

Software License Agreement

This Agreement is made as of May 1, 2011 between **Focus School Software LLC (FSS)**, with offices at St. Petersburg, FL and **the School Board of Clay County, Florida (LICENSEE)** with offices at Green Cove Springs, FL. When referring to both FSS and LICENSEE as a collective, the term, "The Parties", may be used.

BACKGROUND

FSS is in the business of providing computer software solutions and has developed their own school system management software, Focus/SIS. LICENSEE is in need of and desires to license the use of Focus/SIS for LICENSEE'S for managing its school system.

DEFINITIONS

For the purposes of this Agreement, the Parties agree that the following terms have these meanings:

"Non-Protected Information" means any information that is already known to The Parties prior to this Agreement, any information that is already public or becomes so during the course of this Agreement through no fault of either party; and any information received from a 3rd party that is not related The Parties of this Agreement.

"Confidential Information" means any information or communication in any form, whether verbal, written, graphical, or electronic, including but not limited to, data, documents, processes or methods, drawings or designs, computer programs, formulas, customer lists, vendor lists, business plans, and financial information, as disclosed between The Parties for the purpose of this Agreement, EXCLUDING any Non-Protected Information.

"Open Source Software" means any software program, whose source code is made available for use and modification as users or other developers see fit, and which may resultantly be the collaborative work of many different developers.

"Technical Support" means any assistance provided by FSS to LICENSEE with regard to the Focus/SIS product, including, but not limited to, installation, configuration, or use of Focus/SIS.

"Installed System" means a system on which LICENSEE installs or executes all or a portion of the Focus/SIS product, including, but not limited to a server, workstation, virtual machine, blade, node, or partition.

"GPL" means General Public License, Version 2, as stated in the software license as drafted by Richard Stallman and as accepted within the Open Source Software community as the controlling software license for Open Source Software (<http://www.opensource.org/licenses/>).

"Commercial Software License" means any license for software not covered by the GPL, including, but not limited to, add-ons, web services, APIs, toolkits, etc.

The Parties agree as follows:

1. LICENSE GRANTED TO LICENSEE

In exchange for LICENSEE'S payment of the required fees of this Agreement and LICENSEE'S continued compliance with this Agreement, FSS grants LICENSEE a non-exclusive, non-transferable, fully-revocable license to the Focus/SIS product as follows:

- A. FSS will provide LICENSEE will receive a single copy of Focus/SIS, including relevant source code, controls, associated Commercial Software License notices, logos, and related documentation. The date on which these items are delivered in full to LICENSEE is considered to be the Delivery Date for purposes of this Agreement.
- B. FSS will provide annual support services for the Software as set forth in Addendum A ("Annual Support Services") and as attached this Agreement. FSS will provide Annual Support Services beginning on the Delivery Date and continuing throughout the term of this Agreement. Thereafter, LICENSEE may renew the Support Services by payment to FSS of the required fees as set forth in Addendum C ("Fee Schedule") and as attached to this Agreement.
- C. FSS will provide annual support services for the Software as set forth in Addendum B ("Implementation and Support Training Schedule") and as attached this Agreement.
- D. FSS will provide bug fixes, patches, corrections, or other necessary updates to LICENSEE for a period of four (4) years from the Delivery Date. After this four (4) year period, FSS has no further obligation to provide such bug fixes, patches, corrections, or necessary updates to LICENSEE.
- E. LICENSEE may have as many Installed Systems as necessary to use Focus/SIS.
- F. LICENSEE may use and or modify the Focus/SIS product as consistent with the scope of LICENSEE'S business, except as noted in this Agreement.

2. DUTIES OF LICENSEE

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LICENSEE understands and agrees to the following duties with regard to the license:

- A. LICENSEE shall pay required fees as set forth in Addendum C ("Fee Schedule") and as attached to this Agreement on or before the time they are due.
- B. LICENSEE shall follow the Focus/SIS End User License Agreement and any associated Commercial Software Licenses as included with the Focus/SIS product. LICENSEE shall also follow the GPL as it applies to the Blackboard product.
- C. LICENSEE shall not violate any intellectual property rights as held by FSS. LICENSEE understands that it is NOT entitled to claim any intellectual property rights in any changes that LICENSEE makes to Focus/SIS.
- D. LICENSEE shall provide FSS with all source code changes that LICENSEE makes to Focus/SIS upon request by FSS. LICENSEE shall comply with such requests within seven (7) business days.
- E. During the course of this Agreement and for period of two (2) years after its termination, LICENSEE shall not directly, or indirectly through use of 3rd parties, create a competing product for Focus/SIS.
- F. LICENSEE shall not remove the FSS logos from the product or attempt to re-brand the Focus/SIS product in any fashion, unless otherwise agreed to by FSS.
- G. LICENSEE understands and agrees that any violation of these duties or the provisions of this Agreement is grounds for the termination of this Agreement at the discretion of FSS.

3. LENGTH OF AGREEMENT

The Parties agree that the length of this Agreement will be for length of five (5) years. The Parties agree that this Agreement will automatically renew for periods of one (1) year until terminated by either party.

4. LICENSE FEES

The Parties agree that the license fees for this Agreement are as follows:

- A. FSS will invoice LICENSEE for amounts due under this Agreement. LICENSEE will pay such amounts with thirty (30) days of the date of such invoices, except as noted below.
- B. LICENSEE will pay FSS for Licensing Costs for Perpetual Licenses and Implementation Cost within thirty (30) days of contract execution. Should LICENSEE elect to prepay five (5) years of support, as documented in Addendum C (page 10), Maintenance and Support fee will be paid within thirty (30) days of contract execution.
- C. LICENSEE agrees to pay all reasonable travel expenses incurred by FSS in the implementation and/or support of Focus/SIS.
- D. LICENSEE agrees to pay late fees in the amount of one percent (1%), compounded monthly, on any past due amounts, as computed from the 1st day the amount due is late until such time it is paid in full.
- E. Any and all fees paid by LICENSEE under this Agreement are non-refundable, unless otherwise agreed in advanced and in writing by FSS.

5. RIGHT TO DISCONTINUE SUPPORT

LICENSEE understands that FSS reserves the right to discontinue support for older versions of Focus/SIS. Furthermore, LICENSEE understands that FSS is NOT required to support any changes as made by LICENSEE.

6. LIMITED WARRANTY

With regard to any Source Code that has NOT been modified by LICENSEE, FSS warrants that Focus/SIS, when properly used for the purpose and in the manner specifically authorized by this Agreement, will function without program error. Should such program errors occur within Focus/SIS, LICENSEE understands and agrees that FSS will correct such program errors at FSS' expense, but that LICENSEE is NOT entitled to any further damages, as specified in Provision 7 of this Agreement.

7. LIMITATION OF LIABILITY/DISCLAIMER OF DAMAGES

FOR ALL EVENTS AND CIRCUMSTANCES, FSS AND ITS AFFILIATES' AGGREGATE AND CUMULATIVE LIABILITY ARISING OUT OF OR RELATING TO THIS AGREEMENT, INCLUDING WITHOUT LIMITATION ON ACCOUNT OF PERFORMANCE OR NON-PERFORMANCE OF OBLIGATIONS, REGARDLESS OF THE FORM OF THE CAUSE OF ACTION, WHETHER IN CONTRACT, TORT (INCLUDING WITHOUT LIMITATION NEGLIGENCE), STATUTE OR OTHERWISE WILL BE LIMITED TO DIRECT DAMAGES AND WILL NOT TO EXCEED THE AMOUNT THAT LICENSEE PAID TO FSS UNDER THIS AGREEMENT DURING THE TWELVE (12) MONTHS IMMEDIATELY PRECEDING THE FIRST EVENT GIVING RISE TO LIABILITY. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, IN NO EVENT WILL FSS OR ITS AFFILIATES BE LIABLE TO LICENSEE OR ITS AFFILIATES FOR: ANY CLAIM BASED UPON A THIRD PARTY CLAIM; ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, INDIRECT, EXEMPLARY OR PUNITIVE DAMAGES, WHETHER ARISING IN TORT, CONTRACT, OR OTHERWISE; OR FOR ANY DAMAGES ARISING OUT OF OR IN CONNECTION WITH ANY MALFUNCTIONS, DELAYS, LOSS OF DATA, LOST PROFITS, LOST SAVINGS, INTERRUPTION OF SERVICE, LOSS OF BUSINESS OR ANTICIPATORY PROFITS, EVEN IF FSS OR ITS AFFILIATES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

8. INDEMNIFICATION

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LICENSEE represents and warrants to FSS that LICENSEE has the authority to enter into this Agreement. LICENSEE further represents and warrants to FSS that LICENSEE is not in violation of any intellectual property or other legal rights in its use of Focus/SIS or other Open Source Software. Provided that FSS is in compliance with this Agreement and is not negligent in the performance of Services, LICENSEE agrees to indemnify FSS and to defend FSS against any and all third party claims, suits, demands, causes of action, liabilities and expenses (including, but not limited to, attorneys' fees and costs of defense), that may arise as a result of or in connection with LICENSEE'S breach of this Agreement.

9. TERMINATION

The Parties agree that either party may opt to terminate this Agreement with thirty (30) days prior written notice to the other party. FSS and LICENSEE agree that notice of termination is considered effective on the date that the party receives the written notice and that verbal notice is not sufficient to terminate this Agreement. LICENSEE understands that all license rights as granted under this Agreement cease as of the termination of this Agreement, except as otherwise noted within the Agreement, and that such rights revert back to FSS.

10. ARBITRATION

In the event that The Parties cannot amicably resolve a dispute or damage claim resulting from this Agreement, FSS and LICENSEE agree to resolve any such dispute or damage claim by arbitration. The arbitration proceeding shall be conducted in St. Petersburg, FL, in accordance with the rules of the American Arbitration Association then in effect with one (1) arbitrator to be selected by mutual agreement of The Parties. If The Parties cannot agree on an arbitrator, then the American Arbitration Association shall select an arbitrator from the National Panel of Arbitrators. The laws of Pinellas County in the State of Florida shall apply to the arbitration proceedings. The Parties agree that the arbitrator cannot award punitive damages to either party and agree to be bound by the arbitrator's findings. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

11. CONFIDENTIALTY

The Parties understand that during the course of this Agreement, they may be exposed to each other's Confidential Information and as such, agree to hold and keep such information as confidential. The Parties further agree that such confidentiality survives the termination of this Agreement

12. DISCLOSURE TO AGENTS OF PARTY

Prior to the disclosure of one party's Confidential Information to any agents used by the other party including, but not limited to, FSSs and independent contractors, the party using such agents shall obtain a written agreement from each such agent, containing language to the effect that the agent should:

- A. Hold all Confidential Information in confidence and not use such information for any purpose other than as it relates to discussions between The Parties or any subsequent business relationship between The Parties, and
- B. Return any Confidential Information that it has received immediately after it has completed its work for the party.

13. RETURN OF CONFIDENTIAL INFORMATION

Upon termination of this Agreement, the Parties agree to deliver to each other any Confidential Information that has been received in some physical form, including, but not limited to, printouts, graphics, and electronics files, within seven (7) business days of such termination, unless The Parties have agreed otherwise by another, prior written agreement.

14. COURT-ORDERED DISCLOSURE

The Parties agree that neither is liable for the disclosure of Confidential Information if made in response to a valid court order of a court or other authorized government agency; provided that at least ten (10) business days notice first be given to the other party.

15. NO OTHER RELATIONSHIP OR LEGAL INTEREST

The Parties agree that this Agreement does not create any other relationship or legal interest between The Parties, including, but not limited to, any sales contract, license, title, guarantee of work, or right to use any Confidential Information, except as specified by this Agreement.

16. CHOICE OF LAW

The Parties agree that the laws of the Pinellas County in the state of Florida govern any conflict regarding the Agreement.

17. INVALIDITY OF PROVISION

The Parties agree that even if a court invalidates a provision of this Agreement, the remaining Agreement provisions are still valid and remain in full effect.

18. NO OTHER AGREEMENTS OR REPRESENTATIONS

The Parties agree that this Agreement completely expresses their mutual intent and that it supersedes any other agreement or representation, oral or written, between The Parties.

19. MODIFICATION

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The Parties agree that no modification can be made to this Agreement without another mutual, written agreement.

20. EFFECT ON OTHER PARTIES

The Parties understand and agree that their assigns and successors are bound by this Agreement.

21. NOTICE

The Parties understand and agree that any notices, consents, approvals, demands, requests or other communications required by this Agreement must be in writing and are only considered valid when delivered by hand or sent by U.S. registered or certified mail to the corresponding address as listed in Provision 23 of this Agreement. The parties agree that electronic means of communication, including, but not limited to, phone, fax, email, instant messages, and text messages are not sufficient to meet the notice requirements of this Agreement.

22. HEADINGS

The Parties understand and agree that the headings in this Agreement are included only as a matter of convenience and in no way define, limit or extend the scope of this Agreement or any of its provision.

23. SIGNATURES

By affixing your signature below, you are agreeing to be bound to the terms of this Agreement.

For LICENSEE

By: _____
Title _____
Date: _____
Notice Address:

For FSS

By: _____
Title: _____
Date: _____
Notice Address:

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ADDENDUM A: SOFTWARE AND ANNUAL SUPPORT SERVICES

This Addendum describes the Software and Annual Support Services that FSS will provide to LICENSEE. This Addendum is considered part of the Agreement to which it is attached and as such, is subject to all of the provisions of such Agreement.

FSS will provide to LICENSEE Software and Annual Support Services as follows:

1. Software and One-time Services

- 1.1 Focus/SIS base program (see Addendum C for definition of base program)
- 1.2 Focus/SIS installation
- 1.3 Data migration
- 1.4 Enterprise Application Integrations
- 1.5 Custom Programming
- 1.6 Training and Product Documentation

2. Annual Support Services

- 2.1 FSS shall supply remote technical and application assistance to Licensee for the Software, provided the Licensee has paid the specified Annual Support Fee and any other applicable fees for the current period, as specified in Addendum C. Total hours of phone support not to exceed 80 hours per annum.
- 2.2 Support Service hours shall be 8:30AM – 5:30PM. All times are Eastern Standard Time (GMT-5). Support services may be accessed through toll-free phone, email or website.
- 2.3 Support and software updates shall be provided for the current and immediate previous major releases.
- 2.4 Florida reporting functionality will be updated within sixty (60) days of Florida Department of Education's announcement of new rules.

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ADDENDUM B: IMPLEMENTATION SUPPORT AND TRAINING

This Addendum describes the Implementation Support and Training that FSS will provide to LICENSEE. This Addendum is considered part of the Agreement to which it is attached and as such, is subject to all of the provisions of such Agreement.

FSS will provide to LICENSEE Implementation Support and Training as follows:

Overview of Implementation

Dates of services delivery will be set in consultation with LICENSEE.

Testing Site Installation

FSS will set up Focus/SIS with sample data of forty thousand (37,000) or more students. FSS' development staff and engineers will add basic customizations to Focus/SIS for LICENSEE, including logos and any relevant links to the Focus/SIS menu and portal. The base functionality, including attendance, grading, discipline, reporting (ad hoc, saved and mandated), communication, and scheduling will be installed.

Data and Gap Analysis

The data and gap analysis will take approximately two (2) days. The Focus project manager will visit Green Cove Springs to work with district staff to perform requirements capture, as well as gap analysis between the existing SIS ad hoc applications and Focus/SIS. The project team will develop an implementation plan in collaboration with LICENSEE staff. Concurrently, FSS technical staff will perform the technical infrastructure review and analyze the hardware requirements of the district.

Initial Data Migration

Data migration will take one to two months, depending on the quality of data to be transferred. Focus/SIS has built-in data migration tools that Clay County Schools engineers can use to map data from TERMS to Focus/SIS. Training will be provided by FSS on how to use the data import tools.

Blackboard Integration

Focus/SIS will be integrated with Blackboard Version 9.1 via an API provided by the Blackboard Developer Network program. FSS will test the integration between Focus/SIS and Blackboard.

LDAP Integration

FSS engineers will work with LICENSEE to integrate Lightweight Directory Access Protocol (LDAP) with the rights and permissions in Focus/SIS.

Cafeteria, School Library Systems Integration

FSS will integrate Focus/SIS with the existing library and cafeteria systems.

Special Education Integration

FSS will integrate Focus/SIS with the existing special education system.

Training for District Staff & Guidance Counselors

FSS training staff will train district IT and other technical personnel to use Focus/SIS during hands-on sessions. Scheduling training will be conducted for guidance counselors, school-based and central office administrators. Hands-on train-the-trainer sessions will be conducted Summer 2011 at dates to be later determined by FSS and clay County Schools.

Finance/HR Integration

FSS will integrate Focus/SIS with LICENSEE's TERMS system such that data flows between the two systems in real-time. Two months are budgeted for this integration, as the interface will be tested to ensure that cost reports are accurate.

Mass Notification Integration

FSS will integrate Focus/SIS with mass notifications service(s).

System Testing

While testing of the Focus/SIS environment has been going on throughout the implementation, LICENSEE and FSS personnel will run scripts that recreate real-life worst case scenarios (every teacher, student and parent logging in to the system within the same millisecond) to ensure that the system will perform flawlessly on the go-live date.

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Training Model

Project and training requirements will be determined through consultation with LICENSEE. While FSS has identified many best practices that we plan to employ should we be selected, we recognize that every district is different and our policy is to blend our experience with the local knowledge of LICENSEE personnel.

FSS has trained thousands of users on Focus/SIS using a hybrid hands-on and train-the-trainer model. The training curriculum for district stakeholders can be customized to the role or function the user will have in the system. For instance, guidance counselors will receive more in-depth training on scheduling, whereas special education personnel would receive more detailed training on reporting features that merge academic performance with special education information.

The administrative training curriculum begins with an overview of all functionality within the system. The training then drills down into the system and the type of user attending the training guides the direction of learning. All administrators receive thorough guidance on the use of the powerful reporting engine. There are dedicated tracks available for special education providers, administrators responsible for specific functions (transportation, cafeteria, instructional), and school-based administrators.

The technical training curriculum covers the set-up, operation, customization and maintenance of Focus/SIS. Technical users are trained on how to create a school, import and export data, change business rules, customize fields and reports within the program, and troubleshoot basic issues. Additionally, technical users will be trained on the generation of Florida extracts.

Web-based Training

FSS offers web-based training in either live or recorded modules. Live modules are led by a FSS trainer and are typically one hour in duration. These sessions can be scheduled in advance. In addition, refresher courses are offered periodically on the support website. Typically, these are most common at the beginning of the school year and are meant to help teachers remember key functions, rather than introduce the system. Also on the support website, training videos that are only five minutes in duration are offered. These videos are available on demand and feature a quiz at the end of the session.

Customer Service

FSS has a dedicated staff that provides toll-free phone and email support for our clients. End user support is available Monday through Friday from 8:30 am until 5:30 pm Eastern time. All support personnel are based out of the St. Petersburg, Florida office and are exceedingly friendly. LICENSEE personnel are welcome to visit our Florida office any time.

In addition, our clients have access to manuals, free training webinars, and best practices documentation via our support website. Also, Focus' clients from around the globe can share ideas and innovations via the support website. The annual users conference provides training opportunities, best practice techniques and product roadmap presentations.

A new feature of the support website is the addition of mini-training videos. Each video focuses on a specific function in Focus/SIS and lasts approximately twenty minutes. Live web-based training is also provided periodically and the calendar of events can also be found on the support website or by contacting the support line.

Upgrades

FSS provides one major upgrade per year to each customer. Each new version is released in the winter after thorough testing. New customers receive the new version starting in the winter, and existing customers are upgraded in the summer to allow time for training and to ensure that all new functionality has been thoroughly vetted and our customer service staff is familiar with supporting the new features. Major upgrades add new functionality, without breaking existing functionality or drastically changing user workflows. FSS uses a versioning-management system called Subversion (SVN) to install Focus/SIS at all client sites.

SVN allows FSS to track changes made by district staff to Focus/SIS code. Additionally, SVN provides an automated mechanism to install bug fixes. Any reported bugs are patched in the SVN versioning system as soon as they are found, and SVN downloads and installs the bug fixes. This allows FSS to quickly respond to bugs since the programmers do not have to prepare a new version or re-install the system. Bug patches are simply installed as soon as the bugs are fixed.

These methods have proved very effective in ensuring a very stable experience for FSS customers, while allowing new functionality to be added. FSS customers can choose to have bug fixes installed automatically or reviewed by district staff. District staff can use the versioning management system to compare files affected by a bug fix and merge changes.

All documentation related to the upgrade is posted via the FSS support website prior to software release. Free webinars are provided as are training opportunities at the annual users conference. On-site training is provided at standard rates.

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ADDENDUM C: FEES FOR SOFTWARE AND SERVICES

This Addendum describes the Fees for Software and Service that LICENSEE is responsible for paying to FSS. This Addendum is considered part of the Agreement to which it is attached and as such, is subject to all of the provisions of such Agreement. FSS will charge the following fees to LICENSEE for Software and Services:

Investment summary

	<u>Unit Cost</u>	<u>Multiplier</u>	<u>Subtotal</u>	<u>Total</u>
<u>Licensing Cost for Perpetual Licenses</u>				
Base program				
Assessment analysis				
RtI module				
Ad hoc reporting				
Parent / student portal				
FL state reporting				
Blackboard integration				
FCAT import for 12 years of results				
Sunshine Standards set-up				
First year support and maintenance				
Twenty (20) hours custom programming				
Total Licensing Fee	\$14 / FTE	37,000 FTE		\$518,000
<u>Implementation Cost</u>				
	Daily rate	Days		
Installation including hardware audit	\$1,800	2	\$3,600	
15 years data migration/cleansing ¹	\$1,800	5	\$9,000	
Library integration	\$1,800	4	\$7,200	
Transportation integration	\$1,800	4	\$7,200	
HR/Finance integration	\$1,800	4	\$7,200	
Cafeteria integration	\$1,800	4	\$7,200	
Blackboard integration	\$1,800	4	\$7,200	
Notification integration	\$1,800	1	\$1,800	
Name badge integration	\$1,800	1	\$1,800	
Authentication integration	\$1,800	1	\$1,800	
Special Education integration	\$1,800	1	\$1,800	
Project management	\$1,400	15	\$21,000	
Business process reengineering	\$1,400	2	\$2,800	
Fit-gap analysis	\$1,400	2	\$2,800	
On-site training	\$1,200	28	\$33,600	
Off-site training and help documentation	\$900	11	\$9,900	
Total Implementation Fee				\$125,900
TOTAL				\$643,900

Phase 1 investment due at Contract Execution (net 30) = \$240,000

Phase 2 investment due July 1, 2011 (net 30) = \$240,000

Phase 3 investment due at go-live date of July 1, 2012 (net 30) = \$163,900

¹ Data migration pricing contingent upon all data being exported from a single data source (one application).

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<u>Maintenance and Support Fee</u>	Year Two Per Student	Annual % Increase	5 Year Total
FL reporting updates (Surveys, FASTER, WDIS)			
Functional upgrades – 1 major, 1 minor / year			
Software fixes and patches			
Support website			
Full product documentation			
Toll-free phone support			
Email support			
37 free annual admissions Focus Users Group			
Free webinars via support site	\$2.80	5.00%	
TOTAL			\$572,455.40²

Pricing Notes:

Base Program

The Focus/SIS base program includes modules for attendance, grades, letters & email correspondence, discipline, demographics, scheduling, ad hoc reporting, business analytics, special education, ESOL, RtI, calendaring, notifications and user management. The base program allows all users including parents and students to access information via the Focus portal. Florida state reporting is part of the base program and as such, there is no additional charge. Focus/SIS licenses are perpetual and do not expire.

Custom Programming

FSS includes twenty (20) hours of programming in the Year One licensing fee. FSS will complete a statement of work for any such work, which must be approved in writing by an authorized representative of LICENSEE prior to FSS beginning any such work.

Programming Customization Fee

Focus/SIS is completely customizable by district personnel and even outside contractors. FSS offers a very competitive rate of \$125 per hour for custom programming. A complete statement of work will be completed prior to any engagement and must be signed by an authorized LICENSEE employee. Examples of previous customize work performed include a Response to Intervention (RtI) component for Charlotte County Schools and a “log-in as” function for Pinellas County Schools that allows PCSB helpdesk employees to log in as another user for troubleshooting purposes. These features are now standard in Focus/SIS.

Future Support and Maintenance

As adoption of the Focus student information system increases, Clay County Schools will derive more value from the solution as the district uses additional modules. The future value of the annual support and maintenance fees must equal the present value of the annual support and maintenance agreement at go-live date plus one year (T+1 where T = go-live date district-wide). Therefore, the annual support and maintenance amount shall increase at a rate of 5% per annum beginning at year two of support (T+2). For budgeting purposes the annual support and maintenance fee would there be the FTE at ten-day count for the district times \$2.80 (July 1, 2013), \$2.94 (July 1, 2014), \$3.09 (July 1, 2015), \$3.24 (July 1, 2016) and \$3.40 (July 1, 2017).

² Assumes a constant FTE of 37,000 students. Actual annual support and maintenance fee would vary based on FTE of district at ten-day count.