Des Moines Area Community College
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Board of Directors Meeting Minutes

5-8-1995

Board of Directors Meeting Minutes (May 8, 1995)

DMACC

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DES MOINES AREA COMMUNITY COLLEGE
BOARD OF DIRECTORS

Public Hearing #1 - May 8, 1995
Partial Re-roofing Building #6, Ankeny
The Commons - Ankeny Campus

AGENDA

1. Call to order - 4 p.m.
2. Roll call.
3. Consideration of tentative agenda.
4. Acknowledgement by Board Secretary of how notice of hearing was made.
5. Requests to address the Board recognized.
6. BOARD REPORT 95-029. Consideration of plans, specifications, form of contract and estimated costs for the partial re-roofing of Building #6, Ankeny Campus.
7. Adjournment.
PUBLIC HEARING #1, MAY 8, 1995

A special meeting of the Des Moines Area Community College Board of Directors was held at The DMACC Commons, Ankeny Campus, on May 8, 1995, for the purpose of conducting a public hearing for the partial re-roofing of Building #6, Ankeny Campus. The meeting was called to order at 4 p.m., by Board President Doug Shull.

ROLL CALL

Members Present:
Lloyd Courter
Dale Froehlich
Anita Micich
Naomi Neu
Gerry Pecinovsky
Doug Shull
Madelyn Tursi

Members Absent:
Harold Belken
Dick Johnson

Others Present:
Joseph A. Borgen, President/CEO
Helen Harris, Board Secretary
Don Zuck, College Treasurer
Other interested DMACC staff and area residents

APPROVAL OF TENTATIVE AGENDA

A motion to approve the tentative agenda as presented was made by Pecinovsky; second by Tursi.


ACKNOWLEDGEMENT OF HEARING NOTICE

Board Secretary H. Harris reported that the notice of the time and place of the hearing was published in The Des Moines Register on April 15, 1995, and posted in Building 1, DMACC Ankeny Campus, and that no written objections to the hearing were received.

REQUESTS TO ADDRESS BOARD

None.

APPROVAL OF PLANS, SPECS, ETC., RE-ROOF BLDG. 6, ANKENY

L. Courter made the motion that the Board approve the resolution approving the plans, specifications, form of contract and estimated costs for the partial re-roofing of Building 6, Ankeny Campus; second by Neu.

ADJOURNMENT

A motion for adjournment of the Public Hearing for re-roofing Building 6 was made by Pecinovsky; second by Neu.

Motion passed unanimously and at 4:04 p.m., Board President Shull adjourned the meeting.

DOUG SHTLL, Board President

HELEN HARRIS, Board Secretary
RESOLUTION APPROVING PLANS, SPECIFICATIONS, FORM OF CONTRACT
AND ESTIMATED COSTS FOR THE PARTIAL RE-ROOFING
OF BUILDING #6, ANKENY CAMPUS

WHEREAS, on the 10th day of April, 1995, plans, specifications, form of contract
and estimated costs were filed with the Secretary of the Board of Directors of the Des
Moines Area Community College for the project.

WHEREAS, notice of hearing on plans, specifications, form of contract and
estimated costs was published as required by law and action of the Board.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Des
Moines Area Community College that said plans, specification, form of contract, and
estimated costs are hereby approved and adopted as the plans, specifications, form of
contract, and estimated costs for the Partial Re-roofing of Building #6, Ankeny Campus.

PASSED AND APPROVED this 8th day of May 1995.

President, Board of Directors

Attachment "A"
DES MOINES AREA COMMUNITY COLLEGE
BOARD OF DIRECTORS

Public Hearing #2 - May 8, 1995
Amendment to FY1995 Plant Fund Budget
The Commons - Ankeny Campus

AGENDA

1. Call to order - immediately following Public Hearing #1.
2. Roll call.
3. Consideration of tentative agenda.
4. Acknowledgement by Board Secretary of how notice of hearing was made.
5. Requests to address the Board recognized.
6. BOARD REPORT 95-027. Consideration of amendment to the FY1995 Plant Fund Budget (Fund 7).
7. Adjournment.
PUBLIC HEARING #2,
MAY 8, 1995
A special meeting of the Des Moines Area Community College Board of Directors was held at The DMACC Commons, Ankeny Campus, on May 8, 1995, for the purpose of amending the FY1995 Plant Fund Budget. The meeting was called to order immediately following Public Hearing #1, by Board President Doug Shull.

ROLL CALL
Members Present:
Lloyd Courter
Dale Froehlich
Anita Micich
Naomi Neu

Gerry Pecinovsky
Doug Shull
Madelyn Tursi

Members Absent:
Harold Belken
Dick Johnson

Others Present:
Joseph A. Borgen, President/CEO
Helen Harris, Board Secretary
Don Zuck, College Treasurer
Other interested DMACC staff and area residents

APPROVAL OF TENTATIVE AGENDA
A motion to approve the tentative agenda as presented was made by Pecinovsky; second by Tursi.


ACKNOWLEDGEMENT OF HEARING NOTICE
Board Secretary H. Harris reported that the notice of the time and place of the hearing was published in The Des Moines Register on April 18, 1995, and posted in Building 1, DMACC Ankeny Campus, and that no written objections to the hearing were received.

REQUESTS TO ADDRESS BOARD
None.

APPROVAL OF AMENDMENT TO FY1995 PLANT FUND BUDGET (FUND 7)
A motion was made by Froehlich that the Board approve the amending of the FY1995 Plant Fund budget, to increase budgeted expenditures from $6,371,986 to $7,710,986. The increased amount will be paid from additional receipts, other than taxation, and cash balances at the close of the preceding fiscal year. The amendment does not increase the taxes to be collected in the fiscal year ending June 30, 1995; second by Micich.
A copy of the "Amendment of Current Budget" is attached to these minutes.

Motion passed unanimously. Aye-Courter, Froehlich, Micich, Neu, Pecinovsky, Tursi, Shull.

ADJOURNMENT

A motion for adjournment of Public Hearing #2 was made by Micich; second by Pecinovsky.

Motion passed unanimously and at 4:08 p.m., Board President Shull adjourned the meeting.

DOUG SHULL, Board President

HELEN HARRIS, Board Secretary
Amendment of Current Budget
Fiscal Year July 1, 1994 – June 30, 1995

Des Moines Area Community College
Merged Area # XI

Control County: Polk

NOTICE, RECORD OF HEARING, AND CERTIFICATE TO AMEND CURRENT BUDGET

Be it remembered on this 8th day of May, 1995, the board of Directors of Des Moines Area Community College, of Adair, Audubon, Boone, Carroll, Cass, Clarke, Crawford, Dallas, Greene, Guthrie, Hamilton, Hardin, Jasper, Lucas, Madison, Mahaska, Marion, Marshall, Polk, Poweshiek, Shelby, Story and Warren Counties, Iowa, met in session for the purpose of amending the current operating budget adopted March 7, 1994.

There was present a quorum as required by the law. Thereupon, the board of Directors found that the notice of time and place of hearing had, according to law, been published on the 18th day of April, 1995 (SEE ATTACHED), and that the affidavit of publication thereof were on file with the County Auditor. Thereafter and on said day the amendment was taken up and considered and taxpayers heard for and against said amendment.

Thereafter, and after hearing all taxpayers to be heard, the Board of Directors took up the amendment to the budget for final consideration and determined that said budget be corrected by changing the proposed expenditures as listed in the original budget in the

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<td>Plant Funds</td>
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<td>to</td>
<td>7,710,986</td>
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<td>Bond &amp; Interest Funds</td>
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to be paid from additional current cash receipts and cash balances at the close of the preceding fiscal year. The amendment does not increase the taxes to be collected in the fiscal year ending June 30, 1995.

CERTIFICATION

The Secretary of the Board of Directors was thereupon directed to correct the records accordingly, and to certify a copy of the proceedings to the Lead County Auditor and to the Department of Management to be attached to the original budget for record.

I hereby certify the above to be a true and correct copy of the proceedings of the Board of Directors relating to the consideration of an amendment for expenditures and receipts (other than taxation) of the original budget adopted March 7, 1994.

May 15, 1994

/s/ Helen Harris, Board Secretary
DES MOINES AREA COMMUNITY COLLEGE
Board of Directors

Regular Meeting - May 8, 1995
DMACC Commons - Eldon Leonard Board Room
Ankeny, Iowa

A G E N D A

1. Call to order - immediately following public hearings.

2. Roll call.

3. Consideration of tentative agenda.

4. Public comments.

5. Presentation - Virginia Bennett, Instructor, Music, and The Chamber Choir.

6. Consideration of minutes of the April 10, 1995, Board meeting.

7. BOARD REPORT 95-029. Consideration of award of contract for the partial re-roofing of Building 6, Ankeny Campus.

8. BOARD REPORT 95-026. Consideration of listing price of the student constructed house located at 1456 NW 72nd Ave.

9. BOARD REPORT 95-033. Consideration of a resolution approving the form and content, execution and delivery of a Chapter 260F small business new jobs training agreement, Homestead Farms, Inc.

10. BOARD REPORT 95-032. Consideration of a resolution approving the form and content, execution and delivery of a Chapter 260F training grant agreement, Kurtz Hardware Co.

11. BOARD REPORT 95-031. Consideration of a resolution approving the form and content, execution and delivery of a Chapter 260F retraining agreement, Northstar Power Co.

12. BOARD REPORT 95-035. Consideration of a resolution approving the form and content, execution and delivery of a Chapter 260F retraining agreement, RR Donnelley Printing Co.
13. BOARD REPORT 95-034. Consideration of a resolution approving the form and content, execution and delivery of a Chapter 260F training grant agreement, Sauer-Sundstrand Co.

14. Consideration of membership and payment of dues to the Association of Community College Trustees (ACCT).

15. BOARD REPORT 95-022. Receive and file President’s recommendations for termination of specially funded teacher’s contracts and teacher contract under Iowa Code, Chapter 279.

16. BOARD REPORT 95-023. Consideration of termination of specially funded teacher’s contracts and teacher contract under Iowa Code, Chapter 279.

17. BOARD REPORT 95-024. Receive and file President’s recommendations for employment termination of non-licensed professional staff based on funding.

18. BOARD REPORT 95-024. Consideration of employment termination of non-licensed professional staff based on funding.

19. BOARD REPORT 95-025. PULLED FROM AGENDA

20. BOARD REPORT 95-025. PULLED FROM AGENDA


22. BOARD REPORT 95-030. Consideration of extension of the contract for auditing services with KPMG Peat Marwick.

23. Consideration of payables.


25. Presentation of financial report.

26. President’s report.

27. Board members’ reports.
Board of Directors

28. Closed session - litigation.

29. Closed session - bargaining.

30. Information Items:
   A. May 11 - Commencement, Convention Center - 7 p.m.
   B. May 12 - Boone Commencement - 10 a.m.
      Dedication - Building - 11:15 a.m.
   C. June 1-3 - ACCT Central Region Seminar - Springfield, MO
   D. June 12 - Board Meeting - Urban Campus - 4 p.m.

31. Adjournment.
The regular meeting of the Des Moines Area Community College Board of Directors was held at the DMACC Commons, Ankeny Campus, May 8, 1995. Board President Doug Shull called the meeting to order at 4:08 p.m.

Members Present:
- Harold Belken
- Lloyd Courter
- Dale Froehlich
- Anita Micich
- Naomi Neu
- Gerry Pecinovsky
- Doug Shull
- Madelyn Tursi

*Director Belken arrived during the Closed Session for litigation.

Members Absent:
- Dick Johnson

Others Present:
- Joseph A. Borgen, President/CEO
- Helen Harris, Board Secretary
- Don Zuck, Treasurer
- Gordon Greta, Assistant to the President/General Counsel
- Other interested DMACC staff and community residents

A motion to approve the tentative agenda as presented was made by Pecinovsky; second by Neu.

Motion passed unanimously. Aye-Courter, Froehlich, Micich, Neu, Pecinovsky, Tursi, Shull.

The DMACC Chamber Choir, directed by Virginia Bennett, gave a presentation for the Music Department by singing for those present.

Having no corrections, additions or deletions to the minutes of the April 10, 1995, Board meeting, President Shull declared the minutes approved as presented.

Board Report 95-029. Bids for re-roofing Building #6 were received on May 4, 1995. The low bidder for this project is Academy Roofing located in Ankeny, with a bid of $286,915, for a single ply ballasted EPDM system. A copy of the Bid Tabulation is Attachment #1 to these minutes.
A motion was made by Pecinovsky and seconded by Courter, that the Board approve the bid submitted by Academy Roofing Company of Ankeny for the re-roofing of Building #6.


Boards Report 95-026. The student constructed house located at 1456 NW 72nd Ave., Ankeny, has been completed and is ready to place on the market. Appraisals have been made by Iowa Realty Co. and Country Realty. It was moved by Froehlich that the Board list the house for sale for $168,000; second by Neu.


Items 9-13, Chapter 260F training agreements were considered as one consent agenda item. L. Courter made a motion that the Board approve the following resolutions approving training agreements; second by Tursi. Motion passed unanimously on a roll call vote. Aye-Courter, Froehlich, Micich, Neu, Pecinovsky, Tursi, Shull. Nay-none.

Board Report 95-033. Approve a resolution approving the form and content, execution and delivery of a Chapter 260F small business new jobs training agreement, Homestead Farms, Inc., in the amount of $21,500. Attachment #2.

Board Report 95-032. Approve a resolution approving the form and content, execution and delivery of a Chapter 260F training grant agreement, Kurtz Hardware Co., in the amount of $4,999. Attachment #3.

Board Report 95-031. Approve a resolution approving the form and content, execution and delivery of a 260F retraining agreement, Northstar Power Co., in the amount of $27,572. Attachment #4.

Board Report 95-035. Approve a resolution approving the form and content, execution and delivery of a Chapter 260F retraining agreement, RR Donnelley Printing Co., in the amount of $50,000. Attachment #5.

Board Report 95-034. Approve a resolution approving the form and content, execution and delivery of a Chapter 260F training grant agreement, Sauer-Sundstrand Co., in the amount of $4,999.
A motion was made by Micich, that the Board continue membership in the Association of Community College Trustees (ACCT) for FY1996, and that the annual dues ($1,706) and surcharge ($455), be paid as billed; second by Neu.


G. Pecinovsky moved that the Board receive and file the President’s recommendations for termination of specially funded teachers’ contracts and teacher contract under Iowa Code, Chapter 279; second by Neu.


A motion was made by Pecinovsky and seconded by Tursi, that the Board terminate the teacher contracts of Ann Francis, Drew Schumann and Lynn Slykhuis, effective at the end of each individual’s employment contract.


It was moved by Pecinovsky that the Board receive and file the President’s recommendations for termination of four non-licensed professional staff based on funding; second by Courter.


M. Tursi moved that the Board terminate the employment agreements of Mary Darrow, effective June 30, 1995, Patricia Headley, effective August 31, 1995, Deanna Ricke, Effective September 29, 1995, and Gregg Buckley, effective September 29, 1995; second by Micich.


Items 19 and 20, Board Report 95-025, were pulled from the agenda.

A motion to approve the following personnel items was made by Neu; second by Micich. Motion passed unanimously. Aye-Courter, Froehlich, Micich, Neu, Pecinovsky, Tursi, Shull. Nay-none.
Board of Directors

Contract Change

Seskis, Ruta, change from Programmer/Analyst (Grade 12) to Programmer/Analyst (Grade 13), Ankeny Campus. Annual salary $37,902, effective September 26, 1994.

Resignations


Nine-month Contract Extensions - Summer 1995

A list of the nine-month contract extensions for Summer 1995 semester is Attachment #7 to these minutes.

APPROVAL OF AUDITING SERVICES

Board Report 95-030. KPMG Peat Marwick has been performing the annual audit of the DMACC financial statements for the past five years. The existing contract expired with the completion of the FY1994 audit. L. Courter made a motion that the Board approve the extension of the auditing services contract with KPMG Peat Marwick for a three-year period, concluding with the audit of the FY1997 financial statements; second by Froehlich. A copy of the contract is Attachment #8 to these minutes.


APPROVAL OF PAYABLES

Approval of the payables as presented in Attachment #9 to these minutes was made by Pecinovsky; second by Neu.


ANTICIPATORY WARRANTS

Board Report 95-028. sale of anticipatory warrants for FY1996, was pulled from the agenda. The legislature has changed the payment of educational funding, and the fourth quarter payment should be made prior to June 30, 1995.

FINANCIAL REPORT

The April 30, 1995, Financial Report (Attachment #10) was presented by Darrell Roberts, Vice President of Business Services.

CLOSED SESSION - LITIGATION

G. Pecinovsky made a motion that the Board hold a closed session as provided in Section 21.5(1)(c) of the Open Meetings Law to discuss strategy with counsel in matters that are presently in litigation or where litigation is imminent where its disclosure would be likely to prejudice or disadvantage the position of the governmental body in that litigation; second by Froehlich.
Motion passed unanimously on a roll call vote, and at 4:45 p.m., the Board convened in closed session. Gordon Greta, DMACC General Counsel, was in attendance at the closed session.

^Director Belken arrived during the closed session.

RETURN TO OPEN SESSION

The Board returned to open session at 5:15 p.m. A tape recording of the closed session is in the DMACC safety deposit box at Community State Bank, Ankeny.

BARGAINING

No closed session for bargaining was held.

ADJOURNMENT

A motion for adjournment was made by Courter; second by Belken.

Motion passed unanimously and at 5:20 p.m., Board President Shull adjourned the meeting.

DOUG SHULL, Board President

HELEN HARRIS, Board Secretary
May 5, 1995

Mr. Mark Baethke
Director, Physical Plant
Des Moines Area Community College
2006 S. Ankeny Boulevard
Ankeny, Iowa 50021

Dear Mark:

DMACC, Building 6 Reroofing, 1995
Construction Contract Award Recommendation
RDG/Bussard Dikis 94299.00 (0.3)

Bids for Building 6 Reroofing, 1995 were received at 2:00 p.m. on May 4, 1995. Attached is a certified Bid Tabulation showing proposals from three roofing contractors. One bid was disqualified because it did not include the required Nondiscrimination Statement.

The project budget was established at $245,557.00 based on our estimate of probable cost. Prior to bidding we adjusted the probable cost to $288,787.00 to increase the area of roofing work from 49,152 sq.ft to 54,272 sq.ft.

Four roofing systems were specified and competitively bid so that DMACC could compare pricing and would be able to select the system that would offer the best value to the College. We feel that each of the four systems will provide acceptable performance when properly installed. Of the four systems specified, only the single ply ballasted EPDM system was priced under our revised estimate of probable cost. The low bidder for this system is Academy Roofing Company located in Ankeny, Iowa with a bid of $286,915.00.

An alternate was included to delete additional roof drain work to allow the College the option of deleting this work if bids exceeded the construction budget. Value of this alternate is $23,200. If this alternate is accepted, we understand that this work will be performed by Physical Plant.

We recommend award of contract to Academy Roofing Company and deleting roof drain work from the contract by accepting alternate #3 and alternate #4. At your direction, we will prepare the Owner/Contractor Agreement for signatures.

Sincerely,

Arnold E. Fischer, AIA

encl: Bid Tabulation
**BID TABULATION**  
Project: DMACC Building 6 Reroof, 1995  
Project #: 94299.00  
Date: May 4, 1995  
Time: 2:00 p.m.

| Bidder                  | Bid Security | Non-Discrimination | Addendum #1 | Base Bid  
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<td>Central States Roofing</td>
<td>X</td>
<td>Non-Discrimination Statement was not included with bid.</td>
<td>Bid Disqualified</td>
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<td>R.L. Craft Co.</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>$389,149.00</td>
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<tr>
<td>Academy Roofing</td>
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<td>X</td>
<td>X</td>
<td>$376,140.00</td>
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<td>(Modified bitumen)</td>
<td>(Fully-adhered single-ply EPDM)</td>
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|               |              | Alternate Bid #3  | Alternate Bid #4  
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<td>(Delete roof drain work)</td>
<td>(Ballasted single-ply EPDM)</td>
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1. Central States Roofing  
2. R.L. Craft Co.  
3. Academy Roofing
The Board of Directors of the Des Moines Area Community College met in regular session on the 8th day of May, 1995, at 4:00 p.m., in the DMACC Commons on the campus of the College in Ankeny, Iowa. The meeting was called to order and there were present Doug Shull, President of the Board, in the chair, and the following named Board Members:

- Lloyd Courter, Dale Froehlich, Anita Micich, Naomi Neu,
- Gerry Pecinovsky, Madelyn Tursi
- Absent Harold Belken, Dick Johnson

Matters were discussed concerning a Small Business New Jobs Training Agreement between the College and Homestead Farms, Inc. Following a discussion of the proposal by the Board, Board Member L. Courter introduced and caused to be read a resolution entitled, “A Resolution Approving the Form and Content and Execution and Delivery of a Small Business New Jobs Training Agreement”; and moved its adoption. The motion was seconded by Board Member M. Tursi. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

**Ayes:** Courter, Froehlich, Micich, Neu, Pecinovsky, Tursi, Shull

**Nays:** NONE

Whereupon, the President declared said resolution, a copy of which is attached hereeto, duly adopted and signed his approval thereto.

***

President of the Board of Directors

Attest:

Secretary of the Board of Directors
RESOLUTION

A RESOLUTION APPROVING THE FORM AND CONTENT
AND EXECUTION AND DELIVERY OF A SMALL BUSINESS NEW
JOBS TRAINING AGREEMENT

WHEREAS, Des Moines Area Community College (hereinafter referred to as the "College"), is an area community college and a body politic organized and existing under the laws of the State of Iowa, and is authorized and empowered by Chapter 260F of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to provide a "Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to provide education and training of workers for new jobs for a new or expanding small business within the State of Iowa (the "State") in order to improve the economic welfare of the residents of the State, and is authorized under the Act to pay the costs of such a program from funds allocated for such purpose by the Iowa Department of Economic Development under Section 260F.6 of the Act; and

WHEREAS, the College has undertaken negotiations with respect to a Jobs Training Program with Homestead Farms, Inc. (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a jobs training program (hereinafter referred to as the "Project") to educate and train workers at the Company at its facilities located or to be located in the merged area served by the College, which Project will be beneficial to the Company and the College; and

WHEREAS, the College has received an allocation (the "Fund Advance") under Section 260F.6 of the Act in order to defray all or a portion of the cost of the Project, including necessary expenses incidental thereto, in the amount of $21,500; and

WHEREAS, a Small Business New Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, has been negotiated by the College under the terms of which the College agrees, subject to the provisions of such Agreement, to provide a Jobs Training Program for the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Small Business New Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, be and the same is hereby approved and the President of the Board of Directors is hereby authorized to execute said Small Business New Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Small Business New Jobs Training Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit "A" attached hereto with such changes therein as the officers executing such Small Business New Jobs Training Agreement shall approve, such approval to be conclusively evidenced by the execution thereof.
Section 2. That the form of resolution required by the Iowa Department of Economic Development (the "Department") is hereby approved and the officers of the College are authorized to file such resolution in accordance with the requirements of the Department.

Section 3. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

Section 4. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 8th day of May, 1995.

[Signature]
President of the Board of Directors

ATTEST:

[Signature]
Secretary of the Board of Directors
STATE OF IOWA  )
COUNTY OF POLK  ) ss

I, Helen M. Harris, Secretary of the Board of Directors of the Des Moines Area Community College, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on May 8, 1995, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board of Directors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Directors (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board of Directors and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board of Directors vacancies existed except as may be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand hereto affixed this 8th day of May, 1995.

[Signature]

SECRETARY OF THE BOARD OF DIRECTORS

DBV11410.95
REQUEST FOR RELEASE OF FUNDS

This project is for (X) new jobs training ( ) retraining.

WHEREAS, Des Moines Area Community College, the Community College, is in need of funds to carry out a jobs training project as hereinafter described, and it is deemed necessary that it should apply to the State for an advance of funds in an amount sufficient to fund the project as authorized by Chapter 260F, Code of Iowa, 1985, as amended by 1992 Iowa Acts, Senate File 2295; and

WHEREAS, an Iowa Jobs Training Agreement, the Agreement, has been negotiated with Homestead Farms, Inc., the Employer, establishing a jobs training program to educate and train certain employees and such Agreement is deemed to be beneficial to the Community College and to the Employer; and

NOW, THEREFORE, BE IT RESOLVED BY THE COMMUNITY COLLEGE:

The Iowa Jobs Training Agreement with the Employer and the form thereof are hereby approved by the Community College, and the State is hereby requested to allocate $21,500.00 to fund the project pursuant to the Act.

Authorized Signature Date

5-8-95

Approved for allocation by the Iowa Department of Economic Development:

Authorized Signature Date

NOTE: Three copies of this form with original signatures on each must be returned to the Department of Economic Development, Bureau of State Programs, 200 East Grand Avenue, Des Moines, Iowa 50309.
SMALL BUSINESS NEW JOBS TRAINING AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

HOMESTEAD FARMS, INC.

Dated as of May 8, 1995
SMALL BUSINESS NEW JOBS TRAINING AGREEMENT

This Small Business New Jobs Training Agreement (the "Agreement") made and entered into as of May 8, 1995 between Des Moines Area Community College, Ankeny, Iowa (the "Community College") and Homestead Farms, Inc. (the "Employer").

WITNESSETH:

WHEREAS, pursuant to Chapter 260F of Code of Iowa, as amended (the "Act"), the Community College has determined to enter into this Agreement with Employer for the purpose of establishing a small business new jobs training program (the "Project") to educate and train certain persons employed or to be employed by Employer in new jobs; and

WHEREAS, the Iowa Department of Economic Development has approved an award of funds (the "Project Award") under the Act in order to provide funding for the costs of the Project; and

WHEREAS, the Project Award is to be repaid, with interest, as provided herein; and

WHEREAS, the Community College and the Employer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed;

NOW, THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

REPRESENTATIONS

Section 1.1. Representations of the Community College. The Community College represents and covenants that: (a) it is duly organized and validly existing under the laws of the State of Iowa (the "State"); (b) it is not in violation of any provisions of the laws of the State which would impair its ability to carry out its obligations hereunder; (c) it is empowered to enter into the transactions contemplated by this Agreement; and (d) it will do all things in its power required of it in order to maintain its existence or assure the assumption of its obligations hereunder by any successor public body.

Section 1.2. Representations and Covenants of the Employer. The Employer represents and covenants that:
(a) It is duly and validly organized and is in good standing under the laws of Iowa and is qualified to do business in Iowa.

(b) It has full power and authority to execute, deliver and perform this Agreement and all other agreements entered into by the Employer to secure its performance hereunder and to enter into and carry out the transactions contemplated herein. Such execution, delivery or performance are not in contravention of law or Employer's articles of incorporation, bylaws or any indenture, agreement, mortgage, lease, undertaking or any other restriction, obligation or instrument to which the Employer is a party or by which it is bound. This Agreement has by proper action been duly authorized, executed and delivered by the Employer and all steps necessary have been taken to constitute this Agreement a valid and binding obligation of the Employer.

(c) There is no litigation or proceeding pending, or to the knowledge of the Employer threatened, against the Employer or any other person affecting in any manner whatsoever the right of the Employer to execute this Agreement or to otherwise comply with its obligations contained in this Agreement.

(d) The Employer is an "Eligible Business" or "business" as defined in Section 260F.2 of the Act.

(e) The base employment level of Employer in connection with the Project (as hereinafter defined) as of November 15, 1994 (the date of the Preliminary Agreement between the Employer and Community College with respect to the Project (the "Preliminary Agreement")) was 0 employees. The employees covered by this Agreement had not commenced work for the Employer as of the date of the execution of the Preliminary Agreement, and those employees are or will be employed in new jobs in connection with the expansion of the Employer's business operations in the City of Des Moines, Polk County, Iowa.

ARTICLE II

PROJECT; PROGRAM SERVICES

Section 2.1. The "Project" shall consist of the small business new jobs training program and services to be provided by the Community College to employees of the Employer as described on Exhibit "A" (the "Program Services") entitled "Small Business
Training Proposal". Exhibit "A" is incorporated herein by reference. Exhibit "A" includes the number of employees to be trained for new jobs, the date the training will begin, the length of time each job category will be provided training, the ending date of the training, areas of training and estimated costs of each component of small business training. Attached hereto as Exhibit "B" and incorporated herein by reference is a copy of the budget of the Community College and the Employer which sets forth all expenditures associated with the Project.

Section 2.2. The Employer represents and agrees that the Program Services will be for the purpose of providing training services to persons employed by the Employer in new jobs.

Section 2.3. Subject to Section 2.5 below, the Community College will provide the Program Services if and to the extent that funds are awarded and released for the Project by the Department of Economic Development. It is understood and agreed that the Employer and the Community College will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibits "A" and "B".

Section 2.4. The Community College and Employer agree that all costs of the Project, including but not limited to Program Services and training, legal and underwriting fees, on-the-job training, college administrative costs and related costs, may be paid from a combination of the following sources: (a) the new jobs credit from withholding to be received or derived with respect to persons employed at the Project in accordance with the Act, (b) incremental property taxes to be received or derived from the Employer's business property described in Exhibit "C" attached hereto and where the new jobs are to be created as a result of the Project in accordance with the Act, (c) tuition, student fees or special charges fixed by the Board of Directors and paid by the Employer to defray program costs in part, and (d) the Project Award. Funds received from such sources shall be placed in a special fund of the Community College and used exclusively for purposes of the Project and for repayment of the Project Award, plus interest to the Iowa Department of Economic Development. The Employer agrees to pay or cause to be paid all costs of the Project, including repayment of the Project Award and interest on the Project Award in accordance with the Act, to the extent that the amounts set forth above are insufficient for such payment.

Section 2.5. It is understood by the Community College and the Employer that should the Project Award not be available or received from the Department of Economic Development within a reasonable period of time, this Agreement shall be terminated by mutual agreement of the parties. In any event, the Employer
shall pay all administrative and legal costs associated with the Project which have been incurred by the Community College.

Section 2.6. The Community College and Employer agree that the new jobs credit from withholding, the incremental property taxes, if any, to be received or derived from the Employer's business property where the new jobs are to be created, and the tuition, student fees or special charges and the special fund into which the same are paid may be and hereby are irrevocably pledged by the Community College to the payment of the principal of and interest on the Project Award received by the Community College to finance the Project pursuant to the Act.

Section 2.7. The term of this Agreement shall begin on November 15, 1994 and end on November 15, 1996. The term of the Agreement shall not exceed ten (10) years and shall coincide with the period of time over which the Project Award is to be repaid and the Project costs are deferred.

Section 2.8. The Employer shall pay the Community College an application/administration fee in the amount of $4,147 to defray Community College costs of applying for the Project Award. Legal fees incurred by the Community College shall be considered a part of the Project and may be paid from such application fee or from the Project Award.

Section 2.9. The Community College may revise or expand the training curriculum from time to time with the consent of the Employer; provided that no revision shall be made which would change the Project to other than purposes permitted by the Act; and provided that the training curriculum remains within the context of the Project application approved by the Department of Economic Development.

Section 2.10. In the event that moneys provided by the Project Award are not sufficient to pay all costs of the Project, the Employer will, nonetheless, pay all such costs of the Project in full from its own funds. If the Employer should pay any portion of such costs, it shall not be entitled to any reimbursement therefor from the Community College.

ARTICLE III
PAYMENTS; SECURITY

Section 3.1. The obligation of the Employer to make payments hereunder shall be absolute and unconditional, and the Employer shall make such payments without abatements, diminution or deduction regardless of any cause or circumstances whatsoever including, without limitation, any defense, set-off, recoupment
or counterclaim which the Employer may have or assert against the Community College or any other person.

Section 3.2. The Employer agrees that the payments required to be made by it hereunder are a lien upon the Employer's business property set forth on Exhibits C attached hereto until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to this lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties and consequences as for the nonpayment of ordinary taxes. The purchaser at any such tax sale shall obtain the property subject to the remaining payments.

ARTICLE IV

EVENT OF DEFAULT AND REMEDIES

Section 4.1. Events of Default. Each of the following shall be an "event of default" hereunder:

(a) The Employer fails to comply with any requirements contained in this Agreement and such failure continues for a period of twenty (20) days from the date a written notice concerning such failure is sent from the Community College to the Employer which specifies the issue(s) of noncompliance. If noncompliance is of such a nature that a cure cannot be reasonably accomplished within twenty (20) days, the Community College may, but need not, extend the period of cure to a maximum of sixty (60) days.

(b) The Employer becomes insolvent or bankrupt, or admits in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors, or applies or consents to the appointment of a trustee or a receiver for the Employer or the major part of its property.

(c) A trustee or receiver is appointed for the Employer or for the major part of its property and the order of such appointment is not discharged, vacated, or stayed within sixty (60) days after such appointment.

(d) Bankruptcy, reorganization, arrangement, insolvency, or liquidation proceedings or other proceedings for relief under any bankruptcy or similar law or laws for the relief of debtors are instituted by or against the Employer and, if instituted against the Employer, are consented to, or, if contested by the Employer, are not dismissed by the adverse parties or
by an order, decree or judgment within sixty (60) days after such institution.

(e) The Employer ceases or announces the cessation of operations at the Project site, unless such operations are transferred to another facility in the State of Iowa.

(f) The Employer directly or indirectly makes any false or misleading representations or warranties in the program application or this Agreement, or in any reports, financial statements, or any other documents which are provided to the Community College or the Department of Economic Development.

(g) The Employer acts in any manner contrary to, or fails to act in accordance with any provision of this Agreement.

(h) The Employer takes corporate action to effect any of the preceding conditions of default.

(i) The Employer fails to complete the Project within the agreed period of time.

(j) The Employer fails to achieve a net increase in the number of employment positions at the Project site.

The declaration of an event of default under Subsection (d) above, and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 4.2. Whenever an event of default has occurred, further training or payments to the Employer shall be suspended.

Section 4.3 Whenever an event of default has occurred, the Employer shall immediately repay to the Department of Economic Development all monies expended by the Employer and the Community College from the Project Award. The Employer shall also pay interest on the amount to be repaid at the rate of 3.00%. Interest shall accrue from the issuance date specified on the Project Award check.

Section 4.4. Whenever an event of default has occurred and is continuing, the Community College may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due or to enforce performance and observance of any other obligation or agreement of the Employer under this
Agreement. Notwithstanding the foregoing or any other provision of this Agreement, the Community College shall never be obligated to take any step which, in its opinion, will or might cause it to expend time or money or incur liability.

Section 4.5. No remedy conferred upon or reserved to the Community College by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Community College to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 4.6. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 4.7. Whenever an event of default has occurred and is unresolved, the Community College shall assign this Agreement to the Iowa Department of Economic Development for appropriate collection action by that Department and the Attorney General of the State.

ARTICLE V

MISCELLANEOUS

Section 5.1. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate address as follows:

Community College: Joseph A. Borgen, Ph.D.
President
Des Moines Area Community College
2006 S. Ankeny Blvd.
Ankeny, Iowa 50021

Employer: Muhammad Abdullah
President
Homestead Farms, Inc.
1901 Bell Avenue #10
Des Moines IA 50315
Employer and the Community College may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 5.2. All covenants, stipulations, obligations and agreements of the Community College contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Community College or its Board of Directors other than in their official capacity, and neither the members of the Board of Directors nor any official executing this Agreement shall in any circumstances be liable personally or be subject to any personal liability or accountability by reason of the covenants, stipulations, obligations or agreements of the Community College contained herein.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Community College, the Employer and their respective permitted successors and assigns, provided that this Agreement may not be assigned by the Employer without the express written consent of the Community College and may not be assigned by the Community College except as may otherwise be provided herein.

Section 5.4. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

Section 5.5. If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 5.6. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State.
Section 5.7. The entire agreement of the parties is contained in this document. Oral or written statements by either party which are not contained herein are hereby rendered null, void and of no effect. This Agreement replaces all prior agreements, if any, between the parties with respect to the subject matter hereof, and upon execution of this Agreement the relationship of the parties with respect to the subject matter hereof shall be governed solely by this Agreement.

IN WITNESS WHEREOF, the Community College and the Employer have caused this Agreement to be duly executed in their respective names by their duly authorized officers, all as of the date hereinabove written.

DES MOINES AREA COMMUNITY COLLEGE

By

Douglas Hall

Board President

(name) (title)

ATTEST:

HeLEN M. Harris

Board Secretary

(name) (title)

HOMESTEAD FARMS, INC.

(name of Employer)

By

Muhammad Abdullah

President

(name) (title)

(Seal)

ATTEST:

Jake Kelvin Pope

Administrative Assistant

(name) (title)
STATE OF IOWA  
COUNTY OF POLK

On this 10 day of MAY, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared [Name Redacted], known to me personally and by me duly sworn, who being by me duly sworn, did say that they are the Board President and Board Secretary of Des Moines Area Community College; that no seal has been procured by the said college; that said instrument was signed on behalf of said college by authority of its Board of Directors; and that the said [Name Redacted] and [Name Redacted] acknowledge the execution of said instrument to be the voluntary act and deed of said college, by it and by them voluntarily executed.

GORDON D GRETA  
Notary Public in and for the State of Iowa

STATE OF IOWA  
COUNTY OF POLK

On this 5 day of APRIL, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared [Name Redacted] and [Name Redacted], to me personally known, who being by me duly sworn, did say that they are the [Position Redacted] and [Position Redacted] of [Institution Name Redacted]; that no seal has been procured by the said corporation/ that the seal affixed hereto is the seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and that the said [Name Redacted] and [Name Redacted] acknowledge the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

JAMIE LEE KELLIS  
Notary Public in and for the State of Iowa
### 10. LIST OF JOBS TO BE TRAINED

(THIS SECTION IS TO BE COMPLETED BY ALL APPLICANTS)

Complete the following chart by entering each job title to receive training. For each job title listed, enter the number of employees to receive training and their average hourly wage.

<table>
<thead>
<tr>
<th>JOB TITLE</th>
<th># TO BE TRAINED</th>
<th>AVERAGE HOURLY WAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director of Operations</td>
<td>1</td>
<td>$26.50</td>
</tr>
<tr>
<td>Director of Manufacturing</td>
<td>1</td>
<td>$25.80</td>
</tr>
<tr>
<td>Director of Domestic Marketing</td>
<td>1</td>
<td>$24.00</td>
</tr>
<tr>
<td>Secretary</td>
<td>1</td>
<td>$9.32</td>
</tr>
<tr>
<td>Salesperson</td>
<td>1</td>
<td>$10.50</td>
</tr>
<tr>
<td>Purchasing/Shipping and Receiving</td>
<td>1</td>
<td>$10.50</td>
</tr>
<tr>
<td>Quality Control</td>
<td>1</td>
<td>$8.50</td>
</tr>
<tr>
<td>Production Workers</td>
<td>8</td>
<td>$8.50</td>
</tr>
</tbody>
</table>

**TOTAL** 15

---

Exhibit A
Homestead Farms
260F Training Plan Outline

I. Job Specific Skill Training $7,500

The initial skill training that must be delivered will be training on operations of the electronic liquid filler machine by the vendor. All company employees will participate in this training.

As the company’s computers are set up, employees will need to be trained in the software and systems. Some areas of anticipated computer training needs are: LANtastics, Peachtree accounting, and electronic data interchange. This training may be through attendance of outside seminars or on-site consulting.

As all company personnel are new to the oils industry, outside consultation and training on the oils industry will be necessary. DMACC will help provide the appropriate personnel.

After the initial start-up phase, an orientation program for new employees will be developed. DMACC will provide technical assistance to develop this program.

II. Management/Supervisor Training $5,500

The management has identified needs in a number of areas of consulting and development. Assistance and outside expertise is needed to establish processes and procedures for the business. Human resources/personnel procedures must be defined early in the operation. Establishing the operations and production part of the business will require training in manufacturing, work flow, shipping and receiving. Personnel from the Iowa Manufacturing Technology Center will assist with providing these services. Funds may also be used to develop process and procedure manuals.

IV. Professional and Individual Skill Development $3,900

It is anticipated that company personnel will need to acquire skills through the attendance of outside workshops and seminars. Marketing and sales training needs to focus on the development of a distributor network. Workshops on food and health regulations, safety and federal procurement will also be needed. Funds for this category will be used for tuition/registration and travel expenses.
The training fund is generated by a credit for new jobs withholding taxes under the provision of Iowa Code 260F.

I. Job Specific Skill Development $7,500
   - Vendor training on equipment
   - Computer training/consulting
   - Oils industry training
   - Development of new employee orientation

II. Management/Supervisory Training 5,500
    - Development of personnel procedures
    - Operations and production training, including documentation

IV. Professional and Individual Skill Development 3,900
    - Marketing and sales training
    - Food and health regulations
    - Safety
    - Federal procurement

Total Training Budget $16,900

Training will begin November 15, 1994 with completion anticipated in November 15, 1996.
EXHIBIT C
PROJECT SITE

This project is located at:
1901 Bell Avenue #10
Des Moines IA 50315
The Board of Directors of the Des Moines Area Community College met in regular session on the 8th day of May, 1995, at 4:00 p.m., at the DMACC Commons on the campus of the College in Ankeny, Iowa. The meeting was called to order and there were present **Doug Shull**, President of the Board, in the chair, and the following named Board Members:

- Lloyd Courter, Dale Froehlich, Anita Micich, Naomi Neu,
- Gerry Pecinovsky, Madelyn Tursi

Absent **Harold Belken, Dick Johnson**

Matters were discussed concerning a Jobs Training Agreement between the College and Kurtz Hardware Company. Following a discussion of the proposal by the Board, Board Member **L. Courter** introduced and caused to be read a resolution entitled, "A Resolution Approving the Form and Content and Execution and Delivery of a Jobs Training Agreement"; and moved its adoption. The motion was seconded by Board Member **M. Tursi**. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

- Ayes: Courter, Froehlich, Micich, Neu, Pecinovsky, Tursi, Shull
- Nays: NONE

Whereupon, the President declared said resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

********

Attest:

[Signature]

Secretary of the Board of Directors
RESOLUTION

A RESOLUTION APPROVING THE FORM AND CONTENT AND EXECUTION AND DELIVERY OF A JOBS TRAINING AGREEMENT

WHEREAS, Des Moines Area Community College (hereinafter referred to as the "College"), is an area community college and a body politic organized and existing under the laws of the State of Iowa, and is authorized and empowered by Chapter 260F of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to provide a "Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to provide retraining of existing workers for a business within the State of Iowa (the "State") in order to improve the economic welfare of the residents of the State, and is authorized under the Act to pay the costs of such a program from funds allocated for such purpose by the Iowa Department of Economic Development under Section 260F.6 of the Act; and

WHEREAS, the College has undertaken negotiations with respect to a Jobs Training Program with Kurtz Hardware Company (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a jobs training program (hereinafter referred to as the "Project") to retrain workers at the Company at its facilities located in the merged area served by the College, which Project will be beneficial to the Company and the College; and

WHEREAS, the College has received an allocation (the "Fund Advance") under Section 260F.6 of the Act in order to defray all or a portion of the cost of the Project, including necessary expenses incidental thereto, in the amount of $4,999; and

WHEREAS, a Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, has been negotiated by the College under the terms of which the College agrees, subject to the provisions of such Agreement, to provide a Jobs Training Program for the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, be and the same is hereby approved and the President of the Board of Directors is hereby authorized to execute said Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Jobs Training Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit "A" attached hereto with such changes therein as the officers executing such Jobs Training Agreement shall approve, such approval to be conclusively evidenced by the execution thereof.

Section 2. That the form of resolution required by the Iowa Department of Economic Development (the "Department") is hereby approved and the officers of the College are authorized to file such resolution in accordance with the requirements of the Department.
Section 3. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

Section 4. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 8th day of May, 1995.

President of the Board of Directors

ATTEST:

Secretary of the Board of Directors
STATE OF IOWA
COUNTY OF POLK

I, Helen M. Harris, Secretary of the Board of Directors of the Des Moines Area Community College, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on May 8, 1995, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board of Directors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Directors (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board of Directors and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board of Directors vacancies existed except as November be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand hereto affixed this 8th day of May, 1995.

[Signature]
SECRETARY OF THE BOARD OF DIRECTORS

DBV11412.95
IOWA DEPARTMENT OF ECONOMIC DEVELOPMENT
IOWA JOBS TRAINING PROGRAM (260F)

REQUEST FOR RELEASE OF FUNDS

This project is for ( ) new jobs training XXX retraining.

WHEREAS, Des Moines Area Community College, the Community College, is in need of funds to carry out a jobs training project as hereinafter described, and it is deemed necessary that it should apply to the State for an advance of funds in an amount sufficient to fund the project as authorized by Chapter 260F, Code of Iowa, 1985, as amended by 1992 Iowa Acts, Senate File 2295; and

WHEREAS, an Iowa Jobs Training Agreement, the Agreement, has been negotiated with Kurtz Hardware Company, the Employer, establishing a jobs training program to educate and train certain employees and such Agreement is deemed to be beneficial to the Community College and to the Employer; and

NOW, THEREFORE, BE IT RESOLVED BY THE COMMUNITY COLLEGE:

The Iowa Jobs Training Agreement with the Employer and the form thereof are hereby approved by the Community College, and the State is hereby requested to allocate $4,999.00 to fund the project pursuant to the Act.

Authorized Signature

Date 5-8-95

Approved for allocation by the Iowa Department of Economic Development:

Authorized Signature

Date

NOTE: Three copies of this form with original signatures on each must be returned to the Department of Economic Development, Bureau of State Programs, 200 East Grand Avenue, Des Moines, Iowa 50309.

Form 260F-2 (revised 06/94)
TRAINING GRANT AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

KURTZ HARDWARE COMPANY

Dated as of

May 8, 1995
TRAINING GRANT AGREEMENT

This Grant Agreement ("Agreement") made and entered into as of the 8th day of May, 1995, between Des Moines Area Community College, Ankeny, Iowa ("Community College"), and Kurtz Hardware Company ("Employer").

WITNESSETH:

WHEREAS, pursuant to Chapter 260F of Code of Iowa, as amended ("Act"), Community College has determined to enter into this Training Grant Agreement with Employer for the purpose of establishing a program ("Project") to train for new jobs or train to retain existing jobs when the project costs are less than five thousand dollars ($5,000); and

WHEREAS, the Iowa Department of Economic Development has approved an award of funds ("Project Award") under Section 260F.8(2) of the Act; and

WHEREAS, the Community College and the Employer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed;

NOW, THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

REPRESENTATIONS

Section 1.1. Representations of Community College. Community College represents and covenants that:

(a) It is duly organized and validly existing under the laws of the State of Iowa ("State");

(b) It is not in violation of any provisions of the laws of the State which would impair its ability to carry out its obligations hereunder;

(c) It is empowered to enter into the transactions contemplated by this Agreement; and
(d) It will do all things in its power required of it in order to maintain its existence or assure the assumption of its obligations hereunder by any successor public body.

(e) It shall not discriminate against any person on the basis of race, creed, color, sex, national origin, religion, age, marital status, disability or Vietnam era veteran status.

Section 1.2. Representations and Covenants of Employer. Employer represents and covenants that:

(a) It is duly and validly organized and is in good standing under the laws of the State of Iowa and is qualified to do business in Iowa.

(b) It has full power and authority to execute, deliver and perform this Agreement and all other agreements entered into by Employer to secure its performance hereunder and to enter into and carry out the transactions contemplated herein. Such execution, delivery or performance are not in contravention of law or Employer's articles of incorporation, bylaws or any indenture, agreement, mortgage, lease, undertaking or any other restriction, obligation or instrument to which Employer is a party or by which it is bound. This Agreement has by proper action been duly authorized, executed and delivered by Employer and all steps necessary have been taken to constitute this Agreement a valid and binding obligation of Employer.

(c) There is no litigation or proceeding pending, or to the knowledge of Employer threatened, against Employer or any other person affecting in any manner whatsoever the right of Employer to execute this Agreement or to otherwise comply with its obligations contained in this Agreement.

(d) Employer is an "Eligible Business" or "business" as defined in Section 260F.2 of the Act.

(e) Employer requires this grant to train for new jobs or to train to retain existing jobs.

(f) Employer shall not discriminate against any person on the basis of race, creed, color, sex, national origin, religion, age, marital status, disability or Vietnam era veteran status.
ARTICLE II

PROJECT; PROGRAM SERVICES

Section 2.1. The "Project" shall consist of the retraining program and services to be provided by Community College to employees of Employer as described on Exhibit "A" (the "Program Services") entitled "Training Proposal". Exhibit "A" includes the number of jobs to be trained, and is incorporated herein by reference. Exhibit "A" includes the date the training will begin, the length of time each job category will be provided training, the ending date of the training, areas of training and estimated costs of each component of training. Attached hereto as Exhibit "B" and incorporated herein by reference is a copy of the proposed budget of Community College and the Employer which sets forth all expenditures associated with the Project.

Section 2.2. Employer represents and agrees that the Program Services are for the purpose of providing training for new jobs or training to retain existing jobs at a project cost of less than five thousand dollars ($5,000).

Section 2.3. Community College agrees to provide the Program Services if and to the extent that funds are awarded and released for the Project by the Department of Economic Development. It is understood and agreed that Employer and Community College will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibits "A" and "B".

Section 2.4. It is understood by Community College and Employer that should the Project Award not be available or received from the Department of Economic Development within a reasonable period of time, this Agreement shall be terminated by mutual agreement of the parties. In any event, Employer shall pay all administrative and legal costs associated with the Project which have been incurred by the Community College.

Section 2.5. The term of this Agreement shall begin on the 15th day of April, 1995, and end on the 31st day of May, 1997.

Section 2.6. Employer shall pay Community College an application fee in the amount of $-0- to defray Community College costs of applying for financial assistance. Legal fees incurred by the Community College may be considered a part of the Project and may be paid from the Project Award.
Section 2.8. Community College may revise or expand the training curriculum from time to time with the consent of Employer; provided that no revision shall be made which would change the Project to other than purposes permitted by the Act; and provided that the training curriculum remains within the context of the Project application approved by the Department of Economic Development.

Section 2.9. In the event that moneys provided by the Project Award are not sufficient to pay all costs of the Project, Employer will, nonetheless, pay all such costs of the Project in full from its own funds. If Employer should pay any portion of such costs, it shall not be entitled to any reimbursement therefor from Community College.

ARTICLE III
PAYMENTS; SECURITY

Section 3.1. Community College shall create a fund for the deposit of the Project Award from the Department of Economic Development (DED).

Section 3.2. Employer and Community College agree that the Project Award is issued by DED as a Grant and shall not be required to be repaid by Employer unless an event of default has occurred. Events of default and associated penalties are specified in Article IV of this Agreement. Community College and the DED shall determine whether an event of default has occurred.

ARTICLE IV
EVENT OF DEFAULT AND REMEDIES

Section 4.1. Events of Default. Each of the following shall be an "event of default" hereunder:

(a) Employer fails to comply with any requirements contained in this Agreement and such failure continues for a period of twenty (20) days from the date a written notice concerning such failure is sent from Community College to Employer which specifies the issue(s) of noncompliance. If noncompliance is of such a nature that a cure cannot be reasonably accomplished within twenty (20) days, Community College may, but need not, extend the period of cure to a maximum of sixty (60) days.
(b) Employer becomes insolvent or bankrupt, or admits in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors, or applies or consents to the appointment of a trustee or a receiver for the Employer or the major part of its property.

(c) A trustee or receiver is appointed for the Employer or for the major part of its property and the order of such appointment is not discharged, vacated, or stayed within sixty (60) days after such appointment.

(d) Bankruptcy, reorganization, arrangement, insolvency, or liquidation proceedings or other proceedings for relief under any bankruptcy or similar law or laws for the relief of debtors are instituted by or against Employer and, if instituted against Employer, are consented to, or, if contested by Employer, are not dismissed by the adverse parties or by an order, decree or judgment within sixty (60) days after such institution.

(e) Employer ceases or announces the cessation of operations at the Project site, unless such operations are transferred to another facility in the State of Iowa.

(f) Employer directly or indirectly makes any false or misleading representations or warranties in the program application or this Agreement, or in any reports, financial statements, or any other documents which are provided to Community College or the Department of Economic Development.

(g) Employer acts in any manner contrary to, or fails to act in accordance with, any provision of this Agreement.

(h) Employer takes corporate action to effect any of the preceding conditions of default.

(i) Employer fails to meet at least one of the following:

(1) Achieve a net increase in the number of employment positions at the Project site;

(2) Achieve a net increase in the quality of jobs held by those retrained;

(3) Achieve a net increase in the wages of those retrained.
(j) Employer fails to complete the Project within the agreed period of time. In this instance, the Employer shall be required to repay 20 percent of the total Project Award from DED expended by Community College and Employer.

(k) Employer fails to retrain the agreed number of employees. Employer shall be required to repay a proportionate amount of the total Project Award from DED expended by Community College and Employer. In this instance, the proportion shall be based on the number of employees not trained compared to the number of employees to have been trained.

The declaration of an event of default under Subsection (d) above, and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 4.2. Whenever an event of default has occurred, further training or payments to the Employer shall be suspended.

Section 4.3. Whenever an event of default has occurred for reasons cited in ARTICLE IV, Section 4.1. (a) through (i), the Employer shall immediately repay to the Department of Economic Development all DED moneys expended by Employer and Community College from the Project Award. Employer shall also pay interest on the amount to be repaid at the rate of 3.00%. Interest shall accrue from the issuance date specified on the Project Award check.

Section 4.4. Whenever an event of default has occurred for reasons cited in Section 4.1 (j) or (k), Employer shall immediately pay the penalty prescribed in ARTICLE IV, Section 4.1 (j) or (k), whichever is applicable, to the Department of Economic Development. Employer shall also pay interest on the amount to be repaid at the rate of 3.00%. Interest shall accrue from the issuance date specified on the Project Award check.

Section 4.5. Whenever an event of default has occurred and is continuing, Community College may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due or to enforce performance and observance of any other obligation or agreement of Employer under this Agreement. Notwithstanding the foregoing or any other provision of this Agreement, Community
College shall never be obligated to take any step which, in its opinion, will or might cause it to expend time or money or incur liability.

Section 4.6. No remedy conferred upon or reserved to Community College by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Community College to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 4.7. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 4.8. As required by Iowa Administrative Code, Chapter 260F.3(6), any payments required to be made by Employer to the Department of Economic Development are a lien upon Employer's property set forth on Exhibit C attached hereto until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to the lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties, and consequences as for the nonpayment of ordinary taxes. The purchaser at tax sale obtains the property subject to the remaining payments.

Section 4.9. Whenever an event of default has occurred and is unresolved, Community College shall assign this Agreement to the Iowa Department of Economic Development for appropriate collection action by that Department and the Attorney General of the State.

ARTICLE V

MISCELLANEOUS

Section 5.1. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate address as follows:
Employer and Community College may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 5.2. All covenants, stipulations, obligations and agreements of Community College contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of Community College or its Board of Directors other than in their official capacity, and neither the members of the Board of Directors nor any official executing this Agreement shall in any circumstances be liable personally or be subject to any personal liability or accountability by reason of the covenants, stipulations, obligations or agreements of Community College contained herein.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon Community College, Employer and their respective permitted successors and assigns, provided that this Agreement may not be assigned by Employer without the express written consent of Community College and may not be assigned by Community College except as may otherwise be provided herein.

Section 5.4. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

Section 5.5. If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or
invalid, such illegality or invalidity shall not affect any other provision or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 5.6. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State.

Section 5.7. This Agreement replaces all prior agreements, if any, between the parties with respect to the subject matter hereof, and upon execution of this Agreement the relationship of the parties with respect to the subject matter hereof shall be governed solely by this Agreement except to the extent any such prior agreement may contain a term which is specified to survive.

IN WITNESS WHEREOF, Community College and Employer have caused this Agreement to be duly executed in their respective names by their duly authorized officers, all as of the date hereinabove written.

DES MOINES AREA COMMUNITY COLLEGE

By:  

Doug Shull  
President, Board

(name)  (title)

ATTEST:

Helen M. Harris  
Board Secretary

(name)  (title)
(name of Employer)

By: ____________________________

______________________________  ____________________________
(name)  (title)

(Seal)

ATTEST:

______________________________  ____________________________
(name)  (title)

STATE OF IOWA  
COUNTY OF POLK

On this 8th day of MAY, 1995 before me, the undersigned, a Notary Public in and for said State, personally appeared Doug Shull and Helen M. Harris, to me personally known, who being by me duly sworn, did say that they are the Board President and Board Secretary of Des Moines Area Community College; that no seal has been procured by the said College; that said instrument was signed on behalf of said college by authority of its Board of Directors; and that the said Doug Shull and Helen M. Harris acknowledge the execution of said instrument to be the voluntary act and deed of said College, by it and by them voluntarily executed.

GORDON D GRETA

Notary Public in and for the State of Iowa
Kurtz Hardware Company
(name of Employer)

By

Robert B. Kurtz, Jr., President
(name) (title)

ATTEST:

Martha J. McClure
(name) (title)

STATE OF IOWA

COUNTY OF POLK

On this 11 day of November, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Robert B. Kurtz Jr. and Martha McClure, to me personally known, who being by me duly sworn, did say that they are the Robert B. Kurtz and Martha McClure of Des Moines Area Community College; that no seal has been procured by the said College; that said instrument was signed on behalf of said College by authority of its Board of Directors; and that the said Robert B. Kurtz Jr. and Martha McClure acknowledge the execution of said instrument to be the voluntary act and deed of said College, by it and by them voluntarily executed.

Notary Public in and for the State of Iowa
On this 11th day of April, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Robert B. Kurtz Jr. and Martha McClure, to me personally known, who being by me duly sworn, did say that they are the President and Secretary of [name of Corporation: ______________________]; that [no seal has been procured by the said Corporation] [the seal affixed hereto is the seal of said Corporation]; that said instrument was signed on behalf of said Corporation by authority of its Board of Directors; and that the said Robert B. Kurtz and Martha McClure acknowledge the execution of said instrument to be the voluntary act and deed of said Corporation, by it and by them voluntarily executed.

[Signature]

Notary Public in and for the State of Iowa
10. TRAINING PROPOSAL  
(THIS SECTION IS TO BE COMPLETED BY ALL APPLICANTS)

A. What date will the training begin? 04/15/95
B. What date will the training end? 05/31/97
C. What is the TOTAL UNDUPPLICATED number of employees that will receive training during the time frame specified above? 13

LIST OF TRAINING ACTIVITIES TO BE PROVIDED

Complete the following chart for each training activity to be provided. Training activities include classroom training, consulting, evaluation, technical assistance, etc. List each training activity. Also attach a comprehensive description for each of the listed items. Insert the descriptions immediately following this page.

<table>
<thead>
<tr>
<th>TRAINING ACTIVITY</th>
<th>TRAINING PROVIDER</th>
<th># TO BE TRAINED</th>
<th>LENGTH OF TRAINING (HRS/MOS, ETC)</th>
<th>TOTAL COST</th>
<th>260F COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone Use &amp; Customer Service</td>
<td>DMACC</td>
<td>13</td>
<td>6 hours +</td>
<td>$ 1,150</td>
<td>$ 1,150</td>
</tr>
<tr>
<td>(Includes development, material, and mileage)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventory Control Training &amp; Consulting</td>
<td>DMACC</td>
<td>10</td>
<td>20 hours</td>
<td>$ 2,300</td>
<td>$ 2,300</td>
</tr>
<tr>
<td>(Includes mileage and materials)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality Systems &amp; Standardization</td>
<td>DMACC</td>
<td>13</td>
<td>120 hours</td>
<td>$13,000</td>
<td>$ 1,549</td>
</tr>
<tr>
<td>Consulting &amp; Training</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>See Exhibit A for Descriptions</td>
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<td></td>
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<td></td>
<td></td>
<td>TOTAL COST</td>
<td>$16,450</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>260F COST</td>
<td>$ 4,999</td>
</tr>
</tbody>
</table>
The following are the descriptions of the training opportunities to be offered to the employees of Kurtz Hardware Company:

I. Job Skill Specific Training $4,999.00

A. Telephone Usage and Customer Service Training $1,150.00

A six hour class will be designed to train Kurtz employees how to effectively use the new phone system and how to improve customer service as they take orders using the new on-line computer system. Dollars from this fund will be used to pay for the development of the training and the cost of the training, including materials and mileage. DMACC will conduct this training.

B. Inventory Control $2,300.00

This training will focus on the implementation and maintenance of a cycle counting program to improve inventory accuracy to more than 95%. It will also involve training employees in the use of the computer system to answer customer questions on inventory availability with the goal of reducing the time required to handle customer inquiries. A twenty hour session will be developed and presented to employees by faculty of DMACC. Dollars from this fund will be used to pay for the development, training, materials and mileage.

C. Quality Systems Development and Standardization Training and Consulting $1,549.00

The long term objective of this consulting and training will be to institute a program of quality control focusing on inventory and customer service applications, and in the area of new door and window construction. Documentation systems will be developed as needed to support these activities. It is estimated that this consulting and training will take 120 hours; dollars from this fund will be used to pay a small portion of the costs. Training and consulting to be conducted by DMACC faculty.

TOTAL 260F TRAINING BUDGET $4,999.00
12. GRANT INFORMATION  
(This section is to be completed by all applicants)

A. What is the grant amount being requested? (cannot exceed $4,999): $4,999.00

B. Complete the following chart to show how the grant will be used:

<table>
<thead>
<tr>
<th>GRANT DISTRIBUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classroom Training</td>
</tr>
<tr>
<td>$ 4,999.00</td>
</tr>
<tr>
<td>On-The-Job Training</td>
</tr>
<tr>
<td>$</td>
</tr>
<tr>
<td>Other Training</td>
</tr>
<tr>
<td>$</td>
</tr>
<tr>
<td>College Administration</td>
</tr>
<tr>
<td>$</td>
</tr>
<tr>
<td>Legal Fees</td>
</tr>
<tr>
<td>$</td>
</tr>
<tr>
<td>Other Fees</td>
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<tr>
<td>$</td>
</tr>
<tr>
<td>Reserves</td>
</tr>
<tr>
<td>$</td>
</tr>
<tr>
<td>Other</td>
</tr>
<tr>
<td>$</td>
</tr>
<tr>
<td><strong>TOTAL GRANT AMOUNT</strong></td>
</tr>
<tr>
<td>$ 4,999.00</td>
</tr>
</tbody>
</table>

13. BUSINESS CERTIFICATION

I hereby give permission to the Iowa Department of Economic Development (IDED) to research the business's history, make credit checks, contact the business's financial institution, and perform other related activities necessary for the reasonable evaluation of this application. I understand that all information submitted to IDED relating to this application is subject to the Open Records Law, Iowa Code Chapter 22 (1989) and that its confidentiality may not be guaranteed.

IF THIS IS AN APPLICATION FOR NEW JOBS TRAINING ASSISTANCE, I agree to comply with the requirements of Iowa Code Section 260F.3 as cited on page one, section 3, of this application and also certify that the number of employees at all of this business's sites statewide is 500 or less.

I HEREBY CERTIFY that, to the best of my knowledge, the information contained in this application is accurate. The Iowa Department of Economic Development will deny financial assistance should it be determined that misrepresentations are made herein. If assistance has already been provided prior to discovery of the misrepresentation, it may form the basis for legal action(s) with the goal being recovery of funds.

Signature of Business Official

Date 3-28-75
EXHIBIT C

PROJECT SITE

1473 Keo, Des Moines, Iowa  50314
The Board of Directors of the Des Moines Area Community College met in regular session on the 8th day of May, 1995, at 4:00 p.m., at the DMACC Commons on the campus of the College in Ankeny, Iowa. The meeting was called to order and there were present Doug Shull, President of the Board, in the chair, and the following named Board Members:

Lloyd Courter, Dale Froehlich, Anita Micich, Naomi Neu,

Gerry Pecinovsky, Madelyn Tursi

Absent: Harold Belken, Dick Johnson

Matters were discussed concerning a Jobs Training Agreement between the College and Northstar Power Company. Following a discussion of the proposal by the Board, Board Member L. Courter introduced and caused to be read a resolution entitled, "A Resolution Approving the Form and Content and Execution and Delivery of a Jobs Training Agreement"; and moved its adoption. The motion was seconded by Board Member M. Tursi. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

Ayes: Courter, Froehlich, Micich, Neu, Pecinovsky, Tursi, Shull

Nays: NONE

Whereupon, the President declared said resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

********

[Signature]

PRESIDENT OF THE BOARD OF DIRECTORS

Attest:

[Signature]

Secretary of the Board of Directors
RESOLUTION

A RESOLUTION APPROVING THE FORM AND CONTENT AND EXECUTION AND DELIVERY OF A JOBS TRAINING AGREEMENT

WHEREAS, Des Moines Area Community College (hereinafter referred to as the "College"), is an area community college and a body politic organized and existing under the laws of the State of Iowa, and is authorized and empowered by Chapter 260F of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to provide a "Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to provide retraining of existing workers for a business within the State of Iowa (the "State") in order to improve the economic welfare of the residents of the State, and is authorized under the Act to pay the costs of such a program from funds allocated for such purpose by the Iowa Department of Economic Development under Section 260F.6 of the Act; and

WHEREAS, the College has undertaken negotiations with respect to a Jobs Training Program with Northstar Power Company (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a jobs training program (hereinafter referred to as the "Project") to retrain workers at the Company at its facilities located in the merged area served by the College, which Project will be beneficial to the Company and the College; and

WHEREAS, the College has received an allocation (the "Fund Advance") under Section 260F.6 of the Act in order to defray all or a portion of the cost of the Project, including necessary expenses incidental thereto, in the amount of $27,572; and

WHEREAS, a Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, has been negotiated by the College under the terms of which the College agrees, subject to the provisions of such Agreement, to provide a Jobs Training Program for the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, be and the same is hereby approved and the President of the Board of Directors is hereby authorized to execute said Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Jobs Training Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit "A" attached hereto with such changes therein as the officers executing such Jobs Training Agreement shall approve, such approval to be conclusively evidenced by the execution thereof.

Section 2. That the form of resolution required by the Iowa Department of Economic Development (the "Department") is hereby approved and the officers of the College are authorized to file such resolution in accordance with the requirements of the Department.
Section 3. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

Section 4. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 8th day of May, 1995.

_________________________
President of the Board of Directors

ATTEST:

_________________________
Secretary of the Board of Directors
STATE OF IOWA  
COUNTY OF POLK  

I, Helen M. Harris, Secretary of the Board of Directors of the Des Moines Area Community College, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on May 8, 1995, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board of Directors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Directors (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board of Directors and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board of Directors vacancies existed except as November be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand hereto affixed this 8th day of May, 1995.

[Signature]

SECRETARY OF THE BOARD OF DIRECTORS
REQUEST FOR RELEASE OF FUNDS

This project is for ( ) new jobs training (X) retraining.

WHEREAS, Des Moines Area Community College______, the Community College, is in need of funds to carry out a jobs training project as hereinafter described, and it is deemed necessary that it should apply to the State for an advance of funds in an amount sufficient to fund the project as authorized by Chapter 260F, Code of Iowa, 1985, as amended by 1992 Iowa Acts, Senate File 2295; and

WHEREAS, an Iowa Jobs Training Agreement, the Agreement, has been negotiated with Northstar Power Company______________, the Employer, establishing a jobs training program to educate and train certain employees and such Agreement is deemed to be beneficial to the Community College and to the Employer; and

NOW, THEREFORE, BE IT RESOLVED BY THE COMMUNITY COLLEGE:

The Iowa Jobs Training Agreement with the Employer and the form thereof are hereby approved by the Community College, and the State is hereby requested to allocate $27,572.00 to fund the project pursuant to the Act.

Authorized Signature ____________________________ 5-8-95  
Date

Approved for allocation by the Iowa Department of Economic Development:

Authorized Signature ____________________________  
Date

NOTE: Three copies of this form with original signatures on each must be returned to the Department of Economic Development, Bureau of State Programs, 200 East Grand Avenue, Des Moines, Iowa 50309.

Form 260F-2 (revised 06/94)
RETRAINING AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

NORTHSTAR POWER COMPANY

Dated as of May 8, 1995
RETRAINING AGREEMENT

This Retraining Agreement (the "Agreement") made and entered into as of May 8, 1995 between Des Moines Area Community College, Ankeny, Iowa (the "Community College") and Northstar Power Company (the "Employer").

WITNESSETH:

WHEREAS, pursuant to Chapter 260F of Code of Iowa, as amended (the "Act"), the Community College has determined to enter into this Agreement with Employer for the purpose of establishing a retraining program (the "Project") to train certain persons employed by Employer in new skills required as a result of retooling; and

WHEREAS, the Iowa Department of Economic Development has approved an award of funds (the "Project Award") under Section 260F.6 of the Act in order to provide funding for the costs of the Project; and

WHEREAS, the Community College and the Employer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed;

NOW, THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

REPRESENTATIONS

Section 1.1. Representations of the Community College. The Community College represents and covenants that: (a) it is duly organized and validly existing under the laws of the State of Iowa (the "State"); (b) it is not in violation of any provisions of the laws of the State which would impair its ability to carry out its obligations hereunder; (c) it is empowered to enter into the transactions contemplated by this Agreement; and (d) it will do all things in its power required of it in order to maintain its existence or assure the assumption of its obligations hereunder by any successor public body.

Section 1.2. Representations and Covenants of the Employer. The Employer represents and covenants that:

(a) It is duly and validly organized and is in good standing under the laws of North Dakota and is qualified to do business in Iowa.
(b) It has full power and authority to execute, deliver and perform this Agreement and all other agreements entered into by the Employer to secure its performance hereunder and to enter into and carry out the transactions contemplated herein. Such execution, delivery or performance are not in contravention of law or Employer's articles of incorporation, bylaws or any indenture, agreement, mortgage, lease, undertaking or any other restriction, obligation or instrument to which the Employer is a party or by which it is bound. This Agreement has by proper action been duly authorized, executed and delivered by the Employer and all steps necessary have been taken to constitute this Agreement a valid and binding obligation of the Employer.

(c) There is no litigation or proceeding pending, or to the knowledge of the Employer threatened, against the Employer or any other person affecting in any manner whatsoever the right of the Employer to execute this Agreement or to otherwise comply with its obligations contained in this Agreement.

(d) The Employer is an "Eligible Business" or "business" as defined in Section 260F.2 of the Act.

(e) The Employer is engaged in retooling, the Employer's work force would be at risk of displacement within the next ten years if not retrained, and the purpose of the Project is to provide education and retraining services to minimize the risk of employee displacement.

ARTICLE II
PROJECT; PROGRAM SERVICES

Section 2.1. The "Project" shall consist of the retraining program and services to be provided by the Community College to employees of the Employer as described on Exhibit "A" (the "Program Services") entitled "Retraining Proposal". Exhibit "A" includes the number of jobs to be retrained, is incorporated herein by reference. Exhibit "A" includes the date the retraining will begin, the length of time each job category will be provided retraining, the ending date of the retraining, areas of retraining and estimated costs of each component of retraining. Attached hereto as Exhibit "B" and incorporated herein by reference is a copy of the proposed budget of the Community College and the Employer which sets forth all expenditures associated with the Project.
Section 2.2. The Employer represents and agrees that the Program Services are for the purpose of providing retraining services to persons employed by the Employer.

Section 2.3. The Community College agrees to provide the Program Services if and to the extent that funds are awarded and released for the Project by the Department of Economic Development. It is understood and agreed that the Employer and the Community College will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibits "A" and "B".

Section 2.4. It is understood by the Community College and the Employer that should the Project Award not be available or received from the Department of Economic Development within a reasonable period of time, this Agreement shall be terminated by mutual agreement of the parties. In any event, the Employer shall pay all administrative and legal costs associated with the Project which have been incurred by the Community College.

Section 2.5. The term of this Agreement shall begin on 04/15/95 and end on 05/31/97.

Section 2.6. The Employer shall pay the Community College an application/administration fee in the amount of $1,000 to defray Community College costs of applying for financial assistance. Legal fees incurred by the Community College shall be considered a part of the Project and may be paid from such application fee or from funds awarded to the Project by the Department of Economic Development.

Section 2.8. The Community College may revise or expand the training curriculum from time to time with the consent of the Employer; provided that no revision shall be made which would change the Project to other than purposes permitted by the Act; and provided that the training curriculum remains within the context of the Project application approved by the Department of Economic Development.

Section 2.9. In the event that moneys provided by the Project Award are not sufficient to pay all costs of the Project, the Employer will, nonetheless, pay all such costs of the Project in full from its own funds. If the Employer should pay any portion of such costs, it shall not be entitled to any reimbursement therefor from the Community College.
ARTICLE III
PAYMENTS; SECURITY

Section 3.1. The Community College shall create a fund for the deposit of the Project Award from the Department of Economic Development (DED).

Section 3.2. The Employer and the Community College agree that the Project Award is issued by DED as a forgivable loan (forgivable loan, grant) and shall not be required to be repaid by the Employer unless an event of default has occurred. Events of default and associated penalties are specified in Article IV of this Agreement. The Community College and the DED shall determine whether an event of default has occurred.

ARTICLE IV
EVENT OF DEFAULT AND REMEDIES

Section 4.1. Events of Default. Each of the following shall be an "event of default" hereunder:

(a) The Employer fails to comply with any requirements contained in this Agreement and such failure continues for a period of twenty (20) days from the date a written notice concerning such failure is sent from the Community College to the Employer which specifies the issue(s) of noncompliance. If noncompliance is of such a nature that a cure cannot be reasonably accomplished within twenty (20) days, the Community College may, but need not, extend the period of cure to a maximum of sixty (60) days.

(b) The Employer becomes insolvent or bankrupt, or admits in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors, or applies or consents to the appointment of a trustee or a receiver for the Employer or the major part of its property.

(c) A trustee or receiver is appointed for the Employer or for the major part of its property and the order of such appointment is not discharged, vacated, or stayed within sixty (60) days after such appointment.

(d) Bankruptcy, reorganization, arrangement, insolvency, or liquidation proceedings or other proceedings for relief under any bankruptcy or similar law or laws for the relief of debtors are instituted by or
against the Employer and, if instituted against the Employer, are consented to, or, if contested by the Employer, are not dismissed by the adverse parties or by an order, decree or judgment within sixty (60) days after such institution.

(e) The Employer ceases or announces the cessation of operations at the Project site, unless such operations are transferred to another facility in the State of Iowa.

(f) The Employer directly or indirectly makes any false or misleading representations or warranties in the program application or this Agreement, or in any reports, financial statements, or any other documents which are provided to the Community College or the Department of Economic Development.

(g) The Employer acts in any manner contrary to, or fails to act in accordance with any provision of this Agreement.

(h) The Employer takes corporate action to effect any of the preceding conditions of default.

(i) The Employer fails to meet at least one of the following:

   (1) Achieve a net increase in the number of employment positions at the Project site;

   (2) Achieve a net increase in the quality of jobs held by those retrained;

   (3) Achieve a net increase in the wages of those retrained.

(j) The Employer fails to complete the Project within the agreed period of time. In this Instance, the Employer shall be required to repay 20 percent of the total Project funds expended by the Community College and the Employer.

(k) The Employer fails to retrain the agreed number of employees. The Employer shall be required to repay a proportionate amount of total Project funds expended by the Community College and the Employer. In this instance, the proportion shall be based on the number of employees not trained compared to the number of employees to have been trained.
The declaration of an event of default under Subsection (d) above, and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 4.2. Whenever an event of default has occurred, further training or payments to the Employer shall be suspended.

Section 4.3 Whenever an event of default has occurred for reasons cited in ARTICLE IV, Section 4.1. (a) through (i), the Employer shall immediately repay to the Department of Economic Development all monies expended by the Employer and the Community College from the Project Award. The Employer shall also pay interest on the amount to be repaid at the rate of 3.00%. Interest shall accrue from the issuance date specified on the Project Award check.

Section 4.4 Whenever an event of default has occurred for reasons cited in Section 4.1 (j) or (k), the Employer shall immediately pay the penalty prescribed in ARTICLE IV, Section 4.1 (j) or (k), whichever is applicable, to the Department of Economic Development. The Employer shall also pay interest on the amount to be repaid at the rate of 3.00%. Interest shall accrue from the issuance date specified on the Project Award check.

Section 4.5. Whenever an event of default has occurred and is continuing, the Community College may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due or to enforce performance and observance of any other obligation or agreement of the Employer under this Agreement. Notwithstanding the foregoing or any other provision of this Agreement, the Community College shall never be obligated to take any step which, in its opinion, will or might cause it to expend time or money or incur liability.

Section 4.6. No remedy conferred upon or reserved to the Community College by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Community College to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.
Section 4.7. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 4.8. As required by Iowa Administrative Code, Chapter 260F.3(6), any payments required to be made by the Employer to the Department of Economic Development are a lien upon the Employer’s property set forth on Exhibit C attached hereto until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to the lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties, and consequences as for the nonpayment of ordinary taxes. The purchaser at tax sale obtains the property subject to the remaining payments.

Section 4.9. Whenever an event of default has occurred and is unresolved, the Community College shall assign this Agreement to the Iowa Department of Economic Development for appropriate collection action by that Department and the Attorney General of the State.

ARTICLE V
MISCELLANEOUS

Section 5.1. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate address as follows:

Community College: Joseph A. Borgen, Ph.D.
President
Des Moines Area Community College
2006 S. Ankeny Blvd.
Ankeny, Iowa 50021

Employer: Frank Christensen, Vice-President
Northstar Power Company
P.O. Box 307
Ankeny, Iowa 50021
Employer and the Community College may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

Section 5.2. All covenants, stipulations, obligations and agreements of the Community College contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Community College or its Board of Directors other than in their official capacity, and neither the members of the Board of Directors nor any official executing this Agreement shall in any circumstances be liable personally or be subject to any personal liability or accountability by reason of the covenants, stipulations, obligations or agreements of the Community College contained herein.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Community College, the Employer and their respective permitted successors and assigns, provided that this Agreement may not be assigned by the Employer without the express written consent of the Community College and may not be assigned by the Community College except as may otherwise be provided herein.

Section 5.4. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

Section 5.5. If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 5.6. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State.
Section 5.7. This Agreement replaces all prior agreements, if any, between the parties with respect to the subject matter hereof, and upon execution of this Agreement the relationship of the parties with respect to the subject matter hereof shall be governed solely by this Agreement.

IN WITNESS WHEREOF, the Community College and the Employer have caused this Agreement to be duly executed in their respective names by their duly authorized officers, all as of the date hereinabove written.

DES MOINES AREA COMMUNITY COLLEGE

By ____________________________
(name)
(President)

ATTEST:

Helen M. Harris
(name)
(Sec'y, Board)

Northstar Power Company

(name of Employer)

By ____________________________
(name)
(President)

ATTEST:

Michael Vannett
(name)
(Sec'y-Treasurer)
STATE OF IOWA  
COUNTY OF POLK  

On this 8th day of May, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Doug Buhl and Helen M. Harris, to me personally known, who being by me duly sworn, did say that they are the President and Board Secretary of Des Moines Area Community College; that no seal has been procured by the said college; that said instrument was signed on behalf of said college by authority of its Board of Directors; and that the said Doug Buhl and Helen M. Harris acknowledge the execution of said instrument to be the voluntary act and deed of said college, by it and by them voluntarily executed.

GORDON D. GRETA  
Notary Public in and for the State of Iowa

STATE OF ND  
COUNTY OF CASS  

On this 18th day of April, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Ace A. Bredt and Mike Vannett, to me personally known, who being by me duly sworn, did say that they are the President and Sec./Treas. of Northern Power Co.; that no seal has been procured by the said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and that the said President and Sec./Treas. acknowledge the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

MICHAEL VANNETT  
Notary Public, STATE OF NORTH DAKOTA  
My Commission Expires 13, 2000
11. TRAINING PROPOSAL
(THIS SECTION IS TO BE COMPLETED BY ALL APPLICANTS)

A. What date will the training begin? 4/15/95
B. What date will the training end? 5/31/97
C. What is the TOTAL UNDUPLICATED number of employees that will receive training during the time frame specified above? 23

LIST OF TRAINING ACTIVITIES TO BE PROVIDED

Complete the following chart for each training activity to be provided. Training activities include classroom training, consulting, evaluation, technical assistance, etc. List each training activity. Also attach a comprehensive description for each of the listed items. Insert the descriptions immediately following this page.

<table>
<thead>
<tr>
<th>TRAINING ACTIVITY</th>
<th>TRAINING PROVIDER</th>
<th># TO BE TRAINED</th>
<th>LENGTH OF TRAINING (HRS/MOS, ETC)</th>
<th>TOTAL COST</th>
<th>260F COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unix System Management &amp; Technical Assistance</td>
<td>McGladry Pullen</td>
<td>8</td>
<td>200 hours</td>
<td>14,000</td>
<td>-0-</td>
</tr>
<tr>
<td>PC Application Training</td>
<td>DMACC</td>
<td>8</td>
<td>50</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Mas-90 Training</td>
<td>DSD Associated, Inc.</td>
<td>17</td>
<td>200</td>
<td>18,000</td>
<td>16,572</td>
</tr>
<tr>
<td></td>
<td>State of the Art, Inc.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DATA Transfer &amp; Communication Training</td>
<td>Inter Business Systems</td>
<td>3</td>
<td>15</td>
<td>1,350</td>
<td>-0-</td>
</tr>
<tr>
<td>Conversation to PC Based Network Training</td>
<td>McGladry Pullen</td>
<td>8</td>
<td>200</td>
<td>14,000</td>
<td>5,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>TOTAL 260F COSTS</td>
<td>26,572</td>
</tr>
</tbody>
</table>

* All of the above training and consulting is necessary to ease the installation and insure effective use of the John Deere SAMS network. See Exhibit D.2
TRAINING REQUIREMENTS

1. Having recently moved to a new facility, coupled with a recent computer system conversion, we envision a need for technical assistance relative to our UNIX system. Therefore, we have contracted with a local firm, Mc Gladrey / Pullen, to evaluate & provide technical assistance with our UNIX-based platform.

2. We have recently provided new hardware and software to all of our employees. Such tools, however, are useless without the proper training. We believe it is important that our employees are trained properly to facilitate an efficient, cost-effective operation. Our intentions are to work with MC Gladrey / Pullen to provide technical expertise, while using DMACC for specific application training.

3. The heart of our operation is without question the M*A*S 90 business system, which we’ve recently installed. The system provides an information reporting base with tremendous potential. To unlock the true potential of this system, however, our people need on-site training—lots of it. We are committed to providing our employees the tools necessary to help them acquire the necessary skills and competencies to perform their jobs effectively. Our intention is to work with DSD Associates, the leading M*A*S 90 master developer in the country, to provide comprehensive training and technical assistance.

4. We have a need to electronically communicate information between our facility & our corporate office in Fargo, ND. Although the system is equipped with software to facilitate this need, we need technical assistance. Our vendor, Intra Business Systems, specializes in this area of expertise.

5. In order to integrate our business operating system with the SAMS network Deere will be utilizing, we will have to convert our PC's to a network system through the use of Novell. In order for our people to understand & fully utilize Novell, all PC users will require training. In doing so, we will be able to work efficiently within the SAMS network.
13. LOAN INFORMATION
(THIS SECTION IS TO BE COMPLETED BY ALL APPLICANTS)

What is the loan amount being requested? (cannot exceed $50,000): $27,572

This application is for a: (X) forgivable ( ) repayable loan.

Complete the following chart to show how the loan will be used:

<table>
<thead>
<tr>
<th>LOAN DISTRIBUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classroom Training</td>
</tr>
<tr>
<td>On-The-Job Training</td>
</tr>
<tr>
<td>Other Training</td>
</tr>
<tr>
<td>College Administration</td>
</tr>
<tr>
<td>Legal Fees</td>
</tr>
<tr>
<td>Other Fees</td>
</tr>
<tr>
<td>Reserves</td>
</tr>
<tr>
<td>Other</td>
</tr>
</tbody>
</table>

TOTAL LOAN AMOUNT $27,572

If this application is for a repayable loan, what is the total interest to be paid on the loan: __________

If this application is for a repayable loan, what is the total obligation to be repaid (loan + interest): ______________

14. REPAYMENT SOURCES
(COMPLETE THIS SECTION ONLY FOR NEW JOBS TRAINING PROJECTS)

If this application is for a repayable loan, complete the following chart to show the source(s) of funding that will be used to repay the loan. Funding projections must cover the full repayment period of the loan.

| 1. Withholding Tax Credit | $       |
| 2. Incremental Tax From Land & Buildings | $       |
| 3. Incremental Tax From Machinery & Equipment | $       |
| 4. TOTAL INCREMENTAL PROPERTY TAX (Add 2 & 3 above) | $       |
| 5. TOTAL FUNDING (Add 1 & 4 above) | $       |
EXHIBIT C

PROJECT SITE

2402 SE Hulsizer Road, Ankeny, Iowa 50021
The Board of Directors of the Des Moines Area Community College met in regular session on the 8th day of May, 1995, at 4:00 p.m., at the DMACC Commons on the campus of the College in Ankeny, Iowa. The meeting was called to order and there were present Doug Shull, President of the Board, in the chair, and the following named Board Members:

Lloyd Courter, Dale Froehlich, Anita Micich, Naomi Neu, Gerry Pecinovsky, Madelyn Tursi

Absent Harold Belken, Dick Johnson

Matters were discussed concerning an additional Jobs Training Agreement between the College and R.R. Donnelley Printing Company. Following a discussion of the proposal by the Board, Board Member L. Courter introduced and caused to be read a resolution entitled, "A Resolution Approving the Form and Content and Execution and Delivery of a Jobs Training Agreement"; and moved its adoption. The motion was seconded by Board Member M. Tursi. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

Ayes: Courter, Froehlich, Micich, Neu, Pecinovsky, Tursi, Shull

Nays: NONE

Whereupon, the President declared said resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

**********

PRESIDENT OF THE BOARD OF DIRECTORS

Attest:

Secretary of the Board of Directors
RESOLUTION

A RESOLUTION APPROVING THE FORM AND CONTENT
AND EXECUTION AND DELIVERY OF A JOBS TRAINING AGREEMENT

WHEREAS, Des Moines Area Community College (hereinafter referred to as the "College"), is an area community college and a body politic organized and existing under the laws of the State of Iowa, and is authorized and empowered by Chapter 260F of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to provide a "Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to provide retraining of existing workers for a business within the State of Iowa (the "State") in order to improve the economic welfare of the residents of the State, and is authorized under the Act to pay the costs of such a program from funds allocated for such purpose by the Iowa Department of Economic Development under Section 260F.6 of the Act; and

WHEREAS, the College has undertaken negotiations with respect to a Jobs Training Program with R.R. Donnelley Printing Company (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a jobs training program (hereinafter referred to as the "Project") to retrain workers at the Company at its facilities located in the merged area served by the College, which Project will be beneficial to the Company and the College; and

WHEREAS, the College has received an allocation (the "Fund Advance") under Section 260F.6 of the Act in order to defray all or a portion of the cost of the Project, including necessary expenses incidental thereto, in the amount of $50,000; and

WHEREAS, a Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, has been negotiated by the College under the terms of which the College agrees, subject to the provisions of such Agreement, to provide a Jobs Training Program for the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, be and the same is hereby approved and the President of the Board of Directors is hereby authorized to execute said Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Jobs Training Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit "A" attached hereto with such changes therein as the officers executing such Jobs Training Agreement shall approve, such approval to be conclusively evidenced by the execution thereof.

Section 2. That the form of resolution required by the Iowa Department of Economic Development (the "Department") is hereby approved and the officers of the College are authorized to file such resolution in accordance with the requirements of the Department.
Section 3. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

Section 4. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 8th day of May, 1995.

[Signature]
President of the Board of Directors

ATTEST:

[Signature]
Secretary of the Board of Directors
STATE OF IOWA  
COUNTY OF POLK  

I, Helen M. Harris, Secretary of the Board of Directors of the Des Moines Area Community College, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on May 8, 1995, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board of Directors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Directors (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board of Directors and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board of Directors vacancies existed except as November be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand hereto affixed this 8th day of May, 1995.

[Signature]

SECRETARY OF THE BOARD OF DIRECTORS
IOWA DEPARTMENT OF ECONOMIC DEVELOPMENT  
IOWA JOBS TRAINING PROGRAM (260F)  

REQUEST FOR RELEASE OF FUNDS  

This project is for ( ) new jobs training (X) retraining.  

WHEREAS, Des Moines Area Community College, the Community College, is in need of funds to carry out a jobs training project as hereinafter described, and it is deemed necessary that it should apply to the State for an advance of funds in an amount sufficient to fund the project as authorized by Chapter 260F, Code of Iowa, 1985, as amended by 1992 Iowa Acts, Senate File 2295; and  

WHEREAS, an Iowa Jobs Training Agreement, the Agreement, has been negotiated with R. R. Donnelley Printing Company, the Employer, establishing a jobs training program to educate and train certain employees and such Agreement is deemed to be beneficial to the Community College and to the Employer; and  

NOW, THEREFORE, BE IT RESOLVED BY THE COMMUNITY COLLEGE:  

The Iowa Jobs Training Agreement with the Employer and the form thereof are hereby approved by the Community College, and the State is hereby requested to allocate 50,000.00 to fund the project pursuant to the Act.  

Authorized Signature  

Date  

Approved for allocation by the Iowa Department of Economic Development:  

Authorized Signature  

Date  

NOTE: Three copies of this form with original signatures on each must be returned to the Department of Economic Development, Bureau of State Programs, 200 East Grand Avenue, Des Moines, Iowa 50309.  

Form 260F-2 (revised 06/94)
RETRAINING AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

R.R. DONELLEY PRINTING COMPANY LP
PROJECT #2

Dated as of May 8, 1995
RETRAINING AGREEMENT

This Retraining Agreement (the "Agreement") made and entered into as of May 8, 1995 between Des Moines Area Community College, Ankeny, Iowa (the "Community College") and R.R. Donnelley Printing Company L.P., Project #2 (the "Employer").

WITNESSETH:

WHEREAS, pursuant to Chapter 260F of Code of Iowa, as amended (the "Act"), the Community College has determined to enter into this Agreement with Employer for the purpose of establishing a retraining program (the "Project") to train certain persons employed by Employer in new skills required as a result of retooling; and

WHEREAS, the Iowa Department of Economic Development has approved an award of funds (the "Project Award") under Section 260F.6 of the Act in order to provide funding for the costs of the Project; and

WHEREAS, the Community College and the Employer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed;

NOW, THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I
 REPRESENTATIONS

Section 1.1. Representations of the Community College. The Community College represents and covenants that: (a) it is duly organized and validly existing under the laws of the State of Iowa (the "State"); (b) it is not in violation of any provisions of the laws of the State which would impair its ability to carry out its obligations hereunder; (c) it is empowered to enter into the transactions contemplated by this Agreement; and (d) it will do all things in its power required of it in order to maintain its existence or assure the assumption of its obligations hereunder by any successor public body.

Section 1.2. Representations and Covenants of the Employer. The Employer represents and covenants that:

(a) It is duly and validly organized and is in good standing under the laws of Delaware and is qualified to do business in Iowa.
(b) It has full power and authority to execute, deliver and perform this Agreement and all other agreements entered into by the Employer to secure its performance hereunder and to enter into and carry out the transactions contemplated herein. Such execution, delivery or performance are not in contravention of law or Employer's articles of incorporation, bylaws or any indenture, agreement, mortgage, lease, undertaking or any other restriction, obligation or instrument to which the Employer is a party or by which it is bound. This Agreement has by proper action been duly authorized, executed and delivered by the Employer and all steps necessary have been taken to constitute this Agreement a valid and binding obligation of the Employer.

(c) There is no litigation or proceeding pending, or to the knowledge of the Employer threatened, against the Employer or any other person affecting in any manner whatsoever the right of the Employer to execute this Agreement or to otherwise comply with its obligations contained in this Agreement.

(d) The Employer is an "Eligible Business" or "business" as defined in Section 260F.2 of the Act.

(e) The Employer is engaged in retooling, the Employer's work force would be at risk of displacement within the next ten years if not retrained, and the purpose of the Project is to provide education and retraining services to minimize the risk of employee displacement.

ARTICLE II

PROJECT; PROGRAM SERVICES

Section 2.1. The "Project" shall consist of the retraining program and services to be provided by the Community College to employees of the Employer as described on Exhibit "A" (the "Program Services") entitled "Retraining Proposal". Exhibit "A" includes the number of jobs to be retrained, is incorporated herein by reference. Exhibit "A" includes the date the retraining will begin, the length of time each job category will be provided retraining, the ending date of the retraining, areas of retraining and estimated costs of each component of retraining. Attached hereto as Exhibit "B" and incorporated herein by reference is a copy of the proposed budget of the Community College and the Employer which sets forth all expenditures associated with the Project.
Section 2.2. The Employer represents and agrees that the Program Services are for the purpose of providing retraining services to persons employed by the Employer.

Section 2.3. The Community College agrees to provide the Program Services if and to the extent that funds are awarded and released for the Project by the Department of Economic Development. It is understood and agreed that the Employer and the Community College will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibits "A" and "B".

Section 2.4. It is understood by the Community College and the Employer that should the Project Award not be available or received from the Department of Economic Development within a reasonable period of time, this Agreement shall be terminated by mutual agreement of the parties. In any event, the Employer shall pay all administrative and legal costs associated with the Project which have been incurred by the Community College.

Section 2.5. The term of this Agreement shall begin on 04/10/95 and end on 05/31/97.

Section 2.6. The Employer shall pay the Community College an application/administration fee in the amount of $1,500 to defray Community College costs of applying for financial assistance. Legal fees incurred by the Community College shall be considered a part of the Project and may be paid from such application fee or from funds awarded to the Project by the Department of Economic Development.

Section 2.8. The Community College may revise or expand the training curriculum from time to time with the consent of the Employer; provided that no revision shall be made which would change the Project to other than purposes permitted by the Act; and provided that the training curriculum remains within the context of the Project application approved by the Department of Economic Development.

Section 2.9. In the event that moneys provided by the Project Award are not sufficient to pay all costs of the Project, the Employer will, nonetheless, pay all such costs of the Project in full from its own funds. If the Employer should pay any portion of such costs, it shall not be entitled to any reimbursement therefor from the Community College.
ARTICLE III
PAYMENTS; SECURITY

Section 3.1. The Community College shall create a fund for the deposit of the Project Award from the Department of Economic Development (DED).

Section 3.2. The Employer and the Community College agree that the Project Award is issued by DED as a forgivable loan (forgivable loan, grant) and shall not be required to be repaid by the Employer unless an event of default has occurred. Events of default and associated penalties are specified in Article IV of this Agreement. The Community College and the DED shall determine whether an event of default has occurred.

ARTICLE IV
EVENT OF DEFAULT AND REMEDIES

Section 4.1. Events of Default. Each of the following shall be an "event of default" hereunder:

(a) The Employer fails to comply with any requirements contained in this Agreement and such failure continues for a period of twenty (20) days from the date a written notice concerning such failure is sent from the Community College to the Employer which specifies the issue(s) of noncompliance. If noncompliance is of such a nature that a cure cannot be reasonably accomplished within twenty (20) days, the Community College may, but need not, extend the period of cure to a maximum of sixty (60) days.

(b) The Employer becomes insolvent or bankrupt, or admits in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors, or applies or consents to the appointment of a trustee or a receiver for the Employer or the major part of its property.

(c) A trustee or receiver is appointed for the Employer or for the major part of its property and the order of such appointment is not discharged, vacated, or stayed within sixty (60) days after such appointment.

(d) Bankruptcy, reorganization, arrangement, insolvency, or liquidation proceedings or other proceedings for relief under any bankruptcy or similar law or laws for the relief of debtors are instituted by or
against the Employer and, if instituted against the Employer, are consented to, or, if contested by the Employer, are not dismissed by the adverse parties or by an order, decree or judgment within sixty (60) days after such institution.

(e) The Employer ceases or announces the cessation of operations at the Project site, unless such operations are transferred to another facility in the State of Iowa.

(f) The Employer directly or indirectly makes any false or misleading representations or warranties in the program application or this Agreement, or in any reports, financial statements, or any other documents which are provided to the Community College or the Department of Economic Development.

(g) The Employer acts in any manner contrary to, or fails to act in accordance with any provision of this Agreement.

(h) The Employer takes corporate action to effect any of the preceding conditions of default.

(i) The Employer fails to meet at least one of the following:

(1) Achieve a net increase in the number of employment positions at the Project site;

(2) Achieve a net increase in the quality of jobs held by those retrained;

(3) Achieve a net increase in the wages of those retrained.

(j) The Employer fails to complete the Project within the agreed period of time. In this Instance, the Employer shall be required to repay 20 percent of the total Project funds expended by the Community College and the Employer.

(k) The Employer fails to retrain the agreed number of employees. The Employer shall be required to repay a proportionate amount of total Project funds expended by the Community College and the Employer. In this instance, the proportion shall be based on the number of employees not trained compared to the number of employees to have been trained.
The declaration of an event of default under Subsection (d) above, and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 4.2. Whenever an event of default has occurred, further training or payments to the Employer shall be suspended.

Section 4.3. Whenever an event of default has occurred for reasons cited in ARTICLE IV, Section 4.1. (a) through (i), the Employer shall immediately repay to the Department of Economic Development all monies expended by the Employer and the Community College from the Project Award. The Employer shall also pay interest on the amount to be repaid at the rate of 3.00%. Interest shall accrue from the issuance date specified on the Project Award check.

Section 4.4. Whenever an event of default has occurred for reasons cited in Section 4.1 (j) or (k), the Employer shall immediately pay the penalty prescribed in ARTICLE IV, Section 4.1 (j) or (k), whichever is applicable, to the Department of Economic Development. The Employer shall also pay interest on the amount to be repaid at the rate of 3.00%. Interest shall accrue from the issuance date specified on the Project Award check.

Section 4.5. Whenever an event of default has occurred and is continuing, the Community College may take whatever action at law or in equity may appear necessary or desirable to collect the amounts due or to enforce performance and observance of any other obligation or agreement of the Employer under this Agreement. Notwithstanding the foregoing or any other provision of this Agreement, the Community College shall never be obligated to take any step which, in its opinion, will or might cause it to expend time or money or incur liability.

Section 4.6. No remedy conferred upon or reserved to the Community College by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Community College to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.
Section 4.7. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 4.8. As required by Iowa Administrative Code, Chapter 260F.3(6), any payments required to be made by the Employer to the Department of Economic Development are a lien upon the Employer's property set forth on Exhibit C attached hereto until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to the lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties, and consequences as for the nonpayment of ordinary taxes. The purchaser at tax sale obtains the property subject to the remaining payments.

Section 4.9. Whenever an event of default has occurred and is unresolved, the Community College shall assign this Agreement to the Iowa Department of Economic Development for appropriate collection action by that Department and the Attorney General of the State.

ARTICLE V
MISCELLANEOUS

Section 5.1. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate address as follows:

Community College: Joseph A. Borgen, Ph.D.
President
Des Moines Area Community College
2006 S. Ankeny Blvd.
Ankeny, Iowa 50021

Employer: Jary Johnson, General Manager
R.R. Donnelley Printing Company L.P.
5701 SW Park Avenue
Des Moines, IA 50321-1250
Section 5.2. All covenants, stipulations, obligations and agreements of the Community College contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Community College or its Board of Directors other than in their official capacity, and neither the members of the Board of Directors nor any official executing this Agreement shall in any circumstances be liable personally or be subject to any personal liability or accountability by reason of the covenants, stipulations, obligations or agreements of the Community College contained herein.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the Community College, the Employer and their respective permitted successors and assigns, provided that this Agreement may not be assigned by the Employer without the express written consent of the Community College and may not be assigned by the Community College except as may otherwise be provided herein.

Section 5.4. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

Section 5.5. If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision or any other covenant, stipulation, obligation, agreement, act or action or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Nor shall such illegality or invalidity or any application thereof affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 5.6. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State.
Section 5.7. This Agreement replaces all prior agreements, if any, between the parties with respect to the subject matter hereof, and upon execution of this Agreement the relationship of the parties with respect to the subject matter hereof shall be governed solely by this Agreement.

IN WITNESS WHEREOF, the Community College and the Employer have caused this Agreement to be duly executed in their respective names by their duly authorized officers, all as of the date hereinabove written.

DES MOINES AREA COMMUNITY COLLEGE

By

DOUG SHULC
BOARD PRESIDENT

(name)
(title)

ATTEST:

HELEN M. HARRIS
BOARD SECRETARY

(name)
(title)

R.R. Donnelley Printing Company L.P.

(name of Employer)

By

CARL ZIELKE
VP

(name)
(title)

(Sign)

Cari Zielke
Vice President

ATTEST:

JARY JOHNSON
GENERAL MANAGER

(name)
(title)
STATE OF IOWA
COUNTY OF POLK

On this 8TH day of MAY, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared BOB SHELL and HELEN M. HARRIS, to me personally known, who being by me duly sworn, did say that they are the Board President and Board Secretary of Des Moines Area Community College; that no seal has been procured by the said college; that said instrument was signed on behalf of said college by authority of its Board of Directors; and that the said BOB SHELL and HELEN M. HARRIS acknowledge the execution of said instrument to be the voluntary act and deed of said college, by it and by them voluntarily executed.

GORDON D. GRETA
Notary Public in and for the State of Iowa

On this 11TH day of APRIL, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared CARL W. ZIELE and JERRY E. JOHNSON, to me personally known, who being by me duly sworn, did say that they are the Vice President and General Manager of R.L. Donnelly & Associates, Inc.; that no seal has been procured by the said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and that the said CARL W. ZIELE and JERRY E. JOHNSON acknowledge the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

PETER K. CUMMINGS
Notary Public in and for the State of Iowa

COMMISSION EXPIRES
NOVEMBER 7, 1995

SB6:E6121716.93
## 11. TRAINING PROPOSAL

(THIS SECTION IS TO BE COMPLETED BY ALL APPLICANTS)

A. What date will the training begin? 04/10/95

B. What date will the training end? 05/31/97

C. What is the TOTAL UNDUPLICATED number of employees that will receive training during the time frame specified above? 250

### LIST OF TRAINING ACTIVITIES TO BE PROVIDED

Complete the following chart for each training activity to be provided. Training activities include classroom training, consulting, evaluation, technical assistance, etc. List each training activity. Also attach a comprehensive description for each of the listed items. Insert the descriptions immediately following this page.

<table>
<thead>
<tr>
<th>TRAINING ACTIVITY</th>
<th>TRAINING PROVIDER</th>
<th># TO BE TRAINED</th>
<th>LENGTH OF TRAINING (HRS/MOS, ETC)</th>
<th>TOTAL COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>TQM Team Training</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DDI Modules</td>
<td>DDI (3 Modules)</td>
<td>200</td>
<td>4 hrs/module</td>
<td>$9,000</td>
</tr>
<tr>
<td>Juran Tool Books</td>
<td>Alpha Graphics</td>
<td>200</td>
<td>16 hours</td>
<td>$3,600</td>
</tr>
<tr>
<td>Team Building Training</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self Directed Work Teams</td>
<td>DDI (1 Modules)</td>
<td>200</td>
<td>4 hours</td>
<td>$3,000</td>
</tr>
<tr>
<td>Team Start Up Kit</td>
<td>DDI (1 Module)</td>
<td>200</td>
<td>4 hours</td>
<td>$3,000</td>
</tr>
<tr>
<td>Leading &amp; Facilitating Quality Improvement Teams</td>
<td>Team Facilitator Training</td>
<td>12</td>
<td>4 days</td>
<td>$12,000</td>
</tr>
<tr>
<td>DDI Trainer Certification and new module materials</td>
<td>DDI</td>
<td>6</td>
<td>5 days</td>
<td>$15,000</td>
</tr>
<tr>
<td>Supervisor Training</td>
<td>DDI (2 Modules)</td>
<td>50</td>
<td>1 day</td>
<td>$3,750</td>
</tr>
<tr>
<td>Empowering Leader &amp; Coaching for Success</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL** $49,350 $48,500
TRAINING PLAN & BUDGET
FOR
R.R. DONNELLY PRINTING COMPANY
260F RETRAINING AGREEMENT #2

I. TQM TRAINING $18,600

TQM Team Training is offered in three day sessions designed to develop interpersonal, problem solving and team skills. Five DDI Techniques for Empowered Workforce modules, as well as, Quality Improvement Tools training using the Juran Institute's Tool book will be presented to 200 Donnelley employees using internal trainers. Dollars for this fund will be used to purchase the materials for all modules, the Team Start Up Kits and the Tool Books.

II. INSTRUCTOR CERTIFICATION $15,000

To accomplish Donnelley's goals of training and developing self directed work teams, additional employees will be certified as trainers. Six employees will be trained by DDI on Techniques for a Empowered Workforce module facilitator. Additional module videos and leaders guides will be purchased. Dollars from this fund will pay both of these costs.

III. TEAM FACILITATOR FINANCING $12,000

Twelve Team leaders will be trained by the Juran Institute in leadership and facilitation skills for quality improvement teams. Dollars from this fund will be used to pay for this training.

IV. SUPERVISORY SKILLS $3,750

In the changing environment of Donnelley and with the development of Teams, training will be done for 50 supervisors on how to handle teams. This one day training involves empowering leader skills and coaching skills. Dollars from this fund will be used to purchase the necessary materials for this training.

TOTAL BUDGET $49,350

TOTAL REIMBURSABLE FOR 260E FUNDS $48,500
13. LOAN INFORMATION
(THIS SECTION IS TO BE COMPLETED BY ALL APPLICANTS)

What is the loan amount being requested? (cannot exceed $50,000): $50,000

This application is for a: (X) forgivable ( ) repayable loan.

C. Complete the following chart to show how the loan will be used:

<table>
<thead>
<tr>
<th>LOAN DISTRIBUTION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Classroom Training</td>
<td>$27,000</td>
</tr>
<tr>
<td>On-The-Job Training</td>
<td>$</td>
</tr>
<tr>
<td>Other Training</td>
<td>$21,500</td>
</tr>
<tr>
<td>College Administration</td>
<td>$</td>
</tr>
<tr>
<td>Legal Fees</td>
<td>$</td>
</tr>
<tr>
<td>Other Fees Administrative</td>
<td>$1,500</td>
</tr>
<tr>
<td>Reserves</td>
<td>$</td>
</tr>
<tr>
<td>Other</td>
<td>$</td>
</tr>
<tr>
<td><strong>TOTAL LOAN AMOUNT</strong></td>
<td><strong>$50,000</strong></td>
</tr>
</tbody>
</table>

D. If this application is for a repayable loan, what is the total interest to be paid on the loan: ________

If this application is for a repayable loan, what is the total obligation to be repaid (loan + interest): ___________

14. REPAYMENT SOURCES
(COMplete THIS SECTION ONLY FOR NEW JOBS TRAINING PROJECTS)

If this application is for a repayable loan, complete the following chart to show the source(s) of funding that will be used to repay the loan. Funding projections must cover the full repayment period of the loan.

<table>
<thead>
<tr>
<th>1. Withholding Tax Credit</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Incremental Tax From Land &amp; Buildings</td>
<td>$</td>
</tr>
<tr>
<td>3. Incremental Tax From Machinery &amp; Equipment</td>
<td>$</td>
</tr>
<tr>
<td>4. <strong>TOTAL INCREMENTAL PROPERTY TAX</strong> (Add 2 &amp; 3 above)</td>
<td>$</td>
</tr>
<tr>
<td>5. <strong>TOTAL FUNDING</strong> (Add 1 &amp; 4 above)</td>
<td>$</td>
</tr>
</tbody>
</table>
EXHIBIT C

PROJECT SITE

5701 S.W. Park Avenue
Des Moines, Iowa 50321-1250
The Board of Directors of the Des Moines Area Community College met in regular session on the 8th day of May, 1995, at 4:00 p.m., at the DMACC Commons on the campus of the College in Ankeny, Iowa. The meeting was called to order and there were present Doug Shull, President of the Board, in the chair, and the following named Board Members:

Lloyd Courter, Dale Froehlich, Anita Micich, Naomi Neu, Gerry Pecinovsky, Madelyn Tursi

Absent Harold Belmont, Dick Johnson

Matters were discussed concerning a Jobs Training Agreement between the College and Sauer-Sundstrand Company. Following a discussion of the proposal by the Board, Board Member L. Courter introduced and caused to be read a resolution entitled, "A Resolution Approving the Form and Content and Execution and Delivery of a Jobs Training Agreement"; and moved its adoption. The motion was seconded by Board Member M. Tursi. After due consideration of said resolution by the Board, the President put the question on the motion and, the roll being called, the following named Board Members voted:

Ayes: Courter, Froehlich, Micich, Neu, Pecinovsky, Tursi, Shull
Nays: none

Whereupon, the President declared said resolution, a copy of which is attached hereto, duly adopted and signed his approval thereto.

* * * * * *

PRESIDENT OF THE BOARD OF DIRECTORS

Attest:

Secretary of the Board of Directors
RESOLUTION

A RESOLUTION APPROVING THE FORM AND CONTENT AND EXECUTION AND DELIVERY OF A JOBS TRAINING AGREEMENT

WHEREAS, Des Moines Area Community College (hereinafter referred to as the "College"), is an area community college and a body politic organized and existing under the laws of the State of Iowa, and is authorized and empowered by Chapter 260F of the Code of Iowa, as amended (hereinafter referred to as the "Act"), to provide a "Jobs Training Program" as that term is defined in the Act, including the program costs, the purpose of which is to provide retraining of existing workers for a business within the State of Iowa (the "State") in order to improve the economic welfare of the residents of the State, and is authorized under the Act to pay the costs of such a program from funds allocated for such purpose by the Iowa Department of Economic Development under Section 260F.6 of the Act; and

WHEREAS, the College has undertaken negotiations with respect to a Jobs Training Program with Sauer-Sundstrand Company (the "Company"), pursuant to the provisions of the Act for the purpose of establishing a jobs training program (hereinafter referred to as the "Project") to retrain workers at the Company at its facilities located in the merged area served by the College, which Project will be beneficial to the Company and the College; and

WHEREAS, the College has received an allocation (the "Fund Advance") under Section 260F.6 of the Act in order to defray all or a portion of the cost of the Project, including necessary expenses incidental thereto, in the amount of $4,999; and

WHEREAS, a Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, has been negotiated by the College under the terms of which the College agrees, subject to the provisions of such Agreement, to provide a Jobs Training Program for the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DES MOINES AREA COMMUNITY COLLEGE, AS FOLLOWS:

Section 1. That the Jobs Training Agreement, in the form and with the contents set forth in Exhibit "A" attached hereto, be and the same is hereby approved and the President of the Board of Directors is hereby authorized to execute said Jobs Training Agreement, and the Secretary of the Board of Directors is hereby authorized to attest the same, said Jobs Training Agreement, which constitutes and is hereby made a part of this Resolution, to be in substantially the form, text and containing the provisions set forth in Exhibit "A" attached hereto with such changes therein as the officers executing such Jobs Training Agreement shall approve, such approval to be conclusively evidenced by the execution thereof.

Section 2. That the form of resolution required by the Iowa Department of Economic Development (the "Department") is hereby approved and the officers of the College are authorized to file such resolution in accordance with the requirements of the Department.
Section 3. That officials of the College are hereby authorized to take such further action as may be necessary to carry out the intent and purpose of this Resolution.

Section 4. That all resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Passed and approved this 8th day of May, 1995.

ATTEST:

[Signature]
President of the Board of Directors

ATTEST:

[V. M. Harris]
Secretary of the Board of Directors
STATE OF IOWA )
COUNTY OF POLK ) ss

I, Helen M. Harris, Secretary of the Board of Directors of the Des Moines Area Community College, do hereby certify that I have in my possession or have access to the complete corporate records of said College and of its Board of Directors and officers; and that I have carefully compared the transcript hereto attached with the aforesaid corporate records and that said transcript hereto attached is a true, correct and complete copy of all of the corporate records showing the action taken with respect to the matters set forth therein by the Board of Directors of said College on May 8, 1995, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that such meeting was duly and publicly held in accordance with the Notice of Meeting and tentative agenda, a copy of which was timely served on each member of the Board of Directors and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board of Directors (a copy of the face sheet of said agenda being attached hereto) pursuant to the rules of the Board of Directors and the provisions of Chapter 21, Code of Iowa, as amended, upon reasonable advance notice to the public and media at least twenty-four (24) hours prior to the commencement of the meeting as required by said law and with members of the public in attendance. I further certify that the individuals named in the attached proceedings were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board of Directors vacancies existed except as November be stated in said proceedings, and that no controversy or litigation is pending, prayed or threatened involving the organization, existence or boundaries of the College or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand hereto affixed this 8th day of May, 1995.

[Signature]
SECRETARY OF THE BOARD OF DIRECTORS
REQUEST FOR RELEASE OF FUNDS

This project is for ( ) new jobs training ( ) retraining.

WHEREAS, Des Moines Area Community College, the Community College, is in need of funds to carry out a jobs training project as hereinafter described, and it is deemed necessary that it should apply to the State for an advance of funds in an amount sufficient to fund the project as authorized by Chapter 260F, Code of Iowa, 1985, as amended by 1992 Iowa Acts, Senate File 2295; and

WHEREAS, an Iowa Jobs Training Agreement, the Agreement, has been negotiated with Sauer-Sundstrand Company, the Employer, establishing a jobs training program to educate and train certain employees and such Agreement is deemed to be beneficial to the Community College and to the Employer; and

NOW, THEREFORE, BE IT RESOLVED BY THE COMMUNITY COLLEGE:

The Iowa Jobs Training Agreement with the Employer and the form thereof are hereby approved by the Community College, and the State is hereby requested to allocate $4,999.00 to fund the project pursuant to the Act.

Authorized Signature

5-8-95

Date

Approved for allocation by the Iowa Department of Economic Development:

Authorized Signature

Date

NOTE: Three copies of this form with original signatures on each must be returned to the Department of Economic Development, Bureau of State Programs, 200 East Grand Avenue, Des Moines, Iowa 50309.

Form 260F-2 (revised 06/94)
TRAINING GRANT AGREEMENT

between

Des Moines Area Community College
Ankeny, Iowa

and

Sauer-Sundstrand Company

Dated as of

May 8, 1995
TRAINING GRANT AGREEMENT

This Grant Agreement ("Agreement") made and entered into as of the 8th day of May _________, 1995, between Des Moines Area Community College, Ankeny, Iowa ("Community College"), and Sauer-Sundstrand Company ("Employer").

WITNESSETH:

WHEREAS, pursuant to Chapter 260F of Code of Iowa, as amended ("Act"), Community College has determined to enter into this Training Grant Agreement with Employer for the purpose of establishing a program ("Project") to train for new jobs or train to retain existing jobs when the project costs are less than five thousand dollars ($5,000); and

WHEREAS, the Iowa Department of Economic Development has approved an award of funds ("Project Award") under Section 260F.8(2) of the Act; and

WHEREAS, the Community College and the Employer each have full right and lawful authority to enter into this Agreement and to perform and observe the provisions hereof on their respective parts to be performed and observed;

NOW, THEREFORE, in consideration of the premises and the mutual representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

REPRESENTATIONS

Section 1.1. Representations of Community College. Community College represents and covenants that:

(a) It is duly organized and validly existing under the laws of the State of Iowa ("State");

(b) It is not in violation of any provisions of the laws of the State which would impair its ability to carry out its obligations hereunder;

(c) It is empowered to enter into the transactions contemplated by this Agreement; and
(d) It will do all things in its power required of it in order to maintain its existence or assure the assumption of its obligations hereunder by any successor public body.

(e) It shall not discriminate against any person on the basis of race, creed, color, sex, national origin, religion, age, marital status, disability or Vietnam era veteran status.

Section 1.2. Representations and Covenants of Employer. Employer represents and covenants that:

(a) It is duly and validly organized and is in good standing under the laws of the State of Delaware and is qualified to do business in Iowa.

(b) It has full power and authority to execute, deliver and perform this Agreement and all other agreements entered into by Employer to secure its performance hereunder and to enter into and carry out the transactions contemplated herein. Such execution, delivery or performance are not in contravention of law or Employer's articles of incorporation, bylaws or any indenture, agreement, mortgage, lease, undertaking or any other restriction, obligation or instrument to which Employer is a party or by which it is bound. This Agreement has by proper action been duly authorized, executed and delivered by Employer and all steps necessary have been taken to constitute this Agreement a valid and binding obligation of Employer.

(c) There is no litigation or proceeding pending, or to the knowledge of Employer threatened, against Employer or any other person affecting in any manner whatsoever the right of Employer to execute this Agreement or to otherwise comply with its obligations contained in this Agreement.

(d) Employer is an "Eligible Business" or "business" as defined in Section 260F.2 of the Act.

(e) Employer requires this grant to train for new jobs or to train to retain existing jobs.

(f) Employer shall not discriminate against any person on the basis of race, creed, color, sex, national origin, religion, age, marital status, disability or Vietnam era veteran status.
ARTICLE II

PROJECT; PROGRAM SERVICES

Section 2.1. The "Project" shall consist of the retraining program and services to be provided by Community College to employees of Employer as described on Exhibit "A" (the "Program Services") entitled "Training Proposal". Exhibit "A" includes the number of jobs to be trained, and is incorporated herein by reference. Exhibit "A" includes the date the training will begin, the length of time each job category will be provided training, the ending date of the training, areas of training and estimated costs of each component of training. Attached hereto as Exhibit "B" and incorporated herein by reference is a copy of the proposed budget of Community College and the Employer which sets forth all expenditures associated with the Project.

Section 2.2. Employer represents and agrees that the Program Services are for the purpose of providing training for new jobs or training to retain existing jobs at a project cost of less than five thousand dollars ($5,000).

Section 2.3. Community College agrees to provide the Program Services if and to the extent that funds are awarded and released for the Project by the Department of Economic Development. It is understood and agreed that Employer and Community College will cooperate in the coordination and programming of the specific expenditures and operation of the Project within the guidelines set out in Exhibits "A" and "B".

Section 2.4. It is understood by Community College and Employer that should the Project Award not be available or received from the Department of Economic Development within a reasonable period of time, this Agreement shall be terminated by mutual agreement of the parties. In any event, Employer shall pay all administrative and legal costs associated with the Project which have been incurred by the Community College.

Section 2.5. The term of this Agreement shall begin on the 31st day of March, 1995, and end on the 31st day of September, 1995.

Section 2.6. Employer shall pay Community College an application fee in the amount of $0.00 to defray Community College costs of applying for financial assistance. Legal fees incurred by the Community College may be considered a part of the Project and may be paid from the Project Award.
(b) Employer becomes insolvent or bankrupt, or admits in writing its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors, or applies or consents to the appointment of a trustee or a receiver for the Employer or the major part of its property.

(c) A trustee or receiver is appointed for the Employer or for the major part of its property and the order of such appointment is not discharged, vacated, or stayed within sixty (60) days after such appointment.

(d) Bankruptcy, reorganization, arrangement, insolvency, or liquidation proceedings or other proceedings for relief under any bankruptcy or similar law or laws for the relief of debtors are instituted by or against Employer and, if instituted against Employer, are consented to, or, if contested by Employer, are not dismissed by the adverse parties or by an order, decree or judgment within sixty (60) days after such institution.

(e) Employer ceases or announces the cessation of operations at the Project site, unless such operations are transferred to another facility in the State of Iowa.

(f) Employer directly or indirectly makes any false or misleading representations or warranties in the program application or this Agreement, or in any reports, financial statements, or any other documents which are provided to Community College or the Department of Economic Development.

(g) Employer acts in any manner contrary to, or fails to act in accordance with, any provision of this Agreement.

(h) Employer takes corporate action to effect any of the preceding conditions of default.

(i) Employer fails to meet at least one of the following:

1. Achieve a net increase in the number of employment positions at the Project site;

2. Achieve a net increase in the quality of jobs held by those retrained;

3. Achieve a net increase in the wages of those retrained.
(j) Employer fails to complete the Project within the agreed period of time. In this instance, the Employer shall be required to repay 20 percent of the total Project Award from DED expended by Community College and Employer.

(k) Employer fails to retrain the agreed number of employees. Employer shall be required to repay a proportionate amount of the total Project Award from DED expended by Community College and Employer. In this instance, the proportion shall be based on the number of employees not trained compared to the number of employees to have been trained.

The declaration of an event of default under Subsection (d) above, and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings.

Section 4.2. Whenever an event of default has occurred, further training or payments to the Employer shall be suspended.

Section 4.3. Whenever an event of default has occurred for reasons cited in ARTICLE IV, Section 4.1. (a) through (i), the Employer shall immediately repay to the Department of Economic Development all DED moneys expended by Employer and Community College from the Project Award. Employer shall also pay interest on the amount to be repaid at the rate of 3.00%. Interest shall accrue from the issuance date specified on the Project Award check.

Section 4.4Whenever an event of default has occurred for reasons cited in Section 4.1 (j) or (k), Employer shall immediately pay the penalty prescribed in ARTICLE IV, Section 4.1 (j) or (k), whichever is applicable, to the Department of Economic Development. Employer shall also pay interest on the amount to be repaid at the rate of 3.00%. Interest shall accrue from the issuance date specified on the Project Award check.

Section 4.5. Whenever an event of default has occurred and is continuing, Community College may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due or to enforce performance and observance of any other obligation or agreement of Employer under this Agreement. Notwithstanding the foregoing or any other provision of this Agreement, Community
College shall never be obligated to take any step which, in its opinion, will or might cause it to expend time or money or incur liability.

Section 4.6. No remedy conferred upon or reserved to Community College by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Community College to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required herein.

Section 4.7. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 4.8. As required by Iowa Administrative Code, Chapter 260F.3(6), any payments required to be made by Employer to the Department of Economic Development are a lien upon Employer's property set forth on Exhibit C attached hereto until paid and have equal precedence with ordinary taxes and shall not be divested by a judicial sale. Property subject to the lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties, and consequences as for the nonpayment of ordinary taxes. The purchaser at tax sale obtains the property subject to the remaining payments.

Section 4.9. Whenever an event of default has occurred and is unresolved, Community College shall assign this Agreement to the Iowa Department of Economic Development for appropriate collection action by that Department and the Attorney General of the State.

ARTICLE V

MISCELLANEOUS

Section 5.1. All notices, certificates, requests or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when mailed by registered or certified mail, postage prepaid, addressed to the appropriate address as follows:
Section 5.2. All covenants, stipulations, obligations and agreements of Community College contained in this Agreement shall be effective to the extent authorized and permitted by applicable law. No such covenant, stipulation, obligation or agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of Community College or its Board of Directors other than in their official capacity, and neither the members of the Board of Directors nor any official executing this Agreement shall in any circumstances be liable personally or be subject to any personal liability or accountability by reason of the covenants, stipulations, obligations or agreements of Community College contained herein.

Section 5.3. This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon Community College, Employer and their respective permitted successors and assigns, provided that this Agreement may not be assigned by Employer without the express written consent of Community College and may not be assigned by Community College except as may otherwise be provided herein.

Section 5.4. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

Section 5.5. If any provision of this Agreement, or any covenant, stipulation, obligation, agreement, act, or action, or part thereof made, assumed, entered into or taken thereunder or any application thereof, is for any reason held to be illegal or
invalid, such illegality or invalidity shall not affect any other provision or any other
 covenant, stipulation, obligation, agreement, act or action or part thereof, made, 
 assumed, entered into, or taken, each of which shall be construed and enforced as if 
 such illegal or invalid portion were not contained herein. Nor shall such illegality or
 invalidity or any application thereof affect any legal and valid application thereof, and 
 each such provision, covenant, stipulation, obligation, agreement, act or action, or part 
 thereof shall be deemed to be effective, operative, made, entered into or taken in the 
 manner and to the full extent permitted by law.

Section 5.6. This Agreement shall be governed exclusively by and construed in 
 accordance with the laws of the State.

Section 5.7. This Agreement replaces all prior agreements, if any, between the 
 parties with respect to the subject matter hereof, and upon execution of this Agreement 
 the relationship of the parties with respect to the subject matter hereof shall be 
 governed solely by this Agreement except to the extent any such prior agreement may 
 contain a term which is specified to survive.

IN WITNESS WHEREOF, Community College and Employer have caused this 
 Agreement to be duly executed in their respective names by their duly authorized 
 officers, all as of the date hereinabove written.

DES MOINES AREA COMMUNITY COLLEGE

By: ____________________________
   Doug Shall
   Board President

(name) (title)

ATTEST:

______________________________
   Helen M. Harris
   Board Secy

(name) (title)
Sauer-Sundstrand Company
(name of Employer)

By: Gregory Wuhs
(name) Vice President, Administration
(title)

(Seal)

ATTEST:

Ken McCuskey
(name) Director of Finance
(title)

STATE OF IOWA

COUNTY OF POLK

On this 8th day of MAY, 1985, before me, the undersigned, a Notary Public in and for said State, personally appeared Doug Shull and Helen M. Harris, to me personally known, who being by me duly sworn, did say that they are the Board President and Board Secretary of Des Moines Area Community College; that no seal has been procured by the said College; that said instrument was signed on behalf of said college by authority of its Board of Directors; and that the said Doug Shull and Helen M. Harris acknowledge the execution of said instrument to be the voluntary act and deed of said College, by it and by them voluntarily executed.

GORDON D GRETA
Notary Public in and for the State of Iowa
STATE OF IOWA

COUNTY OF Story

On this 16th day of April, 1995, before me, the undersigned, a Notary Public in and for said State, personally appeared Gregory Wuhs and Ken McCuskey, to me personally known, who being by me duly sworn, did say that they are the V.P., Admin., and Vice President of [name of Corporation:] Sawyer Sundstrand; that [no seal has been procured by the said Corporation] [the seal affixed hereto is the seal of said Corporation]; that said instrument was signed on behalf of said Corporation by authority of its Board of Directors; and that the said Gregory Wuhs and Ken McCuskey acknowledge the execution of said instrument to be the voluntary act and deed of said Corporation, by it and by them voluntarily executed.

Rita K. Mosk

Notary Public in and for the State of Iowa
Complete the following chart by entering each job title to receive training. For each job title listed, enter number of employees to receive training and their average hourly wage.

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<td>Designers</td>
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<td>Manufacturing Support Staff</td>
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<td>$15 per hour</td>
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TOTAL 20 XXXXXXXXX
I. Job Specific Skill Training

A group of employees from both the design division and manufacturing support will participate in a 10-hour Foundations of Geometric Dimensioning and Tolerancing workshop taught by Des Moines Area Community College. The content of the training will be structured around ISO/1101 standards. This class will provide participants skills in interpreting the new standards on metric measurement system and drawing interpretation.

III. Training Materials

Sauer-Sundstrand has identified a need for additional skill development in Geometric Dimensioning and Tolerancing through use of video tapes and wood models. This would allow participants to review information after the formal class and to practice actual measurements. Other Sauer-Sundstrand employees would also have access to these training materials to review the new standards. The tape series has sixteen 1-hour tapes with workbooks for each tape. The working models are made of wood and represent gauging surfaces for practice in setting up examples. Funds from this grant would be used to contribute to the purchase of these materials.
This training plan will be funded by a 260F Retraining Grant.

I. Job Specific Skill Development
   Beginning Geometric Dimensioning
   and Tolerancing class (10 hours) $1,200

III. Training Materials
   16 1-hour training tapes and workbooks - $5,500
   Plus $26 per participant workbook $3,799
   Working models $600
   (Sauer-Sundstrand will pay the balance of the cost
   for the training materials)

   Total Training Budget $4,999

Training will begin in April 1995 with completion anticipated in September 1995.

Upon receipt of proper documentation, reimbursement to all providers of training and
training that meets the guidelines of 260F, DMACC and this training plan will be made on
an applied-for basis.
EXHIBIT C

PROJECT SITE

This project is located at:

2800 East 13th Street
Ames, IA 50010
AGENDA ITEM  
Human Resources Report

BACKGROUND

I. Contract Changes

A. Seskis, Ruta  
Change from Programmer/Analyst (Grade 12) to Programmer/Analyst (Grade 13)  
Ankeny Campus  
Annual Salary: $37,902  
Effective: September 26, 1994

II. Resignations

A. Roberts, Christopher J.  
AV Communications Specialist  
Ankeny Campus, Learning Resources  
Effective: March 31, 1995

B. Sevier, Rick E.  
Instructor, CADD  
Ankeny Campus, ATC  
Effective: May 8, 1995

III. Nine Month Contract Extensions - Summer 1995

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**Carroll Campus**
- Brockelsby, John: 100%
- Cullinan, Tom: 100%
- Fara, Kim: 50%
- Knorr, Lou Ann: 100%
- Schulte, Mary Anne: 100%

**Boone Campus**
- Bittner, James: 81.8%
- Doran, John: 100%
- Griffiths, Martha: 54.5%
- Kelly, Bruce: 100%
- LaVille, Jan: 54.5%
- Lyon, Gary: 100%
- McNair, Lee: 54.5%
- Mueller, Kay: 81.8%
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* Summer contract extensions may be reduced upon insufficient enrollment.

**RECOMMENDATIONS**

It is recommended that the Board ratify the above listed personnel actions for the period March 23, 1995, through April 20, 1995.

Dr. Joseph Borgen, President
April 19, 1995

Mr. Darrell Roberts  
Des Moines Area Community College  
2006 South Ankeny Blvd.  
Ankeny, Iowa 50021

Dear Mr. Roberts:

This letter will confirm our understanding of the terms and objectives of our engagement, the nature and scope of the services we will provide, and the related fee arrangements for the audits of Des Moines Area Community College (the College) for the years ending June 30, 1995, 1996, and 1997.

We will conduct our audits in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; the Single Audit Act of 1984; and the provisions of OMB Circular A-128, “Audits of State and Local Governments,” with the objective of issuing reports addressed to the Board of Directors of the College for the years ending June 30, 1995, 1996, and 1997 as follows:

For the College:

- A report on the financial statements;
- A report on the internal control structure based on an audit of financial statements performed in accordance with Government Auditing Standards;
- A report on compliance based on an audit of financial statements performed in accordance with Government Auditing Standards.

For the College’s federal financial assistance programs:

- A report on the supplementary schedule of the College’s federal financial assistance programs;
- A report on the internal control structure used in administering federal financial assistance programs;
- A report on compliance with general requirements applicable to federal financial assistance programs;
• A report on compliance with specific requirements applicable to major federal financial assistance programs;

• A report on compliance with specific requirements applicable to nonmajor federal financial assistance program transactions;

• A report on fraud, abuse, or illegal acts (or indications of such acts), if necessary.

Major programs for the year ending June 30, 1995 are anticipated to be Perkins Loans, Federal Family Education Loan Program, Pell Grants, and Vocational Education.

In conducting the audits, we will perform tests of the accounting records and such other procedures as we consider necessary in the circumstances to provide a reasonable basis for our opinion about whether financial statements, taken as a whole, conform with generally accepted accounting principles. We also will assess the accounting principles used and significant estimates made by management, as well as evaluate the overall financial statement presentation.

The tests of internal controls and compliance with laws and regulations performed as a part of our financial statement audits contribute to the evidence supporting our opinion on the financial statements. However, they do not provide a basis for opining on internal control or compliance with laws and regulations. The limited purpose of these tests may not meet the needs of some users of audit reports who require additional information on internal control and on compliance with laws and regulations. OMB Circular A-128 includes specific audit requirements, mainly in the areas of internal control and compliance with laws and regulations, that exceed those required by Government Auditing Standards. We will perform the procedures we determine to be necessary under the OMB Circular A-128 and report the results to you.

The College agrees that all records, documentation, and information we request in connection with our audits will be made available to us, that all material information will be disclosed to us, and that we will have the full cooperation of College personnel. As required by generally accepted auditing standards, we will make specific inquiries of management about the representations embodied in the financial statements, the effectiveness of internal control and the College's compliance with certain laws and regulations, and obtain a representations, and the results of audit tests comprise the evidential matter we will rely upon in forming an opinion on the financial statements.

The management of the College has responsibility for the financial statements and all representations contained therein. Management also has responsibility for the adoption of sound accounting policies and the implementation of record keeping and internal control to maintain the reliability of the financial statements and to provide reasonable assurance against the possibility of errors and irregularities or noncompliance with laws and regulations that are material to the financial statements or a major federal financial assistance program.
An audit is designed to provide reasonable assurance about whether the financial statements are free of material misstatement or any material noncompliance with laws and regulations resulting from errors or irregularities. However, even a material misstatement or material noncompliance may remain undetected by an audit performed in accordance with standards described above.

It should be understood that our audits may not reveal all errors, irregularities, or illegal acts which may have occurred during the year. However, it is our responsibility to ensure that the board of directors is informed of any significant illegal acts that we become aware of during our audits. If the illegal act involves funds from governmental entities, it is College’s responsibility to inform the governmental entities of these acts. If the College’s management and board of directors are involved in the illegal act or do not report to these governmental entities on a timely basis, we as auditors, will be obligated to report the illegal acts to these governmental entities.

For your information, we have attached a copy of KPMG Peat Marwick LLP’s most recent Peer Review Report.

It should be understood that workpapers for the engagement are the property of KPMG Peat Marwick LLP and constitute confidential information. However, pursuant to Government Auditing Standards, we are required to make certain workpapers available to federal regulatory agencies upon request for their reviews of audit quality and use by their auditors. Access to the requested workpapers will be provided to the regulators under supervision of KPMG personnel. Costs incurred to comply with any such requests to review our workpapers will be billed directly to you.

For 1995, we anticipate performing our interim testwork in late May, with final fieldwork in August and September. The financial statements will be issued by mid October.

We estimate our fees and expenses for this engagement will be $34,800, $35,500, and $36,200 for the years ending June 30, 1995, 1996, and 1997, respectively. These quotes are based upon past experience, anticipated College personnel assistance in preparation of the workpapers and financial statements and current financial reporting requirements. If circumstances change during the course of the audit, we will meet with you to discuss the approach to take prior to commencing significant unbudgeted work.

Our billings, which have 30-day payment terms, will be as follows for the year ending June 30, 1995:

<table>
<thead>
<tr>
<th>Description</th>
<th>Time</th>
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</tr>
</thead>
<tbody>
<tr>
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<td>early May</td>
<td>$ 1,000</td>
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<tr>
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<td>late May</td>
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</tr>
<tr>
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</tr>
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<td>mid October</td>
<td>$ 2,600</td>
</tr>
</tbody>
</table>
For your convenience in confirming these arrangements, we enclose a copy of this letter. Please sign and return it to us.

Very truly yours,

KPMG Peat Marwick LLP

Chuck Terlouw
Partner

CDT:lnp

Enclosure
Price Waterhouse

November 3, 1993

To the Partners of KPMG Peat Marwick:

We have reviewed the system of quality control for the accounting and auditing practice of KPMG Peat Marwick (the "Firm") in effect for the year ended March 31, 1993. Our review was conducted in conformity with standards for peer reviews promulgated by the peer review committee of the SEC Practice Section of the AICPA Division for CPA Firms (the "Section"). We tested compliance with the Firm's quality control policies and procedures at the Firm's Executive Office and at selected practice offices in the United States and with the membership requirements of the Section to the extent we considered appropriate. These tests included the application of the Firm's policies and procedures on selected accounting and auditing engagements. We also tested the supervision and control of portions of engagements performed outside the United States.

In performing our review, we have given consideration to the general characteristics of a system of quality control as described in quality control standards issued by the AICPA. Such a system should be appropriately comprehensive and suitably designed in relation to the firm's organizational structure, its policies, and the nature of its practice. Variance in individual performance can affect the degree of compliance with a firm's prescribed quality control policies and procedures. Therefore, adherence to all policies and procedures in every case may not be possible. As is customary in a peer review, we are issuing a letter under this date that sets forth comments relating to certain policies and procedures or compliance with them. None of these matters were considered to be of sufficient significance to affect the opinion expressed in this report.

In our opinion, the system of quality control for the accounting and auditing practice of KPMG Peat Marwick in effect for the year ended March 31, 1993, met the objectives of quality control standards established by the AICPA, and was being complied with during the year then ended to provide the Firm with reasonable assurance of conforming with professional standards. Also, in our opinion, the Firm was in conformity with the membership requirements of the Section in all material respects.

Price Waterhouse
April 19, 1995

Mr. Darrell Roberts
Des Moines Area Community College
2006 South Ankeny Blvd.
Ankeny, Iowa 50021

Dear Mr. Roberts:

This letter will confirm our understanding of the terms and objectives of our engagement, the nature and scope of the services we will provide, and the related fee arrangements for the audits of Des Moines Area Community College (the College) for the years ending June 30, 1995, 1996, and 1997.

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<tbody>
<tr>
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Very truly yours,

KPMG Peat Marwick LLP

Chuck Terlouw
Partner

CDT:lnp

Des Moines Area Community College

Accepted by: [Signature]
Date: May 8, 1995
DES MOINES AREA COMMUNITY COLLEGE
MONTHLY FINANCIAL REPORT

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2. Statement of Revenue, Expenditures & Changes in Fund Balance
3. Schedule B – Investments
4. Schedule F – Detail of Liabilities

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5. Budget Balance Report All Funds
6. Budget Status Graph – Funds 1 and 2
7. Budget Status Graph – Funds 3 through 7
8. Graph Showing Actual Revenue and Expenses Compared to Prior Year for Funds 1, 2, and 7
## BALANCE SHEET

### DES MOINES AREA COMMUNITY COLLEGE

**Balance Sheet**

**April 30, 1995**

### ASSETS

#### Current Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>Auxiliary</th>
<th>Agency</th>
<th>Scholarship</th>
<th>Loan</th>
<th>Plant</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on Hand or in Banks (Sch A)</td>
<td>281,336</td>
<td>319</td>
<td>(50)</td>
<td>2,326</td>
<td>618</td>
<td>661</td>
<td>284,549</td>
<td></td>
</tr>
<tr>
<td>Investments (Sch B)</td>
<td>5,477,495</td>
<td>20,843,999</td>
<td>(278,665)</td>
<td>814,297</td>
<td>217,083</td>
<td>124,351</td>
<td>1,728,765</td>
<td>29,027,325</td>
</tr>
<tr>
<td>Accounts Receivable (Sch C)</td>
<td>7,142,406</td>
<td>16,863,944</td>
<td>138,096</td>
<td>7,900</td>
<td></td>
<td>962,397</td>
<td>962,397</td>
<td></td>
</tr>
<tr>
<td>Student Loans (Sch E)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits &amp; Prepaid Expenses (Sch D)</td>
<td>19,820</td>
<td>82,766</td>
<td>2,760</td>
<td></td>
<td>1,206,912</td>
<td>1,312,278</td>
<td>795,318</td>
<td></td>
</tr>
<tr>
<td>Inventories (Sch D)</td>
<td>175,017</td>
<td>619,301</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due to/from Other Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total current assets</td>
<td>13,097,074</td>
<td>37,891,048</td>
<td>478,682</td>
<td>827,283</td>
<td>1,087,366</td>
<td>1,206,912</td>
<td>56,590,963</td>
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</tr>
</tbody>
</table>

#### Fixed Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land, Buildings &amp; Improvements</td>
<td>46,653,939</td>
</tr>
<tr>
<td>Equipment, Leased Prop, Books &amp; Film</td>
<td>17,401,296</td>
</tr>
<tr>
<td>Total fixed assets</td>
<td>64,055,235</td>
</tr>
</tbody>
</table>

### TOTAL ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>13,097,074</td>
</tr>
</tbody>
</table>

### LIABILITIES AND FUND BALANCES

#### Current Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>9,293,409</td>
<td>6,322</td>
</tr>
<tr>
<td>10,885,126</td>
<td>20,423,636</td>
</tr>
<tr>
<td>126,035</td>
<td>8,010,57</td>
</tr>
<tr>
<td>112,744</td>
<td>34,589,876</td>
</tr>
<tr>
<td>6,474</td>
<td>8,016,379</td>
</tr>
<tr>
<td>Total liabilities (Sch F)</td>
<td>55,902,573</td>
</tr>
</tbody>
</table>

#### Fund Balance

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>3,621,174</td>
</tr>
<tr>
<td>Restricted – spec purposes</td>
<td>3,621,174</td>
</tr>
<tr>
<td>176,017</td>
<td>62,359,280</td>
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<tr>
<td>426,101</td>
<td>62,359,280</td>
</tr>
<tr>
<td>352,647</td>
<td>62,359,280</td>
</tr>
<tr>
<td>217,083</td>
<td></td>
</tr>
<tr>
<td>Net Investment in Plant</td>
<td>62,359,280</td>
</tr>
<tr>
<td>Total fund balance (Sch G thru Sch K)</td>
<td>64,911,671</td>
</tr>
</tbody>
</table>

### TOTAL LIABILITIES & FUND BALANCE

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>13,097,074</td>
<td>120,814,244</td>
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<tr>
<td>37,891,048</td>
<td>67,047,662</td>
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<tr>
<td>478,682</td>
<td>120,814,244</td>
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<tr>
<td>995,329</td>
<td>120,814,244</td>
</tr>
<tr>
<td>1,087,366</td>
<td>120,814,244</td>
</tr>
<tr>
<td>67,047,662</td>
<td>120,814,244</td>
</tr>
<tr>
<td>120,814,244</td>
<td>120,814,244</td>
</tr>
</tbody>
</table>
## Statement of Revenue, Expenditures & Changes in Fund Balances

### April 30, 1995

<table>
<thead>
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<th>Unrestricted</th>
<th>Restricted</th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General Fund 1</td>
<td>General Fund 2</td>
<td>Fund 3</td>
<td>Fund 4</td>
<td>Fund 5</td>
<td>Fund 6</td>
<td>Fund 7</td>
<td></td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td>11,259,820</td>
<td>766,731</td>
<td>31,671</td>
<td>211,478</td>
<td></td>
<td></td>
<td></td>
<td>12,269,200</td>
</tr>
<tr>
<td>Local Support (Property Taxes)</td>
<td>3,185,663</td>
<td>681,945</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>3,867,608</td>
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<tr>
<td>State Support</td>
<td>14,356,193</td>
<td>1,431,029</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>15,787,222</td>
</tr>
<tr>
<td>Federal Support</td>
<td>607,887</td>
<td>996,854</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,604,741</td>
</tr>
<tr>
<td>Sales &amp; Services</td>
<td>114,117</td>
<td>5,302,152</td>
<td>64,773</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>64,773</td>
</tr>
<tr>
<td>Training Revenue</td>
<td>505,482</td>
<td>4,114,753</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,619,235</td>
</tr>
<tr>
<td>Other Income</td>
<td>31,671</td>
<td>61,064</td>
<td>345,724</td>
<td>75</td>
<td>4,697</td>
<td></td>
<td></td>
<td>1,072,736</td>
</tr>
<tr>
<td><strong>Total Revenue &amp; Other Additions</strong></td>
<td>30,028,962</td>
<td>8,059,809</td>
<td>5,394,887</td>
<td>713,727</td>
<td>4,081,636</td>
<td>4,697</td>
<td>2,864,086</td>
<td>51,147,804</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Restricted</th>
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<td>General Fund 2</td>
<td>Fund 3</td>
<td>Fund 4</td>
<td>Fund 5</td>
<td>Fund 6</td>
<td>Fund 7</td>
<td></td>
</tr>
<tr>
<td>Educational &amp; General</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Instruction</td>
<td>16,555,966</td>
<td>5,007,619</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>21,563,585</td>
</tr>
<tr>
<td>Academic Support</td>
<td>3,917,324</td>
<td>428,480</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,345,804</td>
</tr>
<tr>
<td>Student Services</td>
<td>2,352,584</td>
<td>1,166,805</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,519,389</td>
</tr>
<tr>
<td>Operation &amp; Maintenance of Plant</td>
<td>4,095,807</td>
<td>1,023,985</td>
<td>5,635,938</td>
<td>4,135,131</td>
<td>11,765</td>
<td></td>
<td>5,635,938</td>
<td></td>
</tr>
<tr>
<td>Auxiliary Enterprise Expenditure</td>
<td>2,514,129</td>
<td>1,023,985</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scholarship Expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,135,131</td>
</tr>
<tr>
<td>Loan Fund Expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>11,765</td>
</tr>
<tr>
<td>Plant Fund Expense</td>
<td></td>
<td></td>
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<td>5,454,140</td>
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<tr>
<td>Agency Fund Expense</td>
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<td>575,248</td>
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<tr>
<td><strong>Total Expenditures &amp; Other Deductions</strong></td>
<td>29,435,810</td>
<td>7,626,889</td>
<td>5,635,938</td>
<td>575,248</td>
<td>4,135,131</td>
<td>11,765</td>
<td>5,454,140</td>
<td>52,874,921</td>
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### Transfer Amount Funds: Additions & Deductions

<table>
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<tr>
<th></th>
<th>Mandatory</th>
<th>Non-Mandatory</th>
<th></th>
<th></th>
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<th></th>
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</thead>
<tbody>
<tr>
<td>(65,368)</td>
<td>232,621</td>
<td>(432,920)</td>
<td>(136,625)</td>
<td>11,869</td>
<td>114,369</td>
<td>9,200</td>
<td>201,486</td>
</tr>
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</table>

### Net Increase (Decrease) for the Period

|                      | 760,405 | 0 | (377,676) | 150,348 | 126,242 | 2,132 | (2,388,568) | (1,727,117) |

### Fund Balance at Beginning of Year

|                      | 3,086,786 | 426,101 | 730,323 | 732,237 | 90,841 | 1,085,234 | 61,419,851 | 67,521,373 |

### Fund Balance at End of Period

|                      | 3,797,191 | 426,101 | 352,647 | 882,585 | 217,083 | 1,087,366 | 59,031,283 | 65,794,256 |

---

2
<table>
<thead>
<tr>
<th>INSTITUTION</th>
<th>INVESTMENT TYPE</th>
<th>INTEREST RATE</th>
<th>UNRESTRICTED CURRENT FUND 1</th>
<th>RESTRICTED CURRENT FUND 2</th>
<th>AUXILIARY FUND 3</th>
<th>AGENCY FUND 4</th>
<th>SCHOLARSHIP FUND 5</th>
<th>LOAN FUND 6</th>
<th>PLANT FUND 7</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>First National Bank</td>
<td>Money Market</td>
<td>5.02%</td>
<td>974,094</td>
<td>(534,431)</td>
<td>(278,665)</td>
<td>748,297</td>
<td>217,083</td>
<td>124,351</td>
<td></td>
<td>2,479,449</td>
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<tr>
<td>First National Bank</td>
<td>No Interest Acct</td>
<td>0.00%</td>
<td>500,000</td>
<td></td>
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<td></td>
<td></td>
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<td>500,000</td>
</tr>
<tr>
<td>First National Bank</td>
<td>CD's due 5/30/95</td>
<td>6.25%</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>66,000</td>
</tr>
<tr>
<td>First National Bank</td>
<td>CD's due 4/4/96</td>
<td>6.30/5.90%</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>66,000</td>
</tr>
<tr>
<td>Total First National Bank</td>
<td></td>
<td></td>
<td>1,474,094</td>
<td>(534,431)</td>
<td>(278,665)</td>
<td>814,297</td>
<td>217,083</td>
<td>124,351</td>
<td></td>
<td>3,545,494</td>
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<tr>
<td>Firstar Bank</td>
<td>Money Market</td>
<td>VAR</td>
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<td></td>
<td></td>
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<td></td>
<td>1,314,340</td>
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<tr>
<td>Norwest Bank (ISJIT)</td>
<td>Trust Account</td>
<td>VAR</td>
<td>7,388,670</td>
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<td></td>
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<td>7,388,670</td>
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<tr>
<td>ISJIT Direct</td>
<td>Trust Account</td>
<td>VAR</td>
<td>4,775,420</td>
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<td>Community State Bk</td>
<td>Money Market</td>
<td>4.86%</td>
<td>73,386</td>
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<td></td>
<td></td>
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<td>73,386</td>
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<td>Hawkeye Bk &amp; Trust</td>
<td>Money Market</td>
<td>5.80%</td>
<td>925,603</td>
<td></td>
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<td></td>
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<td>925,603</td>
</tr>
<tr>
<td></td>
<td>CD's due 5/30/95</td>
<td>7.00%</td>
<td>3,000,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,000,000</td>
</tr>
<tr>
<td></td>
<td>CD's due 5/7/95</td>
<td>5.30%</td>
<td>1,000,000</td>
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<td>1,000,000</td>
</tr>
<tr>
<td>Total Hawkeye Bank &amp; Trust</td>
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<td></td>
<td>3,925,603</td>
<td>1,000,000</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4,925,603</td>
</tr>
<tr>
<td>State Bank &amp; Trust</td>
<td>Money Market</td>
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<td>4,412</td>
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<td></td>
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<td></td>
<td>4,412</td>
</tr>
<tr>
<td></td>
<td>CD's due 5/7/95</td>
<td>5.15%</td>
<td>2,000,000</td>
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<td></td>
<td>2,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>4,412</td>
<td>2,000,000</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2,004,412</td>
</tr>
<tr>
<td>Bankers Trust</td>
<td>CD's due 5/5/95</td>
<td>5.50%</td>
<td>3,000,000</td>
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<td></td>
<td>3,000,000</td>
</tr>
<tr>
<td>West Bank</td>
<td>CD's due 5/1/95</td>
<td>5.15%</td>
<td>2,000,000</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>2,000,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5,477,495</td>
<td>20,943,999</td>
<td>(278,665)</td>
<td>814,297</td>
<td>217,083</td>
<td>124,351</td>
<td>1,728,765</td>
<td>29,027,325</td>
</tr>
</tbody>
</table>
### Des Moines Area Community College

**Detail of Liabilities**

**April 30, 1995**

<table>
<thead>
<tr>
<th>Unrestricted Fund</th>
<th>Restricted Fund 1</th>
<th>Restricted Fund 2</th>
<th>Restricted Fund 3</th>
<th>Restricted Fund 4</th>
<th>Restricted Fund 5</th>
<th>Restricted Fund 6</th>
<th>Plant Fund 7</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>General</td>
<td>Auxiliary</td>
<td>Agency</td>
<td>Scholarship</td>
<td>Loan</td>
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<td></td>
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<td><strong>PAYABLES:</strong></td>
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<td>Trade Payables</td>
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<td>Anticipatory Warrant</td>
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<td>26,846,278</td>
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<td><strong>ACCRUED LIABILITIES:</strong></td>
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<td>Payroll</td>
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<td>32,339</td>
<td>1,359</td>
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<td>1,662</td>
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<tr>
<td>Accrued Vacation</td>
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<td>47,984</td>
<td>59,543</td>
<td>3,434</td>
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<td>UNAMORITIZED DISC ON CERTF</td>
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<td>(266,457)</td>
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<td></td>
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<td></td>
<td>(54,050)</td>
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<td>FUNDS HELD IN TRUST</td>
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<td>DEFERRED INCOME</td>
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<td>10,441,520</td>
<td>34,125</td>
<td>107,951</td>
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<td><strong>TOTAL LIABILITIES</strong></td>
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<td>37,464,947</td>
<td>128,035</td>
<td>112,744</td>
<td>0</td>
<td>0</td>
<td>8,016,379</td>
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</table>
### Budget Report

**Summary by Fund (All Funds)**

**April 30, 1995**

<table>
<thead>
<tr>
<th>Fund Name</th>
<th>Fund No.</th>
<th>Board Approved Budget</th>
<th>Working Budget</th>
<th>Amount Expended/Received</th>
<th>Amount Encumbered</th>
<th>Working Budget Balance</th>
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</thead>
<tbody>
<tr>
<td><strong>REVENUE:</strong></td>
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<tr>
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<td>$36,510,066</td>
<td>$30,396,781</td>
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<td>$2,113,285</td>
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<td>$19,596,210</td>
<td>$8,212,202</td>
<td>$11,384,008</td>
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<tr>
<td>AUXILIARY</td>
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<td>$6,702,176</td>
<td>$7,051,176</td>
<td>$5,407,841</td>
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<td>$1,643,335</td>
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<tr>
<td>AGENCY</td>
<td>4</td>
<td>$895,264</td>
<td>$845,993</td>
<td>$886,017</td>
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<td>($40,024)</td>
</tr>
<tr>
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<td>5</td>
<td>$5,418,667</td>
<td>$5,445,333</td>
<td>$4,261,373</td>
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<td>$1,183,960</td>
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<tr>
<td>LOAN</td>
<td>6</td>
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<td>$81,207</td>
<td>$13,897</td>
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<td>$67,310</td>
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<tr>
<td>PLANT (NOTE 1)</td>
<td>7</td>
<td>$3,778,627</td>
<td>$3,808,536</td>
<td>$3,065,572</td>
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<td></td>
<td></td>
<td>$70,948,388</td>
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<td>$52,243,683</td>
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<td>$21,094,838</td>
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<tr>
<td><strong>EXPENDITURES:</strong></td>
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</tr>
<tr>
<td>GEN FUND CURRENT</td>
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<td>$2,036,191</td>
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<tr>
<td>RESTRICTED CURRENT</td>
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<td>$744,146</td>
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<td>$54,686</td>
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<td>$5,398,667</td>
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<td>$1,263,536</td>
</tr>
<tr>
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<td>$37,100</td>
<td>$11,765</td>
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<td>$25,335</td>
</tr>
<tr>
<td>PLANT (NOTE 1)</td>
<td>7</td>
<td>$3,778,627</td>
<td>$7,827,039</td>
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<td>$72,986,571</td>
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<td>$16,830,251</td>
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</tbody>
</table>

**NOTE 1:** The Plant Fund is presented on a cash basis consistent with the published budget.
DMACC BUDGET STATUS
APRIL 30, 1995  FUNDS 1 & 2
DMACC BUDGET STATUS APRIL 30, 1995
FUND 3, 4, 5, 6, 7
DMACC REVENUE AND EXPENDITURES
YEAR TO DATE APRIL 30, 1995

Fund 1 Current General Fund
Fund 2 Restricted General Fund
Fund 7 Plant Fund