☒ OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 250,000
							MED EXP (Any one person) \$ 0
							PERSONAL & ADV INJURY \$ 1,750,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$ 3,500,000
	☒ POLICY ☐ PROJECT ☐ LOC						PRODUCTS - COMP/OP AGG \$ 3,500,000
	OTHER:						\$
A	AUTOMOBILE LIABILITY			ISA H10706178	04/15/2023	04/15/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000
	☒ ANY AUTO						BODILY INJURY (Per person) \$
	☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ NON-OWNED AUTOS ONLY						BODILY INJURY (Per accident) \$
	☐ HIRED AUTOS ONLY ☐ AUTOS ONLY						PROPERTY DAMAGE (Per accident) \$
							\$
B	☒ UMBRELLA LIAB ☒ OCCUR			XEU G71113334 006	04/15/2023	04/15/2024	EACH OCCURRENCE \$ 5,000,000
	☐ EXCESS LIAB ☐ CLAIMS-MADE						AGGREGATE \$ 5,000,000
	DED \$ RETENTION \$						\$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	Y/N	N/A	WLR C70311082	04/15/2023	04/15/2024	☒ PER STATUTE ☐ OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)						E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Workers Compensation & Employers Liability - WI			SCF C70311045	04/15/2023	04/15/2024	E.L. Each Accident \$1,000,000
	Per Statute						E.L. Disease- Ea Empl \$1,000,000
							E.L. Disease- Pol Lim \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Bid name: Contract Pricing for Science Supplies

Community Unit School District 300 is included as an Additional Insured as respects to General Liability.

CERTIFICATE HOLDER**CANCELLATION**

Community Unit School District 300 2605 Bunker Hill Dr. Algonquin, IL 60102	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

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ACORD 25 (2016/03)

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SR ID: 24422322

BATCH: 3051781



FORM OF PERMANENT DELEGATION CERTIFICATION

VWR International, LLC d/b/a Sargent Welch or Wards Science

I, Steve Goodman, do hereby delegate my authority to and certify that any of those persons identified below are hereby authorized to approve Transactions on my behalf in writing (email or other electronic means acceptable), with respect to all customer Quote, RFP/RFQ and Price Agreement/Contract Requests for and up to \$50,000.00. I further certify that the foregoing delegation of approval shall continue until revoked in writing by the undersigned or my successor.

Name	Title	Business Unit	Telephone	Email
Mike Forney	Bid/Quotation Mgr.	SciEd BQ Team	585-754-2397	michael.forney@avantorsciences.com
Kathy Rein	BQ Associate	SciEd BQ Team	800-962-2660	kathy.rein@avantorsciences.com
Sandy Gier	BQ Associate	SciEd BQ Team	800-962-2660	sandy.gier@avantorsciences.com
Peggy Ackerman	BQ Associate	SciEd BQ Team	800-962-2660	peggy.ackerman@avantorsciences.com
Mark Tringali	Contract Administrator	SciEd BQ Team	716-515-6014	mark.tringali@avantorsciences.com

A copy of this Certification shall be provided to Legal in the Region.

A handwritten signature in cursive script, appearing to read 'Steve Goodman', written over a horizontal line.

Name: Steve Goodman

Title: VP & General Manager, Science Education

Date: 12/14/2021



5100 West Henrietta Road
Rochester, NY 14586

BUSINESS REFERENCES:

1. Fort Zumwalt School District
Jessica (Jesse) Vomund
Purchasing Department
840 Lonestar Drive
O'Fallon, MO 63366
Phone: 636.474.8435
Email: jvomund@fz.k12.mo.us
2. Naperville North High School
Suzyn Price
899 N Mill St.
Naperville, IL 60563
Phone: 630-420-6584
Email: smprice@naperville203.org
3. Francis Howell North High School
Stephen Kelly
2549 Hackmann Road
St. Charles, MO 63303
Phone: 636-851-5028
Email: stephen.kelly@fhdschools.org
4. Metea Valley High School
Hope Conway
1801 N Eola Road
Aurora, IL 60502
Phone: 630-375-5900
Email: hope_conway@ipsd.org

5. Niles West High School

Susan Arcus

5701 Oakton St.

Skokie, IL 60077

Phone: 847-626-2784

susarc@d219.org

6. Waubonsie Valley High School

Heidi Mendel

2590 Ogden Ave.

Aurora, IL 60504

630-375-3326

heidi_mendel@ipsd.org



EFT Enrollment Information

For any queries related to EFT/ACH setup please contact:
Suresh Kumar Hiriyan - Asst. Manager - Operations (Finance)
Email:suresh.kumar.hiriyan@avantorsciences.com or call 877 812 5928 Ext 294316
For any other queries please contact: vwrcustomerservice@avantorsciences.com

Company Name:
VWR International, LLC

Remit Address :
P.O. Box 640169
Pittsburgh, PA 15264-0169

FIN#:
56- 2445503

Duns#:
15-098-2189

SWIFT Code:
PNCCUS33

Payment Remittance Details
should be directed to :

Remittance email:
EFT_Group@avantorsciences.com
Fax: 484.881.5689

Financial Institution:
PNC Bank

Bank Address:
PNC Firstside Center
500 First Avenue
Pittsburgh, PA 15219

Branch:
PNC Firstside Center

EFT Contact:
PNC External Confirmations
Phone: 216.257.5828
Email: externalconfirmations@pnc.com
Fax: 216.257.5256

Bank Transit Routing Number:
031000053

EFT Bank Account Number:
8610623885

Bank Account Name:
VWR International, LLC

Remittance Method:
EDI ANSI 820 sent to bank with payment

ACH Format Accepted:
CTX, remittance combined with ACH



5100 West Henrietta Road
Rochester, NY 14586



Subject: Letter of Explanation Regarding Ownership of Sargent Welch, Ward's Science and VWR International

About VWR

At VWR (<https://us.vwr.com/>), we enable science by supplying critical products to the world's top companies in the pharmaceutical, biotech, industrial, educational, governmental and healthcare industries. We provide our customers with an expansive choice of premiere products, such as chemicals, furniture, equipment, instruments, apparel and consumables, from a vast group of leading scientific manufacturers. Headquartered in Radnor, Pennsylvania with sales in excess of \$4.1 billion in 2012, VWR does more than simply supply products- it keeps the world's most critical research moving forward. VWR's expertise in supply chain and logistical services enables customers to fully focus on their areas of expertise. From managing procurement processes to integrating supply chains, VWR helps specialized research facilities and labs operate at maximum efficiency.

With over 8,000 associates in more than 30 countries, our global footprint continues to expand and we hold to the principle that clients benefit from the accessibility and familiarity of local sales teams. VWR will continue its mission of enabling science by providing researchers with the peace of mind they need to advance the world's most critical research.

The Ward's Science, Sargent Welch, and Boreal Science brands comprise the Science Education Segment of VWR International, LLC in the United States, and of VWR International Co. in Canada. Each bringing unique value to support the varying needs of science teachers and educators, these brands share a common purpose: Helping science teachers inspire students to explore the world.

Tax and Legal Entity Related Information:

On April 1, 2013, Science Kit merged with Ward's Natural Science Establishment, to become Ward's Science. All of the products, previously purchased through Science Kit are now distributed through the Ward's Science brand.

Sargent Welch and Ward's Science, and Science Kit are not legal entities. Rather, each is a separate brand or division ("Brand") within the "Science Education" business of VWR International, LLC ("VWR International"), which is ultimately held by VWR Funding, Inc. ("VWR Funding"). From a legal entity standpoint, the Sargent Welch, Ward's Science and Science Kit Brands are all "held" within VWR International, LLC. Accordingly all three Brands, including VWR International, LLC, are ultimately under the same common ownership of VWR Funding, Inc.

On the current Internal Revenue Service Form W-9, it states that we must disclose our ultimate U.S. parent company, VWR Funding, Inc. (FEIN 56-2445503) on the first line of the Form W-9. VWR Funding is the legal entity which files our consolidated U.S. federal tax return and includes the profit / loss of VWR International, LLC, which is a disregarded entity from VWR Funding for U.S. federal tax purposes.

Quick Reference and Hierarchy:

<u>ENTITY</u>	<u>FEIN</u>	<u>COMMENTS</u>
VWR Funding, Inc.	56-2445503	Entity that reports consolidated profits and losses to the IRS, does not ship goods, process invoices, or purchase orders. Entity does not have associated payroll or hold Certificates of Insurance.
VWR International, LLC	91-1319190	Operational entity that holds the Ward's Science, Sargent Welch and Science Kit brands. This entity is wholly owned by VWR Funding, Inc. and issues invoices, ships goods, has employees, and Certificates of Insurance.
Sargent Welch, Ward's Science and Science Kit	91-1319190	Brands that are owned by VWR International, LLC. Prior to April 1, 2013 the Ward's Science and Science Kit brands were under VWR Education, LLC (FEIN16-08076410), which was a wholly owned subsidiary of VWR International, LLC.

WE WANT TO BE SURE TO FULLY MEET YOUR SUPPLY NEEDS. IN ORDER TO FACILITATE ORDERS AND PROCESSING OF PAYMENTS, ALL PURCHASE ORDERS AND PAYMENTS SHOULD BE SENT TO THE FOLLOWING ADDRESSES NOTED BELOW. **IF PO'S AND PAYMENTS ARE SENT TO THE ADDRESS NOTED ON THE IRS FORM W9, SIGNIFICANT PROCESSING DELAYS WILL OCCUR.**

Wards Science:

Purchase Orders

5100 W. Henrietta Rd.
PO Box 92912
Rochester, NY 14692-9012

Remit to Address:

PO Box 644312
Pittsburg, PA 15264-4312

Sargent Welch:

5100 W. Henrietta Rd.
PO Box 92912
Rochester, NY 14692-9012

Remit to Address:

PO Box 644869
Pittsburg, PA 15264-4869

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

► Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type.
See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. VWR FUNDING, INC	
2 Business name/disregarded entity name, if different from above VWR INTERNATIONAL, LLC (91-1319190)	
3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes. ☐ Individual/sole proprietor or single-member LLC ☒ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate ☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. ☐ Other (see instructions) ►	
4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) 5 Exemption from FATCA reporting code (if any) E (Applies to accounts maintained outside the U.S.)	
5 Address (number, street, and apt. or suite no.) See instructions. BUILDING ONE, STE 200, 100 MATSONFORD ROAD	Requester's name and address (optional)
6 City, state, and ZIP code RADNOR, PA 19087	
7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number									
				-				-	
or									
Employer identification number									
5	6		-	2	4	4	5	5	0 3

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	Signature of U.S. person ► <i>Marta A. Galan</i>	Date ► 1-1-2023
-----------	--	------------------------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

Scope of Work

Science Supplies – Contract Pricing

The vendor must bid on all items. It is the intention of the district to award this project to a single supplier.

QUALIFICATIONS

Vendor must be an authorized dealer of the science equipment and supplies the vendor is bidding on. ALL products offered must be as specified **or equivalent** in meeting or exceeding product specifications. Any **equivalent** supplies bid must have product specification sheets enclosed with the bid response or an URL.

EXPECTATIONS

- Provide a bid number if you will require this on all Purchase Orders.
- Provide District 300 with a generic log in or viewpoint that employees can access to view contract pricing and create lists to email or print.
- Provide pricing based on what packaging your items are offered, i.e. set of 6. Indicate UOM in your bid if it is not available as District 300 indicates.

PRODUCT PERFORMANCE

Products not meeting manufacturer performance specifications, an alternate product will be substituted at the original bid price of the non-performing product. Before substitutions are made on any non-performing product, the supplier must work with District 300 personnel in order to determine the cause of the poor performance.

ORDER FULFILLMENT PERFORMANCE

Purchase orders are expected to be delivered within five to seven (5-7) business days after receipt of purchase order and acknowledgement. The D300 Purchasing Office must be notified of any and all backorders and timeframes of when products will be shipped and received. Suppliers who fall out of compliance with the districts expected delivery performance, the district's plan of action will include but not be limited to vendor performance meetings, vendor performance scoring and/or the possible removal of said products from the awarded contract.

ADDITIONAL REQUIREMENTS

- SDS Sheets are required to accompany EVERY order containing products requiring SDS sheets. Vendor is to provide an SDS web link for all required line items.
- Percent Discount on Published Catalog Price.
- Site Published Catalog and include a hard copy of this catalog to the Bid or an URL.
- Order Acknowledgements will be sent to the D300 Purchasing Office on all purchase orders sent to a vendor.
- **Bid pricing to be based on \$100 minimum orders to the vendor.**

RETURN POLICY

During peak times, between June 1st and September 30, vendor will allow returns and exchanges for 90 days after delivery date based on reported damage.

During slow times, between October 1st and May 30, vendor will allow returns and exchanges for 30 days after delivery date.

Request for Information
Vendor e-Procurement capabilities

District 300 is requesting information regarding your online ordering capabilities. Currently, District 300 utilizes the Infor 10 Lawson Financial software e-procurement package (Punch-out) with several vendors. This is basically a secure link from our Requisition System through your firewall to your online ordering system. The items that are under contract will have our contract pricing based on the contract terms. If you would like to see demonstration of the current process please contact Nicole Kennedy at 847-551-8460 or via email at Nicole.kennedy@d300.org to set up an appointment.

Please include your e-procurement information with your sealed bid, including a link to your current system. If you do not have an e-procurement system in place, please state if you have any plans for future implementation.

Vendor e-Procurement information:

See attached E-Business Capabilities pages attached

you can also contact Joe Simmons by phone 630-386-3149

or email joe.simmons@adante-sciences.com

*****Sealed bids are due by 11:00AM, Wednesday, July 19, 2023*****

Digital Capabilities Overview



proprietary & confidential

Continuing Investment in Digital Innovation & Technology

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- Localized: Products, Currency, Language(s), etc.
- Rich Feature Set
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A strong, vibrant research and development presence of pharmaceuticals, biotech, and other scientific research labs is a critical component of a pharmaceutical company. VWR® will supply products from the lab to the science to the quality of organic building blocks.

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VWR offers a wide range of equipment and instrument products to meet your needs and enable science to stay on track.

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VWR offers a wide range of equipment and instrument products to meet your needs and enable science to stay on track.

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Whether you employ classical wet chemistry techniques or the most sophisticated, modern high-pressure liquid chromatography (HPLC) for your research, VWR has the equipment and supplies you need.

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Cold Storage
VWR offers a wide range of equipment and instrument products to meet your needs and enable science to stay on track.

Compare Products

Product	VWR® 10-Place Microplate Reader	VWR® 96-Well Microplate Reader	VWR® 96-Well Microplate Reader	VWR® 96-Well Microplate Reader
Product Number	83020-000	83020-000	83020-000	83020-000
Supplier	VWR International	VWR International	VWR International	VWR International
Product Details	96-Well Microplate Reader with 10-Place Microplate Reader. 96-Well Microplate Reader with 10-Place Microplate Reader. 96-Well Microplate Reader with 10-Place Microplate Reader. 96-Well Microplate Reader with 10-Place Microplate Reader.	96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader.	96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader.	96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader.
Supplier Ref.	83020-000	83020-000	83020-000	83020-000
Color	Green	Green	Green	Green
Material	24 x 12 x 1.1 cm (9.4 x 4.7 x 0.4 in)	24 x 12 x 1.1 cm (9.4 x 4.7 x 0.4 in)	24 x 12 x 1.1 cm (9.4 x 4.7 x 0.4 in)	24 x 12 x 1.1 cm (9.4 x 4.7 x 0.4 in)
Description	VWR® 10-Place Microplate Reader. 96-Well Microplate Reader with 10-Place Microplate Reader. 96-Well Microplate Reader with 10-Place Microplate Reader. 96-Well Microplate Reader with 10-Place Microplate Reader.	VWR® 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader.	VWR® 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader.	VWR® 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader.
Dimensions	24 x 12 x 1.1 cm (9.4 x 4.7 x 0.4 in)	24 x 12 x 1.1 cm (9.4 x 4.7 x 0.4 in)	24 x 12 x 1.1 cm (9.4 x 4.7 x 0.4 in)	24 x 12 x 1.1 cm (9.4 x 4.7 x 0.4 in)
For Tube Size	9.4 x 4.7 x 0.4 in	9.4 x 4.7 x 0.4 in	9.4 x 4.7 x 0.4 in	9.4 x 4.7 x 0.4 in
Weight	1.1 kg (2.4 lb)	1.1 kg (2.4 lb)	1.1 kg (2.4 lb)	1.1 kg (2.4 lb)
Accessories	VWR® 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader.	VWR® 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader.	VWR® 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader.	VWR® 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader. 96-Well Microplate Reader with 96-Well Microplate Reader.
Price	\$1,100.00	\$1,100.00	\$1,100.00	\$1,100.00



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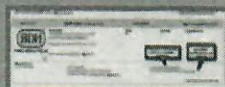
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- New search engine tuned for science
- Refine searches by environmentally preferred, diverse supplier products, specifications and more...



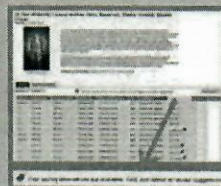
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- Photos/Videos/360 Degree Images
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- Product Q&A
- Product Attribute Icons
- (e.g., Sustainable, MWBE, etc.)
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 - Specifications
 - Brochures
 - Data Sheets
 - User Guides, etc.

Mofl Flow™ Next Gen Flow Cytometer and Cell Count/Volume Analyzer, ORFLO Technologies
Supplier: ORFLO Technologies



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Mofl Flow™ is a fully automated, cassette-based Next Gen Flow Cytometer that combines unparalleled ease of use with the precision and accuracy normally associated with more expensive flow cytometers. The ultra-compact, rugged, 12.75" long, palm-sized Mofl Flow Cytometer that eliminates many of the hassles associated with traditional flow cytometers. This means no staining, no complex sample prep, no setup or tear-down time, no maintenance, no changing of single-use reagents. The Mofl Flow™ is also the only flow cytometer that auto-aligns the laser to each cassette, ensuring highly reproducible and accurate results every time. This automated alignment for laser or optical system alignment, just insert the Flow Cassettes pop the sample, and read the results in 10 seconds.

The Mofl Flow™ is truly a "Next Gen Flow Cytometer" with a portable construction, ultra-compact, single-button touch screen, and no setup. Select from one of the Mofl Flow™ standard applications: Cell Counts, Viability, or Apoptosis or run the system in open "3 Parameter Flow Cytometry" mode for the ultimate in assay flexibility. This instrument's capabilities can be used for the most common flow assay needs (CD4, CD8, CD3, CD45, etc.) or to develop sophisticated, custom assays right in the laboratory.

Mofl Flow™ generates data using the built-in standard FCS 3.2 format, so users can open and analyze results using any standard flow cytometry analysis software (FlowJo 10.0 or greater). Data is transferred simply and easily via PC or Mac using a standard USB cable and the optional USB-on-the-Go functionality. No additional software is required to perform the data transfer. The Mofl Flow™ Next Gen Flow Cytometer delivers 3-parameter output (cell count, cell volume, single channel fluorescence) per application.

- Validated QMS
- Approved with Amnicon V-BE
- Green Flow Cytometer (USDA meets with WET as 80000)
- Compliant with all early cell lines and properly prepared primary cells

For research use only. Product is not intended for use in diagnostic procedures.

Ordering Information: Mofl Flow™ Next Gen Flow Cytometer comes standard with a USB power cord, USB-on-the-Go power adapter, and one pack of Mofl Flow™ Cassettes (Type B).

US, Limited CE compliance

Nitric Acid, BDH ARISTAR® PLUS
Supplier: VWR International



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Form: 100% Search • Nitric acid (HNO₃) • 70% • Nitric Acid, BDH ARISTAR® PLUS

Synonyms: Aqua fortis, Acetic acid, Hydrogen nitrate

High purity acid for quantitative to metal analysis at the parts per billion (ppb) level.

Formula: HNO₃
MW: 63.01 g/mol
Boiling Pt: 120.5 °C (1013 hPa)
Melting Pt: -42 °C
Density: 1.42 g/cm³ (20 °C)
Storage Temperature: Ambient

MSDS Number: MSD000011349
CAS Number: 7732-07-2
EC Number: 231-714-2
UN: 2031
ADR: 1.1
Merck Index: 13,06408

Chemical Structure: [O-][N+](=O)O

Specification Test Results

Assay	67 - 70%
Color	max. 10 APHA
Aluminum (Al)	max. 1 ppb

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- Criteria Like Brand, Volume, Type, Model, etc.
- Environmentally Preferable
- Chemical Grade
- MWBE
- SBE

Compare Products				
				
Model:	VWR® 90-Flange Microtube Rack	VWR® 80-Flange Microtube Rack	NALGENE® Microcentrifuge Tubes	Rack
VWR Part Number:	83254-650	83254-567	40586-300	47751-250
Supplier:	VWR International	VWR International	NALGENE NUCLEAR INTERNATIONAL	Built-Ar Products
Product Details:	Polysulfone racks can accommodate clearly 0.5mg, microcentrifuge tubes on one side or 2.5 to 2.0mg, microcentrifuge tubes on opposite sides at a standard 12 x 12 format. Feature heavy-duty tubes. Dimensions: 18.8V, 12.8D, 3.51Hm, Color: Green.	Fractionation or plate racks (also accommodate 1.5 to 2.0mg, microcentrifuge tubes) feature 16 large wells with a polystyrene and are available in 12, 24, 48, 96, 192, 384, 768, 1536, 3072, 6144, 9216, 18432, 36864, 73728, 147456, 294912, 589824, 1179648, 2359296, 4718592, 9437184, 18874368, 37748736, 75497472, 150994944, 301989888, 603979776, 1207959552, 2415919104, 4831838208, 9663676416, 19327352832, 38654705664, 77309411328, 154618822656, 309237645312, 618475290624, 1236950581248, 2473901162496, 4947802324992, 9895604649984, 19791209299968, 39582418599936, 79164837199872, 158329674399744, 316659348799488, 633318697598976, 1266637395197952, 2533274790395904, 5066549580791808, 10133099161583616, 20266198323167232, 40532396646334464, 81064793292668928, 162129586585337856, 324259173170675712, 648518346341351424, 1297036692682702848, 2594073385365405696, 5188146770730811392, 10376293541461622784, 20752587082923245568, 41505174165846491136, 83010348331692982272, 166020696663385964544, 332041393326771929088, 664082786653543858176, 1328165573307087716352, 2656331146614175432704, 5312662293228350865408, 10625324586456701730816, 21250649172913403461632, 42501298345826806923264, 85002596691653613846528, 170005193383307227731072, 340010386766614454462144, 6800207735332289089248, 13600415470664578178496, 27200830941329156356992, 54401661882658312713984, 10880332376531662542784, 21760664753063325085568, 43521329506126650171136, 87042659012253300342272, 17408531802450660068448, 34817063604901320136896, 69634127209802640273792, 139268254419605280547584, 278536508839210561095168, 557073017678421122190336, 111414603535684224380672, 222829207071368448761344, 445658414142736897522688, 89131682828547379504576, 178263365657094759009152, 356526731314189518018304, 713053462628379036036608, 1426106925256758072073216, 2852213850513516144146432, 5704427701027032288292864, 11408855402054064576585728, 22817710804108129153171456, 45635421608216258306342912, 91270843216432516612685824, 182541686432865033225371648, 36508337286573006645074336, 73016674573146013290148672, 146033349146292025802977344, 292066698292584051605954688, 584133396585168103211909376, 116826679317033620642377856, 233653358634067241284755712, 467306717268134482569511424, 934613434536268965139102848, 186922686907253793027821696, 373845373814507586055643392, 747690747629015172111286784, 1495381495258030344222573696, 2990762990516060688445147392, 5981525981032121376890294784, 11963051962064242753780589696, 23926103924128485507561179328, 47852207848256971015122358656, 95704415696513942030244717312, 19140883139302784060449434624, 38281766278605568120888869248, 76563532557211136241777738496, 153127065114422272483555476992, 306254130228844544707110953984, 612508260457689089414221917968, 122501652091537817882844393936, 245003304183075635657688787872, 490006608366151271315377575744, 980013216732302542630755151488, 1960026433464605092601510302976, 3920052866929210185203020605952, 7840105733858420370406041211904, 15680211467716840740812082423808, 31360422935433681481624164847616, 62720845870867362963248329695232, 125441691637334725926496659390464, 250883383274669451852993318780928, 501766766549338903705986637561792, 1003533531098677807411973275123584, 2007067062197355614823946550247168, 4014134124394711229647893100494336, 8028268248789422459295786200988672, 16056536497578844918591572401977344, 32113072995157689837183544803954688, 64226145990315379674367089607909376, 128452291906630759348734179215818752, 25690458381326158697746835833163504, 51380916762652317395493671666327008, 102761833525304634790987343332640064, 205523667050609269581974686665280128, 4110473341		
Supplier Mo.:	HS23452V	HS2905AV	5973-015	F18K08-0013
Color:	Green	Green	White	Clear
Wvd-oz:	34.6 x 12.8 x 3.5 cm (13 1/2" x 5 1/4" x 1 3/8")			
Description:	VWR® 80-Well Microtube Rack	4 x 8 Array	For 1.5-2.0mL Tubes	
Dimensions:	225.67 x 28 mm (8 1/2" x 2 1/4" x 1 3/8")	34.6 x 12.8 x 3.5 cm (13 1/2" x 5 1/4" x 1 3/8") 12.7 x 27.9 x 1.9 cm (5" x 11" x 3/4") 12.7 x 1.9 cm (5" x 3/4")		
Tube Size:		1.5 mL		
Height:		4 x 8 Array		4.8 x 28.8 x 4.4 (1 3/4" x 1 1/4" x 2 1/8")
Dox Wt. Wt:				
Remove from compare		Remove from compare	Remove from compare	Remove from compare
Cart: 12595.17	Cart: 12595.17	Cart: 1127.29	Cart: 122.81	

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antibodies



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Gene ID		Clonality	
Conjugation		Class	
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10/11/2018	803080785			Available	10/10/2018	10/10/2018	\$169.23	1	Add to Cart	View	
10/12/2018	803082044			Available	10/09/2018	10/09/2018	\$342.19	2	Add to Cart	View	
10/09/2018	803081890			Available	12/29/2018	12/29/2018	\$623.35	1	Add to Cart	View	

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to: 803.538.2000

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Items whose description, unit and price appear in a different color are from your organization's West Medical Catalog. [View a list](#)

Standard Product	Description	Quantity	Unit	Price	Extended Price
☒	SHOEFIT STYLE 2000 WHIT C5300	3880.000	In Stock at VWR	CE	\$199.82
Availability: In Stock, Est. Shipping Date: 10/16/2018 From Philadelphia Distribution Center					
Line Item Comments: Search / Add a Value Use for all items in basket					
☒	SHOES NOT FIT BLU SHLS 5 PE100	22882.000	In Stock at VWR	PK	\$26.10
Availability: In Stock, Est. Shipping Date: 10/16/2018 From Chicago Distribution Center Largest Stock Alternative Available					
Line Item Comments: Search / Add a Value					
☒	SHOECOVR SEAMLESS XL C5300	38842.000	Partial	CE	\$89.13
Availability: In Stock, Est. Shipping Date: 10/16/2018 From Philadelphia Distribution Center A On Order Estimated delivery date will be provided after your order is placed. Alternatives In Stock					

Review & Compare Alternatives

We found alternative products that are currently in stock. To compare product details, select up to 3 alternatives below and click Compare Selected. To replace the original item in your basket, enter a quantity and click Replace in Basket to swap products.

Original Product:					
Description	Catalog Number	Availability	Unit	Your Price	Qty
☒ SHOECOVR SEAMLESS XL C5300	30843-667	In Stock at VWR	Case of 300	\$89.13	50

Similar Products In Stock
These products have similar specifications, but may have different manufacturers or order packaging

Description	Catalog Number	Availability	Unit	Your Price	Qty
☒ VWR SHOECOVR NSKID AP XL C5300	41004-650	In Stock at VWR	Case of 300	\$37.96	0

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akshar_stephenson@vwr.com

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Search by Orders Created Since

Filter Current Result by Status

Filter by who placed the order

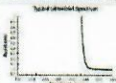
[Show only orders with a label](#)
[Printable view](#)
[Printable view with a label](#)
[Printable view with a label and order header](#)

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Date	Order Number	UIC (in the Photo)	Web Tracking Number	UIC	UIC Number	Shipping Method	Quantity	Unit Price	Total	Label Status
10/15/2015	0000128012	Yes	W140042304	W140042304	0000128012	Ship Via	1	\$ 155.00		Completed
10/15/2015	0000128011	Yes	W140042304	W140042304	0000128011	Ship Via	2	\$ 154.95		Processing
10/15/2015	0000128008	Yes	W140042304	W140042304	0000128008	Ship Via	2	\$ 154.95		Partially Shipped
10/15/2015	0000128006	Yes	W140042304	W140042304	0000128006	Ship Via	2	\$ 154.95		Processing
10/15/2015	0000128005	Yes	W140042304	W140042304	0000128005	Ship Via	1	\$ 26.10		Processing
10/15/2015	0000128001	Yes	W140042304	W140042304	0000128001	Ship Via	2	\$ 495.00		Completed Shipped

All Order Details in One Location:

- Updated Delivery Dates
- Carrier Tracking Links
- Product Certs and SDS Docs
- Invoices & Packing Slips
- Product Images

		Reorder Items Return Request													
Ship To 8010080 WEST PHARMACEUTICAL SERVICES 1028 INNOVATION WAY KINSTON NC 28504-7590	Sold To 80075840 WEST PHARMACEUTICAL SERVICES 1028 ENTERPRISE BLVD KINSTON NC 28504-7590	<table border="1"> <thead> <tr> <th colspan="2">Totals</th> </tr> </thead> <tbody> <tr> <td>Item total</td> <td>\$1,965.88</td> </tr> <tr> <td>VWR Fuel SC</td> <td>\$3.45</td> </tr> <tr> <td>Hazard Charge</td> <td>\$27.50</td> </tr> <tr> <td>Tax Amount</td> <td>\$0.00</td> </tr> <tr> <td>Total</td> <td>\$1,996.83</td> </tr> </tbody> </table>		Totals		Item total	\$1,965.88	VWR Fuel SC	\$3.45	Hazard Charge	\$27.50	Tax Amount	\$0.00	Total	\$1,996.83
Totals															
Item total	\$1,965.88														
VWR Fuel SC	\$3.45														
Hazard Charge	\$27.50														
Tax Amount	\$0.00														
Total	\$1,996.83														
Ship-To Attention: STORE ROOM		Order Comments and Messages													
Billing Documents: View															
Line: 000100	VWR Catalog No: 95300-550	Your Part No.:	Status: Completely processed												
	Description WIPER POLY HT SEAL 9X3IN PK150 More Product Details / Literature	UOM CS	Quantity 1												
Shipping from Philadelphia Distribution Center		Extended Price 538.93													
		Product Weight 18.90 LB (per CS) Line Comments and Messages													
Shipped (8.0 of 8 EA) Conversion Factor: 1 CS = 8 EA On 10/15/2018															
8 of 8 shipped Estimated Delivery Date: 10/17/2018 Tracking Number: 320727780362559043 Carrier: UPS PARCEL		Packing Slip 5076980733 Certificate of Quality for Lot Number													
Line: 000200	VWR Catalog No: 81253-4	Your Part No.:	Status: Completely processed												
	Description METHYL ISOBUTYL KETONE 4L More Product Details / Literature	UOM EA	Quantity 4												
Shipping from Atlanta Distribution Center		Extended Price 506.52													
		Product Weight 10.10 LB (per EA)													

Advanced Features

- Support for Your Purchasing/Financial Requirements:
 - **Automated Cost Savings**
 - **Online Invoice Look-Up/Payment**
 - **Open Requisition Form**
 - **Request a Quote**
 - **Sophisticated Approval Routing/Workflow**
 - **Product blocking support**
 - **Field customization**
 - **Accounting Data Entry/Pass-Through**
 - **Custom Catalogs**
 - **Support for POs, Procurement Cards, Ghost Cards**
 - **DFS Supplier Integration**

B2B System Integration Offerings

~2500 Customers Globally with B2B Integrations in Place

~50 Unique B2B e-Procurement Platforms & ERP Integrations

- Standard Integration Protocol

Multiple Integration Options including:

- Punch-Out
- Level II Punch-Out
- Hosted e-Catalogs
- Hosted e-Catalogs with Live Price Calls
- Federated Search

Support for Seamless Electronic:

- Ordering
- Acknowledgements
- Invoicing
- Ship Notices

SAP Ariba 

JAGGAER 

co-hubwoo 

 coupa

ReQlogic

ORACLE
PeopleSoft

e-pro

Point
Purchasing 

 avantor™

proprietary & confidential

BID RESPONSE FORM-Part A**Contract Pricing for Science Supplies**

Bid response forms PART A & PART B must be included with your sealed bid.

- Vendor must include unit pricing with this bid.
- Unit bid pricing is to include all charges for delivery and handling.
- A Bid Bond is NOT required for this project.

Are you a member of a National Cooperative Purchasing Program? Please state below

VWR International E&I Contract CNR-01459, Buyboard 653-21
TIPS/TAPS 200805

Vendor has received Addendum #1 Yes X No
Addendum #2 Yes X No

COMMENTS AND ADDITIONAL INFORMATION

Payment terms Net 30 days

The undersigned hereby certifies that she/he has read, understands and agrees that acceptance by the Board of Education of the bidder's offer by issuance of a purchase order(s) or other documents(s) will create a binding contract. Further, she/he agrees to fully comply with the specifications and other documentary forms and regulations made a part of this specific procurement of contract. The bidder must comply with all State and Federal Regulations including FEPC, the Illinois Laborer's Act and the Illinois Prevailing Wage Act, with preference to Public Act 86-799 which states "...not less than the prevailing rate of wages as found by the public body or Department of Labor or determined by the court on review shall be paid to all laborers, workers and mechanics performing work under the contract." The Illinois Department of Labor prevailing wages for the county where the project will be undertaken is posted online at <https://www.illinois.gov/idol/Laws-Rules/CONMED/Pages/prevailing-wage-rates.aspx>.

VWR International LLC
Name of Company/Corporation

60 days
Length of time bid is firm

5100 W Henrietta Rd - PO Box 92912
Street Address

Bid Submitted by:

Rochester NY 14692-9012
City, State, Zip Code

DocuSigned by:

Steve Goodman

Authorized Signature

800-962-2660
Telephone Number

Steve Goodman
Please Type or Print Name

800-635-8439
Fax Number

2047-9166
Illinois License Number

Email address - bids: vwr_sealedbids@vwr.com

Account manager: Joe Simmons - joe.simmons@adantasciences.com
Customer service: ward505@vwr.com

*****Sealed bids are due by 11:00AM CT, Wednesday, July 19, 2023*****

COMMUNITY UNIT SCHOOL DISTRICT #300
PURCHASING DEPARTMENT
2605 BUNKER HILL DR
ALGONQUIN IL, 60102
Phone – 847-551-8460
Fax – 847-551-8463

July 6, 2023

Dear Vendor:

ADDENDUM 1

Contract Pricing for Science Supplies

Questions

Question: Will our bid be disqualified if we are unable to bid on every item?

Answer: No, your bid will not be disqualified if you are unable to bid on every item.

Question: If a bidder is an existing vendor, do we need to complete the reference forms?

Answer: Yes, completion of reference forms are required.

Question: Will the bid be awarded to a single vendor?

Answer: It is the intention to award to a single vendor. However, the District reserves the right to award by category or item.

This Addendum along with any Exhibits and Attachments is to be considered part of the original Bid documents. Please confirm receipt of this email or fax by a telephone call, email, or fax and on Response Forms A & B.

Telephone Number – 847-551-8460.

E-mail - bids.purchasing@d300.org

Fax Number – 847-551-8463

If you have any questions, please feel free to contact the numbers listed above.

Sincerely,



Diane C. White / Director of Purchasing

**COMMUNITY UNIT SCHOOL DISTRICT #300
PURCHASING DEPARTMENT
2605 BUNKER HILL DR
ALGONQUIN IL, 60102
Phone – 847-551-8460
Fax – 847-551-8463**

July 13, 2023

Dear Vendor:

ADDENDUM 2

Contract Pricing for Science Supplies

Questions

Question: In the Elementary tab, Line 150 and in the Middle tab, Line 34, can you provide more specifics on what you mean by "EARTHWORM"? Are there size or quantity specs we should follow?

Answer: For Elementary School, Avantor Earthworms are sold 50/pk. For Middle School, Carolina Earthworms should be at least 6" in length and sold 12/pk.

Question: In the Middle tab, Line 35, can you provide more specs for "FROGS"? Size, injection type, packaging, etc?

Answer: Carolina Formalin Frogs are grass frog that are 5"+ in length with plain injection type and preserved/bagged individually in a Formalin.

Question: In the High tab, Line 363, do you have any specs (size, packaging, injection type, etc) that you would like us to bid with for "SHEEP BRAINS"?

Answer: Flinn Scientific Sheep Brain with cranial nerve roots, preserved which are sold by the each.

Question: In the High tab, Line 364, do you have any specs (quantity, packaging, injection type, etc) that you would like us to bid with for "COW EYES"?

Answer: Flinn Scientific Preserved Cow eyes for dissection are sold 5/pk.

Question: In the High tab, Line 365, do you have any specs (quantity, packaging, injection type, etc) that you would like us to bid with for "PIGS"?

Answer: Flinn Scientific Flinn-Preferred Preserved fetal pigs are plain, 7-11" and are sold by the each.

Question: For equivalent items bid on, all specifications can be found on our website. Can our website URL be provided once or does it need to be provided on every equivalent line? Will our catalog URL be accepted?

Answer: The URL for the specific equivalent item should be provided.

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Diane C. White / Director of Purchasing

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PURCHASING DEPARTMENT
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PURCHASING DEPARTMENT
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E-mail - bids.purchasing@d300.org

Fax Number – 847-551-8463

If you have any questions, please feel free to contact the numbers listed above.

Sincerely,

A handwritten signature in blue ink that reads "Diane C White". The signature is written in a cursive, flowing style.

Diane C. White / Director of Purchasing



DISTRICT 300

COMMUNITY UNIT SCHOOL DISTRICT NO. 300 BOARD of EDUCATION MEMO

DATE: October 8, 2024

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Jennifer Porter,
Chief Financial Officer

Presented at the following Board Meetings	
Board Operations Committee	10/8/2024
Policy/Legislative	
School Utilization	
BOE 1 st Reading	10/8/2024
BOE 2 nd Reading	10/22/2024

SUBJECT: FY2025-2026 Budget Calendar and Designee Resolution

Background

The Illinois School Code requires the Board of Education to designate "some person or persons" to prepare the budget in the tentative form (105 ILCS 5/17-1). Designating this person in January is recommended before starting the budget development process. Typically, this has been the responsibility of the business officials in our District. To comply with the Illinois School Code, the District has developed a resolution to designate the preparer of the tentative budget. In addition, the District has developed a proposed budget calendar that will be followed for the FY2025-26 budget development process.

Recommendation

Based on the information above and as required by State law, the administration recommends that the Board adopt the resolution to designate Jennifer Porter to begin the FY2025-26 budget development process, prepare the budget in tentative form, and adopt the FY2025-26 Budget Calendar.

COMMUNITY UNIT SCHOOL DISTRICT 300
RESOLUTION REGARDING
DESIGNEE TO PREPARE TENTATIVE BUDGET

BE IT RESOLVED by the Board of Education of Community Unit School District No. 300, Counties of Kane, McHenry, Cook, and DeKalb, State of Illinois, that Jennifer Porter, Chief Financial Officer, is hereby appointed to prepare a tentative budget for said School District for the fiscal year beginning July 1, 2025, and ending June 30, 2026, which tentative budget shall be filed with the Secretary of this Board.

ADOPTED this 22nd day of October 2024.

AYES:

NAYS:

ABSENT:

Board of Education
Community Unit School District 300
Algonquin
Counties of Kane, McHenry, Cook and DeKalb
Illinois

BY:

President, Board of Education

ATTEST:

Secretary, Board of Education

Date

COMMUNITY UNIT SCHOOL DISTRICT 300
FY 2025-2026 BUDGET CALENDAR

Date	Task	Who?
October 2024	Designate Preparer of the Budget Adopt Proposed Budget Calendar Review Enrollment Projections & Capacity Develop 2024 Tax Levy	Board of Education Board of Education Administration CFO
November 2024	Begin staffing plan/budget process Review 2024 Tentative Levy Vote on 2024 Tentative Levy Publish 2024 Levy Hearing Legal Notice Provide Department Heads and School Administration with Budget Request Template	Administration Operations Committee Board of Education CFO CFO
December 2024	Review 2024 Tax Levy Tax Levy Hearing & Adoption of Tax Levy Award Summer 2025 Capital Projects Programmatic Review Department Heads and School Administration Budget Requests Due to CFO Review Master Facility Update Project Lists	BFC D300 Staff BOE D300 Staff
January 2025	Budget Requests Review Staffing Discussions	Executive Cabinet Administration
February 2025	Present Proposed Strategic Priority Tasks Financial Overview Educational Plan Requests School Utilization Overview	Supt/Deputy Supt CFO CFO Administration
March 2025	Staffing Plan	Board of Education
June 2025	Review Draft Budget & Capital Plan	Operations Committee
August 2025	Review 2025-2026 Tentative Educational & Capital Plan Tentative Budget Placed on Display Tentative Budget Approval	Operations Committee CFO Board of Education
September 2025	Review 2025-2026 Final Educational & Capital Plan Hold Public Hearing on 2025-2026 Budget Adoption of 2025-2026 Budget	Operations Committee Board of Education Board of Education



DISTRICT 300

COMMUNITY UNIT SCHOOL DISTRICT NO. 300 BOARD of EDUCATION MEMO

DATE: October 8, 2024

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Jeffrey Ehardt,
Director of Finance

SUBJECT: Fiscal Year 2025 ISBE School Maintenance Project Grant

Presented at the following Board Meetings	
Board Operations Committee	10/8/2024
Policy/Legislative	
School Utilization	
BOE 1 st Reading	10/8/2024
BOE 2 nd Reading	10/22/2024

Background

The FY 2025 Round 1 ISBE School Maintenance Project Grant application period is open from Monday, September 16, 2024, to Friday, December 13, 2024, at 4:00 p.m. Approximately \$48.4 million is available for the FY 2025 Round 1 School Maintenance Project Grant. Grants will be approved up to the amount released by the Governor's Office of Management and Budget (GOMB).

The School Maintenance Project Grant (SMPG) is a dollar-for-dollar state matching grant program providing awards of up to \$50,000 to grantees exclusively for the maintenance or upkeep of buildings or structures for educational purposes. A project may involve different types of work on a single building or structure or a single kind of work (e.g., new roofing or windows) on several buildings or structures. There is no limit to the project cost; however, grant awards shall not exceed \$50,000 per grant award, and applicants shall provide a match from local funds equal to the grant amount requested.

An applicant must not obligate funds or begin work on any of the projects listed on the application before submission of the application in IWAS. However, applying does not guarantee a grant will be approved or awarded. All project activities must be expended or legally obligated within two years of disbursement by the State. If funds have been obligated by the grantee but have yet to be fully expended two years after disbursement, ninety (90) calendar days will be given to liquidate all obligations.

Administrative Recommendation

The administration recommends applying for the School Maintenance Project Grant for \$50,000 for the Dundee Middle School roofing project, scheduled for the summer of 2025.

Fiscal Impact

The district will receive \$50,000 if approved to offset the cost of the Dundee Middle School roof project.

SCHOOL MAINTENANCE PROJECT GRANT

FY 25 Application Cycle - Round 1

District Certification

Name : CUSD 300

RCDT #: 31-045-3000-26

TIN #: 366004758

The submissions made to the Illinois State Board of Education by the applicant and the terms and conditions described in the Grant Application Certifications and Assurances and the Program Specific and Financial Assurances of this application shall constitute the grant agreement between the applicant and the Illinois State Board of Education for the use of the funds to complete the projects described in the "Work Item Listing" section of the School Maintenance Project Grant Application. This grant agreement shall be deemed to be entered into when the application has been approved by the Illinois State Board of Education. This grant agreement constitutes the entirety of the agreement between the parties and supersedes any other agreement or communication, whether written or oral, relating to the award of the grant funds. The person submitting this application on behalf of the applicant certifies and assures the Illinois State Board of Education that he or she has been duly authorized to file this application for and on behalf of the applicant, is the authorized representative of the applicant in connection with this grant agreement, and that he or she is authorized to execute these Certifications and Assurances and Standard Terms of the Grant on behalf of the applicant. Further, the person submitting this application on behalf of the applicant certifies under oath that all information in the grant agreement is true and correct to the best of his or her knowledge, information and belief, that grant funds shall be used only for the purposes described in this agreement, and that the award of this grant is conditioned upon this certification.

The authorized representative of the applicant who will affix his or her signature below certifies that he or she has read, understood and will comply with all of the provisions of the following certifications and assurances.

The person approving these Certifications, Assurances and Standard Terms of the Grant hereby certifies and assures the Illinois State Board of Education that the person submitting the final application on behalf of the applicant (and thereby executing the grant agreement with the Illinois State Board of Education) has the necessary legal authority to do so. (v2.23.2017)

The person approving this application certifies (1) to the statements contained in the list of certifications, and (2) that the statements herein are true, complete and accurate to the best of his/her knowledge. He/she also provided the required assurances titled "Grant Application Certifications and Assurances, and Standard Terms for the School Maintenance Project Grant" and "Program Specific and Financial Assurances for the School Maintenance Project Grant" (found within the application under "Application Certifications and Assurances") and agrees to comply with any resulting terms if an award is accepted. He/she is aware that any false, fictitious, or fraudulent statements or claims may subject him/her to criminal, civil or

administrative penalties. (U.S. Code, Title 18, Section 1001). The list of certification and assurances is included below.

By submitting this form, I certify to the above and that the local board of education or other school governing authority has authorized the school maintenance project during a duly convened meeting, and has reserved local funds to meet the local match requirement. In addition, the applicant has not obligated funds or begun work on any of the projects listed on this application prior to the submission of this application. Signing below certifies that he or she has read, understood, and will comply with all the provisions of the following:

- Grant Application Certifications and Assurances, and Standard Terms for the School Maintenance Project Grant, and
- Program-Specific and Financial Assurances for the School Maintenance Project Grant.

Signature of President of Board of Education

Date

Name of Board President (type or print)

A copy of this form signed by the President of the Board of Education AND the Taxpayer Identification Number Form MUST be printed, signed, and attached as a PDF under the Application Required Attachments before your application can be approved. No application will be processed without these two signed attachments.

(SMPG Dist. Cert. - Rev. 8/2023)

1. COUNTY CODE

045, Kane

2. DISTRICT CODE/NAME

31045300026, CUSD 300

3. APPLICATION YEAR/ROUND

2025, 1

	Item I.D.	Facility Name	Facility Address	Facility Description	Project Description	Project Location	Priority Code	Category Code	Est. cost	Est. Start Date	Est. Completion Date
Open	1	DUNDEE MIDDLE SCHOOL	37W450 IL Rt 72, West Dundee	Dundee Middle School is a 6-8 Middle School. It was built in 1978 and is approximately 125,092 sq feet. This facility has a capacity of 1,200 and a 24-25 enrollment of 1,149.	The roof will be replaced.	This affects the outside of the building and its full length.	E	ROOF	\$1,333,000.00	05/15/2025	08/10/2025

Total Estimated Project Cost	\$1,333,000.00
Total Requested Grant Amount	\$50,000.00
Total Reserved Local Funds(District Responsibility):	\$50,000.00
Total Reserved Remaining Funds (District Responsibility):	\$1,233,000.00

School Maintenance Project Grant
FY 25 Application Cycle - Round 1
TAXPAYER IDENTIFICATION NUMBER

As an authorized representative for the applicant, I certify that:

1. The number shown on this form is the correct taxpayer identification number (or the applicant is waiting for a number to be issued).
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. Enter the name of the entity as it's listed at the State of Illinois Comptroller's office, the Entities RCDT Number and the FEIN (unless already populated below).

Name: COMMUNITY UNIT SCHOOL DIST 300

RCDT: 31-045-3000-26

Federal Employer Identification Number (FEIN): 366004758

Legal Status: Governmental/School District

Signature of authorized Representative: _____

Date: _____

(SMPG Taxpayer Identification Form - Rev. 08/2021)



DISTRICT 300

COMMUNITY UNIT SCHOOL DISTRICT NO. 300 BOARD of EDUCATION MEMO

DATE: October 8, 2024

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: John Hummel,
Chief Technology Officer

Presented at the following Board Meetings	
Board Operations Committee	10/8/2024
Policy/Legislative	
School Utilization	
BOE 1 st Reading	10/8/2024
BOE 2 nd Reading	10/22/2024

SUBJECT: Technology Board Room Audio/Video Refresh

Background

Upgrading the boardroom audiovisual equipment is crucial when the current setup becomes outdated and unreliable. Modernizing AV technology helps D300 effectively share critical information and maintain a professional image during meetings. Upgrades are recommended every five to seven years to stay current and minimize disruptions. Since the equipment has not been updated since it was installed under Superintendent Heid, we have increasingly relied on vendor support to address issues with the aging system.

Administrative Recommendation

We recommend upgrading the boardroom equipment, including large monitors, cameras, and streaming technology, to improve the quality of meetings. We plan to continue working with Midwest Computer Products, Inc., our current provider of boardroom equipment. The total cost for this project is \$109,813.44.

Fiscal Impact

\$109,813.44 from district funds.



MIDWEST COMPUTER PRODUCTS, INC.

33W512 Roosevelt Rd
West Chicago, IL 60185
630-232-0010 phone
630-232-0559 fax

October 2, 2024

Community Unit School District 300
Administration Center
2550 Harnish Drive
Algonquin, IL 60102
Attn: Gary Krause and Diane White

Project: 721751 Board Room Audio Video Refresh-REV 2

Project Summary

The existing audio video system will be reengineered to conform to current needs.

System Overview

System Description:

- Video System:
 - The flat screen TVs in the room will be upgraded with new displays.
 - The two (2) 70" TVs on the front wall behind the Board table will be replaced with new Viewsonic 86" Commercial 4K displays.
 - The two (2) 70" TVs on the side walls will be replaced with new Viewsonic 75" Interactive displays that can be used for Breakout sessions in the room by connecting an HDMI and USB cable directly to these monitors.
 - The two (2) Dukane video projectors and projection screens will be used in the redesigned AV system.
 - The nine (9) OFE monitors on the Board table will be reused but will be moved to new folding table stands so that they will be closer to the table surface so as to not block the view of Board members.
 - All the displays in the room, flat screens and projectors will show the same video source during Board meetings.
 - Sources will include a computer input at the rear operator's location in the room, a new HDMI input at the Board table, an HDMI input at the rack room operator's table, an OFE Apple TV, and OFE Blu-ray player and an output of the production switcher.
 - The three (3) video cameras in the room will be replaced with new 4K PTZ video cameras.
 - The two (2) sidewall cameras will be moved and ceiling mounted facing the Board table on either side of the projection screen for a better view of the Board members.

- The three (3) cameras will be controlled by a new joystick controller that will be positioned at the operator's table in the rack room.
 - The new cameras will connect to existing Blackmagic Design ATEM Mini Extreme production switcher along with a feed of the presentation being shown on the displays in the Boardroom.
 - Any of these four sources can be sent as a video feed to the Streaming PC.
 - The ATEM Mini Extreme switcher will be moved to the operator's table for added control in addition to the ATEM software control currently used.
 - The operator's table will have more desk space, as the three (3) video monitors will be mounted on the wall in front of the operator rather than resting on table stands on the desk surface.
 - A new 43" monitor will be mounted for use as a Multi-view monitor for the production switcher.
 - Two (2) new 24" monitors will be wall mounted on either side of the Multi-view monitor for use as a confidence monitor of the Boardroom video source and the second monitor will be the output of the Streaming PC.
 - An additional video output will be sent to the lobby display for use as an overflow area.
 - This monitor will be able to show either the same video source as the Boardroom monitors or it can show the streaming PC without being delayed.
- Audio System:
 - Two (2) new Biamp Tesira digital audio processors will be installed to replace the existing audio mixer/processor. These will allow the new system's microphones and speakers to be used for Google Meet video calls and telephone calls and will eliminate the need to use the external Cisco conference phone to add outside calls to a meeting.
 - A new 4-channel audio amplifier will also be added to power the existing ceiling speakers in the room that will be reused.
 - The wireless mics in the room will be upgraded.
 - Six (6) new 15" wireless gooseneck microphones will be installed to be used throughout the room.
 - Two (2) new cardioid condenser handheld mics will be installed which will allow better audio pickup than the existing handheld mic and will allow them to be used on table stands.
 - The podium gooseneck mic will be converted to wireless by adding a new wireless transmitter that will connect to the existing gooseneck mic. This will allow the podium and gooseneck mic to be positioned anywhere in the room.
 - All of these wireless mics will be equipped with Lithium-Ion rechargeable batteries and charging dock stations will be installed for recharging the mics when not in use.
 - The new audio processor will be controlled by the operator's PC with a Biamp Canvas control app which will allow for active mixing and control of all audio sources.
- Control System:
 - The new system will be controlled by owner furnished Android tablets and Windows PC XPANEL application that will control the new Crestron control processor and presentation switch.
 - The Android and XPANEL user interfaces will be custom programmed for intuitive control of the new AV system.

- The system will be programmed for advanced control for operators during Board meetings and basic controls for simple meeting users so the room can be used for basic presentations as well.
- Controls for the new system will include:
 - System on/off
 - Board Meeting Advanced Mode/Basic Mode Selection
 - Microphone Volume up/down/mute for each microphone
 - Presentation Volume up/down/mute
 - Master Room Volume up/down/mute
 - HDMI Source Switching to Boardroom displays
 - TV Power on/off for the (4) 70" flat screen displays
 - Projector on/off for the (2) projectors
 - Screen up/down for the (2) projection screens
 - Overflow and source selection to Lobby Monitor
- Infrastructure:
 - The new AV components will be installed in the existing equipment rack.
 - All necessary cable components will be included.

Installation Exclusions – The following work is **not included in our Scope of Work**

- Any necessary ceiling modifications for the projector and screen including T-Bar refinishing.
- Ceiling tile replacement and repair.
- Any RJ45 terminations.
- All conduits, high voltage wiring panels, breakers, relays, boxes, receptacles, etc.
- Concrete saw cutting and/or core drilling.
- Fire wall, ceiling, roof and floor penetration.
- All millwork (moldings, trim, cut outs, etc.).
- Furniture modifications (table cuts, credenza cuts, etc.).
- Painting and patching.
- Permits (unless specifically provided for and identified within the contract).

Client Responsibilities

- Providing all required permits and passes for MCP personnel.
- All AC power, including power cabling, equipment, receptacles, floor boxes, risers, conduit between risers, raceways, etc., will be furnished, installed and made available at MCP required locations by others.
- All Network configurations including IP addresses are to be provided, operational and functional before integration begins. MCP will not be responsible for testing the LAN connections.
- Cable or Satellite drops must be in place with converter boxes operational before the completion of integration.
- There is a temporary secure storage area for equipment during multiple-
- day integration.
- Scheduling all necessary employees for system training.

Assumptions – if these prove false a Change Order will be required

- There is sufficient accessibility and space in ceiling area for infrastructure support hardware.
- Any owner furnished equipment shall be available to display and test system audio/video connections and will integrate with the purchased equipment and system(s).
- Any owner-furnished equipment shall be in good working order. Cost to repair or replace defective equipment shall be in addition to the proposed cost herein.

- This proposal, if applicable, is based upon the re-utilization of existing cabling and/or equipment, which is assumed to be in proper operating condition. In the event that it is determined that the existing cabling and/or equipment is not in proper operating condition, MCP will submit a proposal for the additional costs to furnish and install new cabling and/or equipment where required.
- All above ceiling cable runs are assumed to have an unobstructed path from end to end unless otherwise noted. Any walls, beams, etc. discovered during the installation process necessitating additional unplanned labor and time will result in a change order with additional costs.
- If consumer grade flat panel displays (TVs) are specified by the end user as part of the integration project and they prove to be defective or incompatible with the proposed system, a return charge of \$ 350.00 per TV will be assessed to correct the problem.
- There is ready access to the building / facility and the room(s) for equipment and materials.
- This proposal is based on a continuous work cycle, with no delays, performed during normal working hours. Monday through Friday, excluding company holidays.
- Work is to be performed at *Community Unit School District 300, Algonquin, IL*.
- Document review / feedback on drawings / correspondence will be completed by the Customer within two business days.
- In developing a comprehensive proposal for equipment and integration services MCP's Sales Representatives and Engineering teams must make some assumptions regarding the physical construction of your facility, the availability of technical infrastructure and site conditions for installation. If any of the conditions we have indicated in the Site Survey form are incorrect or have changed for your particular project or project site, please let your Sales Representative know as soon as possible. Conditions of the site found during integration effort which are different from those documented may have an effect on the price of the system solution, integration or services. To ensure that you have an accurate proposal based on your facility and specific to the conditions of your project, please review all project documentation carefully.
- The documented Change Control process will be used to the maximum extent possible – the Client will have an assigned person with the authority to communicate/approve project Field Directed Change Orders and Contract Change Orders.
- Manufacturer equipment latest firmware updates will be performed during the course of the installation. No Manufacturer firmware will be incorporated after Substantial Completion (equipment/room available for Client's functional use) has been achieved. Further firmware updates are the Client's responsibility or MCP can be contracted on a time and materials basis to perform further updates. It should be noted that a firmware update on one piece of equipment may require other items to be updated as well in order to maintain system integrity and optimum functionality.

Implementation Standards

MCP will follow a foundational project management process which may include the following actions/deliverables (based on the size/complexity/duration of the integration project):

Project Management: MCP shall coordinate:

- Developing a project schedule (with Client and MCP milestones).
- Staging equipment and materials at shop and installation site.
- Submittals of operator manuals of all equipment documentation.
- Installation supervision.
- Substantial Completion (room available for use)
- Completion of final punch list items.

On-Site Installation shall include:

- Pulling, bundling and terminating audio and control cables.
- Installing structural systems for audiovisual equipment.
- Software/hardware testing.
- Adjusting and balancing audio gain as required.
- Assuring the finished system meets the design criteria and functions per the design concept.
- Site cleanup and disposal, etc.
- Completion of final punch list items.
- All program files, signal flow documentation and as-built drawings will be provided.

Amendments of Design or Contract:

- Any changes made to the design of the system or the contractual agreements in implementation or functionality will require a "Contract Change Order" form signed by an authorized decision maker for the Client.
- Any price changes that should follow an amendment will be reflected on the final bill unless otherwise stated or agreed upon by MCP and the client.
- It is understood by the Client that any changes made may affect delivery time tables and work schedules.

Knowledge Transfer (Training)

This is geared specifically towards the end-user / operator. The purpose of this knowledge transfer is to provide operators with the necessary knowledge to confidently and comfortably operate all aspects of the integrated system. Areas covered include the following:

- Equipment and system overview
- Equipment operation and function
- Equipment start up, stop, and shut down
- Equipment automatic and manual operation
- Discussion and documentation relating to control system operation
- Discussion and documentation relating to system processor and its control applications
- Powering up, powering down AV system via control system
- Manual operation of display systems, audio system and all other related components
- Use/operation of patch panels, when and where to be used
- Who to call when help is required
- All persons requiring system training must be present at the agreed time. Return trips to train individuals not present at the agreed upon time will be billed as an additional charge.

Standard Warranty

MCP and its installation subcontractor warrant the Audiovisual System furnished to be free from defects in workmanship (i.e. cables, connections and structures) failure for a period of 90 days from the date of acceptance or first beneficial use. Such defects shall be corrected in a timely and responsible manner. Manufacturer's equipment warranties are varying lengths (usually 90 days to 3 years). MCP shall warranty this equipment for the term established by the manufacturer on a depot basis. Warranty does not apply to any product that has been subject to misuse, neglect, accident or operational error.

Qty	Manufacturer	Description
2	Viewsonic	86" 4K Commercial Display
2	Viewsonic	75" Interactive Display
4	Chief	X-Large Fusion Tilt Wall Mount
2	Chief	Fusion Hardware Kit
1	Atlona	8-output 4K HDR HDBaseT Distribution Amp
8	Atlona	4K HDR HDBaseT Receiver w/Ctl & Remote Power
1	Crestron	3-Series 4K DigitalMedia Presentation System 350
1	Crestron	Wall Plate DigitalMedia 8G+ Transmitter 200
1	Crestron	DigitalMedia 8G+ 4K60 4:4:4 HDR WallPlate Tx, White
2	Crestron	Ethernet Control Expander - 2 COM Ports
2	Crestron	Crestron GO App for Android OS
2	Viewsonic	24" LCD Monitor
2	Chief	Flat Panel Swing Arm Mount
3	PTZ Optics	Move 4K 20X PTZ Camera Gray
1	PTZ Optics	Pan-Tilt-Zoom Joystick Controller
3	Sound Control	Camera Extension Kit
1	Sound Control	RC-TX Universal Wall Mount
2	Vaddio	Drop Down Mount for Small PTZ Camera - Long
2	PTZ Optics	Camera Pole Mount, Black
2	Sound Control	Rack shelf for 2 RC5-HE
1	Viewsonic	43" 4K Commercial Display
1	Chief	Med Fusion Tilt Wall Mount
9	Wearson	Adj Table Monitor Stand
1	Biamp	12x8 Fixed Audio Server w/Dante Networking
1	Biamp	12x8 Fixed Audio Server w/Dante Networking
1	Biamp	Logic Box
1	Biamp	Rack Mount kit
1	Stewart Audio	4 Channel DSP Enabled Amp 4x80W 70/100V
1	Stewart Audio	Single Rack Mount kit
2	Shure	B87A Handheld Wireless Mic System
2	Shure	Digital Wireless Receiver
1	Shure	Digital Wireless Bodypack Transmitter
1	Shure	Premium cable w/locking thread
6	Shure	Wireless Gooseneck Mic Transmitter
6	Shure	15" Gooseneck Microphone
9	Shure	Lithium-Ion Rechargeable Batter
1	Shure	8-Bay Networked Charging Station w/PowerSupply
2	Shure	Antenna Distribution System
6	Shure	Digital Wireless Microphone Receiver
2	Shure	2-Bay Networked Charging Station
1	Shure	XLR Female to TA4F Mic Cable
1	Netgear	AV Line 30-Port PoE+ Network Switch 480W
1	StarTech	USB3.0 to Gigabit Ethernet Adapter
7	Kramer	HDMI Cable, 25' Rack to Op Table cables
6	Kramer	HDMI Cable 6'
10	Kramer	HDMI Cable 3'
1	C2G	25' USB A/B Active Cable - Rack to Op Table
1	Bulk Cable	Bulk Cable

System Pricing	
<u>Video System</u>	\$ 29,548.13
<u>Audio System</u>	\$ 21,449.12
<u>Control System</u>	\$ 8,086.83
Programming	\$ 13,390.00
<u>Infrastructure</u>	\$ 8,999.88
<u>Installation/Integration/Design</u>	\$ 27,679.48
<u>Subtotal</u>	\$ 109,153.44
<u>Freight</u>	\$ 660.00
<u>Sales Tax</u>	\$ 0.00
<u>Grand Total</u>	\$ 109,813.44

Accepted By: _____ Date: _____

Print Name: _____

Sincerely,
Midwest Computer Products, Inc.

Joe Winkler
Sales Manager

Extended Warranty and Service Support Agreement

Thank you for your interest in obtaining an Extended Warranty and Service Support contract from Midwest Computer Products Inc. Included is an outline of the benefits of Extended Service Agreement coverage, an inventory of the equipment that you have requested be protected under this agreement and a quote for a period of coverage spanning one year. This pricing will be valid for 30 days.

Extended Warranty & Service Support Agreement packages include the following:

- Priority Service Status
- Unlimited Telephone Support
- Parts repair or replacement
- Return phone call by field technician within 3 hours
- Dispatch of technician to site within 12 business hours
- Two preventative maintenance visits

This package also provides the following benefits:

- Comfort that our expert service staff backs the integrated system.
- The convenience of calling ONE point of contact to handle all service and support requirements.
- The ability to budget your service and support and pay one fixed price. This price includes all parts and services required for the maintenance of the system during the period of the agreement.
- Extended Service Agreement customers receive preferential response over non-agreement customers, minimizing downtime. The Midwest Computer Products, Inc. service organization is dedicated to providing the quickest, most effective service to ensure that every system operates at its optimum level.

Coverage:

This proposal will offer Extended Warranty and Service Support for the installed audio/visual system located in the Community Unit School District 300 Boardroom. Attached is a list of all the equipment to be covered by this proposed contract.

Cost of Annual Agreement:

Pricing for this Extended Service Agreement is based on a percentage of the value of the integrated equipment and is detailed below.

3 Year Extended Warranty and Service Support Contract..... \$ 16,200.00

Terms

Net 30 days (pricing excludes applicable taxes, which will be added to your invoice)

Exclusions:

All labor and parts as defined in this agreement will be covered for the period of this agreement. Parts such as lamps, cathode ray tubes (CRTs), LCD panel, plasma panel, DLP optical engine, ILA type optical units and parts identified by the manufacture as consumable parts are not included.

Rates for Services Not Covered Under Agreement:

Midwest Computer Products, Inc.'s standard business hours are 8:00am to 5:00pm CST. The current shop rate for off hours labor is \$170.00 per hour. Off hour rates for services performed in relation to this contract will be invoiced at the reduced labor rate of \$155.00 per hour.

We would like to thank you for the opportunity to provide you with this Extended Warranty and Service Support Agreement proposal and look forward to being the service provider for the Community Unit School District 300 Boardroom. We believe that we can give you the committed and quality service you are seeking.

Upon receipt of your acceptance of this proposal, a completed Extended Warranty and Service Support Agreement packet will be forwarded to your organization.

Payment Terms

Progressive billing will be upon receipt of Equipment and Installation milestones.

This document is proprietary and confidential. No part of this document may be disclosed in any manner to a third party without the prior written consent of Midwest Computer Products, Inc.



DISTRICT 300

COMMUNITY UNIT SCHOOL DISTRICT NO. 300 BOARD of EDUCATION MEMO

DATE: October 8, 2024

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Jennifer Porter,
Chief Financial Officer

SUBJECT: Parent Group Recognition

Presented at the following Board Meetings	
Board Operations Committee	10/8/2024
Policy/Legislative	
School Utilization	
BOE 1 st Reading	10/8/2024
BOE 2 nd Reading	10/22/2024

Background

The District insurance carrier allows our parent organizations coverage under the District liability insurance policy. To do so, the Board of Education must annually recognize the fundraising efforts of our parent organizations at a formal Board meeting.

Recommendation

The administration recommends that the Board recognize the fundraising efforts of the parent organizations that report their fundraising activities to receive coverage under the District liability insurance policy.

Fiscal Impact

No fiscal impact on the district.

Parent Organization/Group Fund Raising 2024 Report	
Building	Organization/Group Name
Algonquin Lakes Elementary School	PTO
Algonquin Middle School	PTO
Big Timber Elementary School	PTO
Dundee-Crown High School	Athletic Boosters
Dundee Highlands Elementary School	PTO
Eastview Elementary School	PTO
Gary D Wright Elementary School	PTO
Gilberts Elementary School	PTO
Hampshire Elementary School	PTO
Hampshire High School	Athletic Boosters
Hampshire Middle School	PTO
Jacobs High School	Athletic Boosters
Lakewood Elementary School	PTO
Liberty Elementary School	PTO
Lincoln Prairie Elementary School	PTO
Neubert Elementary School	PTO
Sleepy Hollow Elementary School	PTO
Westfield Community School	PTO



DISTRICT 300

COMMUNITY UNIT SCHOOL DISTRICT NO. 300 BOARD of EDUCATION MEMO

DATE: October 8, 2024

TO: Dr. Martina Smith, Superintendent
Board of Education

FROM: Eberto Mora
Assistant Superintendent of
Human Resources

Presented at the following Board Meetings	
Board Operations Committee	10/08/2024
Policy/Legislative	
School Utilization	
BOE 1 st Reading	10/08/2024
BOE 2 nd Reading	10/22/2024

SUBJECT: Insurance Open Enrollment Software Service Renewal

Background

As a district, employee insurance represents 10% of our overall budget. Due to the complexities of employee insurance and the limited D300 Benefits staff, employees cannot always receive the appropriate education during open enrollment to make the best choice for themselves.

Since 2019, the district has entered into a contract for employee insurance software and services to address this issue and concern.

Administrative Recommendation

The Administration recommends approving and renewing the contract as presented for the 2024-2025 fiscal year.

Fiscal Impact

There is no cost to the district for these services. However, the provider will provide an overview of additional insurance options that employees can purchase at their own expense.



Community Unit School District 300
2605 BUNKER HILL DRIVE
ALGONQUIN, IL 60102
Diane C. White, Director of Purchasing
PHONE: 847-551-8460 FAX: 847-551-8463

September 27, 2024

Mr. Jason Pledger
American Fidelity Assurance
Company
Illinois Branch
333 Salem Place Suite
Fairview Heights, IL 62208

Via Email: Jason.pledger@americanfidelity.com

RFP- Open Enrollment Services - Contract Extension

Dear Mr. Pledger,

The Community Unit School District 300 Board of Education originally approved a contract for Open Enrollment-Online Benefits Services on August 24, 2020. District 300 would like to renew our existing contract based on your July 9, 2020 response submittal. The new extension will run from August 1, 2024 to July 31, 2025.

This signed letter along with the attached documents – original Bid specifications, addenda, and your final response combined serve as the contract for this project.

If your firm agrees to continue to provide services at no cost to the district, The administration will recommend this contract extension to the Board of Education for review on Tuesday, October 8, 2024 and approval on Tuesday, October 22, 2024.

Please review and sign this letter by October 1, 2024. If you have any questions please call 847-551-8460.

This Agreement is entered into as of October 22, 2024.

Diane White
8375D43E716D90C09E2DBCBD5C76FBD7 contractworks.
OWNER (Signature)

2024-09-27

Jason Pledger
9209E02E1AB8BE6933F06D251723044B contractworks. **2024-10-01**

CONTRACTOR (Signature)

Jason Pledger **SVP, Chief Experience Officer**
(Printed name and title)

If you have any further questions regarding this contract, please feel free to contact me at (847) 551-8460.

Sincerely,

Diane White
8375D43E716D90C09E2DBCBD5C76FBD7 contractworks.
Diane C. White, Director of Purchasing



DISTRICT 300

Community Unit School District 300

2605 BUNKER HILL DRIVE

ALGONQUIN, IL 60102

Diane C. White, Director of Purchasing

PHONE: 847-551-8460 · 847-551-8463

May 3, 2023

Mr. Jason Pledger
American Fidelity Assurance
Company
Illinois Branch
333 Salem Place Suite 130
Fairview Heights, IL 62208

Via Email: Jason.pledger@americanfidelity.com

RFP – Open Enrollment Services – Contract Extension

Dear Mr. Pledger,

The Community Unit School District 300 Board of Education originally approved a contract with American Fidelity for Open Enrollment-Online Benefits Services on August 24, 2020. The following year, this contract was extended through July 31, 2023. District 300 would like to renew our existing contract.

Both the original contract and extensions are attached.

If your firm agrees to continue to provide services at no cost to the District, The Administration will recommend this contract extension to the Board of Education for review on Tuesday, June 13, 2023 and approval on Tuesday, June 27, 2023.

District 300 kindly requests your return of acceptance by Tuesday, May 16, 2023. If you have any questions, please call 847-551-8460.

Sincerely,

Diane White

8375D43E716D90C09E2DBCBD5C76FBD7 contractworks. 2023-05-03

Diane C White, Director of Purchasing

Acceptance:

Jason Pledger

9209E02E1AB8BE6933F06D251723044B contractworks. 2023-05-04

American Fidelity Assurance Company

Jason Pledger

VP Chief Experience Officer



Community Unit School District 300
2605 BUNKER HILL DRIVE
ALGONQUIN, IL 60102
Diane C. White, Director of Purchasing
PHONE: 847-551-8460 • FAX: 847-551-8463

June 23, 2021

Mr. Jason Pledger
American Fidelity Assurance Company
Illinois Branch
333 Salem Place Suite 130
Fairview Heights, IL 62208

Via email: jason.pledger@americanfidelity.com

RFP – Open Enrollment Services

Dear Mr. Pledger,

Congratulations! District 300 has awarded American Fidelity Assurance Company the contract extension to provide Open Enrollment-Online Benefits Services from August 1, 2021 to July 31, 2023. These services shall be provided at no cost to the District. The Board of Education approved this award at their regular meeting on Tuesday, June 22, 2021.

This signed letter along with the attached documents and original RFP specifications, addenda, and your final response combined serve as the contract for this project.

Please sign your award letter by Wednesday, June 30, 2021. Please submit your Certificate of Insurance naming District 300 as additional insured by Friday, July 30, 2021 to: bids.purchasing@d300.org

This Agreement is entered into as of Wednesday, June 23, 2021.

Diane White
8375D43E716D90C09E2DBCBD5C76FBD7 contractworks 06/28/2021
ADMINISTRATOR (Signature)

Diane C White, Director of Purchasing

Jason Pledger
9209E02E1AB8BE6933F06D251723044B contractworks 06/28/2021
CONTRACTOR (Signature)

Jason Pledger VP Director of Marketing
(Printed name and title)

Please will receive an executed contract through Contract Works.

If you have any further questions regarding this contract, please feel free to contact me at (847) 551-8460.

Sincerely,

Diane C. White
Diane C White, Director of Purchasing



Community Unit School District 300
2605 BUNKER HILL DRIVE
ALGONQUIN, IL 60102
Diane C. White, Director of Purchasing
PHONE: 847-551-8460 • FAX: 847-551-8463

June 1, 2021

Ms. Whitney Dyson
American Fidelity
Illinois Branch
333 Salem Place Suite 130
Fairview Heights, IL 62208

RFP – Open Enrollment-Online Benefits Services

Dear Ms. Dyson:

On August 24, 2020, The Board of Education originally approved a contract with American Fidelity for Open Enrollment-Online Benefits Services. The contract included the possibility of two (2) one (1) year extensions. District 300 would like to extend our current contract based your July 9, 2020 response submittal. The contract extension dates would be August 1, 2021 to July 31, 2023.

If your firm agrees to provide services at no cost to the District, the Administration will recommend your contract extension to the Board of Education for review by the finance committee on Tuesday, June 8, 2021 and award by the Board of Education on Tuesday, June 22, 2021.

If you have any questions about this offer letter, please contact me directly at 847-551-8460.

Sincerely,

Diane White

8375D43E716D90C09E2DBCBD5C76FBD7 contractworks. 06/01/2021

Diane C White, Director of Purchasing

Acceptance to hold submitted proposal and terms:

Jason Pledger

9209E02E1AB8BE6933F06D251723044B contractworks.

Service Provider

Jason Pledger

VP, Director of Marketing

06/04/2021

Date Signed



Community Unit School District 300
2605 BUNKER HILL DRIVE
ALGONQUIN, IL 60102
Diane C. White, Director of Purchasing
PHONE: 847-551-8460 • FAX: 847-551-8463

August 31, 2020

Ms. Kaitlin Economon
American Fidelity Assurance
Company
Illinois Branch
9000 Cameron Parkway
Oklahoma City, OK 73114

RFP – Open Enrollment Services

Dear Ms. Economon,

Congratulations! District 300 has awarded American Fidelity Assurance Company the contract to provide Open Enrollment Services for year one beginning, Tuesday, September 1, 2020 through August 301, 2021, with the possibility of two, one year extensions. The Board of Education approved this award at their regular meeting on Tuesday, August 25, 2020.

This signed letter along with the attached documents – original Bid specifications, addenda, and your final response combined serve as the contract for this project.

Please sign your award letter by Friday, September 4, 2020. Please submit your Certificate of Insurance naming District 300 as additional insured by Friday, September 11, 2020 to: bids.purchasing@d300.org

This Agreement is entered into as of Wednesday, September 1, 2020.

Diane C. White

ADMINISTRATOR (Signature)

Diane C White, Director of Purchasing

Jason Pledger

CONTRACTOR (Signature)

Jason Pledger

VP, Marketing

(Printed name and title)

Please will receive an executed contract through Contract Works.

If you have any further questions regarding this contract, please feel free to contact me at (847) 551-8460.

Sincerely,

Diane C. White

Diane C White, Director of Purchasing

**Community Unit School District # 300
Purchasing Department
2505 Bunker Hill Drive
Algonquin, IL 60102
847-551-8460 - PHONE
847-551- 8463- FAX**

June 22, 2020

Dear Vendor:

The Board of Education of Community Unit School District No. 300 (the "District") invites you to submit a sealed **Request for Proposal** for:

RFP – Open Enrollment Services

The enclosed proposal form(s) **must** be used in submitting your proposal. Proposals must be addressed as follows:

**Community Unit School District No. 300
Purchasing Department –
Open Enrollment Services
2605 Bunker Hill Drive
Algonquin, IL 60102**

Electronic proposals will be received until **-3:00PM CT, Thursday, July 9, 2020** at which time they will be opened and read.

The required Contractor's Certification forms must be completed and returned with your proposal.

It is the intention of the Board of Education to award the proposal at the **Tuesday, August 25, 2020 regular meeting**. The Board of Education may make such investigations as deemed necessary to determine the ability of the bidder to perform the work, and the bidder shall furnish to the District all such information for this purpose as the District may request. The District reserves the right to reject any or all proposals if the evidence submitted by, or investigation of, such bidder(s) fails to satisfy the District that such bidder(s) is properly qualified to carry out the obligations of the contract and to complete work contemplated therein. District further reserves the right to waive any minor irregularities or minor defects in the proposals, which do not affect the price nor constitute some type of substitution for a designated item, and to accept the proposal, which is in the best interest of the District. Conditional proposals will not be accepted. Strikeouts or addition of conditions or provisions or insertion of substitutes shall be reason for rejecting a proposal without any specification of reason for the rejection. Any request for information shall be made to Diane C. White, Director of Purchasing, but the response may not be used as a condition to any proposal being submitted.

Sincerely,

Diane C. White
Director of Purchasing

PUBLIC NOTICE

NOTICE TO BIDDERS

The Board of Education of Community Unit School District 300 is
accepting
Electronic proposals for –

RFP – Open Enrollment Services

Electronic proposals will be received until
3:00PM CT, Thursday, July 9, 2020 at the D300 Purchasing
Department, at which time they will be publicly opened and read.

**Community Unit School District #300
Purchasing Office
2605 Bunker Hill Drive
Algonquin, IL 60102**

A Non-Mandatory Pre–RFP Meeting is scheduled for
9:30 AM CT, Wednesday, June 24, 2020. At that time,
prospective bidders are invited to review bid documents via virtual meeting.
Please contact the D300 Purchasing Department for access to this meeting.

Any questions regarding this proposal must be directed to:

**Community Unit School District #300
Diane C. White
2605 Bunker Hill Drive
Algonquin, IL 60102
847-551-8460
Bids.purchasing@d300.org**

Proposal specifications will be available on Friday, June 19, 2020 after 3:00PM.
To obtain specifications, please contact the District 300 Purchasing Office
at 847-551-8460 or bids.purchasing@d300.org.

RFP - Open Enrollment Services			
ACTION	DATE	TIME	LOCATION
Timeline Established	6/15/2020		Purchasing Office
Specifications Finalized	6/17/2020		
Legal Ad Published	6/18/2020	3:00 PM	Daily Herald
Specifications Released to Vendors	6/18/2020		
Pre-RFP Meeting	6/24/2020	9:30 AM	Electronic - Google Meet
Q&A Deadline – via email	7/2/2020	4:30 PM	bids.purchasing@d300.org
RFP Opening - Electronic Submittal	7/9/2020	3:00 PM	bids.purchasing@d300.org
Evaluation Period	7/9/2020 - 7/23/2020		Eberto Mora, Executive Director of Human Resources
CFO Packet	7/31/2020		Susan Harkin, COO
Board Finance Committee	8/10/2020		Administration Building
BOE Workshop	8/11/2020		Administration Building
BOE Approval	8/25/2020		Administration Building

Instructions to Bidders

1. GENERAL

- a. Proposals shall be signed and submitted in an envelope properly marked with the title of the proposal, and date and time of opening. Unsigned proposals will be rejected.
- b. Seal and deliver proposal to the purchasing office on or before the time scheduled for the opening. Late proposals will not be opened nor considered.
- c. All proposals shall be made on this form.
- d. The District is not subject to Federal Excise Tax or Illinois Sales or Retailers Occupational Tax. Proposals should not include sales or excise tax.
- e. Prices quoted shall include all charges for packing, transportation and delivery to the locations designated on the proposal specification and installation, if called for, in the proposal specifications.
- f. Correspondence shall be addressed to the Purchasing Director.
- g. Proposals are available for inspection in the purchasing office by appointment for 10 days after the date of the award of an order.
- h. Oral, telephonic, telegraphic, facsimile or electronically transmitted proposals will not be accepted.

2. ERRORS AND OMISSIONS

All proposals shall be submitted with each space properly completed. The special attention of bidders is directed to the policy that no claim for relief because of errors or omissions in the bidding will be considered, and bidders will be held strictly to the proposals as submitted. Should a bidder find any claimed discrepancies in, or omissions from, any of the documents, or be in doubt as to their meanings, bidder shall advise the purchasing official first orally, followed by written (FAX or letter) with specification of the claimed problems which must be received during regular working hours at least 10 days before the date set for proposal opening so that a written notification can be prepared by any purchasing official, who will issue the necessary clarifications to all prospective bidders by means of addenda.

3. FIRM PROPOSAL

All proposals will be considered to be firm for a period of sixty (60) days from the date established for the opening of proposals.

4. WITHDRAWAL OF PROPOSALS

Proposals may be withdrawn by letter, or telegram, or fax received by the district or in person prior to the time and date established for the opening of proposals.

5. INVESTIGATION OF BIDDERS

- a. The purchasing official will make such investigation as is necessary to determine the ability of the bidder to fulfill proposal requirements. The bidder shall furnish such information as may be requested and shall be prepared to show completed installations of equipment, types of service or supplies similar to those included in the proposal.
- b. The Board of Education reserves the right to reject any proposal if it is determined that the bidder is not properly qualified to carry out the obligations of the contract. The Board of Education reserves the right to reject any or all proposals, to waive irregularities and to accept that proposal which is considered to be in the best interest of the District. Any such decision shall be considered final. All items proposed shall be new unless otherwise specified in the requirements.

6. VENDOR APPLICATION AND W-9 FORM

The District requires that a current Vendor Application and W-9 form be included with your sealed proposal. These forms can be found on the District website – www.d300.org. Go to Departments-Finance-Purchasing to download the vendor application and W-9 form.

7. Compliance with the Illinois Prevailing Wage Act

It shall be mandatory upon the bidder and upon any subcontractor thereof to pay all laborers, workmen, and mechanics employed by them not less than the general prevailing rate of wages as found by the District or Department of Labor for each craft or type of worker or mechanic needed to execute the contract and the general prevailing rate for legal holiday and overtime work as ascertained by the Illinois Department of Labor. The prevailing wage rates are revised by the Department of Labor periodically and are available on its website. The bidder shall comply with all provisions of the Illinois Prevailing Wage Act, 820 ILCS 130/0.01 *et seq.*, applicable to the work. Payment of any bidder shall not be processed without receipt of certified employee records required by 820 ILCS 130/5.

8. SIGNATURE CONSTITUTES ACCEPTANCE

The signing of these proposal forms shall be construed as acceptance of all provisions contained herein.

9. CONTRACTS

The successful bidder will be required to enter into a contract incorporating the terms and conditions of this proposal.

10. EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this Contract (whether or not federal funds are involved) the bidder agrees as follows:

- a. The bidder will not unlawfully discriminate against any employee or applicant for employment because of age, race, creed, color, sex, religion, ancestry, marital status, handicap, military status, unfavorable discharge from military service or national origin, as those terms are contained in the Illinois Human Rights Act (775ILCS 5/1-10 et. seq., hereinafter "unlawful discrimination"). The bidder will take affirmative action to ensure the applicants are employed, and that employees are treated equally during employment, without unlawful discrimination. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The bidder agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- b. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the bidder, state that all qualified applicants will receive consideration for employment without unlawful discrimination.

11. COMPLETION DELIVERY TIME

If delivery time will exceed thirty (30) days after receipt of a purchase order, bidders state the delivery time by each respective item. All prices must be quoted FOB. Destination. Shipments shall become property of consignee after delivery and acceptance. Regardless of statements to the contrary, payment terms will begin no sooner than the date of delivery of goods.

12. EVALUATIONS

The District reserves the right to reject any and all proposals, to waive any technicalities in the bidding and to award each item to a different bidder or all items to a single bidder unless otherwise noted on proposal request, and to determine whether in the opinion of the District: (1) an early delivery date is entitled to more consideration than price, (2) an earlier delivery date is to be disregarded because of the reputation of the bidder for not meeting delivery dates, (3) a bidder is not a responsible bidder and should be disregarded. The District will authorize the release of purchase orders upon acceptance of proposals. In the event of pricing errors, the unit count(s) listed will prevail and be considered accurate.

13. EXAMINATION OF DOCUMENTS AND SITE

Before submitting a proposal for work on any project, each bidder shall carefully examine the project site and the contract documents, fully inform itself of existing conditions and limitations of the project sites, rely entirely upon their own judgment in making the proposal, and include in its own proposal all sums sufficient to provide all work required by the contract documents. After opening of proposals, no additional allowance will be made for changes in project scope and/or price due to work, which would have been apparent, by examination of the documents and sites. By submitting a proposal, each bidder shall be held to represent that bidder has made the examination in complete detail and has determined beyond doubt that the documents and existing conditions are sufficient, adequate and satisfactory for completion of the work.

14. PERFORMANCE: LABOR AND MATERIAL PAYMENT BONDS (IS NOT REQUIRED OF THIS PROJECT)

Within ten days after the date of the Notice of Award, the successful contractor shall enter into a formal contract with the District and shall provide a Performance Bond and a Labor and Material Payment Bond, each in the full amount of the contract. Each bond shall be in accordance with AIA. Document A31 1. The contractor shall pay the cost of premiums for said bonds. The bonds shall be signed and sealed by an authorized representative of the bonding company and authorized officer or representative of the contractor, and a certificate of the authority of those signing the bonds, if not officers, shall be attached thereto.

The Performance Bond and the Labor and Material Payment Bond shall guarantee the performance of the duties placed on the contractor by the Prevailing Wage Act, as well as all other duties undertaken pursuant to the contract with the District, and shall indemnify the District from any liability or loss resulting to the District from any failure of the contractor fully to perform each or all of said duties.

The Performance Bond and the Labor and Material Payment Bond herein provided shall be placed with a Surety company or companies having a policy holder's rating not lower than "A" and a financial rating not lower than "AAA" in Best's Insurance Guide (current edition).

15. BID SECURITY (IS NOT REQUIRED OF THIS PROJECT)

A Bid Bond or certified check made payable to the District in the amount of ten percent (10%) of the proposal shall accompany each proposal as a guarantee that the bidder, if awarded the contract, will furnish the required Performance Bond and Labor and Material Payment bonds, execute the contract and proceed with the work. Upon failure to do so, the bidder shall forfeit the check or the district shall be entitled to the principal amount of bid bonds as liquidated damages. No mistakes or errors on the part of the bidder shall excuse the bidder or entitle bidder to a return of the check or bid bond. No bidder may withdraw a proposal for a period of 60 days after the date of opening thereof.

The bid bonds or checks will, with the exception of those of the three lowest bidders, be returned within seven days after the opening of proposals and the remaining checks or bid bonds will be returned when the contract is executed and all required bonds have been provided.

16. SERVICE POINTS

Building Name	Address
Administration Center	2550 Harnish Drive Algonquin, IL 60102
Algonquin Lakes Elementary	1401 Compton Drive Algonquin, IL 60102
deLacey Family Educ. Center	50 Cleveland Avenue Carpentersville, IL 60110
Dundee Highlands Elementary	407 South Fifth Street West Dundee, IL 60118-2899
Eastview Elementary	540 Longwood Drive Algonquin, IL 60102
Gilberts Elementary	729 Paperbark Lane Gilberts, IL 60136
Golfview Elementary	124 Golfview Lane Carpentersville, IL 60110-2399
Hampshire Elementary	321 Terwilliger Avenue Hampshire, IL 60140-9604
Lake in the Hills Elementary	519 Willow Street Lake in the Hills, IL 60156-
Lakewood	1651 Ravine Lane Carpentersville, IL 60110-2130
Liberty Elementary	6500 Miller Road Carpentersville, IL 60110
Lincoln Prairie Elementary	500 Harvest Gate Road Lake in the Hills, IL 60156
Meadowdale Elementary	14 Ash Street Carpentersville, IL 60110-1694
Neubert Elementary School	1100 Huntington Drive Algonquin, IL 60102-1999
Parkview Elementary	122 Carpenter Blvd. Carpentersville, IL 60110-1918
Perry Elementary	251 Amarillo Drive Carpentersville, IL 60110-1199
Sleepy Hollow Elementary	898 Glen Oak Drive Sleepy Hollow, IL 60118-2698
Westfield Community School	2100 Sleepy Hollow Road Algonquin, IL 60102-2698
Wright Elementary	1500 Ketchum Road Hampshire, IL 60140
Algonquin Middle School	520 Longwood Drive Algonquin, IL 60102-3099
Carpentersville Middle School	100 Cleveland Avenue Carpentersville, IL 60110-1960
Dundee Middle School	37W450 Route 72 West Dundee, IL 60118-9590
Hampshire Middle	560 South State Street Hampshire, IL 60140-9606
Dundee-Crown High School	1 Charger Country Drive Carpentersville, IL 60110-1474
Hampshire High School	1600 East Big Timber Road Hampshire, IL 60140
Jacobs High School	2601 Bunker Hill Drive Algonquin, IL 60102-9734

Oak Ridge School	300 Cleveland Ave Carpentersville, IL 60110
Buildings and Grounds	2605 Bunker Hill Drive Algonquin, IL 60102

Project Manager:

Eberto Mora, Executive Director of Human Resources

Office: 847-551-8300

Email: Eberto.mora@d300.org

17. WARRANTY

The bidder shall warrant the work services, and/or products to be free of defects in material and workmanship for a period of 3 years. This warranty shall obligate the contractor to repair or replace the products at no additional charge to the District.

18. INSURANCE (REQUIRED)

The contractor shall provide and maintain insurance in the amounts outlined below with companies acceptable to the District:

MINIMUM INSURANCE REQUIREMENTS

General Liability	General Aggregate	\$2,000,000
	Products-Comp/OP Agg	2,000,000
	Personal Injury	1,000,000
	Each Occurrence	1,000,000
	Fire Damage (Any one fire)	50,000
	Medical Exp. (Any one person)	5,000
Excess Liability	Each Occurrence	2,000,000
	Aggregate	2,000,000
Automobile Liability	Bodily Injury (each occ)	1,000,000
	Property Damage (each occ)	1,000,000
Worker's Compensation	Statutory Limits	
	Each Accident	500,000
	Disease-Policy Limit	500,000
	Disease-Each employee	500,000

All such insurance shall not be cancelable without thirty (30) days prior written notice being given to the District.

With respect to the insurance required herein, the contractor shall provide such insurance naming the District, the Board of Education and its members individually, and its employees and agents as **additional named**

insured. The contractor shall also purchase and maintain such insurance as will protect the District from and against all claims, damages, loss and expenses, including attorney's fees arising out of or resulting from the performance of the work, provided that any such claim, damage, loss or expense, (1) is attributable to bodily injury to or destruction of tangible property (other than the work itself), including the loss of use resulting therefrom, and (2) is caused in whole or in part by a negligent act or omission of the contractor, subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts they may be liable, regardless of whether or not it is caused in part by a party to whom insurance is afforded pursuant to this paragraph.

It is MANDATORY within ten (10) days after the proposal award, that the Certificate(s) of Insurance shall be submitted to the insurance agent for the District.

19. TOTAL PRICE FOR ALL ITEMS BID

A total proposal dollar amount, regardless of whether or not the bidder is bidding all items, must be entered in the appropriate section of the proposal form before signing and submitting the proposal.

20. HOLD HARMLESS AND INDEMNIFICATION

The contractor shall assume all liability for, and shall protect, defend, indemnify and hold harmless, the Board of Education, its members individually, officers, employees, servants and agents, from and against all claims, actions suits, judgments, costs, losses, expenses and liabilities of whatsoever kind or nature including reasonable legal fees incurred by owner arising out of:

- A. Any infringement (actual or claimed) of any patents, copyrights or trade names by reason of any work performed or to be performed by the contractor under this contract or by reason of anything to be supplied by the contractor pursuant to this contract.
- B. Bodily injury, including death, to any person or persons (including contractor's officers, employees, agents and servants) or damage to or destruction of any property, including the loss of use thereof:

- Caused in whole or in part by an act, error or omissions by the contractor or any subcontractor or anyone directly or indirectly employed by any of them regardless of whether or not it is caused in part by a party to be indemnified hereunder.

- Arising directly or indirectly out of the presence of any person in or about any part of the project site or the streets, sidewalks and property adjacent thereto.

- Arising directly or indirectly out of the use, misuse or failure of any machinery or equipment used directly or indirectly in the performance of this contract.

21. DAMAGE TO PROPERTY

In the event the bidder damages the District's property, the bidder shall, at the bidder's sole cost, restore the property or any surrounding area. Such restoration shall be to a condition at least equivalent to the condition of the affected area immediately before the destruction or damage. If the bidder does not repair such damage within 14 days after receiving written notice from the District, or such lesser time if the District determines the damage creates an emergency situation, the District may repair the damage and the bidder shall reimburse the District for the costs the District incurs within 14 days after the District provides a written invoice to the bidder.

22. LATE PROPOSALS

Proposals received after the time specified in the Request for Proposals will not be opened or considered. The method of transmittal of the proposal is at the bidder's risk of untimely receipt by the Board of Education. The use of Board of Education equipment for transmission of proposals is prohibited.

23. RECYCLED PRODUCTS

The District supports national and local efforts for recycling. Bidders are encouraged to offer recycled supplies and materials as proposal alternatives. Notations are to be included as to the percentage of recycled products in each item.

24. PAYMENT

Payment to be made within 45 days after the project completion.

Does your company accept ACH payments?

Does your company accept credit cards?

Does your company allow discounts for early payments?

Discounts examples –

2% 10 days net 30

1% 20 days net 30

25. MANUALS

The successful bidder shall supply, at no cost to the District, a detailed service manual, parts list, and list of service locations.

26. CONTRACT TERM -

The work is to commence on August 27, 2020 to prepare for open enrollment starting in October 2020. Term of the contract is for 1 year with the option of two (2) one year extensions with favorable recommendation from the Executive Director of Human Resources.

27. PERSONNEL

If any person employed on the work site were, in the opinion of the District project manager, intemperate, disorderly, incompetent, willfully negligent or dishonest on the performance of his/her duties, he or she shall be directed by the contractor to cease work and vacate the job site immediately.

28. SEXUAL HARASSMENT

775 ILCS 5/2-105, Human Rights Act Requirement – Written Sexual Harassment Policies contained as follows: Bidder shall have written sexual harassment policies that shall include, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under State law; (iii) a description of sexual harassment, utilizing examples; (iv) the vendor's internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Department and the Commission; (vi) directions on how to contact the Department and Commission; and (vii) protection against retaliation as provided by Section 6-101 of this Act. A copy of the policies shall be provided to the Department upon request.

29. QUALIFICATIONS

Vendor must be an authorized dealer and installer of products vendor is bidding on. Vendor must supply a list of references of like products and installations. Reference sheet is attached.

30. FINANCIAL STABILITY. The District may require, upon request, evidence as to the financial stability of the contractor. Upon request, the contractor shall provide the following information to the District within 48 hours:

- a. The name of any owner or co-owner, equity of each co-owner or corporate offices of the entity submitting the proposal, and the name, address, and business telephone number of each such person.
- b. The last financial statement and balance sheet of the bidder, including a specification in detail of all loans outstanding, or a copy of the last certified annual audit.

31. COMPLIANCE WITH LAWS.

Successful bidder shall at all times observe and comply with all laws, ordinances, regulations and codes of the federal, state, county and other local government agencies, which may in any manner affect the performance of the contract and in particular any such laws pertaining to safety.

32. GOVERNING LAW

The terms of this quote shall be governed and construed in accordance with the laws of the State of Illinois. If any provision hereof shall be held to contravene any applicable law, such provision shall be deemed reformed to the extent of conforming to said law, and in all other respects the terms hereof shall remain in full force and effect.

33. PROPOSAL

The signing of the submittal form shall be construed as acceptance of all provisions contained herein. All proposals shall be submitted with each space properly completed. Any explanation or statement which the bidder wishes to make must be placed in the same envelope with the bid. Unless the bidder so indicates, it is understood that the bidder has submitted the proposal in strict accordance with the specification requirements. The Bidder acknowledges that any variation from the specifications will be grounds for the District to reject the quote, although the District may accept the quote with the verification if, in its sole discretion, it determines that such proposal is in the District's best interest. All quotes shall be deemed final, conclusive and irrevocable. No claim for relief because of errors or omissions in the bidding will be considered, and bidders will be held strictly to the proposals as submitted. Should a bidder find any discrepancies in, or omissions from any of the documents, or be in doubt as to their meanings, the bidder shall submit questions as provided in this document. Bidders must satisfy themselves upon examination of these specifications, as to the intent of the specifications. After the submission of the proposal, no complaint or claim that there was any misunderstanding in regard to items listed for bidding will be entertained from a bidder.

34. BIDDER'S AGREEMENT

The bidder hereby declares understanding, agreement, and certification of compliance to provide the services, work, and/or products to the District, at the prices quoted, in accordance with all terms and conditions, requirements, and specifications contained in these documents, and any issued amendments. The contractor further agrees that the language of this document shall govern in the event of a conflict with (1) the bidder's bid or

(2) any subsequent purchase order between the bidder and the District. The bidder should, as a matter of clarity and assurance, also sign and submit all amendment(s) issued by the District related to this work. The bidder further agrees that upon receipt of an authorized purchase order or when an authorized official of the District countersigns this document, a binding contract shall exist between the bidder and the District. This document combined with amendments, the bidder's proposal, the required submittals, and the purchase order, if any, shall comprise the binding contract.

35. CANCELLATION – The District reserves the right to cancel this contract at any time for reasons of unsatisfactory services.

36. ADDITIONAL INFORMATION

Contact Diane C. White, Director of Purchasing, (847) 551-8460, between the hours of 8:00AM and 4:30PM, or by email – diane.white@d300.org

REFERENCES

**LIST BELOW THE LAST FOUR (4) BUSINESSES OR OTHER
ORGANIZATIONS FOR WHICH YOU HAVE PROVIDED COMPARABLE
SERVICES PERFORMED ON EDUCATIONAL, LIBRAIRIES, OR OTHER
MUNICIPALITIES IN THE LAST (5) YEARS..**

1. ORGANIZATION:

ADDRESS:

CITY, STATE, and ZIP CODE:

TELEPHONE NUMBER:

CONTACT PERSON:

DATE OF SERVICES:

DOLLAR AMOUNT OF THE JOB:

2. ORGANIZATION:

ADDRESS:

CITY, STATE, and ZIP CODE:

TELEPHONE NUMBER:

CONTACT PERSON:

DATE OF SERVICES:

DOLLAR AMOUNT OF THE JOB:

REFERENCES (CONT.)

3. ORGANIZATION:

ADDRESS:

CITY, STATE, and ZIP CODE:

TELEPHONE NUMBER

CONTACT PERSON:

DATE OF SERVICES:

DOLLAR AMOUNT OF THE JOB:

4. ORGANIZATION:

ADDRESS:

CITY, STATE, and ZIP CODE:

TELEPHONE NUMBER

CONTACT PERSON:

DATE OF SERVICES:

DOLLAR AMOUNT OF THE JOB:

OFFEROR'S NAME: _____

SIGNATURE: _____ DATE - _____

CERTIFICATE OF BIDDER ELIGIBILITY

720 ILCS 5/33E-11 requires that all contractors bidding for public agencies in the State of Illinois certify that they are not barred from bidding on public contracts for bid rigging or bid rotation.

The following certification must be signed and submitted with bidder's bid Quote.
FAILURE TO DO SO MAY RESULT IN DISQUALIFICATION OF THE BIDDER.

_____, as part of its bid for the _____ work for Community Unit School District #300, Algonquin, Illinois, of Cook, DeKalb, Kane, and McHenry Counties, Illinois certifies that said contractor is not barred from bidding on the aforementioned contract as a result of a violation of either 720 ILCS 5/33E-3 or 720 ILCS 5/33-E4.

Firm: _____

By: _____
(Signature)

(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

NOTARY PUBLIC

**CERTIFICATE OF COMPLIANCE WITH
ILLINOIS DRUG-FREE WORKPLACE ACT**

_____, having 25 or more employees, does hereby certify pursuant to section 3 of the *Illinois Drug-Free Workplace Act* (30 ILCS 580/3) that it shall provide a drug-free workplace for all employees engaged in the performance of work under the contract by complying with the requirements of the *Illinois Drug-Free Workplace Act* and, further certifies that it is not ineligible for award of this contract by reason of debarment for a violation of the *Illinois Drug-Free Workplace Act*.

Firm: _____

By: _____
(Signature)

(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

NOTARY PUBLIC

CERTIFICATE REGARDING SEXUAL HARASSMENT POLICY

_____, does hereby certify pursuant to Section 2-105 of the *Illinois Human Rights Act* (775 ILCS 5/2-105) that it has a written sexual harassment policy that includes, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under State law; (iii) a description of sexual harassment, utilizing examples; (iv) an internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Department of Human Rights and Human Rights Commission; (vi) directions on how to contact the Department of Human Rights and Human Rights Commission; and (vii) protection against retaliation.

Firm: _____

By: _____
(Signature)

(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

NOTARY PUBLIC

**CERTIFICATE REGARDING
EQUAL EMPLOYMENT OPPORTUNITY**

_____, does hereby certify pursuant to Section 2-105 of the *Illinois Human Rights Act* (775 ILCS 5/2-105) that it has a written equal employment opportunity policy that is in compliance with all terms and conditions of the Equal Employment Opportunity provisions of the Illinois Human Rights Act.

Firm: _____

By: _____
(Signature)

(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

NOTARY PUBLIC

CERTIFICATE REGARDING

EMPLOYMENT OF ILLINOIS WORKERS ON PUBLIC WORKS

_____ agrees if at the time the Agreement is executed, or if during the term of the Agreement, there is excessive unemployment in Illinois as defined in the Employment of Illinois Workers on Public Works Act, 30 ILCS 570/0/01 et seq., as two consecutive months of unemployment exceeding 5%, then _____ agrees to employ Illinois laborers in accordance with the Employment of Illinois Workers on Public Works Act. An "Illinois laborer" is defined as any person who has resided in Illinois for at least thirty (30) days and intends to become or remain an Illinois resident.

Firm:

By:

(Signature)

(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

NOTARY PUBLIC

NON-COLLUSION AFFIDAVIT

AFFIDAVIT: "I (we) hereby certify and affirm that my (our) Quote was prepared independently for this project and that it contains no fees or amounts other than that for the legitimate execution of this work as specified and that it includes no understanding or agreements in restraint of trade."

The following affidavit must be signed and submitted with bidder's bid Quote.
FAILURE TO DO SO MAY RESULT IN DISQUALIFICATION OF THE BIDDER.

_____, as part of its bid for the _____ work for Community Unit School District #300, Algonquin, Illinois certifies that said Contractor is not barred from bidding on the aforementioned contract as a result of a violation of the above Non-Collusion Affidavit.

Firm: _____

By: _____
(Signature)

(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

NOTARY PUBLIC

CERTIFICATE REGARDING
COMMUNITY UNIT SCHOOL DISTRICT 300
VENDOR/CONTRACTOR CONFLICT OF INTEREST

_____, does hereby certify that they have read and fully understand the Vendor/Contractor Conflict of Interest Board Policy as stated below:

Vendor/Contractor Conflict of Interest

Any vendor or contractor doing \$5,000 - \$25,000 in business with the District within a fiscal year shall not contribute to any political campaign that directly affects the District while doing business for the District or for a period of two years after completion of business with the District. Further, the District will not enter into significant business with a vendor or contractor that has contributed to a political campaign that directly affects the District within two years prior to commencing business. Any vendor or contractor that participates and is awarded a contract through the competitive bidding process is exempt from this policy.

LEGAL REF.: 105 ILCS 5/10-20.19c, 5/10-20.21, 510-22.34c, and 5/19b-1 et seq.
820 ILCS 130/0.01 et seq.

CROSS REF: 2:100 (Board Member Conflict of Interest), 4:70 (Resource Conservation) 4:150 (Facility Management and Building Programs)

ADOPTED: February 10, 2003

Firm: _____

By: _____
(Signature)

(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

NOTARY PUBLIC

CRIMINAL BACKGROUND INVESTIGATIONS

Contractor hereby represents, warrants, and certifies that no officer or director thereof has any knowledge that any employee thereof has been convicted of committing or attempting to commit "Criminal Code of 1961," 720 ILCS, Sections 5/11-6 (Indecent solicitation of a child), 5/11-9 (Public indecency), 5/11-14 (Prostitution), 5/11-15 (Soliciting for a prostitute), 5/11-15.1 (Soliciting for a juvenile prostitute), 5/11-19 (Pimping), 5/11-19.1 (Juvenile pimping), 5/11-19.2 (Exploitation of a child), 5/11-20 (Obscenity), 5/11-20.1 (Sexual assault), 5/12-14 (Aggravated criminal sexual assault), 5/12-15 (Criminal sexual abuse), and 5/12-16 (Aggravated criminal sexual abuse), and/or those offenses defined in the "Cannabis Control Act," 720 ILCS, 550/1 et seq. (except the "Illinois Controlled Substances Act," 720 ILCS 570/100 et seq., any of the offenses that would subject a certificated employee to suspension or revocation pursuant to Section 21-23a of the School Code or anyone found to be the perpetrator of sexual or physical abuse of any minor under 18 years of age pursuant to proceedings under Article II of the Juvenile Court Act of 1987 and/or any offense committed or attempted in any other state or against the laws of the United States, which if committed or attempted in this State, would have been punishable as one or more of the foregoing offenses.

Contractor further agrees that it shall not employ any person who has or may have direct, daily contact with the pupils of any school in the district, and for whom a criminal background investigation has not been conducted pursuant hereto, and further represents and agrees that all applicants for any such employment shall furnish with their applications the attached written "Authorization for Criminal Background Information" form authorizing the District to request a criminal background investigation of said applicant pursuant to Section 5/10-21.9 of the School Code of Illinois and to receive criminal history record information pursuant thereto to determine if the applicant has been convicted of committing or attempting to commit any of the criminal or drug offenses enumerated above. Contractor further agrees to submit with said authorization payment for any costs and expenses associated with the criminal background investigation.

Contractor further represents, warrants, and certifies that no applicant for employment with respect to whom the criminal investigation reveals any conviction for committing and/or attempting to commit any of the above enumerated offenses, shall be employed thereby in any position that involves or may involve contact with the students of the school district.

This certification is executed on the date hereinafter indicated by the designated contractor by its duly authorized officer.

By: _____

Its: _____

Dated: _____

SUBSCRIBED and SWORN TO before me

This _____ day of _____, 2020

NOTARY PUBLIC

AUTHORIZATION FOR CRIMINAL BACKGROUND INVESTIGATION

The undersigned hereby authorizes the Board of Education of Community Unit School District 300, Algonquin, Illinois to request a criminal background investigation from the Illinois State Police, pursuant to Section 5/10-21.9 of the School Code of Illinois, 105 ILCS 5/10-21.9 and to receive criminal history record information pursuant thereto.

(Printed or Typed Name of Applicant Employee)

Signature of Applicant or Employee

Dated: _____



**COMMUNITY UNIT SCHOOL DISTRICT 300
PURCHASING DEPARTMENT**
2605 Bunker Hill Drive
Algonquin, IL 60102
847-551-8300
Fax: 847-551-8463

VENDOR APPLICATION FORM
(SUBJECT TO LOCAL LAWS)

Fill in all spaces. Insert "NA" in blocks not applicable.
Type all entries

APPLICATION DATE

REVISION DATE

DATE: 7/1/2020

COMPANY

American Fidelity Assurance Company

HOW LONG IN PRESENT BUSINESS?

60 years

ADDRESS

CITY

STATE

ZIP

9000 Cameron Parkway

CONTACT PERSON/REPRESENTATIVE

FAX NUMBER

()

PHONE AND EXTENSION

()

TYPE OF ORGANIZATION (Check Applicable)

☐ INDIVIDUAL ☐ PARTNERSHIP ☐ CORPORATION

IF INCORPORATED INDICATE IN WHICH STATE
Oklahoma

YEARS ESTABLISHED: 60 years

DO YOU ACCEPT PURCHASE ORDERS? YES ☐ NO ☐

DO YOU ACCEPT CREDIT CARDS? YES ☐ NO ☐

CATEGORY (Check below the category which applies to the applicant)

☐ (A) MANUFACTURER OR PRODUCER ☐ (C) RETAILER ☐ (E) DISTRIBUTOR
☐ (B) WHOLESALER ☐ (D) MANUFACTURER'S AGENT ☐ (F) SERVICE ESTABLISHMENT

NAMES OF OFFICERS, MEMBERS OR OWNERS OF CONCERN, PARTNERSHIP, ETC.

(A) PRESIDENT Jeanette Rice

(B) VICE PRESIDENT Keith Johnson

(C) SECRETARY Lisa Knatvold

(D) TREASURER Lucy Fritts

(E) OWNERS, PARTNERS, OR STOCKHOLDERS Bill Cameron

TAXPAYER'S I.D. NO.

FEIN 73-0714500

or

S.S. No. _____

INSURANCE INFORMATION (Check Applicable)

LIABILITY INSURANCE: \$2,000,000 ☐ \$2,500,000 ☐ \$5,000,000 ☐ OTHER ☐

Workers' Compensation : State Minimum ☐ Greater than Minimum ☐

Required that CUSD be named as an Additional Insured ☐ INSURANCE CO. _____

BONDING INFORMATION (Check each area in which you have been bonded and the latest date of bonding)

Perf. Bond _____ / _____ ☐ Payment Bond (Labor and Materials) _____ / _____ ☐ Builder's Risk _____ / _____ ☐
Mo. Year Mo. Year Mo. Year

PERSONS AUTHORIZED TO SIGN QUOTES, PROPOSALS, BIDS AND CONTRACTS:

NAME

OFFICIAL CAPACITY

Jason Pledger

VP of Marketing and Customer Experience

Average number of employees
(including affiliates) for four
preceding calendar quarters.

1,800

Average annual sales for
preceding three fiscal years:

\$1,000,000,000

FloorSpace (Square Feet)

Manufacturing

Warehouse

MINORITY/WOMEN BUSINESS ENTERPRISE (Check One) See Definitions Below ☐ MBE ☐ MBE/WBE ☐ WBE ☐ PBE	FOR USE BY CONTRACT COMPLIANCE ONLY: BY: _____ DATE _____ ☐ C ☐ NC
MINORITY GROUP MEMBERSHIP (Check One) See Definitions Below NOTE: DO NOT COMPLETE THIS SECTION UNLESS YOU HAVE CHECKED ONE OF THE BOXES IN THE MINORITY/WOMEN BUSINESS ENTERPRISE SECTION ABOVE. ☐ AFRICAN AMERICAN OR BLACK ☐ HISPANIC AMERICAN ☐ NATIVE AMERICAN ☐ ASIAN-PACIFIC AMERICAN	
CERTIFICATION DATE ISSUED: _____ EXPIRATION: _____	

MINORITY AND WOMEN OWNED BUSINESS ENTERPRISE DEFINITIONS

MINORITY BUSINESS ENTERPRISE ("MBE") means a certified participating business at least 51 percent (51%) of which is owned and controlled by one or more members or one or more minority groups, or in the case of a publicly held corporation, 51 percent (51%) of the stock is owned by one or more members of one or more minority groups and whose daily business operations are controlled by one or more such individuals.

WOMEN'S BUSINESS ENTERPRISE ("WBE") means a certified participating business at least 51 percent (51%) of which is owned by one or more women, or in the case of a publicly held corporation, 51 percent (51%) of the stock of which is owned by one or more women and whose daily operations are controlled by one or more such individuals. Determination of whether a business is at least 51 percent (51%) owned by a woman or women shall be made without regard to community property laws.

BUSINESS OWNED AND OPERATED BY A PERSON WITH A DISABILITY ("PBE") means a business concern of which at least 51 percent (51%) is owned by one or more persons with a disability, or in the case of the corporation, one in which at least 51 per centum of the stock is owned by one or more persons with a disability or by a not for profit agency for the disabled organized pursuant to Section 501 of the Internal Revenue Code 1954; and the management and daily business operations of which are controlled by one or more of the persons with a disability who own it.

MINORITY GROUP MEMBER is an individual who is one of the following:

AFRICAN AMERICAN OR BLACK (persons with origins in any of the Black racial groups of Africa):

HISPANIC AMERICAN (persons of Spanish culture with origins in Puerto Rico, Mexico, Cuba, South or Central America, Spain, Portugal or the Caribbean Islands regardless of race).

NATIVE AMERICAN (American Indian)

ASIAN-PACIFIC AMERICAN (persons with origins from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, Taiwan, or the Indian subcontinent).

IF YOU HAVE EVER DONE BUSINESS WITH THE SCHOOL DISTRICT UNDER ANOTHER NAME, PLEASE INDICATE NAME OR NAMES.

N/A

Give names, complete addresses, buyer's names and phone numbers of four of your customers. (Please include Federal, State or City Governments).

ORGANIZATION	ADDRESS, STATE, ZIP	BUYER	PHONE NUMBER
1. Northwest R-1	4290 Gravois Rd, House Springs, MO 63051	Michelle Adams	636-677-3473
2. Jacksonville SD #117	211 West State St, Jacksonville, IL 62650	Tami Stice	217-243-9411
3. Champaign Community ISD #4	502 W Windsor Rd, Champaign, IL 61820	Deedra Miskimins	217-351-3822
4. Quincy SD 172	1416 Maine St, Quincy, IL 62301	Teresa Kemp	217-223-8700

Bank References

NAME OF BANK	ADDRESS, STATE, ZIP	CONTACT PERSON	PHONE NUMBER
First Fidelity Bank	P.O. Box 32282, Oklahoma City, OK 73123-0482	Lee Symcox	405-416-2222

I certify that the information supplied herein (including all pages attached) is correct and that neither the applicant nor any person (or concern) in any connection with the applicant as a principal or officer, so far as is known, is not debarred or otherwise declared ineligible by any public agency from furnishing materials, supplies or services to any agency thereof.

SIGNATURE OF PERSON AUTHORIZED TO SIGN THIS APPLICATION
Jason Pledger, VP of Marketing & Customer Experience
NAME AND TITLE OF PERSON SIGNING (Please type or print)

PERSONS OR BUSINESSES INTERESTED IN BEING ADDED TO THE BIDDER'S LIST MUST FILE THIS APPLICATION WITH THE PURCHASING DEPARTMENT.

AFTER PLACEMENT ON THE BIDDERS' LIST, A VENDOR'S FAILURE TO RESPOND TO INVITATIONS FOR BIDS WILL BE UNDERSTOOD BY THE SCHOOL DISTRICT TO INDICATE LACK OF INTEREST AND SHALL RESULT IN THE REMOVAL OF THE VENDOR'S NAME FROM THE BIDDERS' LIST FOR THE ITEMS CONCERNED.

NOTE: ANY CHANGES TO INFORMATION SUBMITTED (ADDRESSES, AUTHORIZED PERSONNEL, ETC.,) WILL REQUIRE A REVISED COPY OF THIS FORM. ADDITIONAL FORMS MAY BE OBTAINED BY CONTACTING THE PURCHASING DEPARTMENT AT THE ADDRESS SHOWN ON THE FRONT OF THIS FORM.

USE BY COMMUNITY UNIT SCHOOL DISTRICT 300 ONLY

VENDOR I.D. NUMBER	APPROVED BY	DATE	W9	COMM LIST

Request for Taxpayer Identification Number and Certification

► Go to www.irs.gov/FormW9 for instructions and the latest information.

Give Form to the
requester. Do not
send to the IRS.

Print or type.
See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
2 Business name/disregarded entity name, if different from above	
3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes. ☐ Individual/sole proprietor or single-member LLC ☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► _____ Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. ☐ Other (see instructions) ► _____	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ (Applies to accounts maintained outside the U.S.)
5 Address (number, street, and apt. or suite no.) See instructions.	Requester's name and address (optional) COMMUNITY UNIT SCHOOL DISTRICT 300 2550 HARNISH DRIVE ALGONQUIN, IL 60102
6 City, state, and ZIP code	
7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number								
				-				
or								
Employer identification number								
				-				

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign
Here

Signature of
U.S. person ►

Date ►

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note: ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.SSA.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/Businesses and clicking on Employer Identification Number (EIN) under Starting a Business. Go to www.irs.gov/Forms to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to www.irs.gov/OrderForms to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor ²
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
6. Sole proprietorship or disregarded entity owned by an individual	The owner ³
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity ⁴
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

***Note:** The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes.

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at spam@uce.gov or report them at www.ftc.gov/complaint. You can contact the FTC at www.ftc.gov/idtheft or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see www.IdentityTheft.gov and Pub. 5027.

Visit www.irs.gov/IdentityTheft to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

SCOPE OF WORK

Online Benefits – Open Enrollment

Scope of service below is also in Scope of Service

Response Form A - Vendor Questionnaire

District 300 is seeking services for:

- A vendor to assist in the process of open enrollment for all current and new hired district employees.
- District 300 has an annual Open Enrollment time frame for active employees between October 15 and November 15
- The successful vendor will be expected to:
 - Provide comprehensive education to all current and new employees on fringe benefits offered by the district (health, dental, vision, etc.)
 - Provide accurate and efficient communication to inform all employees of available benefits prior to open enrollment
 - Provide an online platform for employees to complete a selection process that best fits their needs
 - Provide comprehensive education and support to employees on benefit selection process including printed and electronic communication
 - Provide education for new employees during the onboarding process
 - Coordinate the employee selections with the HR Department for proper premium deductions
- **School District Background**
- Community Unit School District 300 is the sixth largest student enrollment in Illinois with over 21,000 students, covering 118 square miles. The District provides pre-Kindergarten through twelfth grade education in an area of 118 square miles in Northwestern Illinois, 40 miles west of Chicago.
- District 300 is comprised of three (3) high schools (grades 9-12), four (4) middle school (grades 6-8), one (1) school (grades K-8), sixteen (16) elementary schools (Grades K-5), one (1) school Pre-K, and one (1) alternative school.
- District 300 employs approximately 2100 Full Time Employees (FTE)
- Firm to Provide copy of standard contract with submitted proposal in Section 6
- Complete the Scope of Work – RFP Response Form – Part A (excel file) and Part B and provide in Section 3 of your submitted proposal.
- Below is the evaluation criteria that will be used to grade submitted proposals.
- Submitted proposals will be evaluated by a committee.
- District 300 current EFP system is Infor/Lawson
- Kronos – hourly employees
- Smartfind for attendance of staff

SCOPE OF SERVICES

- 1) Provide background information about your company.
 - a. History
 - b. What percent of your business is in the education sector?
 - c. Organizational mission, brand, and market differentiators
- 2) Identify the number of IL public schools your company currently provides Section 125 administration services and employee benefit education and enrollment support.
- 3) Please summarize in 250 words or less why your company is the best candidate and the principal reasons your company should be selected over your competitors
- 4) Does your firm offer an Online Enrollment System? If so, please describe this system and how it is used in the enrollment process. Include the following information.
 - i. When was the system implemented?
 - ii. Who has access to the information?
 - iii. How is the information accessed?
 - iv. Describe information and functions available via the system.
- 5) Define the number of plan customers using your Online Enrollment System, including (Illinois) school districts?
- 6) Provide a sample project timeline that outlines the implementation process.
- 7) What security standards do you implement to ensure participant privacy?
- 8) Can the Online Enrollment System be programmed with complex eligibility rules? Is software programming done in-house or by third party?
- 9) Do employees have 24/7 access to login and view benefit choices items?
- 10) Is the system capable of exporting enrollment data to plan providers in acceptable electronic formats?
- 11) Is the system capable of generating employee deduction files for upload to the district's payroll program?
- 12) Is the system used to educate employees on the benefits offered? If so, please describe.
- 13) Are there any fees to the district associated with the Online Benefit System?
- 14) Please provide the details on the Account Management staff, including key personnel whom would have primary responsibility of supporting the District. As well as who will be enrolling the employees.
- 15) Please describe the training provided to your field staff.
- 16) Describe your Section 125 Administration.
 - a. Who is responsible for the employer risk? If the account is negative at the end of the plan year when the account is reconciled (i.e., employee leaves plan with negative unreimbursed medical balance), who is responsible?
 - b. Through which methods can employees submit claims for reimbursement?
- 17) Describe your online service center for employees and the District
- 18) Describe your firm's service model including claims' services.
- 19) Describe the process for completing annual employee election form requirements.
- 20) Describe your process for onboarding new employees.
- 21) What measurements does your company have in place to ensure all employees are educated equally on the Section 125 options available to them?
- 22) How are employee elections provided back to the District?

23) Describe post-enrollment services.

24) How would your company work with the district to develop a communication campaign?

25) Describe the process to educate employees on the employee benefits available at open enrollment. Include a description of your print and digital resources, including benefits website

26) How are employees able to access in-person resources to assist with the enrollment process?

Other Services:

27) Describe the benefits compliance resources your company can offer to the district and its employees.

28) Does your company have other services or technology that could be offered?

29) Please describe any additional services or support that would be available to the District.

30) What are the hours of operation for the live customer service office?

31) Does your customer service staff support other languages? What policies and procedures are in place to accommodate these needs?

RFP – Open Enrollment Services

PROPOSAL EVALUATION CRITERIA

	DEFINITION	POINT VALUE
PRICE	The lowest price that met the minimum requirements outline will be awarded	10
EDUCATION AND TRAINING	Meet the delineated expectations on the RFP	25
CUSTOMER SERVICE	Points are determined by quality of education provided to employees and HR	25
ENROLLMENT PLATFORM	End user experience in successfully completing open enrollment including plan selection changes	25
REFERENCES	Other client successful experiences	10
OTHER ENHANCEMENTS OR ADDITIONAL SERVICES	Other services provided by the vendor that can enhance the district operational systems and employee benefits	5
TOTAL POSSIBLE POINTS		100

Proposal Content and Proposal Format Submittal to include:
One complete electronic copy of proposal

Section 1 - Firm Experience and Capabilities -

- ✓ Provide a list of all School District clients for which you have provided services for in the last five years.
- ✓ Highlight your experience in performing work such as described in the Proposal.
- ✓ Samples of work that demonstrate experience at the School level or higher education.

Section 2 - Project Approach

Provide a brief discussion of the following:

- ✓ The methodology that your firm would use in collaborating with District personnel. Please provide an adequate description and summary of capabilities.
- ✓ Provide staffing resumes who would be proposed to oversee our account, along with resumes of potential employees that would be assigned to District 300.
- ✓ Your approach to project scheduling.
- ✓ Your approach for providing the necessary support to District 300 to insure the successful implementation.
- ✓ Your procedure for training personnel to adhere to the District 300 guidelines of this contract.

Section 3 – Economic Impact – Pricing and Proposal Questionnaire
Include Proposal Response Forms A and B in this section

Section 4 - References-

- ✓ Provide a minimum of four (4) references for professional services performed on educational, libraries, or other municipalities in the last five (5) years.

Section 5 – Required District 300 certificates, Vendor Application, W-9 form.
These forms are included within this Proposal.

Section 6 – Sample Contract

Section 7 – Other information proposed that is not included in the questionnaire

Section 8 – Please provide audited financials or financials for the past five years.
You may provide a link to these documents for the district to review.

RFP RESPONSE FORM – PART B

RFP – Open Enrollment Services

RFP response form **Part A and B must be completed and included in your response along with all other required documents and additional documentation.**

Include your fee schedule for proposal in **Section 3, along with Response form A and B.**

Vendor has received: Addendum #1 Yes _____ No _____
 Addendum #2 Yes _____ No _____

COMMENTS AND ADDITIONAL INFORMATION

The undersigned hereby certifies that she/he has read, understands and agrees that acceptance by the Board of Education of the bidder's offer by issuance of a purchase order(s) or other documents(s) will create a binding contract. Further, she/he agrees to fully comply with the specifications and other documentary forms and regulations made a part of this specific procurement of contract. The bidder must comply with all State and Federal Regulations including FEPC, the Illinois Laborer's Act and the Illinois Prevailing Wage Act, with preference to Public Act 86-799 which states "...not less than the prevailing rate of wages as found by the public body or Department of Labor or determined by the court on review shall be paid to all laborers, workers and mechanics performing work under the contract." The Illinois Department of Labor prevailing wages for the county where the project will be undertaken are included on Attachments I & II of this bid package if applicable.

_____ Name of Company/Corporation	<u>90 DAYS</u> Length of time bid is firm
_____ Street Address	Bid Submitted by:
_____ City, State, Zip Code	_____ Authorized Signature
_____ Telephone Number	_____ Please Type or Print Name
_____ Fax Number	_____ Illinois License Number
Email address - _____	

*****Electronic Proposals are due by 3:00PM CT, Thursday, July 9, 2020 *****

COMMUNITY UNIT SCHOOL DISTRICT #300
PURCHASING DEPARTMENT
2605 BUNKER HILL DR
ALGONQUIN IL, 60102
Phone – 847-551-8460
Fax – 847-551-8463

June 25, 2020

Dear Vendor:

ADDENDUM 1

RFP – Open Enrollment Services

QUESTIONS AND ANSWERS:

Question: Is there any consideration to add payroll services to the scope of services?

Answer: District 300 is not exploring the outsourcing of payroll at this time.

Question: How did District 300 handle Open Enrollment Services last year?

Answer: District 300 has used Infor/Lawson self-service in the past. This RFP is for new services.

Question: Was there a trigger event resulting in the decision to put out an RFP?

Answer: Yes, the in house process is cumbersome for employees to select their insurance options; therefore, District 300 seeks to enhance the open enrollment process to make it easier for its employees.

Question: Is this RFP only for open enrollment or for qualified life events and new hires?

Answer: The RFP focuses on the active open enrollment process, and will be utilized for employees to complete life events and new hire enrollment.

Question: Of the 2100 full-time employees, what percentage or number are benefit eligible?

Answer: District 300 has 2400 employees. Approximately 2100 employees are eligible for benefits.

Question: Regarding question 8 in the Scope of Services: *Can the Online Enrollment System be programmed with complex eligibility rules*, please explain complex eligibility rules.

Answer: D300 seeks an enrollment system that will allow participants to select plans based on eligibility rules. Example: HSA participants would only see the option to select Limited Purpose FSA and HSA Contributions but not Health FSA. HMO/PPO participants would only see the option to select Health FSA but not Limited Purpose FSA and HSA Contributions.

Question: Does District 300 have eligibility groups?

Answer: Yes, please expand on this question. Currently 2100 employees are eligible for benefits.

Question: Please explain the eligibility rule problems.

Answer: We do not have a system that can offer options based on benefit plan selection as addressed in the previous question.

Question: Does District 300 offer voluntary benefits?

Answer: Yes, District 300 offers voluntary life insurance

Question: What are the #1 and #2 priorities of this RFP? Would the goal be to provide a better enrollment experience or to provide comprehensive education to assist employees to make better enrollment decisions?

Answer: Both. District 300 seeks to provide a positive open enrollment experience for new and current employees. It is also a high priority to educate all employees on the different benefit options. District 300 offers a comprehensive benefit package and we want to ensure that employees are selecting the best option for themselves.

Question: After the employee enrolls for benefits, how is the data transferred to the carriers?

Answer: Data is transferred through an electronic feed using an interface between Infor/Lawson and the carriers. This is a constant feed sent weekly as employees are hired year-round.

Question: What is the process or format to send this information to carriers?

Answer: Data is transferred through an electronic feed using an interface between Infor/Lawson and the carriers. This is a constant feed sent weekly as employees are hired year-round.

Question: Who are District 300's current benefits carriers?

Answer: District 300 uses Blue Cross Blue Shield of Illinois for health insurance, Delta Dental for dental insurance, VSP for vision insurance and Voya for Group, Supplemental Life insurance and Long Term Disability, Horace Mann/Payflex for FSA, and HSA Savings Account is administered by First American Bank.

Question: Regarding samples of work, is District 300 looking for case studies or something else?

Answer: District 300 is requesting samples of successful implementation and execution of an open enrollment platform deployed with large school districts or employers.

Make changes to the original RFP documents

Change 1 – Under 1. GENERAL

- h. Oral, telephonic, telegraphic, facsimile or electronically transmitted proposals will not be accepted.

To

- h. Oral, telephonic, telegraphic, or facsimile transmitted proposals will not be accepted. **Proposals should be transmitted electronically to bids.purchasing@d300.org**

Change 2

The CERTIFICATE REGARDING EMPLOYMENT OF ILLINOIS WORKERS ON PUBLIC WORKS is not a required certificate.

ADDITIONAL INFORMATION

- 1) The evaluation team may request a Demonstration of the respondent's services.

Please acknowledge receipt of this addendum in a letter of acknowledgement and included with your sealed bid.

This Addendum is to be considered part of the original bid documents.

Please confirm receipt of this email by a telephone call, email, or fax.

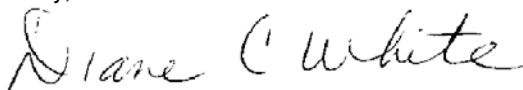
Phone Number – 847-551-8460.

E-mail- bids.purchasing@d300.org

Fax Number – 847-551-8463

If you have any questions, please feel free to contact me at the phone number listed above.

Sincerely,



Diane C. White / Director of Purchasing

COMMUNITY UNIT SCHOOL DISTRICT #300
PURCHASING DEPARTMENT
2605 BUNKER HILL DR
ALGONQUIN IL, 60102
Phone – 847-551-8460
Fax – 847-551-8463

July 3, 2020

Dear Vendor:

ADDENDUM 2

RFP – Open Enrollment Services

QUESTIONS AND ANSWERS:

Question: What is the District's current turnover percentage?

Answer: The turnover percentage is 8%.

Question: How many unique eligibility groups are within the District's benefit eligible population? (i.e. different location, executives, rate structures, coverage level, etc.)

Answer: There are three different benefit eligible groups (24 pay, 20 pay and 18 pay).

Question: Can you list the rate structures within the benefit eligibility groups?

Answer: The rate structures are based on employee groups:
24 pay employees – Admin, LEAD, DEPA, NUG
20 pay employees – Grandfathered LEAD members
18 pay employees – DESA, DESPA10 Full-time SUBS

Question: Do you have any union employees? If yes, how many separate union contracts? Do the union employees receive benefits through your company?

Answer: Yes, we have union employees. There are four separate contracts. Please [click here](#) and navigate to the list of Labor Agreements. Yes, union employees do receive benefits through District 300.

Question: Does the District have any retirees? If so, how many are under 65 and over 65? How do the retirees pay for their benefits? Do you offer split family and survivor benefits?

Answer: Yes, there are four retirees under 65 and no retirees over 65. Retirees pay District 300 directly. No, we do not offer split family and survivor benefits outside of COBRA.

Question: Can you confirm your Annual Enrollment is held in October? Is the timeframe for your Annual Enrollment start date flexible?

Answer: The Annual Open Enrollment takes place during October 15 – November 15. We are not flexible with the start date.

Question: Please describe your Benefit plan offerings and carriers. Are you currently evaluating any major plan design changes?

Answer: For plan offerings please visit our website or [click here](#)

Question: Do you offer Voluntary Benefits to your employees? If so, please list the plan design and carrier.

Answer: Yes, District 300 does offer a Voluntary/Supplemental Life through VOYA, [click here](#).

Question: Does the District require proof when enrolling a dependent? What events do you require this (Life events, New Hire, Open Enrollment)?

Answer: Yes, District 300 does require proof when enrolling a dependent. We require a certified copy of the marriage certificate if enrolling a spouse and a certified copy of the birth certificate if enrolling a dependent child. We require these documents when an employee adds a dependent through a Life Event, as a New Hire, or during Open Enrollment.

Question: How many benefit eligible employees have at least one dependent?

Answer: 1,373 benefit eligible employees have at least one dependent enrolled on District 300's insurance plan(s). District 300 is not able to provide you with the number of benefit eligible employees who have at least one dependent. The dependent may not be enrolled or listed as a dependent in our system because they are not enrolled in one of District 300's insurance plan(s).

Question: Have you determined who will join the District's team to be a resource during the implementation process?

Answer: District 300 will use current staff to assist with the implementation process.

Question: Can you confirm the District's timeline to make a vendor decision is August 25th, 2020? Is that deadline flexible? When is the soonest the District would make a vendor decision?

Answer: District 300 confirms the decision deadline is August 25, 2020. This deadline is not flexible. The vendor recommendation will be brought before the Board of Education at the regularly scheduled meeting on August 25, 2020. Human Resources may make a vendor decision prior to August 25, 2020, but it must go to the Board of Education for approval.

Please acknowledge receipt of this addendum in a letter of acknowledgement and included with your sealed bid.

This Addendum along with attachments is to be considered part of the original bid documents.

Please confirm receipt of this email by a telephone call, email, or fax.

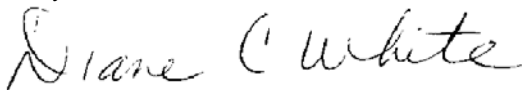
Phone Number – 847-551-8460.

E-mail- bids.purchasing@d300.org

Fax Number – 847-551-8463

If you have any questions, please feel free to contact me at the phone number listed above.

Sincerely,



Diane C. White / Director of Purchasing

PROPOSAL FOR

Community Unit School District #300



Kaitlin Economon
Account Development Coordinator

Illinois Branch Office
333 Salem Place Suite 130
Fairview Heights, IL 62208

Office: 855-822-9168 | Cell: 314-703-8208
kaitlin.economon@americanfidelity.com

americanfidelity.com/illinois

AMERICAN FIDELITY 
a different opinion

PROPOSAL FOR

Community Unit School District #300

I enjoyed meeting your team and discussing how we can work together to enhance your benefits program. As we discussed, our goal is to shift the focus from providing benefit plan information to motivating employees to make decisions about how to best utilize their benefits in a way that is economical to both their plan sponsor and the employees' families.

Many districts are in search of a better way to manage their enrollment without adding costs to their bottom line. Our model helps streamline enrollments and improve efficiencies, while providing individual support and education.



A Single Benefits System

- Central location to store your core and voluntary benefits information.
- Year-round functionality eliminates paper enrollment forms.
- EDI file feeds including new hire and qualifying event changes are sent to carriers directly.
- Available at no additional charge in exchange for offering voluntary benefits.

Customized Communication Strategy

Along with technology, we'll deliver a customized communication strategy for your organization. Through group meetings and individual education sessions, supported by our extensive collection of educational material, we help employees understand their options and enroll in the benefits that make the most sense for them and their families.

[See a Sample Enrollment Site](#)

Solutions for Community Unit School District 300

I am confident that our approach to providing benefits and services will enhance your program.

- Comprehensive, customized benefits solution.
- Complete web-based enrollment, communication, and administration platform, including EDI feeds.
- Employee education and one-on-one benefit reviews prior to enrollment.
- Year-round service from a dedicated salaried account manager.

Thank you for considering American Fidelity Assurance Company. I look forward to speaking to you further about this opportunity.



Kaitlin Economon

Account Development Coordinator

American Fidelity | Illinois Branch Office

P: 800.654.8489, ext. 2432 | americanfidelity.com/illinois

Firm Experience & Capabilities

- School District Clients
- Experience
- Samples of Work

Firm Experience & Capabilities

School District Clients

American Fidelity serves more than 4,400 school districts nationwide, including 240 districts in the state of Illinois. Due to company policy, we are not able to disclose a full list of these clients.

[See How We Are Helping Educators in St. Louis](#)



4,400+

School Districts
Served Today



140+

Education Association
Relationships



60

Years Working in
Education

Experience

American Fidelity has 60 years of experience providing top-notch benefits administration for the education community. We offer benefits strategies to empower employers like you to make benefits decisions that help both your organization and your employees. Our goal is act as an extension of your human resources department by providing employee education, enrollment, year-round administration, and compliance support.

Serving Your Region

Both **Champaign Comm USD #4** and **Evansville Vanderburgh School Corp** are similar in size to yours and have gained efficiencies by utilizing our online platform.

Associaton Partnerships

We proudly partner with more than 140 state and national education associations, and are an endorsed provider for the top business/administative associations for districts, the Association of School Business Officials (ASBO), and the top national association for school employees, the National Education Association (NEA).

Our local association partnerships include IASBO, IASA, IASPA, and LUDA.

Since 2006, American Fidelity has provided personalized service through annual employee benefit reviews and FSA and HRA administration. Our partner is always a quick phone call away, and I consider Kaitlin and her team to be part of our 'unofficial' HR department.

*Jan Bush, Business Manager
Murphysboro CUSD #186, IL*

Project Approach

- Methodology
- Staffing Resumes
- Project Scheduling
- Implementation
- Personnel Training

American Fidelity wants to partner with your District to create a holistic benefits strategy that will help increase participation, retain employees, and save money. We also want to help take the burden off your administration by helping you create a comprehensive benefits plan, educating your employees, answering benefits questions, and executing your annual enrollment.

Objectives:

- Provide the District with a full benefits enrollment platform to enroll your employees in all their benefits, including medical, vision, and dental.
- Help you develop and execute a benefits education plan that ensure your employees are prepared for their enrollment.
- Provide local support throughout the plan year through our local account management team.

Employee Education

As your partner, we will help you implement valuable, consistent benefits education that allows each of your employees to learn about their benefit options through channels they prefer. We believe that when employees are properly educated, they will better appreciate and understand the benefits you offer, leading to higher satisfaction and retention. Our education strategy includes the following resources that can be customized to meet your needs:

Pre-Enrollment Materials – We can provide email blasts, posters, flyers, postcards, and benefits booklets to ensure your employees understand their benefits and know when it's time to enroll.

Educational Videos – We have an expansive video library that includes enrollment preparation tips, product information, testimonials, and self-service support options.

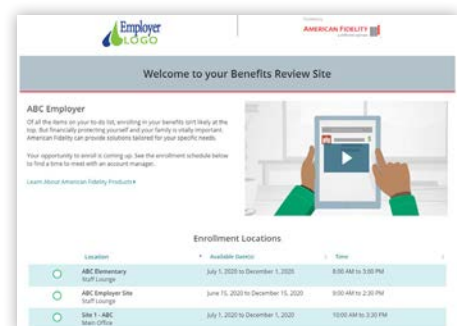
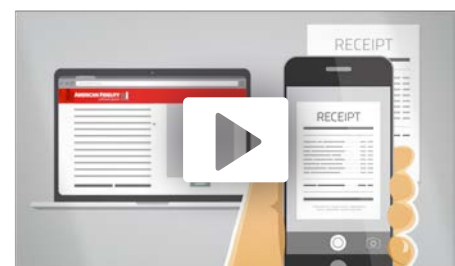
Visit our video library [here](#).

Benefits Websites – We can work with you to create a custom benefits website with up-to-date plan information and an enrollment appointment scheduler.

View a sample at <https://americanfidelity.com/pages/district-300/>

One-on-One Benefit Reviews – Employees can meet individually with one of our experienced account managers to receive customized guided enrollment education; get their questions answered; and help ensure they select the benefit that best meet their needs.

Group Meetings – We educate your employees on their benefit options in a group setting to prepare them for their annual enrollment.

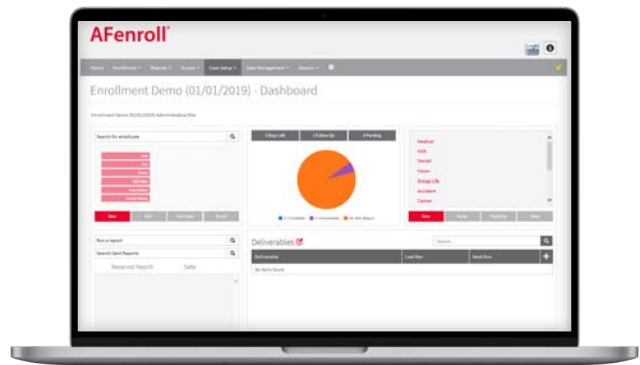


Enrollment Support

You and your employees will have access to AFenroll®, American Fidelity's online enrollment platform that can assist with your entire enrollment.

We'll provide you with a customized online benefits enrollment system with year-round features and maintenance. This includes:

- Full benefits and system enrollment monitoring
- Setup for mutually agreed upon plan functionality
- Data and census analysis, pre-load, and setup
- Testing and carrier review
- Multiple product categories, plan options, and coverage levels
- Administrative tools (reports, enrollment monitoring, etc.)
- Post-enrollment data transfer to employer



Customer Service and Support

We work hard to exceed your expectations by providing excellent customer service and claims processing for your employees, and efficient plan administration tools and support for your Human Resources department. By partnering with American Fidelity, you and your employees will have a direct line of communication with our local account managers as well as our customer service department.

Billing Support – Our employer online portal includes a section dedicated to helping you efficiently manage and reconcile your American Fidelity bill. The system allows your payroll team to reconcile bills entirely online and choose the payment method. This helps to eliminate paper bills and drastically cuts the time it normally takes to reconcile.

Claims Processing – We make it simple for your employees to file a claim in their time of need with multiple options for submitting a claim, and quick and efficient claims processing. All claims are paid in an average of five business days. For a complete video on our claims process, click [here](#).

Customer Support – We understand there will be times when your employees need to speak to someone about their benefits. You will have a local account manager available to answer employee questions directly. In addition, we have a dedicated team of customer service specialists, and participants have 24/7 access to our toll-free automated phone system to check their reimbursement account balances.



Mary Hatfield

Executive Account Manager

mary.hatfield@americanfidelity.com

Mary Hatfield is entering her fifth year with American Fidelity, working exclusively with the education market to provide solutions for employers — including employee benefit education, enrollment and benefits administration, Section 125 compliance education, High Deductible Health Plan implementation, customized supplemental insurance packages, and reimbursement account administration.

Honored by the company nationwide as the 2017 “Rookie of the Year”, Mary works hard to deliver excellent customer service to the districts she works with, as well as each employee. She is the account manager for several of our largest districts in Illinois. She also leads a team of four account managers, ensuring the highest standard of customer service, account development and retention. Mary holds a Bachelor of Science degree from the University of Illinois at Urbana Champaign.



Whitney Dyson

State Manager

whitney.dyson@americanfidelity.com

Whitney Dyson serves as Illinois State Manager for American Fidelity. She has been with American Fidelity for more than nine years and has over 18 years of experience working in leadership. In her current role, Whitney is responsible for professional development, recruiting, staff development, strategic planning, business management, and market development. She manages a team of 13 salaried account managers that support more than 500 K-12 public school districts.

Whitney supports and contributes to many association organizations such as: Illinois ASBO, ASBO International, Illinois Association of School Administrators, as well as the Illinois Large Unit District Association. She is a B-School Graduate, completed Challenger Training, attended leadership training at The University of Texas at Austin- School of Executive Training, studied Communications and Business at Illinois State University, and is currently pursuing her GBA designation.



Audra Bussard

Enrollment Coordinator

audra.bussard@americanfidelity.com

Audra Bussard serves as Enrollment Coordinator for American Fidelity. She works exclusively with school districts in Illinois. As an Enrollment Coordinator, her main goal is to facilitate implementation and onboarding processes — including developing, maintaining, and strengthening customer relationships by providing superb customer service and supporting administrative aspects of assigned accounts. Audra has worked with more than 300 school districts throughout the state in her time at American Fidelity.

Prior to working at American Fidelity, Audra was a Human Resource Manager for a Human Resource company that outsourced HR services to school districts in Illinois. This experience in addition to her time with American Fidelity, has made her well versed in benefits and HR administration in the K-12 world. She received a Bachelor's degree in Biology/Chemistry from Southern Illinois University Edwardsville.



Tammy Hinkle-Davis

Illinois Branch Administrator/Secretary

tammy.hinkle@americanfidelity.com

Tammy Hinkle-Davis has served as the Illinois Branch Administrator/Secretary with American Fidelity for more than eight years. In her role, Tammy supports the efforts of our account managers, management, our outside professional business association groups, and over 200 school districts we service throughout the state of Illinois.

Tammy's responsibilities require her to handle many details, tasks, and projects at once. Therefore, being able to multitask; effectively, efficiently, and accurately deems essential in this position, just as providing exceptional and extraordinary customer service does to every customer and co-worker she encounters.

Tammy earned a Bachelor of Science degree in Business Management from Fontbonne University in St. Louis, MO.

Implementing your benefits program is one of the most important steps in ensuring a smooth and successful enrollment. We work with you to develop a strategy centered around the needs of your organization and your employees.

Here's how we can help:

Planning Meeting

Our highly-trained account managers will meet with your staff prior to your plan year enrollment to develop an implementation plan based on your needs.

Your District will be assigned an Enrollment Analyst (responsible for configuring AFenroll® to reflect the school's specific needs), Enrollment Coordinator (responsible for training staff members and ongoing customer service) and a Data Analyst (responsible for the accurate return of payroll data and carrier data) to provide the necessary support throughout the implementation process.

Implementation

We'll schedule an implementation call to go through a benefit inventory where we learn about your benefits, carriers, and eligibility rules. We'll also:

- Help you develop a communication plan designed for your District.
- Discuss the data that we will need to conduct the enrollment.
- Contact your carriers to work through the details of their return data requirements.

Pre-Enrollment

We'll distribute pre-enrollment materials, host group meetings for your employees, and provide your employees with an online appointment scheduler to help them easily sign up for an enrollment session.

Open Enrollment

Our account managers will provide in-person enrollments with employees to discuss benefit options and help them enroll (if necessary, we can also provide one-on-one enrollments virtually). Employees will sign the annual election form.

Post-Enrollment

We'll conduct a post-enrollment review immediately following the enrollment to get feedback from you staff on the positive and negatives of the process. We'll also train your staff for American Fidelity's online billing and administration system.

CUSD 300

10/15/2020 - 11/15/2020

COMPLETED	TASK DESCRIPTION	ASSIGNED TO	DUE DATE
	Planning Meeting	AF and CUSD 300	8/27/2020
	Send Completed Benefit Blueprint to AF	CUSD 300	9/3/2020
	Send Employee Data to AF (Census/Benefit File)	CUSD 300	9/4/2020
	Send Additional Benefit Info to AF (Copays/Core Plans)	CUSD 300	9/4/2020
	Send Payroll Deduction Codes and Payroll Spec to AF	CUSD 300	9/4/2020
	Implementation Call	AF and CUSD 300	9/8/2020
	Carrier Calls	AF and CUSD 300	9/11/2020
	Principal/Supervisor Meeting	American Fidelity	9/25/2020
	IEA Presentation (if needed)	American Fidelity	9/30/2020
	Approve Enrollment Schedule	AF and CUSD 300	9/30/2020
	Approve Enrollment Communication	AF and CUSD 300	9/30/2020
	Initial Communication Sent to CUSD 300 Staff	CUSD 300	10/1/2020
	Group Benefit Overview Meetings by Building	American Fidelity	10/1 -11/5
	Approve Online Enrollment Platform (AF Enroll)	AF and CUSD 300	10/9/2020
	Time to Enroll Communication Sent to CUSD 300 Staff	CUSD 300	10/12/2020
	Enrollment	American Fidelity	10/15-11/15
	Enrollment Progress Sent to CUSD 300 Admin	American Fidelity	10/31/2020
	Send Completed Life Event Workbook to AF	CUSD 300	10/31/2020
	Last Chance to Enroll Communications Sent to CUSD 300 Staff	CUSD 300	11/9/2020
	Make-Up Enrollment Days	American Fidelity	11/11 -11/15
	Provide Post-Enrollment Reports	American Fidelity	11/27/2020
	Post-Enrollment Meeting	AF and CUSD 300	11/30/2020
	**This is a sample timeline, dates are subject to change		

American Fidelity's account managers offer our customers ***a different opinion***. We hire experienced professionals that are salaried employees, not brokers or commissioned sales people. Our account managers are trained to be your strategic partner in helping you achieve your benefits goals.

Selective Hiring

We seek professionals with a pattern of success, demonstrated by career growth and leadership skills. Each candidate has at minimum a one-month interview process which includes several formal interviews and shadowing, and because we value your organization's security and safety, all our account managers undergo an extensive background check.



8 Years

Average tenure
for sales colleagues



500+

Total sales colleagues
in the U.S.



100+

Hours of training for
new sales colleagues

Highly Trained

Our account managers are required to attend training year-round to help ensure they are up-to-date on benefits management trends. New account managers are required to attend over 100 hours of training, both in person and online, and must pass multiple exams within the first six months.

Annually, all our account managers are trained on:

- Industry benefit trends
- Compliance requirements
- Section 125 Plan regulations
- Reimbursement account regulations
- Patient Protection and Affordable Care Act (ACA)
- Data security
- Fraud detection
- HIPAA regulations

Dedicated to You Year-Round

Our account managers are available year-round to support you and your employees and help you make the most of your benefits. For employers, we help create a benefits strategy to accomplish your goals, whether that means moving to a High Deductible Health Plan, reducing costs, or implementing a new benefit. For employees, we offer one-on-one benefit reviews to help ensure they are choosing the right benefits for their individual needs, specifically focusing on benefits that complement your medical plan.

Economic Impact - Pricing and Proposal Questionnaire

- Response Form A
- Response Form B

Response Form A - Scope of Service Questionnaire		Firm Response and Comments
1) Provide background information about your company.		
a.	History	American Fidelity Assurance Company was established in 1960 and has been providing voluntary benefits and employer administrative services for the education community for 60 years. We offer benefits strategies that empower districts like yours to make benefits decisions to help your organization and your employees. Our goal is to act as an extension of your human resources department by providing employee education, enrollment, year-round administration, and compliance support.
b.	What percent of your business is in the education sector?	American Fidelity has a division solely dedicated to education community, meaning you will be served by an account team that is truly embedded within your industry's trends and benefit needs. Overall, the education sector makes up about 80% of our business.
c.	Organizational mission, brand, and market differentiators	American Fidelity's mission is to provide financial security and benefit solutions to meet the specific needs of employers and employees in our select market segments. We accomplish our mission by providing your employees with a personal approach focused on providing each of your employees with the proper education to help them understand the full scope of the benefits being offered and how they can be used to supplement their core benefits.
2)	Identify the number of IL public schools your company currently provides Section 125 administration services and employee benefit education and enrollment support.	We currently serve 240 public school districts in Illinois.
3)	Please summarize in 250 words or less why your company is the best candidate and the principal reasons your company should be selected over your competitors	American Fidelity is committed to providing your District with more than just a benefits package. We want to help you implement valuable, consistent benefit education to ensure your employees understand their benefit options and how each option fits into their overall benefits package. We do this by utilizing salaried account managers who provide a one-on-one guided enrollment experience for each eligible employee to answer questions and provide comprehensive benefits education. Additionally, we provide educational videos, a benefits website, emails, and customized print materials to ensure each employee can learn about their benefit options through the channels they prefer. We believe that with a true benefits education strategy, your employees will be more prepared to make benefits decisions, leading to higher overall participation in your benefits plan.
4)	Does your firm offer an Online Enrollment System? If so, please describe this system and how it is used in the enrollment process. Include the following information.	AFenroll® is American Fidelity's complete web-based enrollment, communication, and administration platform that can assist with your entire benefit enrollment process. With ease of administration and one central location for you and your carriers, AFenroll® is your enrollment solution. We'll provide you with a customized online benefits enrollment system with year-round features and maintenance. This includes: • Full benefits and system enrollment monitoring • Setup for mutually agreed upon plan functionality • Data and census analysis, pre-load, and setup • Testing and carrier review • Multiple product categories, plan options, and coverage levels • Administrative tools (reports, enrollment monitoring, etc.) • Post-enrollment data transfer to employer
	i. When was the system implemented?	We began using our current enrollment system in 2011.
	ii. Who has access to the information?	Access is granted to administrators and HR team members via a secure login to our system.
	iii. How is the information accessed?	Information is accessed through administrative login into our secure webbased system.
	iv. Describe information and functions available via the system.	Employer Features: • Electronic payroll deduction upload • New Hire enrollments • View employee enrollment status • Employee benefit participation reports • Administrative changes, including terminations, leaves of absence, retirements and more • View employee coverage at any time • Electronic, historic record of employee data • View employee beneficiary information at any time • Customize your enrollment with company colors, logo, and photos Employee Features: • Accessible from any desktop browser • Customized enrollment based on demographic information and hire date • Enroll in all available benefits • View benefit confirmation statements • View benefit materials, brochures, and summary plan descriptions • Educational benefit videos • Enrollment preparation videos • Benefit calculators and Section 125 worksheets
5)	Define the number of plan customers using your Online Enrollment System, including (Illinois) school districts?	Approximately 7,200 clients currently use AFenroll, including 240 school districts throughout Illinois. We provide full benefit enrollments, including EDI data feeds to carriers, for 187 clients and eight clients in Illinois.
6)	Provide a sample project timeline that outlines the implementation process.	A sample implementation timeline is included in Section 2 of this response.

7)	What security standards do you implement to ensure participant privacy?	As an insurance company, American Fidelity is held to a high standard by Federal Government Regulations and other entities to protect the personal information of our clients. We have measures in place to continually meet these standards. These include: All American Fidelity colleagues are required to take a HIPAA class and have adopted work practices that emphasize confidentiality and security. American Fidelity provides a licensed attorney and certified PHR (Professional Human Resources) manager who ensure HIPAA compliance. Additionally, customer information is shredded and kept in locked binds. Our file server is backed up and stored offsite in a secured and monitored facility. Please see the Supporting Documents section of this response for our HIPAA Notice of Privacy Practices.
8)	Can the Online Enrollment System be programmed with complex eligibility rules? Is software programming done in-house or by third party?	Yes – AFenroll® can be programmed with complex eligibility rules. All programming is done in-house by a tech assigned specifically to your district. Our team will work with you during implementation to determine your needs and build your enrollment to meet those needs.
9)	Do employees have 24/7 access to login and view benefit choices items?	Yes – Employees have 24/7 access to manage their benefits through our secure online portal.
10)	Is the system capable of exporting enrollment data to plan providers in acceptable electronic formats?	Yes – American Fidelity has more than 18 years of experience providing EDI files to carriers. We have been successful because we take the time and make the effort to continually verify all carrier details and revise data specs to ensure their accuracy. This is done through conference calls with the carriers and through our secure test file process. We work back and forth with the carrier to make sure they are receiving what they expect and can load the file accurately. Once the test phase is complete and the enrollment is conducted, we can quickly provide the carrier files with the confidence that they are produced accurately.
11)	Is the system capable of generating employee deduction files for upload to the district's payroll program?	Yes – We can provide a file of plan year enrollments directly into the District's payroll system.
12)	Is the system used to educate employees on the benefits offered? If so, please describe.	Yes – AFenroll® can be customized to incorporate benefit materials, brochures, educational videos, and summary plan descriptions to assist employees during the enrollment experience. Employees may also utilize the custom benefits website for quick web access to educational material for each of the benefit options.
13)	Are there any fees to the district associated with the Online Benefit System?	We are offering our online enrollment platform and payroll integration at no additional charge to Community Unit School District # 300 in exchange for: •Access to offer our portfolio of voluntary benefits to District employees through payroll deduction; and •Access to school sites for group and individual enrollment meetings.
14)	Please provide the details on the Account Management staff, including key personnel whom would have primary responsibility of supporting the District. As well as who will be enrolling the employees.	Your District will be served year-round by a team of our salaried account managers that live and work in Illinois. This team includes Mary Hatfield, Audra Bussard, Whitney Dyson, and Tammy Hinkle. We will provide additional account managers as needed during the open enrollment process.
15)	Please describe the training provided to your field staff.	Our account managers are required to attend training year-round to help ensure they are up-to-date on benefits management trends. New account managers are required to attend over 100 hours of training, complete 11 online courses, and must pass multiple exams within the first six months. Annually, all our account managers are trained on: •Industry benefit trends •Compliance requirements •Section 125 Plan regulations •Reimbursement account regulations •Patient Protection and Affordable Care Act (ACA) •Data security •Fraud detection •HIPAA regulations
16)	Describe your Section 125 Administration.	American Fidelity is one of the leading Section 125 Plan providers nationwide with nearly 40 years of experience providing these Plans to school districts like yours. When you choose American Fidelity as your Plan provider, we will help you properly implement and maintain your Section 125 Plan. This includes helping you establish your Plan Document. Our business model is convenient, IRS compliant, and will help to relieve your organization of the administrative burden. We provide our Section 125 services at no additional cost.
	a. Who is responsible for the employer risk? If the account is negative at the end of the plan year when the account is reconciled (i.e., employee leaves plan with negative unreimbursed medical balance), who is responsible?	Because of the potential loss to the employer, American Fidelity provides insurance to cover the Health FSA risk. The risk policy "insures" the employer's uniform coverage risk for the Health FSA, up to \$2,750 per participant for shortages in the account due to termination of employment. American Fidelity will provide this risk protection to the District at no additional cost.
	b. Through which methods can employees submit claims for reimbursement?	We offer several convenient ways for employees to submit claims for reimbursement: Benefits Debit Card - Allows employees to pay for eligible medical expenses directly from their accounts. Our system is tied to an inventory information approval system (IIAS) allowing us to verify that a transaction is valid at the point-of-sale for most retail locations without further documentation. Mobile App – Employees can file a claim by snapping a photo of the expense receipt and submit using a smartphone. Online – Employees can file a claim and upload their expense receipts through our Online Service Center. Mail & Fax – Employees can file a claim manually by mail or fax. Printable claim forms are available on our website.

17)	Describe your online service center for employees and the District	Our Employee Online Service Center allows your employees to easily manage their American Fidelity benefits in one place. Employees can: • File a new claim through an online submission form • Check the status of an existing claims • Check reimbursement account balance and track account activity • Update account information • Download and print insurance policies • Set up account notifications and view statements Our Employer Online Service Center is a secure portal that allows you to manage your entire benefits program and reconcile your bill in one place. Employers can: • Review or terminate employees from their plan • Update organization's contact information • Download sick pay reports • Create and manage employer account logins • Access employee election forms • Upload census data • Download reports
18)	Describe your firm's service model including claims' services.	At American Fidelity, we work hard to exceed your expectations by providing excellent customer service and claims processing for your employees and efficient plan administration tools and support for your human resources department. We are available throughout the year to assist you and your employees with any questions or need, both from our headquarters in Oklahoma City, OK and through our local account managers. We make claim submission fast and easy for your employees with options to submit online through our Online Service Center or through our mobile app. We pay claims in an average of five business days from the time a claim is received
19)	Describe the process for completing annual employee election form requirements.	During enrollment, all elections are captured electronically and documented on the employee's Section 125 election form, which are printed and provided to the employee. At the end of the enrollment, American Fidelity provides the employer with access to these forms, as well as the opportunity for American Fidelity to automatically upload employee elections to your payroll system. This eliminates the need for your administrative staff to key in all changes manually.
20)	Describe your process for onboarding new employees.	As previously discussed, we can meet in person or virtually with all new hires on set dates twice a month or when district requests. During this time, we can fully complete the onboarding process and collect all necessary forms and items on behalf of your HR department. All benefit elections can be processed through AFenroll®, making enrollment notifications to carriers and billing updates seamless.
21)	What measurements does your company have in place to ensure all employees are educated equally on the Section 125 options available to them?	We focus on providing a one-on-one, in-person enrollment experience for each employee. This approach allows our account managers to help educate and enroll your employees in all their benefit options. We also provide a variety of pre-enrollment marketing materials, including emails, posters, flyers, postcards, and brochures to ensure your employees understand their benefit options and know when it's time to enroll.
22)	How are employee elections provided back to the District?	Your District will be provided with complete enrollment documentation following the enrollment. This information can be provided by paper and/or we can provide an electronic "upload" of election changes directly into your payroll system, eliminating the need for manual data entry.
23)	Describe post-enrollment services.	We will coordinate a meeting with your District to review enrollment successes, participation by benefit and service, and improvement opportunities for the following plan year. In addition, we will meet with the payroll administrator to provide one-on-one training for our online billing and administration system and assist with the first billing. Complete tasks include: •Review Payroll Deduction Report •Upload payroll deductions •Walk through the first bill and ongoing support •Training for American Fidelity's Online Service Center •Review year-round support mode
24)	How would your company work with the district to develop a communication campaign?	Your benefits enrollment period is a unique opportunity to engage your employees about your benefit offerings and ensure they are choosing the benefits that meet their needs. If executed properly, your employees will better appreciate and understand the benefits you offer, leading to higher satisfaction and retention. American Fidelity will work with you during the planning meetings to develop and execute a communication strategy that removes much of the administrative burden on your organization while also ensuring your employees are educated on their benefit options.

25)	Describe the process to educate employees on the employee benefits available at open enrollment. Include a description of your print and digital resources, including benefits website	We will work with your District to develop a communication and education strategy that may include the following options: One-on-One Benefit Reviews - Employees can meet individually with one of our experienced account managers to receive customized guided enrollment education; get their questions answered; and help ensure they select the benefit that best meet their needs. Group Meetings - We educate your employees on their benefit options in a group setting to prepare them for their annual enrollment. Pre-Enrollment Materials - We can provide emails, posters, flyers, postcards, and brochures to ensure your employees understand their benefits and know when it's time to enroll. Educational Videos -We have an expansive video library that includes enrollment preparation tips, product information, testimonials, and self-service support options. Benefits Website - We can work with you to create a custom benefits website with up-to-date plan information and an enrollment appointment scheduler.
26)	How are employees able to access in-person resources to assist with the enrollment process?	Your employees can sign up to attend one-on-one benefit reviews and group meetings with one of our account managers in-person during the enrollment process.
	Other Services:	
27)	Describe the benefits compliance resources your company can offer to the district and its employees.	American Fidelity recognizes that staying on top of changes in the law is imperative for a successful benefits program. We have an entire compliance team dedicated to monitoring and educating our customers through lunch-and-learns, VIP email notifications, newsletters, our Benefits Blog, and personal benefit reviews with our account managers. These resources help give employers a head start with trying to understand new rules. We have in-house benefit attorneys and compliance experts who continually monitor both state and federal requirements. We want to be your partner and primary resource for managing the challenges and changes resulting from the ACA. We understand the requirements and how those responsibilities can impact employers and employees. We provide a variety of services to educate employers on the developing law, assist with implementation and ongoing compliance, and communicate plan changes to employees.
28)	Does your company have other services or technology that could be offered?	• We offer our mobile app, AFmobile®, for submitting and managing claims for our voluntary benefits and reimbursement accounts (FSA, HSA, and HRA). • Our online enrollment platform can assist with your entire enrollment. • We offer a GoToMeeting enrollment option that allows your employees to meet face-to-face with one of our account managers from anywhere.
29)	Please describe any additional services or support that would be available to the District.	American Fidelity can provide the following additional services to the District: •Section 125 Compliance •Administration of Flexible Spending Accounts (FSAs) and Health Savings Accounts (HSAs) •Dependent Verification Reviews •Group Dental and Vision Insurance •Retirement Readiness Seminars •ACA Compliance Support
30)	What are the hours of operation for the live customer service office?	Our experienced customer care team and department specialists are available Monday through Friday, 7:00 am-7:00 pm CST. Customers may contact us via email using our contact form at americanfidelity.com or through phone. We also have voicemail capabilities.
31)	Does your customer service staff support other languages? What policies and procedures are in place to accommodate these needs?	American Fidelity employs both English and Spanish speaking customer service representatives to assist with customer questions.

Technology Questionnaire		
1	What sets your product apart from the others?	We believe that our focus on the education market and our individualized guided enrollment experience set us apart from the competition. According to a survey we conducted of more than 12,000 education employees, more than 90% responded that they favored our one-on-one approach as opposed to only 7% that preferred to self-educate and enroll on their own.
2	Does your firm accept terms of deferred billing?	There are no costs associated with our enrollment platform.
3	Does the product support SSO Implementation?	Yes
4	Is SSO implementation available via SAML?	Yes
5	Is SSO implementation included in base cost?	There are no costs associated with our enrollment platform.
6	What type of support is provided and what hours is it available (CST)?	Technical support for our enrollment system is available 24/7.
7	Is technical support 24/7 available?	Yes
8	Is technical support 24/7 included in base price?	There are no costs associated with our enrollment platform.
9	Do you partner with a hosting provider (ex: AWS) and does you have data center redundancy?	Our site is hosted on premise with data center redundancy in two geographically separate locations.
10	List the products uptime over last 6 months:	99% +/-
11	List the products uptime over last 12 months:	99% +/-
12	List the products uptime over last 24 months:	99% +/-
13	Does the products license include continuous updates to the software?	Contractually, there are two maintenance windows a week for software/hardware updates – Wednesday evening through Thursday morning (8:00 p.m. – 12:00 a.m. CST) and Sunday evening through Monday morning (8:00 p.m. – 12:00 a.m. EST). Notification is sent out if there is emergency maintenance required outside of the maintenance window.

14	Does the product integrate with Google?	AFenroll® is web-based and is supported on the most used versions of any web browser, including Google Chrome.
15	Is there a Chromebook app?	AFenroll® is web-based and can be accessed from a Chromebook.
16	Does the product run in the Chrome web browser (Chromebooks)?	Yes – AFenroll® can be access from the Chrome web browser.
17	How is the content delivered on a Chromebook (web/app/other)?	AFenroll® can be accessed from the web by visiting www.afenroll.com .
18	If the content is delivered through the web, how is it delivered (HTML5/Flash)?	HTML5
19	If there is flash-based content, when will it be converted to HTML5?	N/A
20	Is Chromebook Kiosk mode supported?	Yes
21	Is an ebook/etext included?	We have electronic enrollment education materials and account managers available to assist with enrollment.
22	Is the ebook/etext available offline?	We have electronic enrollment education materials and account managers available to assist with enrollment.
23	Is there a client/app needed for teachers?	AFenroll® can be accessed from the web by visiting www.afenroll.com .
24	Is the product for teachers compatible on Windows devices?	Yes
25	Is the product supported on Windows 10?	Yes
26	Is the client/app for teachers deployable to Windows machines via MSI?	AFenroll® can be accessed from the web by visiting www.afenroll.com .
27	Does the client/app for teachers require custom configurations based on user?	N/A
28	Is an ebook/etext included?	We have electronic enrollment education materials and account managers available to assist with enrollment.
29	Is the ebook/etext available offline?	We have electronic enrollment education materials and account managers available to assist with enrollment.
30	Is there a client/app needed for teachers?	AFenroll® can be accessed from the web by visiting www.afenroll.com .
31	Is the product for teachers compatible on Windows devices?	Yes
32	Is the product supported on Windows 10?	Yes
33	Is the client/app for teachers deployable to Windows machines via MSI?	AFenroll® can be accessed from the web by visiting www.afenroll.com .
34	Does the client/app for teachers require custom configurations based on user?	N/A

RFP RESPONSE FORM – PART B

RFP – Open Enrollment Services

RFP response form Part A and B must be completed and included in your response along with all other required documents and additional documentation.

Include your fee schedule for proposal in Section 3, along with Response form A and B.

Vendor has received: Addendum #1 Yes X No _____
Addendum #2 Yes X No _____

COMMENTS AND ADDITIONAL INFORMATION

The undersigned hereby certifies that she/he has read, understands and agrees that acceptance by the Board of Education of the bidder's offer by issuance of a purchase order(s) or other documents(s) will create a binding contract. Further, she/he agrees to fully comply with the specifications and other documentary forms and regulations made a part of this specific procurement of contract. The bidder must comply with all State and Federal Regulations including FEPC, the Illinois Laborer's Act and the Illinois Prevailing Wage Act, with preference to Public Act 86-799 which states "...not less than the prevailing rate of wages as found by the public body or Department of Labor or determined by the court on review shall be paid to all laborers, workers and mechanics performing work under the contract." The Illinois Department of Labor prevailing wages for the county where the project will be undertaken are included on Attachments I & II of this bid package if applicable.

American Fidelity Assurance Company

Name of Company/Corporation

90 DAYS

Length of time bid is firm

9000 Cameron Parkway

Street Address

Bid Submitted by:

Oklahoma City, OK 73114

City, State, Zip Code



Authorized Signature

800-654-8489

Telephone Number

Jason Pledger

Please Type or Print Name

n/a

Fax Number

42500-21

Illinois License Number

Email address - proposal@americanfidelity.com

*****Electronic Proposals are due by 3:00PM CT, Thursday, July 9, 2020 *****

PROPOSED SERVICE FEES FOR

Community Unit School District #300

VALUE ADDED PLAN SERVICES	Your Cost
Section 125 Services*	
Section 125 Sample Plan Document, Implementation and Annual Review	\$0.00
Annual Non-Discrimination Testing Worksheets	\$0.00
Employee Election Form/Salary Reduction Agreement Assistance	\$0.00
Flexible Spending Account Administrative Services*	
Healthcare Flexible Spending Account (HCFSAs) Administration	\$0.00
Dependent Care Account Administration	\$0.00
HCFSAs Benefits Debit Card and Dependent Card(s)	\$0.00
Upfront HCFSAs Funding Assistance	\$0.00
Insured HCFSAs Risk Premium up to \$2,750	\$0.00
Health Savings Account Administrative Services*	
Health Savings Account Administration	\$0.00
HSA Benefits Debit Cards and Dependent Card(s)	\$0.00
Enrollment Solutions*	
Full Benefits Online Enrollment Platform	\$0.00
Employee Communication & Education	\$0.00
New Hire Enrollment & Year-Round Support	\$0.00
Additional Services	
Dependent Verification Reviews	\$0.00
Major Medical Plan Waivers	\$0.00
	\$0.00

**American Fidelity Assurance Company is providing these services at no additional charge to the District in exchange for access to offer our voluntary benefits to District employees and access to school sites for group and individual enrollment meetings. Please refer to the Service Exchange Agreement for details.*

Benefits Live Here. ACA Compliance Should Too.

Functionality:

- IRS Compliant Form Generation
- IRS Electronic Form Filing
- Lookback Monitoring
- IRS Form Fulfillment Options
- Automated IRS Code Determinations
- Automated Affordability Calculations

Service:

- Full-Service ACA Manager
- Setup/On-boarding Assistance
- IRS Form Generation Assistance

Convenience:

- One System, One Solution
- Pricing Structure That Decreases as Your Headcount Increases

The Selerix 2019 ACA Solution:

The Perfect Blend of Service & Technology to Suit Your ACA Needs.

Core Services

- ✓ Lookback Monitoring
- ✓ IRS Form Generation
- ✓ IRS Electronic Filing

First 1,000 FTE:  **\$6.00 per full-time employee**
(50¢ per FT EE per month x 12 months)
\$1,500 minimum annual charge

Next 1,001 - 5,000 FTE:  **\$5.00 per full-time employee**
(42¢ per FT EE per month x 12 months)

Next 5,001+ FTE:  **\$4.00 per full-time employee**
(33¢ per FT EE per month x 12 months)

1st Year Setup

- ✓ **Implementation Support: 10 Hours**

Group Size:
1 - 1,000 FTE **\$1,000 one-time fee**

1,001 - 5,000 FTE **\$2,000 one-time fee**

5,001+ FTE **\$3,000 one-time fee**

Optional Form Mailing

\$1.50 Per form - postage included

\$1.00 Per correction form

Pricing Details

 FTE (Full-time employee) is defined as any employee for whom an employer must file a 1095-C form - as defined by the ACA mandate.

 1st year implementation support in excess of 10 hours will be billed separately.

 Electronic filing fees:
1st EIN: Included at no charge
2nd - 5th EINs: \$500 per EIN
Over 5 EINs: \$100 per EIN

 Support in excess of 20 hours annually will be billed separately.

References

- References

REFERENCES

LIST BELOW THE LAST FOUR (4) BUSINESSES OR OTHER ORGANIZATIONS FOR WHICH YOU HAVE PROVIDED COMPARABLE SERVICES PERFORMED ON EDUCATIONAL, LIBRAIRIES, OR OTHER MUNICIPALITIES IN THE LAST (5) YEARS..

1. ORGANIZATION:

Northwest R-1

ADDRESS:

4290 Gravois Road

CITY, STATE, and ZIP CODE:

House Springs, MO 63051

TELEPHONE NUMBER:

636-677-3473

CONTACT PERSON:

Michelle Adams

DATE OF SERVICES:

Since 10/1/2019

DOLLAR AMOUNT OF THE JOB:

\$0

2. ORGANIZATION:

Jacksonville School District #117

ADDRESS:

211 West State Street

CITY, STATE, and ZIP CODE:

Jacksonville, IL 62650

TELEPHONE NUMBER:

217-243-9411

CONTACT PERSON:

Tami Stice

DATE OF SERVICES:

Since 3/1/2010

DOLLAR AMOUNT OF THE JOB:

\$0

REFERENCES (CONT.)

3.

ORGANIZATION:

Champaign Community USD #4

ADDRESS:

502 W Windsor Road

CITY, STATE, and ZIP CODE:

Champaign, IL 61820

TELEPHONE NUMBER

217-351-3822

CONTACT PERSON:

Deedra Miskimins

DATE OF SERVICES:

Since 11/1/1995

DOLLAR AMOUNT OF THE JOB:

\$0

4.

ORGANIZATION:

Quincy School District 172

ADDRESS:

1416 Maine Street

CITY, STATE, and ZIP CODE:

Quincy, IL 62301

TELEPHONE NUMBER

217-223-8700

CONTACT PERSON:

Teresa Kemp

DATE OF SERVICES:

Since 10/1/2016

DOLLAR AMOUNT OF THE JOB:

\$0

OFFEROR'S NAME: Jason Pledger

SIGNATURE:



DATE - 6/30/2020

Required Forms

- Certificate of Bidder Eligibility
- Certificate of Compliance with Illinois Drug-Free Workplace Act
- Certificate Regarding Sexual Harassment Policy
- Certificate Regarding Equal Employment Opportunity
- Certificate Regarding Employment of Illinois Workers on Public Works
- Non-Collusion Affidavit
- Vendor/Contractor Conflict of Interest
- Criminal Background Investigations
- Vendor Application
- W-9 Form

CERTIFICATE OF BIDDER ELIGIBILITY

720 ILCS 5/33E-11 requires that all contractors bidding for public agencies in the State of Illinois certify that they are not barred from bidding on public contracts for bid rigging or bid rotation.

The following certification must be signed and submitted with bidder's bid Quote.
FAILURE TO DO SO MAY RESULT IN DISQUALIFICATION OF THE BIDDER.

American Fidelity Assurance Company, as part of its bid for the Open Enrollment Services work for Community Unit School District #300, Algonquin, Illinois, of Cook, DeKalb, Kane, and McHenry Counties, Illinois certifies that said contractor is not barred from bidding on the aforementioned contract as a result of a violation of either 720 ILCS 5/33E-3 or 720 ILCS 5/33-E4.

Firm: American Fidelity Assurance Company

By: 
(Signature)

Jason Pledger VP, Marketing Operations & Business Development
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020


NOTARY PUBLIC



**CERTIFICATE OF COMPLIANCE WITH
ILLINOIS DRUG-FREE WORKPLACE ACT**

American Fidelity Assurance Company, having 25 or more employees, does hereby certify pursuant to section 3 of the *Illinois Drug-Free Workplace Act* (30 ILCS 580/3) that it shall provide a drug-free workplace for all employees engaged in the performance of work under the contract by complying with the requirements of the *Illinois Drug-Free Workplace Act* and, further certifies that it is not ineligible for award of this contract by reason of debarment for a violation of the *Illinois Drug-Free Workplace Act*.

Firm: American Fidelity Assurance Company

By: _____



(Signature)

Jason Pledger VP, Marketing Operations & Business Development
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020



NOTARY PUBLIC

JORDAN N. JESTER
Notary Public, State of Oklahoma
Commission # 18007342
My Commission Expires 07-24-2022

**CERTIFICATE REGARDING
SEXUAL HARASSMENT POLICY**

American Fidelity Assurance Company, does hereby certify pursuant to Section 2-105 of the *Illinois Human Rights Act* (775 ILCS 5/2-105) that it has a written sexual harassment policy that includes, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under State law; (iii) a description of sexual harassment, utilizing examples; (iv) an internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Department of Human Rights and Human Rights Commission; (vi) directions on how to contact the Department of Human Rights and Human Rights Commission; and (vii) protection against retaliation.

Firm: American Fidelity Assurance Company

By: 
(Signature)

Jason Pledger VP, Marketing Operations & Business Development
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020


NOTARY PUBLIC



**CERTIFICATE REGARDING
EQUAL EMPLOYMENT OPPORTUNITY**

American Fidelity Assurance Company, does hereby certify pursuant to Section 2-105 of the *Illinois Human Rights Act* (775 ILCS 5/2-105) that it has a written equal employment opportunity policy that is in compliance with all terms and conditions of the Equal Employment Opportunity provisions of the *Illinois Human Rights Act*.

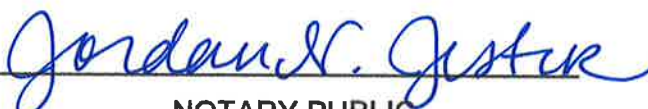
Firm: American Fidelity Assurance Company

By: 
(Signature)

Jason Pledger VP, Marketing Operations & Business Development
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020


NOTARY PUBLIC



CERTIFICATE REGARDING
EMPLOYMENT OF ILLINOIS WORKERS ON PUBLIC WORKS

American Fidelity Assurance Company agrees if at the time the Agreement is executed, or if during the term of the Agreement, there is excessive unemployment in Illinois as defined in the Employment of Illinois Workers on Public Works Act, 30 ILCS 570/0/01 et seq., as two consecutive months of unemployment exceeding 5%, then American Fidelity Assurance Company agrees to employ Illinois laborers in accordance with the Employment of Illinois Workers on Public Works Act. An "Illinois laborer" is defined as any person who has resided in Illinois for at least thirty (30) days and intends to become or remain an Illinois resident.

Firm:

American Fidelity Assurance Company

By:



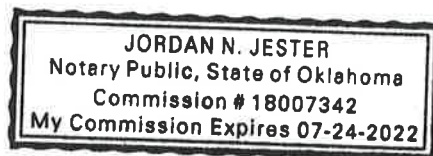
(Signature)

Jason Pledger VP, Marketing Operations & Business Development
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020


NOTARY PUBLIC



NON-COLLUSION AFFIDAVIT

AFFIDAVIT: "I (we) hereby certify and affirm that my (our) Quote was prepared independently for this project and that it contains no fees or amounts other than that for the legitimate execution of this work as specified and that it includes no understanding or agreements in restraint of trade."

The following affidavit must be signed and submitted with bidder's bid Quote.
FAILURE TO DO SO MAY RESULT IN DISQUALIFICATION OF THE BIDDER.

American Fidelity Assurance Company, as part of its bid for the Open Enrollment Services work for Community Unit School District #300, Algonquin, Illinois certifies that said Contractor is not barred from bidding on the aforementioned contract as a result of a violation of the above Non-Collusion Affidavit.

Firm: American Fidelity Assurance Company

By: 
(Signature)

Jason Pledger VP, Marketing Operations & Business Development
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020


NOTARY PUBLIC



**CERTIFICATE REGARDING
COMMUNITY UNIT SCHOOL DISTRICT 300
VENDOR/CONTRACTOR CONFLICT OF INTEREST**

American Fidelity Assurance Company, does hereby certify that they have read and fully understand the Vendor/Contractor Conflict of Interest Board Policy as stated below:

Vendor/Contractor Conflict of Interest

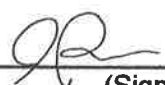
Any vendor or contractor doing \$5,000 - \$25,000 in business with the District within a fiscal year shall not contribute to any political campaign that directly affects the District while doing business for the District or for a period of two years after completion of business with the District. Further, the District will not enter into significant business with a vendor or contractor that has contributed to a political campaign that directly affects the District within two years prior to commencing business. Any vendor or contractor that participates and is awarded a contract through the competitive bidding process is exempt from this policy.

LEGAL REF.: 105 ILCS 5/10-20.19c, 5/10-20.21, 510-22.34c, and 5/19b-1 et seq.
820 ILCS 130/0.01 et seq.

CROSS REF: 2:100 (Board Member Conflict of Interest), 4:70 (Resource Conservation) 4:150 (Facility Management and Building Programs)

ADOPTED: February 10, 2003

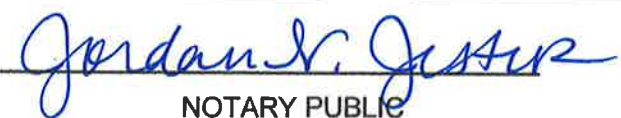
Firm: American Fidelity Assurance Company

By: 
(Signature)

Jason Pledger VP, Marketing Operations & Business Development
(Printed Name & Title)

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020


NOTARY PUBLIC



CRIMINAL BACKGROUND INVESTIGATIONS

Contractor hereby represents, warrants, and certifies that no officer or director thereof has any knowledge that any employee thereof has been convicted of committing or attempting to commit "Criminal Code of 1961," 720 ILCS, Sections 5/11-6 (Indecent solicitation of a child), 5/11-9 (Public indecency), 5/11-14 (Prostitution), 5/11-15 (Soliciting for a prostitute), 5/11-15.1 (Soliciting for a juvenile prostitute), 5/11-19 (Pimping), 5/11-19.1 (Juvenile pimping), 5/11-19.2 (Exploitation of a child), 5/11-20 (Obscenity), 5/11-20.1 (Sexual assault), 5/12-14 (Aggravated criminal sexual assault), 5/12-15 (Criminal sexual abuse), and 5/12-16 (Aggravated criminal sexual abuse), and/or those offenses defined in the "Cannabis Control Act," 720 ILCS, 550/1 et seq. (except the "Illinois Controlled Substances Act," 720 ILCS 570/100 et seq., any of the offenses that would subject a certificated employee to suspension or revocation pursuant to Section 21-23a of the School Code or anyone found to be the perpetrator of sexual or physical abuse of any minor under 18 years of age pursuant to proceedings under Article II of the Juvenile Court Act of 1987 and/or any offense committed or attempted in any other state or against the laws of the United States, which if committed or attempted in this State, would have been punishable as one or more of the foregoing offenses.

Contractor further agrees that it shall not employ any person who has or may have direct, daily contact with the pupils of any school in the district, and for whom a criminal background investigation has not been conducted pursuant hereto, and further represents and agrees that all applicants for any such employment shall furnish with their applications the attached written "Authorization for Criminal Background Information" form authorizing the District to request a criminal background investigation of said applicant pursuant to Section 5/10-21.9 of the School Code of Illinois and to receive criminal history record information pursuant thereto to determine if the applicant has been convicted of committing or attempting to commit any of the criminal or drug offenses enumerated above. Contractor further agrees to submit with said authorization payment for any costs and expenses associated with the criminal background investigation.

Contractor further represents, warrants, and certifies that no applicant for employment with respect to whom the criminal investigation reveals any conviction for committing and/or attempting to commit any of the above enumerated offenses, shall be employed thereby in any position that involves or may involve contact with the students of the school district.

This certification is executed on the date hereinafter indicated by the designated contractor by its duly authorized officer.

By: American Fidelity Assurance Company

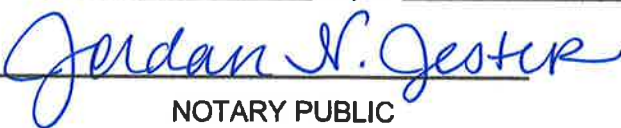
Jason Pledger VP, Marketing Operations & Business Development

Its: 

Dated: 6/23/2020

SUBSCRIBED and SWORN TO before me

This 23rd day of June, 2020


NOTARY PUBLIC



AUTHORIZATION FOR CRIMINAL BACKGROUND INVESTIGATION

The undersigned hereby authorizes the Board of Education of Community Unit School District 300, Algonquin, Illinois to request a criminal background investigation from the Illinois State Police, pursuant to Section 5/10-21.9 of the School Code of Illinois, 105 ILCS 5/10-21.9 and to receive criminal history record information pursuant thereto.

Jason Pledger VP, Marketing Operations & Business Development

(Printed or Typed Name of Applicant Employee)



Signature of Applicant or Employee

Dated: June 23, 2020



**COMMUNITY UNIT SCHOOL DISTRICT 300
PURCHASING DEPARTMENT**
2605 Bunker Hill Drive
Algonquin, IL 60102
847-551-8300
Fax: 847-551-8463

VENDOR APPLICATION FORM
(SUBJECT TO LOCAL LAWS)

Fill in all spaces. Insert "NA" in blocks not applicable.
Type all entries

APPLICATION DATE

REVISION DATE

DATE: 7/1/2020

COMPANY American Fidelity Assurance Company		HOW LONG IN PRESENT BUSINESS? 60 years	
ADDRESS 9000 Cameron Parkway		CITY	STATE ZIP
CONTACT PERSON/REPRESENTATIVE		FAX NUMBER ()	PHONE AND EXTENSION ()
TYPE OF ORGANIZATION (Check Applicable) ☐ INDIVIDUAL ☐ PARTNERSHIP ☐ CORPORATION		IF INCORPORATED INDICATE IN WHICH STATE Oklahoma	
YEARS ESTABLISHED: 60 years		DO YOU ACCEPT PURCHASE ORDERS? YES ☐ NO ☒ DO YOU ACCEPT CREDIT CARDS? YES ☐ NO ☒	
CATEGORY (Check below the category which applies to the applicant) ☐ (A) MANUFACTURER OR PRODUCER ☐ (C) RETAILER ☐ (E) DISTRIBUTOR ☐ (B) WHOLESALER ☐ (D) MANUFACTURER'S AGENT ☐ (F) SERVICE ESTABLISHMENT			
NAMES OF OFFICERS, MEMBERS OR OWNERS OF CONCERN, PARTNERSHIP, ETC.			
(A) PRESIDENT Jeanette Rice		(B) VICE PRESIDENT Keith Johnson	
(C) SECRETARY Lisa Knatvold		(D) TREASURER Lucy Fritts	
(E) OWNERS, PARTNERS, OR STOCKHOLDERS Bill Cameron			
TAXPAYER'S I.D. NO. FEIN <u>73-0714500</u> or S.S. No. _____		INSURANCE INFORMATION (Check Applicable) LIABILITY INSURANCE: \$2,000,000 ☐ \$2,500,000 ☐ \$5,000,000 ☐ OTHER ☐ Workers' Compensation : State Minimum ☐ Greater than Minimum ☐ Required that CUSD be named as an Additional Insured ☐ INSURANCE CO. _____	
BONDING INFORMATION (Check each area in which you have been bonded and the latest date of bonding) Perf. Bond _____ / _____ ☐ Payment Bond (Labor and Materials) _____ / _____ ☐ Builder's Risk _____ / _____ ☐ Mo. Year Mo. Year Mo. Year			
PERSONS AUTHORIZED TO SIGN QUOTES, PROPOSALS, BIDS AND CONTRACTS:			
NAME Jason Pledger		OFFICIAL CAPACITY VP of Marketing and Customer Experience	
Average number of employees (including affiliates) for four preceding calendar quarters. 1,800		Average annual sales for preceding three fiscal years: \$1,000,000,000	
		FloorSpace (Square Feet) Manufacturing Warehouse	

MINORITY/WOMEN BUSINESS ENTERPRISE (Check One) See Definitions Below ☐ MBE ☐ MBE/WBE ☐ WBE ☐ PBE	FOR USE BY CONTRACT COMPLIANCE ONLY: BY: _____ DATE _____ ☐ C ☐ NC
MINORITY GROUP MEMBERSHIP (Check One) See Definitions Below NOTE: DO NOT COMPLETE THIS SECTION UNLESS YOU HAVE CHECKED ONE OF THE BOXES IN THE MINORITY/WOMEN BUSINESS ENTERPRISE SECTION ABOVE. ☐ AFRICAN AMERICAN OR BLACK ☐ HISPANIC AMERICAN ☐ NATIVE AMERICAN ☐ ASIAN-PACIFIC AMERICAN	
CERTIFICATION DATE ISSUED: _____ EXPIRATION: _____	

MINORITY AND WOMEN OWNED BUSINESS ENTERPRISE DEFINITIONS

MINORITY BUSINESS ENTERPRISE ("MBE") means a certified participating business at least 51 percent (51%) of which is owned and controlled by one or more members of one or more minority groups, or in the case of a publicly held corporation, 51 percent (51%) of the stock is owned by one or more members of one or more minority groups and whose daily business operations are controlled by one or more such individuals.

WOMEN'S BUSINESS ENTERPRISE ("WBE") means a certified participating business at least 51 percent (51%) of which is owned by one or more women, or in the case of a publicly held corporation, 51 percent (51%) of the stock of which is owned by one or more women and whose daily operations are controlled by one or more such individuals. Determination of whether a business is at least 51 percent (51%) owned by a woman or women shall be made without regard to community property laws.

BUSINESS OWNED AND OPERATED BY A PERSON WITH A DISABILITY ("PBE") means a business concern of which at least 51 percent (51%) is owned by one or more persons with a disability, or in the case of the corporation, one in which at least 51 percent of the stock is owned by one or more persons with a disability or by a not for profit agency for the disabled organized pursuant to Section 501 of the Internal Revenue Code 1954; and the management and daily business operations of which are controlled by one or more of the persons with a disability who own it.

MINORITY GROUP MEMBER is an individual who is one of the following:

AFRICAN AMERICAN OR BLACK (persons with origins in any of the Black racial groups of Africa):

HISPANIC AMERICAN (persons of Spanish culture with origins in Puerto Rico, Mexico, Cuba, South or Central America, Spain, Portugal or the Caribbean Islands regardless of race).

NATIVE AMERICAN (American Indian)

ASIAN-PACIFIC AMERICAN (persons with origins from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, Taiwan, or the Indian subcontinent).

IF YOU HAVE EVER DONE BUSINESS WITH THE SCHOOL DISTRICT UNDER ANOTHER NAME, PLEASE INDICATE NAME OR NAMES.

N/A

Give names, complete addresses, buyer's names and phone numbers of four of your customers. (Please include Federal, State or City Governments).

ORGANIZATION	ADDRESS, STATE, ZIP	BUYER	PHONE NUMBER
1. Northwest R-1	4290 Gravois Rd, House Springs, MO 63051	Michelle Adams	636-677-3473
2. Jacksonville SD #117	211 West State St, Jacksonville, IL 62650	Tami Stice	217-243-9411
3. Champaign Community ISD #4	502 W Windsor Rd, Champaign, IL 61820	Deedra Miskimins	217-351-3822
4. Quincy SD 172	1416 Maine St, Quincy, IL 62301	Teresa Kemp	217-223-8700

Bank References

NAME OF BANK	ADDRESS, STATE, ZIP	CONTACT PERSON	PHONE NUMBER
First Fidelity Bank	P.O. Box 32282, Oklahoma City, OK 73123-0482	Lee Symcox	405-416-2222

I certify that the information supplied herein (including all pages attached) is correct and that neither the applicant nor any person (or concern) in any connection with the applicant as a principal or officer, so far as is known, is not debarred or otherwise declared ineligible by any public agency from furnishing materials, supplies or services to any agency thereof.

SIGNATURE OF PERSON AUTHORIZED TO SIGN THIS APPLICATION
Jason Pledger, VP of Marketing & Customer Experience
NAME AND TITLE OF PERSON SIGNING (Please type or print)

PERSONS OR BUSINESSES INTERESTED IN BEING ADDED TO THE BIDDER'S LIST MUST FILE THIS APPLICATION WITH THE PURCHASING DEPARTMENT.

AFTER PLACEMENT ON THE BIDDERS' LIST, A VENDOR'S FAILURE TO RESPOND TO INVITATIONS FOR BIDS WILL BE UNDERSTOOD BY THE SCHOOL DISTRICT TO INDICATE LACK OF INTEREST AND SHALL RESULT IN THE REMOVAL OF THE VENDOR'S NAME FROM THE BIDDERS' LIST FOR THE ITEMS CONCERNED.

NOTE: ANY CHANGES TO INFORMATION SUBMITTED (ADDRESSES, AUTHORIZED PERSONNEL, ETC..) WILL REQUIRE A REVISED COPY OF THIS FORM. ADDITIONAL FORMS MAY BE OBTAINED BY CONTACTING THE PURCHASING DEPARTMENT AT THE ADDRESS SHOWN ON THE FRONT OF THIS FORM.

USE BY COMMUNITY UNIT SCHOOL DISTRICT 300 ONLY

VENDOR I.D. NUMBER	APPROVED BY	DATE	W9	COMM LIST
--------------------	-------------	------	----	-----------

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

► Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type.
See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

American Fidelity Assurance Company

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.

☐ Individual/sole proprietor or single-member LLC ☒ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ►

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other (see instructions) ►

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) 5

Exemption from FATCA reporting code (if any)

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions.

PO Box 25523

6 City, state, and ZIP code

Oklahoma City, OK 73125-0523

7 List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

- -

or

Employer identification number

7 3 - 0 7 1 4 5 0 0

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign
Here

Signature of
U.S. person ►

Date ►

1/12/2020

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
 - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
 - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
 - Form 1099-S (proceeds from real estate transactions)
 - Form 1099-K (merchant card and third party network transactions)
 - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
 - Form 1099-C (canceled debt)
 - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

Sample Contract

- Sample Contract

Service Exchange Agreement

This Service Exchange Agreement is entered into by and between American Fidelity Assurance Company ("American Fidelity") and [INSERT GROUP'S LEGAL NAME HERE] ("Customer"), who in consideration of the mutual agreements and promises contained herein, agree to work together as described in this Service Exchange Agreement. This Service Exchange Agreement shall be effective on the date signed by American Fidelity, and shall continue until terminated or modified by agreement of the parties.

American Fidelity will provide to Customer the following services (the "Services"):

- [Section 125 Plan Administrative Services]
- [Healthcare Flexible Spending Account Administrative Services]
- [Benefits Debit Card Services for Healthcare FSA Participants]
- [Annual Enrollment (American Fidelity's or Customer's platform)]
- [Year-Round Support from a dedicated Account Manager]

In exchange for the Services, Customer shall:

[Products]

- [Allow American Fidelity to be the primary provider for supplemental insurance products; and]
- [Give American Fidelity the opportunity to offer insurance products to all eligible employees.]

[Communication]

- [Permit American Fidelity opportunities to present to employees or employee groups prior to enrollment;]
- [Facilitate one-on-one meetings of employees with American Fidelity to discuss employee benefit options and as applicable, to make their annual Section 125 Plan enrollment elections; and]
- [Provide working space for American Fidelity during enrollment meetings.]

[Administration]

- [Provide a complete employee census to American Fidelity each year;]
- [Provide other administrative services to American Fidelity as may be mutually agreed to by the parties; and]
- [Provide payroll deduction for American Fidelity products and services.]

By agreeing to the Services, Customer acknowledges its understanding of the following:

- The Services described above will be provided to the extent allowed by law;
- American Fidelity does not provide tax or legal advice;
- [American Fidelity reserves the right to change the delivery of Services and cost associated with them, but only with advanced written communication to Customer.]

Intending to be bound, American Fidelity and Customer have caused their duly authorized representatives to execute this Service Exchange Agreement.

AMERICAN FIDELITY OFFICER

CUSTOMER

Signature

Date

Signature

Date

Printed Name

Date

Printed Name

Date

Services Exchange Agreement Rev. 10/2017

Additional Information

- Additional Info



Products and Services

We believe your benefits package should be customized for your market and your employees' needs. We create solutions for your employees to help maximize their coverage without affecting your bottom line.

Reasons to Offer Employee Benefits Through American Fidelity

- Create a custom benefits plan designed to help manage healthcare costs.
- Offer your employees additional benefits at little or no direct effect to your bottom line.
- Streamline your enrollment process with our highly trained account managers.
- Utilize our robust enrollment platform for your entire benefits enrollment process.

Section 125 Plan Administration

With nearly 40 years of experience helping organizations like yours with Section 125 Plan administration, American Fidelity is the partner you are looking for. As your Plan provider, we will help you create your Section 125 Plan Document, manage election changes, and assist with reporting — all while helping you maintain compliance year-round.

Why Choose American Fidelity for Section 125 Plan Administration



Expertise

40 years of experience providing Section 125 Plan administration to organizations like yours.



Plan Setup

We work with you to capture all the details in your benefits offering and help you implement and maintain your Section 125 Plan, including the Plan Document.



Compliance

Our in-house employee benefits experts can assist your HR department by helping track plan changes and new regulations.



Employee Education

Provide year-round education to help your employees understand their benefits, leading to better participation in your Section 125 Plan.



American Fidelity is outstanding at talking to us about what we need and how we can customize the services we offer to fit our district, our employees, and the community we serve.



Kevin Carl, Superintendent, Hancock Place School District, MO

Reimbursement Accounts

Reimbursement Accounts

We offer a variety of tax-advantaged reimbursement accounts that can be included under your Section 125 Plan. These accounts allow money to be set aside on a pre-tax basis to cover eligible expenses for things like medical, dental, vision, and dependent care.

Reimbursement Account Options:



Healthcare Flexible Spending Account (HCFSA)

Allows employees to pay for eligible medical expenses, including deductibles, copays, and prescription drugs.

We assist with upfront funding and offer optional protection to cover the risk associated with required upfront reimbursement.



Dependent Care Account (DCA)

Reimburses expenses associated with dependent daycare for either a dependent child under the age of 13 or an adult dependent who is incapable of self-care.



Health Savings Account (HSA)

Combined with a qualified High Deductible Health Plan, it offers tax savings and investment options to pay for current and future medical expenses.



Limited Purpose FSA (LPFSA)

Reimburses employees for eligible dental and vision expenses. Most commonly offered with a Health Savings Account and a qualified High Deductible Health Plan.

Supplemental Benefits

American Fidelity offers a full suite of supplemental benefits that can help your employees fill the gaps in their individual coverage. Benefits are paid directly to your employees and can be used to pay for whatever health insurance doesn't cover—including lost income, deductibles, copayments, aftercare, everyday living expenses.

Supplemental Benefit Options:



Disability Income Insurance

Provides a percentage of your employees' monthly income if they are unable to work due to a covered illness or injury. Our disability products can be customized to meet the needs of each employee and complement your benefit offerings.



Life Insurance

Offers term and whole life insurance policies to meet the immediate and long-term life insurance needs of your employees.



Accident Insurance

May help your employees cover out-of-pocket treatment costs for injuries resulting from unexpected covered accidents. Our accident policy covers more than 25 treatments—including fractures, lacerations, physical therapy, and more.



Cancer Insurance

Includes individual and group plans with 30 benefits specifically designed to help your employees and their families with the financial aspect of being diagnosed with cancer, allowing them to focus on treatment.



Critical Illness Insurance

Pays a lump-sum benefit directly to your employees if they're diagnosed with a covered critical illness, such as a heart attack or stroke.

Additional Employee Benefits

Researching and Vetting Employee Benefit Vendors Can Be Time Consuming

American Fidelity General Agency, a member of the American Fidelity family, can help lessen this burden by connecting you with trusted partner vendors to provide additional employee benefits. This gives you an opportunity to find competitive rates and allows our account managers to conduct your entire enrollment, providing a seamless process for your employees.

Products offered by American Fidelity General Agency through Partner Carriers

- Individual Worksite Life Insurance
- Group Life Insurance
- Group Accidental Death & Dismemberment Insurance
- Group Vision Insurance
- Group Dental Insurance
- Individual Long-Term Care Insurance
- Hospital and other Medical Indemnity Insurance
- Identity Protection
- Telemedicine

Premier Partner Carriers – Available through American Fidelity General Agency

- | | | |
|------------------------------|-------------------------|-----------------------------|
| • Always Care | • Health Resources Inc. | • Sunlife |
| • Ameritas | • Life Secure | • Superior Dental |
| • AUL/One America | • Lincoln Financial | • Superior Vision |
| • Boston Mutual | • Mass Mutual | • Texas Life |
| • Cigna | • MetLife | • Transamerica |
| • Delta Dental (Multi-State) | • Mutual of Omaha | • Vision Care Direct |
| • Dental Care Plus | • Principal Financial | • Vision Service Plan (VSP) |
| • EyeMed | • Reliance Standard | • Voya |
| • Guardian Life | • Security Life | • VPI Pet Insurance |
| • Hartford | • The Standard | |

Dependent Verification Reviews

As healthcare costs continue to increase, it is important to ensure that you are only offering medical, dental, and vision plans to those dependents who are eligible to participate according to your plan design. Covering ineligible dependents may mean you are spending money on people you don't intend to cover. Additionally, employees who cover ineligible dependents may be at risk for bearing the total cost of healthcare claims for those dependents.

American Fidelity conducts complimentary Dependent Verification Reviews (DVR) to provide cost savings by eliminating non-qualified dependents and helping to ensure that employers are meeting carrier eligibility requirements.

Why We Perform In-Person Reviews

Some dependent verification companies offer electronic-only or mail-in reviews, but this can cause delays in validation as well as pose a potential privacy or security risk. We exclusively perform DVRs in-person because they:

- Don't require the transfer of sensitive data, making them more secure.
- Save time by completing the review during annual enrollment.
- Allow us to assist employees with questions and concerns.
- Offer immediate results instead of waiting for processing and mail time.

Benefits of a Third-Party Provider

While some employers choose to complete the reviews themselves, there are many reasons why using a third party is beneficial:



Confidentiality

Because of the sensitive nature of these reviews, employees may feel more comfortable speaking honestly with someone they don't work with every day.



Trained Staff

Our account managers are required to attend data security and HIPAA security training every year.



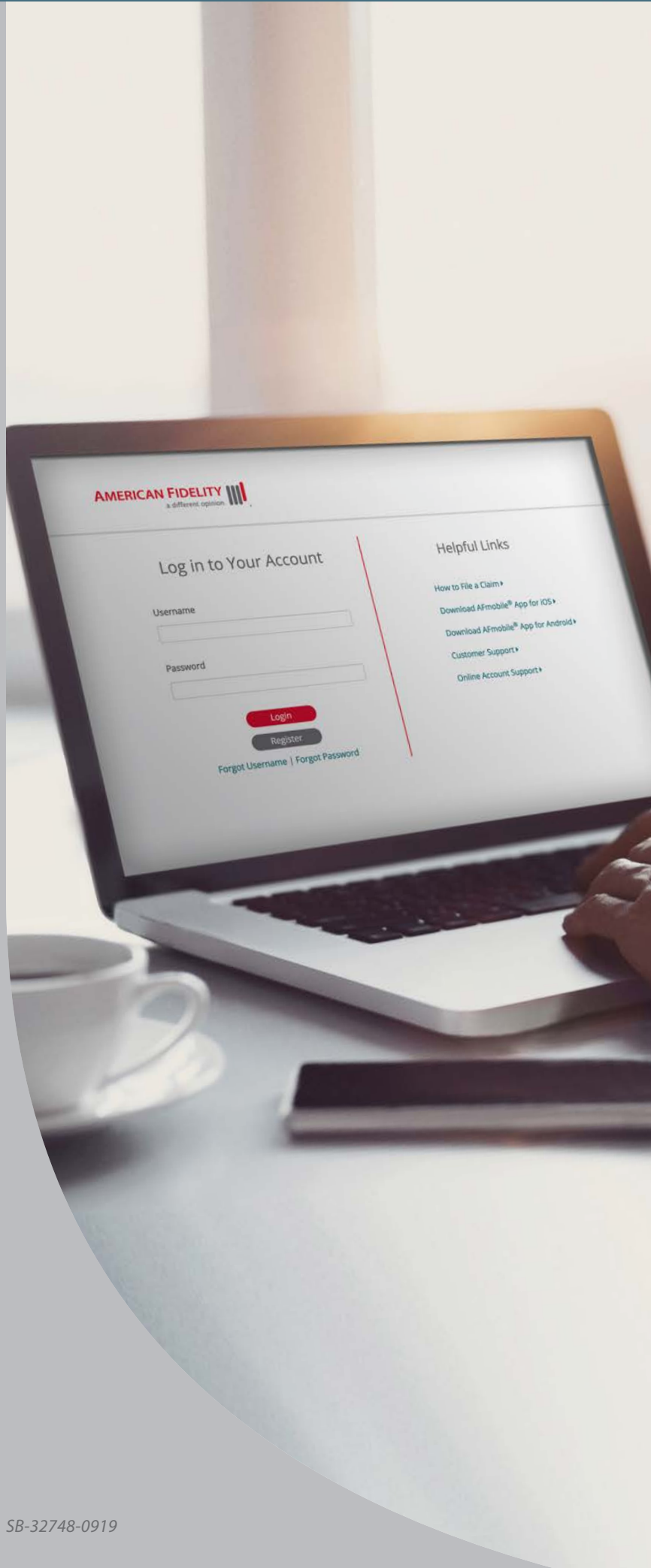
Immediate Results

Our account managers review your employees' verification documents in person, providing immediate results to you.



Save Time

DVRs take time, effort, and focus. We can help with the heavy lifting, so all you must worry about is removing ineligible dependents from your plan.



Resources and Tools

We work hard to exceed your expectations by providing excellent customer service and claims processing for your employees, and efficient plan administration tools and support for your Human Resources department. From our secured website and our convenient mobile app, to our local account managers and dedicated customer service team, American Fidelity is truly a different opinion.

- Employer Administration and Billing
- Policyholder Service and Support
- Hassle-Free Claims
- Data Security

Employer Administration and Billing

The administration of your benefits program may seem daunting without the proper resources. We have the resources and systems in place to handle all your administrative needs.

Employer Online Accounts

Our secure online system allows you to manage your entire benefits program and manage your bill in one place. Employers can:

- Review or terminate employees from their plan.
- Update contact information.
- Download sick pay reports.
- Create and manage employer account logins.
- Access employee election forms.
- Upload census data.
- Download reports.

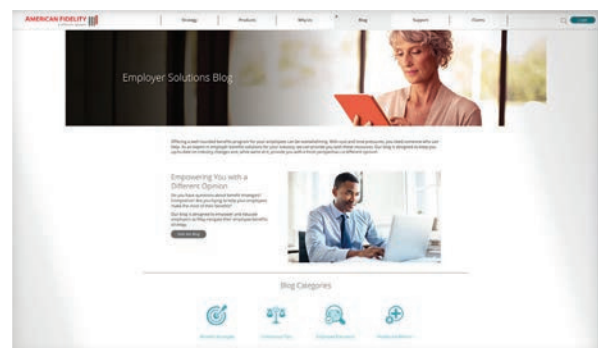
Billing and Reconciliation

American Fidelity provides multiple ways to meet the billing needs of our customers. Let us help you determine what option is best for you.

- **Hands-Free Bill Reconciliation**
Provide American Fidelity with a report of your premium deductions and we'll handle the reconciliation for you.
- **Employer Bill Reconciliation**
American Fidelity provides an itemized bill listing the premium due for each employee's coverage.

Employer Solutions Blog

We provide resources for employers to gain helpful insights about benefits management each month on our blog. Topics include tips on benefits compliance, reimbursement account management, how to get the most out of supplemental insurance, and more. Every month we email new articles to our Section 125 bookkeeper contacts. Employers can also access the articles anytime at solutions.americanfidelity.com.



Billing Paths to Meet Your Needs

Below are the three recommended billing paths. Start by logging into your American Fidelity online account at americanfidelity.com/myaccount

Hands-Free Bill Reconciliation

Premium Deduction File Upload



Provide documentation to American Fidelity outlining the amount you deducted from each employee's pay per coverage type.

Employer Bill Reconciliation

Online Bill Reconciliation



Make changes to your bill online so the bill reflects the premium deductions made.

Offline Bill Reconciliation



Download your bill in excel from your online account, make changes, and then upload back to your online account.

Submit matching payment.

American Fidelity compares what was billed to the information received from you.

American Fidelity sends discrepancies to **you** and **your account manager**. You work with your dedicated billing specialist and account manager to resolve before the following month's bill.



For detailed instructions on how to reconcile and pay your bills online, visit americanfidelity.com/billing-tutorials.

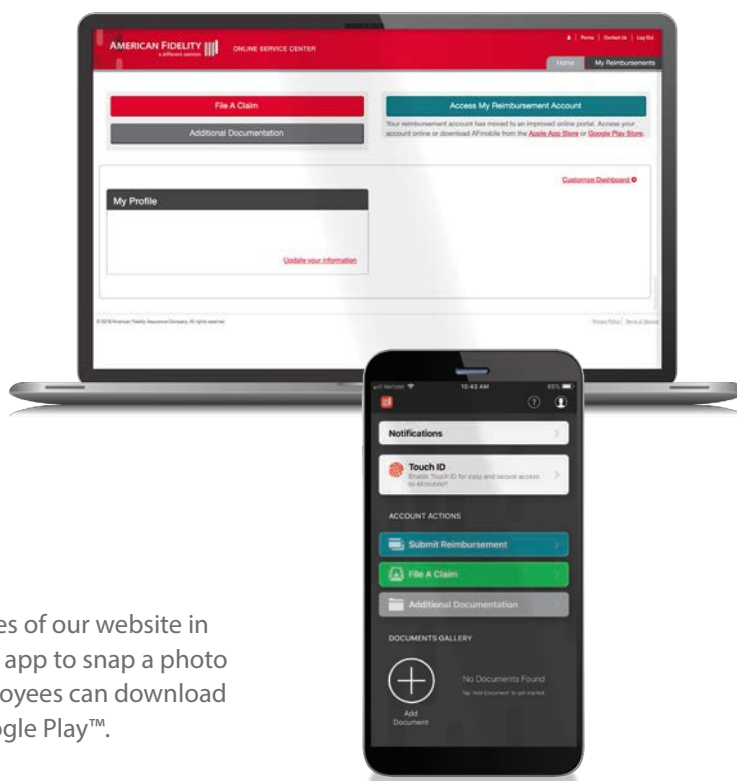
Policyholder Service and Support

We want to ensure your employees have the resources necessary to effectively utilize their benefits throughout the year. That's why we designed a variety of tools to help your employees file a claim, access account information, and get the support they need.

americanfidelity.com

Our website allows your employees to easily manage their benefits in one secure place. Employees can:

- File claims online.
- Check the status of an existing claim.
- Check reimbursement account balance and track account activity.
- Update account information.
- Download and print insurance policies.
- Set up account notifications and view statements.



AFmobile®

Our mobile app gives your employees all the features of our website in the palm of their hand. Employees may also use the app to snap a photo of documentation to conveniently file a claim. Employees can download AFmobile for free from the Apple App Store® or Google Play™.

Customer Support

There will be times when your employees need to speak to someone about their benefits. You will have a local account manager available to answer employee questions directly. In addition, we have a dedicated team of customer service representatives and participants have 24/7 access to our toll-free automated phone system to check their reimbursement account and annuity balances. Customers can also receive account support and answers to frequently asked questions at americanfidelity.com/support.

AFQuickClaims® - Paid in as little as one day!

When participants submit their annual wellness, diagnostic testing, or health screening claim online or through AFmobile®, they can receive their benefit in as little as one business day when enrolled in direct deposit, without the need to upload documentation.

Your employees' personal information is valuable. We understand you may have security concerns regarding sharing your information with others. That's why we want to tell you about some of the ways we are protecting your data.

Security measures we take to protect your private information:

Network Security

For enhanced security, our data servers are divided into multiple zones. Each zone is protected by security devices. Our network security permits only authorized traffic to access the system from the outside or between zones. Administrative traffic is restricted to authorized Virtual Private Network (VPN) users whose access is controlled via two-factor authentication. In addition to hardware firewalls, our servers are protected by anti-virus software.

Role-Based User Access

User access to the system is governed by roles, or groupings of permissions that specify which users have access to certain sets of features. Users log in with unique usernames and strong passwords. This means only trained, authorized, and necessary colleagues within American Fidelity have access to your private information.

Data Encryption

Our platform uses 256-bit encryption and Transport Layer Security (TLS) for all personal information transmitted over the Internet. The system also encrypts all backups before transmission off-site.

Secure Data Centers

All data is stored and managed on secure systems. Access to systems in these facilities is restricted to a limited number of authorized personnel. Physical access is monitored and controlled by proximity readers and authorized escorts. Security updates are applied on a recurring basis based on level of criticality and applicability.

Committed to Privacy

We understand that the protection of customer information and private health information is critical. It is our policy to keep any information that is collected secure and confidential. We respect the privacy of our customers and treat all personal information responsibly in accordance with privacy laws and regulations.

Audited Financials

- Audited Financials

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Financial Statements and Schedules

December 31, 2019 and 2018

(With Independent Auditors' Report Thereon)



KPMG LLP
210 Park Avenue, Suite 2650
Oklahoma City, OK 73102-5683

Independent Auditors' Report

The Board of Directors
American Fidelity Assurance Company:

We have audited the accompanying financial statements of American Fidelity Assurance Company (the Company), which comprise the statutory statements of admitted assets, liabilities, and capital and surplus as of December 31, 2019 and 2018, and the related statutory statements of operations, capital and surplus, and cash flow for the years then ended, and the related notes to the statutory financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 to the financial statements, the financial statements are prepared by the Company using statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department, which is a basis of accounting other than U.S. generally accepted accounting principles. Accordingly, the financial statements are not intended to be presented in accordance with U.S. generally accepted accounting principles.

The effects on the financial statements of the variances between the statutory accounting practices and U.S. generally accepted accounting principles also are described in Note 18.



Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the variances between statutory accounting practices and U.S. generally accepted accounting principles discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to above do not present fairly, in accordance with U.S. generally accepted accounting principles, the financial position of American Fidelity Assurance Company as of December 31, 2019 and 2018, or the results of its operations or its cash flows for the years then ended.

Opinion on Statutory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of American Fidelity Assurance Company as of December 31, 2019 and 2018, and the results of its operations and its cash flow for the years then ended, in accordance with statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department described in Note 1.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included in the supplemental schedules of selected financial data, investment risk interrogatories, and summary schedule of investments, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Oklahoma Insurance Department. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

KPMG LLP

Oklahoma City, Oklahoma
April 13, 2020

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Admitted Assets,
Liabilities, and Capital and Surplus

December 31, 2019 and 2018

Admitted Assets	2019	2018
Cash and invested assets:		
Bonds, at amortized cost (fair value: \$4,652,363,276 and \$4,105,274,207 at December 31, 2019 and 2018, respectively)	\$ 4,374,405,435	4,115,251,600
Preferred stocks, at cost (fair value: \$19,455,638 and \$4,628,588 at December 31, 2019 and 2018, respectively)	17,647,066	4,211,220
Common stocks, at fair value (cost: \$11,949,875 and \$12,581,365 at December 31, 2019 and 2018, respectively)	23,741,020	23,322,478
Common stock, investment in affiliates at equity value	1,335,908	1,139,211
Mortgage loans on real estate	550,520,170	484,256,052
Investment real estate, at cost (less accumulated depreciation of \$11,969,556 and \$9,186,852 at December 31, 2019 and 2018, respectively, and less encumbrances of \$30,097,988 and \$31,480,666 at December 31, 2019 and 2018, respectively)	23,773,327	24,071,571
Policy loans	56,447,154	56,675,209
Cash and short-term investments, at cost, which approximates fair value	289,209,412	336,915,573
Other invested assets	56,152,849	40,278,452
Total cash and invested assets	5,393,232,341	5,086,121,366
Life insurance premiums and annuity considerations deferred and uncollected	44,924,305	38,320,816
Accident and health premiums due and unpaid	81,075,450	54,160,453
Investment income due and accrued	40,762,334	40,490,632
Amounts recoverable from reinsurers	1,417,663	3,162,472
Other receivables under reinsurance contracts	9,486,135	8,271,235
Furniture and Equipment, at cost (less accumulated depreciation of \$646,437 and \$528,271 at December 31, 2019 and 2018, respectively)	—	116,824
Deferred tax assets	32,308,666	28,072,095
Other assets	72,905,510	87,687,289
Separate accounts' assets	980,712,323	754,806,790
Total admitted assets	\$ <u>6,656,824,727</u>	<u>6,101,209,972</u>

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Admitted Assets,
Liabilities, and Capital and Surplus

December 31, 2019 and 2018

Liabilities and Capital and Surplus	2019	2018
Aggregate reserves:		
Life policies and contracts	\$ 2,517,865,702	2,390,305,977
Accident and health policies	765,011,449	709,006,176
Total aggregate reserves	3,282,877,151	3,099,312,153
Policy and contract claims reserves	137,286,075	116,179,693
Liability for premiums and other deposit funds	22,990,986	24,373,519
Remittances and items not allocated	45,793,086	21,444,809
General insurance expenses, taxes, licenses, and fees due or accrued	99,013,620	104,023,684
Funds held under coinsurance	691,753,769	706,187,716
Other liabilities	354,457,691	271,986,543
Borrowed money	497,645,003	497,669,116
Separate Accounts' liabilities	980,712,323	754,806,790
Total liabilities	6,112,529,704	5,595,984,023
Capital and surplus:		
Common stock, par value \$10 per share, 250,000 shares authorized, issued, and outstanding	2,500,000	2,500,000
Additional paid-in capital	5,887,698	5,887,698
Unassigned surplus	535,907,325	496,838,251
Total capital and surplus	544,295,023	505,225,949
Commitments and contingencies		
Total liabilities and capital and surplus	\$ 6,656,824,727	6,101,209,972

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Operations

Years ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Income:		
Life insurance premiums and annuity considerations	\$ 370,729,063	348,399,110
Accident and health insurance premiums	805,431,515	739,319,233
Consideration for supplementary contracts with life contingencies	966,339	1,141,320
Net investment income (less investment expenses of \$39,359,896 and \$33,696,562 in 2019 and 2018, respectively)	180,829,179	184,959,903
Commissions and expense allowances on reinsurance ceded	(8,051,076)	(5,957,867)
Other income	<u>58,903,173</u>	<u>56,076,296</u>
Total income	<u>1,408,808,193</u>	<u>1,323,937,995</u>
Benefits and other deductions:		
Death benefits and matured endowments	33,395,707	29,675,601
Annuity benefits	186,437	2,665,949
Accident and health and disability benefits	419,763,284	368,901,423
Interest and adjustments on policy or deposit-type contract funds	25,501,129	1,559,015
Other benefits to policyholders and beneficiaries	187,510,674	182,961,204
Increase in aggregate reserves for future policy benefits	159,527,561	135,268,507
Commissions on premiums and annuity considerations	147,532,277	145,679,305
Commissions and expense allowances on reinsurance assumed	12,172,355	13,121,320
General insurance expenses, taxes, licenses, and fees	278,219,501	316,679,535
Other	<u>28,436,859</u>	<u>27,463,979</u>
Total benefits and other deductions	<u>1,292,245,784</u>	<u>1,223,975,838</u>
Net gain from operations before federal income taxes and net realized capital gains	116,562,409	99,962,157
Federal income taxes	<u>26,428,520</u>	<u>7,521,969</u>
Net gain from operations before net realized capital gains	90,133,889	92,440,188
Net realized capital gains, net of federal income tax expense (benefit) of \$9,599,983 and \$(9,142,363) in 2019 and 2018, respectively (excluding gains (losses) of \$37,515,252 and \$(4,218,990) transferred to the interest maintenance reserve in 2019 and 2018, respectively)	<u>145,877</u>	<u>6,448,632</u>
Net income	<u>\$ 90,279,766</u>	<u>98,888,820</u>

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Capital and Surplus

Years ended December 31, 2019 and 2018

	2019	2018
Capital and surplus, beginning of year	\$ 505,225,949	430,624,340
Net income	90,279,766	98,888,820
Change in net unrealized capital gains, net of tax (expense) benefit of \$(517,132) and \$40,364 for 2019 and 2018, respectively	7,466,637	8,814,035
Change in net deferred taxes	10,740,955	(3,533,775)
Change in nonadmitted assets	(11,040,546)	10,497,598
Change in asset valuation reserve	2,490,485	(4,822,912)
Dividends to stockholder	(60,000,000)	(35,000,000)
Change in liability for reinsurance in unauthorized companies	(438,425)	22,981
Other changes	(429,798)	(265,138)
Net change in capital and surplus	39,069,074	74,601,609
Capital and surplus, end of year	\$ 544,295,023	505,225,949

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Cash Flow

Years ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Premiums and annuity considerations, net of reinsurance	\$ 1,131,351,981	1,091,465,791
Allowances and reserve adjustments on reinsurance ceded	(10,512,331)	(5,957,867)
Investment income received	179,977,287	182,510,343
Other income	54,492,425	49,891,286
Life and accident and health claims paid	(435,539,514)	(390,836,382)
Surrender benefits and other fund withdrawals paid	(184,922,205)	(131,850,901)
Other benefits to policyholders paid	(27,087,029)	(83,588,529)
Commissions and other expenses paid	(439,633,273)	(454,077,905)
Federal income taxes paid	(27,649,958)	(9,602,014)
Dividends paid to policyholders	(953,445)	(884,406)
Net cash from operations	<u>239,523,938</u>	<u>247,069,416</u>
Proceeds from investments sold, matured, or repaid:		
Bonds	1,446,951,582	492,427,928
Stocks	1,308,755	1,553,668
Mortgage loans	41,085,883	69,461,272
Other	28,750,000	265,306
Total investment proceeds	<u>1,518,096,220</u>	<u>563,708,174</u>
Cost of investments acquired:		
Bonds	(1,654,975,728)	(567,992,125)
Stocks	(13,435,846)	—
Mortgage loans	(107,350,000)	(73,442,830)
Other	(13,117,507)	(18,175,686)
Total investments acquired	<u>(1,788,879,081)</u>	<u>(659,610,641)</u>
Net change in policy loans and loans on fund deposits	<u>228,055</u>	<u>(1,408,951)</u>
Net cash from investing	<u>(270,554,806)</u>	<u>(97,311,418)</u>
Borrowed money		
Other cash provided	63,006,680	36,178,981
Dividends paid to stockholder	(60,000,000)	(35,000,000)
Other cash applied	(19,681,973)	(55,852,809)
Net cash from financing and miscellaneous sources	<u>(16,675,293)</u>	<u>(54,673,828)</u>
Net change in cash and short-term investments	<u>(47,706,161)</u>	<u>95,084,170</u>
Cash and short-term investments, beginning of year	<u>336,915,573</u>	<u>241,831,403</u>
Cash and short-term investments, end of year	<u>\$ 289,209,412</u>	<u>336,915,573</u>

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2019 and 2018

(1) Significant Accounting Policies

(a) Business

American Fidelity Assurance Company (AFA or the Company) provides a variety of financial services. AFA is a wholly owned subsidiary of American Fidelity Corporation (AFC), a Nevada insurance holding company. AFA is domiciled in the state of Oklahoma. The Company is subject to state insurance regulations and periodic examinations by state insurance departments.

AFA is licensed in 49 states, as well as the District of Columbia, American Samoa, Puerto Rico, and Guam, with approximately 39% of direct premiums written in Oklahoma, Texas, and California. Activities of AFA are largely concentrated in the group disability income, group and individual annuity, supplemental health, and individual medical markets. In addition, individual and group life business is also conducted. The main thrust of AFA's sales is worksite marketing of voluntary products through the use of payroll deduction. The Company sells these voluntary products through a salaried sales force that is broken down into two primary divisions: the Association Worksite Division (AWD) and American Fidelity Educational Services (AFES). AWD specializes in voluntary disability income insurance programs aimed at selected groups and associations whose premiums are funded by employees through payroll deductions. AFES focuses on marketing to public school employees with voluntary insurance products such as disability income, tax-sheltered annuities, life insurance, dread disease, and accident only. These premiums are also funded by employees through payroll deductions. The expertise gained by the Company in worksite marketing of voluntary products is used by the Strategic Alliances Division in developing products to meet special situations. The Life Division was formed upon the acquisition of a block of life business in 2000. This division is marketing individual life products through independent brokers in the United States of America and Latin America.

These statutory financial statements were prepared for the purpose of filing with the various state insurance departments.

(b) Basis of Presentation

The accompanying statutory financial statements of the Company have been prepared in conformity with accounting practices prescribed or permitted by the Oklahoma Insurance Department, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles (GAAP). Certain amounts in prior year have been reclassified to conform to the current year presentation. Effective January 1, 2001, the National Association of Insurance Commissioners (NAIC) and the Oklahoma Insurance Department required that insurance companies domiciled in the state of Oklahoma prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures Manual Statements of Statutory Accounting Principles (SSAP) subject to any deviations prescribed or permitted by the Insurance Commissioner of the state of Oklahoma (the Commissioner). There are no differences between the accounting practices prescribed or permitted by the Oklahoma Insurance Department and the accounting practices prescribed and permitted by the NAIC. There have been no permitted practices granted to the Company for 2019 and 2018 by the Oklahoma Insurance Department.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2019 and 2018

SSAP differ from GAAP in several respects, which cause differences in reported assets, liabilities, stockholder's equity (statutory capital and surplus), net income, and cash flows. The principal SSAP that differ from GAAP include the following:

- The financial statements of subsidiaries are not consolidated and are accounted for as investments in common stock.
- Investments in bonds and preferred stocks are carried amortized cost, cost, or the lower of cost or fair value; under GAAP, investments in bonds and preferred stock, other than those classified as held-to-maturity, are carried at fair value.
- Certain assets (principally certain deferred taxes, furniture, equipment, prepaid expenses, and premiums due from policyholders, agents' balances, and amounts recoverable from reinsurers over 90 days) have been designated as nonadmitted assets and excluded from assets by a charge to statutory surplus. Under GAAP, such amounts are carried at amortized cost with the appropriate valuation allowance, when necessary.
- Aggregate reserves for life, annuities, and accident and health are based on statutory mortality and interest requirements without consideration for anticipated withdrawals except where allowed. Morbidity assumptions are based on the statutory morbidity requirements or Company's experience where allowed. Under GAAP, the reserves are based on either (i) the present value of future benefits less the present value of future net premiums based on mortality, morbidity, and other assumptions that were appropriate at the time the policies were issued or acquired, or (ii) the account value for certain contracts without significant life contingencies.
- The interest maintenance reserve (IMR) represents the deferral of interest-related realized gains and losses, net of tax, on primarily fixed maturity investments, which are amortized into income over the remaining life of the investment sold. No such reserve is required under GAAP.
- Deferred income taxes are recognized for both SSAP and GAAP; however, the amount permitted to be recognized is generally more restrictive under SSAP and the change in deferred taxes is reported as a direct charge to surplus.
- The asset valuation reserve (AVR) represents a contingency reserve for credit-related risk on most invested assets of the Company, and is charged to statutory surplus. No such reserve is required under GAAP.
- Policy acquisition costs are expensed as incurred, while under GAAP, successful acquisition costs are deferred and recognized over either (1) the expected premium-paying period or (2) the estimated life of the contract.
- Reserves are reported net of ceded reinsurance; under GAAP, reserves are reported gross with a corresponding reinsurance receivable.
- A 100% provision is established for unsecured reinsurance recoverable balances from unauthorized reinsurers. The change in this provision is credited or charged to unassigned surplus. Under GAAP, a provision is established for uncollectible reinsurance balances with any changes to this provision reflected in earnings for the period.

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- The statements of operations are different in certain respects, with life and annuity premiums being recognized as revenue when the policies and contracts are issued. Under GAAP, premiums on life insurance policies are recognized when due; premiums on annuity contracts are not recognized as revenue, but as deposits.
- Revenues for universal life policies and investment products consist of the entire premium received, and benefits represent the death benefits paid and the change in policy reserves, unless the products do not incorporate mortality or morbidity risk. Under GAAP, premiums received in excess of policy charges are not recognized as premium revenue, and benefits represent the excess of benefits paid over the policy account values and interest credited to the account values.
- The statements of cash flow differ in certain respects from the presentation required under GAAP, including the presentation of the changes in cash and short-term investments instead of cash and cash equivalents. Short-term investments include securities with maturities, at the time of acquisition, of one year or less. For statutory purposes, there is no reconciliation between net income and cash from operations.
- A statement of comprehensive income is not required for SSAP reporting.

(c) Use of Estimates

The preparation of financial statements in conformity with accounting practices prescribed or permitted by the Oklahoma Insurance Department, Annual Statement Instructions, and NAIC Manual requires management to make estimates and assumptions that affect the reported amounts of admitted assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in those estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in the period in which they occur. Principal estimates that could change in the future are the fair value of investments, whether a security is other-than-temporarily impaired, and the actuarial assumptions used in establishing policy liabilities.

(d) Investments in Affiliates, Joint Ventures, Partnerships, or Limited Liability Companies

The statutory financial statements include the Company's investment in its wholly owned subsidiaries. Intercompany accounts and transactions have not been eliminated in the statutory financial statements. The Company's wholly and majority-owned subsidiaries at December 31, 2019 and 2018 are noninsurance entities that have no significant ongoing operations other than to hold assets that are primarily for the direct or indirect benefit or use of the Company or its affiliates, and are carried at the underlying equity of the respective entity's financial statements adjusted to a statutory basis of accounting.

The Company's investments in joint ventures, partnerships, and limited liability companies are recorded at cost, adjusted for the Company's share of the GAAP basis earnings or losses of the investee, net of

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any distributions received. Such investments are reported as other invested assets and the related adjustments are reported as unrealized capital gains or losses in surplus.

(e) Investments

The investment portfolio includes bonds, preferred stocks, common stocks, mortgage loans, real estate, policy loans, other invested assets, and short-term investments.

Investments are carried in accordance with rules established by the NAIC. Bonds are carried at cost, adjusted where appropriate for accretion of premium or amortization of discount using the scientific interest method and taking into consideration stated interest and principal provisions. Additionally, bonds rated as NAIC 6 are carried at the lower of their cost or fair market value. Preferred stocks are carried at the lower of cost or fair value since there is no premium or discount. Common stocks are carried at fair value. Policy loans are stated at their aggregate unpaid balances. Mortgage loans on real estate are stated at their aggregate unpaid balances. Real estate held for investment is carried at cost less accumulated depreciation and encumbrances. Encumbrances as of December 31, 2019 and 2018 were approximately \$30,098,000 and \$31,481,000, respectively. The promissory note bears interest at 4.32% and is due in monthly installments of approximately \$103,000 (including interest) to 2022. Property occupied by the Company is carried at cost, less accumulated depreciation.

Realized gains or losses are determined on the specific identification basis. Unrealized gains and losses on common stocks of affiliates and nonaffiliates are accounted for as direct increases or decreases in surplus.

Because the Company's primary business is in the insurance industry, the Company holds a significant amount of assets that it intends to match with its liabilities in relation to maturity and interest margin. In order to maximize earnings and minimize risk, the Company invests in a diverse portfolio of investments. The portfolio is diversified by geographic region, investment type, underlying collateral, maturity, and industry. Management does not believe that the Company has any significant concentrations of credit risk in its investments.

The Company generally does not invest in any low investment-grade high-yield investment bonds (junk bonds). Certain bonds are guaranteed by the U.S. government. The Company limits its risks by investing in bonds and stocks of rated companies, mortgage loans adequately collateralized by real estate, selective real estate supported by appraisals, and policy loans collateralized by policy cash values. In addition, the Company performs due diligence procedures prior to making mortgage loans. These procedures include evaluations of the credit worthiness of the mortgagees and/or tenants and independent appraisals.

The maximum and minimum lending rates for mortgage loans originated during 2019 were 5.00% and 3.50%, respectively. The maximum and minimum lending rates for mortgage loans originated during 2018 were 5.06% and 4.17%, respectively. The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 80% during 2019 and 2018. During 2019 and 2018, the Company did not reduce interest rates on any outstanding mortgage loans. The Company held no mortgages with interest more than 180 days past due or impaired mortgage loans.

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For loan-backed securities, the Company has elected to use the carrying value as of January 1, 1994 as the cost for applying the retrospective adjustment method to securities purchased prior to that date. In 2019 and 2018, the Company had no changes from the retrospective to prospective methodology due to negative yield on specific securities. Prepayment assumptions for single class and multiclass mortgage-backed/asset-backed securities were obtained from broker-dealer survey values or internal estimates.

The Company periodically reviews its investment portfolio to determine if provisions for possible losses or provisions for other-than-temporary impairment (OTTI) are necessary. In connection with this determination, management reviews published market values, credit ratings, independent appraisals, expected cash flows, and other valuation information. Securities with impairments are written down to the present value of expected cash flows to be collected rather than fair value unless the Company has the intent to sell or inability to retain the security until recovery of amortized cost. For the year ended December 31, 2019, the Company recorded no OTTI. For the year ended December 31, 2018, the Company recorded approximately \$1,926,000 of OTTI. While management believes that no additional provisions for OTTI are currently necessary, adjustments may be necessary in the future due to changes in economic conditions. In addition, regulatory agencies periodically review investment valuation as an integral part of their examination process. Such agencies may require the Company to recognize adjustments based upon available information and judgments of the regulatory examiners at the time of their examination.

(f) Equipment

Equipment consists of electronic data processing equipment and is stated at cost less accumulated depreciation. Equipment is depreciated on a straight-line basis using estimated lives of five to ten years. Additions, renewals, and betterments are capitalized. Expenditures for software, maintenance, and repairs are expensed. Upon retirement or disposal of an asset, the asset and related accumulated depreciation are eliminated and any related gain or loss is included in income.

(g) Company-Owned Life Insurance

The Company is the owner of three single premium insurance policies and one group variable life insurance policy for certain current executives of the Company, where the Company is the beneficiary. These policies, accounted for using the investment method, were purchased in 2018, 2014 and in 2010. The policies are recorded in other assets at their net cash surrender values, as reported by the four issuing insurance companies, whose Standard & Poor's financial strength ratings are AA+ for the single premium insurance policies and A for the group variable life insurance policy. The net cash surrender values totaled approximately \$69,226,000 and \$66,423,000 as of December 31, 2019 and 2018, respectively. The face value (death benefit) of the life insurance policies underlying the contracts was approximately \$185,841,000 and \$184,584,000 as of December 31, 2019 and 2018, respectively.

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(h) Premiums

Life premiums are recognized as revenue when the policy is written and on each anniversary date thereafter. Accident and health premiums are recognized when due from the policyholder. Both life and accident and health premiums are increased by reinsurance premiums assumed and reduced by reinsurance premiums ceded. Contracts issued that do not incorporate mortality or morbidity risk are not accounted for as insurance contracts. Amounts received as payments for such contracts are recorded as direct increases to the policy reserves.

The Company estimates accrued retrospective premium adjustments (premium rate stabilization) for certain contracts in its group health and group life business based on contractually determined formulas by group. The amount of net premiums written by the Company for the years ended December 31, 2019 and 2018 that were subject to retrospective rating features were approximately \$190,000 and \$190,000, respectively, which represented approximately 0.04% and 0.05% of net premiums written for group health and group life products in 2019 and 2018, respectively. No other net premiums written by the Company were subject to retrospective rating features.

(i) Reinsurance

The Company accounts for reinsurance transactions as prescribed by the applicable accounting standards, which require the reporting of reinsurance transactions relating to the statements of admitted assets, liabilities, and capital and surplus on a net basis and precludes immediate gain recognition on reinsurance contracts.

(j) Income Taxes

Current income taxes incurred includes current income taxes for the amount of federal income taxes paid or payable for the current year. These amounts are determined based on estimates of federal income taxes for the current year, including tax contingencies and benefits. The Company's current tax recoverable is reported as a component of other assets and current tax payable is reported as a component of other liabilities. The changes in current taxes are reflected in the statutory statements of operations.

Deferred income tax assets and liabilities are determined based on differences between statutory financial statement carrying amounts of existing assets and liabilities and their respective tax bases, as well as operating loss, capital loss, and tax credit carryforwards. Temporary differences related to AVR and IMR are not included in the determination of gross deferred income taxes while temporary differences for unrealized gains/losses and nonadmitted assets are included. Gross deferred tax assets are reduced by a valuation allowance if it is more likely than not (i.e. greater than 50% likelihood) that some portion or all of the gross deferred tax assets will not be realized. The deferred tax assets and liabilities are measured using federal enacted tax rates. Deferred income tax assets are limited as to their admissibility. The changes in net deferred tax assets and liabilities are reflected in surplus. The Company's net admitted deferred tax assets are reported as a component of other assets.

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(k) Policy Liabilities

Aggregate reserves for life policies and contracts include reserve amounts principally for life insurance policies, payout annuity policies, and disability insurance policies. The life insurance reserves are principally based on the 1941, 1958, 1980, 2001, and 2017 Commissioners Standard Ordinary (CSO) mortality tables, and are established with interest rate assumptions ranging from 2.0% to 6.0%. Annuity insurance reserves are established with interest rate assumptions ranging from 3.0% to 8.8%. Disability reserves are principally based on the 2012 Group Long Term Disability Table, with adjustments for actual Company experience. The tabular interest, tabular less actual reserves released, and the tabular cost have been determined by formula. Aggregate reserves for accident and health policies include the present value of amounts not yet due on claims, additional reserves, and unearned premiums.

Policy and contract claims reserves include a provision for reported claims and claims incurred but not reported. The provision for claims incurred but not reported is estimated based primarily on Company experience. Although these provisions are the Company's best estimate of the ultimate value, the actual results may vary from these values.

Liability for premiums and other deposit funds include reserves for qualified before tax annuities and other accumulation policies that do not subject the Company to any risks from policyholder mortality and morbidity. Such reserves are established using guaranteed interest rates of 3.0% to 7.5%.

The Company has a significant amount of allocated deferred annuity contracts with life contingencies. The liability for these contracts is recorded as aggregate reserves for life policies and contracts. The Company also has annuities certain without life contingencies. The liability for these contracts is recorded as a liability for premiums and other deposit funds.

The Company started issuing business in 2017 on the 2017 CSO table for life products where approved. There were two valuation basis changes for reserves in 2016. Disability reserves moved from the 1987 Commissioners Group Disability Table to the 2012 Group Long Term Disability Table. Group term life waiver of premium reserves moved from the 1952 Disability Study, period 2, with the 1958 CSO mortality table to the 2005 Group Term Life Waiver Reserve Table.

The Company waives deduction of deferred fractional premiums upon death of the insured, and returns any portion of the final premium beyond the month of death for policies developed and issued subsequent to December 1977.

Surrender values are not promised in excess of the legally computed reserves.

Extra premiums are charged for substandard lives in addition to the regular gross premium for the true age.

Mean reserves are determined by computing the regular mean reserve for the plan at the true age and holding in addition one-half of the extra premium charge for the year.

The Company had approximately \$1,151,998,000 and \$1,305,394,000 of insurance in force (after reinsurance ceded) for which the gross premiums are less than the net premiums according to the standard valuation set by the state of Oklahoma at December 31, 2019 and 2018, respectively.

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The Company had approximately \$32,904,000 and \$34,709,000 as of December 31, 2019 and 2018, respectively, of annuity actuarial reserves and deposit liabilities that were subject to discretionary withdrawal at book value less current surrender charge of 5% or more. As of December 31, 2019 and 2018, the Company has approximately \$970,926,000 and \$746,745,000, respectively, of annuity actuarial reserves and deposit liabilities that were subject to discretionary withdrawal at market value where the withdrawal of the funds is payable at the current market value of the assets supporting the liabilities. Annuity reserves and deposit liabilities that were subject to discretionary withdrawal at book value without adjustment were approximately \$1,976,689,000 and \$1,883,672,000 as of December 31, 2019 and 2018, respectively. There were approximately \$44,033,000 and \$46,426,000 of annuity reserves and deposit liabilities that are not subject to discretionary withdrawal at December 31, 2019 and 2018, respectively. At December 31, 2019 and 2018, the total gross annuity actuarial reserves and deposit liabilities were approximately \$3,024,553,000 and \$2,711,552,000, respectively, and the net annuity actuarial reserves and deposit liabilities were approximately \$3,019,535,000 and \$2,706,415,000, respectively. The ceded amount of annuity actuarial reserves and deposit liabilities was approximately \$5,018,000 and \$5,137,000 as of December 31, 2019 and 2018, respectively. The Company's earnings related to these products are impacted by conditions in the overall interest rate environment.

(l) Capital and Surplus

Capital and surplus of the Company is restricted as to payment of dividends by statutory limitations applicable to insurance companies. Without prior approval of the respective state insurance department, dividends that can be paid are generally limited to the greater of 10% of statutory capital and surplus or the statutory net gain from operations before net realized capital gains/losses reported for the previous calendar year. The maximum dividend payout, which may be made without prior approval in 2020, is approximately \$90,134,000.

The Oklahoma Insurance Department has adopted Risk-Based Capital (RBC) requirements for life insurance companies. The RBC calculation serves as a benchmark for the regulation of life insurance companies by state insurance regulators. RBC provides for surplus formulas similar to target surplus formulas used by commercial rating agencies. The formulas specify various weighting factors that are applied to statutory financial balances or various levels of activity based on the perceived degree of risk, and are set forth in the RBC requirements. The Company has calculated RBC in accordance with the NAIC's Model Rule and RBC rules as adopted by the Oklahoma Insurance Department. The RBC, as calculated by the Company, exceeds levels requiring Company or regulatory action at December 31, 2019 and 2018.

(m) Separate Accounts

The Company maintains a separate account under Oklahoma insurance law designated as American Fidelity Separate Account A (Account A). Account A was formerly known as American Fidelity Variable Annuity Fund A, and operated as an open-end diversified management investment company from 1968 to 1998. Effective January 1, 1999, it was converted to a unit investment trust separate account, and it transferred its investment portfolio to the American Fidelity Dual Strategy Fund, Inc. (the Fund), an open-end investment company sponsored by AFA, in exchange for shares of the Fund.

On November 25, 2014, Account A's investment in the Fund was substituted with the Vanguard Total Stock Market Index Fund. Under Oklahoma law, the assets of Account A are segregated from the

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Company's assets, are held for the exclusive benefit of the variable annuity contract owners, and are not chargeable with liabilities arising out of the business conducted by any other account or by the Company.

The Company also maintains separate accounts under Oklahoma insurance law designated as American Fidelity Separate Account B (Account B) and American Fidelity Separate Account C (Account C). Account B and Account C are registered as unit investment trusts under the Investment Company Act of 1940, as amended. Under Oklahoma law, the assets of each of the ten (10) segregated subaccounts of Account B and the ten (10) segregated subaccounts of Account C are held for the exclusive benefit of the variable annuity contract owners, and are not chargeable with liabilities arising out of the business conducted by any other account or by the Company.

The separate accounts maintained by the Company represent funds for nonguaranteed variable annuities. The assets of these accounts are carried at market value. The net investment experience of the separate account is credited directly to the policyholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of the account value or the premium paid. The minimum guaranteed death benefit reserve is held in the Company's general account. For the years ended December 31, 2019 and 2018, the amount of premiums, considerations, or deposits for the year was approximately \$83,930,000 and \$75,231,000, respectively.

(2) Admitted and Nonadmitted Assets

Assets in the statutory statements of admitted assets, liabilities, and capital and surplus are stated at admitted asset values, which are the values permitted to be reported in the annual report to the Oklahoma Insurance Department. All other assets are "nonadmitted assets" and are excluded from the statutory statements of admitted assets, liabilities, and capital and surplus by a charge to surplus. Nonadmitted assets as of December 31 are as follows:

	<u>2019</u>	<u>2018</u>
Prepays, deposits, and other receivables	\$ 11,815,227	7,665,554
Amounts receivable from reinsurers	1,420,225	—
Agents' balances	23,960	26,904
Deferred tax asset	29,993,314	24,006,062
Leasehold improvements	18,547,634	19,061,294
	<u>\$ 61,800,360</u>	<u>50,759,814</u>

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(3) Fair Value of Financial Instruments

A summary of the Company's financial instruments and the fair value estimates, methods, and assumptions is set forth below:

	Admitted assets	Estimated fair value as of December 31, 2019			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and short-term investments	\$ 289,209,412	289,209,412	—	—	289,209,412
Bonds	4,374,405,435	503,204	4,062,644,812	589,215,260	4,652,363,276
Common and preferred stock	42,723,994	38,301,466	1,468,440	4,762,660	44,532,566
Mortgage loans on real estate	550,520,170	—	—	569,102,537	569,102,537
Financial liabilities:					
Certain policy liabilities	2,026,548,359	—	—	2,027,871,376	2,027,871,376
Borrowed money	497,645,003	—	509,022,658	—	509,022,658
	Admitted assets	Estimated fair value as of December 31, 2018			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and short-term investments	\$ 336,915,573	336,915,573	—	—	336,915,573
Bonds	4,115,251,600	24,200,433	3,601,822,771	479,251,003	4,105,274,207
Common and preferred stock	28,672,909	23,700,796	1,258,513	4,130,968	29,090,277
Mortgage loans on real estate	484,256,052	—	—	490,749,585	490,749,585
Financial liabilities:					
Certain policy liabilities	1,936,558,042	—	—	1,937,397,267	1,937,397,267
Borrowed money	497,669,116	—	494,665,695	—	494,665,695

(a) Cash and Short-Term Investments

The carrying amounts of the financial instruments listed above approximate their fair values because they mature within a relatively short period of time, and do not present unanticipated credit concerns.

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(b) Bonds, Common Stocks and Preferred Stocks

For fixed maturities and marketable equity securities, for which market quotations generally are available, the Company primarily uses independent pricing services to assist in determining fair value measurements. When the fair value of certain securities is not readily available, the fair value estimates are based on quoted market prices of similar instruments adjusted for the differences between the quoted instruments and the instruments being valued, or fair value is estimated using discounted cash flow analysis. Interest rates used in this analysis are similar to currently offered contracts with comparable maturities as the investments being valued. The Company's investments also include certain less liquid or private fixed maturity debt securities, such as private placements and certain structured notes. Valuations are estimated based on nonbinding broker prices or valuation models discounted cash flow models and other similar techniques that use observable or unobservable inputs and are considered Level 3.

The fair value of equity securities investments of the Company is based on quotations from independent pricing services, bid prices published in financial newspapers, or bid quotations received from securities dealers.

(c) Mortgage Loans on Real Estate

Fair values are estimated for portfolios of loans with similar characteristics. Commercial mortgage loans have average net yield rates of 4.44% and 4.58% for December 31, 2019 and 2018, respectively. The fair value of mortgage loans was calculated by discounting scheduled cash flows to maturity using estimated market discount rates of 3.93% and 4.39% for December 31, 2019 and 2018, respectively. These rates reflect the credit and interest rate risk inherent in the loans. Assumptions regarding credit risk, cash flows, and discount rates are judgmentally determined using available market information and specific borrower information. The fair value of certain residential loans is based on the approximate fair value of the underlying real estate securing the mortgages.

(d) Policy Loans

Policy loans have average interest yields of 5.27% and 5.91% as of December 31, 2019, and 2018, respectively, and have no specified maturity dates. These loans typically carry an interest rate that is tied to the crediting rate applied to the related policy and contract reserves. Policy loans are an integral part of the life insurance policies that the Company has in force and cannot be valued separately.

(e) Certain Policy Liabilities

Certain policies sold by the Company are investment-type contracts. These liabilities are segregated into two categories: premiums and other deposit funds and immediate annuities. These liabilities are further defined to segregate the deferred annuity contract with life contingencies, which are reported as aggregate reserves for life policies and contracts. The fair value of aggregate reserves for life policies and contracts is estimated as the fund value of each policy less applicable surrender charges. The fair value of the immediate annuities without life contingencies and premiums and other deposit funds is

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estimated as the discounted cash flows of expected future benefits less the discounted cash flows of expected future premiums, using the current pricing assumptions.

	2019		2018	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Aggregate reserves for life policies and contracts	\$ 2,003,856,743	2,002,797,723	1,912,520,605	1,911,471,263
Annuities	22,691,616	25,073,653	24,037,437	25,926,004

(f) Borrowed Money

The fair value of the Company's notes payable is estimated by the present value of a stream of future expected cash flows using an appropriate discount rate. Discount factors are based on the LIBOR/Swap curve.

(g) Limitations

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These fair value estimates do not reflect any premium or discount that could result from offering for sale at one time the Company's entire holdings of a particular financial instrument, nor do they reflect income taxes on differences between fair value and tax basis of the assets. Because no established exchange exists for a significant portion of the Company's financial instruments, fair value estimates are based on judgments regarding future expected loss experience, current economic conditions, risk characteristics of various financial instruments, and other factors. These fair value estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the fair value estimates.

(h) Fair Value Hierarchy

The following are the levels of hierarchy and a description of the type of valuation inputs that are used to establish each level:

Level 1 inputs are quoted in active markets for identical securities.

Level 2 inputs are other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 inputs are significant unobservable inputs (including the Company's own assumptions used to determine the fair value of investments).

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Assets that are recorded at fair value are categorized into a three-level fair value hierarchy as required by SSAP No. 100, *Fair Value Measurements*. The balances of these assets as of December 31, 2019 are as follows:

	Level 1	Level 2	Level 3	Total
Assets recorded at fair value:				
Bonds – industrial and miscellaneous	\$ —	2,637,828	—	2,637,828
Common stock – unaffiliated	23,608,488	132,532	—	23,741,020
Common stock – affiliated	—	1,335,908	—	1,335,908
Total assets at fair value	\$ 23,608,488	4,106,268	—	27,714,756

Assets that are recorded at fair value are categorized into a three-level fair value hierarchy as required by SSAP No. 100, *Fair Value Measurements*. The balances of these assets as of December 31, 2018 are as follows:

	Level 1	Level 2	Level 3	Total
Assets recorded at fair value:				
Bonds – industrial and miscellaneous	\$ 23,183,381	3,055,236	—	26,238,617
Common stock – unaffiliated	23,203,177	119,301	—	23,322,478
Common stock – affiliated	—	1,139,211	—	1,139,211
Total assets at fair value	\$ 46,386,558	4,313,748	—	50,700,306

There were no securities with unobservable inputs (Level 3) at December 31, 2019 or 2018.

The following table presents the change for the year ended December 31, 2018 in the assets measured at fair value using unobservable inputs (Level 3):

	Loan-backed securities
Beginning balance	\$ 1,781,086
Transfers in	—
Transfers out	—
Total gain (loss) included in net income	1,307,118
Total gain (loss) included in surplus	195,673
Purchases	—
Issuances	—
OTTI	—
Sales	(3,283,877)
Settlements	—
Ending balance	\$ —

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(4) Investments

Investment income for the years ended December 31 is summarized below:

	2019	2018
Interest on bonds	\$ 181,983,049	180,346,598
Dividends on preferred and common stocks	822,142	314,170
Interest on mortgage loans	23,788,064	24,558,391
Investment real estate income	7,436,798	8,459,581
Interest on policy loans	2,981,784	3,305,649
Interest on cash and short-term investments and other	3,177,238	1,372,076
	<u>220,189,075</u>	<u>218,356,465</u>
Less investment expenses	39,359,896	33,396,562
Net investment income	\$ <u>180,829,179</u>	<u>184,959,903</u>

Realized gains (losses) for the years ended December 31 consisted of the following:

	2019	2018
Bonds	\$ 46,301,716	(4,547,506)
OTTI	—	(1,926,441)
Realized gains (losses) on bonds	46,301,716	(6,473,947)
Common stocks of nonaffiliates	677,265	752,169
Real estate	—	(820,296)
Other capital loss	282,131	(370,647)
Total realized gains (losses) before federal income taxes and IMR transfers	47,261,112	(6,912,721)
Federal income tax expense	9,599,983	(9,142,363)
Less IMR transfers	37,515,252	(4,218,990)
Net realized gains	\$ <u>145,877</u>	<u>6,448,632</u>

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The carrying value and estimated fair value of bonds, preferred stock, and common stock at December 31 are as follows:

	2019			
	Carrying value/ cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities	\$ 499,678	3,525	—	503,203
U.S. government				
agency obligations	2,028,476	153,020	—	2,181,496
Special revenue	374,675,018	11,394,517	(5,170,803)	380,898,732
States and territories	694,369,970	38,085,400	(752,290)	731,703,080
Foreign government	28,084,114	1,817,741	—	29,901,855
Corporate bonds	2,345,239,114	205,672,165	(5,379,808)	2,545,531,471
Loan-backed securities	929,509,065	36,700,464	(4,566,090)	961,643,439
Total bonds	4,374,405,435	293,826,832	(15,868,991)	4,652,363,276
Preferred stocks	17,647,066	1,816,972	(8,400)	19,455,638
Common stocks - unaffiliated	11,949,875	11,791,145	—	23,741,020
Common stocks - affiliated	103,902	1,232,006	—	1,335,908
Total stocks	29,700,843	14,840,123	(8,400)	44,532,566
Total	\$ 4,404,106,278	308,666,955	(15,877,391)	4,696,895,842

	2018			
	Carrying value/ cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities	\$ 1,006,957	10,094	—	1,017,051
U.S. government				
agency obligations	2,780,932	190,689	—	2,971,621
Special revenue	420,553,110	8,181,696	(26,611,053)	402,123,753
States and territories	467,834,029	24,468,961	(590,751)	491,712,239
Foreign government	28,159,997	1,215,173	—	29,375,170
Corporate bonds	2,307,793,450	56,359,524	(74,822,358)	2,289,330,616
Loan-backed securities	863,939,743	16,672,110	(15,051,478)	865,560,375
SVO Identified Funds	23,183,382	—	—	23,183,382
Total bonds	4,115,251,600	107,098,247	(117,075,640)	4,105,274,207
Preferred stocks	4,211,220	417,368	—	4,628,588
Common stocks - unaffiliated	12,581,365	10,741,113	—	23,322,478
Common stocks - affiliated	103,902	1,035,309	—	1,139,211
Total stocks	16,896,487	12,193,790	—	29,090,277
Total	\$ 4,132,148,087	119,292,037	(117,075,640)	4,134,364,484

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The NAIC fair value of total bonds is approximately \$1,975,000 less and \$5,084,000 more than the estimated fair value in the tables above at December 31, 2019 and 2018, respectively.

The carrying value and estimated fair value of investments in bonds at December 31, 2019, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because the issuers of such securities may have the right to call or prepay obligations with or without call or prepayment penalties.

		Carrying value	Fair value
Due in one year or less	\$	37,277,992	37,848,051
Due after one year through five years		313,425,953	327,720,674
Due after five years through ten years		1,040,708,847	1,117,653,228
Due after ten years		2,053,483,578	2,207,497,884
Loan-backed securities		929,509,065	961,643,439
	\$	<u>4,374,405,435</u>	<u>4,652,363,276</u>

Proceeds from sales of bonds during 2019 and 2018 were approximately \$1,011,922,000 and \$238,736,000, respectively. Gross realized gains of approximately \$43,990,000 and \$6,125,000 and gross realized losses of approximately \$5,752,000 and \$14,841,000, respectively, were realized on those sales. The Company realized net gains of approximately \$7,009,000 and \$4,168,000 on bonds that were called or prepaid in 2019 and 2018, respectively. In addition, the Company realized a gain of \$1,055,000 on bonds transferred in 2019. There were no bonds transferred in 2018.

Gross unrealized losses on investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2019 were as follows:

	Less than 12 months		12 months or longer		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
Special revenue	\$ 167,185,164	(3,295,134)	42,847,423	(1,875,669)	210,032,587	(5,170,803)
States and territories	66,270,841	(752,290)	—	—	66,270,841	(752,290)
Corporate bonds	341,086,783	(4,837,790)	11,189,482	(542,018)	352,276,265	(5,379,808)
Loan-backed securities	161,929,694	(2,483,933)	59,834,984	(2,082,157)	221,764,678	(4,566,090)
Total	\$ <u>736,472,482</u>	<u>(11,369,147)</u>	<u>113,871,889</u>	<u>(4,499,844)</u>	<u>850,344,371</u>	<u>(15,868,991)</u>

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Gross unrealized losses on investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2018 were as follows:

	Less than 12 months		12 months or longer		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
Special revenue	\$ 53,695,118	(1,911,655)	242,890,758	(24,699,398)	296,585,876	(26,611,053)
States and territories	42,237,520	(440,086)	2,699,334	(150,665)	44,936,854	(590,751)
Corporate bonds	1,167,158,997	(51,835,726)	269,862,924	(22,986,632)	1,437,021,921	(74,822,358)
Loan-backed securities	280,677,754	(6,202,779)	176,571,111	(8,848,699)	457,248,865	(15,051,478)
Total	\$ 1,543,769,389	(60,390,246)	692,024,127	(56,685,394)	2,235,793,516	(117,075,640)

The investments included in states and territories are high-grade investment quality and have unrealized losses due to an increase in interest rates since acquisition. Because the securities were acquired during a period of low interest rates, unrealized losses may continue and may become more severe in a rising interest rate environment. As the decline in fair value is attributable to changes in interest rates and not credit quality, the Company expects the unrealized losses to reverse as the securities shorten in duration and mature, and because the Company has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in special revenue securities are comprised of general obligations of U.S. government sponsored agencies for which the U.S. government is indirectly obligated. The unrealized loss is due to interest rate fluctuations, which result in a decline in market values from original purchase price. Because the securities were acquired during a period of low interest rates, unrealized losses may continue and may become more severe in a rising interest rate environment. The Company expects the unrealized losses to reverse as the securities shorten in duration and mature and because the Company has the ability to hold these investments to maturity and does not intend to sell until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in corporate securities are comprised of corporate bonds. The unrealized loss is due to interest rate fluctuations, the current market and economic environment, which affects corporate credit ratings and changes in sector spreads. The unrealized loss may continue and may become more severe if the economy slows or interest rates rise. Because the decline in fair value is attributable to interest rates and economic changes and a slight decline in credit quality, and because the Company expects all contractual cash flows will be received and has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in loan-backed securities are comprised of U.S. government-sponsored agency mortgage-backed securities for which the U.S. government is not directly obligated, and private label whole loan collateralized mortgage obligations. The unrealized losses on these securities are a result of the current market and economic conditions that affect the mortgage-backed sector. The credit quality of some mortgage-backed bonds has declined due to the larger number of home defaults. Because the decline in fair value is attributable mainly to changes in market and economic conditions and the Company believes all contractual cash flows will be received and has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

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The investments included in loan-backed securities are comprised of U.S. government-sponsored agency mortgage-backed securities for which the U.S. government is not directly obligated, and private label whole loan collateralized mortgage obligations. The unrealized losses on these securities are a result of the current market and economic conditions that affect the mortgage-backed sector. The credit quality of some mortgage-backed bonds has declined due to the larger number of home defaults. Because the decline in fair value is attributable mainly to changes in market and economic conditions and the Company believes all contractual cash flows will be received and has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired. When the Company believes it will not receive all contractual cash flows, the securities are considered other-than-temporarily impaired.

At December 31, 2019 and 2018, investments with carrying values of approximately \$3,013,000 and \$3,463,000, respectively, were on deposit with state insurance departments as required by statute.

The Company has no direct exposure to subprime mortgage loans. An extensive pre-purchase analysis is performed on every loan-backed security. By purchasing only agency mortgage-backed securities and AAA collateralized mortgage-backed whole loan securities, direct exposure to sub-prime mortgages is virtually eliminated. The unrealized losses on these securities are a result of the current market and economic conditions that are affecting the mortgage-backed sector. The credit qualities on some mortgage-backed bonds have begun to decline due to the large number of home mortgage defaults. Because the decline in fair value is attributable mainly to changes in market and economic conditions and only due slightly to a lessening of credit, the Company believes most contractual cash flows will be received.

There were no loan-backed securities that recognized OTTI in 2019 and there were no securities where the present value of cash flows expected to be collected are less than amortized cost basis.

(5) Separate Accounts

The Company utilizes Separate Accounts to record and account for variable annuity business. In accordance with the Insurance Code of the State of Oklahoma, variable annuities are supported for separate account classification by Title 36, Chapter 2, Section 6061. As of December 31, 2019 and 2018, the Company Separate Account statement included legally insulated assets of approximately \$980,712,000 and \$754,807,000, respectively, attributed to variable annuity contracts. The Separate Accounts held by the Company represent nonguaranteed variable annuity funds. The Company does not have a securities lending program.

The assets of these accounts are carried at fair market value. The net investment experience of the Separate Accounts is credited directly to the policyholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of account value or premium paid. The minimum guaranteed death benefit reserve is held in Exhibit 5, Miscellaneous Reserves Section, of the Company's general account annual statement.

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Notes to Statutory Financial Statements

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	<u>2019</u>	<u>2018</u>
1. Premiums, considerations, or deposits for year ended December 31	\$ 83,929,810	75,230,630
2. Reserves at December 31:		
For accounts with assets at:		
a. Fair market value	\$ 980,712,323	754,806,790
b. Amortized cost	—	—
c. Total reserves	<u>\$ 980,712,323</u>	<u>754,806,790</u>
3. By withdrawal characteristics:		
a. Subject to discretionary withdrawal	\$ —	—
b. With market value adjustment	—	—
c. At book value without market value adjustment and with current surrender charge of 5% or more	—	—
d. At fair market value	980,712,323	754,806,790
e. At book value without market value adjustment and with current surrender charge less than 5%	—	—
f. Subtotal	<u>980,712,323</u>	<u>754,806,790</u>
g. Not subject to discretionary withdrawal	—	—
h. Total	<u>\$ 980,712,323</u>	<u>754,806,790</u>
4. Reserves for asset default risk in lieu of AVR	\$ —	—

Reconciliation of net transfers to or (from) Separate Accounts.

	<u>2019</u>	<u>2018</u>
1. Transfers as reported in the summary of operations of the separate accounts statements:		
a. Transfers to separate accounts	\$ 83,929,810	75,230,630
b. Transfers from separate accounts	<u>59,617,687</u>	<u>50,870,488</u>
c. Net transfers to or (from) separate accounts (a) – (b)	24,312,123	24,360,142
2. Reconciling adjustments:		
a. Plus change in expense allowance and administration	(2,439,214)	(262,768)
3. AFA net transfer to the separate accounts (fn1)		
a. (1c) + (2)	<u>\$ 21,872,909</u>	<u>24,097,374</u>

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(6) Liability for Accident and Health Reserves

Accident and health reserve activity for the years ended December 31, 2019 and 2018 was as follows:

	2019	2018
Liability beginning of year, net of reinsurance	\$ 516,987,838	491,139,445
Included related to:		
Current year	466,929,542	418,088,762
Prior years	(22,280,175)	(30,974,899)
Total incurred	<u>444,649,367</u>	<u>387,113,863</u>
Paid related to:		
Current year	236,989,122	215,689,348
Prior years	162,281,917	145,576,122
Total paid	<u>399,271,039</u>	<u>361,265,470</u>
Liability end of year, net of reinsurance	<u>\$ 562,366,166</u>	<u>516,987,838</u>

Reinsurance recoverable on paid losses was approximately \$2,838,000 and \$3,162,000 at December 31, 2019 and 2018, respectively.

The provision for accident and health (A&H) benefits pertaining to prior years decreased approximately \$22,280,000 in 2019 from the prior year estimate. This decrease overall includes better than expected experience of approximately \$25,567,000 for group medical and disability and worse than expected experience of approximately \$3,287,000 for individual A&H business. The increase for individual A&H, primarily cancer, is due to a lengthening of the tail in the claim runoff.

The provision for A&H benefits pertaining to prior years decreased approximately \$30,975,000 in 2018 from the prior year estimate. This decrease overall includes better than expected experience of approximately \$31,332,000 for group medical and disability and worse than expected experience of approximately \$357,000 for individual A&H business. The increase for individual A&H, primary cancer, is due to a reserve increase due to a lengthening of the tail in the claim runoff and a one-time back payment on older diagnostic claims.

The Company paid approximately \$2,619,000 and \$259,000 in 2019 and 2018, respectively, to settle claims related to extra contractual obligations or bad faith claims stemming from lawsuits.

(7) Borrowed Money

AFA has borrowed approximately \$496,500,000 and \$496,500,000 on the line of credit with the Federal Home Loan Bank of Topeka (FHLB) at December 31, 2019 and 2018, respectively. The line of credit is secured by investment securities and cash pledged as collateral by AFA with a carrying amount of approximately \$517,000,000 and \$582,111,000 at December 31, 2019 and 2018, respectively, which exceeds the collateral required for this line of credit. The pledged securities are held in the Company's name in a custodial account at United Missouri Bank, N.A. to secure current and future borrowings. To

AMERICAN FIDELITY ASSURANCE COMPANY

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participate in this available credit, AFA has acquired 227,956 shares of FHLB common stock with a total carrying value of approximately \$23,146,000 and \$22,795,600 at December 31, 2019 and 2018, respectively.

FHLB Capital Stock

	2019		
	General account	Separate accounts	Total
Membership stock – class A	\$ 834,000	—	834,000
Membership stock – class B	—	—	—
Activity stock	21,842,500	—	21,842,500
Excess stock	469,500	—	469,500
Total	<u>\$ 23,146,000</u>	<u>—</u>	<u>23,146,000</u>
Actual or estimate borrowing capacity as determined by the insurer	\$ 521,934,270		

FHLB Capital Stock

	2018		
	General account	Separate accounts	Total
Membership stock – class A	\$ 500,000	—	500,000
Membership stock – class B	—	—	—
Activity stock	21,842,500	—	21,842,500
Excess stock	453,100	—	453,100
Total	<u>\$ 22,795,600</u>	<u>—</u>	<u>22,795,600</u>
Actual or estimate borrowing capacity as determined by the insurer	\$ 556,615,156		

FHLB Membership Stock (Class A and B) Eligible for Redemption

	Not eligible					
	Current year total	for redemption	Less than 6 months	6 months to 1 year	1 to 3 years	3 to 5 years
Class A	\$ 834,000	500,000	334,000	—	—	—
Class B	—	—	—	—	—	—

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FHLB Borrowings

FHLB has the option to convert the initial rate of interest to an adjustable rate of interest on many of these lines of credit on the dates listed in the following table. At any time after FHLB exercises its conversion option, the Company may prepay the advance in full or in part without a fee.

The Company has no unused lines of credit as of December 31, 2019 or 2018.

AFA had no structured note borrowings as of December 31, 2019 and 2018.

Information regarding the terms of the funds borrowed from FHLB are as follows:

Interest rate	Interest rate subject to conversion to adjustable rate	Date issued	Maturity date	Balance at December 31	
				2019	2018
3.270	—	02/08/10	02/10/20	10,000,000	10,000,000
3.630	—	03/25/10	03/25/22	10,000,000	10,000,000
3.710	—	03/25/10	03/25/20	10,000,000	10,000,000
3.440	—	03/25/10	03/25/20	10,000,000	10,000,000
3.500	—	03/25/10	03/25/21	10,000,000	10,000,000
3.770	—	04/13/10	04/13/22	15,000,000	15,000,000
4.190	—	05/07/10	05/07/20	10,000,000	10,000,000
2.570	—	03/27/12	03/26/21	12,500,000	12,500,000
2.080	—	11/19/13	11/20/23	10,000,000	10,000,000
1.980	—	03/12/14	03/12/24	—	12,500,000
3.110	—	05/23/14	05/23/24	15,000,000	15,000,000
1.930	—	11/19/14	11/19/24	—	25,000,000
2.300	—	04/28/15	04/28/23	5,000,000	5,000,000
2.590	—	05/20/15	05/19/23	5,000,000	5,000,000
2.740	—	05/21/15	05/21/24	25,000,000	25,000,000
2.060	—	08/10/15	08/08/25	20,000,000	20,000,000
2.090	—	01/13/16	01/13/22	5,000,000	5,000,000
2.260	—	01/13/16	01/13/23	10,000,000	10,000,000
2.280	—	01/13/16	01/13/26	10,000,000	10,000,000
2.070	—	05/06/16	05/06/26	10,000,000	10,000,000
2.590	—	11/21/16	11/23/26	10,000,000	10,000,000
2.960	—	03/13/17	03/13/25	10,000,000	10,000,000
2.600	—	04/20/17	04/18/25	15,000,000	15,000,000
1.880	—	05/19/17	05/19/27	25,000,000	25,000,000
2.890	—	05/22/17	05/21/27	10,000,000	10,000,000
2.640	—	05/22/17	05/22/25	5,000,000	5,000,000
2.520	—	12/04/17	12/04/23	25,000,000	25,000,000
2.960	—	01/29/18	01/29/25	10,000,000	10,000,000
3.080	—	02/01/18	01/30/26	15,000,000	15,000,000
3.240	—	02/05/18	02/05/27	6,500,000	6,500,000

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Interest rate	Interest rate subject to conversion to adjustable rate	Date issued	Maturity date	Balance at December 31	
				2019	2018
3.300	—	03/07/18	03/05/27	25,000,000	25,000,000
3.280	—	03/12/18	03/12/26	10,000,000	10,000,000
2.760	—	04/23/18	04/24/28	5,000,000	5,000,000
3.020	—	04/30/18	04/30/21	5,000,000	5,000,000
2.990	—	06/01/18	06/01/21	15,000,000	15,000,000
2.720	—	06/01/18	05/31/19	—	10,000,000
2.750	—	07/30/18	07/30/19	—	10,000,000
2.780	—	07/30/18	07/31/28	7,500,000	7,500,000
2.930	—	07/30/18	07/31/28	7,500,000	7,500,000
2.690	—	08/31/18	08/30/19	—	20,000,000
2.670	—	09/07/18	09/06/19	—	10,000,000
2.840	—	03/12/19	03/12/24	12,500,000	—
1.900	—	05/30/19	05/29/20	10,000,000	—
2.050	—	07/30/19	07/30/20	10,000,000	—
1.900	—	08/30/19	08/28/20	20,000,000	—
1.900	—	09/06/19	09/04/20	10,000,000	—
1.880	—	11/19/19	11/19/20	25,000,000	—
				<u>496,500,000</u>	<u>496,500,000</u>
			Accrued Interest	1,145,003	1,169,116
			Total	<u>\$ 497,645,003</u>	<u>497,669,116</u>

Interest paid in 2019 and 2018 was approximately \$13,807,000 and \$13,774,000, respectively, and is included in investment expenses in net investment income in the accompanying statutory statements of operations.

Scheduled maturities (excluding interest) of the above indebtedness at December 31, 2019 are as follows:

2020	\$ 115,000,000
2021	42,500,000
2022	30,000,000
2023	55,000,000
2024	52,500,000
2025 and thereafter	<u>201,500,000</u>
	<u>\$ 496,500,000</u>

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(8) Income Taxes

The Company's net deferred tax assets (liabilities) at December 31 and the change from the prior year are comprised of the following components:

	2019			2018			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross deferred tax assets	\$ 92,972,084	894,046	93,866,130	82,838,147	905,797	83,743,944	10,133,937	(11,751)	10,122,186
Statutory valuation allowance adjustments	—	—	—	—	—	—	—	—	—
Adjusted gross deferred tax assets	92,972,084	894,046	93,866,130	82,838,147	905,797	83,743,944	10,133,937	(11,751)	10,122,186
Deferred tax asset nonadmitted	29,993,314	—	29,993,314	24,006,062	—	24,006,062	5,987,252	—	5,987,252
Sub-total net admitted deferred tax assets	62,978,770	894,046	63,872,816	58,832,085	905,797	59,737,882	4,146,685	(11,751)	4,134,934
Deferred tax liabilities	28,977,429	2,586,721	31,564,150	29,292,446	2,373,341	31,665,787	(315,017)	213,380	(101,637)
Net admitted deferred tax assets (liabilities)	\$ 34,001,341	(1,692,675)	32,308,666	29,539,639	(1,467,544)	28,072,095	4,461,702	(225,131)	4,236,571

Management has reviewed whether a valuation allowance is needed on its total gross deferred tax assets reported above based on factors such as past history and trends, projected taxable income, and expiration of carryforwards. Management believes that in 2019 and 2018 it is more likely than not that the results of operations will generate sufficient taxable income to realize its gross deferred tax assets on ordinary items. Additionally, in 2019 and 2018, management believes that there are sufficient capital gains available in its capital assets portfolio and that holding its fixed debt securities in a loss position to maturity or recovery substantiates the Company's ability to realize its gross deferred tax assets on capital items. As such, there was no statutory valuation allowance adjustments in 2019 or 2018.

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The Company's admission calculation components at December 31, 2019 and 2018 are as follows:

	2019			2018			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ —	—	—	—	—	—	—	—	—
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from (a) above) after application of the threshold limitation. (The lesser of (b)1 and (b)2 below):									
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	32,308,666	—	32,308,666	28,072,095	—	28,072,095	4,236,571	—	4,236,571
2. Adjusted gross deferred tax assets allowed per limitation threshold	—	—	76,797,954	—	—	71,573,078	—	—	5,224,876
Lesser of b(1) or b(2)	32,308,666	—	32,308,666	28,072,095	—	28,072,095	4,236,571	—	4,236,571
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from (a) and (b) above) offset by gross deferred tax liabilities	30,670,104	894,046	31,564,150	30,759,990	905,797	31,665,787	(89,886)	(11,751)	(101,637)
(d) Deferred tax assets admitted									
Total ((a) + (b) + (c))	\$ 62,978,770	894,046	63,872,816	58,832,085	905,797	59,737,882	4,146,685	(11,751)	4,134,934

	2019	2018
Ratio percentage used to determine recovery period and threshold limitation amount	736 %	730 %
Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in (b) 2 above	\$ 549,873,977	517,531,960

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As of December 31, the change in the net deferred income taxes is comprised of the following (this analysis is exclusive of the nonadmitted DTAs as the change in nonadmitted assets is reported separately from the change in net deferred income taxes in the statutory statements of capital and surplus):

		2019	2018	Change
Gross deferred tax assets	\$	93,866,130	83,743,944	10,122,186
Gross deferred tax liabilities		31,564,150	31,665,787	(101,637)
Net deferred tax assets/liabilities		62,301,980	52,078,157	10,223,823
Tax effect of unrealized (gains) losses		(2,230,351)	(1,713,219)	(517,132)
Net deferred income taxes	\$	64,532,331	53,791,376	10,740,955

The impact of the Company's tax planning strategies as of December 31 is as follows:

	2019		2018		Change	
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
Adjusted gross DTAs	\$ 92,972,084	894,046	82,838,147	905,797	10,133,937	(11,751)
Percentage of adjusted gross DTAs attributable to the impact of tax planning strategies	— %	1.0 %	— %	1.1 %	— %	(0.1)%
Net admitted adjusted gross DTAs	\$ 62,978,770	894,046	58,832,085	905,797	4,146,685	(11,751)
Percentage of net admitted adjusted gross DTAs attributable to the impact of tax planning strategies	— %	1.4 %	— %	1.5 %	— %	(0.1)%

None of the Company's tax-planning strategies include the use of reinsurance.

There are no temporary differences for which deferred tax liabilities are not recognized.

As of December 31, current income taxes incurred consist of the following major components:

		2019	2018	Change
Current federal income tax – operations	\$	26,428,520	7,521,969	18,906,551
Foreign income tax		—	—	—
Subtotal		26,428,520	7,521,969	18,906,551
Current federal income tax on capital gains taxes incurred		9,599,983	(9,142,363)	18,742,346
Federal and foreign income taxes incurred	\$	36,028,503	(1,620,394)	37,648,897

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2019 and 2018

As of December 31, deferred income tax assets and liabilities consist of the following major components:

	2019	2018	Change
Deferred tax assets:			
Ordinary:			
Discounting of unpaid losses	\$ 13,936,983	13,084,755	852,228
Policyholder reserves	17,202,187	15,722,541	1,479,646
Investments	—	94,336	(94,336)
Deferred acquisition costs	41,842,231	37,295,387	4,546,844
Fixed assets	3,425,664	1,662,697	1,762,967
Compensation and benefits accrual	8,466,819	8,314,627	152,192
Receivables – nonadmitted	7,152,033	5,997,730	1,154,303
Other	946,167	666,074	280,093
Subtotal	92,972,084	82,838,147	10,133,937
Nonadmitted	29,993,314	24,006,062	5,987,252
Admitted ordinary deferred tax assets	62,978,770	58,832,085	4,146,685
Capital:			
Investments	\$ 894,046	905,797	(11,751)
Admitted capital deferred tax assets	894,046	905,797	(11,751)
Admitted deferred tax assets	63,872,816	59,737,882	4,134,934
Deferred tax liabilities:			
Ordinary:			
Investments	50,119	—	50,119
Fixed Assets	441,548	1,065,486	(623,938)
Deferred and uncollected premium	20,191,530	18,826,113	1,365,417
Other	8,294,232	9,400,847	(1,106,615)
Subtotal	28,977,429	29,292,446	(315,017)
Capital:			
Investments	2,586,721	2,373,341	213,380
Deferred tax liabilities	31,564,150	31,665,787	(101,637)
Net deferred tax assets	\$ 32,308,666	28,072,095	4,236,571

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2019 and 2018

The following items are included in Other Ordinary Deferred Tax Liabilities:

	2019	2018	Change
Change in reserve method	\$ 8,120,624	9,293,554	(1,172,930)
Other (items < 5% of total ordinary tax liabilities)	173,608	107,293	66,315
Total	<u>\$ 8,294,232</u>	<u>9,400,847</u>	<u>(1,106,615)</u>

The Company's income tax incurred and change in deferred tax differ from the amount obtained by applying the federal statutory rate of 21% to income before income taxes and net realized capital gains (losses) as follows:

	2019	Effective 2019 tax rate	2018	Effective 2018 tax rate
Income before taxes and realized capital gains (losses)	\$ 116,562,409	—%	\$ 99,962,157	—%
Income tax expense at 21% statutory rate	24,478,106	21.00%	20,992,053	21.0%
Increase (decrease) in tax resulting from:				
Dividends received deduction	(892,301)	-0.7%	(844,403)	-0.7%
Nondeductible expenses for meals and other items	718,929	0.7%	977,116	1.0%
Management fees	(1,911,000)	-1.6%	(1,269,030)	-1.3%
Tax credits	(2,113,913)	-2.0%	(2,126,320)	-2.2%
Tax-exempt income	(703,032)	-0.6%	(105,065)	-0.1%
Tax adjustment for IMR	(1,411,179)	-1.1%	(1,243,173)	-1.1%
Deferred tax benefit on nonadmitted assets	(1,154,303)	-1.0%	795,981	0.8%
Timing differences on realized gains and losses	88,522	—%	4,047,322	3.9%
Prior year return to provision and amended return adjustments	(1,412,264)	-1.2%	(10,168,737)	-10.2%
Total income tax expected	<u>\$ 15,687,565</u>	<u>13.5%</u>	<u>\$ 11,055,744</u>	<u>11.1%</u>
Current income taxes incurred (excludes tax on net realized gains and losses)	\$ 26,428,520	22.70%	\$ 7,521,969	7.6%
Net change in deferred income taxes (excludes tax on unrealized gains and losses)	(10,740,955)	-9.2%	3,533,775	3.5%
Total income tax reported	<u>\$ 15,687,565</u>	<u>13.50%</u>	<u>\$ 11,055,744</u>	<u>11.1%</u>

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2019 and 2018

The enactment of the Tax Cuts and Jobs Act of 2017 (Tax Act) materially impacted deferred income taxes in 2018 as a result of the tax rate change from 35% in 2017 to 21% in 2018 forward. During 2018, the pension redesignation from 2018 to 2017 and capital loss carryback from 2018 to prior years resulted in an additional 14% of current Federal income tax benefit. The Company generated a capital loss for tax purposes in 2018 of approximately \$26,186,000 which was carried back to its 2015, 2016, and 2017 Federal income tax returns, resulting in an additional Federal income tax benefit of approximately \$3,666,000 in 2018.

As of December 31, 2019, there are no operations loss deductions, capital loss, or tax credit carryforwards available for tax purposes.

The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
December 31, 2019	\$ —	9,599,983	9,599,983
December 31, 2018	—	—	—
December 31, 2017	—	8,485,552	8,485,552

Due to the changes in Federal tax laws resulting from the enactment of the Tax Act on December 22, 2017, the 3-year carry back of ordinary losses to the extent of ordinary income generated in the carry back years is no longer available. The 3-year carry back of losses is still allowed to the extent of capital gains generated in the carry back years. The amounts in this table represent the income tax incurred on capital gains in the current and prior years that will be available for recoupment in the event of future net capital losses.

As of December 31, 2019, there were no deposits admitted under Section 6603 of the Internal Revenue Code.

The Company is included in a consolidated federal income tax return with the following entities:

American Fidelity Corporation	American Fidelity International Holdings, Inc.
American Public Life Insurance Company	AF Apartments, Inc.
American Fidelity Securities, Inc.	Market Place Realty Corporation
InvesTrust	American Fidelity Property Services, LLC
American Fidelity General Agency, Inc.	American Fidelity Community Services, Inc.
AF Professional Employment Group, LLC	Home Rentals Inc.
First Financial Securities of America, Inc.	Apple Creek Apartments, Inc.
American Fidelity Property Company	Alcott HR Group, LLC
American Fidelity Administrative Services, LLC	All In Sports & Entertainment, LLC

AMERICAN FIDELITY ASSURANCE COMPANY

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December 31, 2019 and 2018

The method of tax allocation between the companies is subject to a written agreement approved by the Board of Directors. Allocation is based on separate return calculations at the group's effective tax rate with current credit for net losses. Intercompany tax balances are settled annually.

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

As of December 31, 2019, the Company did not owe or pay and Repatriation Transition Tax installments under the TCJA.

As of December 31, 2019, the Company has no AMT credit carryforward.

The Company files income tax returns in the U.S. federal jurisdiction and various states. The Company is no longer subject to U.S. federal income tax examinations for years prior to 2016 and state and local income tax examinations for years prior to 2015. The Company is not currently under examination by any taxing authority.

(9) Reinsurance

Reinsurance contracts do not relieve the Company from its obligations to policyholders. Failure of reinsurers to honor their obligations could result in losses to the Company. The Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities, or economic characteristics of the reinsurers to minimize its exposure to significant losses from reinsurer insolvencies. Management believes that all reinsurers presently used are financially sound and will be able to meet their contractual obligations; therefore, no significant allowance for uncollectible amounts has been included in the December 31, 2019 or 2018 statutory financial statements. Estimated amounts that reduce the reserves for future policy benefits at December 31, 2019 and 2018 for reinsurance ceded are approximately \$1,085,529,000 and \$1,094,467,000, respectively. At December 31, 2019 and 2018, amounts that reduced the reserves for future policy benefits of approximately \$697,228,000 and \$715,505,000, respectively, were associated with one reinsurer (note 14).

At December 31, 2019 and 2018, the Company had unsecured aggregate recoverable from the following reinsurers for policy and contracts claims, paid and unpaid, that exceeds 3% of the Company's surplus, as follows:

Group	2019	2018
Hannover Life Reassurance Company	\$ 3,491,119	2,496,774
Hannover Reassurance (Ireland) LTD	18,472,006	16,372,259
Total group	21,963,125	18,869,033

Reinsurance agreements in effect for life insurance policies vary according to the age of the insured and the type of risk. Retention amounts for life insurance range from \$250,000 on domestic individual life coverages to \$500,000 on group life and Latin American individual life coverages, with slightly lower limits on accidental death benefits. At December 31, 2019 and 2018, the face amounts of life insurance in force that are reinsured amounted to approximately \$7,421,897,000 and \$7,759,000,000, respectively (approximately 24.3% and 27.0% of total life insurance in force, respectively).

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

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Reinsurance agreements in effect for accident and health insurance policies vary with the type of coverage. There are no accident and health reinsurance treaties subject to retention limits.

The effects of reinsurance agreements on earned premiums, prior to deductions for benefits, and commission allowances are as follows for the years ended December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Reinsurance ceded	\$ 209,700,052	207,564,634
Reinsurance assumed	58,091,200	52,646,255

Reinsurance agreements reduced benefits paid for life and accident and health policies by approximately \$195,274,600 and \$199,434,000 for the years ended December 31, 2019 and 2018, respectively.

(10) Employee Benefit Plans

The Company participates in a pension plan (the Plan), sponsored by AFC, and is not directly liable for obligations under the Plan. The Plan covers all employees who have satisfied longevity and age requirements. The Company's funding policy is to contribute annually the maximum amount that can be deducted for federal income tax purposes. Contributions are intended to provide not only for benefits attributed to service to date, but also for those expected to be earned in the future. The Company contributed approximately \$20,019,000 and \$56,056,000 to the Plan during the years ended December 31, 2019 and 2018, respectively. AFC also offers certain postretirement benefits other than the Plan.

On September 12, 2018, the Company made an additional approximately \$39,000,000 cash contribution over the required minimum contribution of approximately \$17,506,000. This transaction allowed the Company to take advantage of the 14% differential in tax rate (35% vs 21%) by designating all 2018 payments as contributions for the 2017 Plan Year for the Plan and for Federal Income Tax purposes. This designation had to occur and be funded prior to the filing of the 2018 tax return. The additional contribution had a pretax impact of approximately \$39,000,000. The tax benefits related to the election on required and additional contributions reduced the expense by approximately \$16,038,000 causing a net decrease of approximately \$22,962,000.

The Company participates in a defined-contribution thrift and profit sharing plan as provided under Section 401(a) of the Code, which includes the tax deferral feature for employee contributions provided by Section 401(k) of the Code. The Company contributed approximately \$9,809,000 and \$8,898,000 to this plan during the years ended December 31, 2019 and 2018, respectively.

(11) Leases

The Company leases various properties to nonaffiliates under operating lease agreements, which expire or are cancelable within one year. The properties leased are included in the statutory statements of admitted assets, liabilities, and capital and surplus as investment real estate. Rental income on these properties is included in the statutory statements of operations as net investment income.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2019 and 2018

Investment real estate held for lease is as follows at December 31:

	<u>2019</u>	<u>2018</u>
Land and buildings, net of encumbrances	\$ 35,742,883	33,258,423
Less accumulated depreciation	<u>(11,969,556)</u>	<u>(9,186,852)</u>
Net investment real estate	<u>\$ 23,773,327</u>	<u>24,071,571</u>

The Company entered into a lease agreement with 9000 Broadway LLC, a related party, on December 31, 2012, and modified effective January 1, 2014. The balance due will be paid in monthly amounts of approximately \$714,000 over the 20 year term of the lease.

(12) Related-Party Transactions

The Company paid cash dividends to AFC in the amount of approximately \$60,000,000 during 2019 and \$35,000,000 during 2018. There were no other transactions with affiliates in amounts, which exceeded one-half of one percent of the total admitted assets of the Company.

At December 31, 2019 and 2018, the Company reported approximately \$6,514,000 and \$6,033,000, respectively, as amounts due from AFC.

The Company leases office space from a subsidiary of AFC. The rent payments associated with this lease were approximately \$10,107,000 and \$9,593,000 in 2019 and 2018, respectively.

During 2017, 2016, and 2015 the Company entered into three-year software lease agreements with AFC. Lease expense related to these agreements was approximately \$5,432,000 and \$6,246,000 for the years ended December 31, 2019 and 2018, respectively, and is included in general insurance expenses.

The Company leases automobiles, furniture, and equipment from a partnership that owns a controlling interest in AFC. These operating leases are cancelable upon one month's notice. During the years ended December 31, 2019 and 2018, payments under these leases were approximately \$12,209,000 and \$12,366,000, respectively.

Under a service agreement approved by the Oklahoma Insurance Department, AFC provides certain services on a cost basis with no markup. During the years ended December 31, 2019 and 2018, the Company paid management fees to AFC totaling approximately \$11,268,000 and \$14,494,000, respectively.

Under a service agreement approved by the Oklahoma Insurance Department, AFA provides certain services to American Fidelity International (Bermuda) Ltd. (AFIBL). During the years ended December 31, 2019 and 2018, AFIBL paid management fees to AFA of approximately \$3,078,000 and \$2,103,000, respectively.

Under a service agreement approved by the Oklahoma Insurance Department, AFA provides certain services to American Public Life Insurance Company (APL). During the years ended December 31, 2019 and 2018, APL paid management fees to AFA of approximately \$1,500,000 and \$1,500,000, respectively.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2019 and 2018

During the years ended December 31, 2019 and 2018, the Company paid investment advisory fees to a partnership that owns a controlling interest in AFC totaling approximately \$15,341,000 and \$10,822,000, respectively.

(13) Commitments and Contingencies

Rent expense for the years ended December 31, 2019 and 2018 was approximately \$26,464,000 and \$25,583,000, respectively. A portion of rent expense relates to leases that expire or are cancelable within one year. The approximate aggregate minimum annual rental commitments as of December 31, 2019 under noncancelable long-term leases for office space are as follows:

2020	\$	11,536,000
2021		10,478,000
2022		9,065,000
2023		8,626,000
2024		8,577,000
2025 and thereafter		40,282,000

The Company has outstanding mortgage loan commitments of approximately \$40,825,000 and \$16,288,000 at December 31, 2019 and 2018, respectively.

The Company is subject to state guaranty association assessments in all states in which it is licensed to do business. These associations generally guarantee certain levels of benefits payable to resident policyholders of insolvent insurance companies. Many states allow premium tax credits for all or a portion of such assessments, thereby allowing potential recovery of these payments over a period of years. However, several states do not allow such credits. The Company estimates its liabilities for guaranty association assessments by using the latest information available from the National Organization of Life and Health Insurance Guaranty Associations. The Company monitors and revises its estimates for assessments as additional information becomes available, which could result in changes to the estimated liabilities. As of December 31, 2019 and 2018, liabilities for guaranty association assessments totaled approximately \$1,691,000 and \$1,770,000, respectively. Other operating expenses related to state guaranty association assessments were minimal for the years ended December 31, 2019 and 2018.

In the normal course of business, there are various legal actions and proceedings pending against the Company and its subsidiaries. In management's opinion, the ultimate liability, if any, resulting from these legal actions will not have a material adverse effect on the Company's financial position.

(14) Acquired Business – Mid-Continent Life Insurance Company

Effective December 31, 2000, the Company entered into an assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma, in his capacity as receiver of Mid-Continent Life Insurance Company (MCL) of Oklahoma City, Oklahoma. Under this agreement, the Company assumed MCL's policies in force, with the exception of a small block of annuity policies that was assumed effective January 1, 2001. In a concurrent reinsurance agreement, the Company ceded 100% of the MCL policies assumed to Hannover Life Reassurance Company of America. In 2002, this agreement was then transferred to Hannover Life Reassurance Company of Ireland (HLR). The agreement with HLR is a funds

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2019 and 2018

\$691,754,000 and \$706,188,000 to HLR and maintaining a funds withheld liability at December 31, 2019 and 2018, respectively.

Under the terms of the agreement with the receiver, the Company has guaranteed that the amount of premiums charged under the assumed "Extra-Life" contracts will not increase during the 17-year period beginning December 31, 2000 and will only increase thereafter if certain conditions are met. In 2018, the Company demonstrated to the Oklahoma Department of Insurance that those certain conditions had been met and the Company implemented a 10% rate increase and in July of 2019 the Company implemented an 11% rate increase. The Company has also guaranteed that the current dividend scale on the assumed "Extra-Life" contracts shall not be reduced or eliminated during the five-year period beginning December 31, 2000. Beginning January 1, 2006, the dividends on the assumed "Extra-Life" contracts are no longer guaranteed pursuant to the assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma.

As required by the terms of the assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma, the Company and HLR agreed that a Supplemental Policyholder Reserve (SPR) would be established. The initial SPR is equal to the net of the assets and liabilities received from MCL under the assumption agreement, less amounts ceded to other reinsurance carriers. The SPR is 100% ceded to HLR.

The purpose of the SPR is to provide additional protection to the MCL policyholders against premium increases and to ensure that profits are recognized over the lives of the underlying policies, rather than being recognized up front. The method for calculation of the initial SPR was specified precisely in the agreement with the receiver. The method for calculating the SPR for periods beyond the purchase date was developed by the Company, as this reserve is not otherwise required statutorily or under existing actuarial valuation guidance. The SPR is divided into two parts: (a) an additional reserve for future benefits, which is an estimate of the amount needed, in addition to the policy reserves and liability for future dividends, to fund benefits assuming there are no future premium rate increases, and (b) an additional reserve for future estimated profit, which represents the profit the Company expects to earn on this business over the lives of the underlying policies. The SPR is reprojected each year to recognize current and future profits as a level percentage of future projected required capital amounts each year, resulting in a level return on investment. Any remaining SPR will not automatically be released after the premium guarantee period of 17 years because the SPR is to be held until there is an actuarial certainty that premium rate increases will not be needed. The calculation of the SPR is subject to significant volatility, as it is highly dependent upon assumptions regarding mortality, lapse experience, and investment return. Small shifts in any of these underlying assumptions could have a dramatic impact on the value of the SPR. The SPR was approximately \$343,509,000 and \$357,847,000 for 2019 and 2018, respectively.

Under the terms of the agreement with HLR, HLR has agreed to share future profits on a 50/50 basis with the Company through an experience refund account. The experience refund account is calculated as premium income plus investment income less reserve increases (including the SPR), benefits paid, and administrative expense allowances paid to the Company and is settled on a quarterly basis. Losses are not shared on a 50/50 basis, except to the extent that a net loss in the experience account at the end of a quarter carries forward to future quarters. There was no experience refund earned by the Company in 2019 and 2018. Due to the nature of a funds withheld reinsurance arrangement, the components of the experience refund calculation are reported as separate components in the accompanying summary of operations. Premium income, reserve increases, and benefits paid related to this block are reported as

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2019 and 2018

reductions of premium income, changes in reserves, and benefits for reinsurance ceded, as required by the terms of the agreement. Investment income on the funds withheld is included in AFA's investment income, and administrative expense allowances paid to AFA are reported as a reduction of AFA's expense. The impact of ceding investment income on funds withheld is reported as a reduction of net investment income in the accompanying summary of operations.

(15) Life Contracts – Premiums

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2019 were as follows:

	<u>Gross</u>	<u>Net of loading</u>
Ordinary new business	\$ 23,862,178	2,339,815
Ordinary renewal	55,902,416	42,487,089
Group life	97,401	97,401
Total	<u>\$ 79,861,995</u>	<u>44,924,305</u>

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2018 were as follows:

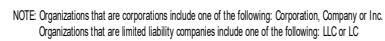
	<u>Gross</u>	<u>Net of loading</u>
Ordinary new business	\$ 22,491,514	2,118,863
Ordinary renewal	45,199,738	36,110,684
Group life	91,343	91,269
Total	<u>\$ 67,782,595</u>	<u>38,320,816</u>

(16) Managing General Agents and Third-Party Administrators

There are no MGA or TPA arrangements with direct written premium greater than 5% of surplus at December 31, 2019 and 2018 respectively. Total aggregate direct written premium was approximately \$51,120,000 and \$58,646,000 at December 31, 2019 and 2018, respectively.

December 31, 2019 and 2018

The following is a summary of the significant ownership and affiliated entity relationships that existed at December 31, 2019



AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2019 and 2018

(18) Reconciliations

Reconciliations of capital and surplus and net income on a GAAP basis to the amounts included in the accompanying statutory financial statements for the years ended December 31, 2019 and 2018 are as follows (in thousands):

	Net income, year ended December 31		Capital and surplus, at December 31	
	2019	2018	2019	2018
Amounts as reported on statutory basis	\$ 90,280	98,889	544,295	505,226
Adjustments:				
Deferred policy acquisition costs	48,006	50,098	719,167	681,183
Policy benefit reserves	(848)	(19,647)	(21,232)	(21,705)
Deferred federal income taxes	1,224	(9,098)	(146,917)	(102,268)
Due and deferred premiums	(4,190)	(1,050)	(24,820)	(25,722)
Nonadmitted assets	—	—	25,842	26,162
Asset valuation reserve	—	—	37,888	40,378
Invested assets	—	(74,834)	277,076	(11,564)
Funds withheld derivative	27,186	75,661	(132,630)	(47,099)
Other, net	34	(823)	62,597	32,997
Amounts on a GAAP basis for consolidated presentation	\$ 161,692	119,196	1,341,266	1,077,588

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2019 and 2018

(19) Guaranty Assessments

As of December 31, 2019, American Fidelity Assurance Company did not receive notice of any assessments that would have a material financial impact.

The amount of recognized liabilities under SSAP No. 35R is approximately \$1,691,000 and the related asset for premium tax credits is approximately \$772,000. The Company expects that the assessments would be billed and paid over the next year and the majority of the premium tax offsets would be realized over the next five years after that.

Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	\$	4,229,571
Decreases current year:		
Premium tax offset applied		857,261
Payments on insolvencies which were set up as payables prior to the current year		354,932
Increases current year:		
Assessment payments less refunds on insolvencies billed during the current year		403,052
Adjusted the liability to remove payments on insolvencies which are no longer part of the projected liability		4,160
Increase in the estimated assessment liability based on the new projections at the end of the current year		134,136
Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	\$	3,558,725

(20) Subsequent Events

The Company has evaluated events subsequent to December 31, 2019 and through April 13, 2020 the date on which the audited financial statements were issued. The Company's exposure to risk and impact from COVID-19 is being analyzed at every level. Our product mix does not currently have comprehensive medical coverage as we primarily sell supplemental products. Our reserves have proved to be adequate under a wide variety of interest rates and stress tests. At this point, we have no reason to believe that normal reserves will not be adequate to cover impacts of COVID-19. Due to our product mix, we believe that the claim impact, if any due to the virus itself will be very minor. However, if these events would trigger a recession, we could see the potential for additional claims (and claim reserves) in our disability lines. The Company is modeling various stress scenarios for all potentially impacted areas and will monitor outcomes

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2019 and 2018

monthly of all financial impacts. Our investments portfolio is very high credit quality, and as noted earlier in footnote 1(l), Capital and Surplus, our liquidity level is substantial for the Company, with additional sources at the AFC level. Monitoring at every level will continue as long as deemed necessary.

Schedule 1

AMERICAN FIDELITY ASSURANCE COMPANY

Selected Financial Data

December 31, 2019

Investment income earned:	
Government bonds	\$ 1,655,900
Other bonds (unaffiliated)	180,327,149
Preferred stocks (unaffiliated)	806,724
Common stocks (unaffiliated)	15,418
Mortgage loans	23,788,064
Real estate	7,436,798
Premium notes, policy loans, and liens	2,981,784
Cash on hand and on deposit	1,850,855
Other invested assets	492,719
Aggregate write-ins for investment income	833,664
Gross investment income	<u>\$ 220,189,075</u>
Real estate owned – book value	\$ 23,773,327
Mortgage loans – book value:	
Commercial mortgages	<u>\$ 550,520,170</u>
Total mortgage loans	<u>\$ 550,520,170</u>
Mortgage loans by standing – book value:	
Good standing	\$ 550,520,170
Other long-term invested assets – statement value	55,443,823
Bonds and stocks of parents, subsidiaries, and affiliates – book value:	
Common stocks	1,335,908
Bonds and short-term investments by class and maturity:	
Bonds and short-term investments by maturity – statement value:	
Due within 1 year	\$ 135,001,333
Over 1 year through 5 years	636,364,919
Over 5 years through 10 years	1,371,073,254
Over 10 years through 20 years	962,131,490
Over 20 years	1,269,834,439
Total by maturity	<u>\$ 4,374,405,435</u>
Bonds and short-term investments by class – statement value:	
Class 1	\$ 3,070,430,501
Class 2	1,281,103,325
Class 3	20,233,781
Class 4	—
Class 5	—
Class 6	2,637,828
Total by class	4,374,405,435
Total bonds and short-term investments publicly traded	<u>3,258,139,579</u>
Total bonds and short-term investments privately placed	<u>\$ 1,116,265,856</u>

Schedule 1

AMERICAN FIDELITY ASSURANCE COMPANY

Selected Financial Data

December 31, 2019

Common stocks – fair value (investments in affiliates at equity value)	\$ 25,076,928
Cash on hand and on deposit	289,209,412
Life insurance in force (net):	
Ordinary	22,167,190,000
Group life	965,095,000
Amount of accidental death insurance in force under ordinary policies (net)	5,407,762
Life insurance policies with disability provisions in force (net):	
Ordinary	2,207,391,000
Group life	54,367,000
Supplementary contracts in force (net):	
Ordinary – not involving life contingencies:	
Amount on deposit	88,544
Income payable	5,197,800
Ordinary – involving life contingencies (net):	
Income payable	2,275,111
Annuities:	
Ordinary:	
Immediate – amount of income payable	\$ —
Deferred – fully paid account balance	1,209,364,835
Group:	
Immediate – amount of income payable	—
Accident and health insurance – premiums in force:	
Ordinary	370,353,586
Group	625,173,268
Deposit funds and dividend accumulations:	
Deposit funds – account balance	7,009
Dividend and coupon accumulations – account balance	203,817
Claims payments:	
Other accident and health:	
2019	115,765,355
2018	73,462,849
2017	12,747,903
2016	5,140,810
2015	3,657,023
Prior	20,271,404
Group accident and health:	
2019	121,223,767
2018	37,620,920
2017	4,552,340
2016	1,804,630
2015	984,400
Prior	2,039,638

See accompanying independent auditors' report.

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2019

1. Total admitted assets, excluding separate accounts: \$5,676,112,404
2. The Company's 10 largest exposures to a single issuer/borrower/investment, excluding U.S. government, U.S. government agency securities, and those U.S. government money market funds listed in the Appendix to the NAIC SVO Purposes and Procedures Manual as exempt, property occupied by the Company, and policy loans at December 31, 2019 are as follows:

Investment category	Amount	Percentage of total admitted assets
PepsiCo, Inc	\$ 29,479,874	0.519%
Intl Business Machines Corp	28,885,307	0.509%
Apple Inc	28,472,524	0.502%
Mars, Inc	28,115,280	0.495%
Prudential Financial, Inc	27,472,399	0.484%
Bristol-Myers Squibb Company	27,446,650	0.484%
Comcast Corp	26,500,864	0.467%
Exxon Mobil Corporation	26,482,847	0.467%
Target Corporation	25,759,012	0.454%
Burlington Northern Santa Fe	25,355,314	0.447%

3. The Company's investments in bonds, short-term investments, and preferred stocks by NAIC rating at December 31, 2019 are as follows:

Bonds, short-term investments, and preferred stocks	Amount	Percentage of total admitted assets
NAIC-1	\$ 3,072,310,751	54.127%
NAIC-2	1,296,556,305	22.842%
NAIC-3	20,336,397	0.358%
NAIC-4	—	0.000%
NAIC-5	—	0.000%
NAIC-6	2,849,048	0.050%

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2019

4. Assets held in foreign investments:

	<u>Amount</u>	<u>Percentage of total admitted assets</u>
Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets?		Yes () No (X)
Total admitted assets held in foreign investment	\$ 496,578,839	8.749%
Foreign-currency-denominated investments	—	—
Insurance liabilities denominated in that same foreign currency	—	—

5. Aggregate foreign investment exposure categorized by NAIC sovereign rating:

	<u>Amount</u>	<u>Percentage of total admitted assets</u>
Countries rated NAIC-1	\$ 455,873,361	8.031%
Countries rated NAIC-2 or below	40,705,478	0.717%

6. Largest foreign investment exposures by country, categorized by the country's NAIC sovereign rating:

	<u>Amount</u>	<u>Percentage of total admitted assets</u>
Countries rated NAIC – 1:		
Country 1: Australia	\$ 94,410,887	1.663%
Country 2: Netherlands	85,494,186	1.506%
Countries rated NAIC – 2 or below:		
Country 1: Mexico	\$ 20,846,925	0.367%
Country 2: Panama	13,889,683	0.245%

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2019

10. Ten largest nonsovereign (i.e., nongovernmental) foreign issues:

Issuer	Amount	Percentage of total admitted assets
Shell International Fin**	\$ 30,223,770	0.532%
Mitsubishi UFJ Finance Group**	23,666,761	0.417%
Siemens Financieringsmat**	22,361,487	0.394%
Tencent Holdings Ltd.**	15,043,330	0.265%
Ausgrid Finance Pty Ltd**	11,995,722	0.211%
NSW	11,000,000	0.194%
Total Capital International SA	10,539,794	0.186%
BIB	10,000,000	0.176%
ING Groep N.V.**	9,996,898	0.176%
Reckitt Benckiser Tsy**	9,976,714	0.176%

- 16a. The aggregate mortgage interest represents the combined value of all mortgages secured by the same property or same group of properties. Each of the Company's 10 largest aggregate mortgage interests at December 31, 2019 are as follows:

Type (commercial)	Amount	Percentage of total admitted assets
Crown Equipment	\$ 15,872,161	0.280%
Waterloo Devon	14,506,695	0.256%
H.R. Developers	13,498,949	0.238%
CE Enterprise Partners	13,042,750	0.230%
ZP No. 17, LLC	10,899,541	0.192%
Daboo, LLC	10,699,923	0.189%
River Oaks Properties	10,431,596	0.184%
RCG U-45 Hayward	8,651,107	0.152%
Apollo Partners LP	8,448,857	0.149%
Susan A Cox	8,108,543	0.143%

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2019

- 16b. The Company's mortgage loans have the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

	Loan-to-value	Commercial	Percentage of total admitted assets
i.	above 95%	\$ —	— %
ii.	91% to 95%	—	—
iii.	81% to 90%	—	—
iv.	71% to 80%	9,218,175	0.162%
v.	below 70%	541,301,995	9.536%

Items 7 through 9, 11 through 15, 17a, and 18 through 23 are not applicable to the Company.

See accompanying independent auditors' report.

AMERICAN FIDELITY ASSURANCE COMPANY

Summary Schedule of Investments

December 31, 2019

Investment categories	Gross investment holdings		Admitted assets as reported in the annual statement	
	Amount	Percentage	Amount	Percentage
Bonds:				
U.S. Governments	\$	0.074%	3,978,923	0.074%
All Other Governments		0.521%	28,084,114	0.521%
U.S. States, Territories and Possessions, etc., Guaranteed	694,369,970	12.875%	694,369,970	12.875%
U.S. Special Revenue and Special Assessment Obligations, etc., Non-Guaranteed	1,076,795,506	19.966%	1,076,795,506	19.966%
Industrial and Miscellaneous	2,571,176,922	47.674%	2,571,176,922	47.674%
Preferred Stocks:				
Industrial and Misc. (Unaffiliated)	17,647,066	0.327%	17,647,066	0.327%
Common Stocks:				
Industrial and Miscellaneous Publicly Traded (Unaffiliated)	462,488	0.009%	462,488	0.009%
Industrial and Miscellaneous Other (Unaffiliated)	23,146,000	0.429%	23,146,000	0.429%
Parent, Subsidiaries and Affiliates Other	1,335,908	0.025%	1,335,908	0.025%
Mutual Funds (Unaffiliated)	132,532	0.002%	132,532	0.002%

AMERICAN FIDELITY ASSURANCE COMPANY

Summary Schedule of Investments

December 31, 2019

Investment categories	Gross investment holdings		Admitted assets as reported in the annual statement	
	Amount	Percentage	Amount	Percentage
Mortgage loans:				
Commercial Mortgages	\$ 550,520,170	10.208%	\$ 550,520,170	10.208%
Real estate investments:				
Property Held for Production of Income	23,773,327	0.441%	23,773,327	0.441%
Cash, Cash Equivalents, and Short-term Investments				
Cash	289,209,412	5.362%	289,209,412	5.362%
Contract Loans	56,447,154	1.047%	56,447,154	1.047%
Receivables for Securities	709,026	0.013%	709,026	0.013%
Other Invested Assets	55,443,823	1.028%	55,443,823	1.028%
Total Invested Assets	\$ 5,393,232,341	100%	\$ 5,393,232,341	100%

See accompanying independent auditors' report.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Financial Statements and Schedules

December 31, 2017 and 2016

(With Independent Auditors' Report Thereon)

Independent Auditors' Report

To the Board of Directors
American Fidelity Assurance Company:

We have audited the accompanying financial statements of American Fidelity Assurance Company (the Company), which comprise the statutory statements of admitted assets, liabilities, and capital and surplus as of December 31, 2017 and 2016, and the related statutory statements of operations, capital and surplus, and cash flow for the years then ended, and the related notes to the statutory financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in note 1 to the statutory financial statements, the financial statements are prepared by the Company using statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department, which is a basis of accounting other than U.S. generally accepted accounting principles. Accordingly, the financial statements are not intended to be presented in accordance with U.S. generally accepted accounting principles.

The effects on the financial statements of the variances between the statutory accounting practices and U.S. generally accepted accounting principles also are described in note 19.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the variances between statutory accounting practices and U.S. generally accepted accounting principles discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to above do not present fairly, in accordance with U.S. generally accepted accounting principles, the financial position of American Fidelity Assurance Company as of December 31, 2017 and 2016, or the results of its operations or its cash flows for the years then ended.

Opinion on Statutory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of American Fidelity Assurance Company as of December 31, 2017 and 2016, and the results of its operations and its cash flow for the years then ended, in accordance with statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department described in note 1.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included in the supplemental schedules of selected financial data, investment risk interrogatories, and summary schedule of investments, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Oklahoma Insurance Department. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

/s/KPMG LLP

Oklahoma City, Oklahoma
April 19, 2018

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Admitted Assets, Liabilities, and Capital and Surplus

December 31, 2017 and 2016

Admitted Assets	2017	2016
Cash and invested assets:		
Bonds, at amortized cost (fair value: \$4,259,537,835 and \$3,998,585,286 in 2017 and 2016, respectively)	\$ 4,043,435,952	3,874,796,569
Preferred stocks, at cost (fair value: \$5,162,340 and \$4,917,320 in 2017 and 2016, respectively)	4,211,220	4,211,220
Common stocks, at fair value (cost: \$13,382,865 and \$14,126,581 in 2017 and 2016, respectively)	23,252,191	23,169,690
Common stock, investment in affiliates at equity value	962,932	880,238
Mortgage loans on real estate	480,274,494	442,601,524
Investment real estate, at cost (less accumulated depreciation of \$8,457,362 and \$6,293,343 in 2017 and 2016, respectively, and less encumbrances of \$32,803,503 and \$13,866,070 in 2017 and 2016, respectively)	20,496,168	10,066,258
Policy loans	55,266,258	53,218,030
Cash and short-term investments, at cost, which approximates fair value	241,831,403	143,509,947
Other invested assets	23,105,556	22,412,589
Total cash and invested assets	4,892,836,174	4,574,866,065
Life insurance premiums and annuity considerations deferred and uncollected	38,791,158	34,697,971
Accident and health premiums due and unpaid	51,829,866	49,353,222
Investment income due and accrued	40,109,898	40,160,883
Amounts recoverable from reinsurers	1,275,751	2,218,140
Other receivables under reinsurance contracts	11,558,586	12,027,490
Equipment, at cost (less accumulated depreciation of \$313,482 in 2017 and \$102,467 in 2016)	336,914	943,266
Deferred tax assets	24,838,194	38,338,826
Other assets	53,368,892	46,121,395
Separate Accounts' assets	781,742,340	648,033,770
Total admitted assets	\$ 5,896,687,773	5,446,761,028

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Admitted Assets, Liabilities, and Capital and Surplus

December 31, 2017 and 2016

Liabilities and Capital and Surplus	2017	2016
Aggregate reserves:		
Life policies and contracts	\$ 2,328,051,699	2,204,233,575
Accident and health policies	661,508,564	603,063,432
Total aggregate reserves	2,989,560,263	2,807,297,007
Policy and contract claims reserves	106,663,883	120,857,902
Liability for premiums and other deposit funds	8,925,655	9,418,602
Remittances and items not allocated	19,868,845	19,786,365
General insurance expenses, taxes, licenses, and fees due or accrued	83,886,053	81,916,342
Funds held under coinsurance	724,753,162	732,348,589
Other liabilities	252,992,978	114,744,886
Borrowed money	497,670,254	497,755,108
Separate Accounts' liabilities	781,742,340	648,033,770
Total liabilities	5,466,063,433	5,032,158,571
Capital and surplus:		
Common stock, par value \$10 per share, 250,000 shares authorized, issued, and outstanding	2,500,000	2,500,000
Additional paid-in capital	5,887,698	5,804,686
Unassigned surplus	422,236,642	406,297,771
Total capital and surplus	430,624,340	414,602,457
Commitments and contingencies		
Total liabilities and capital and surplus	\$ 5,896,687,773	5,446,761,028

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Operations

Years ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Income:		
Life insurance premiums and annuity considerations	\$ 277,014,197	269,132,871
Accident and health insurance premiums	680,365,036	637,451,328
Net investment income (less investment expenses of \$33,617,790 and \$32,288,799 in 2017 and 2016, respectively)	178,067,273	175,492,628
Commissions and expense allowances on reinsurance ceded	(9,320,885)	(11,980,402)
Other income	<u>48,092,873</u>	<u>44,734,212</u>
Total income	<u>1,174,218,494</u>	<u>1,114,830,637</u>
Benefits and other deductions:		
Death benefits and matured endowments	25,688,445	27,772,465
Annuity benefits	8,606,590	9,017,760
Accident and health and disability benefits	319,679,930	279,479,902
Interest and adjustments on policy or deposit-type contract funds	413,696	315,282
Other benefits to policyholders and beneficiaries	121,165,678	106,659,685
Increase in aggregate reserves for future policy benefits	182,263,256	219,515,930
Commissions on premiums and annuity considerations	132,173,398	120,283,886
Commissions and expense allowances on reinsurance assumed	13,378,325	12,339,862
General insurance expenses, taxes, licenses, and fees	261,853,121	231,436,106
Other	<u>6,765,911</u>	<u>1,129,201</u>
Total benefits and other deductions	<u>1,071,988,350</u>	<u>1,007,950,079</u>
Net gain from operations before federal income taxes and net realized capital gains (losses)	102,230,144	106,880,558
Federal income taxes	<u>31,554,611</u>	<u>32,030,414</u>
Net gain from operations before net realized capital gains (losses)	70,675,533	74,850,144
Net realized capital gains (losses), net of federal income tax expense of \$9,447,403 and \$7,278,712 in 2017 and 2016, respectively (excluding gains of \$16,242,903 and \$12,699,868 transferred to the interest maintenance reserve in 2017 and 2016, respectively)	<u>(4,477,008)</u>	<u>1,584,125</u>
Net income	<u>\$ 66,198,525</u>	<u>76,434,269</u>

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Capital and Surplus

Years ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Capital and surplus, beginning of year	\$ 414,602,457	408,497,516
Net income	66,198,525	76,434,269
Change in net unrealized capital gains, net of tax benefit (expense) of \$607,835 and (\$258,915) for 2017 and 2016, respectively	2,203,033	431,579
Change in net deferred taxes	(32,231,203)	4,865,153
Change in nonadmitted assets	18,927,609	(19,814,729)
Change in asset valuation reserve	(2,673,790)	(6,297,898)
Dividends to stockholder	(35,000,000)	(45,000,000)
Change in liability for reinsurance in unauthorized companies	(1,252,401)	381,660
Correction of error, net of tax expense of \$0 and \$2,528,052 for 2017 and 2016, respectively (note 1)	—	(5,855,896)
Other changes	<u>(149,890)</u>	<u>960,803</u>
Net change in capital and surplus	<u>16,021,883</u>	<u>6,104,941</u>
Capital and surplus, end of year	\$ <u><u>430,624,340</u></u>	<u><u>414,602,457</u></u>

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Cash Flow

Years ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Premiums and annuity considerations, net of reinsurance	\$ 939,495,468	900,614,869
Allowances and reserve adjustments on reinsurance ceded	(9,320,885)	(11,980,402)
Investment income received	177,655,461	174,392,452
Other income	41,853,449	40,229,702
Life and accident and health claims paid	(355,803,263)	(336,633,908)
Surrender benefits and other fund withdrawals paid	(121,043,482)	(106,521,586)
Other benefits to policyholders paid	(8,728,786)	(9,155,859)
Commissions and other expenses paid	(408,083,202)	(365,788,138)
Federal income taxes paid	(35,368,482)	(41,065,332)
Dividends paid to policyholders	(795,603)	(488,797)
Net cash from operations	<u>219,860,675</u>	<u>243,603,001</u>
Proceeds from investments sold, matured, or repaid:		
Bonds	739,805,969	763,901,133
Stocks	1,549,846	2,514,516
Mortgage loans	51,610,622	50,247,283
Other	33,879,265	2,803,089
Total investment proceeds	<u>826,845,702</u>	<u>819,466,021</u>
Cost of investments acquired:		
Bonds	(883,786,844)	(894,371,627)
Stocks	(145,376)	—
Mortgage loans	(89,283,592)	(99,568,000)
Other	(33,469,917)	(1,940,513)
Total investments acquired	<u>(1,006,685,729)</u>	<u>(995,880,140)</u>
Net change in policy loans and loans on fund deposits	<u>(2,048,228)</u>	<u>(544,385)</u>
Net cash from investing	<u>(181,888,255)</u>	<u>(176,958,504)</u>
Borrowed money		(25,160,319)
Other cash provided	109,354,854	2,963,162
Dividends paid to stockholder	(35,000,000)	(45,000,000)
Other cash applied	(14,005,818)	(31,125,621)
Net cash from financing and miscellaneous sources	<u>60,349,036</u>	<u>(98,322,778)</u>
Net change in cash and short-term investments	98,321,456	(31,678,281)
Cash and short-term investments, beginning of year	<u>143,509,947</u>	<u>175,188,228</u>
Cash and short-term investments, end of year	<u>\$ 241,831,403</u>	<u>143,509,947</u>

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2017 and 2016

(1) Significant Accounting Policies

(a) Business

American Fidelity Assurance Company (AFA or the Company) provides a variety of financial services. AFA is a wholly owned subsidiary of American Fidelity Corporation (AFC), a Nevada insurance holding company. AFA is domiciled in the state of Oklahoma. The Company is subject to state insurance regulations and periodic examinations by state insurance departments.

AFA is licensed in 49 states, as well as the District of Columbia, American Samoa, Puerto Rico, and Guam, with approximately 39% of direct premiums written in Oklahoma, Texas, and California. Activities of AFA are largely concentrated in the group disability income, group and individual annuity, supplemental health, and individual medical markets. In addition, individual and group life business is also conducted. The main thrust of AFA's sales is worksite marketing of voluntary products through the use of payroll deduction. The Company sells these voluntary products through a salaried sales force that is broken down into two primary divisions: the Association Worksite Division (AWD) and American Fidelity Educational Services (AFES). AWD specializes in voluntary disability income insurance programs aimed at selected groups and associations whose premiums are funded by employees through payroll deductions. AFES focuses on marketing to public school employees with voluntary insurance products such as disability income, tax-sheltered annuities, life insurance, dread disease, and accident only. These premiums are also funded by employees through payroll deductions. The expertise gained by the Company in worksite marketing of voluntary products is used by the Strategic Alliances Division in developing products to meet special situations. The Life Division was formed upon the acquisition of a block of life business in 2000. This division is marketing individual life products through independent brokers in the United States of America and Latin America.

These statutory financial statements were prepared for the purpose of filing with the various state insurance departments.

In 2016, the Company discovered an error in the amounts recorded for group medical payables and receivables related to ceded insurance contracts. The majority of the cumulative amount was created by the application of incorrect contractual percentages on certain arrangements since 2007. The cumulative impact of this error was recorded in 2016 as an adjustment to the beginning of year surplus. The error had accumulated over the 9-year period, thus the misstatement in a single year was not material. The remainder of the cumulative amount resulted from incorrect postings of receivables dating back to 2000. Total impact of the error to 2016 beginning of period capital and surplus was approximately \$5,900,000.

(b) Basis of Presentation

The accompanying statutory financial statements of the Company have been prepared in conformity with accounting practices prescribed or permitted by the Oklahoma Insurance Department, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles (GAAP). Effective January 1, 2001, the National Association of Insurance Commissioners (NAIC) and the Oklahoma Insurance Department required that insurance companies domiciled in the state of Oklahoma prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures Manual Statements of Statutory Accounting Principles (SSAP) subject to any deviations prescribed or permitted by the Insurance Commissioner of the state of Oklahoma

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2017 and 2016

(the Commissioner). There are no differences between the accounting practices prescribed or permitted by the Oklahoma Insurance Department and the accounting practices prescribed and permitted by the NAIC. There have been no permitted practices granted to the Company for 2017 and 2016 by the Oklahoma Insurance Department.

SSAP differ from GAAP in several respects, which cause differences in reported assets, liabilities, stockholder's equity (statutory capital and surplus), net income, and cash flows. The principal SSAP that differ from GAAP include the following:

- The financial statements of subsidiaries are not consolidated and are accounted for as investments in common stock.
- Investments in bonds and preferred stocks are carried amortized cost, cost, or the lower of cost or fair value; under GAAP, investments in bonds and preferred stock, other than those classified as held-to-maturity, are carried at fair value.
- Certain assets (principally certain deferred taxes, furniture, equipment, prepaid expenses, and premiums due from policyholders, agents' balances, and amounts recoverable from reinsurers over 90 days) have been designated as nonadmitted assets and excluded from assets by a charge to statutory surplus. Under GAAP, such amounts are carried at amortized cost with the appropriate valuation allowance, when necessary.
- Aggregate reserves for life, annuities, and accident and health are based on statutory mortality and interest requirements without consideration for anticipated withdrawals except where allowed. Morbidity assumptions are based on the statutory morbidity requirements or Company's experience where allowed. Under GAAP, the reserves are based on either (i) the present value of future benefits less the present value of future net premiums based on mortality, morbidity, and other assumptions that were appropriate at the time the policies were issued or acquired, or (ii) the account value for certain contracts without significant life contingencies.
- The interest maintenance reserve (IMR) represents the deferral of interest-related realized gains and losses, net of tax, on primarily fixed maturity investments, which are amortized into income over the remaining life of the investment sold. No such reserve is required under GAAP.
- Deferred income taxes are recognized for both SSAP and GAAP; however, the amount permitted to be recognized is generally more restrictive under SSAP and the change in deferred taxes is reported as a direct charge to surplus.
- The asset valuation reserve (AVR) represents a contingency reserve for credit-related risk on most invested assets of the Company, and is charged to statutory surplus. No such reserve is required under GAAP.
- Policy acquisition costs are expensed as incurred, while under GAAP, successful acquisition costs are deferred and recognized over either (1) the expected premium-paying period or (2) the estimated life of the contract.
- Reserves are reported net of ceded reinsurance; under GAAP, reserves are reported gross with a corresponding reinsurance receivable.
- A 100% provision is established for unsecured reinsurance recoverable balances from unauthorized reinsurers. The change in this provision is credited or charged to unassigned surplus.

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Under GAAP, a provision is established for uncollectible reinsurance balances with any changes to this provision reflected in earnings for the period.

- The statements of operations are different in certain respects, with life and annuity premiums being recognized as revenue when the policies and contracts are issued. Under GAAP, premiums on life insurance policies are recognized when due; premiums on annuity contracts are not recognized as revenue, but as deposits.
- Revenues for universal life policies and investment products consist of the entire premium received, and benefits represent the death benefits paid and the change in policy reserves, unless the products do not incorporate mortality or morbidity risk. Under GAAP, premiums received in excess of policy charges are not recognized as premium revenue, and benefits represent the excess of benefits paid over the policy account values and interest credited to the account values.
- The statements of cash flow differ in certain respects from the presentation required under GAAP, including the presentation of the changes in cash and short-term investments instead of cash and cash equivalents. Short-term investments include securities with maturities, at the time of acquisition, of one year or less. For statutory purposes, there is no reconciliation between net income and cash from operations.
- A statement of comprehensive income is not required for SSAP reporting.

(c) Use of Estimates

The preparation of financial statements in conformity with accounting practices prescribed or permitted by the Oklahoma Insurance Department, Annual Statement Instructions, and NAIC Manual requires management to make estimates and assumptions that affect the reported amounts of admitted assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in those estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in the period in which they occur. Principal estimates that could change in the future are the fair value of investments, whether a security is other-than-temporarily impaired, and the actuarial assumptions used in establishing policy liabilities.

(d) Investments in Affiliates, Joint Ventures, Partnerships, or Limited Liability Companies

The statutory financial statements include the Company's investment in its wholly owned subsidiaries. Intercompany accounts and transactions have not been eliminated in the statutory financial statements. The Company's wholly and majority-owned subsidiaries at December 31, 2017 and 2016 are noninsurance entities that have no significant ongoing operations other than to hold assets that are primarily for the direct or indirect benefit or use of the Company or its affiliates, and are carried at the underlying equity of the respective entity's financial statements adjusted to a statutory basis of accounting.

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The Company's investments in joint ventures, partnerships, and limited liability companies are recorded at cost, adjusted for the Company's share of the GAAP basis earnings or losses of the investee, net of any distributions received. Such investments are reported as other invested assets and the related adjustments are reported as unrealized capital gains or losses in surplus.

(e) Investments

The investment portfolio includes bonds, preferred stocks, common stocks, mortgage loans, real estate, policy loans, other invested assets, and short-term investments.

Investments are carried in accordance with rules established by the NAIC. Bonds are carried at cost, adjusted where appropriate for accretion of premium or amortization of discount using the scientific interest method and taking into consideration stated interest and principal provisions. Additionally, bonds rated as NAIC 6 are carried at the lower of their cost or fair market value. Preferred stocks are carried at the lower of cost or fair value since there is no premium or discount. Common stocks are carried at fair value. Policy loans are stated at their aggregate unpaid balances. Mortgage loans on real estate are stated at their aggregate unpaid balances. Real estate held for investment is carried at cost less accumulated depreciation and encumbrances. Encumbrances as of December 31, 2017 and 2016 were approximately \$32,803,503 and \$13,866,000, respectively. The promissory note bears interest at 4.32% and is due in monthly installments of approximately \$103,000 (including interest) to 2022. Property occupied by the Company is carried at cost, less accumulated depreciation.

Realized gains or losses are determined on the specific identification basis. Unrealized gains and losses on common stocks of affiliates and nonaffiliates are accounted for as direct increases or decreases in surplus.

Because the Company's primary business is in the insurance industry, the Company holds a significant amount of assets that it intends to match with its liabilities in relation to maturity and interest margin. In order to maximize earnings and minimize risk, the Company invests in a diverse portfolio of investments. The portfolio is diversified by geographic region, investment type, underlying collateral, maturity, and industry. Management does not believe that the Company has any significant concentrations of credit risk in its investments.

The Company generally does not invest in any low investment-grade high-yield investment bonds (junk bonds). Certain bonds are guaranteed by the U.S. government. The Company limits its risks by investing in bonds and stocks of rated companies, mortgage loans adequately collateralized by real estate, selective real estate supported by appraisals, and policy loans collateralized by policy cash values. In addition, the Company performs due diligence procedures prior to making mortgage loans. These procedures include evaluations of the credit worthiness of the mortgagees and/or tenants and independent appraisals.

The maximum and minimum lending rates for mortgage loans originated during 2017 were 4.70% and 4.00%, respectively. The maximum and minimum lending rates for mortgage loans originated during 2016 were 4.70% and 4.00%, respectively. The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 80% during 2017 and 2016. During 2017 and 2016, the Company did not reduce interest rates on any outstanding mortgage loans. The Company held no mortgages with interest more than 180 days past due or impaired mortgage loans.

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For loan-backed securities, the Company has elected to use the carrying value as of January 1, 1994 as the cost for applying the retrospective adjustment method to securities purchased prior to that date. In 2017 and 2016, the Company had no changes from the retrospective to prospective methodology due to negative yield on specific securities. Prepayment assumptions for single class and multiclass mortgage-backed/asset-backed securities were obtained from broker-dealer survey values or internal estimates.

The Company periodically reviews its investment portfolio to determine if provisions for possible losses or provisions for other-than-temporary impairment (OTTI) are necessary. In connection with this determination, management reviews published market values, credit ratings, independent appraisals, expected cash flows, and other valuation information. Securities with impairments are written down to the present value of expected cash flows to be collected rather than fair value unless the Company has the intent to sell or inability to retain the security until recovery of amortized cost. For the year ended December 31, 2017, the Company recorded approximately \$5,000,000 of OTTI. For the year ended December 31, 2016, the Company recorded approximately \$157,000 of OTTI. While management believes that no additional provisions for OTTI are currently necessary, adjustments may be necessary in the future due to changes in economic conditions. In addition, regulatory agencies periodically review investment valuation as an integral part of their examination process. Such agencies may require the Company to recognize adjustments based upon available information and judgments of the regulatory examiners at the time of their examination.

(f) Equipment

Equipment consists of electronic data processing equipment and is stated at cost less accumulated depreciation. Equipment is depreciated on a straight-line basis using estimated lives of five to ten years. Additions, renewals, and betterments are capitalized. Expenditures for software, maintenance, and repairs are expensed. Upon retirement or disposal of an asset, the asset and related accumulated depreciation are eliminated and any related gain or loss is included in income.

(g) Company-Owned Life Insurance

The Company is the owner of three single premium insurance policies and one group variable life insurance policy for certain current executives of the Company, where the Company is the beneficiary. These policies, accounted for using the investment method, were purchased in 2010 and in 2014. The policies are recorded in other assets at their net cash surrender values, as reported by the four issuing insurance companies, whose Standard & Poor's financial strength ratings are AA+ for the single premium insurance policies and A for the group variable life insurance policy. The net cash surrender values totaled approximately \$34,812,000 and \$33,896,000 as of December 31, 2017 and 2016, respectively. The face value (death benefit) of the life insurance policies underlying the contracts was approximately \$80,488,000 and \$80,510,000 as of December 31, 2017 and 2016, respectively.

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(h) Premiums

Life premiums are recognized as revenue when the policy is written and on each anniversary date thereafter. Accident and health premiums are recognized when due from the policyholder. Both life and accident and health premiums are increased by reinsurance premiums assumed and reduced by reinsurance premiums ceded. Contracts issued that do not incorporate mortality or morbidity risk are not accounted for as insurance contracts. Amounts received as payments for such contracts are recorded as direct increases to the policy reserves.

The Company estimates accrued retrospective premium adjustments (premium rate stabilization) for certain contracts in its group health and group life business based on contractually determined formulas by group. The amount of net premiums written by the Company for the years ended December 31, 2017 and 2016 that were subject to retrospective rating features was approximately \$199,00 and \$214,000, respectively, which represented approximately 0.05% and 0.06% of net premiums written for group health and group life products in 2017 and 2016. No other net premiums written by the Company were subject to retrospective rating features.

(i) Reinsurance

The Company accounts for reinsurance transactions as prescribed by the applicable accounting standards, which require the reporting of reinsurance transactions relating to the statements of admitted assets, liabilities, and capital and surplus on a net basis and precludes immediate gain recognition on reinsurance contracts.

(j) Income Taxes

Current income taxes incurred includes current income taxes for the amount of federal income taxes paid or payable for the current year. These amounts are determined based on estimates of federal income taxes for the current year, including tax contingencies and benefits. The Company's current tax recoverable is reported as a component of other assets and current tax payable is reported as a component of other liabilities. The changes in current taxes are reflected in the statutory statements of operations.

Deferred income tax assets and liabilities are determined based on differences between statutory financial statement carrying amounts of existing assets and liabilities and their respective tax bases, as well as operating loss, capital loss, and tax credit carryforwards. Temporary differences related to AVR and IMR are not included in the determination of gross deferred income taxes while temporary differences for unrealized gains/losses and nonadmitted assets are included. Gross deferred tax assets are reduced by a valuation allowance if it is more-likely-than-not (i.e. greater than 50% likelihood) that some portion or all of the gross deferred tax assets will not be realized. The deferred tax assets and liabilities are measured using federal enacted tax rates. Deferred income tax assets are limited as to their admissibility. The changes in net deferred tax assets and liabilities are reflected in surplus. The Company's net admitted deferred tax assets are reported as a component of other assets.

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(k) Policy Liabilities

Aggregate reserves for life policies and contracts include reserve amounts principally for life insurance policies, payout annuity policies, and disability insurance policies. The life insurance reserves are principally based on the 1941, 1958, 1980, 2001 and 2017 Commissioners Standard Ordinary (CSO) mortality tables, and are established with interest rate assumptions ranging from 2.0% to 6.0%. Annuity insurance reserves are established with interest rate assumptions ranging from 3.0% to 8.8%. Disability reserves are principally based on the 2012 Group Long Term Disability Table, with adjustments for actual Company experience. The tabular interest, tabular less actual reserves released, and the tabular cost have been determined by formula. Aggregate reserves for accident and health policies include the present value of amounts not yet due on claims, additional reserves, and unearned premiums.

Policy and contract claims reserves include a provision for reported claims and claims incurred but not reported. The provision for claims incurred but not reported is estimated based primarily on Company experience. Although these provisions are the Company's best estimate of the ultimate value, the actual results may vary from these values.

Liability for premiums and other deposit funds include reserves for qualified before tax annuities and other accumulation policies that do not subject the Company to any risks from policyholder mortality and morbidity. Such reserves are established using guaranteed interest rates of 3.0% to 7.5%.

The Company has a significant amount of allocated deferred annuity contracts with life contingencies. The liability for these contracts is recorded as aggregate reserves for life policies and contracts. The Company also has annuities certain without life contingencies. The liability for these contracts is recorded as a liability for premiums and other deposit funds.

The Company started issuing business in 2017 on the 2017 CSO table for life products where approved. There were two valuation basis changes for reserves in 2016. Disability reserves moved from the 1987 Commissioners Group Disability Table to the 2012 Group Long Term Disability Table. Group term life waiver of premium reserves moved from the 1952 Disability Study, period 2, with the 1958 CSO mortality table to the 2005 Group Term Life Waiver Reserve Table.

The Company waives deduction of deferred fractional premiums upon death of the insured, and returns any portion of the final premium beyond the month of death for policies developed and issued subsequent to December 1977.

Surrender values are not promised in excess of the legally computed reserves.

Extra premiums are charged for substandard lives in addition to the regular gross premium for the true age.

Mean reserves are determined by computing the regular mean reserve for the plan at the true age and holding in addition one-half of the extra premium charge for the year.

The Company had approximately \$1,570,099,000 and \$1,713,192,000 of insurance in force (after reinsurance ceded) for which the gross premiums are less than the net premiums according to the standard valuation set by the state of Oklahoma at December 31, 2017 and 2016, respectively.

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The Company had approximately \$43,876,000 and \$233,798,000 as of December 31, 2017 and 2016, respectively, of annuity actuarial reserves and deposit liabilities that were subject to discretionary withdrawal at book value less current surrender charge of 5% or more. As of December 31, 2017 and 2016, the Company has approximately \$774,454,000 and \$642,626,000, respectively, of annuity actuarial reserves and deposit liabilities that were subject to discretionary withdrawal at market value where the withdrawal of the funds is payable at the current market value of the assets supporting the liabilities. Annuity reserves and deposit liabilities that were subject to discretionary withdrawal at book value without adjustment were approximately \$1,793,827,000 and \$1,503,635,000 as of December 31, 2017 and 2016, respectively. There were approximately \$56,759,000 and \$65,115,000 of annuity reserves and deposit liabilities that are not subject to discretionary withdrawal at December 31, 2017 and 2016, respectively. At December 31, 2017 and 2016, the total gross annuity actuarial reserves and deposit liabilities were approximately \$2,668,916,000 and \$2,445,174,000, respectively, and the net annuity actuarial reserves and deposit liabilities were approximately \$2,663,595,000 and \$2,439,593,000, respectively. The ceded amount of annuity actuarial reserves and deposit liabilities was approximately \$5,321,000 and \$5,581,000 as of December 31, 2017 and 2016, respectively. The Company's earnings related to these products are impacted by conditions in the overall interest rate environment.

(l) Capital and Surplus

Capital and surplus of the Company is restricted as to payment of dividends by statutory limitations applicable to insurance companies. Without prior approval of the respective state insurance department, dividends that can be paid are generally limited to the greater of 10% of statutory capital and surplus or the statutory net gain from operations before net realized capital gains/losses reported for the previous calendar year. The maximum dividend payout, which may be made without prior approval in 2017, is approximately \$70,676,000.

The Oklahoma Insurance Department has adopted Risk-Based Capital (RBC) requirements for life insurance companies. The RBC calculation serves as a benchmark for the regulation of life insurance companies by state insurance regulators. RBC provides for surplus formulas similar to target surplus formulas used by commercial rating agencies. The formulas specify various weighting factors that are applied to statutory financial balances or various levels of activity based on the perceived degree of risk, and are set forth in the RBC requirements. The Company has calculated RBC in accordance with the NAIC's Model Rule and RBC rules as adopted by the Oklahoma Insurance Department. The RBC, as calculated by the Company, exceeds levels requiring Company or regulatory action at December 31, 2017 and 2016.

(m) Separate Accounts

The Company maintains a separate account under Oklahoma insurance law designated as American Fidelity Separate Account A (Account A). Account A was formerly known as American Fidelity Variable Annuity Fund A, and operated as an open-end diversified management investment company from 1968 to 1998. Effective January 1, 1999, it was converted to a unit investment trust separate account, and it transferred its investment portfolio to the American Fidelity Dual Strategy Fund, Inc. (the Fund), an open-end investment company sponsored by AFA, in exchange for shares of the Fund.

On November 25, 2014, Account A's investment in the Fund was substituted with the Vanguard Total Stock Market Index Fund. Under Oklahoma law, the assets of Account A are segregated from the

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Company's assets, are held for the exclusive benefit of the variable annuity contract owners, and are not chargeable with liabilities arising out of the business conducted by any other account or by the Company.

The Company also maintains separate accounts under Oklahoma insurance law designated as American Fidelity Separate Account B (Account B) and American Fidelity Separate Account C (Account C). Account B and Account C are registered as unit investment trusts under the Investment Company Act of 1940, as amended. Under Oklahoma law, the assets of each of the ten (10) segregated subaccounts of Account B and the ten (10) segregated subaccounts of Account C are held for the exclusive benefit of the variable annuity contract owners, and are not chargeable with liabilities arising out of the business conducted by any other account or by the Company.

The separate accounts maintained by the Company represent funds for nonguaranteed variable annuities. The assets of these accounts are carried at market value. The net investment experience of the separate account is credited directly to the policyholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of the account value or the premium paid. The minimum guaranteed death benefit reserve is held in the Company's general account. For the years ended December 31, 2017 and 2016, the amount of premiums, considerations, or deposits for the year was approximately \$74,957,000 and \$67,998,000, respectively.

(2) Admitted and Nonadmitted Assets

Assets in the statutory statements of admitted assets, liabilities, and capital and surplus are stated at admitted asset values, which are the values permitted to be reported in the annual report to the Oklahoma Insurance Department. All other assets are "nonadmitted assets" and are excluded from the statutory statements of admitted assets, liabilities, and capital and surplus by a charge to surplus. Nonadmitted assets as of December 31 are as follows:

	<u>2017</u>	<u>2016</u>
Prepays, deposits, and other receivables	\$ 8,855,125	7,357,049
Agents' balances	39,277	1,534,104
Deferred tax asset	30,733,374	48,856,107
Leasehold improvements	<u>21,629,636</u>	<u>22,437,761</u>
	<u>\$ 61,257,412</u>	<u>80,185,021</u>

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(3) Fair Value of Financial Instruments

A summary of the Company's financial instruments and the fair value estimates, methods, and assumptions is set forth below:

	Admitted assets	Estimated fair value as of December 31, 2017			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and short-term investments	\$ 241,831,403	241,831,403	—	—	241,831,403
Bonds	4,043,435,952	21,140,938	3,610,267,203	628,129,694	4,259,537,835
Common and preferred stocks	28,426,343	23,725,544	156,727	5,495,192	29,377,463
Mortgage loans	480,274,494	—	—	488,921,484	488,921,484
Financial liabilities:					
Certain policy liabilities	1,856,987,606	—	—	1,858,391,904	1,858,391,904
Borrowed money	497,670,254	—	474,352,172	—	474,352,172

	Admitted assets	Estimated fair value as of December 31, 2016			
		Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and short-term investments	\$ 143,509,947	143,509,947	—	—	143,509,947
Bonds	3,874,796,569	1,085,411	3,481,216,570	516,283,305	3,998,585,286
Common and preferred stocks	28,261,148	23,651,880	90,610	5,224,758	28,967,248
Mortgage loans	442,601,524	—	—	456,011,866	456,011,866
Financial liabilities:					
Certain policy liabilities	1,763,626,783	—	—	1,766,083,135	1,766,083,135
Borrowed money	497,755,108	—	506,677,978	—	506,677,978

(a) Cash and Short-Term Investments and Investment Income Due and Accrued

The carrying amounts of the financial instruments listed above approximate their fair values because they mature within a relatively short period of time, and do not present unanticipated credit concerns.

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(b) Bonds, Common Stocks and Preferred Stocks

For fixed maturities and marketable equity securities, for which market quotations generally are available, the Company primarily uses independent pricing services to assist in determining fair value measurements. When the fair value of certain securities is not readily available, the fair value estimates are based on quoted market prices of similar instruments adjusted for the differences between the quoted instruments and the instruments being valued, or fair value is estimated using discounted cash flow analysis. Interest rates used in this analysis are similar to currently offered contracts with comparable maturities as the investments being valued. The Company's investments also include certain less liquid or private fixed maturity debt securities, such as private placements and certain structured notes. Valuations are estimated based on nonbinding broker prices or valuation models discounted cash flow models and other similar techniques that use observable or unobservable inputs and are considered Level 3.

The fair value of equity securities unaffiliated investments of the Company is based on quotations from independent pricing services, bid prices published in financial newspapers, or bid quotations received from securities dealers. Equity securities affiliated are reported at book value, which approximates fair value.

(c) Mortgage Loans on Real Estate

Fair values are estimated for portfolios of loans with similar characteristics. Commercial mortgage loans have average net yield rates of 4.66% and 4.88% for December 31, 2017 and 2016, respectively. The fair value of mortgage loans was calculated by discounting scheduled cash flows to maturity using estimated market discount rates of 4.36% and 4.30% for December 31, 2017 and 2016, respectively. These rates reflect the credit and interest rate risk inherent in the loans. Assumptions regarding credit risk, cash flows, and discount rates are judgmentally determined using available market information and specific borrower information. The fair value of certain residential loans is based on the approximate fair value of the underlying real estate securing the mortgages.

(d) Policy Loans

Policy loans have average interest yields of 5.97% and 6.19% as of December 31, 2017 and 2016, respectively, and have no specified maturity dates. These loans typically carry an interest rate that is tied to the crediting rate applied to the related policy and contract reserves. Policy loans are an integral part of the life insurance policies that the Company has in force and cannot be valued separately; therefore, are not presented in the previous table.

(e) Certain Policy Liabilities

Certain policies sold by the Company are investment-type contracts. These liabilities are segregated into two categories: premiums and other deposit funds and immediate annuities. These liabilities are further defined to segregate the deferred annuity contract with life contingencies, which are reported as aggregate reserves for life policies and contracts. The fair value of aggregate reserves for life policies and contracts is estimated as the fund value of each policy less applicable surrender charges. The fair value of the immediate annuities without life contingencies and premiums and other deposit funds is

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estimated as the discounted cash flows of expected future benefits less the discounted cash flows of expected future premiums, using the current pricing assumptions.

	2017		2016	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Aggregate reserves for life policies and contracts	\$ 1,831,470,989	1,830,296,090	1,736,200,804	1,734,971,155
Annuities	25,516,617	28,095,814	27,425,979	31,111,980

(f) Borrowed Money

The fair value of the Company's notes payable is estimated by the present value of a stream of future expected cash flows using an appropriate discount rate. Discount factors are based on the LIBOR/Swap curve.

(g) Limitations

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These fair value estimates do not reflect any premium or discount that could result from offering for sale at one time the Company's entire holdings of a particular financial instrument, nor do they reflect income taxes on differences between fair value and tax basis of the assets. Because no established exchange exists for a significant portion of the Company's financial instruments, fair value estimates are based on judgments regarding future expected loss experience, current economic conditions, risk characteristics of various financial instruments, and other factors. These fair value estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the fair value estimates.

(h) Fair Value Hierarchy

The following are the levels of hierarchy and a description of the type of valuation inputs that are used to establish each level:

Level 1 inputs are quoted in active markets for identical securities.

Level 2 inputs are other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 inputs are significant unobservable inputs (including the Company's own assumptions used to determine the fair value of investments).

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Assets that are recorded at fair value are categorized into a three-level fair value hierarchy as required by SSAP No. 100, *Fair Value Measurements*. The balances of these assets as of December 31, 2017 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets recorded at fair value:				
Bonds – industrial and miscellaneous	\$ 20,093,868	2,790,676	1,781,086	24,665,630
Common stock – unaffiliated	23,095,464	156,727	—	23,252,191
Common stock – affiliated	—	962,932	—	962,932
Total assets at fair value	<u>\$ 43,189,332</u>	<u>3,910,335</u>	<u>1,781,086</u>	<u>48,880,753</u>

The following table presents the change for the year ended December 31, 2017 in the assets measured at fair value using unobservable inputs (Level 3):

	<u>Loan-backed securities</u>
Beginning balance	\$ 1,835,158
Transfers in	—
Transfers out	—
Total gain (loss) included in net income	90,188
Total gain (loss) included in surplus	5,941
Purchases	—
Issuances	—
OTTI	—
Sales	(150,201)
Settlements	—
Ending balance	<u>\$ 1,781,086</u>

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Assets that are recorded at fair value are categorized into a three level fair value hierarchy as required by SSAP No. 100, *Fair Value Measurements*. The balances of these assets as of December 31, 2016 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets recorded at fair value:				
Bonds – industrial and miscellaneous	\$ —	2,298,479	1,835,158	4,133,637
Common stock – unaffiliated	23,079,080	90,610	—	23,169,690
Common stock – affiliated	<u>—</u>	<u>880,238</u>	<u>—</u>	<u>880,238</u>
Total assets at fair value	\$ <u>23,079,080</u>	<u>3,269,327</u>	<u>1,835,158</u>	<u>28,183,565</u>

The following table presents the change for the year ended December 31, 2016 in the assets measured at fair value using unobservable inputs (Level 3):

	<u>Loan-backed securities</u>
Beginning balance	\$ 1,758,289
Transfers in	—
Transfers out	—
Total gain (loss) included in net income	138,396
Total gain (loss) included in surplus	168,960
Purchases	—
Issuances	—
OTTI	—
Sales	(230,487)
Settlements	<u>—</u>
Ending balance	\$ <u>1,835,158</u>

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(4) Investments

Investment income for the years ended December 31 is summarized below:

	<u>2017</u>	<u>2016</u>
Interest on bonds	\$ 175,570,134	176,503,325
Dividends on preferred and common stocks	312,896	311,726
Interest on mortgage loans	24,897,481	22,993,619
Investment real estate income	6,844,174	3,987,896
Interest on policy loans	3,240,046	3,274,867
Interest on cash and short-term investments and other	<u>820,332</u>	<u>709,994</u>
	211,685,063	207,781,427
Less investment expenses	<u>33,617,790</u>	<u>32,288,799</u>
Net investment income	<u>\$ 178,067,273</u>	<u>175,492,628</u>

Realized gains (losses) for the years ended December 31 consisted of the following:

	<u>2017</u>	<u>2016</u>
Bonds	\$ 25,901,289	20,855,691
OTTI	<u>(5,000,000)</u>	<u>(157,009)</u>
	20,901,289	20,698,682
Common stocks of nonaffiliates	660,753	1,074,925
Real estate	—	—
Other capital loss	<u>(348,744)</u>	<u>(210,902)</u>
Total realized gains before federal income taxes and IMR transfers	21,213,298	21,562,705
Federal income tax expense	9,447,403	7,278,712
Less IMR transfers	<u>16,242,903</u>	<u>12,699,868</u>
Net realized gains (losses)	<u>\$ (4,477,008)</u>	<u>1,584,125</u>

The gross unrealized gains on common stocks of nonaffiliates were approximately \$9,869,000 and \$9,052,000 in 2017 and 2016, respectively. The gross unrealized losses on common stocks of nonaffiliates were approximately \$0 and \$9,400 in 2017 and 2016, respectively.

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The carrying value and estimated fair value of bonds, preferred stock, and common stock at December 31 are as follows:

	2017			
	Carrying value/ cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities	\$ 1,020,393	29,798	(3,121)	1,047,070
U.S. government agency obligations	3,874,559	317,184	—	4,191,743
Special revenue	392,916,263	11,535,015	(11,585,348)	392,865,930
States, territories, and political subdivisions	407,706,187	36,524,506	(95,260)	444,135,433
Foreign government	28,230,642	2,138,829	—	30,369,471
Corporate bonds	2,310,659,850	162,459,563	(10,296,017)	2,462,823,396
Loan-backed securities	878,934,190	30,953,824	(5,877,090)	904,010,924
SVO Identified Funds	20,093,868	—	—	20,093,868
Total bonds	<u>4,043,435,952</u>	<u>243,958,719</u>	<u>(27,856,836)</u>	<u>4,259,537,835</u>
Preferred stocks	4,211,220	951,120	—	5,162,340
Common stocks - unaffiliated	13,382,865	9,869,326	—	23,252,191
Common stocks - affiliated	<u>103,902</u>	<u>859,030</u>	<u>—</u>	<u>962,932</u>
Total stocks	<u>17,697,987</u>	<u>11,679,476</u>	<u>—</u>	<u>29,377,463</u>
Total	\$ <u>4,061,133,939</u>	<u>255,638,195</u>	<u>(27,856,836)</u>	<u>4,288,915,298</u>

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2017 and 2016

	2016			
	Carrying value/ cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities	\$ 1,032,683	55,465	(2,737)	1,085,411
U.S. government agency obligations	5,228,142	510,799	—	5,738,941
Special revenue	369,580,002	12,864,458	(19,841,347)	362,603,113
States, territories, and political subdivisions	407,848,018	32,478,152	(738,820)	439,587,350
Foreign government	33,291,576	2,201,264	—	35,492,840
Corporate bonds	2,242,745,175	111,323,829	(37,242,075)	2,316,826,929
Loan-backed securities	815,070,973	31,676,006	(9,496,277)	837,250,702
Total bonds	<u>3,874,796,569</u>	<u>191,109,973</u>	<u>(67,321,256)</u>	<u>3,998,585,286</u>
Preferred stocks	4,211,220	706,100	—	4,917,320
Common stocks - unaffiliated	14,126,581	9,052,499	(9,390)	23,169,690
Common stocks - affiliated	103,902	776,336	—	880,238
Total stocks	<u>18,441,703</u>	<u>10,534,935</u>	<u>(9,390)</u>	<u>28,967,248</u>
Total	\$ <u>3,893,238,272</u>	<u>201,644,908</u>	<u>(67,330,646)</u>	<u>4,027,552,534</u>

The NAIC fair value of total bonds is approximately \$5,802,000 more and \$1,626,000 less than the estimated fair value in the tables above at December 31, 2017 and 2016, respectively.

The carrying value and estimated fair value of investments in bonds at December 31, 2017, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because the issuers of such securities may have the right to call or prepay obligations with or without call or prepayment penalties.

	Carrying value	Fair value
Due in one year or less	\$ 50,210,626	50,966,887
Due after one year through five years	519,141,836	539,804,342
Due after five years through ten years	1,006,602,765	1,051,726,840
Due after ten years	1,568,452,667	1,692,934,974
Loan-backed securities	878,934,190	904,010,924
SVO Identified Funds	20,093,868	20,093,868
	\$ <u>4,043,435,952</u>	<u>4,259,537,835</u>

AMERICAN FIDELITY ASSURANCE COMPANY

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Proceeds from sales of bonds during 2017 and 2016 were approximately \$423,619,000 and \$260,277,000, respectively. Gross realized gains of approximately \$14,693,000 and \$16,506,000 and gross realized losses of approximately \$279,000 and \$65,000, respectively, were realized on those sales. In addition, the Company realized net gains of approximately \$11,487,000 and \$4,415,000 on bonds that were called or prepaid in 2017 and 2016, respectively.

Gross unrealized losses on investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2017 were as follows:

	Less than 12 months		12 months or longer		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
U.S. Treasury securities \$	—	—	497,578	(3,121)	497,578	(3,121)
Special revenue	30,779,623	(254,366)	225,163,292	(11,330,982)	255,942,915	(11,585,348)
States and territories	—	—	2,910,418	(95,260)	2,910,418	(95,260)
Foreign government	—	—	—	—	—	—
Corporate bonds	106,138,114	(1,170,655)	219,411,904	(9,125,362)	325,550,018	(10,296,017)
Loan-backed securities	96,534,855	(1,221,735)	120,167,845	(4,655,355)	216,702,700	(5,877,090)
Total	<u>233,452,592</u>	<u>(2,646,756)</u>	<u>568,151,037</u>	<u>(25,210,080)</u>	<u>801,603,629</u>	<u>(27,856,836)</u>

Gross unrealized losses on investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2016 were as follows:

	Less than 12 months		12 months or longer		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
U.S. Treasury securities \$	498,946	(2,737)	—	—	498,946	(2,737)
Special revenue	226,415,082	(19,710,899)	14,850,870	(130,448)	241,265,952	(19,841,347)
States and territories	6,777,080	(330,016)	22,252,657	(408,804)	29,029,737	(738,820)
Foreign government	—	—	—	—	—	—
Corporate bonds	270,916,852	(10,176,304)	455,605,527	(27,065,771)	726,522,379	(37,242,075)
Loan-backed securities	214,096,192	(6,177,772)	15,750,122	(3,318,505)	229,846,314	(9,496,277)
Total	<u>\$ 718,704,152</u>	<u>(36,397,728)</u>	<u>508,459,176</u>	<u>(30,923,528)</u>	<u>1,227,163,328</u>	<u>(67,321,256)</u>

The unrealized losses in U.S. Treasury securities, obligations of U.S. government agencies and states and territories, and foreign government securities are due to interest rate fluctuations, which result in a decline in market values from original purchase price. Because the securities were acquired during a period of low interest rates, unrealized losses may continue and may become more severe in a rising interest rate environment. The Company expects the unrealized losses to reverse as the securities shorten in duration and mature, and because the Company has the ability to hold these investments and does not intend to sell until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

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The investments included in states, territories, and political subdivisions are high-grade investment quality and have unrealized losses due to an increase in interest rates since acquisition. Because the decline in fair value is attributable to changes in interest rates and not credit quality, and because the Company has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in special revenue securities are comprised of general obligations of U.S. government sponsored agencies for which the U.S. government is indirectly obligated. The unrealized loss is due to interest rate fluctuations, which result in a decline in market values from original purchase price. Because the securities were acquired during a period of low interest rates, unrealized losses may continue and may become more severe in a rising interest rate environment. The Company expects the unrealized losses to reverse as the securities shorten in duration and mature and because the Company has the ability to hold these investments to maturity and does not intend to sell until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in corporate securities are comprised of corporate bonds. The unrealized loss is due to the current market and economic environment, which is affecting corporate credit ratings and changes in sector spreads. The unrealized loss may continue and may become more severe if the economy continues to trend downward or interest rates rise. Because the decline in fair value is attributable to economic changes and a slight decline in credit quality, and because the Company expects all contractual cash flows will be received and has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in loan-backed securities are comprised of U.S. government-sponsored agency mortgage-backed securities for which the U.S. government is not directly obligated, and private label whole loan collateralized mortgage obligations. The unrealized losses on these securities are a result of the current market and economic conditions that are affecting the mortgage-backed sector. The credit quality on some mortgage-backed bonds has declined due to the larger number of home defaults. Because the decline in fair value is attributable mainly to changes in market and economic conditions and the Company believes all contractual cash flows will be received and has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired. When the Company believes it will not receive all contractual cash flows, the securities are considered other-than-temporarily impaired.

At December 31, 2017 and 2016, investments with carrying values of approximately \$2,985,000 and \$2,916,000, respectively, were on deposit with state insurance departments as required by statute.

The Company has no direct exposure to subprime mortgage loans. An extensive pre-purchase analysis is performed on every loan-backed security. By purchasing only AAA agency mortgage-backed securities and AAA collateralized mortgage-backed whole loan securities, direct exposure to sub-prime mortgages is virtually eliminated. The unrealized losses on these securities are a result of the current market and economic conditions that are affecting the mortgage-backed sector. The credit qualities on some mortgage-backed bonds have begun to decline due to the large number of home mortgage defaults. Because the decline in fair value is attributable mainly to changes in market and economic conditions and only due slightly to a lessening of credit, the Company believes most contractual cash flows will be received.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

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(5) Separate Accounts

The Company utilizes Separate Accounts to record and account for variable annuity business. In accordance with the Insurance Code of the State of Oklahoma, variable annuities are supported for separate account classification by Title 36, Chapter 2, Section 6061. As of December 31, 2017 and 2016, the Company Separate Account statement included legally insulated assets of approximately \$781,742,000 and \$648,034,000, respectively, attributed to variable annuity contracts. The Separate Accounts held by the Company represent nonguaranteed variable annuity funds. The Company does not have a securities lending program.

The assets of these accounts are carried at fair market value. The net investment experience of the Separate Accounts is credited directly to the policyholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of account value or premium paid. The minimum guaranteed death benefit reserve is held in Exhibit 5, Miscellaneous Reserves Section, of the Company's general account annual statement.

	<u>2017</u>	<u>2016</u>
1. Premiums, considerations, or deposits for year ended December 31	\$ 74,957,069	67,998,082
2. Reserves at December 31:		
For accounts with assets at:		
a. Fair market value	\$ 781,742,340	648,033,770
b. Amortized cost	<u>—</u>	<u>—</u>
c. Total reserves	<u>\$ 781,742,340</u>	<u>648,033,770</u>
3. By withdrawal characteristics:		
a. Subject to discretionary withdrawal	\$ —	—
b. With market value adjustment	—	—
c. At book value without market value adjustment and with current surrender charge of 5% or more	—	—
d. At fair market value	781,742,340	648,033,770
e. At book value without market value adjustment and with current surrender charge of 5%	<u>—</u>	<u>—</u>
f. Subtotal	781,742,340	648,033,770
g. Not subject to discretionary withdrawal	<u>—</u>	<u>—</u>
h. Total	<u>\$ 781,742,340</u>	<u>648,033,770</u>
4. Reserves for asset default risk in lieu of AVR	\$ —	—

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

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Reconciliation of net transfers to or (from) Separate Accounts.

	<u>2017</u>	<u>2016</u>
1. Transfers as reported in the summary of operations of the separate accounts statements:		
a. Transfers to separate accounts	\$ 75,624,877	68,594,854
b. Transfers from separate accounts	<u>50,877,654</u>	<u>45,344,768</u>
c. Net transfers to or (from) separate accounts (a) – (b)	24,747,223	23,250,086
2. Reconciling adjustments:		
a. Plus net investment income (expense)	118,997,712	74,632,055
b. Less increase (decrease) in liability for premiums	133,456,449	89,387,684
c. Plus change in expense allowance	1,628,734	1,182,735
d. Less fees for investment management and administration	10,288,486	8,494,457
3. Transfers as reported in the summary of operations of the life, accident and health annual statement:	<u>—</u>	<u>—</u>
a. (1c) + (2)	<u>\$ 1,628,734</u>	<u>1,182,735</u>

(6) Liability for Accident and Health Reserves

Accident and health reserve activity for the years ended December 31, 2017 and 2016 was as follows:

	<u>2017</u>	<u>2016</u>
Liability beginning of year, net of reinsurance	\$ 471,470,553	456,563,871
Incurred related to:		
Current year	385,359,058	379,400,106
Prior years	<u>(34,022,788)</u>	<u>(51,124,835)</u>
Total incurred	<u>351,336,270</u>	<u>328,275,271</u>
Paid related to:		
Current year	193,002,436	189,306,565
Prior years	<u>138,664,942</u>	<u>124,062,024</u>
Total paid	<u>331,667,378</u>	<u>313,368,589</u>
Liability end of year, net of reinsurance	<u>\$ 491,139,445</u>	<u>471,470,553</u>

Reinsurance recoverable on paid losses was approximately \$1,276,000 and \$2,218,000 at December 31, 2017 and 2016, respectively.

AMERICAN FIDELITY ASSURANCE COMPANY

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The provision for accident and health benefits pertaining to prior years decreased approximately \$34,023,000 in 2017 from the prior year estimate. This decrease overall includes better than expected experience of approximately \$31,113,000 for group medical and disability and approximately \$2,910,000 for cancer business. The decrease is due to subsequent better than expected claim experience.

The provision for accident and health benefits pertaining to prior years decreased approximately \$51,125,000 in 2016 from the prior year estimate. This decrease overall includes better than expected experience of approximately \$48,009,000 for group medical and disability and approximately \$3,116,000 for cancer business. The decrease is due to subsequent better than expected claim experience.

The Company paid approximately \$53,000 and \$291,000 in 2017 and 2016, respectively, to settle claims related to extra contractual obligations or bad faith claims stemming from lawsuits.

(7) Borrowed Money

AFA has borrowed approximately \$496,500,000 and \$496,500,000 on the line of credit with the Federal Home Loan Bank of Topeka (FHLB) at December 31, 2017 and 2016, respectively. The line of credit is secured by investment securities and cash pledged as collateral by AFA with a carrying amount of approximately \$510,769,000 and \$529,187,000 at December 31, 2017 and 2016, respectively, which exceeds the collateral required for this line of credit. The pledged securities are held in the Company's name in a custodial account at United Missouri Bank, N.A. to secure current and future borrowings. To participate in this available credit, AFA has acquired 227,532 shares in 2017 and 227,312 shares in 2016 of FHLB common stock with a total carrying value of approximately \$22,753,200 and \$22,731,200 at December 31, 2017 and 2016, respectively.

FHLB Capital Stock

	2017		
	General account	Separate accounts	Total
Membership stock – class A	\$ 500,000	—	500,000
Membership stock – class B	—	—	—
Activity stock	21,842,500	—	21,842,500
Excess stock	410,700	—	410,700
Total	<u>\$ 22,753,200</u>	<u>—</u>	<u>22,753,200</u>
Actual or estimate borrowing capacity as determined by the insurer	\$ 505,364,379		

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Notes to Statutory Financial Statements

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	2016		
	General account	Separate accounts	Total
Membership stock – class A	\$ 500,000	—	500,000
Membership stock – class B	—	—	—
Activity stock	21,842,500	—	21,842,500
Excess stock	388,700	—	388,700
Total	<u>\$ 22,731,200</u>	<u>—</u>	<u>22,731,200</u>
Actual or estimate borrowing capacity as determined by the insurer	\$ —	—	532,731,343

FHLB Membership Stock (Class A and B) Eligible for Redemption

	Current year total	Not eligible for redemption	Less than 6 months	6 months to 1 year	1 to 3 years	3 to 5 years
Class A	\$ 500,000	500,000	—	—	—	—
Class B	—	—	—	—	—	—

FHLB Borrowings

FHLB has the option to convert the initial rate of interest to an adjustable rate of interest on many of these lines of credit on the dates listed in the following table. At any time after FHLB exercises its conversion option, the Company may prepay the advance in full or in part without a fee.

The Company has no unused lines of credit as of December 31, 2017.

AFA had no Structured Note borrowings as of December 31, 2017 and 2016.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2017 and 2016

Information regarding the terms of the funds borrowed from FHLB are as follows:

Interest rate	Interest rate subject to conversion to adjustable rate	Date issued	Maturity date	Balance at December 31	
				2017	2016
4.640	March 2012	03/12/07	03/13/17	—	10,000,000
5.060	May 2013	05/22/07	05/22/17	—	10,000,000
3.900	December 2012	12/04/07	12/04/17	—	25,000,000
3.520	January 2013	01/28/08	01/29/18	10,000,000	10,000,000
3.460	February 2013	02/01/08	02/01/18	15,000,000	15,000,000
3.490	February 2013	02/04/08	02/05/18	6,500,000	6,500,000
4.020	March 2009	03/07/08	03/07/18	25,000,000	25,000,000
3.460	March 2013	03/12/08	03/12/18	10,000,000	10,000,000
4.100	April 2009	04/28/08	04/30/18	5,000,000	5,000,000
4.100	May 2009	05/19/08	05/19/17	—	25,000,000
4.140	May 2009	05/20/08	05/22/17	—	5,000,000
4.290	July 2009	07/28/08	07/30/18	25,000,000	25,000,000
3.270	—	02/08/10	02/10/20	10,000,000	10,000,000
3.630	—	03/25/10	03/25/22	10,000,000	10,000,000
3.710	—	03/25/10	03/25/20	10,000,000	10,000,000
3.440	—	03/25/10	03/25/20	10,000,000	10,000,000
3.500	—	03/25/10	03/25/21	10,000,000	10,000,000
3.770	—	04/13/10	04/13/22	15,000,000	15,000,000
4.190	—	05/07/10	05/07/20	10,000,000	10,000,000
2.870	—	04/20/11	04/20/17	—	15,000,000
2.570	—	03/27/12	03/26/21	12,500,000	12,500,000
2.080	—	11/19/13	11/20/23	10,000,000	10,000,000
1.980	—	03/12/14	03/12/24	12,500,000	12,500,000
3.110	—	05/23/14	05/23/24	15,000,000	15,000,000
1.930	—	11/19/14	11/19/24	25,000,000	25,000,000
2.300	—	04/28/15	04/28/23	5,000,000	5,000,000
2.590	—	05/20/15	05/19/23	5,000,000	5,000,000
2.740	—	05/21/15	05/21/24	25,000,000	25,000,000
2.060	—	08/10/15	08/08/25	20,000,000	20,000,000
2.090	—	01/13/16	01/13/22	5,000,000	5,000,000
2.260	—	01/13/16	1/13/23	10,000,000	10,000,000
2.280	—	01/13/16	01/13/26	10,000,000	10,000,000
0.660	—	04/22/16	04/21/17	—	5,000,000
2.070	—	05/06/16	05/06/26	10,000,000	10,000,000

AMERICAN FIDELITY ASSURANCE COMPANY

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Interest rate	Interest rate subject to conversion to adjustable rate	Date issued	Maturity date	Balance at December 31	
				2017	2016
0.770		06/03/16	06/02/17	—	25,000,000
0.790		08/31/16	08/31/17	—	20,000,000
0.810		09/09/16	09/08/17	—	10,000,000
2.590		11/21/16	11/23/26	10,000,000	10,000,000
2.960		03/13/17	03/13/25	10,000,000	—
2.600		04/20/17	04/18/25	15,000,000	—
1.450		04/21/17	04/20/18	5,000,000	—
1.880		05/19/17	05/19/27	25,000,000	—
2.890		05/22/17	05/21/27	10,000,000	—
2.640		05/22/17	05/22/25	5,000,000	—
1.600		06/02/17	06/01/18	25,000,000	—
1.590		08/31/17	08/31/18	20,000,000	—
1.620		09/08/17	09/07/18	10,000,000	—
2.520		12/4/17	12/4/23	25,000,000	—
				496,500,000	496,500,000
			Accrued Interest	1,170,254	1,255,108
			Total	\$ 497,670,254	497,755,108

* These lines of credits have interest rates subject to conversion to an adjustable rate at the date specified above, as well as quarterly thereafter.

Interest paid in 2017 and 2016 was approximately \$14,385,000 and \$16,146,000, respectively, and is included in investment expenses in net investment income in the accompanying statutory statements of operations.

Scheduled maturities (excluding interest) of the above indebtedness at December 31, 2017 are as follows:

2018	\$ 156,500,000
2019	—
2020	40,000,000
2021	22,500,000
2022	30,000,000
2023 and thereafter	247,500,000
	<u>\$ 496,500,000</u>

AMERICAN FIDELITY ASSURANCE COMPANY

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(8) Income Taxes

The Company's net deferred tax assets (liabilities) at December 31 and the change from the prior year are comprised of the following components:

	2017			2016			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross deferred tax assets	\$ 71,890,297	4,708,769	76,599,066	113,266,528	6,101,701	119,368,229	(41,376,231)	(1,392,932)	(42,769,163)
Statutory valuation allowance adjustments	—	—	—	—	—	—	—	—	—
Adjusted gross deferred tax assets	71,890,297	4,708,769	76,599,066	113,266,528	6,101,701	119,368,229	(41,376,231)	(1,392,932)	(42,769,163)
Deferred tax assets nonadmitted	28,005,630	2,727,744	30,733,374	45,507,280	3,348,827	48,856,107	(17,501,650)	(621,083)	(18,122,733)
Sub-total net admitted deferred tax assets	43,884,667	1,981,025	45,865,692	67,759,248	2,752,874	70,512,122	(23,874,581)	(771,849)	(24,646,430)
Deferred tax liabilities	19,046,476	1,981,025	21,027,501	29,420,422	2,752,874	32,173,296	(10,373,946)	(771,849)	(11,145,795)
Net admitted deferred tax assets (liabilities)	\$ 24,838,191	—	24,838,191	38,338,826	—	38,338,826	(13,500,635)	—	(13,500,635)

Management has reviewed whether a valuation allowance is needed on its total gross deferred tax assets reported above based on factors such as past history and trends, projected taxable income, and expiration of carryforwards. Additionally, management considered the various aspects of the Tax Cuts and Jobs Act when it assessed whether or not its criteria for establishing a valuation allowance was impacted. Management believes that in 2017 and 2016 it is more likely than not that the results of operations will generate sufficient taxable income to realize its gross deferred tax assets on ordinary items. Additionally, in 2017 and 2016, management believes that there are sufficient capital gains available in its capital assets portfolio and that holding its fixed debt securities in a loss position to maturity or recovery substantiates the Company's ability to realize its gross deferred tax assets on capital items.

On February 8, 2018, the NAIC issued Interpretation (INT) 18-01 to address the reporting and updating of estimates that companies are required to reflect as various accounting adjustments in their financial statements as a result of the Tax Act. This guidance provides that, although some accounting computations may be considered "complete", other accounting computations or assessments may be considered "incomplete" when the financial statements are filed. As such, for those items which are "incomplete" but for which a reasonable estimate can be made, those amounts should be recorded as provisional in the financial statements for the year ended December 31, 2017. For those items for which a reasonable estimate cannot be made, companies may continue to apply pre-Tax Act law. Changes to amounts recognized in the financial statements for the year ended December 31, 2017 as a result of the Tax Act shall be recognized as a change in accounting estimate, pursuant to SSAP No. 3, when the information necessary to update the estimate becomes available. All income tax effects have been identified and appropriately accounted for as a result of the Tax Act in accordance with INT 18-01. The tax accounting for the revaluation of deferred tax liabilities is complete. The income tax effects of life insurance reserves for tax purposes pursuant to the Tax Act have been recorded as provisional as the analysis is incomplete but a

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reasonable estimate was determined. The Company is in the process of quantifying the impact of the Tax Act and will record any adjustments in accordance with the guidance provided in INT 18-01 within the measurement period.

The Company's admission calculation components at December 31 are as follows:

	2017			2016			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ —	—	—	38,338,826	—	38,338,826	(38,338,826)	—	(38,338,826)
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from (a) above) after application of the threshold limitation. (The lesser of (b)1 and (b)2 below):									
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	24,838,191	—	24,838,191	—	—	—	24,838,191	—	24,838,191
2. Adjusted gross deferred tax assets allowed per limitation threshold	—	—	60,867,922	—	—	56,439,545	—	—	4,428,377
Lesser of b(1) or b(2)	—	—	24,838,191	—	—	—	—	—	24,838,191
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from (a) and (b) above) offset by gross deferred tax liabilities	19,046,476	1,981,025	21,027,501	29,420,422	2,752,874	32,173,296	(10,373,946)	(771,849)	(11,145,795)
(d) Deferred tax assets admitted Total ((a) + (b) + (c))	\$ 43,884,667	1,981,025	45,865,692	67,759,248	2,752,874	70,512,122	(23,874,581)	(771,849)	(24,646,430)

	2017	2016
Ratio percentage used to determine recovery period and threshold limitation amount	724 %	730 %
Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in (b)2 above	\$ 441,341,339	409,145,035

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As of December 31, the change in the net deferred income taxes is comprised of the following (this analysis is exclusive of the nonadmitted DTAs as the change in nonadmitted assets is reported separately from the change in net deferred income taxes in the statutory statements of capital and surplus):

	<u>2017</u>	<u>2016</u>	<u>Change</u>
Gross deferred tax assets	\$ 76,599,066	119,368,229	(42,769,163)
Gross deferred tax liabilities	<u>21,027,501</u>	<u>32,173,296</u>	<u>(11,145,795)</u>
Net deferred tax assets/liabilities	55,571,565	87,194,933	(31,623,368)
Statutory valuation allowance adjustment	<u>—</u>	<u>—</u>	<u>—</u>
Net deferred tax assets/liabilities after statutory valuation allowance	55,571,565	87,194,933	(31,623,368)
Tax effect of unrealized (gains) losses	(1,735,014)	(2,342,849)	607,835
Statutory valuation allowance adjustment allocated to unrealized	<u>—</u>	<u>—</u>	<u>—</u>
Net deferred income taxes	<u>\$ 57,306,579</u>	<u>89,537,782</u>	<u>(32,231,203)</u>

The impact of the Company's tax planning strategies as of December 31 is as follows:

	<u>2017</u>		<u>2016</u>		<u>Change</u>	
	<u>Ordinary</u>	<u>Capital</u>	<u>Ordinary</u>	<u>Capital</u>	<u>Ordinary</u>	<u>Capital</u>
Adjusted gross DTAs	\$ 71,890,297	4,708,769	113,266,528	6,101,701	(41,376,231)	(1,392,932)
Percentage of adjusted gross DTAs attributable to the impact of tax planning strategies	— %	6.1 %	— %	5.1 %	— %	1.0 %
Net admitted adjusted gross DTAs	\$ 43,884,667	1,981,025	67,759,248	2,752,874	(23,874,581)	(771,849)
Percentage of net admitted adjusted gross DTAs attributable to the impact of tax planning strategies	— %	4.3 %	— %	3.9 %	— %	0.4 %

None of the Company's tax-planning strategies include the use of reinsurance.

There are no temporary differences for which deferred tax liabilities are not recognized.

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As of December 31, current income taxes incurred consist of the following major components:

	<u>2017</u>	<u>2016</u>	<u>Change</u>
Current federal income tax – operations	\$ 31,554,611	32,030,414	(475,803)
Foreign income tax	<u>—</u>	<u>—</u>	<u>—</u>
Subtotal	31,554,611	32,030,414	(475,803)
Current federal income tax on capital gains	9,447,403	7,278,712	2,168,691
Current tax on the cumulative impact of accounting error reported in surplus	<u>—</u>	<u>(2,528,052)</u>	<u>2,528,052</u>
Federal and foreign income taxes incurred	\$ <u>41,002,014</u>	<u>36,781,074</u>	<u>4,220,940</u>

As of December 31, deferred income tax assets and liabilities consist of the following major components:

	<u>2017</u>	<u>2016</u>	<u>Change</u>
Deferred tax assets:			
Ordinary:			
Discounting of unpaid losses	\$ 4,141,107	6,494,567	(2,353,460)
Policyholder reserves	19,305,517	31,274,349	(11,968,832)
Deferred acquisition costs	33,417,685	52,596,815	(19,179,130)
Compensation and benefits accrual	7,506,173	10,492,710	(2,986,537)
Receivables – nonadmitted	6,793,711	11,168,966	(4,375,255)
Other	<u>726,104</u>	<u>1,239,121</u>	<u>(513,017)</u>
Subtotal	71,890,297	113,266,528	(41,376,231)
Statutory valuation allowance adjustment	<u>—</u>	<u>—</u>	<u>—</u>
Nonadmitted	<u>28,005,630</u>	<u>45,507,280</u>	<u>(17,501,650)</u>
Admitted ordinary deferred tax assets	<u>43,884,667</u>	<u>67,759,248</u>	<u>(23,874,581)</u>

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	<u>2017</u>	<u>2016</u>	<u>Change</u>
Capital:			
Investments	\$ 4,708,769	6,101,701	(1,392,932)
Subtotal	4,708,769	6,101,701	(1,392,932)
Statutory valuation allowance adjustment	—	—	—
Nonadmitted	<u>2,727,744</u>	<u>3,348,827</u>	<u>(621,083)</u>
Admitted capital deferred tax assets	<u>1,981,025</u>	<u>2,752,874</u>	<u>(771,849)</u>
Admitted deferred tax assets	<u>45,865,692</u>	<u>70,512,122</u>	<u>(24,646,430)</u>
Deferred tax liabilities:			
Ordinary:			
Fixed Assets	112,342	156,338	(43,996)
Deferred and uncollected premium	18,630,982	28,414,297	(9,783,315)
Other	<u>303,149</u>	<u>849,787</u>	<u>(546,638)</u>
Subtotal	<u>19,046,473</u>	<u>29,420,422</u>	<u>(10,373,949)</u>
Capital:			
Investments	<u>1,981,025</u>	<u>2,752,874</u>	<u>(771,849)</u>
Subtotal	<u>1,981,025</u>	<u>2,752,874</u>	<u>(771,849)</u>
Deferred tax liabilities	<u>21,027,498</u>	<u>32,173,296</u>	<u>(11,145,798)</u>
Net deferred tax assets	\$ <u>24,838,194</u>	<u>38,338,826</u>	<u>(13,500,632)</u>

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The Company's income tax incurred and change in deferred tax differ from the amount obtained by applying the federal statutory rate of 35% to income before income taxes and net realized capital gains (losses) as follows:

	<u>2017</u>	<u>Effective 2017 tax rate</u>	<u>2016</u>	<u>Effective 2016 tax rate</u>
Income before taxes and realized capital gains (losses)	\$ 102,230,144	—%	\$ 106,880,558	—%
Income tax expense at 35% statutory rate	\$ 35,780,550	35.0%	\$ 37,408,196	35.0%
Increase (decrease) in tax resulting from:				
Dividends received deduction	\$ (1,365,947)	-1.3%	\$ (1,573,155)	-1.5%
Nondeductible expenses for meals and other items	1,662,620	1.6%	1,913,616	1.8%
Management fees	(2,253,425)	-2.2%	(1,960,000)	-1.8%
School bond and low income housing tax credits	(2,100,320)	-2.1%	(1,894,320)	-1.8%
Tax-exempt income	(2,741)	0.0%	(3,053)	0.0%
Tax adjustment for IMR	(2,102,283)	-2.0%	(1,669,899)	-1.6%
Deferred tax benefit on nonadmitted assets	4,375,255	4.3%	(5,230,427)	-4.9%
Remove impact of tax rate change included in deferred tax benefit on nonadmitted assets	(4,529,141)	-4.5%	—	0.0%
Timing differences on realized gains and losses	(1,773,790)	-1.7%	268,234	0.3%
Prior year adjustment to current and deferred taxes	(2,109,350)	-2.1%	(506,802)	-0.5%
Total income tax expected before tax rate change	<u>\$ 25,581,428</u>	<u>25.0%</u>	<u>\$ 26,752,390</u>	<u>25.0%</u>
Adj to SAP deferred income taxes for tax rate change from 35% to 21% (excludes tax on unrealized gains and losses)	<u>38,204,386</u>	<u>37.4%</u>	<u>—</u>	<u>0.0%</u>
Total income tax expected after adjustment for tax rate change from 35% to 21%	<u>\$ 63,785,814</u>	<u>62.4%</u>	<u>\$ 26,752,390</u>	<u>25.0%</u>
Current income taxes incurred (excludes tax on net realized gains and losses and reserve method changes)	\$ 31,554,611	31.0%	\$ 32,030,414	30.0%
Net change in deferred income taxes (excludes tax on unrealized gains and losses and reserve method changes)	<u>32,231,203</u>	<u>31.5%</u>	<u>(5,278,024)</u>	<u>-5.0%</u>
Total income tax reported	<u>\$ 63,785,814</u>	<u>62.5%</u>	<u>\$ 26,752,390</u>	<u>25.0%</u>

The Tax Cuts and Jobs Act was enacted on December 22, 2017 and materially impacts the net deferred tax assets reported by the Company. This \$38,204,386 is the impact of the tax rate change from 35% to 21% on net deferred tax assets without unrealized gains and losses. The total impact of the tax rate

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change from 35% to 21% on net deferred tax assets is \$37,047,712 when including the (\$1,156,674) impact of the tax rate change on the deferred tax liability attributable to unrealized gains and losses.

As of December 31, 2017, there are no operations loss deductions, capital loss, or tax credit carryforwards available for tax purposes.

The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
December 31, 2017	\$ —	9,046,670	9,046,670
December 31, 2016	—	7,114,280	7,114,280
December 31, 2015	—	1,320,831	1,320,831

Due to the change in Federal tax law resulting from the enactment of the Tax Cuts and Jobs Act on December 22, 2017, the 3-year carry back of ordinary losses to the extent of ordinary income generated in the carry back years is no longer available. The 3-year carry back of capital losses is still allowed to the extent of capital gains generated in the carry back years. The amounts in this table represent the income tax incurred on capital gains in the current and prior years that will be available for recoupment in the event of future net capital losses.

As of December 31, 2017, there were no deposits admitted under Section 6603 of the Internal Revenue Code.

The Company is included in a consolidated federal income tax return with the following entities:

American Fidelity Corporation	American Fidelity International Holdings, Inc.
American Public Life Insurance Company	Enrollcom, Inc.
American Fidelity Securities, Inc.	AF Apartments, Inc.
InvesTrust	Market Place Realty Corporation
American Fidelity General Agency, Inc.	American Fidelity Property Services, LLC
AF Professional Employment Group, LLC	American Fidelity Community Services, Inc.
First Financial Securities of America, Inc.	Home Rentals Inc.
American Fidelity Property Company	Apple Creek Apartments, Inc.
American Fidelity Administrative Services, LLC	

The method of tax allocation between the companies is subject to a written agreement approved by the Board of Directors. Allocation is based on separate return calculations at the group's effective tax rate with current credit for net losses. Intercompany tax balances are settled annually.

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

The Company files income tax returns in the U.S. federal jurisdiction and various states. The Company is no longer subject to U.S. federal income tax examinations for years prior to 2014 and state and local

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income tax examinations for years prior to 2013. The Company is not currently under examination by any taxing authority.

(9) Reinsurance

Reinsurance contracts do not relieve the Company from its obligations to policyholders. Failure of reinsurers to honor their obligations could result in losses to the Company. The Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities, or economic characteristics of the reinsurers to minimize its exposure to significant losses from reinsurer insolvencies. Management believes that all reinsurers presently used are financially sound and will be able to meet their contractual obligations; therefore, no significant allowance for uncollectible amounts has been included in the December 31, 2017 or 2016 statutory financial statements. Estimated amounts that reduce the reserves for future policy benefits at December 31, 2017 and 2016 for reinsurance ceded are approximately \$1,121,336,000 and \$1,105,970,000, respectively. At December 31, 2017 and 2016, amounts that reduced the reserves for future policy benefits of approximately \$734,182,000 and \$742,164,000, respectively, were associated with one reinsurer (note 14).

At December 31, 2017 and 2016, the Company had unsecured aggregate recoverable from the following reinsurers for policy and contracts claims, paid and unpaid, that exceeds 3% of the Company's surplus, as follows:

Group	2017	2016
Hannover Life Reassurance Company	\$ 1,714,431	2,455,492
Hannover Reassurance (Ireland) LTD	15,862,370	11,129,986
Total group	17,576,801	13,585,478
Gerber Life Insurance Company	9,535,683	11,585,543
Total	\$ 27,112,484	25,171,021

Reinsurance agreements in effect for life insurance policies vary according to the age of the insured and the type of risk. Retention amounts for life insurance range from \$250,000 on domestic individual life coverages to \$500,000 on group life and Latin American individual life coverages, with slightly lower limits on accidental death benefits. At December 31, 2017 and 2016, the face amounts of life insurance in force that are reinsured amounted to approximately \$8,167,000,000 and \$8,557,000,000, respectively (approximately 29.8% and 33.9% of total life insurance in force, respectively).

Reinsurance agreements in effect for accident and health insurance policies vary with the type of coverage. There are no accident and health reinsurance treaties subject to retention limits.

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The effects of reinsurance agreements on earned premiums, prior to deductions for benefits, and commission allowances are as follows for the years ended December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Reinsurance ceded	\$ 222,403,939	209,666,031
Reinsurance assumed	50,128,570	44,768,192

Reinsurance agreements reduced benefits paid for life and accident and health policies by approximately \$197,162,000 and \$198,393,000 for the years ended December 31, 2017 and 2016, respectively.

(10) Employee Benefit Plans

The Company participates in a pension plan (the Plan), sponsored by AFC, and is not directly liable for obligations under the Plan. The Plan covers all employees who have satisfied longevity and age requirements. The Company's funding policy is to contribute annually the maximum amount that can be deducted for federal income tax purposes. Contributions are intended to provide not only for benefits attributed to service to date, but also for those expected to be earned in the future. The Company contributed approximately \$16,150,000 and \$9,566,000 to the Plan during the years ended December 31, 2017 and 2016, respectively. AFC also offers certain postretirement benefits other than the Plan.

The Company participates in a defined-contribution thrift and profit sharing plan as provided under Section 401(a) of the Code, which includes the tax deferral feature for employee contributions provided by Section 401(k) of the Code. The Company contributed approximately \$8,483,000 and \$7,664,000 to this plan during the years ended December 31, 2017 and 2016, respectively.

SSAP No. 102, *Accounting for Pensions, A replacement of SSAP No. 89*, is effective for years beginning January 1, 2013. The Company participates in a Consolidated/Holding Company plan for pension benefits and is not directly liable for obligations under the Plan. The accounting and reporting requirements of SSAP No. 102 have no impact on the Company's financial statements, as the applicable requirements under Paragraph 80 have not changed from past years.

(11) Leases

The Company leases various properties to nonaffiliates under operating lease agreements, which expire or are cancelable within one year. The properties leased are included in the statutory statements of admitted assets, liabilities, and capital and surplus as investment real estate. Rental income on these properties is included in the statutory statements of operations as net investment income.

Investment real estate held for lease is as follows at December 31:

	<u>2017</u>	<u>2016</u>
Land and buildings, net of encumbrances	\$ 28,953,530	16,359,601
Less accumulated depreciation	<u>(8,457,362)</u>	<u>(6,293,343)</u>
Net investment real estate	<u>\$ 20,496,168</u>	<u>10,066,258</u>

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The Company entered into a lease agreement with 9000 Broadway LLC, a related party, on December 31, 2012, and modified effective January 1, 2014. The balance due will be paid in monthly amounts of approximately \$714,000 over the 20 year term of the lease.

(12) Related-Party Transactions

The Company paid cash dividends to AFC in the amount of approximately \$35,000,000 during 2017 and \$45,000,000 during 2016. There were no other transactions with affiliates in amounts, which exceeded one-half of one percent of the total admitted assets of the Company.

At December 31, 2017 and 2016, the Company reported approximately \$9,936,000 and \$6,492,000, respectively, as amounts due from AFC.

The Company leases office space from a subsidiary of AFC. The rent payments associated with this lease were approximately \$13,643,000 and \$14,045,000 in 2017 and 2016, respectively.

During 2017 and 2016, the Company entered into three-year software lease agreements with AFC. Lease expense related to these agreements was approximately \$5,397,000 and \$5,471,000 for the years ended December 31, 2017 and 2016, respectively, and is included in general insurance expenses.

The Company leases automobiles, furniture, and equipment from a partnership that owns a controlling interest in AFC. These operating leases are cancelable upon one month's notice. During the years ended December 31, 2017 and 2016, payments under these leases were approximately \$12,692,000 and \$10,904,000, respectively.

Under a service agreement approved by the Oklahoma Insurance Department, AFC provides certain services on a cost basis with no markup. During the years ended December 31, 2017 and 2016, the Company paid management fees to AFC totaling approximately \$8,456,000 and \$8,662,000, respectively.

Under a service agreement approved by the Oklahoma Insurance Department, AFA provides certain services to American Fidelity International (Bermuda) Ltd. (AFIBL). During the years ended December 31, 2017 and 2016, AFIBL paid management fees to AFA of approximately \$2,103,000.

Under a service agreement approved by the Oklahoma Insurance Department, AFA provides certain services to American Public Life Insurance Company (APL). During the years ended December 31, 2017 and 2016, APL paid management fees to AFA of approximately \$1,500,000 and \$750,000, respectively.

During the years ended December 31, 2017 and 2016, the Company paid investment advisory fees to a partnership that owns a controlling interest in AFC totaling approximately \$10,481,000 and \$10,048,000, respectively.

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(13) Commitments and Contingencies

Rent expense for the years ended December 31, 2017 and 2016 was approximately \$30,516,000 and \$29,273,000, respectively. A portion of rent expense relates to leases that expire or are cancelable within one year. The approximate aggregate minimum annual rental commitments as of December 31, 2017 under noncancelable long-term leases for office space are as follows:

2018	\$	11,713
2019		11,193
2020		10,082
2021		9,214
2022		8,706
2023 and thereafter		127,115

The Company has outstanding mortgage loan commitments of approximately \$9,500,000 and \$19,010,000 at December 31, 2017 and 2016, respectively.

The Company is subject to state guaranty association assessments in all states in which it is licensed to do business. These associations generally guarantee certain levels of benefits payable to resident policyholders of insolvent insurance companies. Many states allow premium tax credits for all or a portion of such assessments, thereby allowing potential recovery of these payments over a period of years. However, several states do not allow such credits. The Company estimates its liabilities for guaranty association assessments by using the latest information available from the National Organization of Life and Health Insurance Guaranty Associations. The Company monitors and revises its estimates for assessments as additional information becomes available, which could result in changes to the estimated liabilities. As of December 31, 2017 and 2016, liabilities for guaranty association assessments totaled approximately \$2,210,000 and \$985,000, respectively. Other operating expenses related to state guaranty association assessments were minimal for the years ended December 31, 2017 and 2016.

In the normal course of business, there are various legal actions and proceedings pending against the Company and its subsidiaries. In management's opinion, the ultimate liability, if any, resulting from these legal actions will not have a material adverse effect on the Company's financial position.

(14) Acquired Business – Mid-Continent Life Insurance Company

Effective December 31, 2000, the Company entered into an assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma, in his capacity as receiver of Mid-Continent Life Insurance Company (MCL) of Oklahoma City, Oklahoma. Under this agreement, the Company assumed MCL's policies in force, with the exception of a small block of annuity policies that was assumed effective January 1, 2001. In a concurrent reinsurance agreement, the Company ceded 100% of the MCL policies assumed to Hannover Life Reassurance Company of America. In 2002, this agreement was then transferred to Hannover Life Reassurance Company of Ireland (HLR). The agreement with HLR is a funds withheld arrangement, with the Company ceding net policy assets and liabilities of approximately \$724,753,000 and \$732,349,000 to HLR and maintaining a funds withheld liability at December 31, 2017 and 2016, respectively.

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Under the terms of the agreement with the receiver, the Company has guaranteed that the amount of premiums charged under the assumed "Extra-Life" contracts will not increase during the 17-year period beginning December 31, 2000, and will only increase thereafter if certain conditions are met. In 2018, the Company demonstrated to the Oklahoma Department of Insurance that those certain conditions had been met and the Company will implement a rate increase beginning in July of 2018. The Company has also guaranteed that the current dividend scale on the assumed "Extra-Life" contracts shall not be reduced or eliminated during the five-year period beginning December 31, 2000. Beginning January 1, 2006, the dividends on the assumed "Extra-Life" contracts are no longer guaranteed pursuant to the assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma.

As required by the terms of the assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma, the Company and HLR agreed that a Supplemental Policyholder Reserve (SPR) would be established. The initial SPR is equal to the net of the assets and liabilities received from MCL under the assumption agreement, less amounts ceded to other reinsurance carriers. The SPR is 100% ceded to HLR.

The purpose of the SPR is to provide additional protection to the MCL policyholders against premium increases and to ensure that profits are recognized over the lives of the underlying policies, rather than being recognized up front. The method for calculation of the initial SPR was specified precisely in the agreement with the receiver. The method for calculating the SPR for periods beyond the purchase date was developed by the Company, as this reserve is not otherwise required statutorily or under existing actuarial valuation guidance. The SPR is divided into two parts: (a) an additional reserve for future benefits, which is an estimate of the amount needed, in addition to the policy reserves and liability for future dividends, to fund benefits assuming there are no future premium rate increases, and (b) an additional reserve for future estimated profit, which represents the profit the Company expects to earn on this business over the lives of the underlying policies. The SPR is reprojected each year to recognize current and future profits as a level percentage of future projected required capital amounts each year, resulting in a level return on investment. Any remaining SPR will not automatically be released after the premium guarantee period of 17 years because the SPR is to be held until there is an actuarial certainty that premium rate increases will not be needed. The calculation of the SPR is subject to significant volatility, as it is highly dependent upon assumptions regarding mortality, lapse experience, and investment return. Small shifts in any of these underlying assumptions could have a dramatic impact on the value of the SPR. The SPR was approximately \$369,102,000 and \$376,521,000 for 2017 and 2016, respectively.

Under the terms of the agreement with HLR, HLR has agreed to share future profits on a 50/50 basis with the Company through an experience refund account. The experience refund account is calculated as premium income plus investment income less reserve increases (including the SPR), benefits paid, and administrative expense allowances paid to the Company and is settled on a quarterly basis. Losses are not shared on a 50/50 basis, except to the extent that a net loss in the experience account at the end of a quarter carries forward to future quarters. There was no experience refund earned by the Company in 2017 and 2016. Due to the nature of a funds withheld reinsurance arrangement, the components of the experience refund calculation are reported as separate components in the accompanying summary of operations. Premium income, reserve increases, and benefits paid related to this block are reported as reductions of premium income, changes in reserves, and benefits for reinsurance ceded, as required by the terms of the agreement. Investment income on the funds withheld is included in AFA's investment income, and administrative expense allowances paid to AFA are reported as a reduction of AFA's expense. The

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impact of ceding investment income on funds withheld is reported as a reduction of net investment income in the accompanying summary of operations.

(15) Life Contracts – Premiums

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2017 were as follows:

	<u>Gross</u>	<u>Net of loading</u>
Ordinary new business	\$ 22,313,524	2,142,189
Ordinary renewal	43,492,685	36,593,406
Group life	<u>55,596</u>	<u>55,563</u>
Total	<u>\$ 65,861,805</u>	<u>38,791,158</u>

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2016 were as follows:

	<u>Gross</u>	<u>Net of loading</u>
Ordinary new business	\$ 15,540,170	2,060,989
Ordinary renewal	38,666,438	32,565,141
Group life	<u>71,993</u>	<u>71,841</u>
Total	<u>\$ 54,278,601</u>	<u>34,697,971</u>

(16) Short-Duration Contracts

Liabilities for Unpaid Claims and Claims Expenses

The following is information about incurred and paid claims development as of December 31, 2017. Such amounts are presented net of reinsurance, and are not discounted. The tables present claims development and cumulative claim payments by incurred year. The development tables are only presented for significant short-duration product liabilities. The information about incurred and paid claims development prior to 2016 is presented as supplementary information.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2017 and 2016

Joint Venture (in thousands):

Accident Year	Incurred Claims and Allocated Claim Adjustment Expenses, Net of Reinsurance										As of December 31, 2017	
	For the Years Ended December 31,										Total of IBNR	
	Unaudited										Liabilities Plus	
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Expected Development on Reported Claims	Cumulative Number of Reported Claims*
2008	\$ 77,492	66,603	63,557	63,623	63,560	63,517	63,517	63,517	63,517	63,517	—	NA
2009		76,333	66,360	62,478	61,776	61,690	62,037	62,037	62,037	62,037	—	NA
2010			74,400	67,176	68,029	67,271	67,271	67,225	67,247	67,247	—	NA
2011				77,020	57,571	54,187	54,151	54,076	54,112	54,112	—	NA
2012					79,103	66,845	65,243	63,987	64,188	64,153	—	NA
2013						79,418	68,263	65,067	64,474	64,265	—	NA
2014							67,194	55,110	53,387	53,363	37	NA
2015								64,488	56,920	55,788	171	NA
2016									65,557	61,175	983	NA
2017										69,000	21,859	NA
Total										\$ 614,657		

* Reported claims for the Joint Venture segment are processed and reported by different Managing General Underwriters or Third Party Administrators for each separate venture. While most reported claims are detailed in a centralized database, some historical information has not been maintained at the level necessary for this disclosure. Therefore, the number of individual claims reported is not available.

Accident Year	Cumulative Paid Claims and Paid Allocated Claim Adjustment Expenses, Net of Reinsurance									
	For the Years Ended December 31,									
	Unaudited									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
2008	\$ 42,703	62,181	63,342	63,414	63,520	63,517	63,517	63,517	63,517	63,517
2009		36,804	58,664	61,516	61,744	61,690	62,037	62,037	62,037	62,037
2010			32,894	61,039	67,315	67,271	67,271	67,247	67,247	67,247
2011				27,839	52,153	54,049	54,061	54,076	54,112	54,112
2012					29,111	61,017	63,648	63,924	64,188	64,153
2013						30,034	62,988	64,306	64,217	64,265
2014							26,932	52,175	53,246	53,326
2015								26,476	53,995	55,195
2016									28,614	58,072
2017										34,060
Total										\$ 575,984

All outstanding liabilities before 2008, net of reinsurance

\$ —

Liabilities for claims and claim adjustment expenses, net of reinsurance

38,673

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2017 and 2016

Average Annual Percentage Payout

The following is supplementary information about average historical claims duration as of December 31, 2017:

Years	Average annual percentage payout of incurred claims by age, net of reinsurance									
	1	2	3	4	5	6	7	8	9	10
Joint venture	51.31 %	44.28 %	3.70 %	0.13 %	0.10 %	0.11 %	— %	— %	— %	— %

Significant Methodologies and Assumptions

Joint Venture (JV) reserves are developed by looking at the historical pattern of paid claims and pending case reserves. Factors are developed using these patterns and are applied to the current cumulative paid claims and pending case reserves. For incurred months that are not fully credible, the Company weights the non-credible portion with the target loss ratio for the block.

Reconciliation of the Disclosure of Incurred and Paid Claims Development to the Liability for Unpaid Claims and Cost Adjustment Expenses.

The reconciliation of the net incurred and paid claims development tables to the liability for unpaid claims and claim adjustment expenses on the consolidated balance sheet were as follows at (in thousands):

	December 31, 2017	December 31, 2016
Net Outstanding Liabilities		
JV Insurance	\$ 38,673	\$ 40,268
Other short-duration insurance lines	1,546	2,833
Liabilities for unpaid claims and claim adjustment expenses, net of reinsurance	40,219	43,101
Reinsurance recoverable on unpaid claims		
JV Insurance	29,240	22,129
Other insurance lines	90,726	81,011
Total reinsurance recoverable on unpaid claims	119,966	103,140
Insurance lines other than short-duration	448,590	428,607
Unallocated claim adjustment expenses	10,329	9,968
Liabilities for unpaid claims and claim adjustment expenses, net of reinsurance	458,919	438,575
Total gross liability for unpaid claims and claim adjustment expense	\$ 619,104	\$ 584,816

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2017 and 2016

(17) Managing General Agents and Third-Party Administrators

Managing general agents (MGAs) and direct written contracts at December 31 were as follows:

Name and address of managing general agent or third-party administrator	Federal employer identification number	Exclusive contract	Type of business written	Type of authority granted *	2017 Direct written premium	2016 Direct written premium
TRU Services, LLC 200 Cummings Center, Ste. 272 D Beverly, MA 01915	04-3392571	No	Excess loss medical and group life	U, C, CA, R, P	\$ 31,322,507	37,729,238
	Aggregate other				65,270,322	47,981,973
Total MGA and third-party administrator premium					\$ 96,592,829	85,711,211

* Abbreviations
U: Underwriting
C: Claims payment
CA: Claims adjustment
R: Reinsurance ceding
P: Premium collection

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2017 and 2016

(18) Affiliated Entities

The following is a summary of the significant ownership and affiliated entity relationships that existed at December 31, 2017:

Immediate parent	American Fidelity Corporation
Other insurance affiliates	American Public Life Insurance Company American Fidelity International (Bermuda) Ltd. American Fidelity International Holdings, Inc. American Fidelity Property Company 6303 Portland, LLC Broadway Tech, LLC Apple Creek Apartments, Inc. American Fidelity General Agency, Inc. American Fidelity Securities, Inc. First Fidelity Bank and its affiliates INSURICA, Inc. and its affiliates Cameron Enterprises, A Limited Partnership and its affiliates InvesTrust Consulting, LLC InvesTrust Retirement Specialists, LLC InvesTrust American Fidelity Property Services, LLC Alcott HR Group, LLC First Financial Securities of America, Inc. AF Professional Employment Group, LLC Hawaii Development, LLC Home Rentals, Inc. 9000 Broadway, LLC Market Place Realty Corporation Health Services Administration, LLC American Fidelity Community Services, Inc. AF Apartments, Inc. Oklahoma Winery Partners, LLC Vintage Oakville Cross, LLC American Fidelity Administrative Services, LLC First Financial Capital Corporation, Inc. and its affiliates
Other affiliates	

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2017 and 2016

(19) Reconciliations

Reconciliations of capital and surplus and net income on a GAAP basis to the amounts included in the accompanying statutory financial statements for the years ended December 31, 2017 and 2016 are as follows (in thousands):

	Net income, year ended December 31		Capital and surplus, at December 31	
	2017	2016	2017	2016
Amounts as reported on statutory basis	\$ 66,199	76,434	430,624	414,602
Adjustments:				
Deferred policy acquisition costs	41,358	36,200	622,638	584,217
Policy benefit reserves	(254)	10,674	(2,275)	(2,625)
Deferred federal income taxes	57,323	(15,206)	(120,313)	(173,589)
Due and deferred premiums	(2,066)	(1,978)	(24,458)	(21,807)
Nonadmitted assets	—	—	30,222	31,329
Asset valuation reserve	—	—	35,555	32,881
Invested assets	51,719	40,676	215,696	122,712
Funds withheld derivative	(46,050)	(34,465)	(122,760)	(76,710)
Other, net	(2,483)	(7,102)	35,552	26,053
Amounts on a GAAP basis for consolidated presentation	\$ 165,746	105,233	1,100,481	937,063

(20) Guaranty Assessments

As of December 31, 2017, American Fidelity Assurance Company did not receive notice of any assessments that would have a material financial impact.

The amount of recognized liabilities under SSAP No. 35R is \$2,210,000 and the related asset for premium tax credits is \$1,535,558. The Company expects that the assessments would be billed and paid over the next year and the majority of the premium tax offsets would be realized over the next five years after that.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2017 and 2016

Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	\$	954,625
Decreases current year:		
Premium tax offset applied	\$	320,194
Reduction in the estimated liability based on the new projections at the end of the current year		3,261,661
Increases current year:		
Assessment payments less refunds on insolvencies billed during the current year	\$	3,148,462
Adjustment to remove payments on insolvencies		(18,861)
Increase in the estimated assessment liability		4,729,056
Assets recognized from paid and accrued premium tax offsets and policy surcharges current year end	\$	5,231,427

(21) Subsequent Events

The Company has evaluated events subsequent to December 31, 2017 and through April 19, 2018, the date on which the audited financial statements were issued.

Schedule 1

AMERICAN FIDELITY ASSURANCE COMPANY

Selected Financial Data

December 31, 2017

Investment income earned:	
Government bonds	\$ 1,956,048
Other bonds (unaffiliated)	173,614,086
Preferred stocks (unaffiliated)	300,000
Common stocks (unaffiliated)	12,896
Mortgage loans	24,897,481
Real estate	6,844,174
Premium notes, policy loans, and liens	3,240,046
Cash on hand and on deposit	359,924
Other invested assets	199,808
Aggregate write-ins for investment income	<u>260,600</u>
Gross investment income	<u>\$ 211,685,063</u>
Real estate owned – book value	\$ 20,496,168
Mortgage loans – book value:	
Commercial mortgages	<u>\$ 480,274,494</u>
Total mortgage loans	<u>\$ 480,274,494</u>
Mortgage loans by standing – book value:	
Good standing	\$ 480,274,494
Other long-term invested assets – statement value	22,213,579
Bonds and stocks of parents, subsidiaries, and affiliates – book value:	
Common stocks	962,932
Bonds and short-term investments by class and maturity:	
Bonds and short-term investments by maturity – statement value:	
Due within 1 year	\$ 140,539,674
Over 1 year through 5 years	808,617,595
Over 5 years through 10 years	1,321,085,509
Over 10 years through 20 years	1,024,831,300
Over 20 years	728,268,006
SVO Identified Funds	<u>20,093,868</u>
Total by maturity	<u>\$ 4,043,435,952</u>
Bonds and short-term investments by class – statement value:	
Class 1	\$ 2,178,709,065
Class 2	1,789,262,908
Class 3	49,917,585
Class 4	12,009,777
Class 5	8,964,855
Class 6	<u>4,571,762</u>
Total by class	4,043,435,952
Total bonds and short-term investments publicly traded	<u>3,102,343,975</u>

Schedule 1

AMERICAN FIDELITY ASSURANCE COMPANY

Selected Financial Data

December 31, 2017

Common stocks – fair value (investments in affiliates at equity value)	\$ 24,215,123
Cash on hand and on deposit	241,831,403
Life insurance in force (net):	
Ordinary	18,351,436,000
Group life	852,566,000
Amount of accidental death insurance in force under ordinary policies (net)	3,166,935,000
Life insurance policies with disability provisions in force (net):	
Ordinary	1,946,443,000
Group life	57,671,000
Supplementary contracts in force (net):	
Ordinary – not involving life contingencies:	
Amount on deposit	95,797
Income payable	
Ordinary – involving life contingencies (net):	61,983
Income payable	
Annuities:	
Ordinary:	
Immediate – amount of income payable	\$ 8,009,261
Deferred – fully paid account balance	826,840,159
Group:	
Immediate – amount of income payable	427,452
Accident and health insurance – premiums in force:	
Ordinary	350,347,962
Group	571,217,024
Deposit funds and dividend accumulations:	
Deposit funds – account balance	5,984
Dividend and coupon accumulations – account balance	184,436
Claims payments:	
Other accident and health:	
2017	100,914,637
2016	29,256,152
2015	3,490,756
2014	1,382,558
2013	746,414
Prior	560,230
Group accident and health:	
2017	92,087,799
2016	63,526,254
2015	11,590,303
2014	5,445,545
2013	4,032,238
Prior	18,634,492

See accompanying independent auditors' report.

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2017

1. Total admitted assets, excluding separate accounts: \$5,114,945,433
2. The Company's 10 largest exposures to a single issuer/borrower/investment, excluding U.S. government, U.S. government agency securities, and those U.S. government money market funds listed in the Appendix to the NAIC SVO Purposes and Procedures Manual as exempt, property occupied by the Company, and policy loans at December 31, 2017 are as follows:

Investment category	Amount	Percentage of total admitted assets
Woodside Finance Ltd	\$ 16,987,184	0.332%
Enbridge, Inc	16,425,454	0.321
ZP, LLC	16,160,795	0.316
Thermo Fisher Scientific	15,844,306	0.310
Kroger Co	15,483,045	0.303
Crown Equipment	15,323,470	0.300
Equifax, Inc	15,303,030	0.299
Morgan Stanley	15,186,770	0.297
Priceline Group, Inc.	14,981,260	0.293
Cox Communications, Inc	14,944,015	0.292

3. The Company's investments in bonds, short-term investments, and preferred stocks by NAIC rating at December 31, 2017 are as follows:

Bonds, short-term investments, and preferred stocks	Amount	Percentage of total admitted assets
NAIC-1	\$ 2,178,709,065	42.595%
NAIC-2	1,793,262,908	35.059
NAIC-3	49,917,585	0.976
NAIC-4	12,009,777	0.235
NAIC-5	8,964,855	0.175
NAIC-6	4,782,982	0.094

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2017

4. Assets held in foreign investments:

	<u>Amount</u>	<u>Percentage of total admitted assets</u>
Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets?		Yes () No (X)
Total admitted assets held in foreign investment	\$ 477,308,286	9.332%
Foreign-currency-denominated investments	—	—
Insurance liabilities denominated in that same foreign currency	—	—

5. Aggregate foreign investment exposure categorized by NAIC sovereign rating:

	<u>Amount</u>	<u>Percentage of total admitted assets</u>
Countries rated NAIC-1	\$ 442,455,046	8.650%
Countries rated NAIC-2 or below	34,853,240	0.681

6. Largest foreign investment exposures by country, categorized by the country's NAIC sovereign rating:

	<u>Amount</u>	<u>Percentage of total admitted assets</u>
Countries rated NAIC – 1:		
Country 1: Australia	\$ 119,782,987	2.342%
Country 2: Great Britain	100,440,082	1.964
Countries rated NAIC – 2 or below:		
Country 1: Mexico	\$ 31,727,687	0.620%
Country 2: Italy	3,000,000	0.059

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2017

10. Ten largest nonsovereign (i.e., nongovernmental) foreign issues:

Issuer	Amount	Percentage of total admitted assets
Woodside Finance Ltd 144A	\$ 16,987,183	0.332%
Grupo Bimbo	14,935,129	0.292
WPP France 2010	14,817,183	0.290
Shell International	11,187,693	0.219
NSW	11,000,000	0.215
Orange SA	10,935,931	0.214
Scentre Group Trust 1/2	10,306,371	0.201
Electricite De France	10,245,779	0.200
Reckitt Benckiser Tsy	9,971,332	0.195
Transurban Finance Co 144A	9,932,087	0.194

- 16a. The aggregate mortgage interest represents the combined value of all mortgages secured by the same property or same group of properties. Each of the Company's 10 largest aggregate mortgage interests at December 31, 2017 are as follows:

Type (commercial)	Amount	Percentage of total admitted assets
ZP, LLC	\$ 16,160,795	0.316%
Crown Equipment	15,323,470	0.300
CE Enterprise Partners	13,620,158	0.266
Wildcat Commons, LLC	11,507,429	0.225
Daboo, LLC	11,404,665	0.223
Susan A Cox	9,414,512	0.184
Apollo Partners LP	9,112,769	0.178
Locke Supply Co	8,330,236	0.163
DWB Greeneville, LLC	6,973,212	0.136
Kuakini Self Storage, LLC	6,425,947	0.126

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2017

- 16b. The Company's mortgage loans have the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

	Loan-to-value	Commercial	Percentage of total admitted assets
i.	above 95%	\$ —	— %
ii.	91% to 95%	—	—
iii.	81% to 90%	—	—
iv.	71% to 80%	37,389,678	0.731
v.	below 70%	442,884,816	8.659

Items 7 through 9, 11 through 15, 17a, and 18 through 23 are not applicable to the Company.

See accompanying independent auditors' report.

AMERICAN FIDELITY ASSURANCE COMPANY

Summary Schedule of Investments

December 31, 2017

Investment categories	Gross investment holdings		Admitted assets as reported in the annual statement	
	Amount	Percentage	Amount	Percentage
Bonds:				
U.S. Treasury securities	\$	0.021%	1,020,393	0.021%
U.S. government agency obligations (excluding mortgage-backed securities):				
Issued by U.S. government agencies	3,874,559	0.079%	3,874,559	0.079%
Issued by U.S. government sponsored agencies	392,916,263	8.030%	392,916,263	8.030%
Non-U.S. government (including Canada, excluding mortgage-backed securities)	28,230,642	0.577%	28,230,642	0.577%
Securities issued by states, territories, and possessions and political subdivisions in the United States:				
States, territories, and possessions general obligations	261,923,324	5.353%	261,923,324	5.353%
Revenue and assessment obligations	145,782,863	2.980%	145,782,863	2.980%
Mortgage-backed securities (includes residential and commercial MBS):				
Pass-through securities:				
Issued or guaranteed by GNMA	1,967,884	0.040%	1,967,884	0.040%
Issued or guaranteed by FNMA and FHLMC	811,746	0.017%	811,746	0.017%
All other				
CMOs and REMICs:				
Issued or guaranteed by GNMA, FNMA, FHLMC, and VA	638,503,848	13.050%	638,503,848	13.050%
All other	82,504,602	1.686%	82,504,602	1.686%
Other debt and other fixed income securities (excluding short-term):				
Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	1,937,552,411	39.600%	1,937,552,411	39.600%
Unaffiliated foreign securities	548,347,417	11.207%	548,347,417	11.207%
Equity interests:				
Preferred stocks:				
Unaffiliated	4,211,220	0.086%	4,211,220	0.086%
Publicly traded equity securities (excluding preferred stocks):				
Unaffiliated	373,438	0.008%	373,438	0.008%
Other equity securities:				
Affiliated	962,932	0.020%	962,932	0.020%
Unaffiliated	22,878,753	0.468%	22,878,753	0.468%

AMERICAN FIDELITY ASSURANCE COMPANY

Summary Schedule of Investments

December 31, 2017

Investment categories	Gross investment holdings		Admitted assets as reported in the annual statement	
	Amount	Percentage	Amount	Percentage
Mortgage loans:				
Commercial loans	\$ 480,274,494	9.816%	480,274,494	9.816%
Real estate investments:				
Property held for production of income (including \$0 of property acquired in satisfaction of debt)	20,496,168	0.419%	20,496,168	0.419%
Property held for sale (including \$0 of property acquired in satisfaction of debt)				
Policy loans	55,266,258	1.130%	55,266,258	1.130%
Receivables for securities	891,977	0.018%	891,977	0.018%
Cash, cash equivalents, and short-term investments	241,831,403	4.943%	241,831,403	4.943%
Other invested assets	22,213,579	0.454%	22,213,579	0.454%
Total invested assets	<u>\$ 4,892,836,174</u>	<u>100%</u>	<u>4,892,836,174</u>	<u>100%</u>

See accompanying independent auditors' report.



AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Financial Statements and Schedules

December 31, 2015 and 2014

(With Independent Auditors' Report Thereon)



KPMG LLP
210 Park Avenue, Suite 2850
Oklahoma City, OK 73102-5683

Independent Auditors' Report

The Board of Directors
American Fidelity Assurance Company:

Report on the Financial Statements

We have audited the accompanying statutory financial statements of American Fidelity Assurance Company (the Company), which comprise the statutory statements of admitted assets, liabilities, and capital and surplus as of December 31, 2015 and 2014, and the related statutory statements of operations, capital and surplus, and cash flow for the years then ended, and the related notes to the statutory financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in note 1 to the statutory financial statements, the financial statements are prepared by the Company using statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department, which is a basis of accounting other than U.S. generally accepted accounting principles. Accordingly, the financial statements are not intended to be presented in accordance with U.S. generally accepted accounting principles.

The effects on the financial statements of the variances between the statutory accounting practices and U.S. generally accepted accounting principles also are described in note 18.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the variances between statutory accounting principles and U.S. generally accepted accounting principles discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to above do not present fairly, in accordance with U.S. generally accepted accounting principles, the financial position of American Fidelity Assurance Company as of December 31, 2015 and 2014, or the results of its operations or its cash flows for the years then ended.

Opinion on Statutory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of American Fidelity Assurance Company as of December 31, 2015 and 2014, and the results of its operations and its cash flow for the years then ended, in accordance with statutory accounting practices prescribed or permitted by the Oklahoma Insurance Department described in note 1.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included in the supplemental schedules of selected financial data, investment risk interrogatories, and summary schedule of investments, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Oklahoma Insurance Department. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

/s/KPMG LLP

Oklahoma City, Oklahoma
May 16, 2016

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Admitted Assets, Liabilities, and Capital and Surplus

December 31, 2015 and 2014

Admitted Assets	2015	2014
Cash and invested assets:		
Bonds, at amortized cost (fair value: \$3,798,014,131 and \$3,766,794,670 in 2015 and 2014, respectively)	\$ 3,720,637,147	3,502,505,616
Preferred stocks, at cost (fair value: \$4,358,200 and \$277,092 in 2015 and 2014, respectively)	4,211,220	211,220
Common stocks, at fair value (cost: \$15,566,172 and \$16,408,121 in 2015 and 2014, respectively)	24,230,887	24,333,878
Common stock, investment in affiliates at equity value	790,709	780,706
Mortgage loans on real estate	393,280,807	354,597,714
Investment real estate, at cost (less accumulated depreciation of \$4,898,719 and \$3,540,781 in 2015 and 2014, respectively and less encumbrances of \$14,486,300 and \$15,079,657 in 2015 and 2014, respectively)	10,713,130	11,954,975
Policy loans	52,673,645	51,928,464
Cash and short-term investments, at cost, which approximates fair value	175,188,228	132,976,274
Other invested assets	21,866,789	22,106,042
Total cash and invested assets	4,403,592,562	4,101,394,889
Life insurance premiums and annuity considerations deferred and uncollected	32,335,500	29,970,810
Accident and health premiums due and unpaid	46,576,168	50,231,651
Investment income due and accrued	39,990,590	38,592,265
Amounts recoverable from reinsurers	2,945,575	874,367
Other receivables under reinsurance contracts	17,521,100	16,328,383
Equipment, at cost (less accumulated depreciation of \$0 in 2015 and 2014)	401,367	1,828
Other assets	79,433,645	72,836,409
Separate account assets	558,314,969	648,749,195
Total admitted assets	\$ 5,181,111,476	4,958,979,797

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Admitted Assets,
Liabilities, and Capital and Surplus

December 31, 2015 and 2014

Liabilities and Capital and Surplus	2015	2014
Aggregate reserves:		
Life policies and contracts	\$ 2,060,946,289	1,840,170,395
Accident and health policies	528,014,413	495,551,552
Total aggregate reserves	2,588,960,702	2,335,721,947
Policy and contract claims reserves	152,759,713	154,040,496
Liability for premiums and other deposit funds	9,955,264	10,391,344
Remittances and items not allocated	17,726,985	3,926,664
General insurance expenses, taxes, licenses, and fees due or accrued	90,446,161	70,250,585
Funds held under coinsurance (notes 9 and 14)	737,412,044	736,704,703
Other liabilities	94,122,695	95,848,223
Borrowed money	522,915,427	522,973,345
Separate account liabilities	558,314,969	648,749,195
Total liabilities	4,772,613,960	4,578,606,502
Capital and surplus:		
Common stock, par value \$10 per share, 250,000 shares authorized, issued, and outstanding	2,500,000	2,500,000
Additional paid-in capital	5,804,686	5,804,686
Unassigned surplus	400,192,830	372,068,609
Total capital and surplus	408,497,516	380,373,295
Commitments and contingencies (notes 7, 8, 12, and 13)		
Total liabilities and capital and surplus	\$ 5,181,111,476	4,958,979,797

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Operations

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Income:		
Life insurance premiums and annuity considerations	\$ 355,371,149	239,212,269
Accident and health insurance premiums	602,521,311	583,252,676
Net investment income (less investment expenses of \$32,611,100 and \$34,122,550 in 2015 and 2014, respectively)	173,129,135	165,218,489
Commissions and expense allowances on reinsurance ceded	(3,156,671)	(2,571,281)
Other income	41,978,170	39,884,685
Total income	<u>1,169,843,094</u>	<u>1,024,996,838</u>
Benefits and other deductions:		
Death benefits and matured endowments	21,861,762	25,411,216
Annuity benefits	9,052,529	9,502,717
Accident and health and disability benefits	294,443,710	293,082,004
Interest and adjustments on policy or deposit-type contract funds	410,929	291,898
Other benefits to policyholders and beneficiaries	107,320,332	99,532,076
Increase in aggregate reserves for future policy benefits	253,238,755	150,631,778
Commissions on premiums and annuity considerations	125,452,653	113,558,638
Commissions and expense allowances on reinsurance assumed	13,360,132	13,652,461
General insurance expenses, taxes, licenses, and fees	226,717,620	210,184,959
Other	3,196,121	4,431,262
Total benefits and other deductions	<u>1,055,054,543</u>	<u>920,279,009</u>
Net gain from operations before federal income taxes and net realized capital gains (losses)	114,788,551	104,717,829
Federal income taxes	41,960,713	35,212,048
Net gain from operations before net realized capital gains (losses)	72,827,838	69,505,781
Net realized capital gains (losses), net of federal income tax expense of \$1,408,332 and \$1,422,611 in 2015 and 2014, respectively (excluding gains of \$5,937,103 and \$4,468,608 transferred to the interest maintenance reserve in 2015 and 2014, respectively)	2,539,254	(253,885)
Net income	<u>\$ 75,367,092</u>	<u>69,251,896</u>

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Capital and Surplus

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Capital and surplus, beginning of year	\$ 380,373,295	342,671,304
Net income	75,367,092	69,251,896
Change in net unrealized capital gains, net of tax benefit (expense) of \$460,208 and 103,997 for 2015 and 2014, respectively	(957,954)	(211,345)
Change in net deferred taxes	10,913,745	4,634,749
Change in nonadmitted assets	(17,390,290)	(3,514,894)
Change in asset valuation reserve	(4,035,360)	(3,071,279)
Dividends to stockholder	(35,000,000)	(35,000,000)
Change in liability for reinsurance in unauthorized companies	(488,392)	264,076
Correction of error (note 1)	—	4,733,000
Other changes	(284,620)	615,788
Net change in capital and surplus	<u>28,124,221</u>	<u>37,701,991</u>
Capital and surplus, end of year	\$ <u>408,497,516</u>	<u>380,373,295</u>

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Statutory Statements of Cash Flow

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Premiums and annuity considerations, net of reinsurance	\$ 957,714,918	818,905,483
Allowances and reserve adjustments on reinsurance ceded	(3,156,671)	(2,571,281)
Investment income received	171,805,186	163,132,957
Other income	38,409,872	55,332,562
Life and accident and health claims paid	(321,908,000)	(335,810,367)
Surrender benefits and other fund withdrawals paid	(107,192,389)	(99,377,891)
Other benefits to policyholders paid	(9,180,472)	(9,656,903)
Commissions and other expenses paid	(347,550,794)	(338,758,795)
Federal income taxes paid	(46,764,729)	(39,575,000)
Dividends paid to policyholders	(532,662)	(414,598)
Net cash from operations	<u>331,644,259</u>	<u>211,206,167</u>
Proceeds from investments sold, matured, or repaid:		
Bonds	386,364,794	324,181,892
Stocks	1,388,423	4,838,273
Mortgage loans	52,010,657	69,147,281
Other	111,955	4,836,875
Total investment proceeds	<u>439,875,829</u>	<u>403,004,321</u>
Cost of investments acquired:		
Bonds	(595,564,334)	(451,769,072)
Stocks	(4,000,000)	—
Mortgage loans	(90,693,750)	(83,690,000)
Other	(5,683,388)	(1,636,073)
Total investments acquired	<u>(695,941,472)</u>	<u>(537,095,145)</u>
Net change in policy loans and loans on fund deposits	<u>(745,181)</u>	<u>(7,952,273)</u>
Net cash from investing	<u>(256,810,824)</u>	<u>(142,043,097)</u>
Borrowed money	(57,918)	(59,116)
Other cash provided	14,176,337	5,348,788
Dividends paid to stockholder	(35,000,000)	(35,000,000)
Other cash applied	(11,739,900)	(28,612,547)
Net cash from financing and miscellaneous sources	<u>(32,621,481)</u>	<u>(58,322,875)</u>
Net change in cash and short-term investments	42,211,954	10,840,195
Cash and short-term investments, beginning of year	<u>132,976,274</u>	<u>122,136,079</u>
Cash and short-term investments, end of year	<u>\$ 175,188,228</u>	<u>132,976,274</u>

See accompanying notes to statutory financial statements.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

(1) Significant Accounting Policies

(a) *Business*

American Fidelity Assurance Company (AFA or the Company) provides a variety of financial services. AFA is a wholly owned subsidiary of American Fidelity Corporation (AFC), a Nevada insurance holding company. AFA is domiciled in the state of Oklahoma. The Company is subject to state insurance regulations and periodic examinations by state insurance departments.

AFA is licensed in 49 states, as well as the District of Columbia, American Samoa, Puerto Rico, and Guam, with approximately 40% of direct premiums written in Oklahoma, Texas, and California. Activities of AFA are largely concentrated in the group disability income, group and individual annuity, supplemental health, and individual medical markets. In addition, individual and group life business is also conducted. The main thrust of AFA's sales is worksite marketing of voluntary products through the use of payroll deduction. The Company sells these voluntary products through a salaried sales force that is broken down into two primary divisions: the Association Worksite Division (AWD) and American Fidelity Educational Services (AFES). AWD specializes in voluntary disability income insurance programs aimed at selected groups and associations whose premiums are funded by employees through payroll deductions. AFES focuses on marketing to public school employees with voluntary insurance products such as disability income, tax-sheltered annuities, life insurance, dread disease, and accident only. These premiums are also funded by employees through payroll deductions. The expertise gained by the Company in worksite marketing of voluntary products is used by the Strategic Alliances Division in developing products to meet special situations. The Life Division was formed upon the acquisition of a block of life business in 2000. This division is marketing individual life products through independent brokers in the United States of America and Latin America.

These statutory financial statements were prepared for the purpose of filing with the various state insurance departments.

(b) *Basis of Presentation*

The accompanying statutory financial statements of the Company have been prepared in conformity with accounting practices prescribed or permitted by the Oklahoma Insurance Department, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles (GAAP). Effective January 1, 2001, the National Association of Insurance Commissioners (NAIC) and the Oklahoma Insurance Department required that insurance companies domiciled in the state of Oklahoma prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures Manual Statements of Statutory Accounting Principles (SSAP) subject to any deviations prescribed or permitted by the Insurance Commissioner of the state of Oklahoma (the Commissioner). There are no material differences between the accounting practices prescribed or permitted by the Oklahoma Insurance Department and the accounting practices prescribed and permitted by the NAIC. There have been no permitted practices granted to the Company for 2015 and 2014 by the Oklahoma Insurance Department.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

SSAP differ from GAAP in several respects, which cause differences in reported assets, liabilities, stockholder's equity (statutory capital and surplus), net income, and cash flows. The principal SSAP that differ from GAAP include the following:

- The financial statements of subsidiaries are not consolidated and are accounted for as investments in common stock.
- Investments in bonds and preferred stocks are carried amortized cost, cost, or the lower of cost or fair value; under GAAP, investments in bonds and preferred stock, other than those classified as held-to-maturity, are carried at fair value.
- Certain assets (principally certain deferred taxes, furniture, equipment, prepaid expenses, and premiums due from policyholders, agents' balances, and amounts recoverable from reinsurers over 90 days) have been designated as nonadmitted assets and excluded from assets by a charge to statutory surplus. Under GAAP, such amounts are carried at amortized cost with the appropriate valuation allowance, when necessary.
- Aggregate reserves for life, annuities, and accident and health are based on statutory mortality and interest requirements without consideration for anticipated withdrawals. Morbidity assumptions are based on the statutory morbidity requirements or Company's experience where allowed. Under GAAP, the reserves are based on either (i) the present value of future benefits less the present value of future net premiums based on mortality, morbidity, and other assumptions that were appropriate at the time the policies were issued or acquired, or (ii) the account value for certain contracts without significant life contingencies.
- The interest maintenance reserve (IMR) represents the deferral of interest-related realized gains and losses, net of tax, on primarily fixed maturity investments, which are amortized into income over the remaining life of the investment sold. No such reserve is required under GAAP.
- Deferred income taxes are recognized for both SSAP and GAAP; however, the amount permitted to be recognized is generally more restrictive under SSAP and the change in deferred taxes is reported as a direct charge to surplus.
- The asset valuation reserve (AVR) represents a contingency reserve for credit-related risk on most invested assets of the Company, and is charged to statutory surplus. No such reserve is required under GAAP.
- Policy acquisition costs are expensed as incurred, while under GAAP, successful acquisition costs are deferred and recognized over either (1) the expected premium-paying period or (2) the estimated life of the contract.
- Reserves are reported net of ceded reinsurance; under GAAP, reserves are reported gross with a corresponding reinsurance receivable.
- A 100% provision is established for unsecured reinsurance recoverable balances from unauthorized reinsurers. The change in this provision is credited or charged to unassigned surplus. Under GAAP, a provision is established for uncollectible reinsurance balances with any changes to this provision reflected in earnings for the period.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

- The statements of operations are different in certain respects, with life and annuity premiums being recognized as revenue when the policies and contracts are issued. Under GAAP, premiums on life insurance policies are recognized when due; premiums on annuity contracts are not recognized as revenue, but as deposits.
- Revenues for universal life policies and investment products consist of the entire premium received, and benefits represent the death benefits paid and the change in policy reserves, unless the products do not incorporate mortality or morbidity risk. Under GAAP, premiums received in excess of policy charges are not recognized as premium revenue, and benefits represent the excess of benefits paid over the policy account values and interest credited to the account values.
- The statements of cash flow differ in certain respects from the presentation required under GAAP, including the presentation of the changes in cash and short-term investments instead of cash and cash equivalents. Short-term investments include securities with maturities, at the time of acquisition, of one year or less. For statutory purposes, there is no reconciliation between net income and cash from operations.
- A statement of comprehensive income is not required for SSAP reporting.

(c) *Use of Estimates*

The preparation of financial statements in conformity with accounting practices prescribed or permitted by the Oklahoma Insurance Department, Annual Statement Instructions, and NAIC Manual requires management to make estimates and assumptions that affect the reported amounts of admitted assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. The Company adjusts such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in those estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in future periods. Principal estimates that could change in the future are the fair value of investments, whether an available-for-sale security is other-than-temporarily impaired, and the actuarial assumptions used in establishing policy liabilities.

(d) *Investments in Affiliates, Joint Ventures, Partnerships, or Limited Liability Companies*

The statutory financial statements include the Company's investment in its wholly owned subsidiaries. Intercompany accounts and transactions have not been eliminated in the statutory financial statements. The Company's wholly and majority-owned subsidiaries at December 31, 2015 and 2014 are noninsurance entities that have no significant ongoing operations other than to hold assets that are primarily for the direct or indirect benefit or use of the Company or its affiliates, and are carried at the underlying equity of the respective entity's financial statements adjusted to a statutory basis of accounting.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

The Company's investments in joint ventures, partnerships, and limited liability companies are recorded at cost, adjusted for the Company's share of the GAAP basis earnings or losses of the investee, net of any distributions received. Such investments are reported as other invested assets and the related adjustments are reported as unrealized capital gains or losses in surplus.

(e) Investments

The investment portfolio includes bonds, preferred stocks, common stocks, mortgage loans, real estate, policy loans, other invested assets, and short-term investments.

Investments are carried in accordance with rules established by the NAIC. Bonds are carried at cost, adjusted where appropriate for accretion of premium or amortization of discount using the scientific interest method and taking into consideration stated interest and principal provisions. Additionally, bonds rated as NAIC 6 are carried at the lower of their cost or fair market value. Preferred stocks are carried at the lower of cost or fair value since there is no premium or discount. Common stocks are carried at fair value. Policy loans are stated at their aggregate unpaid balances. Mortgage loans on real estate are stated at their aggregate unpaid balances. Real estate held for investment is carried at cost less accumulated depreciation and encumbrances. Encumbrances as of December 31, 2015 and 2014 were \$14,486,000 and \$15,080,000, respectively. The promissory note bears interest at 4.32% and is due in monthly installments of approximately \$103,000 (including interest) to 2022. Property occupied by the Company is carried at cost, less accumulated depreciation.

Realized gains or losses are determined on the specific identification basis. Unrealized gains and losses on common stocks of affiliates and nonaffiliates are accounted for as direct increases or decreases in surplus.

Because the Company's primary business is in the insurance industry, the Company holds a significant amount of assets that it intends to match with its liabilities in relation to maturity and interest margin. In order to maximize earnings and minimize risk, the Company invests in a diverse portfolio of investments. The portfolio is diversified by geographic region, investment type, underlying collateral, maturity, and industry. Management does not believe that the Company has any significant concentrations of credit risk in its investments.

The Company generally does not invest in any low investment-grade high-yield investment bonds (junk bonds). Certain bonds are guaranteed by the U.S. government. The Company limits its risks by investing in bonds and stocks of rated companies, mortgage loans adequately collateralized by real estate, selective real estate supported by appraisals, and policy loans collateralized by policy cash values. In addition, the Company performs due diligence procedures prior to making mortgage loans. These procedures include evaluations of the credit worthiness of the mortgagees and/or tenants and independent appraisals.

The maximum and minimum lending rates for mortgage loans originated during 2015 were 4.660% and 4.125%, respectively. The maximum and minimum lending rates for mortgage loans originated during 2014 were 6.875% and 4.125%, respectively. The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 80% during 2015 and 2014. During 2015 and 2014, the Company did not reduce

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

interest rates on any outstanding mortgage loans. The Company held no mortgages with interest more than 180 days past due or impaired mortgage loans.

For loan-backed securities, the Company has elected to use the carrying value as of January 1, 1994 as the cost for applying the retrospective adjustment method to securities purchased prior to that date. In 2015 and 2014, the Company had no changes from the retrospective to prospective methodology due to negative yield on specific securities. Prepayment assumptions for single class and multiclass mortgage-backed/asset-backed securities were obtained from broker-dealer survey values or internal estimates.

The Company periodically reviews its investment portfolio to determine if provisions for possible losses or provisions for other-than-temporary impairment (OTTI) are necessary. In connection with this determination, management reviews published market values, credit ratings, independent appraisals, expected cash flows, and other valuation information. Securities with impairments are written down to the present value of expected cash flows to be collected rather than fair value unless the Company has the intent to sell or inability to retain the security until recovery of amortized cost. For the year ended December 31, 2015, the Company recorded \$0 OTTI. For the year ended December 31, 2014, the Company recorded approximately \$533,000 OTTI on two securities. While management believes that no additional provisions for OTTI are currently necessary, adjustments may be necessary in the future due to changes in economic conditions. In addition, regulatory agencies periodically review investment valuation as an integral part of their examination process. Such agencies may require the Company to recognize adjustments based upon available information and judgments of the regulatory examiners at the time of their examination.

(f) *Equipment*

Equipment consists of electronic data processing equipment and is stated at cost less accumulated depreciation. Equipment is depreciated on a straight-line basis using estimated lives of five to ten years. Additions, renewals, and betterments are capitalized. Expenditures for software, maintenance, and repairs are expensed. Upon retirement or disposal of an asset, the asset and related accumulated depreciation are eliminated and any related gain or loss is included in income.

(g) *Company-Owned Life Insurance*

The Company is the owner of three single premium insurance policies and one group variable life insurance policy for certain current executives of the Company, where the Company is the beneficiary. These policies, accounted for using the investment method, were purchased in 2010 and in 2014. The policies are recorded in other assets at their net cash surrender values, as reported by the four issuing insurance companies, whose Standard & Poor's financial strength ratings range are AA+ for the single premium insurance policies and A for the group variable life insurance policy. The net cash surrender values totaled approximately \$32,929,000 and \$31,935,000 as of December 31, 2015 and 2014, respectively, and are included in other assets. The face value (death benefit) of the life insurance policies underlying the contracts was approximately \$80,511,000 and \$80,217,000 as of December 31, 2015 and 2014, respectively.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

(h) Premiums

Life premiums are recognized as revenue when the policy is written and on each anniversary date thereafter. Accident and health premiums are recognized when due from the policyholder. Both life and accident and health premiums are increased by reinsurance premiums assumed and reduced by reinsurance premiums ceded. Contracts issued that do not incorporate mortality or morbidity risk are not accounted for as insurance contracts. Amounts received as payments for such contracts are recorded as direct increases to the policy reserves.

The Company estimates accrued retrospective premium adjustments (premium rate stabilization) for certain contracts in its group health and group life business based on contractually determined formulas by group. The amount of net premiums written by the Company for the years ended December 31, 2015 and 2014 that were subject to retrospective rating features was approximately \$226,000 and \$245,000, respectively, which represented approximately 0.07% of net premiums written for group health and group life products in 2015 and 2014. No other net premiums written by the Company were subject to retrospective rating features.

(i) Reinsurance

The Company accounts for reinsurance transactions as prescribed by the applicable accounting standards, which require the reporting of reinsurance transactions relating to the statements of admitted assets, liabilities, and capital and surplus on a net basis and precludes immediate gain recognition on reinsurance contracts.

(j) Income Taxes

Current income taxes incurred includes current income taxes for the amount of federal income taxes paid or payable for the current year. These amounts are determined based on estimates of federal income taxes for the current year, including tax contingencies and benefits. The Company's current tax recoverable is reported as a component of other assets and current tax payable is reported as a component of other liabilities. The changes in current taxes are reflected in the statutory statements of operations.

Deferred income tax assets and liabilities are determined based on differences between statutory financial statement carrying amounts of existing assets and liabilities and their respective tax bases, as well as operating loss, capital loss, and tax credit carryforwards. Temporary differences related to AVR and IMR are not included in the determination of gross deferred income taxes while temporary differences for unrealized gains/losses and nonadmitted assets are included. Gross deferred tax assets are reduced by a valuation allowance if it is more likely than not (i.e. greater than 50% likelihood) that some portion or all of the gross deferred tax assets will not be realized. The deferred tax assets and liabilities are measured using federal enacted tax rates. Deferred income tax assets are limited as to their admissibility. The changes in net deferred tax assets and liabilities are reflected in surplus. The Company's net admitted deferred tax assets are reported as a component of other assets.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

(k) *Policy Liabilities*

Aggregate reserves for life policies and contracts include reserve amounts principally for life insurance policies, payout annuity policies, and disability insurance policies. The life insurance reserves are principally based on the 1941, 1958, 1980, and 2001 Commissioners Standard Ordinary (CSO) mortality tables, and are established with interest rate assumptions ranging from 2.0% to 6.0%. Annuity insurance reserves are established with interest rate assumptions ranging from 3.0% to 8.8%. Disability reserves are principally based on the 1987 Group Life Disability Table, with adjustments for actual Company experience. The tabular interest, tabular less actual reserves released, and the tabular cost have been determined by formula. Aggregate reserves for accident and health policies include the present value of amounts not yet due on claims, additional reserves, and unearned premiums.

Policy and contract claims reserves include a provision for reported claims and claims incurred but not reported. The provision for claims incurred but not reported is estimated based primarily on Company experience. Although these provisions are the Company's best estimate of the ultimate value, the actual results may vary from these values.

Liability for premiums and other deposit funds include reserves for qualified before tax annuities and other accumulation policies that do not subject the Company to any risks from policyholder mortality and morbidity. Such reserves are established using guaranteed interest rates of 3.0% to 7.5%.

The Company has a significant amount of allocated deferred annuity contracts with life contingencies. The liability for these contracts is recorded as aggregate reserves for life policies and contracts. The Company also has annuities certain without life contingencies. The liability for these contracts is recorded as a liability for premiums and other deposit funds.

There were no changes made to the valuation basis for reserves in 2015 and 2014, other than the addition of the 2001 CSO table for life products where approved.

The Company waives deduction of deferred fractional premiums upon death of the insured, and returns any portion of the final premium beyond the month of death for policies developed and issued subsequent to December 1977.

Surrender values are not promised in excess of the legally computed reserves.

Extra premiums are charged for substandard lives in addition to the regular gross premium for the true age.

Mean reserves are determined by computing the regular mean reserve for the plan at the true age and holding in addition one-half of the extra premium charge for the year.

The Company had approximately \$1,408,812,000 and \$12,754,023,000 of insurance in force (after reinsurance ceded) for which the gross premiums are less than the net premiums according to the standard valuation set by the state of Oklahoma at December 31, 2015 and 2014, respectively.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

The Company had approximately \$215,549,000 and \$114,637,000 as of December 31, 2015 and 2014, respectively, of annuity actuarial reserves and deposit liabilities that were subject to discretionary withdrawal at book value less current surrender charge of 5% or more. As of December 31, 2015 and 2014, the Company has approximately \$554,421,000 and \$643,936,000, respectively, of annuity actuarial reserves and deposit liabilities that were subject to discretionary withdrawal at market value where the withdrawal of the funds is payable at the current market value of the assets supporting the liabilities. Annuity reserves and deposit liabilities that were subject to discretionary withdrawal at book value without adjustment were approximately \$1,407,710,000 and \$1,307,917,000 as of December 31, 2015 and 2014, respectively. There were approximately \$64,444,000 and \$66,025,000 of annuity reserves and deposit liabilities that are not subject to discretionary withdrawal at December 31, 2015 and 2014, respectively. At December 31, 2015 and 2014, the total gross annuity actuarial reserves and deposit liabilities were approximately \$2,242,124,000 and \$2,132,515,000, respectively, and the net annuity actuarial reserves and deposit liabilities were approximately \$2,236,228,000 and \$2,126,753,000, respectively. The ceded amount of annuity actuarial reserves and deposit liabilities was approximately \$5,896,000 and \$5,762,000 as of December 31, 2015 and 2014, respectively. The Company's earnings related to these products are impacted by conditions in the overall interest rate environment.

(l) Capital and Surplus

Capital and surplus of the Company is restricted as to payment of dividends by statutory limitations applicable to insurance companies. Without prior approval of the respective state insurance department, dividends that can be paid are generally limited to the greater of 10% of statutory capital and surplus or the statutory net gain from operations before net realized capital gains/losses reported for the previous calendar year. The maximum dividend payout, which may be made without prior approval in 2015, is approximately \$72,828,000.

The Oklahoma Insurance Department has adopted Risk-Based Capital (RBC) requirements for life insurance companies. The RBC calculation serves as a benchmark for the regulation of life insurance companies by state insurance regulators. RBC provides for surplus formulas similar to target surplus formulas used by commercial rating agencies. The formulas specify various weighting factors that are applied to statutory financial balances or various levels of activity based on the perceived degree of risk, and are set forth in the RBC requirements. The Company has calculated RBC in accordance with the NAIC's Model Rule and RBC rules as adopted by the Oklahoma Insurance Department. The RBC, as calculated by the Company, exceeds levels requiring Company or regulatory action at December 31, 2015 and 2014.

(m) Separate Accounts

The Company maintains a separate account under Oklahoma insurance law designated as American Fidelity Separate Account A (Account A). Account A was formerly known as American Fidelity Variable Annuity Fund A, and operated as an open-end diversified management investment company from 1968 to 1998. Effective January 1, 1999, it was converted to a unit investment trust separate account, and it transferred its investment portfolio to the American Fidelity Dual Strategy Fund, Inc. (the Fund), an open-end investment company sponsored by AFA, in exchange for shares of the Fund.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

On November 25, 2014, Account A's investment in the Fund was substituted with the Vanguard Total Stock Market Index Fund. Under Oklahoma law, the assets of Account A are segregated from the Company's assets, are held for the exclusive benefit of the variable annuity contract owners, and are not chargeable with liabilities arising out of the business conducted by any other account or by the Company.

The Company also maintains separate accounts under Oklahoma insurance law designated as American Fidelity Separate Account B (Account B) and American Fidelity Separate Account C (Account C). Account B and Account C are registered as unit investment trusts under the Investment Company Act of 1940, as amended. Under Oklahoma law, the assets of each of the ten (10) segregated subaccounts of Account B and the ten (10) segregated subaccounts of Account C are held for the exclusive benefit of the variable annuity contract owners, and are not chargeable with liabilities arising out of the business conducted by any other account or by the Company.

The separate accounts maintained by the Company represent funds for nonguaranteed variable annuities. The assets of these accounts are carried at market value. The net investment experience of the separate account is credited directly to the policyholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of the account value or the premium paid. The minimum guaranteed death benefit reserve is held in the Company's general account. For the years ended December 31, 2015 and 2014, the amount of premiums, considerations, or deposits for the year was approximately \$74,568,000 and \$103,338,000, respectively.

(n) *Reclassification*

Certain prior year amounts have been reclassified to conform to the current year presentation.

(2) **Admitted and Nonadmitted Assets**

Assets in the statutory statements of admitted assets, liabilities, and capital and surplus are stated at admitted asset values, which are the values permitted to be reported in the annual report to the Oklahoma Insurance Department. All other assets are "nonadmitted assets" and are excluded from the statutory statements of admitted assets, liabilities, and capital and surplus by a charge to surplus. Nonadmitted assets as of December 31 are as follows:

	2015	2014
Prepays, deposits, and other receivables	\$ 5,853,047	3,308,702
Agents' balances	1,598,451	77,841
Deferred tax asset	44,146,314	36,509,900
Leasehold improvements	8,772,480	3,083,559
	<u>\$ 60,370,292</u>	<u>42,980,002</u>

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(3) Fair Value of Financial Instruments

A summary of the Company's financial instruments and the fair value estimates, methods, and assumptions is set forth below:

		Estimated fair value as of December 31, 2015				
		Aggregate fair value	Admitted assets	Level 1	Level 2	Level 3
Financial assets:						
Cash and short-term investments	\$	175,188,228	175,188,228	175,188,228	—	—
Investment income due and accrued		39,990,590	39,990,590	39,990,590	—	—
Bonds		3,798,014,131	3,720,637,147	1,150,731	3,440,489,361	356,374,039
Common and preferred stock		29,379,796	29,232,816	24,391,316	90,171	4,898,309
Mortgage loans		412,812,228	393,280,807	—	—	412,812,228
Financial liabilities:						
Certain policy liabilities		1,649,538,704	1,647,163,360	—	—	1,649,538,704
Borrowed money		540,249,319	522,915,427	—	540,249,319	—
		Estimated fair value as of December 31, 2014				
		Aggregate fair value	Admitted assets	Level 1	Level 2	Level 3
Financial assets:						
Cash and short-term investments	\$	132,976,274	132,976,274	132,976,274	—	—
Investment income due and accrued		38,592,265	38,592,265	38,592,265	—	—
Bonds		3,766,794,670	3,502,505,616	1,182,724	3,441,322,963	324,288,983
Common and preferred stock		25,391,676	25,325,804	24,513,684	97,286	780,706
Mortgage loans		384,680,910	354,597,714	—	—	384,680,910
Financial liabilities:						
Certain policy liabilities		1,449,967,843	1,447,897,929	—	—	1,449,967,843
Borrowed money		547,756,206	522,973,345	—	547,756,206	—

(a) Cash and Short-Term Investments and Investment Income Due and Accrued

The carrying amounts of the financial instruments listed immediately above approximate their fair values because they mature within a relatively short period of time, and do not present unanticipated credit concerns.

(b) Bonds, Common Stocks and Preferred Stocks

For fixed maturities and marketable equity securities, for which market quotations generally are available, the Company primarily uses independent pricing services to assist in determining fair value measurements. When the fair value of certain securities is not readily available, the fair value estimates are based on quoted market prices of similar instruments adjusted for the differences between the quoted instruments and the instruments being valued, or fair value is estimated using discounted cash flow analysis. Interest rates used in this analysis are similar to currently offered contracts with comparable maturities as the investments being valued. The Company's investments also include

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certain less liquid or private fixed maturity debt securities, such as private placements and certain structured notes. Valuations are estimated based on nonbinding broker prices or valuation models discounted cash flow models and other similar techniques that use observable or unobservable inputs and are considered Level 3.

The fair value of equity securities investments of the Company is based on quotations from independent pricing services, bid prices published in financial newspapers, or bid quotations received from securities dealers.

(c) *Mortgage Loans on Real Estate*

Fair values are estimated for portfolios of loans with similar characteristics. Commercial mortgage loans have average net yield rates of 5.17% and 5.52% for December 31, 2015 and 2014, respectively. The fair value of mortgage loans was calculated by discounting scheduled cash flows to maturity using estimated market discount rates of 4.24% and 3.81% for December 31, 2015 and 2014, respectively. These rates reflect the credit and interest rate risk inherent in the loans. Assumptions regarding credit risk, cash flows, and discount rates are judgmentally determined using available market information and specific borrower information. The fair value of certain residential loans is based on the approximate fair value of the underlying real estate securing the mortgages.

(d) *Policy Loans*

Policy loans have average interest yields of 6.07% and 6.54% as of December 31, 2015 and 2014, respectively, and have no specified maturity dates. These loans typically carry an interest rate that is tied to the crediting rate applied to the related policy and contract reserves. Policy loans are an integral part of the life insurance policies that the Company has in force and cannot be valued separately.

(e) *Certain Policy Liabilities*

Certain policies sold by the Company are investment-type contracts. These liabilities are segregated into two categories: premiums and other deposit funds and immediate annuities. These liabilities are further defined to segregate the deferred annuity contract with life contingencies, which are reported as aggregate reserves for life policies and contracts. The fair value of aggregate reserves for life policies and contracts is estimated as the fund value of each policy less applicable surrender charges. The fair value of the immediate annuities without life contingencies and premiums and other deposit funds is estimated as the discounted cash flows of expected future benefits less the discounted cash flows of expected future premiums, using the current pricing assumptions.

	2015		2014	
	Carrying amount	Estimated fair value	Carrying amount	Estimated fair value
Aggregate reserves for life policies and contracts	\$ 1,621,780,913	1,620,357,076	1,420,981,477	1,419,544,216
Annuities	25,382,447	29,181,628	26,916,452	30,423,627

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(f) *Borrowed Money*

The fair value of the Company's notes payable is estimated by the present value of a stream of future expected cash flows using an appropriate discount rate. Discount factors are based on the LIBOR/Swap curve.

(g) *Limitations*

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These fair value estimates do not reflect any premium or discount that could result from offering for sale at one time the Company's entire holdings of a particular financial instrument, nor do they reflect income taxes on differences between fair value and tax basis of the assets. Because no established exchange exists for a significant portion of the Company's financial instruments, fair value estimates are based on judgments regarding future expected loss experience, current economic conditions, risk characteristics of various financial instruments, and other factors. These fair value estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the fair value estimates.

(h) *Fair Value Hierarchy*

The following are the levels of hierarchy and a description of the type of valuation inputs that are used to establish each level:

Level 1 inputs are quoted in active markets for identical securities.

Level 2 inputs are other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3 inputs are significant unobservable inputs (including the Company's own assumptions used to determine the fair value of investments).

Assets that are recorded at fair value are categorized into a three-level fair value hierarchy as required by SSAP No. 100, *Fair Value Measurements*. The balances of these assets as of December 31, 2015 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets recorded at fair value:				
Bonds – industrial and miscellaneous	\$ —	2,368,173	1,758,289	4,126,462
Common stock – unaffiliated	24,230,887	—	—	24,230,887
Common stock – affiliated	—	790,709	—	790,709
Total assets at fair value	<u>\$ 24,230,887</u>	<u>3,158,882</u>	<u>1,758,289</u>	<u>29,148,058</u>

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The following table presents the change for the year ended December 31, 2015 in the assets measured at fair value using unobservable inputs (Level 3):

	Loan-Backed securities
Beginning balance	\$ 5,528,118
Transfers in	—
Transfers out	(3,603,833)
Total gain (loss) included in net income	116,230
Total gain (loss) included in surplus	(207,406)
Purchases	118,752
Issuances	(193,572)
OTTI	—
Sales	—
Settlements	—
Ending balance	\$ <u>1,758,289</u>

Assets that are recorded at fair value are categorized into a three-level fair value hierarchy as required by SSAP No. 100. The balances of these assets as of December 31, 2014 are as follows:

	Level 1	Level 2	Level 3	Total
Assets recorded at fair value:				
Bonds – industrial and miscellaneous	\$ —	—	5,528,118	5,528,118
Common stock – unaffiliated	24,333,878	—	—	24,333,878
Common stock – affiliated	—	780,706	—	780,706
Total assets at fair value	\$ <u>24,333,878</u>	<u>780,706</u>	<u>5,528,118</u>	<u>30,642,702</u>

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The following table presents the change for the year ended December 31, 2014 in the assets measured at fair value using unobservable inputs (Level 3):

	Loan-Backed securities
Beginning balance	\$ 4,948,157
Transfers in	—
Transfers out	—
Total gain (loss) included in net income	18,512
Total gain (loss) included in surplus	71,439
Purchases	520,840
Issuances	—
OTTI	—
Sales	(30,830)
Settlements	—
Ending balance	<u>\$ 5,528,118</u>

(4) Investments

Investment income for the years ended December 31 is summarized below:

	2015	2014
Interest on bonds	\$ 172,190,442	169,023,064
Dividends on preferred and common stocks	72,327	9,620
Interest on mortgage loans	23,408,487	22,448,739
Investment real estate income	4,414,194	4,134,816
Interest on policy loans	3,176,054	3,134,992
Interest on cash and short-term investments and other	2,478,731	589,808
	<u>205,740,235</u>	<u>199,341,039</u>
Less investment expenses	32,611,100	34,122,550
Net investment income	<u>\$ 173,129,135</u>	<u>165,218,489</u>

AMERICAN FIDELITY ASSURANCE COMPANY

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Realized gains (losses) for the years ended December 31 consisted of the following:

	2015	2014
Bonds	\$ 9,467,453	4,512,838
OTTI	—	(532,701)
	<u>9,467,453</u>	<u>3,980,137</u>
Common stocks of nonaffiliates	546,474	1,657,197
Real estate	61,765	—
Other capital loss	(191,003)	—
	<u>9,884,689</u>	<u>5,637,334</u>
Total realized gains before federal income taxes and IMR transfers		
	9,884,689	5,637,334
Federal income tax expense	1,408,332	1,422,611
Less IMR transfers	5,937,103	4,468,608
	<u>2,539,254</u>	<u>(253,885)</u>
Net realized gains (losses)	\$ <u>2,539,254</u>	<u>(253,885)</u>

The gross unrealized gains on common stocks of nonaffiliates were approximately \$8,675,000 and \$7,926,000 in 2015 and 2014, respectively. The gross unrealized losses on common stocks of nonaffiliates were approximately \$10,000 and \$0 in 2015 and 2014, respectively.

The carrying value and estimated fair value of bonds at December 31 are as follows:

	2015			
	Carrying value	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities	\$ 1,076,489	75,346	(1,105)	1,150,730
U.S. government agency obligations	7,105,463	829,647	—	7,935,110
Special revenue	408,936,095	17,001,982	(7,230,572)	418,707,505
States, territories, and political subdivisions	407,547,918	38,635,259	(454,833)	445,728,344
Foreign government	33,352,181	2,293,080	(146,747)	35,498,514
Corporate bonds	2,104,888,861	89,938,369	(99,326,105)	2,095,501,125
Loan-backed securities	757,730,140	41,861,978	(6,099,315)	793,492,803
Total	\$ <u>3,720,637,147</u>	<u>190,635,661</u>	<u>(113,258,677)</u>	<u>3,798,014,131</u>

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	2014			
	Carrying value	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. Treasury securities	\$ 1,086,679	97,153	(1,107)	1,182,725
U.S. government agency obligations	8,813,983	1,040,662	—	9,854,645
Special revenue	341,183,544	22,178,306	(5,167,158)	358,194,692
States, territories, and political subdivisions	401,639,306	49,196,871	(167,045)	450,669,132
Foreign government	33,408,576	3,017,339	—	36,425,915
Corporate bonds	1,881,091,907	168,766,314	(18,375,725)	2,031,482,496
Loan-backed securities	835,281,621	52,294,075	(8,590,631)	878,985,065
Total	<u>\$ 3,502,505,616</u>	<u>296,590,720</u>	<u>(32,301,666)</u>	<u>3,766,794,670</u>

The NAIC fair value of total bonds is approximately \$14,571,000 and \$6,739,000 more than the estimated fair value in the tables above at December 31, 2015 and 2014, respectively.

The carrying value and estimated fair value of investments in bonds at December 31, 2015, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because the issuers of such securities may have the right to call or prepay obligations with or without call or prepayment penalties.

	Carrying value	Fair value
Due in one year or less	\$ 40,376,165	40,688,853
Due after one year through five years	382,658,078	403,640,946
Due after five years through ten years	1,085,362,627	1,070,314,353
Due after ten years	1,454,510,137	1,489,877,176
Loan-backed securities	757,730,140	793,492,803
	<u>\$ 3,720,637,147</u>	<u>3,798,014,131</u>

Proceeds from sales of bonds during 2015 and 2014 were approximately \$146,704,000 and \$150,101,000, respectively. Gross realized gains of approximately \$9,167,000 and \$6,814,000 and gross realized losses of approximately \$4,024,000 and \$3,889,000, respectively, were realized on those sales. In addition, the Company realized net gains of approximately \$4,324,000 and \$1,588,000 on bonds that were called or prepaid in 2015 and 2014, respectively.

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Gross unrealized losses on investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2015 were as follows:

	Less than 12 months		12 months or longer		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
U.S. Treasury securities	\$ —	—	498,457	(1,105)	498,457	(1,105)
States and territories	15,046,238	(261,860)	11,067,027	(192,973)	26,113,265	(454,833)
Special revenue	67,413,724	(1,254,879)	149,550,379	(5,975,693)	216,964,103	(7,230,572)
Foreign government	4,847,810	(146,747)	—	—	4,847,810	(146,747)
Corporate bonds	592,292,202	(41,823,076)	340,287,158	(57,503,029)	932,579,360	(99,326,105)
Loan-backed securities	55,835,499	(715,111)	75,438,901	(5,384,204)	131,274,400	(6,099,315)
Total	\$ 735,435,473	(44,201,673)	576,841,922	(69,057,004)	1,312,277,395	(113,258,677)

Gross unrealized losses on investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2014 were as follows:

	Less than 12 months		12 months or longer		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
U.S. Treasury securities	\$ 497,930	(1,107)	—	—	497,930	(1,107)
States and territories	—	—	11,596,858	(167,045)	11,596,858	(167,045)
Special revenue	2,998,683	(1,317)	161,849,490	(5,165,841)	164,848,173	(5,167,158)
Corporate bonds	72,387,672	(1,335,966)	331,700,116	(17,039,759)	404,087,788	(18,375,725)
Loan-backed securities	7,069,603	(71,573)	98,142,581	(8,519,058)	105,212,184	(8,590,631)
Total	\$ 82,953,888	(1,409,963)	603,289,045	(30,891,703)	686,242,933	(32,301,666)

The unrealized losses in U.S. Treasury securities, obligations of U.S. government agencies and states and territories, and foreign government securities are due to interest rate fluctuations, which result in a decline in market values from original purchase price. Because the securities were acquired during a period of low interest rates, unrealized losses may continue and may become more severe in a rising interest rate environment. The Company expects the unrealized losses to reverse as the securities shorten in duration and mature, and because the Company has the ability to hold these investments and does not intend to sell until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in states, territories, and political subdivisions are high-grade investment quality and have unrealized losses due to an increase in interest rates since acquisition. Because the decline in fair value is attributable to changes in interest rates and not credit quality, and because the Company has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

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The investments included in special revenue securities are comprised of general obligations of U.S. government sponsored agencies for which the U.S. government is indirectly obligated. The unrealized loss is due to interest rate fluctuations, which result in a decline in market values from original purchase price. Because the securities were acquired during a period of low interest rates, unrealized losses may continue and may become more severe in a rising interest rate environment. The Company expects the unrealized losses to reverse as the securities shorten in duration and mature and because the Company has the ability to hold these investments to maturity and does not intend to sell until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in corporate securities are comprised of corporate bonds. The unrealized loss is due to the current market and economic environment, which is affecting corporate credit ratings and changes in sector spreads. The unrealized loss may continue and may become more severe if the economy continues to trend downward or interest rates rise. Because the decline in fair value is attributable to economic changes and a slight decline in credit quality, and because the Company expects all contractual cash flows will be received and has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

The investments included in loan-backed securities are comprised of U.S. government-sponsored agency mortgage-backed securities for which the U.S. government is not directly obligated, and private label whole loan collateralized mortgage obligations. The unrealized losses on these securities are a result of the current market and economic conditions that are affecting the mortgage-backed sector. The credit quality on some mortgage-backed bonds has declined due to the larger number of home defaults. Because the decline in fair value is attributable mainly to changes in market and economic conditions and the Company believes all contractual cash flows will be received and has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired. When the Company believes it will not receive all contractual cash flows, the securities are considered other-than-temporarily impaired.

At December 31, 2015 and 2014, investments with carrying values of approximately \$2,904,000 and \$2,903,000, respectively, were on deposit with state insurance departments as required by statute.

The Company has no direct exposure to subprime mortgage loans. An extensive pre-purchase analysis is performed on every loan-backed security. By purchasing only AAA agency mortgage-backed securities and AAA collateralized mortgage-backed whole loan securities, direct exposure to sub-prime mortgages is virtually eliminated. The unrealized losses on these securities are a result of the current market and economic conditions that are affecting the mortgage-backed sector. The credit qualities on some mortgage-backed bonds have begun to decline due to the large number of home mortgage defaults. Because the decline in fair value is attributable mainly to changes in market and economic conditions and only due slightly to a lessening of credit, the Company believes most contractual cash flows will be received.

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(5) Separate Accounts

The Company utilizes Separate Accounts to record and account for variable annuity business. In accordance with the Insurance Code of the State of Oklahoma, variable annuities are supported for separate account classification by Title 36, Chapter 2, Section 6061. As of December 31, 2015 and 2014, the Company Separate Account statement included legally insulated assets of approximately \$558,315,000 and \$648,749,000, respectively, attributed to variable annuity contracts. The Separate Accounts held by the Company represent nonguaranteed variable annuity funds. The Company does not have a securities lending program.

The assets of these accounts are carried at fair market value. The net investment experience of the Separate Accounts is credited directly to the policyholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of account value or premium paid. The minimum guaranteed death benefit reserve is held in Exhibit 5, Miscellaneous Reserves Section, of the Company's general account annual statement.

	<u>2015</u>	<u>2014</u>
1. Premiums, considerations, or deposits for year ended December 31	\$ 74,568,350	103,338,113
2. Reserves at December 31:		
For accounts with assets at:		
a. Fair market value	\$ 558,314,969	648,749,195
b. Amortized cost	—	—
c. Total reserves	<u>\$ 558,314,969</u>	<u>648,749,195</u>
3. By withdrawal characteristics:		
a. Subject to discretionary withdrawal	\$ —	—
b. With market value adjustment	—	—
c. At book value without market value adjustment and with current surrender charge of 5% or more	—	—
d. At fair market value	558,314,969	648,749,195
e. At book value without market value adjustment and with current surrender charge of 5%	—	—
f. Subtotal	<u>558,314,969</u>	<u>648,749,195</u>
g. Not subject to discretionary withdrawal	—	—
h. Total	<u>\$ 558,314,969</u>	<u>648,749,195</u>
4. Reserves for Asset Default Risk in Lieu of AVR	\$ —	—

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Reconciliation of net transfers to or (from) Separate Accounts.

	<u>2015</u>	<u>2014</u>
1. Transfers as reported in the Summary of Operations of the Separate Accounts statements:		
a. Transfers to Separate Accounts	\$ 75,102,615	103,964,789
b. Transfers from Separate Accounts	<u>150,019,091</u>	<u>96,045,522</u>
c. Net transfers to or (from) Separate Accounts (a) – (b)	(74,916,476)	7,919,267
2. Reconciling adjustments:		
a. Plus Net Investment Income (Expense)	(7,439,427)	56,931,791
b. Less Increase (Decrease) in Liability for Premiums	(90,434,224)	55,922,283
c. Plus Change in Expense Allowance	(919,357)	3,931,866
d. Less fees for investment management and administration	8,078,321	8,928,775
3. Transfers as Report in the Summary of Operations of the Life, Accident & Health Annual Statement:		
a. (1c) + (2)	<u>\$ (919,357)</u>	<u>3,931,866</u>

(6) Liability for Accident and Health Reserves

Accident and health reserve activity for the years ended December 31, 2015 and 2014 was as follows:

	<u>2015</u>	<u>2014</u>
Liability beginning of year, net of reinsurance	\$ 447,297,390	438,667,648
Incurred related to:		
Current year	364,072,525	355,472,414
Prior years	<u>(61,471,669)</u>	<u>(54,175,989)</u>
Total incurred	<u>302,600,856</u>	<u>301,296,425</u>
Paid related to:		
Current year	173,031,400	167,881,485
Prior years	<u>120,302,975</u>	<u>124,785,198</u>
Total paid	<u>293,334,375</u>	<u>292,666,683</u>
Liability end of year, net of reinsurance	<u>\$ 456,563,871</u>	<u>447,297,390</u>

Reinsurance recoverable on paid losses was approximately \$2,946,000 and \$874,000 at December 31, 2015 and 2014, respectively.

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The provision for accident and health benefits pertaining to prior years decreased approximately \$61,472,000 in 2015 from the prior year estimate. This decrease overall includes better than expected experience of approximately \$54,179,000 for group medical and disability and approximately \$7,293,000 for cancer business. The decreases are due to conservative estimate in prior year reserves followed by subsequent better than expected claim experience.

The provision for accident and health benefits pertaining to prior years decreased approximately \$54,176,000 in 2014 from the prior year estimate. This decrease overall includes better than expected experience of approximately \$52,183,000 for group medical and disability and approximately \$1,993,000 for cancer business. The decreases are due to conservative estimate in prior year reserves followed by subsequent better than expected claim experience.

The Company paid approximately \$614,000 and \$825,000 in 2015 and 2014, respectively, to settle claims related to extra contractual obligations or bad faith claims stemming from lawsuits.

(7) Borrowed Money

AFA has borrowed approximately \$521,500,000 on the line of credit with the Federal Home Loan Bank of Topeka (FHLB) at December 31, 2015 and 2014. The line of credit is secured by investment securities and cash pledged as collateral by AFA with a carrying amount of approximately \$539,739,000 and \$573,243,000 at December 31, 2015 and 2014, respectively, which exceeds the collateral required for this line of credit. The pledged securities are held in the Company's name in a custodial account at United Missouri Bank, N.A. to secure current and future borrowings. To participate in this available credit, AFA has acquired 238,673 shares of FHLB common stock with a total carrying value of approximately \$23,867,300 at December 31, 2015.

FHLB Capital Stock

	2015		
	General account	Separate accounts	Total
Membership stock – class A	\$ 500,000	—	500,000
Membership stock – class B	23,367,300	—	23,367,300
Total	\$ 23,867,300	—	23,867,300
Activity stock	\$ 23,467,500	—	23,467,500
Excess stock	399,800	—	399,800
Total	\$ 23,867,300	—	23,867,300
Actual or estimate borrowing capacity as determined by the insurer			\$ 534,926,151

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

		2014	
	General account	Separate accounts	Total
Membership stock – class A	\$ 500,000	—	500,000
Membership stock – class B	23,367,600	—	23,367,600
Total	\$ 23,867,600	—	23,867,600
Activity stock	\$ 23,467,600	—	23,467,600
Excess stock	400,000	—	400,000
Total	\$ 23,867,600	—	23,867,600
Actual or estimate borrowing capacity as determined by the insurer			\$ 574,206,149

FHLB Membership Stock (Class A and B) Eligible for Redemption

	Current year total	Not eligible for redemption	Less than 6 months	6 months to 1 year	1 to 3 years	3 to 5 years
Class A	\$ 500,000	500,000	—	—	—	—
Class B	23,367,300	23,367,300	—	—	—	—

FHLB Borrowings

FHLB has the option to convert the initial rate of interest to an adjustable rate of interest on many of these lines of credit on the dates listed in the following table. At any time after FHLB exercises its conversion option, the Company may prepay the advance in full or in part without a fee.

The Company has no unused lines of credit as of December 31, 2015.

AFA had no Structured Note borrowings as of December 31, 2015 and 2014.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

Information regarding the terms of the funds borrowed from FHLB are as follows:

Interest rate	Interest rate subject to conversion to adjustable rate	Date issued	Maturity date	Balance at December 31	
				2015	2014
0.310%	—	04/25/14	04/25/15	\$ —	5,000,000
4.270	April 2011	04/28/05	04/28/15	—	5,000,000
4.040	May 2011	05/20/05	05/20/15	—	5,000,000
0.320	—	05/21/14	05/21/15	—	25,000,000
0.320	—	06/05/14	06/05/15	—	25,000,000
4.360	July 2012	07/27/05	07/27/15	—	20,000,000
4.200	August 2011	08/29/05	08/31/15	—	20,000,000
0.360	—	09/12/14	09/12/15	—	10,000,000
3.950	January 2008*	01/13/06	01/13/16	10,000,000	10,000,000
4.090	January 2009*	01/13/06	01/13/16	5,000,000	5,000,000
4.430	January 2011*	01/13/06	01/13/16	10,000,000	10,000,000
4.690	October 2011*	10/31/06	10/31/16	25,000,000	25,000,000
4.630	November 2011*	11/21/06	11/21/16	10,000,000	10,000,000
4.640	March 2012	03/12/07	03/13/17	10,000,000	10,000,000
5.060	May 2013	05/22/07	05/22/17	10,000,000	10,000,000
3.900	December 2012	12/04/07	12/04/17	25,000,000	25,000,000
3.520	January 2013	01/28/08	01/29/18	10,000,000	10,000,000
3.460	February 2013	02/01/08	02/01/18	15,000,000	15,000,000
3.490	February 2013	02/04/08	02/05/18	6,500,000	6,500,000
4.020	March 2009	03/07/08	03/07/18	25,000,000	25,000,000
3.460	March 2013	03/12/08	03/12/18	10,000,000	10,000,000
4.100	April 2009	04/28/08	04/30/18	5,000,000	5,000,000
4.100	May 2009	05/19/08	05/19/17	25,000,000	25,000,000
4.140	May 2009	05/20/08	05/22/17	5,000,000	5,000,000
4.290	July 2009	07/28/08	07/30/18	25,000,000	25,000,000
3.270	—	02/08/10	02/10/20	10,000,000	10,000,000
3.630	—	03/25/10	03/25/22	10,000,000	10,000,000
3.710	—	03/25/10	03/25/20	10,000,000	10,000,000
3.440	—	03/25/10	03/25/20	10,000,000	10,000,000
3.500	—	03/25/10	03/25/21	10,000,000	10,000,000
3.770	—	04/13/10	04/13/22	15,000,000	15,000,000
3.230	—	05/07/10	05/06/16	10,000,000	10,000,000
4.190	—	05/07/10	05/07/20	10,000,000	10,000,000
2.870	—	04/20/11	04/20/17	15,000,000	15,000,000
2.570	—	03/27/12	03/26/21	12,500,000	12,500,000

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

Interest rate	Interest rate subject to conversion to adjustable rate	Date issued	Maturity date	Balance at December 31	
				2015	2014
2.080%	—	11/19/13	11/20/23	\$ 10,000,000	10,000,000
1.980	—	3/12/14	3/12/24	12,500,000	12,500,000
3.110	—	5/23/14	5/23/24	15,000,000	15,000,000
1.930	—	11/19/14	11/19/24	25,000,000	25,000,000
0.410	July 2015	4/24/15	4/22/16	5,000,000	—
2.300	—	4/28/15	4/28/23	5,000,000	—
2.590	—	5/20/15	5/29/23	5,000,000	—
2.740	—	5/21/15	5/21/24	25,000,000	—
0.600	September 2015	6/5/15	6/3/16	25,000,000	—
2.060	—	8/10/15	8/8/25	20,000,000	—
0.540	November 2015	8/31/15	8/31/16	20,000,000	—
0.730	December 2015	9/11/15	9/9/16	10,000,000	—
				521,500,000	521,500,000
Interest payable				1,415,427	1,473,345
				<u>\$ 522,915,427</u>	<u>522,973,345</u>

* These lines of credits have interest rates subject to conversion to an adjustable rate at the date specified above, as well as quarterly thereafter.

Interest paid in 2015 and 2014 was approximately \$17,212,000 and \$17,808,000, respectively, and is included in investment expense in net investment income in the accompanying statutory statements of operations.

Scheduled maturities (excluding interest) of the above indebtedness at December 31, 2015 are as follows:

2016	\$ 130,000,000
2017	90,000,000
2018	96,500,000
2019	—
2020	40,000,000
2021 and thereafter	165,000,000
	<u>\$ 521,500,000</u>

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

(8) Income Taxes

The Company's net deferred tax assets (liabilities) at December 31 and the change from the prior year are comprised of the following components:

	2015			2014			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross deferred tax assets	\$ 105,766,632	6,869,137	112,635,769	92,427,829	9,481,416	101,909,245	13,338,803	(2,612,279)	10,726,524
Statutory valuation allowance adjustments	—	—	—	—	—	—	—	—	—
Adjusted gross deferred tax assets	105,766,632	6,869,137	112,635,769	92,427,829	9,481,416	101,909,245	13,338,803	(2,612,279)	10,726,524
Deferred tax assets nonadmitted	39,771,137	4,375,177	44,146,314	29,984,327	6,525,573	36,509,900	9,786,810	(2,150,396)	7,636,414
Sub-total net admitted deferred tax assets	65,995,495	2,493,960	68,489,455	62,443,502	2,955,843	65,399,345	3,551,993	(461,883)	3,090,110
Deferred tax liabilities	27,553,114	2,493,960	30,047,074	27,738,660	2,955,843	30,694,503	(185,546)	(461,883)	(647,429)
Net admitted deferred tax assets (liabilities)	\$ 38,442,381	—	38,442,381	34,704,842	—	34,704,842	3,737,539	—	3,737,539

Management has reviewed whether a valuation allowance is needed on its total gross deferred tax assets reported above based on factors such as past history and trends, projected taxable income, and expiration of carryforwards. Management believes that in 2015 and 2014 it is more likely than not that the results of operations will generate sufficient taxable income to realize its gross deferred tax assets on ordinary items. Additionally, in 2015 and 2014, management believes that there are sufficient capital gains available in its capital assets portfolio and that holding its fixed debt securities in a loss position to maturity or recovery substantiates the Company's ability to realize its gross deferred tax assets on capital items.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

The Company's admission calculation components at December 31, 2015 and 2014 are as follows:

	2015			2014			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 38,442,381	—	38,442,381	34,704,842	—	34,704,842	3,737,539	—	3,737,539
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from (a) above) after application of the threshold limitation. (The lesser of (b)1 and (b)2 below):									
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	—	—	—	—	—	—	—	—	—
2. Adjusted gross deferred tax assets allowed per limitation threshold	—	—	55,508,270	—	—	51,850,268	—	—	3,658,002
Lesser of b(1) or b(2)	—	—	—	—	—	—	—	—	—
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from (a) and (b) above) offset by gross deferred tax liabilities	<u>27,553,114</u>	<u>2,493,960</u>	<u>30,047,074</u>	<u>27,738,660</u>	<u>2,955,843</u>	<u>30,694,503</u>	<u>(185,546)</u>	<u>(461,883)</u>	<u>(647,429)</u>
(d) Deferred tax assets admitted Total ((a) + (b) + (c))	<u>\$ 65,995,495</u>	<u>2,493,960</u>	<u>68,489,455</u>	<u>62,443,502</u>	<u>2,955,843</u>	<u>65,399,345</u>	<u>3,551,993</u>	<u>(461,883)</u>	<u>3,090,110</u>

	2015	2014
Ratio percentage used to determine recovery period and threshold limitation amount	740%	732%
Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in (b)2 above	\$ 396,638,640	368,216,598

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

As of December 31, the change in net deferred income taxes is comprised of the following:

	2015	2014	Change
Gross deferred tax assets	\$ 112,635,769	101,909,245	10,726,524
Gross deferred tax liabilities	30,047,074	30,694,503	(647,429)
Net deferred tax assets/liabilities	82,588,695	71,214,742	11,373,953
Statutory valuation allowance adjustment	—	—	—
Net deferred tax assets/liabilities after statutory valuation allowance	82,588,695	71,214,742	11,373,953
Tax effect of unrealized (gains) losses	(2,083,934)	(2,544,142)	460,208
Statutory valuation allowance adjustment allocated to unrealized	—	—	—
Change in net deferred income taxes	\$ 84,672,629	73,758,884	10,913,745

The impact of the Company's tax planning strategies as of December 31 is as follows:

	2015		2014		Change	
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
Adjusted gross DTAs	\$ 105,766,632	6,869,137	92,427,829	9,481,416	13,338,803	(2,612,279)
Percentage of adjusted gross DTAs attributable to the impact of tax planning strategies	—%	6.1%	—%	9.3%	—%	(3.2)%
Net admitted adjusted gross DTAs	\$ 65,995,495	2,493,960	62,443,502	2,955,843	3,551,993	(461,883)
Percentage of net admitted adjusted gross DTAs attributable to the impact of tax planning strategies	—%	3.6%	—%	4.5%	—%	(0.9)%

None of the Company's tax-planning strategies include the use of reinsurance.

There are no temporary differences for which deferred tax liabilities are not recognized.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

As of December 31, current income taxes incurred consist of the following major components:

	2015	2014	Change
Current federal income tax – operations	\$ 41,960,713	35,212,048	6,748,665
Foreign income tax	—	—	—
Subtotal	41,960,713	35,212,048	6,748,665
Current federal income tax on capital gains	1,408,332	1,422,611	(14,279)
Federal and foreign income taxes incurred	\$ 43,369,045	36,634,659	6,734,386

As of December 31, deferred income tax assets and liabilities consist of the following major components:

	2015	2014	Change
Deferred tax assets:			
Ordinary:			
Discounting of unpaid losses	\$ 6,291,456	6,384,300	(92,844)
Policyholder reserves	28,525,020	23,713,608	4,811,412
Deferred acquisition costs	49,810,115	46,628,951	3,181,164
Fixed assets	3,051,169	2,870,037	181,132
Compensation and benefits accrual	10,118,086	8,887,495	1,230,591
Receivables – nonadmitted	5,938,539	2,431,026	3,507,513
Other	2,032,247	1,512,412	519,835
Subtotal	105,766,632	92,427,829	13,338,803
Statutory valuation allowance adjustment	—	—	—
Nonadmitted	39,771,137	29,984,327	9,786,810
Admitted ordinary deferred tax assets	65,995,495	62,443,502	3,551,993
Capital:			
Investments	6,869,137	9,481,416	(2,612,279)
Net capital loss carry-forward	—	—	—
Subtotal	6,869,137	9,481,416	(2,612,279)
Statutory valuation allowance adjustment	—	—	—
Nonadmitted	4,375,177	6,525,573	(2,150,396)
Admitted capital deferred tax assets	2,493,960	2,955,843	(461,883)
Admitted deferred tax assets	68,489,455	65,399,345	3,090,110

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>	<u>Change</u>
Deferred tax liabilities:			
Ordinary:			
Deferred and uncollected premium	\$ 26,778,433	26,952,344	(173,911)
Other	774,681	786,316	(11,635)
Subtotal	<u>27,553,114</u>	<u>27,738,660</u>	<u>(185,546)</u>
Capital:			
Investments	2,493,960	2,955,843	(461,883)
Subtotal	<u>2,493,960</u>	<u>2,955,843</u>	<u>(461,883)</u>
Deferred tax liabilities	<u>30,047,074</u>	<u>30,694,503</u>	<u>(647,429)</u>
Net deferred tax assets	<u>\$ 38,442,381</u>	<u>34,704,842</u>	<u>3,737,539</u>

The Company's income tax incurred and change in deferred tax differ from the amount obtained by applying the federal statutory rate of 35% to income before income taxes and net realized capital gains (losses) as follows:

	<u>2015</u>	<u>Effective 2015 tax rate</u>	<u>2014</u>	<u>Effective 2014 tax rate</u>
Income before taxes and realized capital gains (losses)	\$ 114,788,551	—%	\$ 104,717,829	—%
Income tax expense at 35% statutory rate	\$ 40,175,992	35.0%	\$ 36,651,240	35.0%
Increase (decrease) in tax resulting from:				
Dividends received deduction	(1,386,395)	(1.2)	(660,092)	(0.6)
Nondeductible expenses for meals and other items	808,606	0.7	1,847,560	1.8
Management fees	(3,815,000)	(3.3)	(4,346,185)	(4.1)
School bond and low income housing tax credits	(1,829,320)	(1.6)	(1,775,320)	(1.8)
Tax-exempt income	(2,240)	—	(2,741)	—
Tax adjustment for IMR	(1,331,024)	(1.2)	(1,123,380)	(1.1)
Deferred tax benefit on nonadmitted assets	(3,507,513)	(3.1)	289,339	0.3
Timing differences on realized gains and losses	2,051,308	1.8	550,455	0.5
Prior year adjustment to current and deferred taxes	<u>(117,446)</u>	<u>(0.1)</u>	<u>(853,577)</u>	<u>(0.8)</u>
Total income tax expected	<u>\$ 31,046,968</u>	<u>27.0%</u>	<u>\$ 30,577,299</u>	<u>29.2%</u>

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

	<u>2015</u>	<u>Effective 2015 tax rate</u>	<u>2014</u>	<u>Effective 2014 tax rate</u>
Current income taxes incurred (excludes tax on net realized gains and losses)	\$ 41,960,713	36.5%	\$ 35,212,048	33.7%
Net change in deferred income taxes (excludes tax on unrealized gains and losses)	<u>(10,913,745)</u>	<u>(9.5)</u>	<u>(4,634,749)</u>	<u>(4.5)</u>
Total income tax reported	<u>\$ 31,046,968</u>	<u>27.0%</u>	<u>\$ 30,577,299</u>	<u>29.2%</u>

As of December 31, 2015, there are no operations loss deductions, capital loss, or tax credit carryforwards available for tax purposes.

The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
December 31, 2015	\$ 38,231,101	1,338,701	39,569,802
December 31, 2014	42,706,515	1,049,204	43,755,719
December 31, 2013	34,272,174	2,521,657	36,793,831

As of December 31, 2015, there were no deposits admitted under Section 6603 of the Internal Revenue Code.

The Company is included in a consolidated federal income tax return with the following entities:

American Fidelity Corporation	American Fidelity International Holdings, Inc.
American Public Life Insurance Company	Enrollcom, Inc.
American Fidelity Securities, Inc.	AF Apartments, Inc.
InvesTrust, N.A.	Market Place Realty Corporation
American Fidelity General Agency, Inc.	American Fidelity Property Services, LLC
AF Professional Employment Group, LLC	American Fidelity Community Services, Inc.
First Financial Securities of America, Inc.	Home Rentals Inc.
American Fidelity Property Company	Apple Creek Apartments, Inc.
American Fidelity Administrative Services, LLC	

The method of tax allocation between the companies is subject to a written agreement approved by the Board of Directors. Allocation is based on separate return calculations at the group's effective tax rate with current credit for net losses. Intercompany tax balances are settled annually.

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

AMERICAN FIDELITY ASSURANCE COMPANY

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The Company files income tax returns in the U.S. federal jurisdiction and various states. The Company is no longer subject to U.S. federal income tax examinations for years prior to 2012 and state and local income tax examinations for years prior to 2011. The Company is not currently under examination by any taxing authority.

(9) Reinsurance

Reinsurance contracts do not relieve the Company from its obligations to policyholders. Failure of reinsurers to honor their obligations could result in losses to the Company. The Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities, or economic characteristics of the reinsurers to minimize its exposure to significant losses from reinsurer insolvencies. Management believes that all reinsurers presently used are financially sound and will be able to meet their contractual obligations; therefore, no significant allowance for uncollectible amounts has been included in the December 31, 2015 or 2014 statutory financial statements. Estimated amounts that reduce the reserves for future policy benefits at December 31, 2015 and 2014 for reinsurance ceded are approximately \$1,114,739,000 and \$1,108,283,000, respectively. At December 31, 2015 and 2014, amounts that reduced the reserves for future policy benefits of approximately \$748,059,000 and \$747,963,000, respectively, were associated with one reinsurer (note 14).

At December 31, 2015 and 2014, the Company had unsecured aggregate recoverable from the following reinsurers for policy and contracts claims, paid and unpaid, that exceeds 3.0% of the Company's surplus, as follows:

Group	2015	2014
Hannover Life Reassurance Company	\$ 1,526,535	381,924
Hannover Reassurance (Ireland) LTD	8,870,136	7,874,298
Total group	10,396,671	8,256,222
Gerber Life Insurance Company	7,927,089	14,695,944
Total	\$ 18,323,760	22,952,166

Reinsurance agreements in effect for life insurance policies vary according to the age of the insured and the type of risk. Retention amounts for life insurance are \$500,000 on individual life coverage and group life, with slightly lower limits on accidental death benefits. At December 31, 2015 and 2014, the face amounts of life insurance in force that are reinsured amounted to approximately \$8,988,000,000 and \$9,611,000,000, respectively (approximately 36.1% and 39.9% of total life insurance in force, respectively).

Reinsurance agreements in effect for accident and health insurance policies vary with the type of coverage. There are no accident and health reinsurance treaties subject to retention limits.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

The effects of reinsurance agreements on earned premiums, prior to deductions for benefits, and commission allowances are as follows for the years ended December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Reinsurance ceded	\$ 221,196,842	234,797,928
Reinsurance assumed	43,545,541	45,056,342

Reinsurance agreements reduced benefits paid for life and accident and health policies by approximately \$187,656,000 and \$200,390,000 for the years ended December 31, 2015 and 2014, respectively.

(10) Employee Benefit Plans

The Company participates in a pension plan (the Plan), sponsored by AFC, and is not directly liable for obligations under the Plan. The Plan covers all employees who have satisfied longevity and age requirements. The Company's funding policy is to contribute annually the maximum amount that can be deducted for federal income tax purposes. Contributions are intended to provide not only for benefits attributed to service to date, but also for those expected to be earned in the future. The Company contributed approximately \$7,558,000 and \$10,193,000 to the Plan during the years ended December 31, 2015 and 2014, respectively. AFC also offers certain postretirement benefits other than the Plan.

The Company participates in a defined-contribution thrift and profit sharing plan as provided under Section 401(a) of the Code, which includes the tax deferral feature for employee contributions provided by Section 401(k) of the Code. The Company contributed approximately \$6,909,000 and \$3,293,000 to this plan during the years ended December 31, 2015 and 2014, respectively.

SSAP No. 102, *Accounting for Pensions, A replacement of SSAP No. 89*, is effective for years beginning January 1, 2013. The Company participates in a Consolidated/Holding Company plan for pension benefits and is not directly liable for obligations under the Plan. The accounting and reporting requirements of SSAP No. 102 have no impact on the Company's financial statements, as the applicable requirements under Paragraph 80 have not changed from past years.

(11) Leases

The Company leases various properties to nonaffiliates under operating lease agreements, which expire or are cancelable within one year. The properties leased are included in the statutory statements of admitted assets, liabilities, and capital and surplus as investment real estate. Rental income on these properties is included in the statutory statements of operations as net investment income.

Investment real estate held for lease is as follows at December 31:

	<u>2015</u>	<u>2014</u>
Land and buildings, net of encumbrances	\$ 15,611,849	15,450,022
Less accumulated depreciation	(4,898,719)	(3,540,781)
Net investment real estate	<u>\$ 10,713,130</u>	<u>11,909,241</u>

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

In addition to the real estate held for lease, the Company also has approximately \$0 and \$46,000 of real estate held for sale, net of accumulated depreciation of approximately \$0 at December 31, 2015 and 2014, respectively.

The Company entered into a lease agreement with 9000 Broadway LLC, a related party, on December 31, 2012, and modified effective January 1, 2014. The balance due will be paid in monthly amounts of approximately \$714,000 over the 20 year term of the lease.

(12) Related-Party Transactions

The Company paid cash dividends to AFC in the amount of approximately \$35,000,000 during 2015 and 2014. There were no other transactions with affiliates in amounts, which exceeded one-half of one percent of the total admitted assets of the Company.

At December 31, 2015 and 2014, the Company reported approximately \$4,493,000 and \$3,330,000, respectively, as amounts due from AFC.

The Company leases office space from a subsidiary of AFC. The rent payments associated with this lease were approximately \$14,671,000 and \$12,461,000 in 2015 and 2014, respectively.

During 2015 and 2014, the Company entered into three-year software lease agreements with AFC. Lease expense related to these agreements was approximately \$5,449,000 and \$4,920,000 for the years ended December 31, 2015 and 2014, respectively, and is included in general insurance expenses.

The Company leases automobiles, furniture, and equipment from a partnership that owns a controlling interest in AFC. These operating leases are cancelable upon one month's notice. During the years ended December 31, 2015 and 2014, rentals paid under these leases were approximately \$9,374,000 and \$8,265,000, respectively.

Under a service agreement approved by the Oklahoma Insurance Department, AFC provides certain services on a cost basis with no markup. During the years ended December 31, 2015 and 2014, the Company paid management fees to AFC totaling approximately \$6,316,000 and \$6,501,000, respectively.

Under a service agreement approved by the Oklahoma Insurance Department, AFA provides certain services to American Fidelity International (Bermuda) Ltd. (AFIBL) on a cost basis. During the years ended December 31, 2015 and 2014, AFIBL paid management fees to AFA of approximately \$2,103,000.

Under a service agreement approved by the Oklahoma Insurance Department, AFA provides certain services to American Public Life Insurance Company (APL) on a cost basis. During the years ended December 31, 2015 and 2014, APL paid management fees to AFA of approximately \$750,000.

During the years ended December 31, 2015 and 2014, the Company paid investment advisory fees to a partnership that owns a controlling interest in AFC totaling approximately \$9,988,000 and \$9,429,000, respectively.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

(13) Commitments and Contingencies

Rent expense for the years ended December 31, 2015 and 2014 was approximately \$28,001,000 and \$25,541,000, respectively. A portion of rent expense relates to leases that expire or are cancelable within one year. The approximate aggregate minimum annual rental commitments as of December 31, 2015 under noncancelable long-term leases for office space are as follows:

2016	\$ 11,330,000
2017	11,219,000
2018	9,202,000
2019	8,975,000
2020	8,568,000
2021 and thereafter	144,234,000

The Company has outstanding mortgage loan commitments of approximately \$37,836,000 and \$34,365,000 at December 31, 2015 and 2014, respectively.

The Company is subject to state guaranty association assessments in all states in which it is licensed to do business. These associations generally guarantee certain levels of benefits payable to resident policyholders of insolvent insurance companies. Many states allow premium tax credits for all or a portion of such assessments, thereby allowing potential recovery of these payments over a period of years. However, several states do not allow such credits. The Company estimates its liabilities for guaranty association assessments by using the latest information available from the National Organization of Life and Health Insurance Guaranty Associations. The Company monitors and revises its estimates for assessments as additional information becomes available, which could result in changes to the estimated liabilities. As of December 31, 2015 and 2014, liabilities for guaranty association assessments totaled approximately \$5,128,000. Other operating expenses related to state guaranty association assessments were minimal for the years ended December 31, 2015 and 2014.

In the normal course of business, there are various legal actions and proceedings pending against the Company and its subsidiaries. In management's opinion, the ultimate liability, if any, resulting from these legal actions will not have a material adverse effect on the Company's financial position.

(14) Acquired Business – Mid-Continent Life Insurance Company

Effective December 31, 2000, the Company entered into an assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma, in his capacity as receiver of Mid-Continent Life Insurance Company (MCL) of Oklahoma City, Oklahoma. Under this agreement, the Company assumed MCL's policies in force, with the exception of a small block of annuity policies that was assumed effective January 1, 2001. In a concurrent reinsurance agreement, the Company ceded 100% of the MCL policies assumed to Hannover Life Reassurance Company of America. In 2002, this agreement was then transferred to Hannover Life Reassurance Company of Ireland (HLR). The agreement with HLR is a funds withheld arrangement, with the Company ceding net policy assets and liabilities of approximately \$737,412,000 and \$736,705,000 to HLR and maintaining a funds withheld liability at December 31, 2015 and 2014, respectively.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

Under the terms of the agreement with the receiver, the Company has guaranteed that the amount of premiums charged under the assumed “Extra-Life” contracts will not increase during the 17-year period beginning December 31, 2000. The Company has also guaranteed that the current dividend scale on the assumed “Extra-Life” contracts shall not be reduced or eliminated during the five-year period beginning December 31, 2000. Beginning January 1, 2006, the dividends on the assumed “Extra-Life” contracts are no longer guaranteed pursuant to the assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma.

As required by the terms of the assumption reinsurance agreement with the Commissioner of Insurance of the State of Oklahoma, the Company and HLR agreed that a Supplemental Policyholder Reserve (SPR) would be established. The initial SPR is equal to the net of the assets and liabilities received from MCL under the assumption agreement, less amounts ceded to other reinsurance carriers. The SPR is 100% ceded to HLR.

The purpose of the SPR is to provide additional protection to the MCL policyholders against premium increases and to ensure that profits are recognized over the lives of the underlying policies, rather than being recognized up front. The method for calculation of the initial SPR was specified precisely in the agreement with the receiver. The method for calculating the SPR for periods beyond the purchase date was developed by the Company, as this reserve is not otherwise required statutorily or under existing actuarial valuation guidance. The SPR is divided into two parts: (a) an additional reserve for future benefits, which is an estimate of the amount needed, in addition to the policy reserves and liability for future dividends, to fund benefits assuming there are no future premium rate increases, and (b) an additional reserve for future estimated profit, which represents the profit the Company expects to earn on this business over the lives of the underlying policies. The SPR is reprojected each year to recognize current and future profits as a level percentage of future projected required capital amounts each year, resulting in a level return on investment. Any remaining SPR will not automatically be released after the premium guarantee period of 17 years because the SPR is to be held until there is an actuarial certainty that premium rate increases will not be needed. The calculation of the SPR is subject to significant volatility, as it is highly dependent upon assumptions regarding mortality, lapse experience, and investment return. Small shifts in any of these underlying assumptions could have a dramatic impact on the value of the SPR. The SPR was approximately \$378,749,000 and \$378,454,000 for 2015 and 2014, respectively.

Under the terms of the agreement with HLR, HLR has agreed to share future profits on a 50/50 basis with the Company through an experience refund account. The experience refund account is calculated as premium income plus investment income less reserve increases (including the SPR), benefits paid, and administrative expense allowances paid to the Company and is settled on a quarterly basis. Losses are not shared on a 50/50 basis, except to the extent that a net loss in the experience account at the end of a quarter carries forward to future quarters. There was no experience refund earned by the Company in 2015 and 2014. Due to the nature of a funds withheld reinsurance arrangement, the components of the experience refund calculation are reported as separate components in the accompanying summary of operations. Premium income, reserve increases, and benefits paid related to this block are reported as reductions of premium income, changes in reserves, and benefits for reinsurance ceded, as required by the terms of the agreement. Investment income on the funds withheld is included in AFA’s investment income, and administrative expense allowances paid to AFA are reported as a reduction of AFA’s expense. The impact of ceding investment income on funds withheld is reported as a reduction of net investment income in the accompanying summary of operations.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

(15) Life Contracts – Premiums

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2015 were as follows:

	<u>Gross</u>	<u>Net of loading</u>
Ordinary new business	\$ 14,111,011	1,837,286
Ordinary renewal	36,244,168	30,430,103
Group life	68,295	68,111
Total	<u>\$ 50,423,474</u>	<u>32,335,500</u>

Deferred and uncollected life insurance premiums and annuity considerations as of December 31, 2014 were as follows:

	<u>Gross</u>	<u>Net of loading</u>
Ordinary new business	\$ 12,852,534	1,674,303
Ordinary renewal	33,587,381	28,274,733
Group life	21,774	21,774
Total	<u>\$ 46,461,689</u>	<u>29,970,810</u>

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

(16) Managing General Agents and Third-Party Administrators

Managing general agents (MGAs) and direct written contracts at December 31 were as follows:

Name and address of managing general agent or third-party administrator	Federal employer identification number	Exclusive contract	Type of business written	Type of authority granted *	2015 Direct written premium	2014 Direct written premium
TRU Services, LLC 200 Cummings Center, Ste. 272 D Beverly, MA 01915	04-3392571	No	Excess loss medical and group life	U, C, CA, R, P	\$ 37,684,320	40,074,609
Elite Brokerage Services, Inc. Suite 200 191 Sheree Blvd. Exton, PA 19341	23-2328659	No	Excess loss medical	U, C, CA, R, P	18,915,226	37,685,243
Excess Reinsurance UW Agency, Inc. Suite 101 307 South Evergreen Ave Woodbury, NJ 08096	22-2945293	No	Excess loss medical	U, C, CA, R, P	11,508,916	16,902,042
	Aggregate other				<u>24,800,260</u>	<u>20,510,891</u>
Total MGA and third-party administrator premium					<u>\$ 92,908,722</u>	<u>115,172,785</u>

* Abbreviations

U: Underwriting

C: Claims payment

CA: Claims adjustment

R: Reinsurance ceding

P: Premium collection

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

(17) Affiliated Entities

The following is a summary of the significant ownership and affiliated entity relationships that existed at December 31, 2015:

Immediate parent	• American Fidelity Corporation
Other insurance affiliates	• American Public Life Insurance Company
	• American Fidelity International (Bermuda) Ltd.
Other affiliates	• American Fidelity International Holdings, Inc.
	• American Fidelity Property Company
	• 6303 Portland, LLC
	• Broadway Tech, LLC
	• Apple Creek Apartments, Inc.
	• American Fidelity General Agency, Inc.
	• American Fidelity Securities, Inc.
	• First Fidelity Bank, N.A. and its affiliates
	• INSURICA, Inc. and its affiliates
	• Cameron Enterprises, A Limited Partnership and its affiliates
	• InvesTrust Consulting, LLC
	• InvesTrust Retirement Specialists, LLC
	• InvesTrust N.A.
	• Enrollcom, Inc.
	• American Fidelity Property Services, LLC
	• Alcott HR Group, LLC
	• First Financial Securities of America, Inc.
	• AF Professional Employment Group, LLC
	• Hawaii Development, LLC
	• Home Rentals, Inc.
	• 9000 Broadway, LLC
	• Market Place Realty Corporation
	• Health Services Administration, LLC
	• American Fidelity Community Services, Inc.
	• AF Apartments, Inc.
	• Oklahoma Winery Partners, LLC
	• Vintage Oakville Cross, LLC
	• American Fidelity Administrative Services, LLC
	• First Financial Capital Corporation, Inc. and its affiliates

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

(18) Reconciliations

Reconciliations of capital and surplus and net income on a GAAP basis to the amounts included in the accompanying statutory financial statements for the years ended December 31, 2015 and 2014 are as follows (in thousands):

	Net income, year ended December 31		Capital and surplus, at December 31	
	2015	2014	2015	2014
Amounts as reported on statutory basis	\$ 75,367	69,252	408,498	380,373
Adjustments:				
Deferred policy acquisition costs	39,733	38,241	549,370	496,907
Policy benefit reserves	(448)	23,753	(12,724)	(12,730)
Deferred federal income taxes	(5,471)	(13,914)	(153,763)	(180,353)
Due and deferred premiums	(2,126)	(777)	(19,229)	(16,519)
Nonadmitted assets	—	—	16,224	6,470
Asset valuation reserve	—	—	26,584	22,548
Invested assets	(72,431)	65,102	75,785	263,911
Funds withheld derivative	73,955	(64,566)	(42,246)	(116,201)
Other, net	(1,306)	(2,496)	19,559	17,862
Amounts on a GAAP basis for consolidated presentation	\$ 107,273	114,595	868,058	862,268

(19) Guaranty Assessments

As of December 31, 2015, American Fidelity Assurance Company did not receive notice of any assessments that would have a material financial impact.

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

The amount of recognized liabilities under SSAP No. 35R is \$1,050,000 and the related asset for premium tax credits is \$194,000. The Company expects that the assessments would be billed and paid over the next year and the majority of the premium tax offsets would be realized over the next five years after that.

Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	\$	975,922
Decreases current year:		
Premium tax offset applied	\$	299,250
Payments on insolvencies which were set up as payables prior to the current year		146,530
Reduction in the estimated liability based on new projections at the end of the current year		123,498
Adjusted the liability to remove payments on insolvencies which are no longer part of the projected liability		(50,131)
Increases current year:		
Assessment payments less refunds on insolvencies billed during the current year	\$	239,201
Increase in estimated liability based on the new projections at the end of the current year		484,097
Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	\$	1,079,811

(20) Reconciliation to Annual Statement

The reconciling items between the annual statement filing and the audited financial statements for the year ended December 31, 2015 are as follows:

Statutory Statements of Cash Flow

	<u>Annual statement</u>	<u>Reclass</u>	<u>Audited financials</u>
Premiums and annuity considerations, net reinsurance	\$ 960,201,329	(2,486,411)	957,714,918
Investment income received	184,878,650	(13,073,464)	171,805,186
Life and accident and health claims paid	(325,587,128)	3,679,128	(321,908,000)
Commissions and other expenses paid	(360,789,479)	13,238,685	(347,550,794)
Net cash from operations	330,286,321	1,357,938	331,644,259
Other proceeds from investments sold, matured, or repaid	\$ 1,469,893	(1,357,938)	111,955
Total investment proceeds	441,233,767	(1,357,938)	439,875,829
Net cash from investing	(255,452,886)	(1,357,938)	(256,810,824)

AMERICAN FIDELITY ASSURANCE COMPANY

Notes to Statutory Financial Statements

December 31, 2015 and 2014

The reconciling items between the annual statement filing and the audited financial statements for the year ended December 31, 2014 are as follows:

Statutory Statements of Cash Flow

	<u>Annual statement</u>	<u>Reclass</u>	<u>Audited financials</u>
Life and accident and health claims paid	\$ (317,461,676)	(18,348,691)	(335,810,367)
Net cash from operations	229,554,858	(18,348,691)	211,206,167
Net (increase) in policy loans and loans on fund deposits	\$ (26,300,964)	18,348,691	(7,952,273)
Net cash from investing	(160,391,788)	18,348,691	(142,043,097)

(21) Subsequent Events

The Company evaluated events subsequent to December 31, 2015 and through February 19, 2016, the date on which the statutory financial statements were issued. The Company also evaluated events subsequent to December 31, 2015 and through May 16, 2016 the date on which the audited financial statements were issued.

Schedule 1

AMERICAN FIDELITY ASSURANCE COMPANY

Selected Financial Data

December 31, 2015

Investment income earned:	
Government bonds	\$ 2,284,696
Other bonds (unaffiliated)	169,905,746
Preferred stocks (unaffiliated)	61,667
Common stocks (unaffiliated)	10,660
Mortgage loans	23,408,487
Real estate	4,414,194
Premium notes, policy loans, and liens	3,176,054
Cash on hand and on deposit	9,798
Other invested assets	350,221
Aggregate write-ins for investment income	2,118,712
Gross investment income	<u>\$ 205,740,235</u>
Real estate owned – book value	\$ 10,713,130
Mortgage loans – book value:	
Commercial mortgages	<u>\$ 393,280,807</u>
Total mortgage loans	<u>\$ 393,280,807</u>
Mortgage loans by standing – book value:	
Good standing	\$ 393,280,807
Other long-term invested assets – statement value	21,866,789
Bonds and stocks of parents, subsidiaries, and affiliates – book value:	
Common stocks	790,709
Bonds and short-term investments by class and maturity:	
Bonds and short-term investments by maturity – statement value:	
Due within 1 year	\$ 122,118,996
Over 1 year through 5 years	600,436,928
Over 5 years through 10 years	1,355,786,581
Over 10 years through 20 years	1,053,377,860
Over 20 years	588,916,782
Total by maturity	<u>\$ 3,720,637,147</u>
Bonds and short-term investments by class – statement value:	
Class 1	\$ 2,105,526,165
Class 2	1,518,729,280
Class 3	77,964,707
Class 4	10,570,953
Class 5	3,719,580
Class 6	4,126,462
Total by class	<u>3,720,637,147</u>
Total bonds and short-term investments publicly traded	<u>3,096,870,962</u>
Total bonds and short-term investments privately placed	<u>\$ 623,766,185</u>

Schedule 1

AMERICAN FIDELITY ASSURANCE COMPANY

Selected Financial Data

December 31, 2015

Common stocks – fair value (investments in affiliates at equity value)	\$ 25,021,596
Cash on hand and on deposit	175,188,228
Life insurance in force (net):	
Ordinary	15,114,999,000
Group life	821,958,000
Amount of accidental death insurance in force under ordinary policies (net)	1,965,321,000
Life insurance policies with disability provisions in force (net):	
Ordinary	1,799,954,000
Group life	46,504,000
Supplementary contracts in force (net):	
Ordinary – not involving life contingencies:	
Amount on deposit	138,530
Income payable	—
Ordinary – involving life contingencies (net):	
Income payable	52,983
Annuities:	
Ordinary:	
Immediate – amount of income payable	\$ 8,567,387
Deferred – fully paid account balance	711,634,905
Group:	
Immediate – amount of income payable	474,010
Accident and health insurance – premiums in force:	
Ordinary	301,222,888
Group	512,083,621
Deposit funds and dividend accumulations:	
Deposit funds – account balance	4,917
Dividend and coupon accumulations – account balance	199,440
Claims payments:	
Other accident and health:	
2015	76,913,498
2014	27,684,759
2013	2,488,315
2012	1,016,707
2011	571,369
Prior	321,014
Group accident and health:	
2015	96,117,902
2014	61,972,205
2013	11,279,905
2012	5,114,748
2011	3,021,680
Prior	6,832,273

See accompanying independent auditors' report.

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2015

1. Total admitted assets, excluding separate accounts: \$4,622,796,507
2. The Company's 10 largest exposures to a single issuer/borrower/investment, excluding U.S. government, U.S. government agency securities, and those U.S. government money market funds listed in the Appendix to the NAIC SVO Purposes and Procedures Manual as exempt, property occupied by the Company, and policy loans at December 31, 2015 are as follows:

Investment category	Amount	Percentage of total admitted assets
Oracle Corporation	\$ 22,836,325	0.494%
Williams Companies, Inc.	21,962,115	0.475
Equifax, Inc.	15,346,851	0.332
Time Warner, Inc.	15,200,457	0.329
Comcast Corp.	15,184,750	0.328
Scripps Networks Inter-CLA	15,115,354	0.327
Electricite De France	15,100,201	0.327
Becton Dickinson & Co.	15,024,706	0.325
Commonwealth Bank Australia	15,000,000	0.324
WPP Finance 2010	14,811,235	0.320

3. The Company's investments in bonds, short-term investments, and preferred stocks by NAIC rating at December 31, 2015 are as follows:

Bonds, short-term investments, and preferred stocks	Amount	Percentage of total admitted assets
NAIC-1	\$ 2,105,526,165	45.547%
NAIC-2	1,518,729,280	32.853
NAIC-3	77,964,707	1.687
NAIC-4	10,570,953	0.229
NAIC-5	3,719,580	0.080
NAIC-6	4,126,462	0.089

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2015

4. Assets held in foreign investments:

	<u>Amount</u>	<u>Percentage of total admitted assets</u>
Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets?		Yes () No (X)
Total admitted assets held in foreign investment	\$ 473,333,824	10.239%
Foreign-currency-denominated investments	—	—
Insurance liabilities denominated in that same foreign currency	—	—

5. Aggregate foreign investment exposure categorized by NAIC sovereign rating:

	<u>Amount</u>	<u>Percentage of total admitted assets</u>
Countries rated NAIC-1	\$ 442,654,323	9.575%
Countries rated NAIC-2 or below	30,679,501	0.664

6. Largest foreign investment exposures by country, categorized by the country's NAIC sovereign rating:

	<u>Amount</u>	<u>Percentage of total admitted assets</u>
Countries rated NAIC – 1:		
Country 1: Great Britain	\$ 113,995,402	2.466%
Country 2: Australia	74,623,217	1.614
Countries rated NAIC – 2 or below:		
Country 1: Mexico	\$ 27,679,501	0.599%
Country 2: Italy	3,000,000	0.065

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2015

7. Ten largest nonsovereign (i.e., nongovernmental) foreign issues:

Issuer	Amount	Percentage of total admitted assets
Electricite De France	\$ 15,100,201	0.327%
Commonwealth Bank of Australia	15,000,000	0.324
WPP France 2010	14,811,235	0.320
Petrobras Global Finance	14,480,576	0.313
France Telecom	10,905,291	0.236
Grupo Bimbo	10,894,786	0.236
Lotte Shopping Co	9,993,436	0.216
Anglo American Capital	9,965,519	0.216
Shelle International	9,952,274	0.215
Formento Economico Mexico	9,857,105	0.213

- 7a. The aggregate mortgage interest represents the combined value of all mortgages secured by the same property or same group of properties. Each of the Company's 10 largest aggregate mortgage interests at December 31, 2015 are as follows:

Type (commercial)	Amount	Percentage of total admitted assets
Kilkee, LLC	\$ 14,150,594	0.306%
Daboo, LLC	12,048,089	0.261
Susan A. Cox	10,590,683	0.229
Crown Equipment	7,625,158	0.165
Colonial Hickary/Rockingham/Clemmons	7,522,097	0.163
Locke Supply Co	7,060,309	0.153
Majestic Regence Woods, LLC	6,589,622	0.143
Lake Park Storage, LLC	6,383,274	0.138
Quick Trip Service Stations	6,330,362	0.137
CVS and O-Reilly Stores	6,199,882	0.134

AMERICAN FIDELITY ASSURANCE COMPANY

Schedule of Investment Risk Interrogatories

December 31, 2015

- 7b. The Company's mortgage loans have the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

	Loan-to-value		Commercial	Percentage of total admitted assets
i.	above 95%	\$	—	—
ii.	91% to 95%		—	—
iii.	81% to 90%		—	—
iv.	71% to 80%		26,033,445	0.563%
v.	below 70%		367,247,362	7.944%

Items 8 through 9, 11 through 15, 17a, and 18 through 23 are not applicable to the Company.

See accompanying independent auditors' report.

AMERICAN FIDELITY ASSURANCE COMPANY

Summary Schedule of Investments

December 31, 2015

Investment categories	Gross investment holdings		Admitted assets as reported in the annual statement	
	Amount	Percentage	Amount	Percentage
Bonds:				
U.S. Treasury securities	\$ 1,076,489	0.024%	1,076,489	0.024%
U.S. government agency obligations (excluding mortgage-backed securities):				
Issued by U.S. government agencies	7,105,463	0.161	7,105,463	0.161
Issued by U.S. government sponsored agencies	408,936,095	9.286	408,936,095	9.286
Non-U.S. government (including Canada, excluding mortgage-backed securities)	33,352,181	0.757	33,352,181	0.757
Securities issued by states, territories, and possessions and political subdivisions in the United States:				
States, territories, and possessions general obligations	276,375,942	6.276	276,375,942	6.276
Revenue and assessment obligations	131,171,976	2.979	131,171,976	2.979
Mortgage-backed securities (includes residential and commercial MBS):				
Pass-through securities:				
Issued or guaranteed by GNMA	2,609,477	0.059	2,609,477	0.059
Issued or guaranteed by FNMA and FHLMC	1,718,921	0.039	1,718,921	0.039
All other	14,147,156	0.321	14,147,156	0.321
CMOs and REMICs:				
Issued or guaranteed by GNMA, FNMA, FHLMC, and VA	585,041,381	13.285	585,041,381	13.285
All other	154,213,205	3.502	154,213,205	3.502
Other debt and other fixed income securities (excluding short-term):				
Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	1,562,313,919	35.476	1,562,313,919	35.476
Unaffiliated foreign securities	542,574,942	12.321	542,574,942	12.321
Equity interests:				
Preferred stocks:				
Unaffiliated	4,211,220	0.096	4,211,220	0.096
Publicly traded equity securities (excluding preferred stocks):				
Unaffiliated	273,417	0.006	273,417	0.006
Other equity securities:				
Affiliated	790,709	0.018	790,709	0.018
Unaffiliated	23,957,470	0.544	23,957,470	0.544

AMERICAN FIDELITY ASSURANCE COMPANY

Summary Schedule of Investments

December 31, 2015

Investment categories	Gross investment holdings		Admitted assets as reported in the annual statement	
	Amount	Percentage	Amount	Percentage
Mortgage loans:				
Commercial loans	\$ 393,280,807	8.931%	393,280,807	8.931%
Real estate investments:				
Property held for production of income (including \$0 of property acquired in satisfaction of debt)	10,713,130	0.243	10,713,130	0.243
Property held for sale (including \$0 property acquired in satisfaction of debt)				
Contract loans	52,673,645	1.196	52,673,645	1.196
Receivables for securities	844	—	844	—
Cash, cash equivalents, and short-term investments	175,188,228	3.978	175,188,228	3.978
Other invested assets	22,086,745	0.502	21,865,945	0.497
Total invested assets	\$ 4,403,813,362	100%	\$ 4,403,592,562	100%

See accompanying independent auditors' report.

Response Form A - Scope of Service Questionnaire		Firm Response and Comments
1) Provide background information about your company.		
a. History		American Fidelity Assurance Company was established in 1960 and has been providing voluntary benefits and employer administrative services for the education community for 60 years. We offer benefits strategies that empower districts like yours to make benefits decisions to help your organization and your employees. Our goal is to act as an extension of your human resources department by providing employee education, enrollment, year-round administration, and compliance support.
b. What percent of your business is in the education sector?		American Fidelity has a division solely dedicated to education community, meaning you will be served by an account team that is truly embedded within your industry's trends and benefit needs. Overall, the education sector makes up about 80% of our business.
c. Organizational mission, brand, and market differentiators		American Fidelity's mission is to provide financial security and benefit solutions to meet the specific needs of employers and employees in our select market segments. We accomplish our mission by providing your employees with a personal approach focused on providing each of your employees with the proper education to help them understand the full scope of the benefits being offered and how they can be used to supplement their core benefits.
2)	Identify the number of IL public schools your company currently provides Section 125 administration services and employee benefit education and enrollment support.	We currently serve 240 public school districts in Illinois.
3)	Please summarize in 250 words or less why your company is the best candidate and the principal reasons your company should be selected over your competitors	American Fidelity is committed to providing your District with more than just a benefits package. We want to help you implement valuable, consistent benefit education to ensure your employees understand their benefit options and how each option fits into their overall benefits package. We do this by utilizing salaried account managers who provide a one-on-one guided enrollment experience for each eligible employee to answer questions and provide comprehensive benefits education. Additionally, we provide educational videos, a benefits website, emails, and customized print materials to ensure each employee can learn about their benefit options through the channels they prefer. We believe that with a true benefits education strategy, your employees will be more prepared to make benefits decisions, leading to higher overall participation in your benefits plan.
4)	Does your firm offer an Online Enrollment System? If so, please describe this system and how it is used in the enrollment process. Include the following information.	AFenroll® is American Fidelity's complete web-based enrollment, communication, and administration platform that can assist with your entire benefit enrollment process. With ease of administration and one central location for you and your carriers, AFenroll® is your enrollment solution. We'll provide you with a customized online benefits enrollment system with year-round features and maintenance. This includes: • Full benefits and system enrollment monitoring • Setup for mutually agreed upon plan functionality • Data and census analysis, pre-load, and setup • Testing and carrier review • Multiple product categories, plan options, and coverage levels • Administrative tools (reports, enrollment monitoring, etc.) • Post-enrollment data transfer to employer
	i. When was the system implemented?	We began using our current enrollment system in 2011.
	ii. Who has access to the information?	Access is granted to administrators and HR team members via a secure login to our system.
	iii. How is the information accessed?	Information is accessed through administrative login into our secure web based system.
	iv. Describe information and functions available via the system.	Employer Features: • Electronic payroll deduction upload • New Hire enrollments • View employee enrollment status • Employee benefit participation reports • Administrative changes, including terminations, leaves of absence, retirements and more • View employee coverage at any time • Electronic, historic record of employee data • View employee beneficiary information at any time • Customize your enrollment with company colors, logo, and photos Employee Features: • Accessible from any desktop browser • Customized enrollment based on demographic information and hire date • Enroll in all available benefits • View benefit confirmation statements • View benefit materials, brochures, and summary plan descriptions • Educational benefit videos • Enrollment preparation videos • Benefit calculators and Section 125 worksheets
5)	Define the number of plan customers using your Online Enrollment System, including (Illinois) school districts?	Approximately 7,200 clients currently use AFenroll, including 240 school districts throughout Illinois. We provide full benefit enrollments, including EDI data feeds to carriers, for 187 clients and eight clients in Illinois.
6)	Provide a sample project timeline that outlines the implementation process.	A sample implementation timeline is included in Section 2 of this response.

7)	What security standards do you implement to ensure participant privacy?	As an insurance company, American Fidelity is held to a high standard by Federal Government Regulations and other entities to protect the personal information of our clients. We have measures in place to continually meet these standards. These include: All American Fidelity colleagues are required to take a HIPAA class and have adopted work practices that emphasize confidentiality and security. American Fidelity provides a licensed attorney and certified PHR (Professional Human Resources) manager who ensure HIPAA compliance. Additionally, customer information is shredded and kept in locked binds. Our file server is backed up and stored offsite in a secured and monitored facility. Please see the Supporting Documents section of this response for our HIPAA Notice of Privacy Practices.
8)	Can the Online Enrollment System be programmed with complex eligibility rules? Is software programming done in-house or by third party?	Yes – AFenroll® can be programmed with complex eligibility rules. All programing is done in-house by a tech assigned specifically to your district. Our team will work with you during implementation to determine your needs and build your enrollment to meet those needs.
9)	Do employees have 24/7 access to login and view benefit choices items?	Yes – Employees have 24/7 access to manage their benefits through our secure online portal.
10)	Is the system capable of exporting enrollment data to plan providers in acceptable electronic formats?	Yes – American Fidelity has more than 18 years of experience providing EDI files to carriers. We have been successful because we take the time and make the effort to continually verify all carrier details and revise data specs to ensure their accuracy. This is done through conference calls with the carriers and through our secure test file process. We work back and forth with the carrier to make sure they are receiving what they expect and can load the file accurately. Once the test phase is complete and the enrollment is conducted, we can quickly provide the carrier files with the confidence that they are produced accurately.
11)	Is the system capable of generating employee deduction files for upload to the district's payroll program?	Yes – We can provide a file of plan year enrollments directly into the District's payroll system.
12)	Is the system used to educate employees on the benefits offered? If so, please describe.	Yes – AFenroll® can be customized to incorporate benefit materials, brochures, educational videos, and summary plan descriptions to assist employees during the enrollment experience. Employees may also utilize the custom benefits website for quick web access to educational material for each of the benefit options.
13)	Are there any fees to the district associated with the Online Benefit System?	We are offering our online enrollment platform and payroll integration at no additional charge to Community Unit School District # 300 in exchange for: •Access to offer our portfolio of voluntary benefits to District employees through payroll deduction; and •Access to school sites for group and individual enrollment meetings.
14)	Please provide the details on the Account Management staff, including key personnel whom would have primary responsibility of supporting the District. As well as who will be enrolling the employees.	Your District will be served year-round by a team of our salaried account managers that live and work in Illinois. This team includes Mary Hatfield, Audra Bussard, Whitney Dyson, and Tammy Hinkle. We will provide additional account managers as needed during the open enrollment process.
15)	Please describe the training provided to your field staff.	Our account managers are required to attend training year-round to help ensure they are up-to-date on benefits management trends. New account managers are required to attend over 100 hours of training, complete 11 online courses, and must pass multiple exams within the first six months. Annually, all our account managers are trained on: •Industry benefit trends •Compliance requirements •Section 125 Plan regulations •Reimbursement account regulations •Patient Protection and Affordable Care Act (ACA) •Data security •Fraud detection •HIPAA regulations
16)	Describe your Section 125 Administration.	American Fidelity is one of the leading Section 125 Plan providers nationwide with nearly 40 years of experience providing these Plans to school districts like yours. When you choose American Fidelity as your Plan provider, we will help you properly implement and maintain your Section 125 Plan. This includes helping you establish your Plan Document. Our business model is convenient, IRS compliant, and will help to relieve your organization of the administrative burden. We provide our Section 125 services at no additional cost.
	a. Who is responsible for the employer risk? If the account is negative at the end of the plan year when the account is reconciled (i.e., employee leaves plan with negative unreimbursed medical balance), who is responsible?	Because of the potential loss to the employer, American Fidelity provides insurance to cover the Health FSA risk. The risk policy "insures" the employer's uniform coverage risk for the Health FSA, up to \$2,750 per participant for shortages in the account due to termination of employment. American Fidelity will provide this risk protection to the District at no additional cost.
	b. Through which methods can employees submit claims for reimbursement?	We offer several convenient ways for employees to submit claims for reimbursement: Benefits Debit Card - Allows employees to pay for eligible medical expenses directly from their accounts. Our system is tied to an inventory information approval system (IIAS) allowing us to verify that a transaction is valid at the point-of-sale for most retail locations without further documentation. Mobile App – Employees can file a claim by snapping a photo of the expense receipt and submit using a smartphone. Online – Employees can file a claim and upload their expense receipts through our Online Service Center. Mail & Fax – Employees can file a claim manually by mail or fax. Printable claim forms are available on our website.

17)	Describe your online service center for employees and the District	Our Employee Online Service Center allows your employees to easily manage their American Fidelity benefits in one place. Employees can: • File a new claim through an online submission form • Check the status of an existing claims • Check reimbursement account balance and track account activity • Update account information • Download and print insurance policies • Set up account notifications and view statements Our Employer Online Service Center is a secure portal that allows you to manage your entire benefits program and reconcile your bill in one place. Employers can: • Review or terminate employees from their plan • Update organization's contact information • Download sick pay reports • Create and manage employer account logins • Access employee election forms • Upload census data • Download reports
18)	Describe your firm's service model including claims' services.	At American Fidelity, we work hard to exceed your expectations by providing excellent customer service and claims processing for your employees and efficient plan administration tools and support for your human resources department. We are available throughout the year to assist you and your employees with any questions or need, both from our headquarters in Oklahoma City, OK and through our local account managers. We make claim submission fast and easy for your employees with options to submit online through our Online Service Center or through our mobile app. We pay claims in an average of five business days from the time a claim is received
19)	Describe the process for completing annual employee election form requirements.	During enrollment, all elections are captured electronically and documented on the employee's Section 125 election form, which are printed and provided to the employee. At the end of the enrollment, American Fidelity provides the employer with access to these forms, as well as the opportunity for American Fidelity to automatically upload employee elections to your payroll system. This eliminates the need for your administrative staff to key in all changes manually.
20)	Describe your process for onboarding new employees.	As previously discussed, we can meet in person or virtually with all new hires on set dates twice a month or when district requests. During this time, we can fully complete the onboarding process and collect all necessary forms and items on behalf of your HR department. All benefit elections can be processed through AFenroll®, making enrollment notifications to carriers and billing updates seamless.
21)	What measurements does your company have in place to ensure all employees are educated equally on the Section 125 options available to them?	We focus on providing a one-on-one, in-person enrollment experience for each employee. This approach allows our account managers to help educate and enroll your employees in all their benefit options. We also provide a variety of pre-enrollment marketing materials, including emails, posters, flyers, postcards, and brochures to ensure your employees understand their benefit options and know when it's time to enroll.
22)	How are employee elections provided back to the District?	Your District will be provided with complete enrollment documentation following the enrollment. This information can be provided by paper and/or we can provide an electronic "upload" of election changes directly into your payroll system, eliminating the need for manual data entry.
23)	Describe post-enrollment services.	We will coordinate a meeting with your District to review enrollment successes, participation by benefit and service, and improvement opportunities for the following plan year. In addition, we will meet with the payroll administrator to provide one-on-one training for our online billing and administration system and assist with the first billing. Complete tasks include: •Review Payroll Deduction Report •Upload payroll deductions •Walk through the first bill and ongoing support •Training for American Fidelity's Online Service Center •Review year-round support mode
24)	How would your company work with the district to develop a communication campaign?	Your benefits enrollment period is a unique opportunity to engage your employees about your benefit offerings and ensure they are choosing the benefits that meet their needs. If executed properly, your employees will better appreciate and understand the benefits you offer, leading to higher satisfaction and retention. American Fidelity will work with you during the planning meetings to develop and execute a communication strategy that removes much of the administrative burden on your organization while also ensuring your employees are educated on their benefit options.

25)	Describe the process to educate employees on the employee benefits available at open enrollment. Include a description of your print and digital resources, including benefits website	We will work with your District to develop a communication and education strategy that may include the following options: One-on-One Benefit Reviews - Employees can meet individually with one of our experienced account managers to receive customized guided enrollment education; get their questions answered; and help ensure they select the benefit that best meet their needs. Group Meetings - We educate your employees on their benefit options in a group setting to prepare them for their annual enrollment. Pre-Enrollment Materials - We can provide emails, posters, flyers, postcards, and brochures to ensure your employees understand their benefits and know when it's time to enroll. Educational Videos -We have an expansive video library that includes enrollment preparation tips, product information, testimonials, and self-service support options. Benefits Website - We can work with you to create a custom benefits website with up-to-date plan information and an enrollment appointment scheduler.
26)	How are employees able to access in-person resources to assist with the enrollment process?	Your employees can sign up to attend one-on-one benefit reviews and group meetings with one of our account managers in-person during the enrollment process.
	Other Services:	
27)	Describe the benefits compliance resources your company can offer to the district and its employees.	American Fidelity recognizes that staying on top of changes in the law is imperative for a successful benefits program. We have an entire compliance team dedicated to monitoring and educating our customers through lunch-and-learns, VIP email notifications, newsletters, our Benefits Blog, and personal benefit reviews with our account managers. These resources help give employers a head start with trying to understand new rules. We have in-house benefit attorneys and compliance experts who continually monitor both state and federal requirements. We want to be your partner and primary resource for managing the challenges and changes resulting from the ACA. We understand the requirements and how those responsibilities can impact employers and employees. We provide a variety of services to educate employers on the developing law, assist with implementation and ongoing compliance, and communicate plan changes to employees.
28)	Does your company have other services or technology that could be offered?	• We offer our mobile app, AFmobile®, for submitting and managing claims for our voluntary benefits and reimbursement accounts (FSA, HSA, and HRA). • Our online enrollment platform can assist with your entire enrollment. • We offer a GoToMeeting enrollment option that allows your employees to meet face-to-face with one of our account managers from anywhere.
29)	Please describe any additional services or support that would be available to the District.	American Fidelity can provide the following additional services to the District: •Section 125 Compliance •Administration of Flexible Spending Accounts (FSAs) and Health Savings Accounts (HSAs) •Dependent Verification Reviews •Group Dental and Vision Insurance •Retirement Readiness Seminars •ACA Compliance Support
30)	What are the hours of operation for the live customer service office?	Our experienced customer care team and department specialists are available Monday through Friday, 7:00 am-7:00 pm CST. Customers may contact us via email using our contact form at americanfidelity.com or through phone. We also have voicemail capabilities.
31)	Does your customer service staff support other languages? What policies and procedures are in place to accommodate these needs?	American Fidelity employs both English and Spanish speaking customer service representatives to assist with customer questions.

Technology Questionnaire		
1	What sets your product apart from the others?	We believe that our focus on the education market and our individualized guided enrollment experience set us apart from the competition. According to a survey we conducted of more than 12,000 education employees, more than 90% responded that they favored our one-on-one approach as opposed to only 7% that preferred to self-educate and enroll on their own.
2	Does your firm accept terms of deferred billing?	There are no costs associated with our enrollment platform.
3	Does the product support SSO Implementation?	Yes
4	Is SSO implementation available via SAML?	Yes
5	Is SSO implementation included in base cost?	There are no costs associated with our enrollment platform.
6	What type of support is provided and what hours is it available (CST)?	Technical support for our enrollment system is available 24/7.
7	Is technical support 24/7 available?	Yes
8	Is technical support 24/7 included in base price?	There are no costs associated with our enrollment platform.
9	Do you partner with a hosting provider (ex: AWS) and does you have data center redundancy?	Our site is hosted on premise with data center redundancy in two geographically separate locations.
10	List the products uptime over last 6 months:	99% +/-
11	List the products uptime over last 12 months:	99% +/-
12	List the products uptime over last 24 months:	99% +/-
13	Does the products license include continuous updates to the software?	Contractually, there are two maintenance windows a week for software/hardware updates – Wednesday evening through Thursday morning (8:00 p.m. – 12:00 a.m. CST) and Sunday evening through Monday morning (8:00 p.m. – 12:00 a.m. EST). Notification is sent out if there is emergency maintenance required outside of the maintenance window.

14	Does the product integrate with Google?	AFenroll® is web-based and is supported on the most used versions of any web browser, including Google Chrome.
15	Is there a Chromebook app?	AFenroll® is web-based and can be accessed from a Chromebook.
16	Does the product run in the Chrome web browser (Chromebooks)?	Yes – AFenroll® can be access from the Chrome web browser.
17	How is the content delivered on a Chromebook (web/app/other)?	AFenroll® can be accessed from the web by visiting www.afenroll.com .
18	If the content is delivered through the web, how is it delivered (HTML5/Flash)?	HTML5
19	If there is flash-based content, when will it be converted to HTML5?	N/A
20	Is Chromebook Kiosk mode supported?	Yes
21	Is an ebook/etext included?	We have electronic enrollment education materials and account managers available to assist with enrollment.
22	Is the ebook/etext available offline?	We have electronic enrollment education materials and account managers available to assist with enrollment.
23	Is there a client/app needed for teachers?	AFenroll® can be accessed from the web by visiting www.afenroll.com .
24	Is the product for teachers compatible on Windows devices?	Yes
25	Is the product supported on Windows 10?	Yes
26	Is the client/app for teachers deployable to Windows machines via MSI?	AFenroll® can be accessed from the web by visiting www.afenroll.com .
27	Does the client/app for teachers require custom configurations based on user?	N/A
28	Is an ebook/etext included?	We have electronic enrollment education materials and account managers available to assist with enrollment.
29	Is the ebook/etext available offline?	We have electronic enrollment education materials and account managers available to assist with enrollment.
30	Is there a client/app needed for teachers?	AFenroll® can be accessed from the web by visiting www.afenroll.com .
31	Is the product for teachers compatible on Windows devices?	Yes
32	Is the product supported on Windows 10?	Yes
33	Is the client/app for teachers deployable to Windows machines via MSI?	AFenroll® can be accessed from the web by visiting www.afenroll.com .
34	Does the client/app for teachers require custom configurations based on user?	N/A

Freedom of Information
Board Report
October 8, 2024

<u>FOIA#</u>	<u>Date of Request</u>	<u>Requestor</u>	<u>Subject</u>	<u>Date Completed/ STATUS</u>	<u>Time to complete in hours</u>
61-2024	9/12/2024	Justin Cunningham Community Member	Commercial Purpose - Requesting the following information: Vendors: A list of all vendors your institution has used from 2022-01-01 onward. For each vendor include 1. Vendor Name, 2. Vendor Contact Name, 3. Vendor Contact Email, 4. Vendor Procurement Method. Purchase Orders: A list of all purchase orders dated 2022-01-01 onward. For each purchase order include 1. Purchase date, 2. Vendor name, 3. Line item details, 4. Line item quantity, 5. Line item price. Contacts: A list of all current employee / staff contact information. For each member include: 1. First Name, 2. Last Name, 3. Position Title, 4. Department, 5. Employment Type i.e.: full-time, part-time, contractor, 6. General Office Phone Number 7. Direct Office Phone Number, 8. Email Address. Importantly, a similar request was recently made by Smart Procure or GovSpend in 2019 or even more recently and you might already have files referencing this information. We would prefer up to date information, but if the request will take a long time to complete, it would be great if you could send the Smart Procure data in the meantime.	Completed 9/30/2024	4.5
62-2024	9/15/2024	David Tully Community Member	Requesting a copy of the Facilities Master Plan prepared for the district by Legat Architects, discussed in this article (https://www.legat.com/project/district-300-facilities-master-plan/) and in the Board of Education's Business Meeting on April 9, 2024 (https://meetings.boardbook.org/Documents/CustomMinutesForMeeting/1453?meeting=629155).	Completed 9/20/2024	1.5
63-2024	9/18/2024	Norma Gavina Community Member	Requesting on Wednesday September 11 between the times of 2:55 pm and 3:10pm. My XXX, XXX XXth grade, was involved in a physical fight with three other students at XXX School. It was a 3 against 1 (my XXX being the one) I am requesting all video recordings of the incident as well as all other videos near or far that capture the incident on the school camera system.	Completed 9/19/2024	1
64-2024	9/20/2024	David Tully Community Member	Requesting all 'Learning Environment and Facility Assessment' reports prepared for the district by Legat architects. This is a follow up to my previous request (Number 62-2024).	Completed 9/25/2024	2
65-2024	9/22/2024	Sharon Fetting Community Member	Requesting the current SEL questionnaire the grade schoolers, middle schoolers and High School kids are being given. Plus are D300 children being given grades on their SEL.	Completed 9/25/2024	2
66-2024	9/25/2024	Sara Pahl Community Member	Requesting emails to and from Susan Harkin, Jennifer Breeze, Jeff Herb, Dan Opels with buzz words; neubert elementary playground, playground, inspection, work requests		
67-2024	9/25/2024	Jim McConachie Chicago Laborers' District Council	Requesting the certified payroll for Abel Plus Services Inc. for the work that was preformed at Dundee Middle School located at 4200 West Main Street West Dundee, IL. 60118 and also a copy of the contract that was awarded to them for the year of 2024.		
68-2024	9/25/2024	Jim McConachie Chicago Laborers' District Council	Requesting the certified payroll for Abel Plus Services Inc. for the work that was preformed at Jacobs High School 2601 Bunker Hill Dr Algonquin, IL 60102 and also a copy of the contract that was awarded to them for the year of 2024.		
69-2024	9/25/2024	Jim McConachie Chicago Laborers' District Council	Requesting the certified payroll for any and all subcontractors for who preformed work under Midwest Track Builders at Dundee Crown High School Track 1500 Kings Road , Carpentersville, IL. 60110 and also a copy of the contract that was awarded to them for the year of 2024		
70-2024	9/25/2024	Jim McConachie Chicago Laborers' District Council	Requesting the certified payroll for Abel Plus Services Inc. for the work that was preformed at the 2024 JHS Chiller , Theatre Renovations & DMS Abatement/FA Bid Release 4 and also a copy of the contract that was awarded to them for the year of 2024.		

Community Unit School District 300
A/P Board Bill Listing for September 24,2024

<u>Fund</u>	<u>Amount</u>
Educational	\$ 1,405,333.42
Health Insurance Fund	\$ 7,145.24
Grant Fund	\$ 192,841.58
COVID 19 Fund	
Operations & Maintenance	\$ 398,089.27
Bond & Interest	
Transportation	\$ 14,820.08
Site & Construction	\$ 696,427.00
Impact Fees	
Tort Immunity Fund	
Total All Funds	<u>\$ 2,714,656.59</u>

Approved at a meeting of the Board of Education, Community Unit School District No. 300

Date: _____

Signed: _____
President

Secretary

AP Check Register

AP Run: 2024100824 AP — Post Date: 2024-10-08 — AP Run Type: R

COMMUNITY UNIT SCHOOL DIST 300

Check Date	Check Number	Payment Type	Name	Check Amount
10/08/2024	0074	Wire Transfer	FIRST AMERICAN BANK	500.00
10/08/2024	0075	Wire Transfer	HORACE MANN INSURANCE COMPANY	1,653.00
10/08/2024	0076	Wire Transfer	PITNEY BOWES	122.85
10/08/2024	0077	Wire Transfer	TEACHERS RETIREMENT SYSTEM	23,100.81
10/08/2024	2003	Check	1-800MD LLC	640.00
10/08/2024	2004	Check	95 PERCENT GROUP INC	2,057.00
10/08/2024	2005	Check	ADVOCATE SHERMAN HOSPITAL	6,937.00
10/08/2024	2006	Check	AHW LLC	29.10
10/08/2024	2007	Check	ALPHA GRAPHICS	303.14
10/08/2024	2008	Check	AMERICAN UNITED LIFE	67,866.53
10/08/2024	2009	Check	ASSURED HEALTHCARE STAFFING	1,631.28
10/08/2024	2010	Check	ATI HOLDINGS LLC	17,689.02
10/08/2024	2011	Check	AWARDS INTERNATIONAL	125.40
10/08/2024	2012	Check	B AND H PHOTO-VIDEO	861.98
10/08/2024	2013	Check	BANNER UP SIGNS	314.30
10/08/2024	2014	Check	BARAJAS, ELIZABETH	26.40
10/08/2024	2015	Check	BATTERIES PLUS 1028	597.24
10/08/2024	2016	Check	BIO-RAD LABORATORIES	1,270.98
10/08/2024	2017	Check	BREHMER, LAURA J	37.20
10/08/2024	2018	Check	BRIGHTMONT ACADEMY	11,724.42
10/08/2024	2019	Check	BSN SPORTS LLC	4,003.40
10/08/2024	2020	Check	BSN SPORTS LLC	2,557.04
10/08/2024	2021	Check	BUSHER, MICHELLE	37.80
10/08/2024	2022	Check	CAROLINA BIOLOGICAL SUPPLY CO	1,229.63
10/08/2024	2023	Check	CARRIER CORPORATION	3,266.00
10/08/2024	2024	Check	CARY GROVE HIGH SCHOOL	225.00
10/08/2024	2025	Check	CASSANDRA STRINGS	72.25
10/08/2024	2026	Check	CENTRAL TREE & LANDSCAPE MULCH	8,750.00
10/08/2024	2027	Check	CENTURY PRINT AND GRAPHICS	221.93
10/08/2024	2028	Check	CHORAL TRACKS LLC	5,200.00
10/08/2024	2029	Check	CITICARE SERVICES LLC	619.50
10/08/2024	2030	Check	CLIENTFIRST CONSULTING GROUP L	1,387.50
10/08/2024	2031	Check	COMMUNITY UNIT SCHOOL DIST 303	150.00

AP Check Register

AP Run: 2024100824 AP — Post Date: 2024-10-08 — AP Run Type: R

COMMUNITY UNIT SCHOOL DIST 300

Check Date	Check Number	Payment Type	Name	Check Amount
10/08/2024	2032	Check	CONTECH MSI CO	961.00
10/08/2024	2033	Check	CORE MECHANICAL INC	61,540.44
10/08/2024	2034	Check	CREEKSIDE MIDDLE SCHOOL	300.00
10/08/2024	2035	Check	CRUZ, ANA	365.10
10/08/2024	2036	Check	DECKER INC	240.34
10/08/2024	2037	Check	DELTA DENTAL PLAN OF ILLINOIS	4,852.24
10/08/2024	2038	Check	EASTER SEALS METROPOLITAN CHIC	10,137.20
10/08/2024	2039	Check	ESSCOE LLC	360.00
10/08/2024	2040	Check	EVERGREEN IRRIGATION INC	2,056.73
10/08/2024	2041	Check	FAIN, CHRISTINA M	218.63
10/08/2024	2042	Check	FERGUSON ENTERPRISES INC	4,367.83
10/08/2024	2043	Check	FISHER SCIENTIFIC	34.35
10/08/2024	2044	Check	FOLLETT CONTENT SOLUTIONS LLC	3,816.20
10/08/2024	2045	Check	FOLLETT SCHOOL SOLUTIONS LLC	1,657.51
10/08/2024	2046	Check	FTG OFFICIALS LLC	302.40
10/08/2024	2047	Check	FUMEX LLC	808.07
10/08/2024	2048	Check	GILL ATHLETICS	63.00
10/08/2024	2049	Check	GIVING GREETINGS	74.85
10/08/2024	2050	Check	GRACENOTES LLC	4,840.00
10/08/2024	2051	Check	GRAINGER	1,750.24
10/08/2024	2052	Check	GRAYSLAKE NORTH HIGH SCHOOL	186.00
10/08/2024	2053	Check	HOWARD CUSTOM TRANSFERS INC	413.25
10/08/2024	2054	Check	HUNTLEY COMM SCHOOL DIST 158	250.00
10/08/2024	2055	Check	HVALLEY TOOLS	1,055.80
10/08/2024	2056	Check	IL DIGITAL EDUCATORS ALLIANCE	1,992.00
10/08/2024	2057	Check	ILLINOIS ASSOCIATION OF SCHOOL	190.00
10/08/2024	2058	Check	ILLINOIS CONGRESSIONAL DEBATE	20.00
10/08/2024	2059	Check	ILLINOIS MUSIC EDUCATION ASSOC	150.00
10/08/2024	2060	Check	ILLINOIS PRINCIPALS ASSOCIATIO	32,488.77
10/08/2024	2061	Check	INFINITY PRO	1,250.00
10/08/2024	2062	Check	ITR SYSTEMS	1,021.00
10/08/2024	2063	Check	JACOBS HIGH SCHOOL	450.00
10/08/2024	2064	Check	JDK SERVICES	30,365.00

AP Check Register

AP Run: 2024100824 AP — Post Date: 2024-10-08 — AP Run Type: R

COMMUNITY UNIT SCHOOL DIST 300

Check Date	Check Number	Payment Type	Name	Check Amount
10/08/2024	2065	Check	JOHNSON CONTROLS FIRE PROTECTI	6,597.83
10/08/2024	2066	Check	JW PEPPER	620.00
10/08/2024	2067	Check	KANE COUNTY REGIONAL OFFICE ED	3,205.00
10/08/2024	2068	Check	KRAMER, ERIN	23.55
10/08/2024	2069	Check	LAKE ZURICH HIGH SCHOOL	160.00
10/08/2024	2070	Check	LAKESHORE LEARNING MATERIALS	17,012.71
10/08/2024	2071	Check	LEARNWELL	6,664.81
10/08/2024	2072	Check	MARKLUND	12,112.88
10/08/2024	2073	Check	MATH TEACHERS PRESS INC	356.13
10/08/2024	2074	Check	MCHENRY COMMUNITY HIGH SCHOOL	350.00
10/08/2024	2075	Check	MIDWEST COMPUTER PRODUCTS	6,788.00
10/08/2024	2076	Check	MOBILE MINI	167.99
10/08/2024	2077	Check	MUSIC AND ARTS CENTER	4,841.21
10/08/2024	2078	Check	NAJI, ANGELA	399.72
10/08/2024	2079	Check	NATIONAL SCHOOL FORMS	86.70
10/08/2024	2080	Check	NEUCO INC	602.44
10/08/2024	2081	Check	NICOR GAS	359.45
10/08/2024	2082	Check	NORTH AMERICAN CORPORATION	11,274.29
10/08/2024	2083	Check	OAK FIRE & SECURITY SYSTEMS	7,526.00
10/08/2024	2084	Check	ON TARGET SALES	5,406.00
10/08/2024	2085	Check	ORIENTAL TRADING CO.	123.06
10/08/2024	2086	Check	PADDOCK PUBLICATIONS	69.00
10/08/2024	2087	Check	PALATINE HIGH SCHOOL	1,175.00
10/08/2024	2088	Check	PAULY'S CUSTOM APPAREL COMPANY	94.78
10/08/2024	2089	Check	PERIPOLE INC	550.64
10/08/2024	2090	Check	PETERSEN FUELS INC.	37.75
10/08/2024	2091	Check	PIONEER RANDUSTRIAL	2,449.27
10/08/2024	2092	Check	PLT4M	8,500.00
10/08/2024	2093	Check	POSTAL SOURCE	7.00
10/08/2024	2094	Check	POWERSCHOOL GROUP LLC	4,530.50
10/08/2024	2095	Check	PRAIRIE RIDGE HIGH SCHOOL	7,500.00
10/08/2024	2096	Check	PREMIER HANDLING SOLUTIONS	965.00
10/08/2024	2097	Check	PRO-SOURCE DISTRIBUTORS	18,212.66

AP Check Register

AP Run: 2024100824 AP — Post Date: 2024-10-08 — AP Run Type: R

COMMUNITY UNIT SCHOOL DIST 300

Check Date	Check Number	Payment Type	Name	Check Amount
10/08/2024	2098	Check	PUSHCoin	4,144.62
10/08/2024	2099	Check	PYRAMID SCHOOL PRODUCTS	263.52
10/08/2024	2100	Check	QUADIENT LEASING USA, INC	8,325.01
10/08/2024	2101	Check	QUINLAN AND FABISH MUSIC CO	2,223.55
10/08/2024	2102	Check	RALPH HELM INC	3,447.31
10/08/2024	2103	Check	RANDALL OAKS	5,000.00
10/08/2024	2104	Check	RED WING BUSINESS ADVANTAGE AC	1,107.42
10/08/2024	2105	Check	REINDERS INC	219.94
10/08/2024	2106	Check	RESPONDUS	4,991.00
10/08/2024	2107	Check	RIFTON EQUIPMENT	296.25
10/08/2024	2108	Check	RILCO INC	742.50
10/08/2024	2109	Check	SCHNEIDER ELECTRIC IT USA INC	10,913.00
10/08/2024	2110	Check	SCHOLASTIC BOOK CLUBS	4,468.18
10/08/2024	2111	Check	SCHOLASTIC BOOK CLUBS	1,478.13
10/08/2024	2112	Check	SCHOLASTIC INC	2,411.25
10/08/2024	2113	Check	SCHOLASTIC INC	5,775.65
10/08/2024	2114	Check	SCHOOL DATEBOOKS	189.06
10/08/2024	2115	Check	SCHOOL HEALTH CORPORATION	2,668.22
10/08/2024	2116	Check	SCHOOL NURSE SUPPLY	8,624.00
10/08/2024	2117	Check	SCHOOL SPECIALTY, LLC	60,000.00
10/08/2024	2118	Check	SCHOOL SPECIALTY, LLC	264,001.25
10/08/2024	2119	Check	SCRIPPS NATIONAL SPELLING BEE	907.50
10/08/2024	2120	Check	SEAL OF ILLINOIS	102,925.81
10/08/2024	2121	Check	SEDGWICK CLAIMS MANAGEMENT SEV	750.00
10/08/2024	2122	Check	SHI INTERNATIONAL CORP	28,967.59
10/08/2024	2123	Check	SHIFFLER EQUIPMENT SALES	68.49
10/08/2024	2124	Check	SOUNDTRAP US INC	416.00
10/08/2024	2125	Check	SPECIAL EDUCATION SYSTEMS	1,068.34
10/08/2024	2126	Check	ST VIATOR HIGH SCHOOL	300.00
10/08/2024	2127	Check	STEINER ELECTRIC CO.	1,435.84
10/08/2024	2128	Check	STENSTROM PETROLEUM SERVICES G	397.11
10/08/2024	2129	Check	STEWART, STEPHANIE	75.26
10/08/2024	2130	Check	SUBURBAN SUPERINTENDENT'S ASSOCIATION	250.00

AP Check Register

AP Run: 2024100824 AP — Post Date: 2024-10-08 — AP Run Type: R

COMMUNITY UNIT SCHOOL DIST 300

Check Date	Check Number	Payment Type	Name	Check Amount
10/08/2024	2131	Check	SWEETWATER SOUND INC	4,240.44
10/08/2024	2132	Check	SYCAMORE HIGH SCHOOL	300.00
10/08/2024	2133	Check	TEAM REIL INC	3,200.00
10/08/2024	2134	Check	THE CLEAR ALTERNATIVE INC	369.50
10/08/2024	2135	Check	THE EDGE SPORTS APPAREL	4,264.00
10/08/2024	2136	Check	THE RESPONSIVE MAILROOM INC	1,134.84
10/08/2024	2137	Check	TOMS PRODUCTIONS LLC	350.00
10/08/2024	2138	Check	TOP FLIGHT VBC	450.00
10/08/2024	2139	Check	TOPPEL, BERENICE	7.40
10/08/2024	2140	Check	TRADUCCIONNOW	456.68
10/08/2024	2141	Check	TRANE COMPANY	24,230.11
10/08/2024	2142	Check	TRANE COMPANY	3,977.05
10/08/2024	2143	Check	TREETOP PUBLISHING INC	40.00
10/08/2024	2144	Check	TROPHIES BY GEORGE	276.90
10/08/2024	2145	Check	ULINE SHIPPING SUPPLY	15,051.49
10/08/2024	2146	Check	VALDES LLC	258.00
10/08/2024	2147	Check	VALLEY ATHLETICS	251.12
10/08/2024	2148	Check	VARSITY YEARBOOK	12,611.16
10/08/2024	2149	Check	VEGA-MCCLUSKEY, TRACY	93.00
10/08/2024	2150	Check	VERNIER	159.00
10/08/2024	2151	Check	VEX ROBOTICS INC	2,929.36
10/08/2024	2152	Check	VILLAGE OF ALGONQUIN	28,471.96
10/08/2024	2153	Check	VISUAL IMAGE PHOTOGRAPHY INC	675.00
10/08/2024	2154	Check	VT SERVICES INC	580.00
10/08/2024	2155	Check	WARDS NATURAL SCIENCE EST IN	4,301.70
10/08/2024	2156	Check	WARDS NATURAL SCIENCE EST IN	506.58
10/08/2024	2157	Check	WAUCONDA SCHOOL DISTRICT 118	300.00
10/08/2024	2158	Check	WEATHERGUARD ROOFING COMPANY	433.82
10/08/2024	2159	Check	WEST A THOMSON REUTERS BUSINES	1,033.85
10/08/2024	2160	Check	WEST SIDE ELECTRIC SUPPLY INC.	18,490.20
10/08/2024	2161	Check	WOOD, ERIN	405.30
10/08/2024	2162	Check	WOODSTOCK HIGH SCHOOL	250.00
10/08/2024	9000000130	ACH	AIRGAS USA, LLC	368.70

AP Check Register

AP Run: 2024100824 AP — Post Date: 2024-10-08 — AP Run Type: R

COMMUNITY UNIT SCHOOL DIST 300

Check Date	Check Number	Payment Type	Name	Check Amount
10/08/2024	9000000131	ACH	ALLIED BENEFIT SYSTEMS, LLC	3,111.70
10/08/2024	9000000132	ACH	AMAZON CAPITAL SERVICES INC	16,940.55
10/08/2024	9000000133	ACH	APEX3 SYSTEMS LLC	5,152.50
10/08/2024	9000000134	ACH	AXESS TRANSPORTATION	7,554.00
10/08/2024	9000000135	ACH	BALLARD AND TIGHE PUBLISHERS	775.50
10/08/2024	9000000136	ACH	BRIGHTLY SOFTWARE INC	5,521.08
10/08/2024	9000000137	ACH	CDW-G	5,066.07
10/08/2024	9000000138	ACH	COMMUNICATIONS DIRECT INC	7,985.90
10/08/2024	9000000139	ACH	CONSTELLATION NEW ENERGY	84,363.30
10/08/2024	9000000140	ACH	CREATIVE PROMOTIONAL APPAREL	765.00
10/08/2024	9000000141	ACH	DEWBERRY ARCHITECTS INC	10,000.00
10/08/2024	9000000142	ACH	EDUSTAFF LLC	237,592.33
10/08/2024	9000000143	ACH	FASTSIGNS OF CARPENTERSVILLE	745.23
10/08/2024	9000000144	ACH	FIRST TO THE FINISH INC	193.00
10/08/2024	9000000145	ACH	GRANITE TELECOMMUNICATIONS LLC	6,086.78
10/08/2024	9000000146	ACH	HEARTSPRING INC	30,494.67
10/08/2024	9000000147	ACH	LAMP INC	696,427.00
10/08/2024	9000000148	ACH	MANPOWER	22,192.88
10/08/2024	9000000149	ACH	MILLER COOPER AND CO LTD	20,000.00
10/08/2024	9000000150	ACH	ORGANIC LIFE LLC	3,168.50
10/08/2024	9000000151	ACH	PARKLAND PREPARATORY ACADEMY	54,122.40
10/08/2024	9000000152	ACH	PENTEGRA SYSTEMS LLC	2,227.50
10/08/2024	9000000153	ACH	RON JONES ELECTRIC INC	10,744.63
10/08/2024	9000000154	ACH	SPEECH KIDZ LLC	9,300.00
10/08/2024	9000000155	ACH	SUNRISE SOUTHWEST LLC	1,832.40
10/08/2024	9000000156	ACH	THE WINSTON KNOLLS SCHOOL	27,055.86

AP Check Register

AP Run: 2024100824 AP — Post Date: 2024-10-08 — AP Run Type: R

COMMUNITY UNIT SCHOOL DIST 300

Check Date	Check Number	Payment Type	Name	Check Amount
10/08/2024	9000000157	ACH	VIVACITY TECH PBC	204,000.00
Total:				2,595,292.76

2024100824 AP Summary

Type	Count	Amount
Regular Checks:	160	1,096,128.62
ACH Checks:	28	1,473,787.48
Wire Transfers:	4	25,376.66
Epayables:	0	0.00
Total:	192	2,595,292.76

AP Check Register

COMMUNITY UNIT SCHOOL DIST 300

Fund	Total
10 - EDUCATION FUND	1,377,082.49
11 - HEALTH INSURANCE FUND	7,145.24
14 - GRANT FUND	144,256.30
20 - OPERATIONS & MAINTENANCE FUND	357,092.88
40 - TRANSPORTATION FUND	13,288.85
60 - SITE & CONSTRUCTION FUND	696,427.00
	2,595,292.76

AP Check Register

AP Run: 20240925 OFFCYCLE — Post Date: 2024-09-25 — AP Run Type: R

COMMUNITY UNIT SCHOOL DIST 300

Check Date	Check Number	Payment Type	Name	Check Amount
09/25/2024	0073	Wire Transfer	COMCAST	7,500.00
09/25/2024	1996	Check	FOLLETT CONTENT SOLUTIONS LLC	1,638.71
09/25/2024	1997	Check	GROOT INC	21,545.47
09/25/2024	1998	Check	PARENTS AS TEACHERS	3,300.00
09/25/2024	1999	Check	STANDARD INDUSTRIAL & AUTO	1,050.00
09/25/2024	2000	Check	THOMPSON ELEVATOR INSPECTION	100.00
09/25/2024	2001	Check	VILLAGE OF HAMPSHIRE	683.63
09/25/2024	2002	Check	VILLAGE OF WEST DUNDEE	2,116.88
09/25/2024	9000000128	ACH	PENTEGRA SYSTEMS LLC	455.00
09/25/2024	9000000129	ACH	PORTER, JENNIFER A	971.50
Total:				39,361.19

20240925 OFFCYCLE Summary

Type	Count	Amount
Regular Checks:	7	30,434.69
ACH Checks:	2	1,426.50
Wire Transfers:	1	7,500.00
Epayables:	0	0.00
Total:	10	39,361.19

AP Check Register

COMMUNITY UNIT SCHOOL DIST 300

Fund	Total
10 - EDUCATION FUND	10,049.03
14 - GRANT FUND	3,361.18
20 - OPERATIONS & MAINTENANCE FUND	24,419.75
40 - TRANSPORTATION FUND	1,531.23
	39,361.19

AP Check Register

AP Run: 20240920 OFFCYCLE — Post Date: 2024-09-20 — AP Run Type: R

COMMUNITY UNIT SCHOOL DIST 300

Check Date	Check Number	Payment Type	Name	Check Amount
09/20/2024	1982	Check	CONTECH MSI CO	674.00
09/20/2024	1983	Check	DICK POND ATHLETICS INC	1,585.50
09/20/2024	1984	Check	FOLDING PARTITION SERVICES INC	655.00
09/20/2024	1985	Check	FOX VALLEY FIRE AND SAFETY CO	343.00
09/20/2024	1986	Check	FUN AND FUNCTION	90.38
09/20/2024	1987	Check	GRIMCO	1,739.28
09/20/2024	1988	Check	GUITAR CENTER	113.19
09/20/2024	1989	Check	HINCKLEY SPRINGS	3,056.47
09/20/2024	1990	Check	JC LICHT	5,200.36
09/20/2024	1991	Check	KINSEY AND KINSEY	11,617.08
09/20/2024	1992	Check	NEWS-2-YOU INC.	45,224.10
09/20/2024	1993	Check	VILLAGE OF GILBERTS	345.00
09/20/2024	1994	Check	VILLAGE OF HAMPSHIRE	7,939.40
09/20/2024	1995	Check	VILLAGE OF SLEEPY HOLLOW	1,419.88
Total:				80,002.64

20240920 OFFCYCLE Summary

Type	Count	Amount
Regular Checks:	14	80,002.64
ACH Checks:	0	0.00
Wire Transfers:	0	0.00
Epayables:	0	0.00
Total:	14	80,002.64

AP Check Register

COMMUNITY UNIT SCHOOL DIST 300

Fund	Total
10 - EDUCATION FUND	18,201.90
14 - GRANT FUND	45,224.10
20 - OPERATIONS & MAINTENANCE FUND	16,576.64
	80,002.64

COMMUNITY UNIT SCHOOL DISTRICT 300

HUMAN RESOURCES REPORT

October 8, 2024

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ADMINISTRATORS

None

RESIGNATION - ADMINISTRATORS

None

RETIREMENT – ADMINISTRATORS

None

CERTIFIED PERSONNEL

1. Recommend the following be employed by Community Unit School District 300 for the **2024-2025** school year and be compensated according to the LEAD negotiated agreement:

Name	Position	Location	FTE	Salary	Type
Alvarado, Edith	3rd Grade Dual Language	Golfview Elementary School	1.0	BA Step A	Replacement
Bolivar, Nereida	Social Worker	Dundee Middle School	1.0	M30 Step E	Additional
Borecky, Toni	3rd Grade	Gilberts Elementary School	1.0	BA Step A	Additional
Castellanos Gomez, Anayely	SPED - Bilingual	deLacey Family Education Center	1.0	BA Step D	Replacement
Frederick, Jamie	Cognitive Disabilities	Algonquin Lakes Elementary School	1.0	MA Step A	Replacement
Hoog, Nicole	English	Jacobs High School	1.0	MA Step A	Replacement
Lucas, McKinley	Science	Hampshire High School	1.0	BA Step A	Replacement
Maggiolini, Emma	Cross Categorical	Wright Elementary School	1.0	BA Step A	Replacement
Martin, Craig	Success Academy	Dundee-Crown High School	1.0	BA Step A	Replacement
Parks, Amy	5th Grade	Gilberts Elementary School	1.0	MA Step A	Additional
Staehler, Cara	1st Grade	Neubert Elementary School	1.0	MA Step A	Additional
Ward, Elizabeth	Success Academy	Hampshire High School	1.0	M15 Step A	Replacement

Leave of absence requests are attached separately for Board of Education approval.

COMMUNITY UNIT SCHOOL DISTRICT 300

HUMAN RESOURCES REPORT

October 8, 2024

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OTHER EMPLOYMENT – CERTIFIED PERSONNEL

None

RESIGNATION – CERTIFIED PERSONNEL

1. Recommend approval of the following letter of resignation:

Name	Position	Location	Effective
Ward, Elizabeth	Success Academy	Hampshire High School	September 30, 2024

OTHER RESIGNATION – CERTIFIED PERSONNEL

None

RETIREMENT – CERTIFIED PERSONNEL

1. Recommend approval of the following requests to retire in accordance with Article XX, B of the July 1, 2022 – June 30, 2025 LEAD negotiated agreement:

Name	Position	Location	Effective
Huber, Lance	Business	Dundee-Crown High School	end of the 2028-2029 school year
Weyers, Melissa	Exploratory - Project Based Learning	Hampshire Middle School	end of the 2028-2029 school year

SUPERVISOR/MANAGER – EDUCATIONAL SUPPORT PERSONNEL

None

RESIGNATION – SUPERVISOR/MANAGER EDUCATIONAL SUPPORT PERSONNEL

None

RETIREMENT – SUPERVISOR/MANAGER EDUCATIONAL SUPPORT PERSONNEL

None

Leave of absence requests are attached separately for Board of Education approval.

COMMUNITY UNIT SCHOOL DISTRICT 300

HUMAN RESOURCES REPORT

October 8, 2024

Page 3

EDUCATIONAL SUPPORT PERSONNEL

1. Recommend employment of the following educational support personnel:

Name	Position	Location	Hourly Rate	Type
Anderson, Trinity	Media Clerical	Hampshire High School	\$19.51	Replacement
Begum, Nazia	Paraeducator	deLacey Family Education Center	\$20.43	Replacement
Bentley, Sandra	Paraeducator	Big Timber Elementary School	\$18.72	Replacement
Galto, Daniel	Safety Staff	Hampshire High School	\$18.40	Replacement
Holcomb IV, Stuart	Safety Staff	Westfield Community School	\$18.40	Replacement
Jimenez Romero, Jennifer	Attendance Secretary (10 month)	Dundee-Crown High School	\$19.51	Replacement
Karst, Allison	Paraeducator	Algonquin Middle School	\$20.43	Replacement
Keil, Maureen	District Nurse (non-certified)	Central Office	\$30.87	Replacement
Leyva, Jazmin	Safety Staff	Dundee-Crown High School	\$18.40	Replacement
Mahaney, Annabell	Certified Nursing Assistant	deLacey Family Education Center	\$19.25	Replacement
Mahony, Cathleen	Paraeducator	Jacobs High School	\$18.72	Replacement
McKnight, Connor	Media Clerical	Lake In The Hills Elementary School	\$19.51	Replacement
Murillo Landeros, Alfredo	Night Custodian	Eastview Elementary School	\$18.40	Replacement
Ugochukwu, Loreanne	Paraeducator	Big Timber Elementary School	\$20.43	Additional
Williams, Crystal	Paraeducator	Wright Elementary School	\$20.43	Additional

RESIGNATION – EDUCATIONAL SUPPORT PERSONNEL

1. Recommend approval of the following letters of resignation:

Name	Position	Location	Effective
Anderson, Trinity	Media Clerical	Hampshire High School	October 1, 2024

Leave of absence requests are attached separately for Board of Education approval.

COMMUNITY UNIT SCHOOL DISTRICT 300

HUMAN RESOURCES REPORT

October 8, 2024

Page 4

Name	Position	Location	Effective
Faulkner, Carley	Certified Nursing Assistant	Perry Elementary School	September 20, 2024
Genz, William	Night Custodian	Hampshire High School	September 20, 2024
Goetz, Jennifer	Paraeducator	Oak Ridge School	September 27, 2024
Gonzalez, Joel	Paraeducator	Golfview Elementary School	October 15, 2024
Kob, Jacqueline	Nurse (non-certified)	Eastview Elementary School	October 16, 2024
Mahaney, Annabell	Certified Nursing Assistant	deLacey Family Education Center	September 23, 2024
Scola, Angela	Principal's Secretary	Big Timber Elementary School	October 4, 2024

DISMISSAL – EDUCATIONAL SUPPORT PERSONNEL

None

RETIREMENT – EDUCATIONAL SUPPORT PERSONNEL

1. Recommend approval of the following requests to retire:

Name	Position	Location	Effective
Trieloff, Elizabeth	Paraeducator	Hampshire High School	September 24, 2024
Hayden, Clyde	Safety Staff	Dundee-Crown High School	November 1, 2024

COACHING/VOLUNTEER – EDUCATIONAL SUPPORT PERSONNEL

1. Recommend approval of the following support personnel:

Name	Position	Location
Gildea, Matthew	Boys Assistant Lacrosse Coach	Dundee-Crown High School

Leave of absence requests are attached separately for Board of Education approval.

COMMUNITY UNIT SCHOOL DISTRICT 300

HUMAN RESOURCES REPORT

October 8, 2024

Page 5

DISTRICT POSITION TRANSFERS

1. Recommend position transfer of the following personnel:

Current Class	Name	Current Position	Current Location	New Class	New Position	CBA/ Handbook	Lane-Step	New Location	Effective Date
DESPA	Hernandez, Alex	Night Custodian (0.5)	PVES	Same	Night Custodian (1.0)	DESPA	A, 7	EVES	October 7, 2024

Leave of absence requests are attached separately for Board of Education approval.